Transparency, reporting rules create opportunities in adversity

Speaking at Hubbis' Malaysian Wealth Management Forum 2017 in July – Irene Lee of Equiom Group believes there are opportunities for the industry to garner within the current uncertainty around regulation and tax transparency around the world.

Despite concerns and misperceptions of doom and gloom around the advent of the Common Reporting Standard (CRS) and Automatic Exchange of Information (AEOI), the wealth and asset management industries will not suffer in the way envisaged by many observers, says Irene Lee, head of business development for Equiom Group.

Over 100 countries have so far signed up and pledged to implement AEOI, including Hong Kong Singapore, Malaysia and Indonesia.

And Singapore, for example, has already signed over 20 bilateral competent authority agreements – although none yet in South-east Asia.

The trigger for all this, explains Lee, was the US FATCA requirements, prompting a global push for tax transparency and a standardisation of tax frameworks. Increasingly, and in the wake of CRS and AEOI, she expects new trends to emerge going forward.

These will be in the form of a shift of assets to jurisdictions with good cyber and data security governance; more residency shopping and jurisdiction hopping for a certain community of tax payers; and the need for effective structuring and wealth planning.

Against this backdrop, however, Asia still presents a lot of opportunities for private banks and wealth managers, given the region's pace of growth, adds Lee.

Further, while some international financial institutions have recently sold their private banking businesses in Singapore, this has created new opportunities for local players to acquire and grow – simply because they see the potential in the market over the long term, she explains. ■

IRENE LEE
Equiom Group

Link to Event Agenda

Link to Speaker Biography

Link to Presentation Slides