Crypto-assets: From the Payment Services Act to Project Guardian: summary

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Singapore brought cryptocurrency dealing and exchange under licence through the Payment Services Act 2019, in force since 28 January 2020, whose first purpose was to prevent money laundering and whose licensing process proved slow and selective. The collapses of 2022, from Terra and Three Arrows Capital to FTX and the loss of Temasek's investment, led the Monetary Authority to restrict retail access and to require segregation of customer assets in trust, while the extension of the Act to custody and to the facilitation of transfers took effect in 2024 and the courts recognised crypto-assets as property in *ByBit Fintech Ltd v Ho Kai Xin* in 2023. Since 30 June 2025, Part 9 of the Financial Services and Markets Act 2022 has required a licence for Singapore firms serving only foreign customers, a licence that the authority will generally not grant, which forced part of the industry to leave. The stablecoin framework of August 2023, with its requirements on reserves, capital, redemption at par and disclosure and its protected label, is being given statutory form through amendments to the Payment Services Act put to consultation in September 2026. Project Guardian, the wholesale central bank money trials and the BLOOM initiative express the other half of a consistent policy, which welcomes distributed ledger technology in the hands of regulated institutions while discouraging speculation and regulatory arbitrage.

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