

**WELCOME ADDRESS BY MR ONG KHIAW HONG,  
CHIEF EXECUTIVE, ACCOUNTING AND CORPORATE  
REGULATORY AUTHORITY ON 25 FEBRUARY 2022, 9.35AM AT  
THE VIRTUAL ANNUAL ACRA-CSIS-ISCA CORPORATE SERVICE  
PROVIDERS OUTREACH 2022**

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Mr Nathaniel C V, Chairman, Chartered Secretaries Institute of Singapore (CSIS)

Ms Fann Kor, Chief Executive Officer, Institute of Singapore Chartered Accountants (ISCA)

Distinguished guests

Ladies and gentlemen

I am happy to welcome you to the 4<sup>th</sup> annual outreach for Corporate Service Providers (CSPs) jointly organised by ACRA, CSIS and ISCA.

2 This year's theme, "Co-creating a Trusted and Vibrant Environment for Business Growth" is very apt as we chart our new way forward for a post-pandemic future. Our key priorities are to strengthen our digital capabilities, seize new opportunities to innovate, and sharpen our competitive edge, so that the international business community continues to see Singapore as the best place for business. All of us here, the regulator, professional bodies and the business services sector, play an important role and must continue to work together to cement Singapore's reputation as a trusted international financial and business hub.

## **Partnering Our Stakeholders**

3 This morning, I would like to highlight the three areas that ACRA will be working on, to co-create a trusted and vibrant business environment with professional bodies and stakeholders like you.

### ***Policy Review***

4 We actively engage our stakeholders like you - through dialogues, focus groups and public consultations - to address issues and concerns facing the business community and the audit profession. At the onset of COVID-19 in early 2020 for example, we responded swiftly by rolling out measures to support businesses and the accountancy profession. After seeking your views, we granted companies extension of time for holding Annual General Meetings and filing Annual Returns as temporary measures. More recently in November 2021, we held focus group discussions with CSIS and ISCA to seek feedback on our proposed legislative changes. And in December, we launched a public consultation for feedback on proposed amendments relating to data, digitalisation and corporate transparency to foster a trusted and vibrant business environment in Singapore. We thank you for your feedback.

5 You will see more regular reviews of policies and rules for specific legislation, instead of the once-every-few-years broad-based reviews that cover many parts of the legislation in the past. In doing so, ACRA can be more responsive to changing operating environment to better support business needs and innovations. Please continue to give us your feedback on areas that may impede enterprise, and share with us your perspectives on industry trends and developments and their implications.

## ***Voluntary Compliance***

6 The second area is on corporate compliance and transparency. They are critical building blocks towards fostering a vibrant and trusted business environment in Singapore. As intermediaries, CSPs play an important role in facilitating the setting up of businesses, and as gatekeepers in preventing the misuse of corporate entities for illicit purposes. The recent Corporate Registers (Miscellaneous Amendments) Act - passed in Parliament in January this year that introduced new requirements to enhance the transparency of beneficial ownership and the control of companies in Singapore - underscores the need for CSPs to build resilience against money laundering, terrorism financing and other illicit activities.

7 I believe the only sustainable way for us to achieve high compliance is where all parties work together to get it right the first time. At our end, we will continue to make it simple for our stakeholders to understand and comply with their statutory obligations. We do this so that you have more time to focus on providing other value-added services such as adopting digital solutions for your business operations. My colleagues will highlight some of the initiatives to ease the compliance burden later this morning.

8 According to our analyses, generally, companies that engaged CSPs have better compliance record. 75 per cent of them filed their annual returns on time – though we should expect a much higher percentage or even 100 per cent of the annual returns to be filed on time from this group of companies that engaged CSPs. On the other hand, only

45 per cent of companies that did not engage CSPs filed their annual returns on time.

9 As of early this year, about 77 per cent of companies have also filed their RORC, Register of Registrable Controllers. Most of these companies engaged CSPs. These examples show most of you understand your role and want to comply with the laws; you know your role in helping to build resilience against money laundering, terrorism financing and other illicit activities, and safe-guarding Singapore against new and emerging risks.

10 However, there is a small number of CSPs who choose to not comply, or even defraud the system. You would have read the news about some registered qualified individuals being hauled up to court and having their licence cancelled. We will step up surveillance by deploying data-driven risk-profiling. Our enforcement approach will also pivot to take proactive and targeted action against the minority who continue to neglect their regulatory obligations or who seek to harm the business ecosystem. For those who breach our requirements, we will not hesitate to suspend or cancel their registration as filing agents or qualified individuals. For those who flout the law, we may also prosecute them in court. We will continue to work with other law enforcement agencies to take swift and effective enforcement action.

### ***Customer Service***

11 The third area that I want to cover is customer service. We will be building a new business registry and regulatory system to meet the future needs of ACRA and the business community. The improvements will include changes to the filing process for a better filing experience and

improved accuracy; going 100% digital in our letters to you; and assisted guidance to help businesses start up fast and start up right. By adopting a customer-centric approach, our officers will be better able to anticipate and meet customer needs.

12 My colleagues have been reaching out to some of you to help us improve customer experience. We will continue this active engagement of involving you in the process of developing and designing the new system, similar to our ongoing consultations on legislation and policy. We have set up the ACRA Public User Community which comprises various stakeholder groups including CSPs. Through the community, we have recently engaged company directors when revamping our online how-to guides. We have also invited a small group of business owners to join a pilot run early this year to renew their business registration using our new digital assistant, Ask Ada, via the chat interface. This way of co-creating our services with stakeholders and key users will be our new way of working going forward. Do join us as we expand this user community to help us serve you better.

### **Making Progress Together**

13 Let me conclude by thanking CSIS, ISCA and CSPs for your partnership and support over the years. We look forward to more engagements with all of you through dialogues, focus groups, public consultations and outreach events to gather timely feedback and suggestions. We also welcome our industry partners and stakeholders to work with us to co-create new and innovative solutions to enhance our business environment.

14 I wish you all a fruitful session this morning. Thank you.