

TERRORISM FINANCING NATIONAL RISK ASSESSMENT 2024

Key Terrorism Financing (TF) Threats

- Terrorist groups e.g., ISIS, Al-Qaeda, Jemaah Islamiyah, and potential spillovers from Middle East conflicts
- Radicalised individuals

TF Vulnerabilities and Risks

Singapore is an international financial, business, and transport hub in a region with active terrorist groups. Below are the key TF risk areas which could be exploited by terrorism financiers to raise, move, and use funds



Money Remittances

High (maintained from 2020)

- **Key Exposure:** Cases reported locally and internationally
- **Key Vulnerabilities:**
 - Frequent transactions between Singapore and high TF risk jurisdictions
 - Transaction method for foreign online fundraising
 - Uneven TF detection capabilities across sector

Mitigating Measures

- Strong supervision, proactive detection, and investigation
- Continued industry engagements
- Upstream prevention methods



Banks

Medium High

(maintained from 2020)

- **Key Exposure:** No local cases since 2020 but cases reported internationally
- **Key Vulnerabilities:**
 - Challenge in detecting TF in small value transactions
 - Cross-border fast payment systems reduce barriers for TF abuse

Mitigating Measures

- Generally well-developed Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) measures
- Continued industry engagements



Digital Payment Token Service Providers

Medium High

(revised from Medium Low in 2020)

- **Key Exposure:** No local cases to date but increased risk due to growing digital economy
- **Key Vulnerabilities:**
 - Anonymous, rapid, and cross-border nature of transfers
 - Uneven TF detection capabilities both locally and internationally

Mitigating Measures

- Legislative controls under Payment Services Act
- Risk-based supervision and guidance



Non-Profit Organisations (NPOs)

Medium Low

(maintained from 2020)

- **Key Exposure:** No local cases to date; reported international and regional cases
- **Key Vulnerabilities:**
 - Uneven TF risk awareness across sector
 - Lean and transient workforce affects sustainability of CFT efforts

Mitigating Measures

- Legislative controls under Charities Act
- Terrorist Financing Risk Mitigation Toolkit for Charities



Cross Border Cash Movement

Medium Low

(maintained from 2020)

- **Key Exposure:** No local cases to date; no known T/TF smuggling routes pass through Singapore
- **Key Vulnerabilities:**
 - TF amounts typically lower than reporting threshold of S\$20,000

Mitigating Measures

- Strengthened detection capabilities
- Stricter cash reporting and declaration regime



Precious Stones and Precious Metal Dealers

Medium Low (maintained from 2020)

- **Key Exposure:** No local cases to date
- **Key Vulnerabilities:**
 - Difficulty in tracing specific items
 - Varied TF risk awareness and AML/CFT controls across sector

Mitigating Measures

- Legislative controls under Precious Stones and Precious Metals Act
- Strong sector supervision



Read more at
go.gov.sg/mhatfnra2024

