

# Multi-currency e-wallet providers raising limits after rule change

## MAS now allows higher holding figure of \$20k, 12-month total spending up to \$100k

Rosalind Ang

Travellers will be able to take more money overseas in multi-currency e-wallets as operators raise their wallet limits.

This comes after the Monetary Authority of Singapore (MAS) raised the caps on e-wallets with effect from Dec 15, 2023, said a spokesperson for the regulator.

Under the revised rules, e-wallets can hold up to \$20,000 at any one time, instead of \$5,000, while the maximum amount that can be spent over a rolling 12-month period has been raised to \$100,000 from \$30,000.

YouTrip was the first to announce higher caps on Jan 3. Users of the Singapore-based app can now hold up to \$20,000 in their e-wallets at any point and have an annual spending limit of \$100,000.

Other multi-currency e-wallet operators appear to be following suit.

Responding to queries from The Straits Times, Revolut said it plans to raise the limits for its users "very soon", while Wise said it is "working on implementing the changes".

ST understands that MAS has told major payment institutions to implement a set of anti-scams controls to mitigate the possible heightened scam risks posed by a higher e-wallet cap, before they raise e-wallet limits for their customers.

These payment institutions are a type of payment service provider licensed by MAS and regulated under the Payment Services Act.

The companies are expected to notify MAS if they choose to raise their e-wallet limits and tell the regulator about the anti-scams controls they have in place.

Some of YouTrip's new safety features include a 12-hour cooling-off period after a new login is detected, to prevent unauthorised access or immediate amendments to users' personal information.

Users whose accounts might have been compromised can also call a hotline (+65-6904-9334) to immediately activate a "kill switch" and suspend the entire account.

Meanwhile, Revolut Singapore chief executive officer Raymond Ng said the company has doubled the size of its financial crime team since 2021.

"We fully understand that with these raised limits, some users may be concerned about scams and fraud," said Mr Ng, adding that Revolut also invests in artificial intelligence technology to detect un-

usual payment activity.

Wise Asia-Pacific expansion lead Lim Paik Wan said the company has in place safety measures such as two-factor authentication, real-time transaction notifications when charges are made to a card, and real-time tracking of all transfers made.

Wise users have the option to immediately freeze and block their cards if they misplace the card or see any unfamiliar charges, to stop any more payments from going through.

Money lost from e-wallets due to scams is not guaranteed by an insurance scheme.

ST understands that e-wallet users who face issues with their e-wallet account balances can first approach the provider to find out if their funds can be recovered or reimbursed. If they are not satisfied with the provider's decision, they can seek legal recourse through the courts or alternative dispute resolution such as at the Singapore Mediation Centre.

Observers said that while the higher wallet limits are a step up for multi-currency e-wallets, the providers have to continue to monitor and address concerns like scam prevention, and users themselves should stay vigilant as well.

Assistant Professor Aurobindo Ghosh from Singapore Management University's Lee Kong Chian School of Business said that multi-currency e-wallets and apps like YouTrip have flexibility and lower cost of operations compared with a multi-currency bank account, mainly due to the higher regulatory burden that traditional banks have to face.

"In general, consumers benefit more using these e-wallets as the exchange rates are more competitive and service charges are lower," said Prof Ghosh, who is director of the Citi Foundation-SMU Financial Literacy Programme for Young Adults.

"The main concerns that the multi-currency apps are grappling with are potential acceptability across different countries, the limited capacity for withdrawing cash either locally or in foreign countries, and potential of fraud. Having higher capacity and limits would bring convenience closer to that of bank cards," he added.

Professor Lawrence Loh, director of the Centre for Governance and Sustainability at the National University of Singapore Business School, said raising the e-wallet limits is a good move as the previous limits could have been restrictive for families wanting to use e-wallets on their holidays, as family trips often cost more than \$5,000.

### Anti-scams safety features



#### YouTrip

- 12-hour cooling-off period after a new login is detected, to prevent unauthorised access or immediate amendments to users' personal information.
- A hotline to immediately activate a "kill switch" and suspend their entire account.



#### Wise Apac

- Two-factor authentication.
- Real-time transaction notifications when charges are made to a card.
- Real-time tracking of all transfers made.
- Users have option to immediately freeze and block cards if they misplace their card or see any unfamiliar charges, to stop any more payments from going through.



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PHOTOS: YOUTRIP, WISE, REVOLUT

"Users themselves have the duty of care to take the proper measures to protect themselves from fraudulent transactions, especially with the rise of scams," he noted.

Marketing executive Linda Yeo, 27, who uses YouTrip, said that

multi-currency e-wallets offer her peace of mind, should there be theft or fraud issues during a trip.

"As the wallets have to be topped up by users, people have the ability to use only the amount that's needed during their trip so if their

card gets misplaced or stolen, it won't be a huge amount lost and wouldn't compromise your entire savings account in a bank," she said.

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