

## Singapore strengthens corporate service provider regulations

Insights - 10/07/2024

In a significant move by the Ministry of Finance (MOF) and the Accounting and Corporate Regulatory Authority (ACRA) in Singapore, the landscape for Corporate Service Providers (CSPs) has seen a pivotal shift.

The passing of the CSP Bill and the Companies and Limited Liability Partnerships (Miscellaneous Amendments) (CLLPMA) Bill by Parliament on 2 July 2024, marks a new chapter aimed at enhancing the regulatory framework governing CSPs in Singapore. Here's what you need to know about the updated guidelines:

### Key legislative amendments

The updates introduced by ACRA are comprehensive and designed to strengthen the integrity and accountability of CSPs operating in Singapore. The amendments include:

#### Mandatory registration for CSPs

All entities providing corporate services within and from Singapore are now required to register with ACRA as registered CSPs.

#### Obligations for registered CSPs

Compliance with stringent obligations concerning anti-money laundering (AML), countering the financing of terrorism (CFT), and preventing the proliferation of weapons of mass destruction (PF) is mandatory for all registered CSPs.

#### Introduction of fines

Breaches of AML, CFT, and PF obligations by registered CSPs and their senior management are subject to fines, underscoring the seriousness of these responsibilities.

## Nominee directorship regulations

A ban on individuals acting as nominee directors for business purposes, unless such appointments are managed by registered CSPs who have deemed them fit and proper.

## Disclosure requirements

A requirement for the disclosure of nominee directors' and shareholders' status and the identities of their nominators to ACRA.

## Increased fines

Enhanced penalties for non-compliance with the register of registrable controllers, register of nominee directors, and register of nominee shareholders.

## Implications for CSPs

These legislative updates signify ACRA's commitment to upholding the highest standards of corporate governance and compliance within the corporate services sector. For CSPs, this means adapting to a more rigorous regulatory environment, with a focus on transparency, accountability, and enhanced due diligence procedures.

The updates to the guidelines for CSPs by ACRA reflect Singapore's ongoing efforts to combat financial crimes and maintain its status as a trusted global business hub. For CSPs, staying informed and compliant with these new regulations is not just about adhering to legal requirements — it's about contributing to the integrity and reliability of Singapore's corporate ecosystem. Ogier Global is committed to navigating these changes alongside our clients, ensuring seamless compliance and continued excellence in corporate services.

For more information on the key legislative changes and the implementation timeline, visit [ACRA's CSPs amendments bill](#).

## About Ogier

Ogier is a professional services firm with the knowledge and expertise to handle the most demanding and complex transactions and provide expert, efficient and cost-effective services to all our clients. We regularly win awards for the quality of our client service, our work and our people.

## Disclaimer

This client briefing has been prepared for clients and professional associates of Ogier. The information and expressions of opinion which it contains are not intended to be a comprehensive study or to provide legal advice and should not be treated as a substitute for

specific advice concerning individual situations.

Regulatory information can be found under [Legal Notice](#)

## Meet the Author



[Tervinder Chal](#)

Managing Director

[Singapore](#)

E: [tervinder.chal@ogier.com](mailto:tervinder.chal@ogier.com)

T: [+ 65 6995 2200](tel:+6569952200)

## Related Services

[Corporate and Fiduciary](#)

[Corporate Services - Ogier Global](#)

[Ogier Global](#)