

## NMP & SICCI Chairman, Mr Neil Parekh's Parliament Speech at the Second Reading of the Financial Institutions (Miscellaneous Amendments) Bill

**Embargoed till delivery – please check against delivery.**

Dear media editors,

Attached is the speech by Mr Neil Parekh, Nominated Member of Parliament & Chairman, Singapore Indian Chamber of Commerce and Industry(SICCI), at the second reading of the Financial Institutions (Miscellaneous Amendments) Bill.

For media queries please contact:

Mr Ramesh – Mobile (9385 4297) or email: [ramesh@sicci.com](mailto:ramesh@sicci.com)

Mr Shaun – Mobile (9383 3900) or email: [shaun@sicci.com](mailto:shaun@sicci.com)

**-Begins-**

Mr. Speaker Sir,

Thank you for allowing me this opportunity to speak on this Bill.

I would like to declare my interest as a board director of Elevandi, established by the MAS to advance Fintech in the global digital economy as well as organize the annual Singapore Fintech Festival.

I would also like to declare my interest as a member of the Strategic Advisory Council of the Singapore FinTech Association.

The Financial Institutions (Miscellaneous Amendments) Bill aims to amend various acts to enhance MAS's investigative powers, regulate additional business activities, clarify MAS's authority to reprimand formerly regulated persons for past misconduct and improve the governance and control of financial institutions.

For businesses, especially SMEs in the financial sector, the bill introduces stricter licensing and compliance requirements, which, while increasing administrative work, enhances trust within the business community. Also, the move towards digitization and electronic service adoption can reduce paperwork and make compliance processes more efficient. This will encourage businesses to uphold the highest standards of compliance, enhancing our reputation for integrity and reliability in the market.

However, this bill will introduce several challenges that businesses may face.

One key challenge is the increased compliance costs due to stricter licensing and regulatory requirements, which could strain the financial and operational resources of small and medium-sized enterprises (SMEs). Additionally, the enhanced investigative powers granted to regulatory authorities may lead to a more rigorous scrutiny of business practices, requiring companies to invest more in compliance and risk management systems.

The shift towards digitization, while beneficial in the long run, may pose short-term challenges for businesses lacking the infrastructure or expertise to adapt quickly.

Lastly, the broader regulatory scope of these amendments means that more businesses, including those involved in emerging financial products and services, will come under regulatory oversight, necessitating adjustments to their business models to ensure compliance.

Sir, may I now take this opportunity to seek clarifications from MOS on three issues:

1. What would be the guidelines for the MAS to manage regulated institutions in the development of unregulated financial products?
2. Could the MOS please outline - how they plan to support SMEs in understanding and complying with new regulations, including potential briefings, training, and financial assistance, while fostering confidence in the regulatory landscape?
3. Also, given the unique challenges posed by cloud services, may I clarify how MAS intends to handle investigations involving digital data stored in cloud environments, including the practicality of seizing physical evidence and ensuring the security and confidentiality of unrelated data?

Given the financial sector is one of the pillars of our economy, this stronger regulatory oversight is paramount as the governance of financial institutions becomes increasingly important. In my view, these legislative amendments reflect MAS's recognition of the rapid evolution within the fintech sector and the need for a more comprehensive regulatory framework.

These amendments will allow MAS to further develop a secure and vibrant ecosystem for fintech innovation while ensuring the new regulatory measures are proportionate to the risks posed.

Mr. Speaker Sir, despite the short-term pain there will be long term gain for our financial system. This bill will enhance Singapore's stature as a well-regulated, leading global financial hub. Notwithstanding my clarifications, I support this Bill.

Thank you.

-Ends-

**Embargoed till delivery – please check against delivery.**

## **About Singapore Indian Chamber of Commerce and Industry**

Established in 1924, the Singapore Indian Chamber of Commerce and Industry (SICCI) is the premier business association for Indian businesses in Singapore. With over 1000 members from all walks of trade and industry, SICCI serves as

a connector, enabler, and advocator, helping companies grow both locally and internationally.

We offer our members an array of business support services, including trade matching, business advisory, networking sessions, seminars, and training, and also serve as a champion of members' interests. Our aim is to function as a gateway of opportunities for Indian business in Singapore, helping both home-grown and international companies realise their full potential.

SICCI strives to provide its members with insight, connections and support services that will give their companies a competitive edge in the global market.

For more information, please visit: [www.sicci.com](http://www.sicci.com).

## **About Mr Neil Parekh**

Neil is a Partner at Tikehau Capital. Prior to his current role Neil was CEO, Asia for National Australia Bank. In July 2023, Neil was selected as a Nominated Member of Parliament in Singapore.

Besides having deep knowledge of traditional players in asset and wealth management, banking, insurance and non-bank finance companies, Mr. Parekh takes an active interest in Fintech and currently serves as a director of Elevandi (established by the MAS).

Neil contributes his time as a member of the Governing Council of the Singapore Business Federation and the Singapore Institute of Directors as well as serving on the advisory committee for James Cook University, Singapore. Earlier this year, he was recognized and admitted as a Fellow of the Australian Institute of Company Directors (AICD). He also serves as a member of the Investment Committee for SINDA and SNM.

A Singapore Citizen, Neil holds a Bachelor's degree in Accounting, a Master's degree in Finance, an MBA in International Business.

