Which licence where

Dr Alexander Ressos, TEP
Of Counsel, KGP Legal LLC
Attorney-at-Law (Switzerland and Germany), Solicitor (England & Wales and Hong Kong)

The regulatory map

The two licensing perimeters differ in shape. A group should exploit the difference by placing each activity where it is regulated proportionately. Part O, Chapter I, sets the perimeters side by side. For present purposes four observations drive the allocation.

First, Switzerland regulates custody, exchange and transfer of payment tokens primarily through the Anti-Money Laundering Act, so a Swiss broker, custodian or exchange that does not take deposits, operate a trading venue or manage collective assets needs an SRO affiliation and no FINMA licence.[1] Singapore regulates the same activities through the Payment Services Act 2019 as digital payment token services, which require a standard or major payment institution licence with base capital, audit, segregation and conduct obligations.[2] For an exchange or custodian that serves both regions, the Swiss entity is cheaper and faster to establish and the Singapore entity is the heavier commitment.

Second, Switzerland requires a licence for any portfolio management of client assets, including a crypto-only mandate, under the Financial Institutions Act.[3] Singapore requires a capital markets services licence for fund management only where the assets managed are capital markets products. Pure crypto-asset management that does not touch securities, units in collective investment schemes or derivatives has sat outside the fund-management perimeter, a position that MAS has signalled it may close.[4] A manager of crypto-only mandates for professional clients may therefore find Singapore the lighter home today and Switzerland the lighter home once the Singapore gap closes.

Third, Singapore's Financial Services and Markets Act 2022 licenses digital token service providers that are created or operate in Singapore but serve only customers abroad, which closed the model of a Singapore entity selling to the rest of Asia without a Singapore customer base.[5] Switzerland has no equivalent: a Swiss entity serving only foreign customers is a financial intermediary under the AMLA if it acts on a commercial basis from Switzerland, but it is not required to serve Swiss customers and faces no "overseas-only" regime. For a group whose Asian customers are in Hong Kong, Japan or Korea, that difference argues for licensing in the customer jurisdictions or in Switzerland, with Singapore as a management and research centre.

Fourth, stablecoin issuance is regulated in both hubs but by different instruments. In Switzerland a fiat-backed stablecoin is a deposit unless a bank guarantee covers it, and FINMA's Guidance 06/2024 sets minimum terms for that guarantee and identifies the risks it creates for the guarantor bank.[6] In Singapore a single-currency stablecoin pegged to the Singapore dollar or a G10 currency is regulated

Copyright © 2026 Dr Alexander Ressos, TEP – Of Counsel, KGP Legal LLC. SingaporeIQ is an information website and gives no legal advice. For Singapore law advice through KGP Legal LLC, please write to alexander.ressos@kgplegal.com.sg

under the framework announced in August 2023, with reserve, capital and redemption requirements. The legislative implementation was still in progress on 30 June 2026.[7] Groups that issue stablecoins have mostly chosen a single issuing jurisdiction with distribution subsidiaries elsewhere.

The allocation table

Activity	Swiss position	Singapore position	Usual allocation
Custody of payment tokens	SRO affiliation (AMLA)	MPI licence (PSA)	Switzerland first; Singapore when Asian clients require
Exchange / brokerage	SRO affiliation (AMLA); FinMIA if trading venue	SPI or MPI licence (PSA)	Switzerland first
Discretionary crypto-only management	FinIA portfolio manager licence	Outside SFA perimeter (under review)	Singapore today, with a watch on MAS
Management of a fund	FinIA manager of collective assets or de minimis	CMS licence (fund management)	Both, see Chapter VI
Token issuance (payment token)	SRO affiliation for issuer	PSA if dealing in DPT; SFA if security	Switzerland (foundation)
Security token offering	FinSA prospectus or exemption	SFA prospectus or exemption	Issuer jurisdiction; see Chapter V
Stablecoin issuance	Deposit unless bank guarantee; FINMA 06/2024	MAS 2023 framework (implementation pending)	One issuer only
Overseas-only service from the hub	No special regime	DTSP licence, rarely granted	Avoid Singapore for this model

Notes

1. Anti-Money Laundering Act of 10 October 1997 (AMLA; GwG), SR 955.0, Art. 2 para. 3 and Art. 14 (affiliation to a self-regulatory organisation); FINMA, Guidelines for enquiries regarding the regulatory framework for ICOs of 16 February 2018, section 3.4 (payment tokens and AMLA). Part F, Chapter II.
2. Payment Services Act 2019 (2020 Rev. Ed.), s. 6 and First Schedule, Part 1, para. 1(f) and Part 3 (digital payment token service, as expanded by the Payment Services (Amendment) Act 2021 in force 4 April 2024). Part K, Chapters I and II.
3. Financial Institutions Act of 15 June 2018 (FinIA; FINIG), SR 954.1, Art. 17 para. 1 (a portfolio manager is a person mandated to manage assets on a commercial basis in the name and on behalf of clients) and Art. 5 (authorisation requirement).
4. Securities and Futures Act 2001 (2020 Rev. Ed.), s. 82 and Second Schedule (fund management as a regulated activity in respect of capital markets products); MAS, response to feedback on the proposed regulatory approach for digital payment token services, and consultation on DTSP regime 2022 to 2024. Part K, Chapter V.

Copyright © 2026 Dr Alexander Ressos, TEP – Of Counsel, KGP Legal LLC. SingaporeIQ is an information website and gives no legal advice. For Singapore law advice through KGP Legal LLC, please write to alexander.ressos@kgplegal.com.sg

5. Financial Services and Markets Act 2022, Part 9 (ss. 136 to 150), commenced 30 June 2025; MAS, "Response to Feedback Received on Proposed Regulatory Approach for Digital Token Service Providers", 30 May 2025 (licences to be granted only in extremely limited circumstances). Part K, Chapter V.
6. FINMA Guidance 06/2024 of 26 July 2024, "Stablecoins: risks and challenges for issuers of stablecoins and banks providing guarantees", sections on the deposit characterisation, the default guarantee under Art. 5 para. 3 lit. f BankO and the minimum requirements for guarantees.
7. MAS, "Response to Public Consultation on Proposed Regulatory Approach for Stablecoin-Related Activities", 15 August 2023; MAS, consultation on amendments to the Payment Services Act to implement the stablecoin framework. Part K, Chapter VI.

Copyright © 2026 Dr Alexander Ressos, TEP – Of Counsel, KGP Legal LLC. SingaporeIQ is an information website and gives no legal advice. For Singapore law advice through KGP Legal LLC, please write to alexander.ressos@kgplegal.com.sg