



At the heart of Europe:
The Luxembourg Economy in a nutshell
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Agenda

- Luxembourg: Country & Economy snapshot
- Key sectors

Country snapshot



The open and multicultural laboratory of Europe



| AREA | POPULATION | MAIN LANGUAGES | POLITICAL SYSTEM | EUROPEAN CAPITAL |
|----------------|--|--|--|--|
| 2,586 sq km | 550,000 of which 45% are non- Luxembourg nationals | Luxembourgish (national) German (official) French (official) English (largely spoken) Portuguese (largest migrant community) | Constitutional Monarchy Parliamentary Democracy | European Court of Justice Parliament & Commission services Eurostat ESM EIB / EIF |

Country snapshot



An attractive business card

- 
- A photograph of a modern building facade with a grid of windows and a curved architectural element. A semi-transparent dark grey box with a fine grid pattern is overlaid on the right side of the image, containing a list of bullet points.
- State-of-the art infrastructures
 - Open and neutral economy with sound fundamentals
 - Rewarding tax environment
 - Political and social stability
 - Safe and open country
 - Melting pot of different cultures and nationalities
 - Diversified cultural life and excellent quality of life

Economy snapshot



An international business environment



NATIONAL PRODUCTION

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

60% of EU GDP serviced within a travel day

SERVICES-BASED ECONOMY

80% of all exports are services

CURRENT ACCOUNT

High structural surplus

5.2% of GDP in 2013

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 European universities and polytechnic schools within a 200 km radius

Economy snapshot



#3 most open economy in the world (Open Markets Index 2013)

| | Rank/75 | Score/7 |
|------------|---------|---------|
| Hong Kong | 1 | 5,5 |
| Singapore | 2 | 5,5 |
| Luxembourg | 3 | 4,9 |

| | Rank/75 | Score/7 |
|---------|---------|---------|
| Belgium | 4 | 4,8 |
| Germany | 22 | 4,2 |
| France | 35 | 3,8 |



Economy snapshot



The enabler = The Single Market



Economy snapshot



The consequence = Luxembourg, 100% Europe

- Direct market access to France, Germany and Belgium
- International orientation of companies: more than **80%** of production and services are **exported**
- **500 million** consumers in the EU
- Free movement of goods, services, persons and capital
... an everyday reality in Luxembourg



Economy snapshot



A model region in the European Union

- Grand Duchy of Luxembourg, Wallonia, Lorraine, Rhineland-Palatinate, Saarland
- Largest cross-border labour market in Europe
- Area: 65,400 km²
- Population: 11.3 million
- Part of Euro zone GDP: 3%
- Over 375,000 companies
- Cross-border consumption B2C: EUR 3 billion
- 15 universities with 250,000 students
- Largest cross-border labour market in the EU (200.000+)



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The Luxembourg economy



A diversified and attractive economy

| INDUSTRY & AUTOMOTIVE | ICT, MEDIA E-COMMERCE | LOGISTICS | FINANCE AND OTHER SERVICES | EUROPEAN INSTITUTIONS |
|-----------------------|--------------------------|-----------|----------------------------|-----------------------|
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The Luxembourg economy



South Korean companies present in Luxembourg

| INDUSTRY & AUTOMOTIVE | ICT | COMMERCE | FINANCE AND OTHER SERVICES |
|--------------------------|-----------------|----------|----------------------------|
| SAM HWA Steel | Nexon | | Doosan Heavy Industries |
| Hyosung | DeCarrik | | Kores Lux (holding) |
| Kiswire International | Mgame | FILA | Taihan |
| Doosan | East Soft | | LG Fashion Europe |
| | SK Broadband | | SHBN-EMEA |
| | JC Planet | | |

Key sectors



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 are key with 1 out of 3 employees in this industry being active in this field
- Creation of a whole ecosystem (automotive cluster, R&D landscape, regulatory framework, etc.)



Key sectors



Industry and Construction



Key sectors



ICT, Media, E-Commerce: Luxembourg - E-Gateway to Europe



- State-of-the art connectivity infrastructures and some 20 highly performing and ultra-secured data centres
- Favourable regulatory framework
- Consequence : sharp increase of ICT-related jobs in the Luxembourg economy over the past 10 years (OECD)
 - Skype, Paypal, Amazon, Itunes, as well as gaming firms have all established activities in Luxembourg
 - ICT-related jobs have been created in the financial sector as well



Key sectors



Logistics - 780 actors, 13.000 jobs

- Excellent connectivity => hub for value-added logistics activities
- At the heart of an excellent communication network
- 7th largest air cargo hub in Europe
- Simplified administrative tasks and paperless procedures
- Multi-modal strategy : rail, road, water, air
- Developing green and added-value logistics activities
- Luxembourg Freeport
- Cluster for Logistics & Luxembourg Maritime Cluster



Key sectors



Health technologies

- A high value-added sector we are developing from scratch
- Focus on personalised medicine and niches (e.g. biomedical samples storage and analysis)
- 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



Key sectors



Clean technologies and renewable energies



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

NATIONAL AGENCY
FOR INNOVATION AND RESEARCH
LUXINNOVATION



Key sectors



Tourism

- One of the safest cities in the world
- One of the best country's quality of living
- 3 UNESCO World Heritage Sites
- Moselle wines and sparkling wines (« crémants »)
- World-class dining, fine wine tasting
- Romantic castles, breath-taking landscapes
- Ideal destination for MICE events

The logo for the Grand Duchy of Luxembourg, featuring a red square with a white 'L' and the text 'Grand Duchy of Luxembourg.' in white.

Grand Duchy of
luxembourg.

visitluxembourg.com



Key sectors



Financial services - Services to companies

The Deloitte logo, consisting of the word "Deloitte" in a bold, blue, sans-serif font, followed by a small yellow dot.

The Molitor logo, featuring the word "MOLITOR" in white, uppercase, sans-serif font on an orange rectangular background, with a dark red horizontal bar below it.

The KPMG logo, featuring the word "KPMG" in a bold, blue, sans-serif font, with a stylized grid of four squares above the letters.



Key sectors



Audiovisual production

- 500 films produced in 20 years
- 750 workers: technicians, producers, directors, actors, production managers, creative and administrative staff
- Big success in March 2014:
 - Oscar® for Best Animated Short Film “Mr Hublot”
 - Oscar® Nomination for “Ernest & Célestine” for Best Animated Feature



Oscar® 2014 for Best animated Short Film

Luxembourg, your reliable hub for doing business worldwide



A RELIABLE PLATFORM FOR DOING BUSINESS WORLD-WIDE AND SETTING UP YOUR EUROPEAN HEADQUARTER



Seoul, October 6

A low-angle photograph of a modern glass skyscraper with a complex, angular facade. The building's glass panels reflect the sky and surrounding environment. The image is partially obscured by a semi-transparent grey rectangular box containing white text.

THANK YOU
FOR YOUR ATTENTION!
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