

SINGAPORE



REDIENESS LEVEL

MEDIUM

With an increased concentration of family offices in recent years¹, Singapore prides itself as the Southeast Asian hub for businesses and financial institutions. It also has an enabling ecosystem that permits and enables giving overseas with relative ease. However, the regulatory framework for cross-border giving is notably restrictive and there is limited overt promotion of cross-border giving among policy makers and the philanthropy sector. Singapore's success to become a regional hub for Asian philanthropy will depend on alignment among policy makers to develop better infrastructure and policies to enable giving outside of the country.



CROSS BORDER GIVING INDEX

SCORE
2.50

Singapore-based donors interested in giving regionally and internationally are diverse, ranging from seasoned philanthropists to those just starting out on their cross-border giving journey, as well as from first-generation to third-generation family foundations, and community and institutional foundations. Singapore is also a base for many non-Singaporean residents who desire to give back to their home countries. Education, healthcare, social entrepreneurship, and poverty alleviation are popular among the donors that participated in our study. Large portions of funding go to Cambodia, Indonesia, Myanmar, and Vietnam.

While a variety of giving strategies are available to donors, a majority of donors conducted their cross-border giving via direct international bank transfer. Few donors utilised intermediary services, mostly for giving to China – Mainland or to contribute to global or regional collective funds. Many donors, particularly the younger generation of philanthropists, are hands-on in their approach and provide support to overseas charities beyond funding such as capacity building, ideas exchange and networks.

Multi-National Corporations (MNCs) with branch offices in Singapore tend to donate

to regional causes from their US or Europe headquarters. This may be for ease of fund flow or tax incentive reasons. Giving is also done via business entities operating in the recipient country, which is simpler than transferring funds overseas².



REGULATORY INDEX

SCORE
2.50

Singapore has a robust but relatively stringent framework to regulate cross-border giving. Charitable organisations must apply for a permit from the Commissioner of Charities to fundraise for foreign charitable purposes. In 2020, "fundraising" was expanded to include the mere receipt of funds.³ If funds are raised from the public, expenditure must comply with the "80:20 Fundraising Rule", which limits the funds raised that can be used overseas to 20 percent⁴. This rule is waived for private fundraising or disaster relief.

Banks in Singapore have a robust framework for Anti-Money Laundering (AML) and Know Your Customer (KYC) requirements. At the bank's discretion, donations exceeding SGD 10,000 (around USD 7,300) can be subjected to AML regulations, which entails detailed due diligence on money sources, grant purpose, and credentials of receiving foreign charities⁵.

Tax incentives for cross-border giving are not available. Although Singapore has the most generous tax incentives for charitable donations with 250% tax deductibility, this does not apply to donations that go overseas⁶. Unlike other markets, there are no available mechanisms for donors to enjoy tax benefits such as giving through domestic organisations for overseas projects.



INFRASTRUCTURE INDEX

SCORE
3.00

Singapore has seen strong public-private partnerships to raise its position as the business and philanthropic regional hub, creating a relatively thriving support ecosystem for cross-border giving. The Singapore Economic Development Board (EDB)⁷ is a government agency that aims to enhance Singapore's position as a global centre for business, innovation and talent. The International Organisations Programme Office (IOPO) at EDB⁸

engages international non-profit organisations, foundations and philanthropic organisations to establish a presence in Singapore. The office also works to develop an enabling environment for partnerships and programmes between these organisations and the Singapore philanthropic sector.

There is also a concentrated availability of knowledge providers as well as intermediaries to facilitate cross-border transactions, creating an enabling support environment for cross-border philanthropy. Active players in producing a wide range of knowledge on regional and global philanthropic trends include Asia Philanthropy Circle (APC), Asian Venture Philanthropy Network (AVPN), Singapore Management University, and the Centre for Computing for Social Good & Philanthropy⁹. There is a further need for Singapore-based philanthropists to work in collaboration with partners and the government to effectively facilitate and promote philanthropic giving across border.

ECOSYSTEM SUPPORT ROLE	ORGANISATIONS
Research institutions	<ul style="list-style-type: none"> • The Lien Centre for Social Innovation at Singapore Management University (SMU) • The Centre for Computing for Social Good & Philanthropy (formerly known as NUS Asia Centre for Social Entrepreneurship and Philanthropy (ACSEP)) • Centre of Excellence for Social Good at Singapore University for Social Sciences (SUSS)
Philanthropy advisory	<ul style="list-style-type: none"> • Asia Philanthropy Circle (APC) • WISE Philanthropy Advisors
Grantmaking intermediaries	<ul style="list-style-type: none"> • Credit Suisse's SymAsia Foundation • UBS Optimus Foundation
Ecosystem promoter/ advocacy	<ul style="list-style-type: none"> • Asian Venture Philanthropy Network (AVPN) • Wealth Management Institute [capacity building for philanthropy professionals / private wealth advisors]
Funders of infrastructure	<ul style="list-style-type: none"> • Temasek Foundations