Singapore as intermediary

Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland and Germany),
Solicitor (England & Wales and Hong Kong)
Of Counsel, KGP Legal LLC
alexander.ressos@kgplegal.com.sg
www.ressos.com.sg

The convening power

Singapore has a long practice of offering itself as a meeting place. The Shangri-La Dialogue, organised by the International Institute for Strategic Studies, has brought defence ministers and military leaders to the Shangri-La Hotel almost every year since 2002, with a pause in 2020 and 2021 during the pandemic.[1] It is one of the few forums where American and Chinese defence officials speak in the same room. The same hotel hosted the meeting between Xi Jinping and Ma Ying-jeou on 7 November 2015, the first meeting between the political leaders of the two sides of the Taiwan Strait since the end of the Chinese civil war in 1949.[2]

The most visible example was the summit between President Donald Trump and Kim Jong Un at the Capella Hotel on Sentosa on 12 June 2018. Singapore's Ministry of Foreign Affairs put the cost at S$16.3 million, including the hotel bill of the North Korean delegation, which the foreign minister described as "hospitality that we would have offered them".[3] Such events cost little compared with their value. They confirm Singapore's reputation as a safe, efficient and discreet place where adversaries can meet, which is the same reputation that attracts arbitrations, regional headquarters and family offices.

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

The renminbi and the financial bridge

Singapore has also built financial links with China that complement its dollar business. The two central banks concluded a bilateral currency swap agreement on 23 July 2010. On 8 February 2013 the Singapore branch of the Industrial and Commercial Bank of China was designated as the clearing bank for renminbi in Singapore. Direct trading between the renminbi and the Singapore dollar followed in 2014.[4] These arrangements made Singapore one of the principal offshore centres for the Chinese currency outside Greater China, with deposits, bond issues and trade settlement in renminbi. Chapter I.II gives the figures.

The renminbi business places Singapore in both monetary systems at once. Its banks clear dollars through New York and renminbi through ICBC and the Chinese system. Its commodity traders price in dollars but increasingly settle some trades with Chinese buyers in renminbi. If the world moved towards separate payment systems, Singapore would be one of the few places with established access to both. That position has commercial value as long as both systems remain open to it. It would turn into exposure if either power began to treat participation in the other's system as a ground for sanctions.

Chinese companies and the relocation of headquarters

Since around 2020 a number of Chinese technology and consumer companies have moved their international headquarters to Singapore. The online retailer Shein moved its headquarters from China to Singapore in early 2022 while keeping its supply chain and warehouses in China. In August 2025 it was reported to be considering a move back to China in connection with a listing in Hong Kong.[5] The pattern has been called "Singapore-washing". Chapter I.II examines it in more detail.

The relocations show both the attraction and the limits of Singapore's position. A Singapore headquarters gives a Chinese company a neutral legal domicile, access to international capital and a more acceptable face in Western markets. Since it leaves the company's production, data and ultimate ownership where they were, American regulators look through the domicile to the substance. For Singapore the influx

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

brings fees, jobs and investment. It also carries the risk that the city comes to be seen in Washington as a flag of convenience for Chinese firms, which would undermine the trust on which its intermediary role rests.

Capital from both sides

The same dual flow characterises private wealth. American, European and Middle Eastern asset managers run their Asian operations from Singapore. Chinese families, many of them unsettled by changes in Hong Kong and by conditions at home, have set up single family offices and trusts in the city, as Chapters E.III and I.V describe. In a polarised world each group values Singapore for the same reasons: legal certainty, political stability, an independent judiciary and a regulator that is seen as competent and impartial.

These flows require careful management. Because Chinese capital exports are subject to exchange controls, Singapore's banks must establish that funds have left China lawfully. The money laundering case of 2023, discussed in Chapter E.VI, showed what can happen when wealth of doubtful origin enters the system through property, luxury goods and family offices. American scrutiny of Chinese investment has also extended to funds and vehicles domiciled in third countries. The more successful Singapore is in attracting wealth from both camps, the more its gatekeepers must ensure that this wealth meets the standards of both.

The limits of intermediation

Intermediation is a condition that can end. It depends on the willingness of both powers to accept an intermediary, a willingness that is now under strain. Public opinion in Singapore reflects the tension. A survey by the Pew Research Center published in 2026 found that only 34 per cent of Singaporeans viewed the United States favourably, while Singapore's view of China lay well above the international median of 51 per cent favourable.[6] Such figures fluctuate with events. They nonetheless show that a population which is ethnically mostly Chinese, and economically tied to both powers, does not automatically share the outlook of either government.

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

The government's room for manoeuvre has always had firm boundaries. Singapore does not compromise on its sovereignty, its defence relationships or international law, as its measures against Russia and its position on the South China Sea show. Within those boundaries it seeks to be useful to both powers. The financial centre benefits from this policy because it can serve clients from both camps. It would suffer heavily if either camp came to regard it as an extension of the other.

Notes

1. Wikipedia, "Shangri-La Dialogue" (accessed November 2026): first held in 2002; the 2020 dialogue was postponed to 2021 and then to 2022 because of the COVID-19 pandemic and resumed in June 2022 "after a two-year hiatus"; initially as the Asia Security Conference, organised by the International Institute for Strategic Studies at the Shangri-La Hotel in Singapore; opening speeches by Singapore's Prime Minister Lee Hsien Loong in 2018 and by Japanese Prime Minister Fumio Kishida in 2022. ↩
2. Wikipedia, "First Ma–Xi meeting" (accessed November 2026): the meeting took place on 7 November 2015 in the Island Ballroom of the Shangri-La Hotel, Singapore, the first between the political leaders of the two sides since the end of the Chinese Civil War in 1949. ↩
3. Wikipedia, "2018 North Korea–United States Singapore Summit" (accessed November 2026): summit on 12 June 2018 at the Capella Hotel on Sentosa; the Ministry of Foreign Affairs reported on 25 June that the summit cost S$16.3 million; Singapore paid the North Korean delegation's hotel bill, described by Vivian Balakrishnan as "hospitality that we would have offered them". ↩
4. Wikipedia, "Internationalization of the renminbi" (accessed November 2026): bilateral swap agreement with Singapore dated 23 July 2010, up to SGD 60 billion or RMB 300 billion; ICBC Singapore branch appointed as renminbi clearing bank on 8 February 2013 ("Singapore followed with the designation of ICBC as a clearing bank in 2013"); direct CNY/SGD trading launched in 2014. ↩

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

5. Wikipedia, “Shein” (accessed November 2026): “In early 2022, Shein moved its headquarters from China to Singapore”, keeping its supply chains and warehouses in China; “Shein is reported to consider moving its headquarters back to China”, citing a Bloomberg report of August 2025, reportedly to ease a Hong Kong IPO. ↩
6. Wikipedia, “Singapore–United States relations” (accessed November 2026): a 2026 Pew Research Center survey found 34 per cent of Singaporeans with a favourable and 66 per cent with an unfavourable view of the United States; Pew Research Center, “Views of China and Xi Are Improving Globally”, 15 July 2026: a median of 51 per cent across 37 countries had a favourable view of China, and Singapore’s favourability towards China “falls well above the cross-national median”. ↩

Disclaimer

This article is provided for general information only. It is based on publicly available sources as at its date of publication. These sources have not been independently verified against licences, regulatory registers or the records of the entities concerned. It is not legal, tax, financial or investment advice. Nor is it a recommendation to invest in, transact with or use the services of any entity mentioned. Law and regulation change frequently, so the content may be incomplete or outdated. To the fullest extent permitted by law, Dr Alexander Ressos and the publisher of SingaporeIQ exclude all liability for loss or damage arising from the use of or reliance on this article. Readers should obtain advice on their specific circumstances before acting or refraining from action.

Names and trademarks of the entities discussed belong to their owners and are used for identification only. Their mention implies no endorsement, affiliation or allegation of wrongdoing. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. Corrections and updates: contact@ressos.com.

© 2026 Dr Alexander Ressos. This article may be quoted with attribution to SingaporeIQ (SingaporeIQ.com). Reproduction in full and any commercial use require prior written consent. The Legal Terms at https://singaporeiq.com/legal-terms apply.

Author contact: Dr Alexander Ressos, TEP · contact@ressos.com

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.