

NOTICE PAPER 132 OF 2013

FOR THE SITTING ON OR AFTER 8 APRIL 2013

QUESTION NO 1109 FOR WRITTEN ANSWER

Q 1109. Mr Png Eng Huat, MP for Hougang SMC: To ask the Prime Minister (a) in the past 10 years, how many times have Malaysia and Indonesia approached Singapore to provide information on their citizens who operate bank accounts out of Singapore, for tax or investigation purposes; and (b) whether there are any suspicious and irregular bank accounts detected in the process.

Answer by Mr Tharman Shanmugaratnam, Deputy Prime Minister and Minister in charge of MAS:

1 Singapore cooperates readily with foreign jurisdictions to fight financial crime. The channels of cooperation for tax and investigation purposes include Mutual Legal Assistance under the Mutual Assistance in Criminal Matters Act and Exchange of Information provided for under our bilateral tax agreements.

2 Our cooperation under each channel is guided by international standards and norms. Furthermore, under our anti-money laundering regime, financial institutions in Singapore are required to be vigilant against suspected illicit monies. They have to know their customers, and to report any suspicious transactions in customers' accounts.

3 Under the Mutual Assistance in Criminal Matters Act, Singapore stands ready to assist foreign authorities investigating possible criminal activity,

including the exchange of bank account information. We can provide mutual legal assistance for investigations into money laundering as well as a wide range of serious crimes – including corruption, bribery and fraud. This is in line with the recommendations of the Financial Action Task Force (FATF) and the United Nations Convention Against Corruption. Through our bilateral tax agreements, we also exchange information actively with Malaysia and Indonesia for tax investigations.

4 It is generally not the international practice among authorities to reveal the number of legal assistance and information requests from specific countries. However I can assure Members that we have helped fully on all requests from Malaysia and Indonesia in accordance with our current tax agreements. This includes information on details of transactions and companies.

5 We have also offered to Malaysia and Indonesia to update our tax agreements with the internationally agreed Standard for exchange of information for tax purposes. The Standard provides for the exchange of bank information. Once our tax agreements with Malaysia and Indonesia are updated with the Standard, just as for our tax agreements with other countries, we can build further on our good working relations with Malaysia and Indonesia and enhance tax cooperation further.