



WHY CHOOSE SINGAPORE FOR YOUR FAMILY OFFICE?

Demand from family offices to set up a presence in Singapore has soared in recent months. Singapore had around 400 family offices at the end of 2020, according to the Monetary Authority of Singapore's (MAS) estimates. However, demand has increased substantially with MAS approving over 100 applications in the past 4 months.

Singapore has been proactive in strengthening its position as a leading global family office hub in Asia. The Singapore Economic Development Board (EDB) and the Monetary Authority of Singapore (MAS) have established a dedicated Family Office Development Team (FODT).

FODT has been forward-thinking by launching initiatives to create a vibrant ecosystem in Singapore to support global families in preserving & growing their wealth and planning for future generations. FODT focuses on enhancing the operating environment for family offices; deepening the talent pool and capabilities of family office professionals and service providers; and building a stronger community of family offices.

The Asia-Pacific Family Office Report 2021, published by Campden Wealth, surveyed 385 family offices worldwide, with 76 (or 20%) coming from Asia-Pacific. The average family represented from Asia-Pacific has wealth of USD \$1.6 billion, while their estimated cumulative wealth stands at USD \$122 billion (total global wealth across the report series is estimated at USD \$655 billion).



The average family office in Asia-Pacific has assets under management (AUM) of USD \$812 million, while their collective AUM is estimated at USD \$62 billion (the total global family office AUM across the report series is estimated at USD \$424 billion).

So why is there such an increase in demand for Singapore as a destination for family offices? The answers can be spelt out in the name of this forward-looking city-state: **SINGAPORE**

S Safe & Secure.

Singapore is widely regarded as one of the safest countries in the world, with consistently low crime rates, a transparent legal system, and a reliable police force supported by proactive citizens.

I Independent

Whilst Singapore has many allies, it has maintained its independence as a sovereign state since 1965.

N Nice lifestyle

Singapore provides a high standard of living and a pro-family environment. Singapore was ranked as the 4th most liveable city in Asia in Global Finance's list of the World's best cities to live in 2022.

Sometimes referred to as 'the best of East & West' Singapore has a cultural affinity to both Asian and Western cultures making it a smooth transition to living in Singapore.

As a British citizen living in Singapore for 18 years, in my view, this is where Singapore has been quite clever. When strategizing on how to become a key financial centre, authorities have not only considered what laws & regulations are required but they have also made Singapore the lifestyle choice. Singapore has an abundance of arts & culture, restaurants and parks which were not here 20 years ago.

Family businesses can look forward to quality health care, housing and education in Singapore. Singapore places great emphasis on education. Singapore's quality of primary and secondary education is considered among the best in the world, with a reputation for excellence in math and science. Singapore's local universities and tertiary institutes are also world-class, consistently ranking top in global indexes.

G Government incentives

Singapore has a competitive tax regime, with a corporate tax rate of 17%, no capital gains tax, generally no dividends tax and comprehensive double tax agreements.

Singapore offers various tax incentive schemes for family offices, funds and new businesses and its strategic geographical location make it a preferred destination for families and businesses looking to expand in the Asia Pacific region.

Singapore has strict regulations on employment and it can be challenging to obtain a permit to work in Singapore. However, a Single-family office can apply to the Ministry of



Manpower for employment passes which can allow family members to work in Singapore.

A Asia Financial Centre

Singapore has firmly established itself as a key Asian financial centre.

According to figures published by EDB, Singapore-based asset managers had total assets under management (AUM) of S\$4 trillion at the end of 2019. More than two-thirds of the AUM is invested in the Asia Pacific, highlighting Singapore's strength as a Pan-Asian asset management hub.

Singapore is an attractive banking centre for Asian clients, being in the Asian time zone and with a talented pool of experienced professionals with local language capabilities.

P Politically Stable

Singapore remains one of the world's strongest economies. Anchored in political stability, low corruption rates and transparent public institutions. Singapore is therefore a trusted partner for businesses & families alike. Sound monetary and fiscal policies, together with a robust judicial system, supports its low-risk economy.

Families are either relocating to Singapore or setting up a presence in Singapore as a diversification from their home country.

O Opportunities

Singapore is an ideal location to benefit from a strong deal flow of investment opportunities within the Asia region and beyond. There is a fast-growing community of businesses and investment capital looking for opportunities to grow wealth. With world class private banking platforms and co-investment opportunities, Singapore is ideally placed for family offices to benefit from future growth in the Asia region.

Singapore has a vibrant startup ecosystem. As reported by EDB 'Over 3,000 startups are plugged into a global network of over 300 private equity and venture capital managers, and more than 190 incubators and accelerators are based here. This provides family offices with exciting opportunities to invest in up-and-coming industries in Singapore such as the fintech sector, which attracted a record high of S\$1.2 billion in 2019.'

R Robust Regulation

Singapore is a reputable and well-regulated jurisdiction for financial services and as a trust centre. This gives families peace of mind when setting up their family office in Singapore and establishing Singapore as their wealth management & trust centre.

As reported in the International Monetary Fund's Financial System Stability Assessment of Singapore in 2019, the Monetary Authority of Singapore (MAS) has managed to strike



a good balance between promoting financial innovation and preserving financial stability, investor protection, and financial integrity.

E Entrepreneurial

Singapore is business-friendly and one of the best choices for entrepreneurs. From the world's large multinational corporations to the fastest-growing startups, Singapore continues to be the partner of choice for businesses. World Bank's Doing Business 2020 report ranks Singapore second in the world for 'Ease of doing business'.

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