



Letter from the Investment Company Institute

30 January 2026

Monetary Authority of Singapore
10 Shenton Way
Singapore 079117

Submitted via online response form at <https://form.gov.sg/690b2a3b024ee5eebbfcf7f1>.

Re: *Consultation Paper on Guidelines on Artificial Intelligence Risk Management*

Dear Sir or Madam,

The Investment Company Institute (ICI)¹ appreciates the opportunity to provide feedback on the Monetary Authority of Singapore (MAS) consultation on the guidelines on Artificial Intelligence (AI) risk management (“Consultation”).²

ICI’s mission is to strengthen the foundation of the asset management industry for the ultimate benefit of the long-term individual investor. Our members have significant experience and expertise in serving more than 120 million retail investors with US\$54.3 trillion in assets under management in jurisdictions around the world, including in the United States, Singapore, Japan, Australia, the United Kingdom, and the European Union. These investors rely on regulated investment funds to achieve important financial goals, including saving for retirement and education.

ICI has a strong interest in ensuring that regulatory frameworks encourage innovation while preserving effective standards of liquidity, transparency, and investor protection. We believe that technology has tremendous potential to benefit investors, and that is critical for global regulators to proceed deliberately, with the goal of preserving existing policies that foster liquid and efficient capital markets while facilitating further innovation.

¹ The [Investment Company Institute](https://www.ici.org) (ICI) is the leading association representing the global asset management industry in service of individual investors. ICI members are located in North America, Europe, and Asia and manage fund assets of US\$54.3 trillion, including mutual funds, exchange-traded funds (ETFs), UCITS, closed-end funds, unit investment trusts (UITs) and similar funds in these different jurisdictions. ICI has offices in Washington, DC, Brussels, and London.

² Monetary Authority of Singapore, *Consultation Paper on Proposed Guidelines on Artificial Intelligence Risk Management for Financial Institutions* (13 November 2025), <https://www.mas.gov.sg/publications/consultations/2025/consultation-paper-on-guidelines-on-artificial-intelligence-risk-management>.

ICI welcomes MAS' work in collaboration with the financial industry to provide thought leadership and to develop good practices with regard to the use of AI. Nevertheless, we are concerned about MAS' approach outlined in this consultation to introduce detailed and relatively prescriptive regulatory guidelines specifically for the use of AI.

In our view, existing, technology-agnostic rules and regulations, which incorporate well-established legal principles and standards, are adaptable enough to address fund managers' use of AI and other emerging technologies. Fund managers are already subject to extensive regulatory obligations, for example, to provide true, accurate, and fair information, and to maintain robust cybersecurity and operational resilience, regardless of whether AI is adopted. Rather than creating new regulatory guidelines, we encourage MAS to focus on work such as the AI risk management resources being developed with industry through MAS' Project MindForge. This type of collaborative work with industry can provide fund managers with useful references and good practices as they adopt AI and other emerging technologies in a manner consistent with existing regulatory obligations and to benefit the retail investors that they serve.

In contrast, a prescriptive approach specifically for uses of certain emerging technologies such as AI will risk imposing a chilling effect on fund managers' willingness to engage in technological innovation with respect to investor services and products, and could deter fund managers from adopting beneficial AI tools in their operations.

Further, the International Organization of Securities Commissions (IOSCO) is in the process of evaluating whether it is appropriate to develop additional tools, recommendations, or considerations for the use of AI, taking into consideration existing regulatory frameworks and risk management practices. To enhance international regulatory interoperability, we encourage MAS to take stock of the results of these discussions before moving forward with its own regulatory guidelines.

If MAS determines to move ahead with the proposed regulatory guidelines on AI risk management for financial institutions, it is important that such guidance be applied in a proportionate as well as flexible manner. The approach should provide fund managers sufficient flexibility in the methodology for assessing the materiality of AI risks and in selecting an appropriate framework to manage these risks. Such flexibility should include the ability to adapt existing governance, oversight bodies, and risk management processes, or to use tailored controls and tools, provided that these controls can provide adequate oversight.

We also recommend that any guidance on AI risk management should allow global fund managers to leverage group resources, staff, and policies and procedures to satisfy the MAS regulatory expectations regarding AI governance and risk management.

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Thank you again for the opportunity to provide feedback on the Consultation. As AI continues to evolve, we look forward to engaging with the MAS on AI policies that promote innovation and efficiency and protect our capital markets. If you have any questions, please contact me at

tracey.wingate@ici.org, Matthew Mohlenkamp at matthew.mohlenkamp@ici.org, and Lisa Cheng at lisa.cheng@ici.org.

Sincerely,

/s/ Tracey Wingate

Tracey Wingate
Chief Global Affairs Officer
Investment Company Institute