Monetary Authority of Singapore (MAS)
10 Shenton Way
MAS Building
Singapore 079117

2 August 2023

Consultation Paper on Proposed Measures on Market Integrity in Digital Payment Token Services: P008 – July 2023

Dear Sir/Madam,

Binance understands the responsibility we, and every other major platform, have in collaborating with policymakers and regulators to contribute to the development of a regulatory framework with consumer protection and market integrity at its heart.

We hope you find our response to the consultation helpful. We are keen to continue the discussion on this important issue, and look forward to discussing our response in further detail.

Thank you for taking the time to engage with us.

Yours faithfully,

Binance.
Responses as submitted via on-line link:

Question 1. MAS seeks comments on the general requirements for DPTSPs set out in paragraph 3.4 and for DPT Platform Operators set out in paragraph 3.5.


In MAS’ July 2023 ‘Consultation Paper on Proposed Measures on Market Integrity in Digital Payment Token Services’ MAS proposed regulatory measures for DPTSPs to address market integrity risks and prohibitions against unfair trading practices, in line with global developments such as those IOSCO is progressing as per its Crypto-Asset Roadmap for 2022-2023.

We believe it is helpful to refer MAS to Binance’s detailed submission to IOSCO which addresses questions raised in this consultation relating to market operator resilience here: [https://www.binance.com/en/legal/home](https://www.binance.com/en/legal/home)

Specifically, questions 3, 4 and 5 address IOSCO’s Recommendation 3 – (Disclosure of Role, Capacity and Trading conflicts), questions 6, 7, 8 address Recommendation 4 (‘Client Order Handling’) and Recommendation 5 – (Market Operation Requirements), and questions 11 and 12 address Recommendation 8 – (Fraud and Market Abuse) and Recommendation 9 (Market Surveillance) and Recommendation 10 (Management of Material Non-Public Information).

It is important to note that the inherent characteristics of crypto and digital asset markets, and the underlying technology used, may require a different approach to regulation compared to traditional financial entities. For example, in some scenarios, e.g. clearing and settlement and options and futures, regulated crypto and digital asset service markets may operate quite differently to traditional financial markets. This is both practically, in terms of process and technology, and operationally, in relation to daily settlement and hours of business, requiring a more nuanced approach relative to traditional finance.

Overall, Binance is supportive of effective, credible and proportionate measures to prevent market abuse and enhance integrity, and we support fair, orderly and transparent markets for the trading of crypto-assets.

In respect of implementation measures we would highlight the need for MAS to ensure:

- adequate time and opportunity for industry to engage on any binding guidance.

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adequate transitional measures to allow firms time to interpret, adapt and comply with final rules and guidance.

consistency with respect to how global standard setting bodies and IOSCO members approach the regulation and oversight of crypto-asset activities