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LEO

THE FINANCIAL CENTRE'S MAG

ASSET MANAGEMENT

SUPPORTING THE WORLD'S
INVESTORS



**UCITS: PRESENT
AT THE CREATION**

**30 YEARS OF FINE-TUNING
THE CSSF IN FULL STRIDE**



NICOLAS MACKEL,
CEO, LUXEMBOURG
FOR FINANCE

Dear readers,

You may already be aware that Luxembourg is home to the EU's largest investment fund center totalling 4.5 trillion Euros in assets under management by funds set up and administered in the Grand Duchy, as of August 2019. This unique success story has been built over a period of 30 years and remains unchallenged.

This achievement rests on an ecosystem that has been developed over the course of three decades and which positions Luxembourg as the go-to competence centre for any asset manager wishing to set up and distribute funds throughout the EU's single market and to 70 markets worldwide. Luxembourg's genuine added value comes from its cross-border expertise and is the reason why European and global asset managers, as well as banks and other actors in this field, choose to operate out of the Grand Duchy. Since the financial crisis, Luxembourg has focused its role within the

asset management value chain and also on becoming a regulatory, risk management and compliance center.

Keeping an eye on the next generation of investors, Luxembourg's asset management industry is being fine-tuned by the development of new technologies. The future of the fund industry is global, digital and green; and Luxembourg will be there every step of the way.

September's edition of LEO is dedicated to this ecosystem and we recommend that you read it in conjunction with our recent brochure (available on our website) on the same topic.

Within these pages, we feature articles ranging from the beginnings of the UCITS story, as told by three of Luxembourg's foremost experts who were involved with its creation, to an interview with Marco Zwick, Head of the asset management department at Luxembourg's regulator, the CSSF. We also bring you testimonials from three of the largest firms which have taken advantage of Luxembourg's ecosystem to develop their growth strategies. Last but by no means least, we welcome Corinne Lamesch, the newly elected Chairperson of

the Association of the Luxembourg Fund Industry (ALFI). Corinne shares her priorities and views on digitalisation, sustainable finance and diversity.

Talent is the oil that keeps the ecosystem's engines roaring, and we invite you to read the stories of some of the professionals who moved to Luxembourg and discovered how this country allows them to balance an exciting career with a multitude of personal interests.

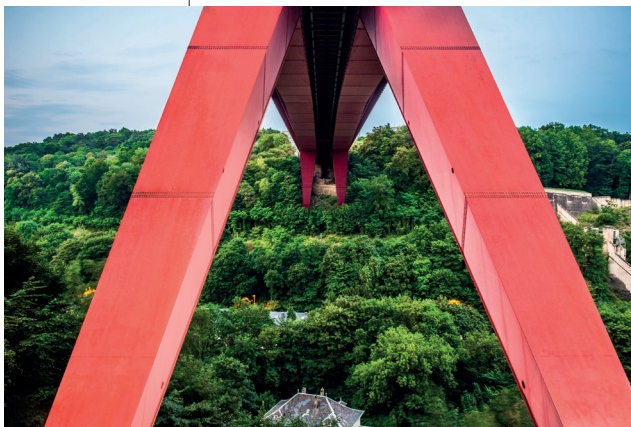
And finally, Luxembourg is of course more than its financial ecosystem, and we are pleased to remind our readers of the upcoming Luxembourg Art Week and explain how this event has evolved over the past few years.

Enjoy the read.

3 **NEWS IN BRIEF**

Latest facts and figures about Luxembourg.

4 **FOCUS** **ASSET MANAGEMENT**



6 **UCITS: PRESENT AT ITS CREATION**

Thirty years ago, Freddy Brausch, Claude Kremer and Jacques Elvinger became part of one of Luxembourg's greatest success stories when they helped transpose the UCITS directive into national law.

14 **30 YEARS OF FINE-TUNING**

Leading international asset managers share how Luxembourg caters to their needs and how this impacts their operations.

21 **THE CSSF IN FULL STRIDE**

Marco Zwick, Director of the Commission de Surveillance du Secteur Financier, CSSF, discusses its role in the development of the asset management industry and the inner workings of what it takes to be the supervisor.

26 **LEADING THE WAY TO A SUSTAINABLE FUND INDUSTRY**

Corinne Lamesch, recently appointed Chairperson of the Association of the Luxembourg Fund Industry (ALFI), outlines her priorities for the next couple of years.

30 **INFOGRAPHICS**

What makes Luxembourg a global hub for international fund distribution.

32 **WORK, LIVE & LUXEMBOURG: BALANCE A GREAT CAREER IN FINANCE WITH YOUR LIFE**

Meet some of the people of our #MoveToLux campaign who moved to Luxembourg to balance a great career in international financial services with their life.

38 **LUXEMBOURG ART WEEK'S COMING OF AGE**

We caught up with Alex Reding ahead of the launch of the 5th edition of Luxembourg Art Week.



44 **UPCOMING EVENTS**



ANY QUESTIONS?

GET IN TOUCH ON TWITTER - @LUXFINANCE

LUXEMBOURG'S AAA RATING CONFIRMED BY MOODY'S

The credit rating agency Moody's has confirmed Luxembourg's AAA rating with a stable outlook. Luxembourg continues to benefit from the best rating from the major rating agencies: S&P, Moody's and Fitch. It is one of only ten countries worldwide with an AAA rating.



LUXEMBOURG ISSUES FIRST PIS LICENCE

LUXEMBOURG ISSUED ITS FIRST PAYMENT INITIATION SERVICE (PIS) LICENCE TO MOBILE PAYMENT PLATFORM PAYCONIQ, ENABLING IT TO OPERATE ACROSS THE EU AND COMPETE ON AN EQUAL FOOTING WITH OTHER MARKET PLAYERS.

1ST

Luxembourg is ranked as a top destination for job security in the latest InterNation's Expat Insider survey. More than 20,000 survey respondents shared their insights into expat life in 64 destinations around the world.

FIRST TOKENIZATION OF REAL ESTATE ASSETS

EURONEXT, THE LEADING PAN-EUROPEAN EXCHANGE IN THE EUROZONE, SUBSCRIBED THE ENTIRE €5 MILLION CAPITAL INCREASE OF LUXEMBOURG-BASED TOKENIZATION PLATFORM TOKENY SOLUTIONS.

MAJOR WORLD BANK DISPLAY ON THE LUXEMBOURG GREEN EXCHANGE

The Luxembourg Green Exchange, a platform dedicated exclusively to green, social and sustainable financial instruments, now displays 174 World Bank sustainable development bonds, representing a total amount of more than €40 billion.

ASSET MANAGEMENT

OVER THE COURSE OF THE LAST 30 YEARS, LUXEMBOURG HAS BECOME A KEY PLAYER IN THE GLOBAL ASSET MANAGEMENT INDUSTRY.

THE COUNTRY HAS BUILT A UNIQUE COMPETENCE CENTRE FOR ALL MAJOR FUND PROMOTERS WHO ARE SELLING FUNDS TO INVESTORS ACROSS THE EU AND BEYOND.

IN THIS EDITION, MAJOR INSTITUTIONS EXPLAIN WHY THEY CHOSE LUXEMBOURG FOR THEIR OPERATIONS WHILE CORINNE LAMESCH, THE NEWLY-ELECTED CHAIRPERSON OF THE ASSOCIATION OF THE LUXEMBOURG FUND INDUSTRY (ALFI) SHARES HER VIEWS ON THE FUTURE OF THE INDUSTRY.

UCITS: PRESENT AT THE CREATION

THIRTY YEARS AGO, FREDDY BRAUSCH, CLAUDE KREMER AND JACQUES ELVINGER BECAME PART OF ONE OF LUXEMBOURG'S GREATEST SUCCESS STORIES WHEN THEY HELPED TO IMPLEMENT THE UCITS DIRECTIVE INTO NATIONAL LAW. WHILE UCITS FUNDS WERE INITIALLY DESIGNED FOR EUROPEAN RETAIL INVESTORS, TODAY THEY ARE DISTRIBUTED INTO OVER 70 COUNTRIES WORLDWIDE. UCITS FUNDS ARE ONE OF THE MAIN PILLARS OF THE LUXEMBOURG FINANCIAL INDUSTRY, WITH OVER EUR 3.7T IN ASSETS UNDER MANAGEMENT.

THE BEGINNING

Back in the 1970s there was a widespread call for a level playing field in the cross-border sale of investment funds – also referred to as fund distribution. There had been discussions, back and forth, about how financial products and investment funds should be regulated. Then in the mid-1980s Jacques Delors, the then





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President of the European Commission, presented his White Book for the completion of the internal market of the EC. This included, among many other proposals, one that was aimed at creating a pan-European investment fund market. At the time, selling investment funds into other European countries was a complicated process for asset managers. Before the creation of the Undertakings for the Collective in Transferable Securities (UCITS), the distribution of funds was time consuming and tied up with red tape that differed from country to country.

The objective of the proposed Directive was to have one financial product in Europe for all types of savers and investors. In 1985 the UCITS Directive was officially adopted by the European Council. Luxembourg understood the benefits of such a market very quickly while its neighbouring countries were still focused primarily on their domestic markets. The Grand Duchy was the first country to implement the new Directive.

Freddy Brausch, Claude Kremer and Jacques Elvinger were in the early stages of their careers as lawyers when they became part of the government and the financial regulator's advisory teams. Together they helped to implement the UCITS Directive in Luxembourg law, unaware at the time that they were crafting one of the pillars of today's industry.

"The pressure at the time was that Spain and Portugal were about to become members of the European Community. So, the other members thought it was the right time and they didn't want to wait until new countries came in, raising further questions and objections. I think this was also one of the drivers for the European Commission to come up with a first version of the UCITS Directive in 1985," says Claude Kremer, Founding Partner of Arendt & Medernach.

Having previous experience in pioneering the Eurobond project, Luxembourg decided to take a lead in transposing the UCITS Directive into national law. At the

time, the Grand Duchy was already familiar with cross-border fund management, as a hand full of international financial actors from countries such as Japan, the US and Switzerland, had set-up Luxembourg fund structures without the benefit of a specific law.

As a small country with a very small domestic market it came naturally to Luxembourg to take a wider view. Where Germany and France, for example, became concerned about protecting their domestic retail distribution network, Luxembourg policy makers working alongside the regulator, were able to concentrate on the needs of the global community at large.

GOVERNMENT AND THE FINANCIAL INDUSTRY SIDE-BY-SIDE

Nevertheless, it took the Luxembourg authorities three years to implement the UCITS Directive. The timeframe illustrates how complex it was to find an acceptable legal form.

To understand the needs of the market Freddy Brausch, Claude Kremer, Jacques Elvinger and their respective teams, spent hundreds of hours discussing with different stakeholders including the regulator, other law firms, financial advisors and fund promoters. Fortunately, Luxembourg is

"If you want to be better than the others, you have to move fast. Timing is important. It is like music and dancing, it all depends on timing."

CLAUDE KREMER

known as a place where the financial centre actors and the government are open for discussion and meet on a frequent basis.

“One of our strengths is the easy way of taking the appropriate decisions in a timely manner in this country. This is only possible due to an ongoing active consultation between policy makers, regulators and practitioners,” says Jacques Elvinger, Partner and Head of Investment Funds at Elvinger Hoss Prussen.

“The big challenge in these situations is always putting it into an acceptable and legal form. How do you translate ideas and needs into legislation? You have to know and understand the different needs of the market that sometimes may be contradictory. During that process, you cannot permit yourself to lose sight of the objective which is to provide the market with solutions. This goes beyond complexities and challenges. It was not only complex and challenging at the start. It was all along the road,” adds Freddy Brausch, Partner at Linklaters LLP.

The implementation of the UCITS Directive built credibility and put Luxembourg on the map. But the impact reached further. State revenues were growing as the assets under management in funds increased. And then there was the impact on all the professions that grew up around the fund; depositaries, administrators, transfer agents and all kinds of new professions that did not exist before. Players came to settle in Luxembourg and started new operations. This was a big driver for the growth of the economy because it created jobs and a lot of activity that was not there before. Luxembourg built a unique asset management ecosystem which ties together the institutions, infrastructure and regulatory expertise needed for the success of the industry. It is today the backbone of Luxembourg’s financial industry.

FACING CHALLENGES TOGETHER

This might all sound like a leisure cruise, however, it has not always been plain sailing. Over time Freddy Brausch, Claude Kremer and Jacques Elvinger joined forces as promoters in chief and even crisis managers for the UCITS brand.

Jacques Elvinger: *“I remember one situation where the three of us had to get on a plane to Asia and convince the Asian regulators that the UCITS model was indeed solid and credible. Working as a team, going out as a team and selling the country as joint ambassadors is our strength. Other countries recognised this unity.”*

The flexibility built in to address the broad needs of the market and the community spirit of the Luxembourg fund industry ecosystem – competitors working together – has enabled the UCITS product to meet all the challenges thrown at it over the last three decades; from the original implementation, to through a series of updates issued by the European Commission, as well as through the market highs and lows.

MAINTAINING LEADERSHIP IS LIKE DANCING, TIMING IS IMPORTANT

Over the past 30 years, Luxembourg has demonstrated its leadership in the global asset management industry. The financial industry has survived several major transformations, and, in the future, it will continue to face challenges. Leadership cannot be assumed, in order to be in a leading position, you need to anticipate and manage change.

According to Claude Kremer, Luxembourg’s leadership comes down to three key points. First of all, a timely reaction by the government to industry proposals

“Working as a team, going out as a team and selling the country as joint ambassadors is our strength. Other countries recognised this unity.”

JACQUES ELVINGER



JACQUES ELVINGER,
PARTNER AND HEAD OF INVESTMENT FUNDS,
ELVINGER HOSS PRUSSEN



FREDDY BRAUSCH,
PARTNER,
LINKLATERS LLP

“Leadership and courage go hand in hand. Courage at all levels is crucial. Be it at the level of the government, the CSSF and of the industry participants.”

FREDDY BRAUSCH

and initiatives. The second important element is the responsibility of the Commission de Surveillance du Secteur Financier (CSSF). And last but not least courage.

“Leadership and courage go hand in hand. Courage at all levels is crucial. Be it at the level of the government, the CSSF and of the industry participants,” highlights Freddy Brausch.

Jacques Elvinger adds: *“Never underestimate your competitors. We need to stand up, speak up wherever we are and keep using our traditional strategies. We have to stay true to ourselves and keep doing what we are good at. This means keep using the language skills we have in Luxembourg and our strengths such as the easy way of taking decisions in this country.”*

“If you want to be better than the others, you have to move fast. Timing is important. It is like music and dancing, it all depends on timing,” says Claude Kremer.

CONFIDENT ABOUT THE FUTURE

There is one thing that all three like to express and that is gratitude. They are grateful to have been - and still remain - a part of this process.

Freddy Brausch: *“We really enjoyed the experience we have had over the past 30 years. It has been a privilege to move the UCITS Directive in the right direction and, on numerous occasions, to sell this country and its strengths to the other side of the world. We had many opportunities to face unknown audiences and visit countries that we were not familiar with.”*

The UCITS Directive has proved its worth over the past three decades. The future continues to look bright considering the recent developments on the Alternative Investment Fund Managers Directive (AIFMD). There is an ever-growing demand for fund products, especially from developing markets in Asia and Latin America that are opening up their local fund industry. The need to finance pensions is still there and is even increasing, like the need to invest into all asset classes such as infrastructure and private equity. The potential for the fund industry is still huge.

“We have every reason to be confident about the future. Luxembourg has become a powerhouse both in the classic and mainstream area. It is very reassuring that we are able to adapt ourselves to the changes of the industry so that we can grow there where the market pushes us,” says Jacques Elvinger.

Claude Kremer remains philosophical: *“If we continue to do our homework, I’m not concerned at all.”*

Freddy Brausch, Claude Kremer and Jacques Elvinger led the industry through one of its most important developments to date, repeatedly teaching us about leadership and vision, the power of working together, and the importance of flexibility and pragmatism.

MvH

BARBARA SCHOTS,
MANAGING DIRECTOR,
DWS INVESTMENT S.A.

“For DWS, the Luxembourg financial centre played an important role in setting up a global distribution network.”

BARBARA SCHOTS

30 YEARS OF FINE-TUNING

THE WORLD'S LEADING ASSET MANAGERS HAVE CHOSEN LUXEMBOURG AS THE BUSINESS HUB FOR THEIR INTERNATIONAL FUND RANGES. A NUMBER OF FACTORS HAVE CONTRIBUTED TO THIS PHENOMENON BUT TWO STAND OUT: THE FINANCIAL CENTRE PROVIDES UNRIVALLED INTERNATIONAL EXPERTISE AND A VERSATILE, TRIED AND TESTED TOOLBOX OF INVESTMENT VEHICLES.

WE SPOKE TO A HANDFUL OF INTERNATIONALLY ACTIVE ASSET MANAGERS AND SERVICE PROVIDERS TO ASK HOW LUXEMBOURG CATERS FOR THEIR NEEDS AND HOW THIS IMPACTS THEIR OPERATIONS.

“DWS has been taking advantage of the introduction of the UCITS brand for more than 30 years.”

BARBARA SCHOTS

“DWS has been taking advantage of the introduction of the UCITS brand for more than 30 years,” says Barbara Schots, Managing Director of DWS Investment S.A., an independent asset manager that is majority owned by Deutsche Bank as its largest shareholder.

“The aim was to develop a broad range of funds for wide distribution and to be close to our clients. The positive business relationship with the Luxembourg regulator CSSF was also recognised as key to client service, by providing a good time to market for Luxembourg funds.”

DWS is currently the second largest management company in Luxembourg by assets under management and is a key hub for the DWS group, which has more than 460 funds based in the Grand Duchy. The group has EUR 719 billion under management globally, of which EUR 492 billion is managed in Europe.

From the Grand Duchy, DWS operates a broad range of fund portfolio activities across its active, passive and alternative businesses. It is licenced as a “Super-Manco”, meaning the company offers both UCITS and alternative investment funds



PIERRE BOUCHOMS,
GENERAL MANAGER,
GENERALI INVESTMENTS LUXEMBOURG SA

“UCITS have become synonymous with global distribution: when you say UCITS, people think Luxembourg.”

PIERRE BOUCHOMS

manages investments on an international scale and handles the development and distribution of both UCITS and alternative investment funds on behalf of the Generali Group’s international network of insurance companies.

“Luxembourg has significant international exposure. UCITS have become synonymous with global distribution: when you say UCITS, people think Luxembourg. It is much easier to enter certain markets with a Luxembourg UCITS because they were the first mover. The local regulator knows us and knows the product,” explains Pierre Bouchoms, General Manager.

In a competitive environment, specialisation is the key to success. Generali is providing customers with an innovative suite of investment solutions, based on a multi-boutique approach.

“Luxembourg plays a central role in this new strategy. We launched the Generali Investments SICAV from Luxembourg for the Generali Group’s boutiques with experts in asset management from various locations. Today, the fund is registered in more than 10 countries,” he explains.

Currently, fund promoters from 67 countries use Luxembourg funds to reach global investors and Luxembourg UCITS are sold in over 70 countries around the world.

“The fact that Luxembourg funds are already registered in many countries makes life much easier, especially with the multi-boutique strategy. The funds we are setting up for those

to a wide base of institutional and private investors.

“Covering the full fund spectrum is a clear advantage in an environment of negative interest rates and fee compression.”

The Grand Duchy plays a central role in DWS’s global strategy.

“For DWS, the financial centre played an important role in setting up a global distribution network. Luxembourg funds are in high demand from investors, intermediaries and

distributors, so we were able to establish relationships with a large number of distribution partners over the years. Similarly, it acts as one of our two major hubs for client account servicing.”

SERVING A MULTI-BOUTIQUE STRATEGY

Generali Investments Luxembourg SA (GIL) is the investment specialist of the Generali Group which is one of the largest insurance companies in the world and a leading European asset manager. Generali

“Given the low interest rate environment and the uncertainty in the equity markets, and looking at long-term liabilities, the alternative world is clearly where you will find better returns.”

PIERRE BOUCHOMS

asset managers tend to have a more global distribution, so in the coming months we will significantly extend our global footprint. Offering a Luxembourg product is a key element in this strategy.”

FUND PASSPORTING FOR INTERNATIONAL REACH

Passporting is also central to the activity of DWS Luxembourg, both in the UCITS and the AIFM space.

“Luxembourg has broad distribution capability supported by its ability to passport to a large number of domiciles. We recently launched French AIFs and became the management company for some large Irish funds in 2018,” continues Schots.

“The fact that activities can be concentrated in one location enables us to build up our expertise on European regulatory frameworks, choose the best domicile and fund structure for our clients and run operations in a consistent manner from the top down,” she adds.

The same goes for Generali which is making full use of the fund passporting available for UCITS and AIF and is managing an AIF in France and a UCITS in Germany.

ALTERNATIVES GOING MAIN-STREAM

Today, UCITS still hold a majority of the assets under management held by Generali Investments Luxembourg

(GIL) but a rebalance of its portfolio is expected in the next few years.

“We are setting up more and more alternative products. We have launched many real estate funds, private debt funds and are going to launch hedge funds in the near future. Given the low interest rate environment and the uncertainty in the equity markets, and looking at long-term liabilities, the alternative world is clearly where you will find better returns,” says Pierre Bouchoms.

For him, it is a natural next step for the country to become Europe’s alternative investment hub.

“If you look at the ecosystem we’ve been able to develop for the UCITS world, little by little, we are replicating this experience in the alternative space. Major players are setting up in Luxembourg while service providers are improving their services for AIFs. Even at the level of the regulator, there is increasing scope to authorise alternative funds.”

A 24/7 SERVICE

The American bank Brown Brothers Harriman (BBH) has been present in Luxembourg since 1989, supporting asset managers at the time of the first UCITS funds. Today, BBH is one of the top third-party custodians and administrators in Luxembourg, serving international asset managers from the US, Europe and Asia.

“Our first client had just arrived in Luxembourg at that time and so we said: « why

don’t we do this together?”, explains Jean-Marc Crepin, Co-Head of Brown Brothers Harriman Investor Services EMEA and supervising Partner of BBH Luxembourg and BBH Ireland. *“Our clients are at the centre of everything that we do. We strive to help asset managers expand globally through Luxembourg and the UCITS brand is unbelievably powerful in supporting their global distribution strategy. Our Luxembourg business is now at the cornerstone of the group’s global strategy and represents a large portion of our revenue.”*

From Luxembourg, BBH helps its clients manage the complexities of cross border fund servicing. Crepin values Luxembourg’s unique asset management ecosystem, which knits together the institutions, infrastructure and regulatory expertise needed for the success of the industry.

“There is a significant strategic alignment between the regulator, the industry and the investors to translate the objectives of the regulator and the legislator into something that makes sense for the investor. The authorities have a real appetite for understanding the sector.”

“There is a significant strategic alignment between the regulator, the industry and the investors.”

JEAN-MARC CREPIN



JEAN-MARC CREPIN,
CO-HEAD,
BROWN BROTHERS HARRIMAN INVESTOR SERVICES EMEA
SUPERVISING PARTNER,
BBH LUXEMBOURG AND BBH IRELAND

“Luxembourg is becoming the conduit through which high-quality FinTech companies bring back value to asset managers.”

JEAN-MARC CREPIN

“As a global custodian, delivering the highest possible quality level of data will be an important competitive advantage in the future.”

JEAN-MARC CREPIN

Different time zones do not constrain fund administration activities in Luxembourg. For BBH, this pragmatism has been a key asset in supporting its global activities.

“Luxembourg was the first to understand how to sell funds successfully in Asia. If you tried to do every single activity in Luxembourg, the net asset value of the fund would be obsolete by the time it got to Asia. Having the opportunity to have contract notes sent out from the US and to use the end of the US day, has been a significant advantage in global distribution.”

AN INNOVATION AND FINTECH HUB

“As a global custodian, delivering the highest possible data quality will be an important competitive advantage in the future,” continues Jean-Marc Crepin.

BBH sees technology as a key enabler for broadening its international client base and is fully embracing a culture of innovation to develop new technology solutions for its clients.

“Data is key to the value that service providers can bring to clients. An optimal data strategy enables a higher level of flexibility in the operating model and provides the means to perform behavioural analytics so that asset managers, for instance, can analyse how their portfolio managers are performing and help deliver the best value to investors. The higher the quality level of data, the better the quality of decisions,” he points out.

Crepin has first-hand experience of Luxembourg’s dynamic FinTech ecosystem.

“Luxembourg is becoming the conduit through which high-quality FinTech companies bring

“By putting high quality data at the core of all our products, we empower our clients to spot trends and act in real time.”

NEIL WARD

value to asset managers. This is extremely important for us as it enables us to evolve new products and respond more effectively to our clients' needs.”

DWS is also putting innovation at the core of its strategy.

“Digitalisation is changing the world in both large and small ways, and we see this trend at work in the asset management industry as well,” comments Barbara Schots.

As part of its broader digitalisation strategy, DWS has launched a digital investment platform out of Luxembourg named WISE. The platform provides its distribution partners with a tailored solution for automated, digital asset management.

Combining the digital and ESG worlds, DWS also recently took a stake in an ESG scoring company called Arabesque. This business uses machine learning and big data to combine over 200 ESG metrics with news feeds from 30,000 sources published in over 170 countries.

PUTTING FUND DATA TO WORK GLOBALLY

“Just as Luxembourg as a whole has welcomed digitalisation and aspires to grow through new technologies, we felt we had an opportunity to put fund data to work globally. We had a duty to our 300 plus clients to give them leading-edge data insights,” explains Neil Ward, CEO of Luxembourg-based FinTech, Kneip.



NEIL WARD,
CEO,
Kneip

“By giving the data back to the client, we can unlock the complexity and remove silos for any market.”

NEIL WARD

“Luxembourg provides the brains. There is a high-level of knowledge and a high degree of specialisation that you can’t find anywhere else.”

NEIL WARD

Kneip has been providing innovative data management solutions to the industry since 1993. The company continuously invested in new technology to simplify the complexities of fund data management and reduce the burden of regulatory demands. Its new digital service platform allows for more transparency, cost-reduction and accelerated time-to-market by facilitating digitalisation, and streamlining investor data and processes such as reporting.

“Our digital platform is designed to meet the growing need to de-duplicate data and data-based processes by offering a single platform managing the entire fund lifecycle from end to end in real time: from registration, quality data management and publication through to providing oversight. By putting high quality data at the core of all our products, we empower our clients to spot trends and act in real time,” he adds.

The platform is putting asset managers back in control of their data.

“This is the beginning of a new era for clients, who now have full transparency and control of their data. By giving the data back to the client, we can unlock the complexity and remove silos for any market, regulatory document, or piece of data that has to be disseminated to stakeholders in either direction.”

Today, Kneip serves more than 10,000 funds in 6,500 destinations across 40 countries.

“It would have been difficult to define our strategy as acutely as we have in any other country. Luxembourg’s story as a secure, leading-edge global data hub is directly reflected by Kneip. We see global strengths through data and technology that weren’t available from a Luxembourg base five years ago.”

TALENT WITHOUT BORDERS

“Luxembourg provides the brains. There is a high-level of knowledge and a high degree of specialisation that you can’t find anywhere else. So, for funds, it becomes a very reliable brand to build around. For Kneip, the right place for us to place our bets and invest in our people is here,” explains Neil Ward.

Luxembourg’s international DNA is reflected at BBH Luxembourg which employs 400 people with 36 nationalities between them. 33 languages are spoken at the firm.

“For Luxembourg, the world is its oyster with outstanding connectivity to global resources. This is critical when servicing not just European, but global clients,” says Jean-Marc Crepin.

He sees investments in continuous training as a crucial asset for the future.

“Upscaling is the number one challenge and Luxembourg’s support for training is crucial to us. Ultimately, combining a continuous learning process with a stable workforce will be one of the conditions of success,” he adds.

This point of view is shared by Barbara Schots.

“We continuously strive to develop our workforce. The turnover of employees in DWS Luxembourg is very low, which is clearly a positive factor for the company.”

OB

“For Luxembourg, the world is its oyster with outstanding connectivity to global resources.”

JEAN-MARC CREPIN



MARCO ZWICK,
DIRECTOR,
COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER (CSSF)

The CSSF in full stride

LFF MET MARCO ZWICK, DIRECTOR OF THE COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER (CSSF) TO DISCUSS ITS ROLE IN THE DEVELOPMENT OF THE ASSET MANAGEMENT INDUSTRY AND THE INNER WORKINGS OF WHAT IT TAKES TO BE THE SUPERVISOR.

LFF: LUXEMBOURG PLAYS A LEADING ROLE IN EUROPE'S INVESTMENT FUND INDUSTRY, WHAT INFLUENCES HAVE CONTRIBUTED TO THIS AND HAS REGULATION OR SUPERVISION BEEN A FACTOR?

MZ: Regulation and supervision are a factor and have evolved over time. When we refer to “regulation” this means that most of the fund laws are based on EU legislation (directives and regulations) which are as such, common to the EU Member States.

As for the trend to further centralise the supervisory powers at EU level, we should not forget that efficient supervision must be carried out close to the market and its players. However, we also recognize the value of exchanging expertise between EU regulators with the objective of regulatory convergence.

At the CSSF, we like to think about the spirit of supervision and believe that having a strong focus on investor protection provides an essential basis for effective business development. The regulatory tool box available for the incorporation of fund vehicles is wide-ranging and unique to Luxembourg. In this area, the Luxembourg legal system has historically offered a legal framework to suit the legal requirements fund promoters may seek (e.g. the possibility to launch contractual and statutory funds, the possibility to have sub-funds within one umbrella fund or the existence of partnership-type vehicles for the incorporation of alternative investment funds). Another important aspect of supervision is the frictionless access to the CSSF: many choose Luxembourg as a fund domicile because we can communicate and process paperwork in English, French and German.

Fund promoters also choose Luxembourg as their domicile to launch funds given the range of investment fund “expertise” from a supervisory perspective. Such expertise can explain why following the

introduction of the Alternative Investment Fund Managers Directive (AIFMD), Luxembourg has effectively managed to replicate the UCITS success story in relation to the incorporation of Alternative Investment Funds.

In essence, Luxembourg's ecosystem is geared towards the domiciliation, administration and the distribution of cross border funds, all due to the adequate regulatory framework, comprehensive financial sector expertise and, most importantly, the right outlook.

LFF: OVER THE PAST FEW YEARS, WHAT HAVE THE CSSF'S MAIN MILESTONES BEEN IN TERMS OF ITS ROLE AS SECURITY SUPERVISOR?

MZ: There have been a few key milestones ranging from the financial crisis, to the opening of the Chinese Capital Markets, to most recently, Brexit. Undertakings for Collective Investment in Transferable Securities (UCITS) funds have become a strong global brand, with Luxembourg becoming the first country to implement the European Directive. Each implementation from UCITS I to V was landmark, together with the implementation of the EU's AIFMD into national law in 2013; with increasing volumes of application from investment fund managers for their own licenses and for licensing their products.

“Luxembourg has effectively managed to replicate the UCITS success story in relation to the incorporation of Alternative Investment Funds.”

MARCO ZWICK

The financial crisis of 2007-2008 had a negative effect on the financial markets as a whole and on Undertakings for Collective Investment (UCIs) which diversify their investments into transferable securities in particular. Luxembourg assumed a central role as a regulatory, risk, and compliance competence centre, encouraged by the aftermath of the crisis and increasing regulation. In turn, this transformed the country into a fundamental part of the global asset management value chain with know-how in investments, international fund distribution, and asset servicing.

Even though a number of funds were facing asset valuation and liquidity issues during the peak of the crisis, the investment fund industry emerged stronger than before. The crisis years had undoubtedly led to a paradigm shift, whereby our action became integrated in a European, or even international, supervisory system.

Lastly, Brexit has raised a number of questions on the continuation of services of UK firms in Europe and vice-versa. We have tackled a number of important questions (from the market), particularly the possibility to continue the delegation of investment management activities to asset managers based in the UK (at least on a temporary basis). Luxembourg also benefits from the Brexit laws, as introduced in April this year, which provide the possibility for the CSSF to ensure market continuity and investor protection in the event of a no-deal Brexit.

LFF: HOW HAS THE GROWTH OF THE ECO-SYSTEM AND THE INCREASING COMPLEXITY OF THE FRAMEWORK IMPACTED THE WORK OF THE REGULATOR? WHAT IS THE MARKET'S FEEDBACK AND WHAT ARE YOUR CHALLENGES?

MZ: The CSSF has addressed this growth-complexity challenge by investing considerably in its staff; we have added around 400 agents over the last five years with a strong focus on highly educated and experienced candidates. We also revised our training policy, ensuring that each of our agents received an average of 50 hours of training in 2018. We have invested and continue to invest in new technologies and new ways of working, embracing the lean management model. Post-crisis, our approach to supervision became risk-based.

The positive feedback we receive from industry players is that they enjoy the “ease-of-access” to the CSSF. This allows them to discuss their product pipeline and/or the set-up of investment funds in Luxembourg in a pro-active way. We prefer that a company informs us that they are experiencing issues so we can troubleshoot meaningfully, rather than discovering that this is the case during an onsite inspection. While we are respectful of our role as an independent supervisor, we also do not want any surprises. We also regularly receive very positive feedback for our competence and capacity to understand complex multi-jurisdictional issues.

The CSSF's response time in relation to new investment management company and fund applications is perceived as satisfactory; particularly with regard to standard applications. Of course, the quality of the application file sent to us is directly proportional to the time spent processing it. The better the quality, the fewer questions we have to raise and the quicker we are at the processing stage.

In 2018 we launched eDesk, an online tool for the online issuance of residence

“Efficient supervision must be carried out close to the market and its players.”

MARCO ZWICK

certificates for Luxembourg investment funds, investment fund managers and securitisation undertakings and also for the issuance of UCITS and AIFMD/ESMA attestations for non-EU countries. A year later, we are set to launch a new IT-interface with the market in order to further automate the receipt and handling of fund applications. In this second eDesk system release, fund promoters will be in a position to automatically track their status and identify where and when a delay occurs. With this type of initiative, we are promoting an industry mindset shift to submit reports digitally.

LFF: HOW DO YOU SEE YOUR ROLE EVOLVING IN THE FUTURE AND WHAT OTHER FACTORS WILL CONTRIBUTE TO THIS EVOLUTION?

MZ: Our role is to observe and to listen to the financial sector's needs, and we will need to have very practical communication around the evolution of technology which its members envisage. Evolution of technology also implies evolution of



“Our role is to observe and to listen to the financial sector’s needs, and we will need to have very practical communication around the evolution of technology which its members envisage.”

MARCO ZWICK

MARCO ZWICK,
DIRECTOR,
COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER (CSSF)

the players and of their way of carrying out their activity. The challenge for us is to understand the activity and the way it is being carried out. While we must have a strong understanding of any associated risk(s), we must strike the right balance to supervise these players without stifling or harming innovation.

The CSSF is supportive of technology changes and innovations, a good example being our circular on cloud computing which outlines options for cloud technology use. We speak to market players about technology projects, such as the use of block-

chain, for example. Since technological advances are likely to impact the way how we supervise activities, we are eager to anticipate and embrace these changes as much as possible.

LFF: WHAT WOULD YOU SAY THE MAIN EVOLUTIONS THAT DIGITALISATION WILL BRING ABOUT AND THEN FOR LUXEMBOURG IN PARTICULAR? WE HAVE SEEN YOUR LONG TRACK RECORD OF OPENNESS TO THIS KIND OF INNOVATION...

MZ: With respect to digitalisation, I believe that there are two certainties: firstly, we

anticipate deep transformation within the business areas of the Luxembourg financial sector; secondly, I believe that computers will not replace human beings. Rationally speaking, human intelligence will control artificial intelligence and not the opposite. Therefore, it is doubtful that clients of financial institutions or investors of funds, as well as regulators, will ever fully trust robots.

That said, we should not fear digitalisation. If used intelligently, it will help to build a financial system that is more efficient, cheaper, less vulnerable to human error, and more inclusive. At the CSSF, we are noticing that the digital transition

“We should not fear digitalisation. If used intelligently, it will help to build a financial system that is more efficient, cheaper, less vulnerable to human error, and more inclusive.”

MARCO ZWICK

is also evolving the requirements for employee skills which are necessary to develop a future-proof financial centre. The types of jobs required in the industry will change and employees will therefore have to undergo a re-skilling exercise. Instead of causing job disruption, we believe there will be job creation with roles such as “data scientist”, just being one such example.

We are open to innovation and developments, and an example of this is that we were one of the first regulators to seriously consider using a circular on cloud computing, which outlines options to use cloud technology. We support this technology under a number of conditions, and have given very clear and pragmatic guidance to the market on how to use it.

The technological changes I have mentioned will impact how we supervise which is why we are eager to anticipate them as much as we can. Ultimately digitalisation will be instrumental to help us manage expectations and delivery to the market.

LFF: HOW CAN A REGULATOR CONTRIBUTE TO MAINSTREAMING SUSTAINABLE FINANCE THROUGHOUT THE ENTIRE INDUSTRY? WHAT DO YOU THINK NEEDS TO BE DONE BY THE AUTHORITIES, OR THE INDUSTRY, MORE GENERALLY TO ACHIEVE THIS?

MZ: As a regulator, our role is to raise citizens’ awareness and to safeguard transparency on the importance of sustainable finance and the meaning of ESG; and given the current focus, with a particular emphasis on the Environment. Our approach to meeting this objective has been to implement financial education, whether by speaking to the financial services industry and schools about sustainable finance. We expect these discussions to be followed by action at all levels: government, market, and individual.

Although the EU’s new taxonomy to classify sustainable activities is under discussion, we expect results from these wider

efforts in the foreseeable future. In the absence of a clearer EU level framework, we are seeing that fund promoters are already defining their own ESG strategy for their investment fund launches. This is a good example of initiatives which are in progress and heading in a positive direction.

We believe it is essential that any disclosure in fund documentation, i.e. labelling and instrument marketing, clearly explains the ESG implications and the application of inclusive or exclusive criteria to determine investment choices. Investors must be aware of exactly what they are buying, and this is not only the case for ESG.

CC

ABOUT THE CSSF

The Commission de Surveillance du Secteur Financier, CSSF, is the supervisory authority for banks, investment managers and investment funds, and the securities markets in Luxembourg.

LEADING THE WAY TO A SUSTAINABLE FUND INDUSTRY

CORINNE LAMESCH, COUNTRY HEAD, LUXEMBOURG AT FIDELITY INTERNATIONAL, HAS RECENTLY BEEN APPOINTED CHAIRPERSON OF THE ASSOCIATION OF THE LUXEMBOURG FUND INDUSTRY (ALFI). SHE PLANS TO PUT SUSTAINABLE FINANCE AND RETIREMENT SAVINGS AT THE TOP OF HER AGENDA. WE SAT DOWN TO DISCUSS HER PRIORITIES FOR THE NEXT COUPLE OF YEARS AS WELL AS ABOUT THE IMPORTANCE OF DIVERSITY.

“The fund industry provides an important social function for our economy.”

CORINNE LAMESCH

LFF: WHAT EXCITES YOU ABOUT YOUR NEW ROLE AS CHAIRPERSON OF ALFI?

CL: I've been active in the fund industry in Luxembourg for more than twenty years, so I'm now really looking forward to this new chapter.

I see this role from two angles. Firstly, to represent our sector, in Luxembourg and abroad. Secondly, the fund industry provides an important social function for our economy. So, investment funds play a role in helping individual investors to meet long-term financial and social but also nowadays, environmental goals. I think we have a unique opportunity to reshape our industry



CORINNE LAMESCH,
CHAIRPERSON,
THE ASSOCIATION OF THE LUXEMBOURG FUND INDUSTRY (ALFI)

into something which is more aligned with the values of our changing society and better connected to the interests of current and future generations. That excites me.

LFF: WHAT ARE YOUR PRIORITIES FOR THE NEXT TWO YEARS?

My focus will be on Sustainable Finance, Retirement Savings, Alternative and Private Investments, and FinTech/Digital.

Tackling climate change is a worldwide number one priority and the EU Commission has ambitious plans in this field, in particular in sustainable finance. Climate change is now a systemic risk, so, there must be a global approach. How can we help? I think by offering sustainable funds, we can channel savings from our investors into companies which make sustainable decisions, and which sensibly allocate their capital. Another crucial topic is retirement savings. Europe is facing a challenge regarding retirement savings. Some of the larger EU member states may see a decline of over 20% in their

public pension replacement rate according to the European Commission Aging Report. The asset management industry has a role to play to encourage more of the population to save for their retirement. The continued development of the alternative investment fund industry is also essential. This sector is contributing to the success of the Capital Markets Union, the European Commission's flagship project to boost jobs and growth in the European Union. Finally, FinTech is an ongoing priority because it is a disrupter in our market, and we have to look into it and work on that topic as well. We will maintain our regular interaction with FinTech players and policymakers so that we can develop innovative digital tools in a modern legislative framework.

“Luxembourg is already a well-known platform for sustainable finance, but work in this area needs to be accelerated.”

In addition to these priorities, we will continue to focus on opportunities arising from the development of new markets. Mexico, for example, has opened up its pension fund market to investment outside the country. That's a great opportunity. We can offer savers in this market access to our products, which are globally recognised as a safe brand.

LFF: SUSTAINABLE FINANCE IS REACHING NEW DEPTHS AND CREATING A NEED IN THE MARKET FOR MORE PRODUCTS. CAN YOU EXPLAIN HOW YOU SEE THIS EVOLVING IN THE FUND INDUSTRY?

CL: Luxembourg is already a well-known platform for sustainable finance, but work in this area must be accelerated. I think we now need to incorporate sustainable finance in the whole investment process. How do you make investment decisions? How do you assess the climate risks of companies? Then there will be a requirement for more transparency. A unified classification system is necessary, so that we can define what a sustainable company is and what is not. We will also need to ensure

that the products we are selling are doing what they say on the tin. We already have LuxFLAG in Luxembourg, which provides a label to eligible investment vehicles. The EU also plans to establish labels for all green financial products.

LFF: CURRENTLY, ONLY 27% OF EUROPEANS AGED BETWEEN 25 AND 59 YEARS HAVE ENROLLED IN A PENSION PRODUCT. HOW CAN THE INDUSTRY ENCOURAGE MORE PEOPLE TO SAVE FOR RETIREMENT?

CL: The Pan-European Personal Pension Plan (PEPP) will represent an excellent new product for European citizens and also an opportunity for Luxembourg as it will

enable savers to have a single pension product when they move from one EU country to another. In Luxembourg we aim to specialise in launching these pan-European products and export them across the EU. If we could combine this with online investing, then I am of the opinion that this can become a cohesive proposition, so that employees have their savings in the same vehicle. I believe with the introduction of the PEPP we could even attract a new ecosystem in Luxembourg, and this is something we are actively looking to develop.

LFF: A SIGNIFICANT NUMBER OF LUXEMBOURG'S FINTECH COMPANIES ARE FOCUSED ON SERVING THE REGULATORY AND COMPLIANCE NEEDS OF GLOBAL ASSET MANAGEMENT. HOW IS THE INDUSTRY WORKING WITH THESE COMPANIES TO SPEED UP THE PROCESS OF DIGITALISATION WITHIN THE INDUSTRY?

CL: FinTech and digital innovation are an important area of focus for us. Digitalisation will impact the whole value chain. Over the next two years, ALFI will continue its regular interaction with FinTech players and policymakers so that innovative digital tools can be developed in a modern legislative framework. These tools will help to reduce costs and increase efficiency in the industry. They will also improve the service offerings for existing savers and enhance the connectivity to new savers.

LFF: ALFI HAS BEEN INSTRUMENTAL IN HELPING THE INDUSTRY TO PREPARE FOR BREXIT. CAN YOU OUTLINE RECENT DEVELOPMENTS?

CL: The UK and Luxembourg are long-standing partners in the fund industry. UK asset managers account for 18.6% of AuM in Luxembourg investment funds. With Brexit, we have seen activities relocating from the UK to Luxembourg and also new funds coming to Luxembourg. Some 35 companies have an increased presence in Luxembourg. So, yes, there is growth there. Obviously, with Brexit, we are still

trying to figure out what will happen. Interim solutions are in place both in the UK and in Luxembourg. We are now waiting to see what our future relationship with the UK will be.

LFF: FINALLY, DIVERSITY IN ALL ITS FORMS IS A VITAL ELEMENT OF THE CHANGING TALENT FOCUS WITHIN FINANCIAL SERVICES. WHAT MORE NEEDS TO BE DONE TO MAKE DIVERSITY A REALITY?

CL: Diversity and inclusion are topics very close to my heart. The asset management industry still has a lot of work to do and it's important to move the issue higher up the agenda. I will promote the benefits of diversity and inclusion in the sector, not only concerning gender but across all dimensions. I think it's essential to get more women at senior and board level, but also make sure we have a diverse pool of talent in the industry. For example, if we want our industry to become more innovative in the digital space, we need to hire the best tech specialists out there. The more diverse and inclusive you are, the more you attract a qualified workforce.

GM

“With Brexit, we have seen activities relocating from the UK to Luxembourg and also new funds coming to Luxembourg.”

CORINNE LAMESCH

ASSET MANAGEMENT IN LUXEMBOURG

Global Hub for International Fund Distribution

1st investment fund centre in Europe

2nd worldwide after the United States

€4.5T

Luxembourg fund industry assets have reached a new high of 4.5 trillion euros.

70

Luxembourg funds are distributed in 70 countries.

Out of the Top 100 Asset Managers in Europe

98 have funds domiciled in Luxembourg

56 have their leading fund domiciled in Luxembourg

71 have one of their most significant three funds domiciled in Luxembourg

62%

Luxembourg is Europe's leading centre for cross-border fund distribution with 62% global market share in cross-border investment.

67%

More than 67% of UCITS funds distributed internationally are based in Luxembourg.

Hub for Alternative Funds

90%

90% of global private equity investments are structured using Luxembourg vehicles.

19/20

19 out of the top 20 global PE houses have operations in Luxembourg.

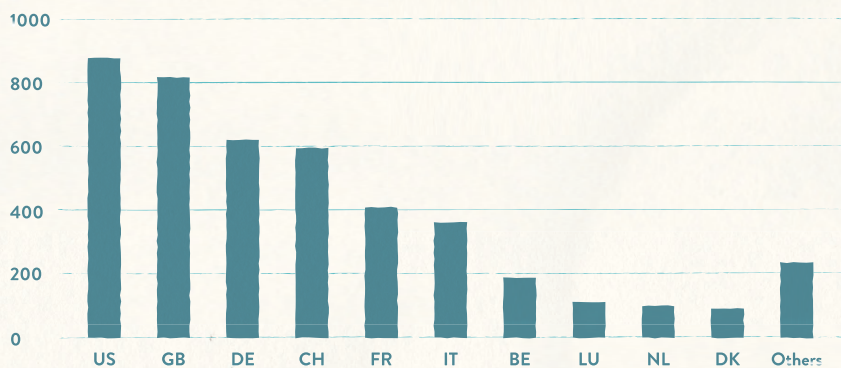
Origin of Luxembourg Fund Initiators

Fund initiators from around the world opt for Luxembourg as their fund domicile.

Market shares of fund initiators in Luxembourg by country of origin
(in terms of assets under management)

Market share of initiators at 30 April 2019

EUR Billions



WORK, LIVE AND LUXEMBOURG: BALANCE A GREAT CAREER IN FINANCE WITH YOUR LIFE

LUXEMBOURG OFFERS A WORK-LIFE BALANCE THAT IS DIFFICULT TO FIND ANYWHERE ELSE IN THE WORLD. ITS CENTRAL LOCATION IN THE HEART OF EUROPE, QUALITY OF LIFE AND RANKING AS THE SAFEST CAPITAL IN THE WORLD, HELPS THE COUNTRY TO REMAIN A WORLD LEADER IN ATTRACTING AND RETAINING TALENT. MEET SOME OF THE PEOPLE OF OUR #MOVETOLUX CAMPAIGN WHO MOVED TO LUXEMBOURG TO BALANCE A GREAT CAREER IN INTERNATIONAL FINANCIAL SERVICES WITH THEIR LIVES.

WORK, LIVE AND KICK

Monica moved to Luxembourg from Mexico City fourteen years ago. After achieving a degree in computer science, she began her career working as an IT specialist in Mexico's financial sector, before taking up a job in Luxembourg.

"I started working for Credit Suisse, a Swiss bank, and two years ago moved to Clearstream, a global leader in post-trade securities services."

Monica believes the more knowledge you have, the more choice you have to choose the path you want to go down. She recently completed an MSc in Project Management, which was supported by the Luxembourgish government. Continuously supporting lifelong learning, Luxembourg offers up to 80 days of paid time off your job to study during your career.

"It is continually changing. You are challenged to learn many new skills. You have to be updated very often. Since changes are constant, then I like to be prepared to face different challenges."

Monica's passion is martial arts, and she practices Krav Maga and Brazilian Jiu-Jitsu in the numerous green spaces and parks across the city.

"I practice Krav Maga around five times per week. It's very empowering to train and to get better at a martial art. I like it because it's fast-paced, but it's also very skillful and beautiful. It helps me to be in shape and to get to know people of all kinds of nationalities."

SCAN THE QR CODE BELOW
TO WATCH THE VIDEO
SERIES FEATURING THE 9
EXPATS WHO MOVED TO
LUXEMBOURG





MONICA RUIZ,
IT SPECIALIST,
CLEARSTREAM

“I practice Krav
Maga around five
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better at a martial
art.”

MONICA RUIZ

There is work
and there is life
afterwards. Always
time to go and grab a
drink and meet with
friends in a beautiful
environment.”

JEAN-YVES LITAMPHA

WORK, LIVE AND EXPLORE

Jean-Yves moved to Luxembourg to kick off the European head office for Hiscox, a leading international insurer. *“For me, it was a huge opportunity to start something new while building on twenty years of European experience.”*

Qualified Quebec Lawyer and graduate in German, French, Quebec and Canadian Law, he also holds a Masters degree in International Economic and Foreign Investment Law.

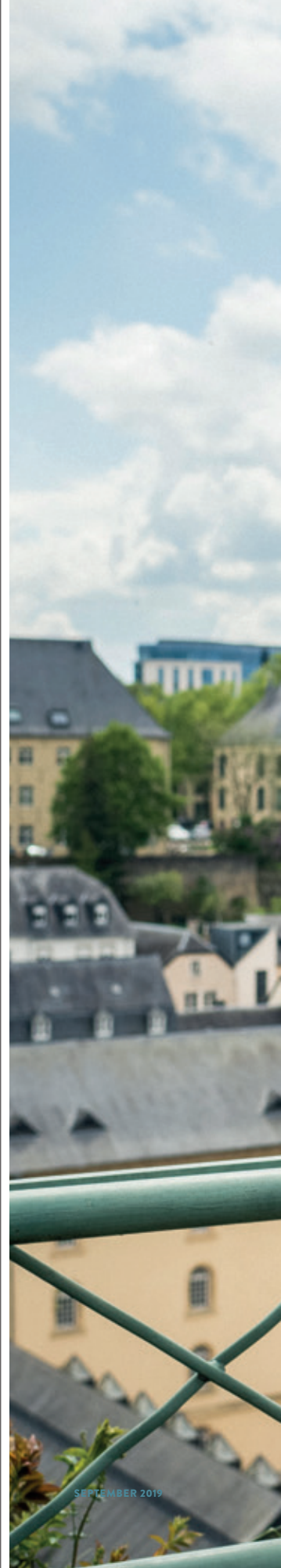
“Hiscox is a very creative insurance company, creating new products, reaching out to new customers, and this international multijurisdictional environment, is a real challenge, so for any legal person, this is the perfect place to be. The regulator is very helpful, is interested, and it’s always a relationship of give and take.”

Jean-Yves enjoys being part of Luxembourg’s international and welcoming community. *“There is work and there is life afterwards. Always time to go and grab a drink and*


meet with friends in a beautiful environment. We have this very international and welcoming community around us. You will find people from everywhere in Luxembourg, and this is something quite unique.”

One of his greatest pleasures is to explore Luxembourg and the entire region, which includes Germany, France, Belgium, with his young family.


“I’m passionate about history about how cultures evolve. It’s imperative to me that kids have a historical background, that they know where we are coming from and that Europe wasn’t built in a day. Now that they live in the centre of Europe, we cross borders every week without seeing any border controls. This is important to me.”



JEAN-YVES LITAMPHA,
COMPLIANCE MANAGER EUROPE,
HISCOX

A woman with dark hair, wearing a mustard yellow trench coat, stands in a market stall. She is smiling and holding a red apple in her right hand. In front of her are several wicker baskets filled with fresh produce, including oranges and green apples. The background shows a covered market area with other stalls and flags flying.

SHARYN TAN,
HEAD OF INTERNATIONAL TREASURY CENTRE,
PAYPAL



“I think what’s great about Luxembourg is that you don’t need to go to the Michelin starred restaurants to have an incredible and authentic culinary experience.”

SHARYN TAN

WORK, LIVE AND TASTE

“You can live in Luxembourg and still have a global career.” explains Sharyn Tan, Head of International Treasury Centre, PayPal.

After graduating with a BSc in accounting and finance from the London School of Economics (LSE), Sharyn began her career at KPMG and Rothschild & Co. She moved to Luxembourg two years ago with Deutsche Bank having worked for them in London and Abu Dhabi for eleven years. She is now leading the International Centre at PayPal, which has its European headquarters in Luxembourg.

“I was introduced to PayPal, and it just so happened that the treasury team were looking for someone, so that seemed an easy fit for my skill set.”

Sharyn’s team is spread across the globe. *“PayPal does business through Europe. Decision making gets done here. It’s the hub where we are passporting through to the rest of Europe to offer our products and services.”*

For Sharyn, food is a significant part of her culture, and many of her social activities are centred around it. *“For me, food is a big part of my identity. I grew up in Malaysia, and to me, food is family and community.”* She set up the “Weird Thursday Grub Club” at PayPal where once a month she organises a dinner for staff to connect and explore cuisine from around the world.

“I think what’s great about Luxembourg is that you don’t need to go to the Michelin starred restaurants to have an incredible and authentic culinary experience. But equally there are Michelin starred restaurants that are accessible and you don’t feel pretentious because the chefs will come to the table and talk to you about the restaurant. The warmth and friendliness they treat you with adds another dimension that you don’t easily find in other cities.”



JANUSZ WERETKO,
BUSINESS ANALYST,
AZTEC GROUP

“You can see the growth of the fund industry and you can translate that growth to your career growth.”

JANUSZ WERETKO

WORK, LIVE AND SNAP

Janusz moved to Luxembourg while still studying for his MBA in Poland. A year into his stay, he began working as an accounting system support analyst at the Aztec Group and his career accelerated.

“My work is changing ever day because it’s a crossroads between operations and IT development. Every single day is different because it brings new problems whether that is regulatory, whether that’s technical, whether the client wants something entirely different to whatever we have been delivering. This is what drives me the most—being a business analyst and being on the bridge between the operations and development of the solutions, I am able to lead the change.”

Since Janusz joined the company in 2017, which specialises in fund and corporate services, the Luxembourg office has doubled its size to nearly 300 staff. This he says, makes for a dynamic and exciting work environment.

“Luxembourg is the biggest fund centre in Europe and it’s second in the world. It’s helpful and it’s promising. You can see the growth of the fund industry and you can translate that growth to your career growth. You can see the prospects for what’s going to happen and because of the stability in Luxembourg, you can make sure that with your hard work you can achieve so much so quickly that you would not be able to do anywhere else.”

Janusz has a thirst for acquiring knowledge and developed his accounting, programming and business analysis skills in the group’s in-house Learning and Development Centre. His passion is street photography and enjoys the scenic contrasts that Luxembourg has to offer.

“Photography for me is about freezing time. It’s just freezing the moment. That’s what I love the most in photography. It’s the contrasts of the financial centre. You look to the right, you see the office buildings and you look to the left you see these 15th century fortifications and this is what excites me and to be able to capture both at once in one city.”

GM

“Back then
Luxembourg was
not the city we
know today.”

ALEX REDING

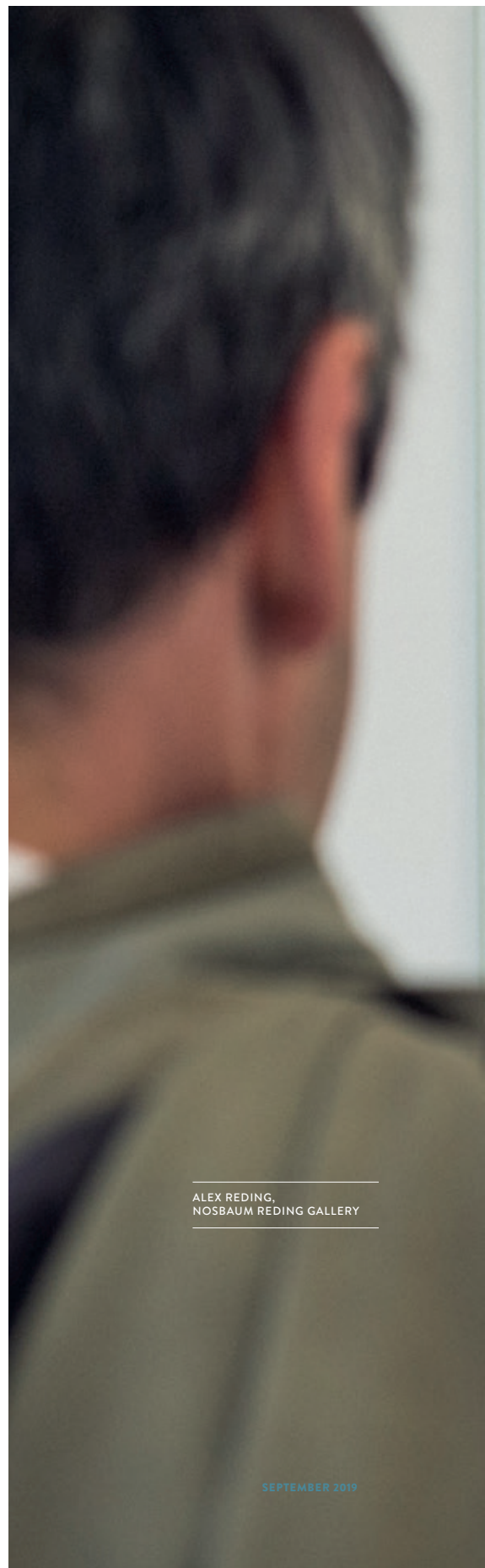
LUXEMBOURG ART WEEK'S COMING OF AGE

ALEX REDING, ONE HALF OF GALLERY DUO NOSBAUM REDING, HAS BEEN AT THE FOREFRONT OF LUXEMBOURG'S CONTEMPORARY ART WORLD SINCE THE 1990S. HAVING CUT HIS TEETH IN CLASSICAL SCULPTURE, HE TRANSITIONED FROM MAKER TO MATCHMAKER AND NOW GATHERS SOME OF EUROPE'S MOST EXCITING TALENT FOR THE BENEFIT OF ART LOVERS OLD AND NEW. LFF CAUGHT UP WITH HIM AHEAD OF THE LAUNCH OF THE 5TH EDITION OF LUXEMBOURG ART WEEK...

Reding sets the (art) scene, observing that the Luxembourg of 20 years ago was not a place where a budding artist such as himself could flourish: “Back then Luxembourg was not the city we know today; the Casino had only just opened and the contemporary art scene was yet to emerge.” Spotting an opportunity, Reding embraced the notion that he could foster an

ecosystem of his own. Teeming with ideas from his training and experience of the art world in Paris, Carrara and Düsseldorf, he and his girlfriend decided to use their experience of organising events and shows. They opened a space for artists, “not really a gallery” but more of an incubator for those aiming for their first or second year of exposure.

ALEX REDING,
NOSBAUM REDING GALLERY







ALEX REDING,
NOSBAUM REDING GALLERY

Their successful formula led to them to become Basel regulars between 2004 and 2010, by which point their space had turned into a fully-fledged gallery featuring professional artists: *“At the beginning it was called ‘Alimentation Generale’, which was the name of a grocery shop on the place de Strasbourg. We then inaugurated our namesake (husband and wife) gallery brand at our Fischmarkt location in 2006, expanding the space further just two years ago.”*

But the vision was greater, and in order to turn Luxembourg into a true destination for art, Reding felt that *“it needed to have*

its own flagship event, to showcase the quality and range of talent to the whole country, so I decided to create it.” He got to work to develop the required foundation to attract not only galleries but also locals, newcomers and expats in the shape of Luxembourg Art Week. Now in its 5th edition, Reding looks back at the challenges behind the launch in 2015; *“in the beginning I self-financed (the project), and although it was challenging I managed without incurring any risk. You can’t wait for others if you want to do something, because if it is the right thing to do and the moment is right... only you must prove this to others. Either they follow or not.*



“Luxembourg Art Week’s main challenge is to compete with other important art events in the calendar which land in the same week.”

ALEX REDING

the 50s and 60s. We have a contemporary art segment and we have street art, but a historical approach is important too.”

Having now reached the point where they have more applications than available places (over a hundred, up 30% from last year), they formed a selection committee of 6 experts last year, featuring top collectors and gallery representatives, to fine-tune the quality of the exhibitor selection. Being commercial is not Reding’s sole *raison d’être*, “it is within our power to be accessible, not only to feature existing galleries but also to attract other Luxembourg associations and smaller groups. We don’t just exist for top tier buyers and galleries.” Reding notes that this openness was what led to government support for boosting creativity at a grass roots level, “we want to see young galleries rise and succeed; they must have a role in our art world.” He adds: “it was a proud moment when we opened the first edition and Prime Minister Xavier Bettel made a speech.”

Exhibitors mainly come from Europe: Luxembourg, Brussels, Paris, Cologne, Berlin and Milan. Reding believes “they like it because it is manageable in terms of distance, effort and cost, plus they are visiting a country with real economic growth. It provides them with a hedged risk in terms of their bottom line, which is why they keep coming back.” Diversity is evolving too, with one exhibitor coming from as far away as Colombia.

Luxembourg Art Week’s main challenge is to compete with other important art events in the calendar which land in the same

week: “There are around 500 fairs per year and this time of the year is very busy; the likes of Paris Photo contends with 2 or 3 others in the same city, and the most important fair in Torino, Italy, called Artissima, takes place a mere week before. Düsseldorf takes on the baton a week after and features a lot of German galleries. It’s difficult to motivate them to come to Luxembourg as an extra step on the circuit. Of course, we don’t like to give up on them without putting up a fight” says Reding wryly.

Although his growth intentions are clear, he is not willing to sacrifice comfort: “While it’s important for us to be a showcase for Luxembourg, we also want to create an environment which is cosy and easy to navigate; we don’t want people to feel stressed by the size of the event.” Looking ahead, he’s thinking about the 10th Anniversary plans, and big gallery collaborations. He is grateful to partners, sponsors and other key pillars such as the Ministry of Culture, the Ministry of Economy and the City of Luxembourg for enabling its continued trajectory into adulthood.

CC

LUXEMBOURG ART WEEK LAUNCHES ON THE 8TH NOVEMBER AND RUNS UNTIL THE 10TH. ENTRY IS FREE. VISIT [HTTPS://LUXEMBOURGARTWEEK.LU/EN](https://luxembourgartweek.lu/en) FOR THE FULL PROGRAMME OF CONFERENCES, VISITS AND EVENTS.

I can’t claim to have had the best idea; but it’s all in the execution...”

Luxembourg Art Week has since expanded from having 19 galleries (including Nosbaum Reding) in the room to a total of 64 this year in the Halle Victor Hugo. This scale of evolution demands a strong focus on quality. Reding believes that it is their responsibility to offer a broad mix that is not solely focused on the contemporary: “it is important to have elements from the past too. Some of the featured shows include one of Man Ray’s works, the Eva Meyer gallery, and one or two ‘Ecole de Paris’ galleries focused on

UPCOMING EVENTS

2019
08.10

CHINA FINANCE FORUM

The China Finance Forum, as with previous editions of the Luxembourg Renminbi Forum, will bring to Luxembourg the best experts and practitioners financial services in relation to China.

2019
04-08.11

HONG KONG FINTECH WEEK 2019

Luxembourg for Finance and the Luxembourg House of Financial Technology will be present at the Hong Kong FinTech Week from 4 to 8 November 2019. Visit our Luxembourg pavillion showcasing the best of Luxembourg FinTech solutions and community to over the 10,000 attendees.

2019
11-15.11

SINGAPORE FINTECH FESTIVAL 2019

Luxembourg for Finance and the Luxembourg House of Financial Technology will be present with a Luxembourg pavillion.

The Singapore FinTech Festival is the world's largest Fintech Festival and global platform for the Fintech community, comprising Fintech players, policy makers, financial industry leaders, investors including private equity players and venture capitalists, and academics.

2019
28-30.11

UNEP FI REGIONAL ROUNDTABLE EUROPE & GLOBAL LANDSCAPE FORUM

The UN Environment Programme Finance Initiative (UNEP FI) and Global Landscapes Forum (GLF) are joining forces for three days of insight into advances in sustainable finance.

**SAVE
THE
DATE** **2019**
02.12

MILAN

Luxembourg for Finance is bound for Milan with a delegation headed by Luxembourg's Finance Minister, Pierre Gramegna. More information coming soon.

IMPRESSUM

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