

Asiaciti Trust's Black on the Vital Importance of Robust Structures for a Complex World

Laurence Black, Regional Director, Client Solutions, EMEA at Asiaciti Trust, has almost 26 years of experience in wealth structuring for HNW clients in the GCC region. Hubbis was fortunate to 'meet' with him in late 2020 for a conversation on the development of wealth and estate planning in the Middle East. He noted how rapidly things are changing in the UAE – for the better - and how the advisory and services industry is challenged to keep clients and structures abreast of the latest developments and trends. He explained how Asiaciti Trust is working independently and increasingly also in collaboration with international partners to solve the puzzle of optimal structures often across multiple jurisdictions.

Black opens the discussion by commenting on the positive nature of the changes taking place in the UAE, designed, he says, to encourage more foreign investment. “We can see this as their response to the global economic situation, with the aim being to make the jurisdiction more attractive. For the wealth planning industry professionals such as Asiatici Trust, that gives more choice, but as the first step, we need to fully assess the new laws and their ramifications. Accordingly, I think one of the challenges in 2021 will be adapting to the changing laws and the evolving trends and structures that come as a result of that.”

Listen first...

He explains that it remains essential to listen very carefully to the client’s requirements, then devise the most robust and most relevant solutions. “It seems that the global trend towards transparency in all matters, especially tax, is becoming more important in this region, and this is a key element we must communicate to clients and bear in mind when formulating our advice and solutions,” he says.

Asiatici Trust is an international trust and corporate services provider that works with private clients, corporate clients and intermediaries across multiple jurisdictions. Black, with over 25 years of experience working in the GCC region, is very well-placed to help clients navigate the ever-changing market conditions and rigorous regulatory requirements to tailor the most appropriate solution for each client.

Long experience, deep expertise

As an independent service provider, Asiatici Trust is able

to offer private clients flexible solutions on structuring, establishing and administering trusts, foundations, funds and corporate vehicles for the purposes of estate planning, succession planning, wealth protection and philanthropic endeavours. Solutions for private clients include customised cross-border structures and Sharia-compliant trust deeds or foundations.

The firm is also able to leverage its network of offices in Singapore, Hong Kong, the Cook Islands, Dubai, Nevis, New Zealand, Panama and Samoa to bring specialised wealth structuring and asset preservation services exclusively to high-net-worth individuals and their families.

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Conveying the best concepts

Black is himself a well-known expert in the arena of structuring family wealth for preservation, growth and for ease of transition to family members and younger generations, the last of these being increasingly important as the Middle East founder-patriarchs begin to pass on their wealth to the second and younger generations.

“Nowadays, there is strong interest to position the GCC region as a hub for onshore structures, rather than

have clients turning only to offshore vehicles, in synch with what is now a worldwide trend towards onshore and mid-shore,” he comments.

Collaboration in a complex world

One trend in the fiduciary services industry that Black sees evolving is greater collaboration among network partners. “We have our jurisdictions, we have our capabilities in key jurisdictions, and of course, we can do a lot globally, even in jurisdictions where we’re not present, but the changes in laws and families crossing an increasing number of borders are going to mean that we will collaborate increasingly with other specialist providers to ensure the optimum solution.”

Black stresses that understanding the client, having the right solutions, and at times collaborating to assemble all the key elements in one package, are all vital elements for any provider wanting to survive and prosper in the fiduciary services world. “We remain driven by devising and executing best-in-class solutions with the right structures onshore and offshore,” he explains. “And in doing so, we hope to take advantage of what we see as tremendous opportunities ahead.”



LAURENCE BLACK
Asiaciti Trust

Warming to the task

He comments that the difficulties of 2020 had been somewhat offset by individuals and families having more time and interest to focus on better understanding their alternatives for wealth planning and also stress testing their existing plans and structures.

“A key element was the message we got out that it is valuable to improve connectivity and communication amongst the family’s different generations so that those key parties to any structures are aware and on board with this,” he adds. “We saw some progress in this regard in 2020, and I can say that generally the clients improved their understanding of the value proposition we offer, at the same time as they enhanced their understanding of the structures and how fit-for-purpose they might have been, and what might be required to make them more robust.”

Good advice required

Black also remarks that the pressures have come from several quarters, with providers such as Asiaciti Trust spending more

Getting Personal with Laurence Black

Black hails originally from Guernsey, hence offshore wealth and estate planning is almost in his blood. “I actually studied all the way through there, completing the Guernsey Trust and Company Administration Certificate, Insurance and Tax,” he reports, “these qualifications stood me in good stead to get hired by Royal Bank of Canada where I learned the ropes and through continued education I became a full member of the Society of Trust and Estate Practitioners. And here I am today having enjoyed a fascinating career working with some wonderful clients, families and colleagues.”

Black has lived in the Middle East for 26 years already and has enjoyed family life with five children from 19 years old upwards to 29 years old, and are located as far afield as New Zealand to Yorkshire.

Hobbies include cycling – often in the early hours before the heat of the day in the Middle East – and, when travel is permitted, pottering around in France, for which he and his wife have a long and fond appreciation.

“As 2020 draws to a close,” he says, “I can say the highlight is that it is ending. “It has been a challenging year for all, but from my personal view, we as a family have managed to stay connected, even if remotely for now, and from a work perspective, we have been able to stay engaged with clients and productive. Staying safe, healthy, and productive is really the best we could have hoped for in 2020.”

time on increasing regulatory compliance matters at the same time as clients are challenged by the pandemic as their businesses suffer. Covid-19 has made the need for empathy and a trust-based relationship more urgent.

“The cost of running these structures is greater but at the same time, clients are under greater financial pressure, so we all have to adapt, and I can say that to keep client-centricity at the core and for the longevity of

the relationship, we sometimes have to take the longer-term perspective on these matters,” he explains. “But on the other hand, more and more clients understand the crucial importance of the right structures, and see that these matters cannot be put off for another day.”

Black comments that there are potential clients still hoping to find some more ‘creative’ solutions that truly solve their concerns. “But we have to be totally straight with

them and explain that there are no short-cuts around transparency, economic substance and all these regulations, because this is a concerted global phenomenon and wherever they head to for structures, they will face these challenges," he says. "Accordingly, the time to get it sorted is right now; they need to comply, and the structures must be fit for purpose."

Black reports that most discussions lead in with wealth protection, and then estate and succession planning, including for the family businesses, the source of much of the wealth in the region.

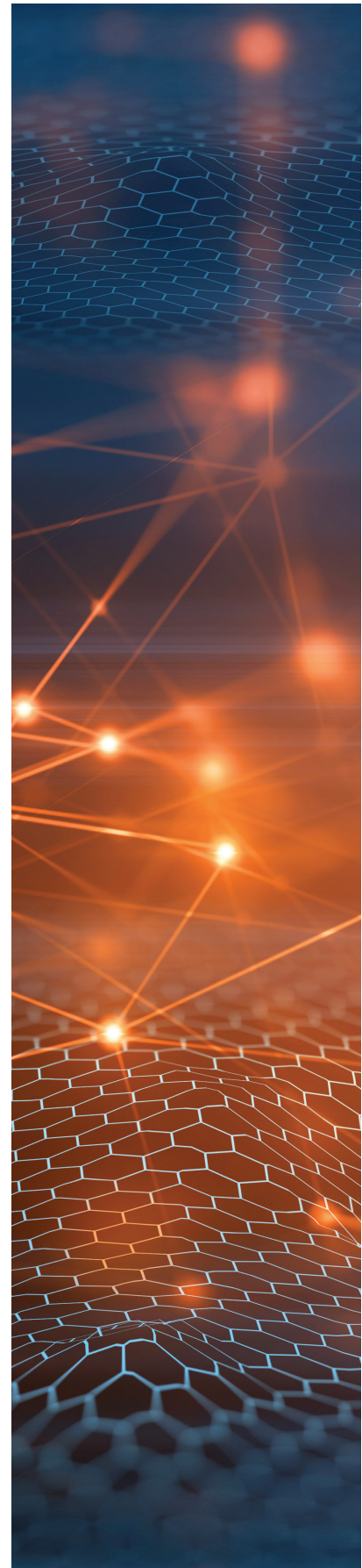
Progress being made in the region

Black is positively encouraged by the evolving professionalism of the wealth management industry in the region as local banks and other firms improve their capabilities and more international firms come into the region. "There is greater opportunity for investments and for solutions both for local assets and for offshore assets or offshore structures," he reports. "I am optimistic that such advances will continue."

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He observes that as members of the wider industry that spans professionals such as Asiatic Trust, lawyers, accountants, trustees, the banks themselves and others, there is a collective responsibility to initiate those conversations with clients and ensure that they understand the importance of these matters, and to thereby ensure greater compliance, as well as to prevent conflicts in the families and fragmentation of family businesses in the future.

However, he also notes that as the regional banks are evolving in their appreciation of wealth and estate planning, Asiatic Trust sees more traction from the international players in the region who, with their enhanced capabilities in the Middle East and global experience, can help ensure structures run smoothly once created. "It is really important for the region to be efficient, and certainly the UAE is making a major effort to modernise and send this type of message to the world," he says.



Key Priorities

“Client connectivity is going to be key,” Black comments when asked to list his key priorities for 2021. “We have adapted well in 2020, but while we hope for a return to normal face to face meetings, we know it will take time, and we realise also that it is not always necessary. In fact, in many cases, it may be more efficient to do it remotely and digitally, so a hybrid model of ‘high touch’ and virtual might be the way to go. Being continually available to clients is really important.”

Black also observes that the complexity of regulations and different jurisdictions these days means they must spend more time listening to clients, reviewing existing structures, putting the best solutions in place, and working with other key advisors

in the industry to ensure that best practices are adopted.

“There is a far greater probability today of clients being confused,” he says, “but that simply means that good advice, and optimal structuring is even more important than before. We are not simply creating structures; we are tailoring them to fit. We at Asiatic Trust are truly independent and non-conflicted. That is one of our key value propositions, and we are very proud of it, it is certainly a key reason I am at Asiatic Trust.”

He adds that Asiatic Trust prides itself on being flexible, highly client-centric and distanced from the need to report back to corporate shareholders. “We believe we can therefore offer the best advice and execution and all of course within the clear

regulatory boundaries,” he states, “and this of course remains a key priority.”

He also quips that he has another key priority for 2021. “I think I am not alone in hoping to have rather more fun in 2021!”

Black’s closing comment is that the progress being achieved in the region regarding the professionalisation of the wealth management industry and associated services is gradually being matched by a more sophisticated client base that is indeed taking greater interest in formulation robust and appropriate wealth and estate planning. “Much more can be achieved,” he says, “but I am confident we are on the right road now and that there is great potential ahead.” ■

