



**30** **YEARS**  
**OF INTERMEDIATING ASIA**

# Asia's Leading Midshore Jurisdiction

Labuan International Business and Financial Centre (Labuan IBFC) offers an unparalleled range of solutions and structures facilitating cross-border financial transactions, business dealings, risk management, insurance and wealth management needs, in conventional, digital or Shariah-compliant options.

## Banking

Labuan IBFC offers a wholesale cross-border financial intermediation platform for banks looking to establish their operations in the epicentre of the world's economic growth engine. The Labuan banking sector is the largest sector in Labuan IBFC and plays a key role in supporting cross-border investments and trade facilitated by the jurisdiction, its currency and tax neutrality.

## Corporate Structures

Labuan IBFC's comprehensive legal framework provides a wide range of legal entities such as international business companies, private client foundations, special purpose trusts, protected cell companies, private funds, and limited liability partnerships, that can be structured in conventional and Shariah-compliant options.

## Insurance

Home to more than 200 (re)insurers and insurance intermediaries, we are the fastest growing risk intermediation centre in Asia, offering a complete ecosystem of general reinsurance business. In addition, this sector is complemented by self-insurance vehicles such as captives and protected cell companies that offer unique cost-efficient risk management solutions.

## Capital Markets

Our capital market related solutions include intermediaries such as fund managers, fund administrators, custodians and securities licensees, and provide an ideal range of licences to tap the burgeoning regional qualified investor pool.

## Digital Facilitation

Labuan IBFC's unique approach to financial technology has made us the "go to" centre for digital intermediation. Operating in a real-world licenced environment, our "tool box" of digital licences and approvals provide a wide range of operating structures for both upcoming start-ups and legacy financial services providers looking to venture into the digital realm.

## Islamic Finance

Labuan IBFC's reputation as the leading financial centre for Shariah-related solutions is recognised globally. Home to the world's first Islamic bond, our breadth and depth in Islamic intermediation is well-supported by comprehensive structures supervised by a global Shariah Supervisory Council.

## One-Stop Regulatory Authority

Labuan Financial Services Authority (Labuan FSA), the regulatory authority of Labuan IBFC provides a robust yet pragmatic regulatory approach whilst adhering to standards set by global regulatory and multilateral bodies. A statutory organisation under the Ministry of Finance, Malaysia, Labuan FSA continuously reviews its regime to ensure sufficiency and practicality to preserve a market environment that is both business facilitative and well-regulated.

## Professional Service Providers

Our professional service providers are the backbone of the jurisdiction and act as key business enablers. The first point of contact to all things Labuan are our range of professional service providers and they have expanded exponentially providing a comprehensive suite of services towards the development of the jurisdiction.

## Wealth Management

Labuan IBFC is at the forefront of international wealth planning and intermediation, providing high-net-worth investors and families the flexibility to choose our bespoke wealth preservation solutions for their unique circumstances such as private foundations, protected cell companies and purpose trusts; all of which can be offered in a conventional or Islamic structure.

**2020 marks** 30 years since Labuan's birth as an international wholesale trade, finance, risk and asset intermediation centre.

With our unparalleled range of structures and solutions, Labuan IBFC has welcomed more than 16,000 registered companies and more than 1,000 licensed entities in banking, leasing, capital markets, insurance, reinsurance, risk management, digital financial intermediation and wealth management.

Well-supported by a robust, internationally recognised yet business-friendly legal framework, Labuan IBFC operates within clear and comprehensive legal provisions and industry guidelines, enforced by its single regulator, Labuan FSA, which in turn is a statutory body under the purview of the Ministry of Finance, Malaysia.

Our pragmatic midshore proposition combining the ease of doing business with high international standards of regulation and supervision, makes us the ideal base for global business trailblazers seeking innovative growth in Asia.

**IN ASIA, BY ASIA, FOR ALL**

**Innovation**  
Creating a new normal

We embrace innovation, creating fresh conduits of financial intermediation through our conducive business approach, especially via the benefits of digitalisation and Islamic finance ensuring key universal aims of environmental, social, and governance are met.

**Intermediation**  
Growing the status quo

We strive to strike a balance between market stability and business growth, by marrying a prudent and compliant market development approach facilitated by a strong culture of business facilitation within a dynamic intermediation ecosystem set within an Asian context.

**Inclusion**  
No one left behind

We strive to ensure Labuan IBFC's financial ecosystem creates and supports the development of financial and business services that are accessible to all segments of society, as we specifically embrace the ethos and values of financial inclusion as part of our culture of sustainability.

**Labuan IBFC** is the preferred international business and financial centre in Asia.

As a midshore jurisdiction, we offer global investors and businesses the benefits of being in a well-regulated and supervised jurisdiction, which adheres to international standards of compliance in tax transparency. We also provide fiscal neutrality and certainty in a currency neutral operating environment.

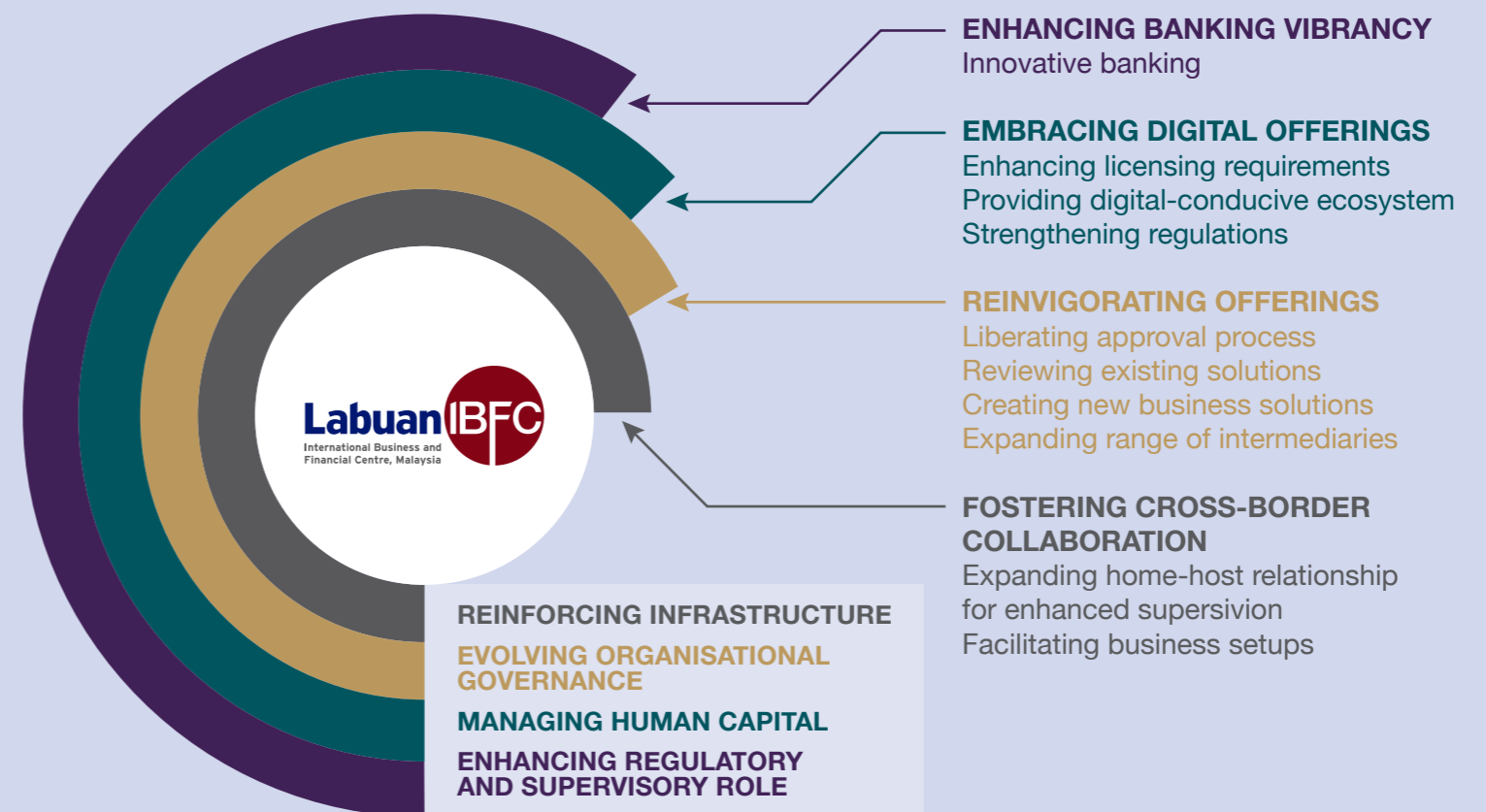
Labuan IBFC, located in the centre of Asia, boasts a cost-efficient environment making it an ideal location for substance creation for both global businesses looking at penetrating Asia and Asian entities aiming to go global.

We offer a wide range of business structures and investment solutions for cross-border transactions and international businesses including fintech or digital related solutions.

We also provide services and solutions in niches such as risk management, commodity trading, reinsurance, wealth management, international business companies and Islamic financial services.

Operating with clear and comprehensive legal provisions, guidelines and practice notes, enforced by a single regulator, Labuan IBFC provides an ideal jurisdiction for both corporates and high-net-worth individuals with international exposure looking for an efficient wholesale intermediation centre.

**2020 AND BEYOND: EXPANDING AND MODERNISING LABUAN IBFC**



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#LabuanIBFC #IntermediatingAsia

# 30 YEARS OF INNOVATION, INTERMEDIATION AND INCLUSION

**1990**  
Labuan declared an international offshore financial centre (IOFC) on 1 Oct via Five Acts passed by Malaysian Parliament

**1994**  
Association of Labuan Banks and Association of Labuan Trust Companies established

**1990 - 1999**

**1996**  
Financial Park Complex opened, providing infrastructure for Labuan to operate as an IOFC

Labuan Offshore Financial Services Authority established under the Labuan Offshore Financial Services Authority Act 1996, as the sole regulatory authority in Labuan IOFC

**1997**  
World's First Islamic Murabaha financing issued out of Labuan IOFC

**2000 - 2009**

**2000**  
The Labuan International Financial Exchange (LFX) launched to serve as a global exchange, providing listing and trading of financial instruments

The Shariah Supervisory Council established to review compatibility of proposed financial instruments to Shariah requirements and to advise on the development of Islamic jurisprudence

**2001**  
The inaugural listing of a US\$250m bond on LFX

**2002**  
The world's first sovereign Sukuk of US\$600m was issued by the Government of Malaysia via Labuan IOFC. Euromoney voted 'Best Asian Sovereign Bond of the Year 2002', Institutional Investor's 'Deal of the Year 2002' and Islamic Banker's 'Best Structured Islamic Financial Instrument 2002'

The first primary listing on LFX with the listing of US\$150m Serial Islamic Lease Sukuk

Labuan IOFC issued the world's first Shariah-compliant investment-linked takaful products, the Takaful Lil-Istithmar, for high-net-worth individuals

**2003**  
First female Director- General of Labuan Offshore Financial Services Authority Rosnah Omar

**2006**  
First exchangeable equity-linked Sukuk worth US\$750m launched on LFX

**2007**  
First Saudi corporate sukuk to list on LFX with US\$1bn Sukuk Al-Ijarah

**2008**  
Labuan IOFC as an International Business and Financial Centre (IBFC) and a separate marketing arm was established to promote Labuan IBFC

For the first time in the history of Labuan IBFC, total insurance gross premiums surpassed US\$1bn

**2009**  
Landmark issuance of USD1.5bn sukuk out of Labuan IBFC

The Labuan Offshore Financial Services Authority was changed to Labuan Financial Services Authority (Labuan FSA)

**2010**  
Malaysia, including Labuan IBFC, placed on the "White List" of the Organisation for Economic Co-operation and Development (OECD)

Issuance of the world's first Japanese corporate Sukuk of US\$100m on LFX

Complete holistic legislative refresh rolled out, introducing new solutions and structures to meet the needs to a more progressive marketplace

Launched Asia's first Private Client Foundation and Protected Cell Company

**2010 - 2019**

**2011**  
Labuan IBFC given an important role under Financial Sector Blueprint (FSBP 2011-2020) to support greater international financial linkages through trading and investment as well as cross-border cooperation in financial surveillance, regulation and supervision

The Global Incentive for Trading Program launched to provide incentives through the establishment of Labuan International Commodity Trading company

First Islamic foundation formed under new omnibus legislation

**2012**  
Labuan IBFC accepted as a recognised jurisdiction by the Hong Kong Stock Exchange

Home to more than 200 insurance and insurance-related licensed entities

**2013**  
Total number of Labuan companies surpassed the 10,000th mark

Labuan FSA was selected as the representative for the Pacific Region in the Group of International Insurance Centre Supervisors (GIICS)

International membership in the Financial Action Task Force (FATF)

**2014**  
Malaysia, including Labuan IBFC, accorded a "Largely Compliant" rating on the implementation of internationally agreed standards and best practices in the assessment by the Global Forum on Transparency and Exchange of Information

**2015**  
Labuan IBFC recognised as the first jurisdiction to facilitate the establishment of international Waqf foundations

APG recognised Malaysia and Labuan IBFC as well-developed with strong legal and regulatory framework and exhibited high degree of compliance with Financial Action Task Force

Holistic review undertaken of Labuan's tax regime to retain competitiveness and compliance with internationally agreed tax standards

**2016**  
Home to 400 leasing companies with assets valued at US\$50.6bn

Total assets for banking sector grew to more than US\$50bn

**2017**  
Inaugural edition of the Asian Captive Conference, jointly hosted with Labuan International Insurance Association

Labuan IBFC facilitated digital businesses in Asia with its ready suite of structures and solutions

Foreign insurance related business accounted for more than 60% of total premiums underwritten

More than 200 foundations registered

**2018**  
Surpassed 15,000 registered companies, more than 60% originating from Asia and the Pacific region

Labuan IBFC won Best Asian Domicile at the Asia Captive Review Awards 2018

50% of total captives in Asia chose Labuan IBFC as home

Labuan IBFC co-hosted the Asian Captive Conference for the second year with the Labuan International Insurance Association

Labuan IBFC won 'Captive Insurance Jurisdiction of the Year' at the China Offshore Awards 2018

Labuan IBFC welcomed its 50th Trust and Corporate Service Provider

**2019**  
Hosted inaugural digital conference; Connecting Digital Ecosystems Asia 2019 (CoDE Asia 2019)

Labuan IBFC won best Asian Domicile for the second year running at the Asia Captive Review Awards 2019

Labuan IBFC won 'Captive Insurance Jurisdiction of the Year' at the China Offshore Awards 2019

Labuan Fintech Association established

Growing digital family to more than 30 digital licensed related entities

Licensed to Asia's first digital asset securities exchange

More than 30 MOUs with regulatory bodies and businesses signed

Labuan IBFC employed more than 6,000 people, making it Labuan's largest employer

Recognised as highest growth rate for new captive establishment and second largest captive market in Asia