

BUSINESS

By Debra Moffitt and Laetitia Rossi



IN RESPECT OF TRADITION

In 2006, the Banque de Gestion Edmond de Rothschild celebrated two decades of activity in Monaco where it now employs 25 people. No need to introduce this illustrious family of bankers, whose saga began in the 18th century. Today, when everyone is jumping on the wagon of private asset management, the Banque de Gestion Edmond de Rothschild pursues its original activities as assiduously as ever, and in respect of true tradition. "A niche market with high added value," says Giampaolo Bernini, General Administrator and Director of the Monaco branch. Far from adopting criteria of standardization or sales objectives so dear to modern-day banking, this venerable institution has never lost any of the humanism and excellence which have built its renown. Banque de Gestion E. de Rothschild, 2 avenue de Monte-Carlo, Monaco (377 93 10 47 47).



A less taxing life-style !

Members of the international jet-set who call Monaco home are rewarded with beaches, sophisticated restos, elegant boutiques - and zero income tax.

PRIVATE BANKING

Founded in 1976, the Compagnie Monégasque de Banque is pursuing its growth by taking over the private banking activities of ABN AMRO. This acquisition costing over 800 million € has reinforced its position among Monaco's foremost banking institutions. Now with an additional 900 clients, its total resources exceed 8 billion €. CMB, 23 ave. de la Costa, Monaco (377 93 15 77 77).

Residency in this 2-km square country known for its glamour and casinos means no taxes on personal income, assets, capital gains or direct-line inheritances. But more than tax savings, Monaco offers its wealthy residents a cosmopolitan life-style where English is spoken at every corner. High security, easy airport access to European capitals and 300 days of sunshine a year almost guaranteed are other important assets that account for its appeal. Penthouse apartments offer views of the bay and neighbours such as ex-Beatle Ringo Starr or the Barclay brothers. At the supermarkets, you may well brush elbows with ex-James Bond

star Roger Moore or racing driver David Coulthard, both residents of the Principality. Of a total 30,000 inhabitants, about 25,000 come from over 100 foreign countries, and if you're a resident like easyJet founder Stelios Haji-Ioannou, commuting to London or anywhere else in the world is just a private jet flight away. "The process for obtaining residency in Monaco is very straightforward and not at all mysterious," says American lawyer Donald Manasse, who has offices in Monaco. "Beware of anyone who tells you otherwise." To benefit from the zero tax policy, residents must live here six months of the year. People of EC nationality can

apply directly to the police authorities in Monaco. People from outside the EC need to check on procedures to be followed at the French consulate nearest to their home. French residents pay French income tax unless they can prove they were living in Monaco for more than five years prior to October 31st, 1962. This stipulation stems from the only bilateral tax agreement ever to have been signed by the Principality of Monaco. The local authorities require an employment contract or a letter from a Monaco bank to reassure them that the applicant has sufficient funds to cover living expenses. "The amount required



Photos: Centre de Presse de Monaco - Press

varies greatly from bank to bank, and depends on the person's relationship with that bank," explains Mr. Manasse. The authorities don't specify a fixed amount, but UBS Wealth Management says the figure would probably be around one million US dollars. Purchasing a property is not required, but a place to live is, and the rents are the highest on the Riviera. Hardly surprising for a secure and luxurious tax haven! Monaco has often been viewed as a paradise for retirees, though Alain Moscatello of UBS Wealth Management, who recently moved from Geneva, finds that it offers a wide array of cultural activities like art exhibitions,

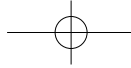
operas, ballet and concerts. "Today, it's a place for active, youthful people," he says. "You can go out every night if you want - and that's just in Monaco. Then there's the rest of the coast." In addition to quality financial services provided by its 40-plus banks, Monaco also offers unique attractions like the Monaco Grand Prix and annual yacht show. The tax situation for businesses varies. Generally speaking, companies which generate over 25 % of their turnover outside the Principality pay about 33 % on profits. This rate is also applied to companies whose activity in Monaco consists of receiving income from patents, literary or artistic royal-

ties. Somewhat surprisingly, Monaco's Chambre de Développement Economique and Direction de l'Expansion Economique encourage entrepreneurs to set up high-tech firms and light industries, and may even provide incentives. Finally, potential property investors should know that a registration fee of 6.5 % is applicable on sales of real estate. Anyone interested in Monaco for tax-related reasons should, of course, consult well-qualified professionals. * Donald Manasse Law Offices, 4 boulevard des Moulins, Monaco (377 93 50 29 21). Alain Moscatello, UBS Wealth Management, 2 avenue de Grande Bretagne, Monaco (377 93 15 58 15).

A MAJOR NEW UNDERTAKING

The future of the Principality depends largely on its capacity to extend its tiny territory. As it succeeded in doing in the past with the neighbourhood of Fontvieille, this ambitious micro-state intends to regain land from the harbour, this time filling in the area between Le Portier and the sea wall. In all, the undertaking should add over 250,000 m² to Monaco's current surface area.





B U S I N E S S

By Debra Moffitt



BIBO STUDIO

After working for seven years in the USA for Dreamworks Animation, "Bibo" Eric Bergeron returned to France and launched Bibo Studio, an extension of Bibo Films in Paris, to specialize in 3D animation. Bibo Studio was inaugurated in December 2006 in premises of 1,000 m² in Nice, backed by a 70,000 € subsidy from the General Council, which is keen to support film production on the Côte d'Azur. The studio's first feature-length cartoon, "A Monster in Paris", will take three years to produce : together with other projects, it will provide creative and high-tech employment for about 120 people. **Bibo Studio, 15/17 rue de la Liberté, Nice.**



Shooting stars at the Riviera Studios

Formerly known as La Victorine, the Studios Riviera comprise the largest movie-making complex (70,000 m²) outside of Paris. Created in 1919, they rank among the world's oldest with a list of well-known films to their credit. Alfred Hitchcock captured the Riviera's glamour in *To Catch a Thief* starring Grace Kelly, and the James Bond films *Golden Eye* and *Never Say Never Again* with Sean Connery also used the studios' facilities. Other noteworthy movies shot here include François Truffaut's *La Nuit Américaine*, *Le Grand Bleu* by Luc Besson, *Ronin* starring Robert De Niro and, last fall, Rowan Atkinson's *Mr. Bean II*. Popular for shooting documentaries, commercials (BMW, Tag Heuer...) and promotional clips (M6-French TV's *Prison Break*), the studios also served as the setting for TF1's reality show, *Nice People*. Providing employment for members of this historic mini-sector of the region's economy, the Studios Riviera currently offer ten stages, sets for underwater filming, easy airport access and all the auxiliary services such as lighting, experienced crews, casting and post-production companies. *Studios Riviera, 16 avenue Edouard Grinda, Nice (04 97 25 81 85). www.studiosriviera.fr*



REVOLUTIONARY TECHNOLOGY FROM MDI

Based in Carros near Nice, MDI is a small, family-run company founded in the 1990's by Guy Negre (photo left, with the MiniCat). Mr Negre's dream was to pioneer an engine solely powered by compressed air, which may be the ultimate environment-friendly engine yet. It is also efficient, cost-effective, scalable, and capable of other applications such as power generation. In February, MDI signed an agreement with Tata Motors, India's largest automobile company with sales of US \$ 5.5 billion all over the world. Tata Motors is backing further development and refinement of the MDI technology, and intends to apply and license it for use in India. **Further information, Tel. 04 97 10 20 20 or www.mdi.lu**

Photos : C. Dur/Studios Riviera - Press

