Suspicious transaction reporting

Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland and Germany),
Solicitor (England & Wales and Hong Kong)
Of Counsel, KGP Legal LLC
alexander.ressos@kgplegal.com.sg
www.ressos.com.sg

The duty under section 45

The duty to report suspicions is a general obligation of the criminal law, laid down in section 45 of the CDSA. Any person who knows or has reasonable grounds to suspect that property represents the proceeds of crime, was used in connection with crime or is intended for such use must disclose that knowledge or suspicion to a Suspicious Transaction Reporting Officer. The duty applies where the information came to the person's attention in the course of a trade, profession, business or employment, and the disclosure must be made as soon as reasonably practicable. The duty applies whether or not the transaction was completed.[1]

The scope of this obligation is wider than in many jurisdictions. It binds every person who acquires the relevant information in a professional capacity, whether or not that person is a regulated financial institution. Failure to report is an offence punishable for an individual by a fine of up to 250,000 dollars, imprisonment of up to three years, or both. A legal person faces a fine of up to 500,000 dollars. Lawyers are exempt for information subject to legal privilege, as are legal counsel for their employers and arbitrators for information received in arbitral proceedings.[2]

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The Act protects those who report in good faith. A disclosure is not treated as a breach of any restriction imposed by law, contract or professional rules, and the reporter is not liable for any loss arising from it. An employee who reports to the appropriate person within the employer's internal procedure has a defence. The identity of the informer is protected in court, where the information disclosed may be admitted in evidence only in narrow cases. These provisions reconcile the reporting duty with the statutory banking secrecy that Singapore still maintains in its relations with private parties.[3]

MAS Notice 626 translates the statutory duty into organisational requirements. Each bank must designate a single reference point to which all staff refer suspicious transactions. It must keep records of all reports and of its internal analysis, and it must report promptly regardless of the amount, including attempted transactions. The bank must also consider filing a report when it cannot complete due diligence or when a customer is unwilling to provide information, withdraws an application or terminates the relationship. A bank that fears that further due diligence would tip off the customer may stop it, provided that it files a report and documents its reasoning.[4]

The Suspicious Transaction Reporting Office

The reports go to the Suspicious Transaction Reporting Office, known as STRO, which is Singapore's financial intelligence unit. It is part of the Commercial Affairs Department of the Singapore Police Force. STRO receives, analyses and disseminates suspicious transaction reports, cash transaction reports filed by casinos and dealers in precious stones and metals, and cross-border cash movement reports. Singapore has been a member of the Egmont Group of financial intelligence units since 2000. Its ability to exchange financial intelligence with foreign counterparts was broadened by amendments in force since 1 April 2019. According to the government, STRO can now exchange information with more than 170 foreign units.[5]

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Reports are filed electronically through the STRO Online Notices and Reporting Platform, SONAR. The platform validates entries and lets filers track how their reports are used. The FATF evaluators credited this system with the generally good quality of reports. At the time of the evaluation STRO had a staff of 50, ten per cent more than in 2016, of whom 23 worked on analysis. By the standards of a financial centre of Singapore's size this is a lean unit. Its productivity depends heavily on automation and on direct access to government databases.[6]

The numbers

The volume of reports has risen steeply. STRO received 33,882 reports in 2020, 45,897 in 2021, 49,846 in 2022, 66,741 in 2023 and 85,988 in 2024. Over the five years, the total of 282,354 reports represented an increase of 154 per cent. Financial institutions filed 82 per cent of them, banks alone 176,794. Designated non-financial businesses and professions filed 15 per cent, most of them from casinos. The numbers from other gatekeepers remain low. Corporate service providers filed 2,052 reports over five years, licensed trust companies 534 and external asset managers 169.[7]

The reports tagged with an offence show the threats as seen by the reporting institutions. Fraud accounted for 45 per cent of tagged reports between 2020 and 2024 and organised crime for 20 per cent. Tax crimes made up 7 per cent, while corruption and trade-based money laundering accounted for 3 and 1 per cent respectively. Reports linked to organised crime rose from 2,297 in 2020 to 14,434 in 2024, a jump that reflects the illegal online gambling networks behind the case of 2023. The evaluators observed that 94 per cent of corruption-related reports in 2021 and 2022 had been triggered by adverse news or meetings of the public-private partnership. Institutions were thus reporting what the press had already published. For a centre in which corruption abroad is a key threat, that is a weakness.[8]

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What happens to a report

A report is useful only if someone acts on it. Between 2020 and 2024 STRO disseminated 30,918 reports, eleven per cent of those received, as financial intelligence reports. In 2023 and 2024 it added 469 more elaborate intelligence packages. Seventeen per cent of the reports and 26 per cent of the packages led to the opening of an investigation.[9] An earlier figure points in the same direction. In January 2023 the Minister for Home Affairs told Parliament that about 20 per cent of reports disseminated between 2019 and 2021 had led to or supported investigations.[10]

Low ratios of this kind are common to all reporting systems. Many reports feed databases that investigators consult later. In the case of 2023, the evaluators noted, Singapore used financial intelligence to detect, investigate and prosecute a complex scheme. Still, the ratios raise the question that every reporting system faces: whether institutions report to inform the authorities or to protect themselves. Since 2024 STRO has been able to pass reports to the supervisors of the reporting sectors, such as the Council for Estate Agencies and the Accounting and Corporate Regulatory Authority. The supervisor can then judge the content of its firms' reports as well as their number.[11]

Gatekeepers outside the financial sector

The reporting duty extends to lawyers, accountants, estate agents and corporate service providers, against whom it has been enforced. The national risk assessment of 2024 records that proceeds of the Ezubao Ponzi scheme in China, which had 1.15 million victims, were routed to Singapore to buy private real estate. The lawyer and the estate agent who handled the purchase were convicted in 2018 of failing to report and fined 10,000 dollars each.[12] The fines were small, but the case shows that the professional who conveys a property bought with foreign money stands in the same position as the bank that receives it.

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Notes

1. CDSA, s 45(1) (LawPlayer SG reproduction, accessed November 2026); CDSA, s 45(2) (LawPlayer SG reproduction, accessed November 2026). ↩
2. CDSA, s 45(3) (LawPlayer SG reproduction, accessed November 2026); CDSA, s 45(5) (LawPlayer SG reproduction, accessed November 2026). ↩
3. CDSA, s 45(7) (LawPlayer SG reproduction, accessed November 2026); CDSA, s 45(8) (LawPlayer SG reproduction, accessed November 2026); CDSA, s 47(1)–(4) (LawPlayer SG reproduction, accessed November 2026). ↩
4. MAS Notice 626, paras 14.1–14.2; MAS Notice 626, para. 14.3; MAS Notice 626, para. 14.4. ↩
5. Ministry of Home Affairs and others, *Money Laundering National Risk Assessment Singapore 2024*, Table of Acronyms: "Singapore's Financial Intelligence Unit, the Suspicious Transaction Reporting Office, is part of CAD."; FATF and APG, *Mutual Evaluation Report of Singapore*, May 2026, para. 403; *Money Laundering National Risk Assessment Singapore 2024*, para. 4.5.8: "Singapore has been an Egmont member since 2000. Since 1 April 2019, legislative amendments were introduced to the CDSA to allow STRO to exchange information with members of the Egmont Group"; Monetary Authority of Singapore, *National Anti-Money Laundering Strategy*, 30 October 2024, Table 1 and footnote 10: the 2018 amendments empowered STRO to exchange information under an international arrangement, which "has allowed STRO to exchange financial intelligence with more than 170 overseas counterpart financial intelligence units which are members of the Egmont". ↩
6. FATF and APG, *Mutual Evaluation Report of Singapore*, May 2026, paras 403 and 405; FATF and APG, *Mutual Evaluation Report of Singapore*, May 2026, para. 419. ↩
7. FATF and APG, *Mutual Evaluation Report of Singapore*, May 2026, Table 6.1 (STR submission by reporting entity, 2020–2024); for 2021 and 2022 also Singapore Police Force, *Statistics on Financial Intelligence*, last updated 18 December 2023; FATF and APG, *Mutual Evaluation Report of Singapore*, May

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2026, para. 404 and Table 6.1: banks 19,651 (2020), 27,584 (2021), 28,799 (2022), 40,815 (2023), 59,945 (2024); casinos 36,158 over five years; FATF and APG, *Mutual Evaluation Report of Singapore*, May 2026, Table 6.1. ↩

8. FATF and APG, *Mutual Evaluation Report of Singapore*, May 2026, Table 6.2 (STR submission by crime type): fraud 63,822 (45%), organised crime and racketeering 28,974 (20%), tax crimes 9,273 (7%), corruption 3,734 (3%), TBML 871 (1%); FATF and APG, *Mutual Evaluation Report of Singapore*, May 2026, Table 6.2; FATF and APG, *Mutual Evaluation Report of Singapore*, May 2026, para. 407. ↩
9. FATF and APG, *Mutual Evaluation Report of Singapore*, May 2026, Executive Summary, para. 28, and para. 429 and Table 6.4 (Fin-IRs 9,428 in 2020 to 7,136 in 2024, total 30,918; packages 236 in 2023 and 233 in 2024). ↩
10. Ministry of Home Affairs, written reply by Mr K Shanmugam to a parliamentary question by Ms Sylvia Lim on the average number of suspicious transaction reports, 10 January 2023 (mha.gov.sg). ↩
11. FATF and APG, *Mutual Evaluation Report of Singapore*, May 2026, Executive Summary, Key Findings (b): "Singapore used financial intelligence to detect, investigate and prosecute a complex case"; CDSA, s 45(10)–(11), inserted by Act 24 of 2024 with effect from 14 November 2024 (LawPlayer SG reproduction, accessed November 2026); Monetary Authority of Singapore, *National Anti-Money Laundering Strategy*, 30 October 2024, para. 6.4. ↩
12. *Money Laundering National Risk Assessment Singapore 2024*, para. 6.2.8. ↩

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