

MEMO# 31849

July 11, 2019

Monetary Authority of Singapore (MAS) Issues Second Consultation Paper on the Guidelines on Individual Accountability and Conduct - Proposed Scope of Application

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July 11, 2019 TO: ICI Global Members

ICI Global Pacific Chapter

ICI Global Regulated Funds Committee SUBJECTS: International/Global RE: Monetary Authority of Singapore (MAS) Issues Second Consultation Paper on the Guidelines on Individual Accountability and Conduct - Proposed Scope of Application

On 6 June 2019, the Monetary Authority of Singapore (MAS) issued a second consultation paper (CP2) on the Guidelines on Individual Accountability and Conduct - Proposed Scope of Application.^[1] This consultation is an extension of the first consultation paper (CP1), Proposed Guidelines on Individual Accountability and Conduct (IAC Guidelines), released by the MAS on 26 April 2018^[2] and the Response to Feedback Received (Response Paper) from CP1 on 6 June 2019^[3]. In the Response Paper, the MAS makes clear that Financial Institutions (FIs) need to take steps to consider and determine who are the relevant persons responsible for their operations in Singapore. The purpose is to impose senior managers' accountability in FIs, such as banks, finance companies, local and foreign insurers, approved exchanges and clearing houses, approved holding companies, financial advisers, and trust companies. CP2 expands the scope of application of the IAC Guidelines to cover a wider group of FIs that are regulated by the MAS (which will include Singapore fund management companies), except for certain key exempted FIs.

The proposed regime crafted under the IAC guidelines broadly follows the senior management accountability regimes that have been adopted in other jurisdictions, such as the United Kingdom^[4], Hong Kong, and Australia.

The MAS will accept written comments to CP2 until 22 July 2019. ICI Global is not inclined to comment on CP2. If you have particular concerns, please contact Jennifer Choi, ICI Global Chief Counsel, at jennifer.choi@ici.org or Alexa Lam, ICI Global CEO Asia-Pacific, at alexa.lam@ici.org

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endnotes

[1] The consultation paper on the *Guidelines on Individual Accountability and Conduct – Proposed Scope of Application*, released on 6 June 2019, is available at https://www.mas.gov.sg/-/media/Guidelines-on-Individual-Accountability-and-Conduct_Proposed-Scope-of-Application.pdf.

[2] The consultation paper on the *Proposed Guidelines on Individual Accountability and Conduct*, dated 26 April 2018, is available at <https://www.mas.gov.sg/~media/MAS/News%20and%20Publications/Consultation%20Papers/2018%20Apr%2026%20Consultation%20on%20Guidelines%20for%20Individual%20Accountability/Consultation%20Paper%20on%20Proposed%20Guidelines%20on%20Individual%20Accountability%20and%20Conduct.pdf>.

[3] The *Response to Feedback Received on the Proposed Guidelines on Individual Accountability and Conduct*, released on 6 June 2019, is available at https://www.mas.gov.sg/-/media/Response-to-Feedback-Received_Proposed-Guidelines-on-Individual-Accountability-and-Conduct.pdf.

[4] See Statement released by the UK's Financial Conduct Authority (FCA) on 9 July 2019, available at <https://www.fca.org.uk/news/statements/senior-managers-and-certification-regime-finalising-fca-rules> and ICI Global memorandum, *FCA Publishes Finalized Guidance Relating to Senior Managers and Certification Regime Statements of Responsibility*, dated 14 March 2019, available at <https://www.iciglobal.org/iciglobal/pubs/memos/memo31653>.