

VISTRA 2030 Unlocking opportunity for the decade ahead

Key themes in the corporate services industry

Major developments have impacted corporate service providers over the last decade. We chart the landmark events across four key categories:

-  **The economy**
-  **The regulatory landscape**
-  **Jurisdiction rankings**
-  **Drivers of business**

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 - Ongoing rise of China
 - Brexit
 - Trade tensions: globalisation under pressure
 - Rapid technological change
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 - Data leaks, including Panama Papers
 - Introduction of:
 - FATCA/ CRS
 - Ongoing tax and transparency initiatives
 - EU Economic Substance initiative
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 - 1. Rise of midshore and onshore jurisdictions
 - 2. US & the UK climbing the rankings
 - 3. The perceived decline of offshore
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 - Evolving regulatory standards constrain new business
 - New business driven by increased sophistication and complexity of clients
 - Growth of the funds industry

-  **Fallout from global financial crisis**
-  **Some jurisdictions with minimal rules governing beneficial ownership and exchange of information**
-  **Big 4 jurisdictions in 2010:**
 - 1. BVI
 - 2. Cayman Islands
 - 3. Hong Kong
 - 4. Singapore
-  **Privacy & tax planning reported as the key drivers of corporate services demand by clients**

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 - Covid-19
 - Geopolitical tensions in the US & Europe
 - US-China trade war
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 - Regulatory divergence as a result of political tensions
 - Slow implementation of Public UBO Registers in Europe
 - Unilateral Digital Tax initiatives
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 - Quality offshore jurisdictions remain resilient, top 5 jurisdictions in 2020:

1. Singapore	4. Hong Kong
2. UK	5. BVI
3. US	
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 - Asset protection & cross-border trade reported as key drivers of corporate services demand by clients
 - Priority for privacy and tax planning significantly lower

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 - Globalisation will prevail, but with more regionalisation
 - Emerging markets will be primary sources of new business
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 - Ongoing regulatory convergence: more level playing field, but with key exceptions
 - Greater information sharing and transparency
 - More widely adopted accounting standards
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 - Midshore and onshore continue to rise
 - Quality offshore jurisdictions emerge as fully-fledged financial centres
 - Some smaller jurisdictions marginalised, as unable to meet evolving regulatory standards
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 - Clients will focus on:
 - Facilitation of capital flows
 - Connecting disparate parts of the economy
 - Succession planning
 - Tax mitigation opportunities restricted

2010 START OF VISTRA INDUSTRY RESEARCH STUDY

2011-2019 ONGOING RISE OF CHINA

2020 FALLOUT FROM GLOBAL PANDEMIC

2030 PREDICTIONS FOR THE NEXT DECADE

