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FOR IMMEDIATE RELEASE

MAS Clarifies Regulatory Regime for Digital Token Service Providers

Singapore, 6 June 2025… The Monetary Authority of Singapore (MAS) today clarified the applicable scope for its Digital Token Service Providers (DTSPs) regime. MAS issued on 30 May 2025 its response to feedback received on the Consultation Paper on Proposed Regulatory Approach, Regulations, Notices and Guidelines for DTSPs under the Financial Services and Markets Act 2022. We would like to provide clarification on two issues.

Scope of New Regulation

2 From 30 June 2025, DTSPs providing services solely to customers outside of Singapore relating to digital payment tokens and tokens of capital market products will need to be licensed. MAS has set the bar high for licensing and will generally not issue a licence. The money laundering risks are higher in such business models and if their substantive regulated activity is outside of Singapore, MAS is unable to effectively supervise such persons. Without a licence, such DTSPs will have to cease their regulated activities.

3 Providers of services for digital payment tokens or tokens of capital market products that serve customers in Singapore are already subject to regulation[1] and there is no change to what the licensed providers can do. Such providers which serve customers in Singapore may also provide services to customers outside of Singapore.

4 Providers of services in relation to other tokens, such as those only used as utility and governance tokens, are not subject to licensing or regulation under the new regime, and hence are not impacted.

Please refer to the Annex for the relevant legislative provisions and definitions.

Transition period

5 Due to the higher risks presented by the specific circumstances set out above, existing DTSPs serving only customers outside of Singapore will be required to cease this activity when the regime comes into effect on 30 June 2025. MAS' position on this has

[1] As digital tokens comprise digital payment tokens and digital representation of capital markets products, the provision of digital token services in Singapore would be regulated under the Payment Services Act 2019, Securities and Futures Act 2001 or Financial Advisers Act 2001.

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been consistently communicated for a few years since the first response to public consultation issued on 14 February 2022 and in subsequent publications on 4 October 2024 and 30 May 2025. MAS had reached out to persons who, based on information available to us, may be affected by the DTSP regime to clarify this policy position and to discuss their plans for an orderly wind-down of the activity. Based on available information, we are aware of a very small number of such providers. Parties who may be affected by the DTSP regime can reach out to MAS by sending an email to this mailbox AMLCFT@mas.gov.sg.

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ANNEX

Definitions of "digital token", "digital token service", "digital token service provider"	Section 136 (1) Financial Services and Markets Act 2022
Licensing of digital token service providers	Section 137 Financial Services and Markets Act 2022