

CHAMBER OF COMMERCE OF THE GRAND DUCHY OF LUXEMBOURG



LUXEMBOURG: YOUR RELIABLE PARTNER

DECEMBER 17, 2014

CHAMBER OF COMMERCE OF THE GRAND-DUCHY OF LUXEMBOURG

- THE LUXEMBOURG CHAMBER OF COMMERCE

CHAMBER OF COMMERCE: KEY FACTS & FIGURES



YOUR PARTNER FOR SUCCESS



1841

Establishment of the Chamber of Commerce

> 70.000

Affiliated member companies

75%

Employment covered by member companies

> 80%

GDP represented by member companies



- Promoting entrepreneurship and the creation and development of businesses
- Involvement in the legislative process via position papers and opinions
- Promoting foreign economic and commercial relations
- Fostering a system of education and training that meets the needs of businesses
- Informing the public and stimulating debate as partner and independent mouthpiece of the market economy (think tank & policy proposals)
- Providing services to businesses and the general public

CHAMBER OF COMMERCE OF THE GRAND DUCHY OF LUXEMBOURG

- THE COUNTRY
- THE ECONOMY
- KEY SECTORS

THE COUNTRY

IN THE HEART OF EUROPE



AREA	POPULATION	MAIN LANGUAGES	POLITICAL SYSTEM	EUROPEAN CAPITAL
2,586 sq km	537,000 of which 44,5% are foreigners 170 nationalities 930 Russians	Luxembourgish (national) German (official) French (official) English (largely spoken) Portuguese (largest immigrant community)	Constitutional Monarchy Parliamentary Democracy	European Investment Bank European Court of Justice European Court of Auditors ...

HIGH STANDARD OF LIVING



- AAA Rating
- Strategic location in the heart of Europe
- Safe and open country (ranked no 1 in the Mercer survey of the safest cities in the world)
- Political stability
- Top position among development aid donor countries worldwide
- High purchasing power
- High quality of life
- Melting pot of different cultures and nationalities
- State-of-the art public infrastructure

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AN OPEN AND INTERNATIONAL BUSINESS ENVIRONMENT



NATIONAL PRODUCTION

80% of the national production (goods and services) is exported

60% of EU GDP is reached in less than a travel day

SERVICES-BASED ECONOMY

80% of all exports are services

CURRENT ACCOUNT

High structural surplus

5,2% of GDP in 2013, Mostly due to the financial services sector

WORKFORCE

71% of total workforce are non nationals

44% of total workforce are cross-border workers from Belgium, France and Germany

UNIVERSITIES AND SCHOOLS

20 of the best European universities and polytechnic schools within a 200 km radius

KEY SUCCESS FACTORS

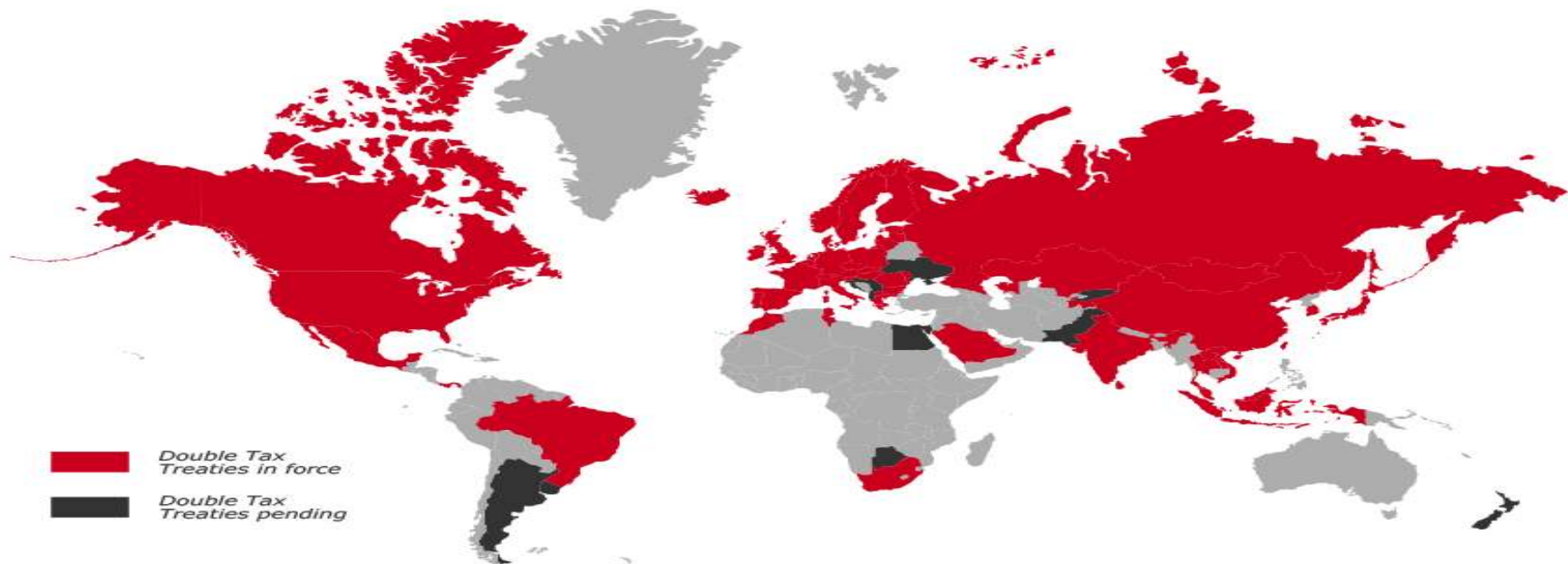
- Highly skilled, multi-lingual workforce
- Business-friendly legal and regulatory framework
- Easy access to decision makers
- Commercial neutrality
- Stable and rewarding tax environment
- State-of-the-art IT infrastructure and international broadband connectivity
- Ideal gateway to the European market with more than 500 million consumers
- Social cohesion

LUXEMBOURG, YOUR RELIABLE PARTNER



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DOUBLE TAX TREATIES: A GLOBAL NETWORK



Double Tax Treaties in force
Double Tax Treaties pending

DOUBLE TAX TREATIES IN FORCE:

1. Armenia
2. Austria
3. Azerbaijan
4. Bahrain
5. Barbados
6. Belgium
7. Brazil
8. Bulgaria
9. Canada
10. China
11. Czech Republic
12. Denmark
13. Estonia
14. Finland
15. France
16. Georgia

17. Germany
18. Greece
19. Guernsey
20. Hong Kong
21. Hungary
22. Iceland
23. India
24. Indonesia
25. Ireland
26. Isle of Man
27. Israel
28. Italy
29. Japan
30. Kazakhstan
31. Laos
32. Latvia
33. Liechtenstein

34. Lithuania
35. Macedonia
36. Malaysia
37. Malta
38. Mauritius
39. Mexico
40. Moldavia
41. Monaco
42. Mongolia
43. Morocco
44. Netherlands
45. Norway
46. Panama
47. Poland
48. Portugal
49. Qatar
50. Romania

51. Russia
52. San Marino
53. Saudi Arabia
54. Seychelles
55. Singapore
56. Slovakia
57. Slovenia
58. South Africa
59. South Korea
60. Spain
61. Sri Lanka
62. Sweden
63. Switzerland
64. Taiwan
65. Tajikistan
66. Thailand
67. Trinidad & Tobago

68. Tunisia
69. Turkey
70. United Kingdom
71. United Arab Emirates
72. USA
73. Uzbekistan
74. Vietnam

DOUBLE TAX TREATIES PENDING:

75. Albania
76. Argentina
77. Botswana
78. Brunei
79. Croatia

80. Cyprus
81. Egypt
82. Jersey
83. Kyrgyzstan
84. Kuwait
85. Lebanon
86. New Zealand
87. Oman
88. Pakistan
89. Serbia
90. Syria
91. Ukraine
92. Uruguay

A COMPETITIVE ECONOMY








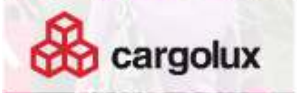
















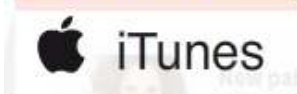




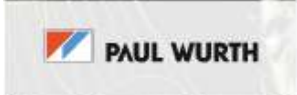











International competitive indicators	Source	Ranking Luxembourg	Analysed Locations/countries
Global Competitiveness Index	IMD Lausanne 2012	12	59
Global Competitiveness Index (GCI)	World Economic Forum 2013	22	148
Index of Economic Freedom	Heritage Foundation & Wall Street Journal 2012	13	183

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KEY SECTORS

A DIVERSIFIED AND ATTRACTIVE ECONOMY

INDUSTRY AUTOMOTIVE	ICT, MEDIA E-COMMERCE	LOGISTICS	FINANCE AND OTHER SERVICES	EUROPEAN INSTITUTIONS
				
			 	
			 	
			 	
			 	
			 	
			 	

FINANCIAL SECTOR: STABLE, DIVERSIFIED AND INTERNATIONAL

- At a glance:
 - 146 banks from 26 countries (among which 2 Russian Banks: East West United and Gazprombank)
 - Europe's n°1 investment fund centre
 - World's n°2 investment fund centre
 - The euro zone's n°1 wealth management centre
 - Europe's n°1 domicile for captive reinsurance companies
- Key success factors:
 - Offers an environment of trust and confidence to international investors
 - Excellent know-how in cross-border and international finance
 - Promotes R&D in finance

AUTOMOTIVE INDUSTRY



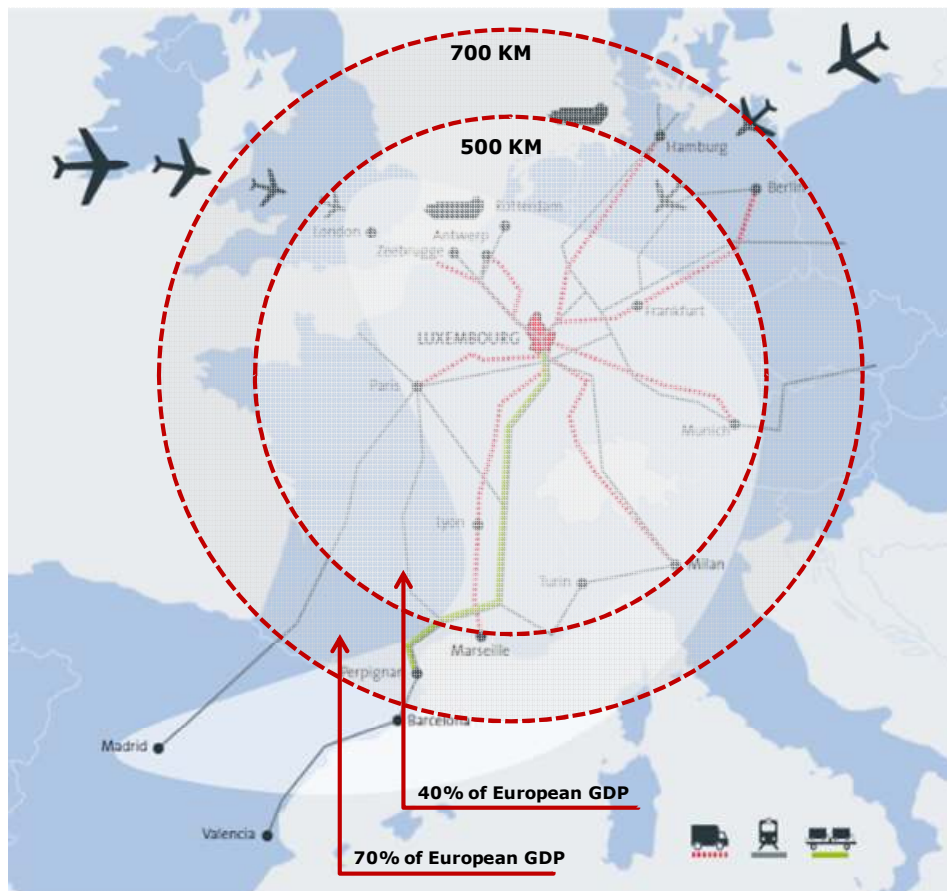
- Key location for suppliers to the automotive industry
- Assembly lines supplied from Luxembourg on a same day basis
- Increasing number of products, technologies and services
- R&D and innovation

ICT, MEDIA, E-COMMERCE



- An unrivalled ICT environment:
abundant bandwidth, high-end and highly performing data centers (Tier-IV and Tier-III service level)
- A business-friendly legal environment:
legal stability and predictability, forward-looking (e.g. cloud, domain names, e-archiving, ...)
- An attractive financial environment:
unique and specific benefits for IP creation and management
- A highly skilled workforce:
highest share of ICT-intensive occupations in the total economy in OECD countries
- Proven track record (Amazon.com, eBay, iTunes, PayPal, Skype, Dimension Data)

LOGISTICS




- ▶ Multi-modal transportation network
- ▶ At the heart of an excellent communication network
- ▶ Road: Access to major European highways
- ▶ Air: Global airfreight gateway; 5th largest air cargo hub in Europe
- ▶ Rail: Key actor in the realm of railway freight
- ▶ Water: Rhine-Moselle inland waterway access, natural Hinterland for major European ocean ports
- ▶ Simplified administrative tasks and paperless procedures
- ▶ Developing green and added-value logistics activities
- ▶ Luxembourg Freeport
- ▶ No VAT prefinancing on imports
- ▶ Developing green and added-value logistics activities (free zone)

HEALTH TECHNOLOGIES



- Initially, absence of a pharmaceutical industry and of long-established research centres
- Thus, focus and position Luxembourg on niches e.g. biomedical samples storage and analysis
- With substantial public/private finance and infrastructure
- Consequence: BioBase, Complix, WaferGen have recently set up their R&D and/or sales activities in Luxembourg
- The University of Luxembourg is increasingly recognised in the field as well

ECO-TECHNOLOGIES AND RENEWABLE ENERGIES

- 
- Eco-construction
 - Renewable energy
 - Waste management
 - Water and electro mobility
 - Clean technologies
 - Process engineering
 - Ambitious action plan of the Government

LUXEMBOURG, YOUR RELIABLE HUB FOR DOING BUSINESS WORLDWIDE



YOUR PARTNER FOR SUCCESS

HEADQUARTER FUNCTIONS

BENEFITS TO BEING IN LUXEMBOURG

- First-class financial services and expertise
- Application of more than 60 NDTAS
- Benefit from the participation exemption regime
- Possibility of tax consolidation
- Flexible and comprehensive company law
- No administrative red tape
- Attractive taxation for employees (expat regime, blue card)
- Low social contributions for employers and employees

LUXEMBOURG, YOUR RELIABLE HUB
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YOUR PARTNER FOR SUCCESS

KEY SUCCESS FACTORS



A RELIABLE PLATFORM FOR DOING BUSINESS WORLD-WIDE

THANK YOU!

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