The Luxembourg Freeport

The Instruction Manual

Logistics Business Forum 2013

Monday, May 13, 2013

Cluster for Logistics Luxembourg
ADDING VALUE IS THE KEY

CLUSTER MARITIME Luxembourgeois

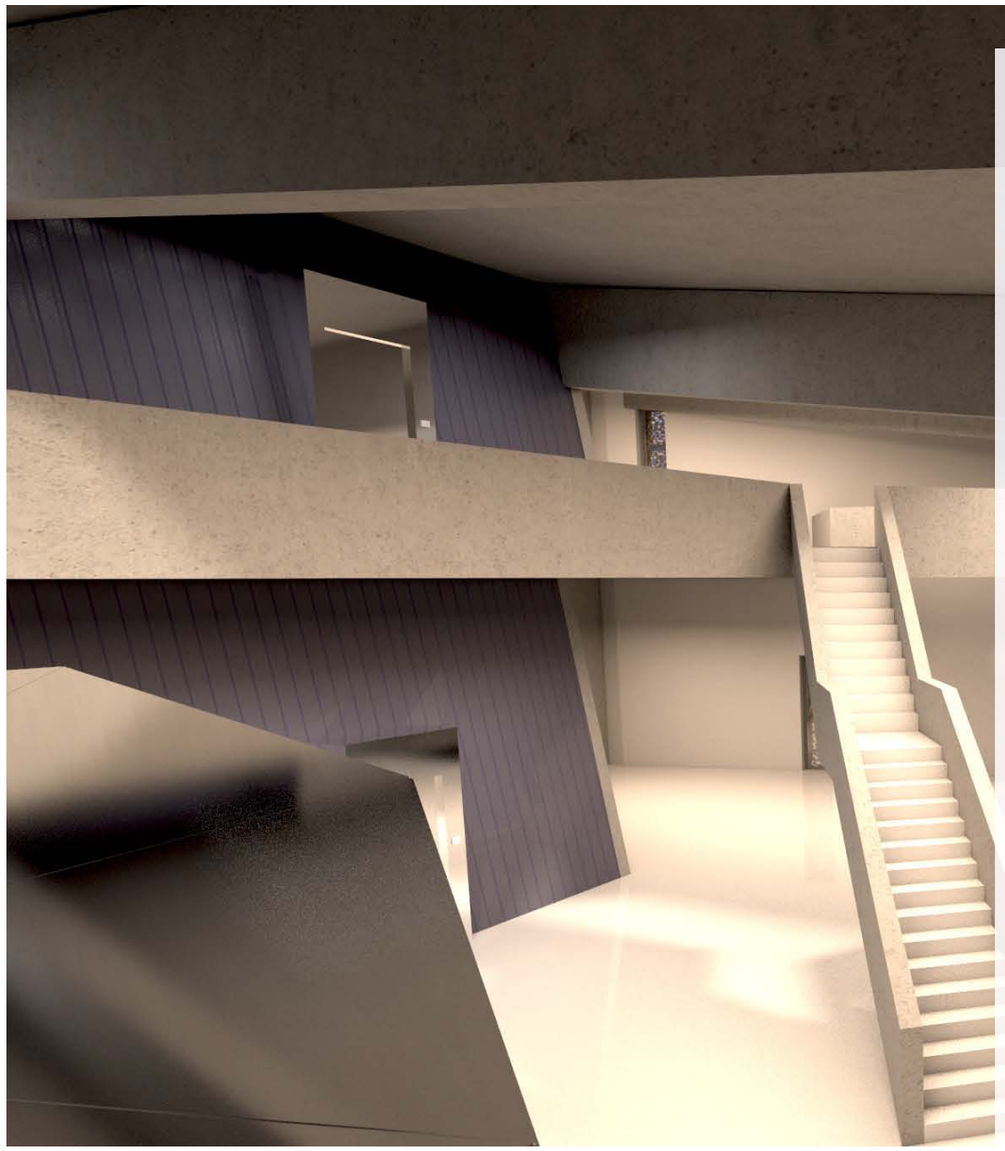
THE LUXEMBOURG FREEPORT

THE LUXEMBOURG FREEPORT

Agenda

1	**The Concept**
2	A visit of the Luxembourg Freeport
3	Q&A

The Luxembourg Freeport
The Concept – General



- A sophisticated, ultra-safe platform for storage, handling and trading of valuable goods under a tax friendly environment.
- The Luxembourg Freeport will be operated by agents and forwarders specializing in the transportation, handling and storage of valuable goods who will be:
  - Tenants of the Freeport,
  - Licensed by the Luxembourg Customs Authorities (Administration des Douanes et Accises – ‘opérateurs agréés’).
- The end customers of The Luxembourg Freeport are:
  - Banks,
  - Collectors,
  - Museums,
  - Professional investors,
  - Investment funds,
  - …

The Luxembourg Freeport
The Concept – Legal & Tax framework (1)

- The Luxembourg Freeport is part of the Luxembourg territory:
  - All Luxembourg laws apply including anti-money laundering laws.
- The Law of 28 July 2011 enabling ‘freeport activities’ is consistent with European Law.
- The Luxembourg Freeport is operated under the supervision of the Custom authorities:
  - Customs are physically present at the Freeport,
  - Their office overlooks the ‘air side’ and ‘land side’ delivery bays,
  - The Freeport is open for business only when Customs are present,
  - All entries and exits of goods must be advised to Customs,
  - Operators must hold detailed inventories and are subject to Customs inspection.

The Luxembourg Freeport
The Concept – Legal & Tax framework (2)

- The regime of suspension of VAT and Custom duties created by the Law of 28 July 2011 applies to:
  - Goods originating outside of the EU imported into The Luxembourg Freeport,
  - Goods originating in the EU and exported outside of the EU,
  - Value adding services while goods are in storage at The Luxembourg Freeport,

N.B. Temporary imports for purposes of exhibitions in museums or fairs are allowed

The Luxembourg Freeport
The Concept – The Location

- The Luxembourg Freeport is being built at the Luxembourg airport
  - Construction works have commenced.
  - The Facility is to be completed by September 2014 and opened for business around that date.
  - The Freeport is adjacent to the air cargo terminal.
  - The runway is approximately 750m away.
  - The Freeport will have both an ‘air-side’ and a ‘land-side’ access.
  - The Freeport will be at 371m above sea level.
  - There are no rivers or creeks in the vicinity, hence no risk of floods.
  - The country is land-locked and has no history of earthquakes, tornados, hurricanes, devastating storms/hails.
  - Luxembourg is a founding member of the EU, AAA-rated and enjoys social and political stability.

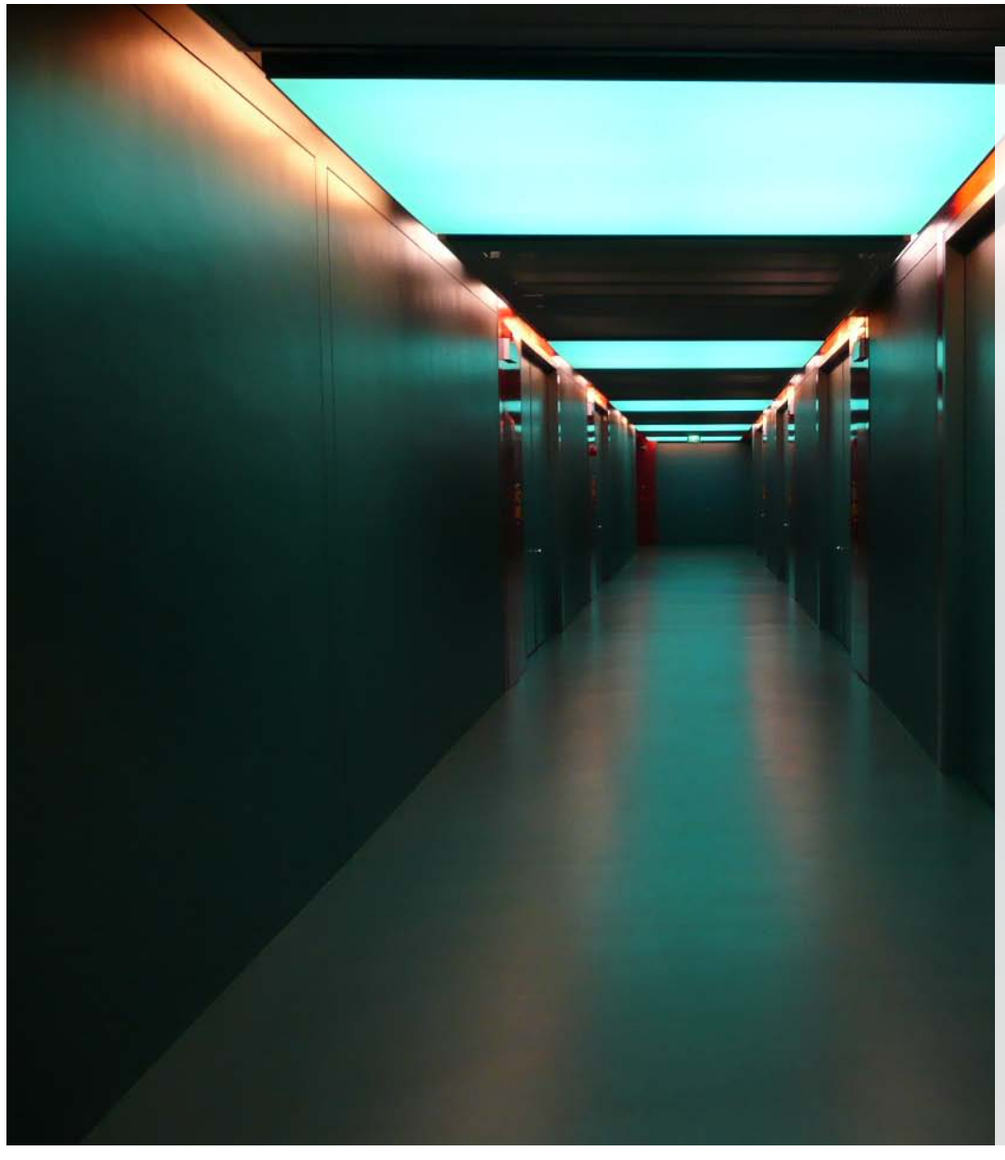
The Luxembourg Freeport
The Concept – The Promoter

- Yves Bouvier through Luxembourg based affiliated companies is the controlling owner/ builder/ promoter of The Luxembourg Freeport.
- Yves Bouvier is also:
  - The largest private shareholder of the Geneva Freeport,
  - The controlling shareholder of the Singapore Freeport,
  - Involved in the Beijing Freeport of Culture,
  - The controlling shareholder of Natural Le Coultre, the Geneva based forwarder, specializing in transportation and storage of fine art.

The Luxembourg Freeport
The Concept – A sophisticated, ultra-safe storage (1)

- Security
  - All vehicles accessing the property will be inspected,
  - All persons accessing the property and their belongings will be systematically scanned,
  - 24 hours/ day, 7 days/ week, 365 days/ year security guards on premises,
  - The property will be ring-fenced,
  - The surveillance system will feature around 300 CCTV cameras located around the property and in the hallways,
  - Access to storage and strong rooms by biometric reading.

The Luxembourg Freeport
The Concept – A sophisticated, ultra-safe storage (2)



- Storage conditions adapted to each type of goods stored:
  - Fine art, fine wines, precious metals, antiques, jewels, precious documents, digital works of art …
  - Temperature and humidity maintained at constant levels with appropriate redundancy systems.

The Luxembourg Freeport
The Concept – An efficient forum for trading

- The Luxembourg Freeport will be particularly well suited to host transactions regarding stored goods:
  - On-site scientific laboratories will provide the necessary comfort regarding the authenticity of the work,
  - There is no withholding tax on capital gains,
  - Depending on the destination of the goods sold there is no VAT on the transaction value,
  - The buyer will be able to use the logistic infrastructure of the Freeport to ship the purchased goods anywhere in the world.

The Luxembourg Freeport
The Concept – A One-Stop Shop

- In addition to optimal storage conditions adapted to each type of valuable good, the following value adding services will be offered on premises:
  - Customs formalities related to import/export of goods,
  - Crating/Packaging for transportation of goods,
  - Framing of paintings and photographs,
  - Restoration of works of art and antiques,
  - Expert opinion on origin and history of work,
  - Photographing for catalogues etc.,
  - Art Collection Management,
  - Insurance,
  - Display of works in state-of-the-art showrooms…

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A visit of The Luxembourg Freeport

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Your questions?

Contact

The Luxembourg Freeport

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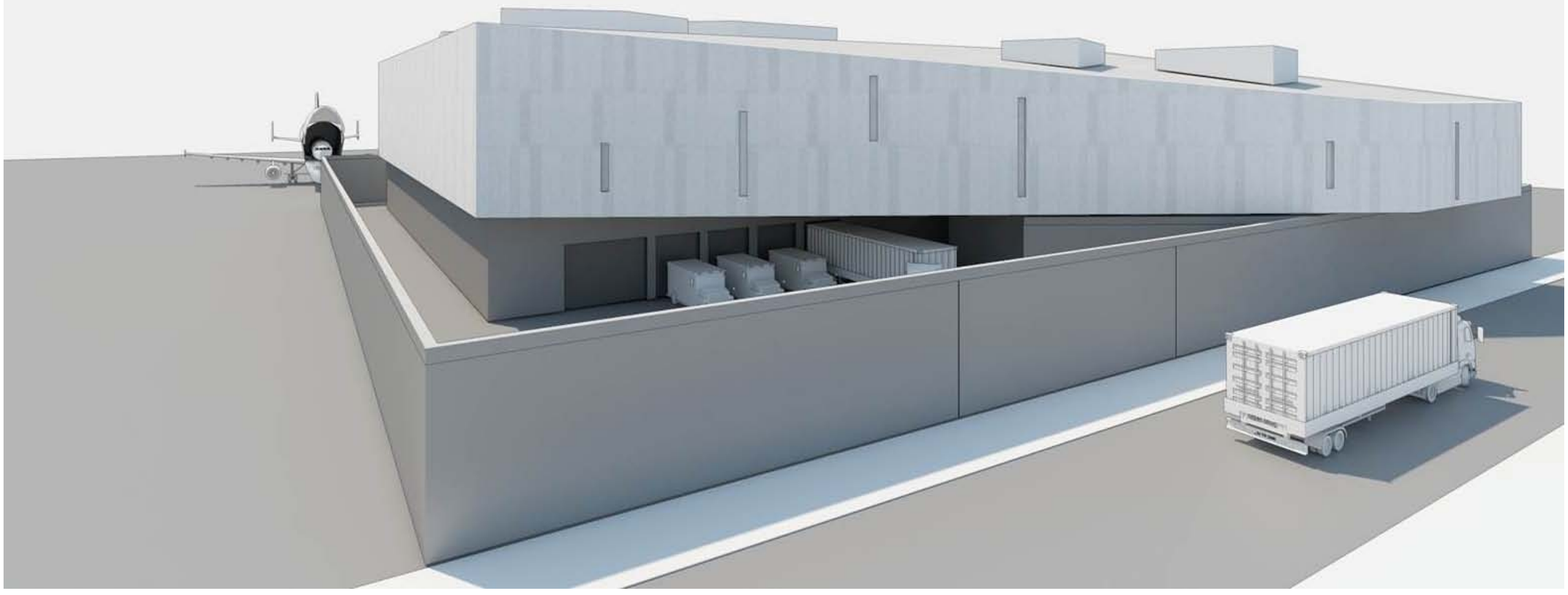
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