Axis two: licensing perimeter and thresholds

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Switzerland regulates by activity and by statute, with FINMA's token classification as the entry point. An issuer of payment tokens needs no licence unless it accepts public deposits or acts as a financial intermediary for AML purposes. An exchange or custodian is a financial intermediary under Art. 2 para. 3 of the Anti-Money Laundering Act and must affiliate with a self-regulatory organisation (SRO). Holding customer crypto assets in a way that creates a repayment obligation is deposit-taking under Art. 1 of the Banking Act. That requires a banking licence or, up to CHF 100 million of public deposits without interest or investment, the fintech licence under Art. 1b. Trading in asset tokens that are securities requires a securities-firm licence under the Financial Institutions Act, while operating a venue for them requires a DLT trading facility licence under Art. 73a ff. of the Financial Market Infrastructure Act. The four statutes carry the German abbreviations GwG, BankG, FINIG and FinfraG and are cited in this part as AMLA, BankA, FinIA and FinMIA. Managing client assets, including crypto, requires a portfolio-manager licence under Art. 17 FinIA with supervision by a supervisory organisation.[1]

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Singapore regulates through two main gateways. The Payment Services Act 2019 captures "digital payment token services": dealing, facilitating exchange, transfer, custody and brokering of DPTs, after the 2021 amendments that came into force in April 2024. The licence comes in two sizes, the standard payment institution (SPI) and the major payment institution (MPI). An SPI may handle up to S$ 3 million of monthly payment transactions for a single service and needs base capital of S$ 100,000, against S$ 250,000 for an MPI.[2] Tokens that are capital markets products fall under the Securities and Futures Act 2001 and require a capital markets services licence or a recognised market operator status. Since 30 June 2025 the Financial Services and Markets Act 2022, Part 9, requires any Singapore-based person providing digital token services to customers outside Singapore to hold a DTSP licence, closing the gap through which offshore-only operators had run from Singapore premises.[3]

The two perimeters cover the same core activities, but they differ in three respects a founder must notice. First, Switzerland's AML perimeter is wider than its prudential perimeter: a business can be a financial intermediary and need an SRO, yet need no FINMA licence. Singapore has no licence-free intermediary status, so a DPT business is either licensed, exempted or illegal. Second, Switzerland offers a deposit-taking route below banking (the fintech licence), which Singapore lacks. Third, Singapore's thresholds are numerical and public, whereas Swiss thresholds, apart from the CHF 100 million fintech ceiling and the AML exchange threshold, are embedded in definitions (public deposits, professional activity) that FINMA applies case by case.

Activity	Switzerland	Singapore
Issuing a payment token	No licence; AML if intermediary; FinSA prospectus not applicable	No licence for the issuance; dealing in it is a DPT service
Issuing a utility token	No licence if no investment purpose; FinSA if security-like	No licence unless capital markets product
Issuing an asset/ security token	FinSA prospectus or exemption; no licence for own issuance	

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Activity	Switzerland	Singapore
		SFA prospectus or exemption (s. 272A small offers, s. 272B private placement, s. 274/275 institutional/accredited)
Exchange (spot, payment tokens)	SRO affiliation; fintech or banking licence if deposits held; DLT trading facility if securities traded	PSA licence (SPI/MPI); RMO/approved exchange if securities
Custody of payment tokens	SRO; segregation under Art. 242a DEBA; banking licence if pooled and not readily attributable	PSA licence; statutory trust and segregation under PSA s. 23 and Regulations
Portfolio management in crypto	FinIA portfolio-manager licence; AO supervision	CMS licence (fund management) or exempt; LFMC/RFMC
Stablecoin issuance	Deposit business (bank or fintech licence) or collective investment; FINMA Guidance 06/2024	Single-currency stablecoin framework (MAS, August 2023), legislative implementation pending
Serving foreign customers only	Swiss licence still required if operated from Switzerland	DTSP licence under FSMA Part 9 since 30 June 2025
Entry threshold figures	CHF 100 million fintech ceiling; CHF 1,000 AML exchange threshold	S$ 3 million monthly transactions (SPI ceiling); S$ 100,000 / S$ 250,000 base capital

Notes

1. Art. 2 para. 3 AMLA (SR 955.0); Art. 1, 1a and 1b BankA (SR 952.0); Art. 17 and Art. 41 FinIA (SR 954.1); Art. 73a ff. FinMIA (SR 958.1). The cascade is explained in Part E, Chapters II, III and V. ↩
2. Payment Services Act 2019, s. 6 and First Schedule, Part 3 (digital payment token service); Payment Services Regulations 2019, reg. 15 (base capital). The thresholds are discussed in Part K, Chapters I and II. ↩

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3. Financial Services and Markets Act 2022, Part 9, ss. 136 to 138; Financial Services and Markets (Digital Token Service Providers) Regulations 2025; MAS response to feedback and clarification of 6 June 2025 stating that licences would be granted only in extremely limited circumstances. See Part K, Chapter V. ↩

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