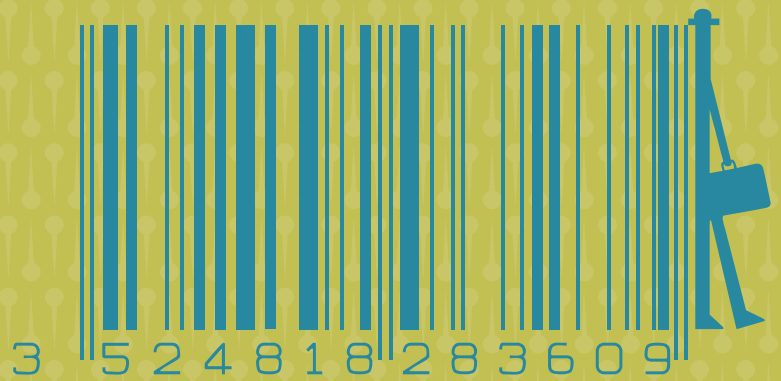




# connexion

amcham news report 4th quarter 2009





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THE AMERICAN CHAMBER OF COMMERCE IN LUXEMBOURG A.S.B.L.

# CONNEXION

4TH QUARTER 2009



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### FALL WELCOME BACK

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### ABAL FALL 2009 - ACADEMIA AND DIPLOMACY

*Two outstanding speakers, Prof. Dr. Rolf Tarrach and Mr. Mark J. Biedlingmaier gave the ABAL audience an insight into the world of academia and diplomacy. Find out more...*

**A M C H A M**  **LUXEMBOURG**  
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## A WORD FROM THE CHAIRMAN...

Dear fellow AMCHAM members and friends,

On behalf of the entire AMCHAM Luxembourg family, it is my pleasure to wish you and your loved ones a happy and satisfying holiday season and good health and success for the coming New Year!

This time of the year offers a bounty of occasions to enjoy in the company of family and friends. As we prepare for the festive atmosphere of the holiday season, we invite you to review the year 2009 with us:

25 events were held covering a wealth of topics conceived by the experts on our 4 committees and ABAL. In the course of the year we were pleased to welcome 29 companies joining our Chamber as new members. As much as AMCHAM has established itself as Luxembourg's premiere business and networking organization, we also continue to take our responsibility as good corporate citizens seriously by supporting several community as well as charitable events such as Toys for Tots and the International Bazaar.

What can our distinguished members look forward to in 2010?

We will kick off the new year with the presentation of the **third edition** of "Working in Luxembourg"; we are deeply honored that we were able to publish this business guide under the patronage of HRH Grand Duke Henri! We are also extremely pleased with the tremendous support from our members and several key players in publishing the "gold standard" of Luxembourg business guides. More than 20 contributors shared their expertise to create an up-to-date and comprehensive handbook. Copies of the publication will be disseminated amongst our members and will also be provided to each and every Luxembourgish Embassy and Consulate around the world. In the coming years the publication will again be used for trade missions carried out by the Ministry of the Economy as well as the Luxembourg Chamber of Commerce. AMCHAM Luxembourg is reaching out to the world in support of Luxembourg as the ideal European business location for international companies - we are proud of this accomplishment!

We have upgraded our website and will thus offer a higher degree of in-depth information on our activities... We are excited to receive your feedback on these developments!

Please stay tuned for the events we will be hosting in 2010 - you can be sure that we will again offer outstanding speakers and numerous networking opportunities.

We at AMCHAM have much to be thankful for, most especially your membership and support which enables us to do our mission. We will enter into the new year with enthusiasm to work as hard as possible to give you the best program and the best AMCHAM we possibly can.

Thank you and warm best wishes,



A handwritten signature in black ink, reading "Paul Michael Schonenberg". The signature is written in a cursive style.

**Paul Michael Schonenberg**  
Chairman and CEO

# HOLIDAY MESSAGE FROM THE AMERICAN EMBASSY

The American Embassy community wishes Americans living in Luxembourg and all readers of *Connexion* magazine a happy holiday season. As we begin to celebrate this festive season with family and friends and to ring in the New Year, let us also take time to reflect on the important milestone that this winter season represents to the shared history of the Grand Duchy of Luxembourg and the United States of America.

On bitter cold winter days sixty-five years ago one of the fiercest battles of World War II raged throughout Luxembourg. The Battle of the Ardennes was a defining period in the war and dramatic test of wills that ultimately helped determine its final outcome. Today, it is impossible for us to truly image the sacrifice and loss experienced by the soldiers on the battlefields and forests during those frigid months. At the American Military Cemetery and Memorial in Hamm and the German Military Cemetery in Sandweiler you can see the names of some of the thousands who perished during those brutal battles. To visit these places is to experience history firsthand and understand more fully the magnitude of the sacrifice and loss that came as a result of the Battle of the Ardennes. If you have never been to the National Military History Museum in Diekirch, the Air Force Museum in Perlé, or the Patton Museum in Ettelbruck, they are also important places to visit to understand the remarkable historic period shared by Luxembourg and the United States.

This December, numerous important events and commemorations marking this anniversary will be hosted by the government of Luxembourg, local communes, associations and societies in Luxembourg which you are encouraged to attend. Please visit the embassy website: <http://Luxembourg.USEmbassy.gov> for more information.

The many decades which have passed since the end of the war are a living testimony to the triumph of peace over war and cooperation over conflict. We in Luxembourg are able to enjoy this holiday season on a continent at peace with itself thanks in great measure to the enormous sacrifices made by so many sixty five years ago.





# NEW MEMBERS

P

T

U

## PERSPECTIVE 45 a.s.b.l.

### PERSPECTIVE 45 A.S.B.L.

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Perspective 45 a.s.b.l. was established in 2008 by motivated entrepreneurs. The association encourages companies to keep people of 45 years and more in the work process and makes companies, economic and institutional actors aware of knowledge, experience and multiple advantages of people in the age group 45+.

The association's projects preserve the economic interest of companies. The first project "Mentoring" is co-financed by the Luxemburg Ministry of Employment and the European Social Fund. It deals with the transmission of knowledge between experienced and junior employees through a program of accompaniment and training.

Another project treats, in collaboration with the President of the Caisse Nationale d'Assurance Pension, the arrangement of law and the promotion of the accumulation of an early partial old-age pension with a part-time job.



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## TRIDENT TRUST

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Our clients include more than half of the world's largest banks and brokerage firms, leading law and accounting firms and high net-worth individuals and their families.

With 26 offices in 20 jurisdictions we are among the largest organisations in our industry, offering clients access to a range of services that extends from traditional corporate domicile representation to the administration of complex trust and fund structures.

Trident Corporate Services Sàrl is the group's representative office in Luxembourg.



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UNITED TRUST is a newly established, fully independent management and corporate "trust" services company that combines years of experience of the finest principles in the market with a clear focus on providing tailored solutions in all major recognized jurisdictions.

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UNITED INTERNATIONAL MANAGEMENT S.A (UIM) based in Luxembourg, forms part of UNITED TRUST. The senior management of the company has a track record of over 50 years of experience in the field of company domiciliation and company / fund administration. Operating as a fully licensed 'Professional of the Financial Services Sector' under the supervision of the 'Commission de Surveillance du Secteur Financier' (CSSF), the company and its management team are very well connected to a strong local and international advisor network.

UIM is able to tailor a proposal, bringing together the different advisors, experts and specialists, meeting the client's needs. As such UIM provides domiciliation and core corporate services to unregulated companies (ex. SPF, SOPARFI) and domiciliation, central administration / transfer agent services to regulated funds (ex. SICAR, SIF).



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# FALL WELCOME BACK 2009: RIDING OUT THE STORM...

The annual “Fall Welcome Back” event is one of the highlights of AMCHAM’s fall season. This year the get-together took place on October 21st at the recently opened Hotel Meliã Luxembourg and was generously sponsored by Rowlands International and Tempo Team headed by Marios Paras.

AMCHAM’s Chairman, Paul-Michael Schonenberg, was pleased to announce the presence of H.E. Jeannot Krecké, Minister of the Economy, who honored the event with his presence and shared his views on the current economic situation with the more than 175 participants.



*H.E. Jeannot Krecké, Minister of the Economy, honored the annual “Fall Welcome Back” event with his presence and shared his views on the current economic situation with the participants. ©MyOfficialStory/Mura.*

Although the economic signs a year ago were not exactly uplifting, no one could have foreseen the magnitude of the problems that were lying ahead of the international business community. The Minister warned that people should not be misled by the slight recovery on the stock markets. “Nothing will be the same, reforms will be necessary,” stated Minister Krecké. The problem was perception – although people assumed that we were at the end of the tunnel, the road to recovery was difficult. The unemployment rate will grow despite the efforts the Government had made to safeguard jobs, e.g. by extending flexible working hours until 2010.

At the same time Luxembourg was also facing additional challenges inflicted by the governments of neighboring countries that were incessantly attacking the Grand Duchy’s financial sector, although Luxembourg had implemented all requirements defined by the G20 such as double tax treaties.

In the course of the continued economic crisis Luxembourg’s industry had not gone unaffected including restructuring measures at several companies with U.S. origins. Minister Krecké explained that he was



traveling to the United States in order to discuss with top management what signals it would take to convince them to stay in Luxembourg.

*Left to right: Marios Paras, Olivier Christiany, Charles Oakes, David Kitzinger*

The long-term strategy of the Government was to establish new business sectors in the Grand Duchy, e.g. the health technologies sector. The promotional efforts had been a huge success to put Luxembourg on the map. The benefits of these ventures would be reaped long-term, especially in sectors where tax issues were less prevalent but matters of intellectual property were of greater interest.

Minister Krecké expressed his appreciation for AMCHAM’s role in supporting the development of the new law on intellectual property by delivering ideas gathered by an AMCHAM working group. Without the protection of IP it was impossible to foster research and innovation.



*Left to right: Artur and Luiza Sosna*

The networking following Minister Jeannot Krecké’s speech offered the participants the opportunity to discuss the current economic situation with the Minister and other AMCHAM members.

**Tatjana Schaefer**  
*AMCHAM Luxembourg*

*Left to right:  
Didrik Eiriksson,  
Carean Berbee-Ventevogel*







Left to right:  
Stéphane Compain,  
Jean-François Tousch



Left to right:  
Tom Kettels,  
Micael Weber



Left to right:  
Luca Gallinelli,  
Alessandro Giudici,  
Alessandro Bottinelli



Left to right:  
Olivier Hamou,  
Sean O'Brien



Left to right:  
Jeff Hicks, Catharina Biver, Margaret Hicks



Left to right:  
Lorenzo Brescia,  
Anabela Valente,  
Christine Walmsley-Scott



Left to right:  
François Altwies, Ute Meier, Marc Hemmerling



Left to right:  
Thomas Storck, Stephan Radermacher, Yves Cheret

Left to right:  
Johan Dejans,  
Isabelle Adamo,  
Andrea Tiefenbacher



Left to right:  
Laurent Probst,  
Didier Mouget,  
Paul-Michael  
Schonenberg



# ABAL FALL 2009 – ACADEMIA AND DIPLOMACY

*Two outstanding speakers, Prof. Dr. Rolf Tarrach and Mr. Mark J. Biedlingmaier gave the ABAL audience an insight into the world of academia and diplomacy. Find out more...*

## OCTOBER ABAL LUNCHEON

In October and November ABAL was honored to welcome Prof. Dr. Rolf Tarrach, Rector of the University of Luxembourg and Mr. Mark J. Biedlingmaier, Chargé d’Affaires at the U.S. Embassy in Luxembourg as keynote speakers.

“Education is the key to the future”, stated AMCHAM’s Chairman Paul-Michael Schonenberg in his opening remarks at the October ABAL luncheon. Luxembourg continued to enjoy a high level of prosperity and had the right team and framework (logistics, personnel, political climate) to grow the University successfully.

Prof. Dr. Tarrach gave the audience an overview of past and future developments at the University. Since its inception in 2003, the University has established itself as an international and multilingual institution with approximately 50% foreign students and with 3 official languages in use. In 2006 the 4-year plan had outlined 7 main priorities out of which 5 have successfully flourished.

In the coming 4 years the focus was to be put on consolidation and transition: Prof. Dr. Tarrach highlighted the “European Business Law” center which was growing at a steady pace with an increasing number of professors; at the Faculty of Science, Technology and Communication “Systems Biology” had the unique opportunity to cooperate with

U.S. partners such as the Institute for Systems Biology in Seattle and thus focusing on increasing research in the field of molecular diagnosis, which is the cornerstone of personalized medicine. It was essential to keep the long-term perspective of such research in mind and to receive sustained financing from the government side. As a third facet Prof. Dr. Tarrach mentioned the Faculty of Education that was developing increased expertise in education and learning in a multicultural framework, with Luxembourg being an ideal setting for these studies.

Prof. Dr. Tarrach was pleased to report that the University receives substantial funding from the corporate sector with companies sponsoring several faculties.

Challenges to be faced in the future were the smooth transition to the new location in Belval which was most likely taking place in 2013/14. Attracting the right staff, i.e. internationally renowned experts in their respective field, was another issue the University was tackling in order to offer prime education to its students.

## NOVEMBER ABAL LUNCHEON

At the luncheon on November 9<sup>th</sup>, which coincided with the 20th anniversary of the fall of the Berlin Wall, Mr. Mark J. Biedlingmaier, Chargé d’Affaires at the U.S. Embassy in Luxembourg gave a “Tour d’Horizon of Diplomatic Service”. On the same day in 1989, he was at a meeting in Geneva, when the news of the fall of the Berlin Wall came through. Participants at the meeting made the remark, that the U.S. was now the only remaining superpower and should therefore be guarded, because the nation was always at its best if it had an adversary. Mr. Biedlingmaier stated that he was at first startled by these remarks but came to appreciate their validity over time. In his view we are living in exciting historical times as we are at a junction yet again: With the emergence of China and Russia developing into one of the major energy suppliers and at the same time dealing with signs of instability, a new equilibrium had to be found. President Obama’s speech at the United Nations sent a clear signal: facing the current global challenges cannot be done solely by the United States, but required the involvement of all key players. This time was characterized by outstanding global challenges and simultaneously with enormous opportunities to take the appropriate and proper steps to tackle pressing issues. Taking democratization as an example, Mr. Biedlingmaier outlined that a new thinking was required to establish democracy from the ground up, as “democracy is not a one-size-fits-all issue”. In this context education was key: the goal must be to empower the young generation and to foster the education of women.

“I’m the eternal optimist”, concluded Mr. Biedlingmaier, “America is always at its best if times are hard”. The current global situation offered the



*ABAL, October: left to right: Prof. Dr. Rolf Tarrach, Paul-Michael Schonenberg*



opportunity to decide on what America stands for and to define the right values to lead the way.

#### ABOUT PROF. DR. ROLF TARRACH

Born in Valencia (Spain). Rolf Tarrach holds a B. Sc. and M. Sc. in Physics, University of Valencia (1970) and obtained his Ph. D. in Physics at the University of Barcelona in 1973. His postdoctoral stay took him to CERN, Geneva from 1974-1976. Full Professor of Theoretical Physics, University of Valencia (1983) and University of Barcelona (1986-). He has published more than 100 contributions in international journals and 2 books (QCD: Renormalization for the Practitioner, Springer Verlag, Berlin (1984); Fonaments de Física, Publ. U. Barcelona, Barcelona (1995)).

Prof. Dr. Tarrach has received numerous awards and prizes and a Doctor Honoris Causa from the University of Sankt Petersburg (1999). Member of the Catalan Government Science and Technology Advisory Committee and former personal Advisor to the Catalan Minister of Universities Research and Information Society. Member of the Governing Council of the European Science Foundation (since 2001). Member of the Scientific Policy Committee of the University of Barcelona (1986-94), Vice-Rector for Scientific Promotion and International Cooperation of the University of Barcelona (1990-94), Vice-President of the Fundació Bosch i Gimpera, Technology Transfer and Continuing Education Centre also at the University of Barcelona (1991-94). He has been Dean of the School of Physics (1996-98). Prof. Dr. Tarrach was appointed Rector of the University of Luxembourg in 2005. Currently he also holds the position of President of the Academic Cooperation Association (2008-2011).

#### ABOUT MARK J. BIEDLINGMAIER

Mark J. Biedlingmaier began serving as Chargé d'Affaires, a.i at the United States Embassy to Luxembourg on July 20, 2009. Mr. Biedlingmaier is a career Foreign Service Officer who most recently served in the United States Embassy in Baghdad, Iraq, as Chief of Staff and Executive Secretary of the Department of State's largest diplomatic and consular Mission worldwide. A former Peace Corps Volunteer in Osan, Republic of Korea, he joined the Department of State in 1983 and has served in Geneva, Switzerland (on detail to the former Arms Control and Disarmament Agency); Baku, Azerbaijan; Bangui, Central African Republic; Luanda, Angola; and, as Chargé d'Affaires/Deputy Chief of Mission in Brazzaville, the Republic of Congo. His foreign languages include: French, Portuguese, Swedish, and a working-level knowledge of Russian and Korean. A native of Easton, Pennsylvania, Mr. Biedlingmaier graduated from the University of Scranton with degrees in History (MA) and International Affairs (BA). He completed undergraduate studies at the Lundellska College in Uppsala, Sweden, as a Rotary International exchange scholar. He served as Chargé d'Affaires until the arrival of a new American Ambassador to the Grand Duchy. His next assignment will take him to the North of Afghanistan to establish a U.S. Consulate in Mazar al Sharif.

#### Tatjana Schaefer

*AMCHAM Luxembourg*



ABAL November: left to right: Mark J. Biedlingmaier, members of the 52<sup>nd</sup> Fighter Wing, Spangdahlem Air Base, kneeling Paul-Michael Schonenberg, 3<sup>rd</sup> from right: Lt. Col. Kenneth Crane.



# DATA CENTERS IN LUXEMBOURG, E-ARCHIVING AND CONTENT MANAGEMENT

*Data centers in Luxembourg have experienced a tremendous development over the last couple of years, not only in terms of size or number, but also in terms of value proposition to their customers. In order to understand the current status of the industry and its future evolution, key players of the Luxembourg data center market shared their vision on some of the challenges and opportunities affecting the data centers at a ComIT event on September 24, 2009 hosted by PricewaterhouseCoopers (“PwC”) Luxembourg. Trends in e-archiving and content management and how information overload in the enterprise can be managed were also developed.*

Gilles Vanderweyen, ICT leader of PwC Luxembourg and member of the ComIT committee, facilitated the discussion by 3 top speakers of the industry:

Steve Glangé, VP International Business Development at Datacenter Luxembourg S.A. provided an overview of the best way to manage the data overload in a flexible and scalable way. He addressed the evolution from energy consuming box movers in an heterogeneous environment, to a standardized, responsible and flexible energy infrastructure and service provision.

Patrice Roy, Director at European Data Hub made a presentation about the topic: “Too much green wash? ...”. Today’s drivers are a mix of fear, regulation, cost constraints, marketing, customer expectations and differentiation. Green IT should, by definition, be a combination of more efficiency, clear savings, renewable energy, scalability of technology and reliability. But to reach this goal, IT managers need to find their way between best practices and contradictions within the IT technology and the data center world that are all under the label ‘Green IT’.



Wesley Wosinski, Gilles Vanderweyen

For Jan Leeman, Business Development Manager BeNeLux for Enterprise 2.0 at Oracle, modern businesses are overflowing with information, in the form of e-mail, documents, websites, and sources of information all over the internet. At the same time organizations are operating more and more internationally, with virtual teams working closely together in disparate countries. In order to survive in this environment and to take real advantage of the knowledge in your organization a new paradigm is emerging: the Enterprise 2.0 workplace. Key is a unified collaborative environment, offering the right information in the right context to the right target groups.

Following are more detailed reflections from the speakers:

## DATA CENTERS IN LUXEMBOURG – NOTES FROM A SERVICE PROVIDER

Historically, data center service providers have been hosting heterogeneous infrastructures of their clients. What is more, the clients accessed the infrastructure on an individual basis i.e. each operating on its own isolated infrastructure.

Hence this setting, i.e. heterogeneous infrastructures, similar applications and OS, resulted in underutilized infrastructures as well as unnecessary duplicate maintenance tasks. In other words: inefficiency from a work flow as well as power usage perspective.

A proposed solution to this situation is the concept of virtualization i.e. the datacenter service provider is offering a managed homogeneous common infrastructure with dedicated computing power needs. This homogeneous infrastructure allows the client to access the most reliable and up-to-date infrastructure without worrying about the availability as well as management and hence the latter can focus on its core business.

In summary, this virtualization infrastructure allows the client to focus on having its applications/data available on a 24/7 basis to its customers/partners/employees via the Internet.

Another important change in the data center service provider landscape is the tackling of the amassed information overload i.e. with the availability of acceptable bandwidths as well as the acceptance of storing/accessing data online, the industry has witnessed an exponential increase of data stored.

What is more, this stored information needs to be able to be organized and searchable as well as accessible all the time in a secure manner.

A proposed solution is the use of so-called SAN environments i.e. where huge storage receptacles are shared in a secure and dedicated way among heterogeneous users/clients. These infrastructures divide the data in many sub-parts which each are stored encrypted according to a specific algorithm on different physical parts of this SAN environment.

Hence a complete data loss is nearly impossible as well as the fact that a client will be able to access the data of another on the same shared infrastructure.

These two evolutions, i.e. virtualization and SAN, enabled data center service providers to offer a more energy friendly service as well as focus the managed services on the core infrastructure.

**Steve Glangé**  
*VP International Business Development  
Datacenter Luxembourg*



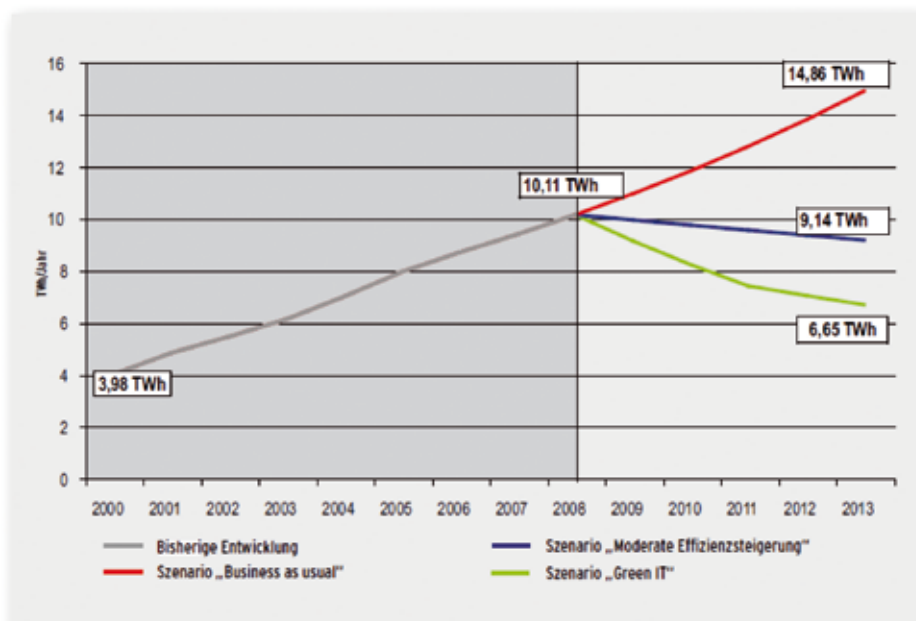
Steve Glangé, Jan Leeman

### TOO MUCH GREEN WASH?

Recent years have shown a real awareness in the field of environment and ecology even if words have, too often, not been followed by real action. There is one specific area where the pressure has become particularly strong and that is computer technology, which has, in recent years, become increasingly demanding in terms of power consumption and heat release.

For example, if one starts with a quantity of raw material for a theoretical energy value equal to 100 Watts, only 30% of this potential energy is actually converted into electricity with the remainder being lost in the production cycle of electricity and its transport to the computer center. Out of the 30 remaining Watts, some 22 Watts are used for the equipment operating the data center such as transformers, UPS systems, cooling, lighting, etc. Furthermore the fans in the racks and computer servers and systems are also consuming energy so that, finally, only some 9 Watts actually feed the processor which is running the application that issues the deliverables.

To give an idea of a data center's energy requirements just take the case of Germany where the bundled consumption of all centers was 3.98 TWh in 2000, is now 10.11 TWh and is estimated to rise to 14.86 TWh in 2013 (the total output of one full nuclear power plant) if no real efforts are made very



Quelle: Borderstep 2008

soon. This example shows how information technology is today a major consumer of energy and pushes for prompt action to curb such strong growth in consumption in order to respect major initiatives such as the "Kyoto Treaty". To give one more figure that speaks for itself: some 30% of all servers are considered "dead", as they say in computer jargon, as they are used, on average, at less than 10% of their full potential over a cycle of 24 hours.

To overcome this tendency, many initiatives are currently underway and are generally subsumed under the generic heading of "Green IT" which has, to date, very little real regulation but is based primarily on recommendations and "best practices".

Hence the topic of the conference, to learn details not only of the expectations, but also the contradictions and pitfalls that lie in this very generic topic of Green IT.

We can classify the efforts being made in the area of Green IT in two groups:

- On the one hand those focusing on the major manufacturers having them, in the future, produce computer systems which use less energy and are able to run at higher temperatures,
- On the other hand, those dealing with the design, the optimization and the operation of data centers and computer rooms.

In this latter area we see the emergence of new data centers with advanced technology in terms of optimization of the cooling chain and recovery of the waste heat generated by all running computer systems.

To cite one example, the new Data Center at the Cloche d'Or operated by European Data Hub will recover up to 3 million Watts of heat, which will be reused to warm some 65,000 square meters of the brand new offices of the Drosbach Center. Without a heat pump, which allows the reuse of such a big amount of heat, it would simply be released into the atmosphere with all the negative consequences we are all aware of. Such a relatively new and innovative initiative, which for the time being remains quite unique, has a much greater green impact than many other measures often highly publicized because they are much easier to implement.

The risk of installing on a case by case basis these one-shot popular tools is that they are completely offset by other deficiencies within the data center or the IT room equipment that have not been addressed properly in the initial scope of the project. Therefore there is a need to understand in detail what really is included in each of these initiatives grouped under the Green IT label in order to rank and position them to best fit everybody's environments and needs in order to make sure that, over time, there is a real benefit and return on investment. This is to avoid having to face a hard return to reality one day, assuming one has made the right choices and investments and realizing later that this is not true, because the real improvements were, in fact, quite elsewhere. This risk is even greater, as in the coming years legislation might force the operators of IT equipment to take drastic measures to reduce their carbon impact as it is already the case in Anglo-Saxon countries.

**Patrice Roy**

*Director*

*European Data Hub*

## ENTERPRISE 2.0: A NEW WORKPLACE PARADIGM

### BUSINESS DRIVERS FOR INCORPORATING WEB 2.0 CHARACTERISTICS INTO THE CORPORATE IT

Businesses are rapidly internationalizing their organizations, with teams working together on ad hoc project basis, across all traditional boundaries of organizational units or geography. For these teams to collaborate effectively, they should have a workplace environment that goes beyond the traditional IT infrastructures of siloed applications. At the same time these same employees are using in their private time all forms of novel Web 2.0 tools such as LinkedIn, Wikipedia, Google Geographical services, Ubiquity, etc. They expect to have these same abilities when at work collaborating with people that are not physically in the same location.

IT should offer tools to support these new ways of collaboration, where classic information overload is quickly becoming one of the main time consumers of a corporate IT user. Vast amounts of information are collected, duplicated, and stored in a variety of locations and systems. When conducting a business process, an end user must be able to easily visualize the relevant contextual information of this transaction, independent of the location, system or type this information is stored in. Unifying all corporate systems in one “back-end” system is impossible, but Enterprise 2.0 offers the ability to do this integration in a light-weight fashion on the front-end, in many cases transparent to the underlying legacy systems.

### FROM VISION TO REALITY: ENABLING YOUR CURRENT APPLICATIONS IN AN ENTERPRISE 2.0 FRAMEWORK

Enabling this Enterprise 2.0 vision is possible using the right framework and leveraging the emerging standards. For content (documents), the JSR-170 standard enables you to plug in external repositories and transparently allow searching, browsing, etc of the documents.

On the application integration side JSR-168 defines the way applications can enable portlets (little pieces of software exposing the application functionalities) to dynamically plug into portal frameworks that support the standard.

## CONCLUSIONS

- Enterprise 2.0 is already there; end users are used to these tools from their private use of the web. Not providing a corporate equivalent will force employees to turn to external public tools, thus potentially jeopardizing corporate data security.
- Start from a clear architecture vision, setting the standards and mechanisms to support these functionalities. Implement by increment, one small project at a time, putting in place the platform and enabling existing applications.
- Get support from your corporate thought leaders. Make sure to get some key people with a broad sphere of influence on board, and assist them when starting to use these tools to spread their message.

### Jan Leeman

*Business Development Manager BeNeLux*

*Enterprise 2.0 at Oracle*



*Gary Cywie, Patrice Roy, Jean-François Marlière*



# VAT GETTING SIMPLER BUT NOT YET THAT SIMPLE

*As you most certainly know, a set of new VAT rules, commonly referred to as the "VAT package", will become effective as from January 1, 2010. The major changes will relate to new rules regarding the place of supply of services, additional compliance obligations for intra-EU supplies of services and a simplified procedure for claiming refunds of foreign VAT.*

## 1. PLACE OF SUPPLY (PLACE OF TAXATION) OF SERVICES

As from January 1, 2010, the place of taxation of services will depend on whether or not the recipient qualifies as a taxable person for VAT purposes (B2B) or not (B2C).

In this respect, B2B services will be taxable in the country where the recipient is established, and no longer where the supplier is located. In other words, the so-called reverse charge mechanism (self-assessment of VAT by the recipient of a given service) will be applied more extensively. B2C services will remain in principle taxable where the supplier is established.

Exceptions will remain for certain services, in particular for services connected with immovable property, transport services, cultural, sporting, scientific and educational services, work on movable property, services of intermediaries, restaurant and catering services as well as the hiring of means of transport.

## 2. COMPLIANCE OBLIGATIONS

In order to fight against EU VAT fraud and evasion, administrative cooperation and exchange of information between Member States will be enhanced, notably through the obligation to submit an EC Sales List for intra-EU supplies of services, similarly to the system already in place for intra-community supplies of goods. EC Sales Lists for services should report the services which should effectively be subject to VAT in the Member State of the recipient under the reverse charge mechanism.

The introduction of these EC Sales List for services has implication on IT systems of Luxembourg businesses as these systems will have to make a difference between taxable and exempt services (on a country by country basis), make a difference between Member States and non EU countries to report information accurately in EU Sales Lists.

In principle, EC Sales List for services should be filed electronically on a monthly basis (by the 15th day of the month following the end of the period). A derogation will however exist which will allow to file ESL for services on a

quarterly basis, in which case EC Sales Lists may be filed on paper. In case the monthly EC Sales Lists are filed electronically, periodical and annual VAT returns should also be filed electronically.



Nicolas Devillers

usually filed on a quarterly basis. Filing should now fall under a monthly filing system. Quarterly filing should still be authorized under certain conditions.

Invoicing rules will also be subject to change. A certain uncertainty however remains as to the details of the new invoicing requirements. These doubts should hopefully be relieved within the coming weeks as a circular should be issued by the Luxembourg VAT Authorities.

## 3. FOREIGN VAT REFUND

Until now, foreign VAT borne by Luxembourg businesses could be recovered via the so-called 8<sup>th</sup> Directive refund request, often known as a very administrative and lengthy procedure. A new fully electronic procedure will be introduced. This new procedure should allow a faster treatment of claims and reduce administrative burden for business operators.

The main features of the new system will be as follows:

- The deadline to file the application

is extended to September 30 of the following year (30 June previously).

Another change introduced will regard the periodicity for the filing of EC Sales List for goods. Under the current rules, EC Sales List for goods were

usually filed on a quarterly basis. Filing should now fall under a monthly filing system. Quarterly filing should still be authorized under certain conditions.

Invoicing rules will also be subject to change. A certain uncertainty however remains as to the details of the new invoicing requirements. These doubts should hopefully be relieved within the coming weeks as a circular should be issued by the Luxembourg VAT Authorities.

## 4. ACTION TO BE TAKEN AND CONCLUSION

To ensure a smooth transition towards the new rules, Luxembourg businesses should at least review the VAT treatment of their respective sale and purchase transactions, ensure that the intracommunity VAT numbers of their clients are known and accurate and ensure that IT systems are correctly set-up to produce correct invoices and EC Sales Lists.

As a conclusion, the new rules should simplify the place of supply rules for services as well as the recovery of foreign VAT but new measures necessary for the difficult combat against VAT fraud lead to additional administrative requirements. In other words, dealing with VAT obligations will still not be that simple.

- Refund applications of Luxembourg businesses will be submitted to the Luxembourg Authorities via an electronic portal. The Luxembourg VAT Authorities will check the VAT status of the applicant and its right to deduct VAT.
- There will be no need to submit original invoices anymore (copies may be required for invoices exceeding EUR 1.000).
- The decision to approve or refuse the refund application shall be notified to the applicant within 4 months of its receipt and payment shall be made within 10 days of the decision. Payment of interest should be due by Member State in case of late refunds.



Laurent Grençon

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**Nicolas Devillers**  
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# UCITS ADVERTISING AND RETAIL INVESTORS



The advertising of UCITS is facing a double challenge.

It must be commercially efficient. It must also be informative, i.e. clear, accurate and not misleading.

Recent case law in France has put these familiar requirements in a new perspective. In a widely reported case<sup>1</sup> in June 2008, the court has, for the first time, imposed liability on a bank for publishing marketing material to retail investors which was over-optimistic.

The rationale behind this decision is the reasserted requirement that UCITS advertising must be consistent with the proposed investment and must mention the less favorable characteristics and the risks attached to the product which could be the downside of the advertised advantages. Specific legislation relating to the financial sector, but also a general “obligation d’information”, or duty to provide accurate information on the part of the bank, were relied on in the decision.

The legal basis above broadly echoes the Luxembourg legal framework. The Luxembourg financial sector may thus not ignore the recent judicial trend in France against inappropriate advertising.

What lessons may hence be drawn?



Marie-Béatrice Noble

## 1. A PROSPECTUS IS NOT AN ABSOLUTE PROTECTION

The marketing material at the origin of the new case law emphasized, as often occurs, the positive aspects of the investment, whereas the risks were detailed in the prospectus. The advertising material did not contradict as such the provisions of the prospectus, and the retail investor had expressly acknowledged having

received the prospectus. The liability of the bank was however triggered. Accordingly, professionals must consider the validity of the advertisement independently from that of the prospectus. A prospectus does not operate as a shield allowing wide freedom in terms of the content of marketing materials.

## 2. ADVANTAGES/RISK BALANCE

All marketing materials (leaflets, slides, etc.) need to mention both the advantages and risks of investing in UCITS. French case law and the French regulator (AMF)<sup>2</sup> have eloquently provided clear guidelines on this requirement, which has its Luxembourg equivalent in the rules of conduct of the financial sector.

The following examples are not to be considered as balanced advertising: advertisements employing a language enhancing a feeling of security (such as “there is no reason to worry”), affirming certitudes (“performance assured”), or summing up features on purpose to obtain an attractive catch copy (“take full advantage of the performance of the stock market!”), without presenting in parallel the risks attached to the investment (e.g. by mentioning that the performance available will be the average performance of the market over several years).

## 3. FORMULATION OF WORDING AND FORM OF ADVERTISEMENT

The risks attached to a potential investment must not only be mentioned in the advertisement, they must also be sufficiently highlighted and, according to the AMF, must not be presented in an opaque manner, e.g. through the use of a mathematic formula or highly technical wording which is not adapted to the targeted customers. The use of ambiguous wording, the common understanding of which does not match the actual features of the product, or the presentation of the risks involved as an advantage (e.g. praising a target of 10% growth, while the average index reaches 15%), may also result in the advertisement breaching the rules.

Beware of the form, i.e. where risks are mentioned in footnotes or in small characters while favorable features are in the main text, in capital letters, or the reader is directed to

another document for details of the risks. There is no need however to provide all necessary information in each document. The level of information is to be adapted to the nature of the material used and succinct messages may be dispatched if the balance principle is respected.



Valentine Oblin

With these recent developments, France is seen as a precursor in the protection of retail investors regarding UCITS advertising. In 2009, the FSA also imposed a fine upon City Gate for approving financial advertising designed to encourage investment in a scheme without ensuring and monitoring that the advertising in question was clear and not misleading. More generally, the overall trend of European legislation is to seek an enhanced standard of information and transparency, as illustrated notably by the MiFID Directive. Further developments in this area are emerging with the UCITS IV Directive (still to be implemented), which aims, through the Key Investment Documentation, to ensure effective communication in an accessible and comparable manner. The KID will however not make up for non-compliant advertising and the principles above will remain more than ever accurate.

**Marie-Béatrice Noble**  
Partner at Noble & Scheidecker

**Valentine Oblin**  
Manager at Noble & Scheidecker

With special thanks to Mizuho Baudet.

<sup>1</sup> CCass. Ch.commerciale 24 juin 2008 (Aubin / Caisse d’épargne et de prévoyance Ile de France Paris).

<sup>2</sup> Guide to sound practices in drafting marketing documents published by the AMF, updated in July 2009.

# FROM OFFSHORE TO ONSHORE?

Since the beginning of the year 2009, there has been a general call for changes in the international regulatory and tax frameworks. As a result, Luxembourg's financial center, in particular its investment funds sector and its financial engineering industry, suddenly came under the scrutiny of the international community. In the international mainstream press, Luxembourg was treated as a tax haven and offshore financial center, because of its banking secrecy and also, as a result of the Madoff affair, Luxembourg's reputation as a safe location for regulated investment funds came under threat.

However, Luxembourg, one of the founding members of the EU, which is located in the heart of Europe, cannot seriously be considered an offshore financial center, at least not from a European perspective. Further, it needs to be stressed that Luxembourg has always consistently implemented EU and international standards relating to inter alia financial supervision and anti-money laundering regulations. The harsh accusations made against Luxembourg, by the media, and also by some of its longstanding trade partners, were thus very badly received by the Luxembourg political and business community.

We believe that the changes we have been through since the beginning of the year and the changes which lie ahead of us, which have and will continue to shape the international regulatory and tax frameworks, will indeed offer opportunities to the Luxembourg investment funds and financial engineering industries. These opportunities are underpinned by a general trend "from offshore to onshore" which seems to be currently emerging in the area of investment funds.

## 1. CHANGES IN THE TAX FIELD

At the April 2, 2009 London Summit, G20 leaders called on countries to adopt and implement the international tax standards for transparency and information exchange. Following the G20 meeting and subsequent communiqué, the OECD provided a detailed report on progress by financial centers around the world towards implementation of an internationally agreed standard on exchange of information for tax purposes. Luxembourg was grey listed as a jurisdiction that has committed to the internationally agreed tax standard, but has not yet substantially implemented the standard. In the press, Luxembourg was qualified as a tax haven. However, with corporation tax rates close to 30% and a top individual tax bracket at almost 40%, Luxembourg cannot reasonably be considered as a tax haven. A certain number of world leaders also partly blamed Luxembourg and other so-called tax havens for the financial and economic crisis. It is obvious that the origin of the crisis is not related to the issue of transparency in tax matters. However, blaming small jurisdictions and using them as scapegoats, instead of addressing the real issues, seems to have been perceived as an attractive strategy by a certain number of foreign politicians.

These events were potentially quite harmful to Luxembourg's reputation as a center for international tax planning and investment funds. Indeed, they quickly generated confusion among clients. Some started to question whether it was advisable to set up a Luxembourg company to structure an investment into the EU, based on what they read in the press, although there is no link between such tax planning exercise and the discussion about Luxembourg's banking secrecy and the exchange of information for tax purposes.

Thankfully, the Luxembourg government reacted swiftly and efficiently. On May 20th Luxembourg signed an agreement with the U.S. for the exchange on request of bank information relating to all tax matters in order to counter tax evasion. It was the first tax treaty between Luxembourg and an OECD country which meets the OECD standard for information exchange. By as early



*Patrick Goebel*



as July 8th, when it signed a protocol to its tax treaty with Norway, Luxembourg had managed within a couple of months to bring to 12 the number of agreements on exchange of information for tax purposes and thus crossed the threshold for being considered to have substantially implemented the internationally agreed standard in this area. As a consequence, the OECD removed Luxembourg from the grey list and placed it in the category of jurisdictions that have substantially implemented the internationally agreed tax standard.

The fact that the Luxembourg authorities took the potential reputational risk for Luxembourg very seriously, quickly implemented OECD standards on exchange of information in a certain number of tax treaties, and committed to continue amending further tax treaties with its trading partners, has helped to preserve and strengthen Luxembourg's reputation as an onshore center for international tax planning. Luxembourg had, and continues to have, a stable and attractive tax environment, which makes it the ideal gateway for investments into Europe. Despite the challenges Luxembourg's investment fund industry will face in the near future, Luxembourg remains, thanks in part to its tax environment, well positioned to take advantage of the offshore to onshore trend which seems to be taking shape. Luxembourg should continue to focus on attracting alternative investment funds (private equity, real estate, infrastructure, etc.), which are already used to relying on Luxembourg for tax planning purposes, in terms of fund formation. The changes ahead in the regulatory field may be of paramount importance in that respect.

## 2. CHANGES IN THE REGULATORY FIELD

One of the key messages of the G20 meetings in London on September 4 and 5, 2009 and in Pittsburgh on September 24 and 25, 2009 is that there is the political will to place the alternative investment fund industry under regulation. The directive on alternative investment fund managers (AIFM) presented by the European Commission on April 30, 2009 represents the European manifestation of this new trend. The AIFM directive (the Directive) provoked an outcry from the alternative investment fund management community which leads to the Presidency compromise proposal issued on November 12, 2009.

As opposed to the UCITS directive<sup>1</sup>, the primary aim of the Directive is not to ensure investor protection but to establish a secure and

*Patrick Mischo*



harmonized European framework for monitoring and supervising the risks that AIFM pose to their investors, counterparties, other financial market participants and financial stability in general.

Despite the fact that a number of reports and market research do not blame funds for recent market events<sup>2</sup>, the Directive covers a broad and global range of funds including hedge funds, private equity funds, real estate funds and even long-only funds that do not qualify as UCITS and so do not follow an alternative investment approach.

In a nutshell, the Directive will require that all fund managers who manage or market a fund in the EU which is not a UCITS are authorized as AIFMs. If the aggregate fund assets managed by an AIFM are below EUR 500 million (less than EUR 100 million if leverage is included) and investors are not entitled to redeem units for a period of five years following the formation of the fund, the fund managers are exempted

from the scope of the Directive. Once duly authorized, the AIFM is allowed to provide services and market the fund, irrespective of its location across the EU, to professional investors as defined by the MiFID directive<sup>3</sup>. The Directive will hence provide a harmonized regime for the private placement of funds for professional investors.

Funds to be marketed in the EU will in principle need a European depositary<sup>4</sup>. The depositary may in general either be a credit institution having its registered office in the EU or an investment firm authorized to that purpose<sup>6</sup> and having its registered office in the EU.

According to the Presidency compromise proposal, Member State shall ensure that an AIFM may only manage a fund established in a third country where, among others, an appropriate cooperation agreement is in place between the competent authority of the home Member State of the AIFM and the supervisory authority of the third country where the fund is established.

In practice, a US based investment firm which intends to market one or more of its funds to professional investors in the EU is required to be authorized as an AIFM. Such investment firm may therefore decide to develop a local presence within the EU. Luxembourg could be one of the preferred jurisdictions in which to establish the AIFM due to its pragmatic regulation, its fully developed infrastructure and its long experience in servicing funds and coping with the challenges of global investments and global distribution.

The implementation of the Directive may further involve a re-domiciliation of non-European funds established in jurisdictions where no appropriate cooperation agreement has been put in place with the EU Member State where the relevant fund is marketed. As the leading fund center in the EU with over EUR 1,600 billion of assets under custody and administration, Luxembourg may turn out to be the preferred jurisdiction to establish these funds.

The requirement to appoint in principle a depositary for each fund marketed by an AIFM may furthermore place Luxembourg in the front ranks when selecting a depositary for a fund not located in the EU.

While the Presidency compromise proposal already foresees substantial changes, the purpose and key features of the Directive may be expected to survive, putting the alternative investment fund management community and Luxembourg in the forefront in addressing new challenges.

**Patrick Goebel and Patrick Mischo**  
*Allen & Overy Luxembourg*

*1 Directive 85/611/EEC on undertakings for collective investment in transferable securities, as amended*

*2 The De Larosière report, the Turner Review and the work emanating from the G20 summits have not blamed hedge funds or private equity funds, - which the Directive intends to regulate - for market events.*

*3 Directive 2004/39/EC related to markets in financial instruments.*

*4 The Presidency compromise proposal of November 12, 2009 foresees a derogation for funds which have no redemption rights exercisable during a period of 5 years following the date of formation of the fund and which will make investment and disinvestment decisions solely on a non-frequent basis.*

*5 The credit institution must be authorised in accordance with Directive 2006/48/EC, as amended.*

*6 The investment firm must be authorised in accordance with Directive 2004/39/EC, as amended.*

**ALLEN & OVERY**  
**LUXEMBOURG**

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# PHILANTHROPY

*A new global trend in philanthropy, the so-called Philanthrocapitalism, has emerged. Philanthrocapitalism focuses on strategic, knowledge based giving that leads to increased value and effectiveness.*

Philanthropy has experienced a shift from mere financial contributions towards donors looking to maximize the impact of their donations, seeking increased involvement with causes and focusing on the sustainability of the projects they are involved in. In New Philanthropy, the Philanthrocapitalists, Venture Philanthropists and Social Entrepreneurs examine each potential cause, aiming to realize a maximum return. They are interested in involvement and demand concrete results that show improved social value. The demand for measuring and evaluating philanthropy initiatives has also grown as there is more demand for transparency and trust.

**Luxembourg is among the most generous nations in the world in terms of overseas development aid**, contributing 0.92% (2008) of GNI and the highest amount per capita of OECD countries, aiming to reach 1% by 2010. Still there has been limited evidence of private philanthropy, as well as commitment to financing of charitable initiatives in the corporate sector. In Luxembourg, giving calculates at 0.67 percent of gross domestic product (GDP), while in the U.S. for example, giving has reached 2.2 percent of GDP.

**With new emphasizes in 2009, the government intends the country to play a leading role in matters of philanthropy.** The current financial crisis and changes in the financial environment have affected Luxembourg like other countries and growing international pressure for increased transparency and abounding the bank secrecy are changing the landscape of the country. The political parties have confirmed their commitment to the development of the country as a financial center and are seeking opportunities in order to enhance that image. The current negative image of the financial world could act as a catalyst by fostering the values of social impact and sustainable investments, stimulating the restoration of a climate of trust and transparency. The government has already taken action to acquire the necessary tools to support businesses and individuals who choose to donate money for the welfare of the global community. Also, the growing trend for strategic, knowledge based giving where philanthropists seek advice from professional philanthropy advisors has been recognized.

**Building on the financial reputation, Luxembourg has significant potential in using philanthropy to enhance competitive context which could bring social and economical goals into alignment, and improve the image and long term financial business prospects of the country.** Luxembourg already presents many advantages that give the country an opportunity to be on the forefront of philanthropy. The commitment and the support of the government towards philanthropy, as well as an improved fiscal environment, provide a clear signal of focus to the community. The local policies and incentives through the tax system have already been realized and there is a strong emphasizes on favorable legislation for corporations to encourage investments and sustained upgrading. Luxembourg has high quality specialized inputs with

its strong image of a successful environment of global financial services and expertise, as well as a multicultural and multilingual environment. Presence of sophisticated and demanding local and global enterprises, as well as wealthy individuals within the wealth managements of the Luxembourgish banks and branches, presents already sophisticated demand for philanthropy initiatives and provides opportunities for cross boarder expansion. The high quality philanthropy advisory service of Banque de Luxembourg and the newly established Fondation de Luxembourg working together with the government give a strong signal of presence of clusters in the field. The wealth of the country, good loca-

*Philanthropy is the initiative of individuals, foundations, nonprofits, organizations, governments and enterprises that supports socially beneficial causes and promotes human welfare through any form of donations.*

tion with recognized strong connections, international cooperation and political neutrality are all factors that affect the opportunity to foster philanthropy.

**The more confident donors are about their contributions, the more they give.**

The more the nation can foster an environment where philanthropic foundations and organizations are encouraged to reach the state of being able to create new knowledge and advance practice, such as by funding researches and a systematic progression of projects that produce more effective ways to address social problems, and the more the country is able to improve the performance of philanthropy and influence larger public and private sector efforts, the greater the impact of donations will be. By encouraging high standard professional services on the market that focus on creating value in philanthropy, as well as evaluating social impact and sustainability with increased transparency and trust, Luxembourg has the potential to become a center of excellence in philanthropy.

**Viktoría Valdimarsdóttir**

*Master of Entrepreneurship and Innovation (2009)*

*Master theses on Philanthropy*

*University of Luxembourg*

*Faculty of Law, Economics and Finance*

<sup>1</sup> <http://www.economywatch.com/economic-statistics/country/Luxembourg/> July 2009 (calculation)

<sup>2</sup> Murray, S., "A problem shared", *Financial Times*, 25 June 2009





# TWITTER WHILE YOU WORK

*The jury's out on Twitter. But will it still be the communication accessory of choice by the time they've reconvened?*

Many organizations have dipped their toes in the sea of SMS, message boards, blogs and wikis while trying to get to grips with community tools for the online individual: You Tube, MySpace, LinkedIn, Facebook and the rest.

But 2009's phenomenon is making even these communities seem old and clunky. That phenomenon is Twitter. Since it started in San Francisco in 2006 as a side-of-the-desk project, Twitter has grown into a real-time short messaging service that works over multiple networks and devices.

Essentially the platform, used by millions, is based on a simple premise status, asking users to respond in no more than 140 characters to the request: "What are you doing?" If the answer's compelling enough, it's a fantastic way of starting a conversation that anyone who chooses to follow the Tweeter can take part in.

But does Twitter have legs, and should organizations be using it as part of their communication platform? Jeremy Noble, who has spent years in web consultancy and is currently working with the National Patient Safety Agency isn't so sure. "Twitter's pretty lightweight. It's a bit like the early blogs: a little bit nerdy and carries the same danger of those early business blogs in that it promotes the cult of the personality rather than enhancing the organization behind that personality.

"Communication in business is changing rapidly and what really matters now is how organizations tap into the professional and social networks that are emerging both within and around their organizations. Communicators and recruiters alike need to see beyond the tool, and address the longer term need to engage with a population that increasingly uses a wide variety of social media to live their lives."

Abi Signorelli, Director of Internal Communication at Virgin Media is the flip side of the coin: an avowed Twitterphile working in an organization using the tool in both its internal and external communication. "Within Virgin Media we use Twitter to connect, collaborate, innovate and communicate. We have a network of several hundred 'Twits' across the UK who use the tool as their first port of call when they need something either professionally or socially. Most Twits don't know each other, but the platform opens doors for people needing help from IT support to customer problems to the best restaurant or hotel for people travelling between offices. It's changing the way we communicate: from traditional twoway to truly collaborative."

**WHAT'S MOST IMPORTANT FOR BUSINESSES USING TWITTER IS THAT THEY REALLY CONNECT WITH THEIR FOLLOWERS.**

Community of advocates Externally, Virgin Media uses its '@virgin-media' Twitter presence to go beyond customers' expectations, spotting and solving customer queries, often before they turn into problems. "The key benefit for us," Abi continued, "is that we are building a community of advocates who talk about our products and services. The

further they build their own Twitter community, the further this word of mouth effect spreads."

For Word of Mouth marketing evangelist, Molly Flatt, Twitter as a tool isn't so important as the concept of organizations using the right social media tools to connect with their most important audiences. "Twitter is micro-blogging and that was here before Twitter and will be still there when we move on to the next tasty morsel in the sweet shop. It simply appeals to our off-line enthusiasm for chatting and if organizations catch the mood right, Twitter can be a very useful communication tool to tap into the kind of audience that likes and regularly uses this platform. It shouldn't replace your other means of communication, but augment them. But if your audience isn't tweeting, there's no point being on Twitter.

"What's most important for businesses using Twitter is that they really connect with their followers. That means understanding followers' needs, and engaging with them with real enthusiasm. Having the CEO of my favorite brand tweet about what he's having for dinner leaves me cold –it's more white noise, and if an organization makes a big song and dance about starting to tweet and then hardly posts at all, that's also a turn-off.

"When it comes to using Twitter as a resourcing tool, there's no point simply pumping out all your job adverts and hoping for the best. Twitter is about creating conversations. So get your experts out there talking about their specialisms. But go further, this isn't broadcast, and you can build those conversations. Ask for opinions and answer questions. This is all about building a network based around common interests."

Not everyone sees the benefit of Twitter. Dan McGuire, MD of Broadbean Technology, told us: "Anyone who has time for Twitter isn't busy enough. It's no surprise it has taken off in a recession."

Andy Powell, Badenoch & Clark's marketing director doesn't agree. "We go along with Molly's view and think there's a place for Twitter in a wider suite of communication tools. We're using our tweets to build a community with our customers and like any communication tool, it's horses for courses."

*Badenoch & Clark is a provider of quality permanent recruitment solutions. Established in 1980, Badenoch & Clark is a leading international recruitment company. Through established networks and relationships, Badenoch & Clark, connects local and international professionals with Luxembourg's finest institutions: [www.badenochandclark.lu](http://www.badenochandclark.lu).*

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SO, BEFORE YOU HIT 'UPDATE' ON THAT FIRST TWEET, PLAN, PLAN AND PLAN SOME MORE.

#### Set objectives

- know why you're doing what you're doing and what you aim to achieve.

#### Align with your other communication tools

- don't tweet in isolation and make sure what you're doing fits within your wider communication and business strategy.

#### Pick the right horse for the course

- don't assume that because Twitter is popular now it will be the right tool for you.

#### Build your business case

- gather the evidence to win the decision makers over. If you haven't got a compelling case, you probably shouldn't invest in social media.

#### Plan for implementation

- get the corporate policy in place, line up the resource you need to run the channel and prepare your business before launching.

#### Measure

- don't tweet into the ether, but assess the impact you're having against the objectives you've set.



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# ALLEN & OVERY LUXEMBOURG: LAUNCH OF THE U.S. LUXEMBOURG DESK

## ALLEN & OVERY LUXEMBOURG

On October 8<sup>th</sup>, 2009, Allen & Overy Luxembourg organized a seminar on "Trends for Alternative Investment Funds: From Offshore to Onshore?" which was held at the Luxembourg Consulate in New York to launch its U.S. Luxembourg Desk. The seminar was organized with the collaboration of François Knaff, Consul General of Luxembourg in New York, the Luxembourg Board of Economic Development and the Luxembourg American Chamber of Commerce.



To operate effectively in an increasingly complex global market, our clients select legal advisors distinguished by the depth of their experience, who can provide advice both from an informed domestic perspective and in the broadest possible cross-border context. The Desk is dedicated to meeting this challenge for clients requiring U.S. and Luxembourg legal advice.

The Desk combines the strengths of our local U.S. and Luxembourg practices with the wealth of expertise and experience that only a truly international legal practice can offer. Our knowledge of key players and authorities gives our clients a tangible competitive edge, whether our clients are raising capital, buying or selling businesses, restructuring or facing litigation or regulatory issues.

The Desk consists of individuals from different parts of the global U.S. practice and from Luxembourg, with strong personal and professional ties to the region and to inbound and outbound U.S.-Luxembourg trade and investments. Members of the Desk regularly advise Luxembourg and U.S. clients or investors who want to invest in the United States or in Luxembourg. They advise on a broad range of U.S. and Luxembourg law matters and have in-depth knowledge of the legal and cultural aspects of doing business in the region. The Desk includes members in

Allen & Overy's offices in Luxembourg, New York and London.

Marc Feider, Senior Partner of Allen & Overy Luxembourg, says: "We strongly believe that on questions of U.S. and Luxembourg law or with regard to providing support for U.S. enterprises or investors, our U.S. Luxembourg Desk offers a unique value proposition for our clients on any transaction that involves Luxembourg or the United States".

### LUXEMBOURG OFFICE

Allen & Overy Luxembourg ranks among the largest legal practices in the Grand Duchy, with over 90 lawyers and eight partners who have proved their ability to provide concise and timely advice on all types of domestic and complex international transactions. We advise a wide range of clients including international banks, corporates, asset managers, private equity houses, insurance and reinsurance companies, large blue chip companies and local Luxembourg-based companies and public entities.

To ensure a legally secure environment, the group has regular discussions with the authorities and tax administrations. This gives us a competitive edge and consistency which are key elements for clients' success.





#### ABOUT... ALLEN & OVERY

Allen & Overy is an international legal practice with approximately 5,000 staff, including over 450 partners, working in 31 major centers worldwide: Abu Dhabi, Amsterdam, Antwerp, Bangkok, Beijing, Bratislava, Brussels, Bucharest (associated office), Budapest, Dubai, Düsseldorf, Frankfurt, Hamburg, Hong Kong, London, Luxembourg, Madrid, Mannheim, Milan, Moscow, Munich, New York, Paris, Prague, Riyadh (associated office), Rome, São Paulo, Shanghai, Singapore, Tokyo and Warsaw.

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# VETERANS DAY

## HISTORY OF VETERANS DAY <sup>1</sup>

World War I – known at the time as “The Great War” - officially ended when the Treaty of Versailles was signed on June 28, 1919, in the Palace of Versailles outside the town of Versailles, France. However, fighting ceased seven months earlier when an armistice, or temporary cessation of hostilities, between the Allied nations and Germany went into effect on the eleventh hour of the eleventh day of the eleventh month. For that reason, November 11, 1918, is generally regarded as the end of “the war to end all wars.”

In November 1919, President Wilson proclaimed November 11 as the first commemoration of Armistice Day with the following words: "To us in America, the reflections of Armistice Day will be filled with solemn pride in the heroism of those who died in the country's service and with gratitude for the victory, both because of the thing from which it has freed us and because of the opportunity it has given America to show her sympathy with peace and justice in the councils of the nations..."

An Act (52 Stat. 351; 5 U. S. Code, Sec. 87a) approved May 13, 1938, made the 11th of November in each year a legal holiday—a day to be dedicated to the cause of world peace and to be thereafter celebrated and known as "Armistice Day." Armistice Day was primarily a day set aside to honor veterans of World War I, but in 1954, after World War II had required the greatest mobilization of soldiers, sailors, Marines and airmen in the Nation's history; after American forces had fought aggression in Korea, the 83<sup>rd</sup> Congress, at the urging of the veterans service organizations, amended the Act of 1938 by striking out the word "Armistice" and inserting in its place the word "Veterans." With the approval of this legislation (Public Law 380) on June 1, 1954, November 11<sup>th</sup> became a day to honor American veterans of all wars.

## VETERANS DAY 2009

On November 11, 2009 U.S. Chargé d'Affaires to Luxembourg, Mark J. Biedlingmaier welcomed numerous participants at the annual Veterans Day ceremony in Luxembourg which was held at the Luxembourg American Cemetery & Memorial in Hamm. The ceremony comprised the reading of the U.S. Presidential Veterans Day Proclamation and a wreath laying by U.S. Chargé d'Affaires Mark Biedlingmaier, Commander in chief of the 52FW Spangdahlem Col. Lee T. Wight and Mr. Constant Goergen from U.S. Veterans Friends Luxembourg. General Patton's granddaughter, Mrs. Helen Patton-Plusczyk, as well as former U.S. Ambassador to Luxembourg, Mr. Clay Constantinou graced the ceremony with their presence.

In his remarks Mr. Biedlingmaier outlined the close link between Veterans Day and the history of the Grand Duchy of Luxembourg: 65 years ago, in the Battle of the Bulge, more than 5,000 Americans lost their lives in the course of the liberation of Luxembourg. The military cemetery of Hamm stands as testament to the ultimate sacrifice made by Americans who were called upon by their country to liberate the people of Europe.



Left to right: Chargé d'Affaires Mark J. Biedlingmaier, Commander of the 5<sup>th</sup> FW Spangdahlem Col. Lee T. Wight

“The greatest memorial to these fallen heroes, though, is not found in the monuments we erect or in the words we utter. It is in what we have built together since the end of that horrible war: a great alliance which has kept the peace for over sixty years on a continent now united as a symbol of peace and prosperity for the entire world. And through our shared and continued commitment, we will insure the freedom of future generations. May our bonds of friendship continue to flourish for centuries to come.”

Information compiled by Tatjana Schaefer  
AMCHAM Luxembourg

<sup>1</sup> U.S. Department of Veterans Affairs, <http://www1.va.gov/opa/vetsday/vetdayhistory.asp>



Col. Wight from Spangdahlem Air Force Base, a member of the Eifel Singers and Mrs. Helen Patton-Plusczyk along with the Color Guard from Spangdahlem and U.S. Embassy Marine Security Guard, Jeffrey Cusumano at the tomb of U.S. General George Patton at the American Military Cemetery and Memorial in Hamm. Photo: Joao B Souza.



# LUXEMBOURG AMERICAN CULTURAL CENTER DEDICATED

*Grand Duke Henri and Royal Family Members, Wisconsin's Governor Doyle and Hundreds of Cultural Society Members Attend.*

Despite torrential early morning showers, hundreds of members and supporters of the LACS gathered on Saturday, August 8, 2009 for the Dedication Celebration of the Luxembourg American Cultural Center in Belgium, Wisconsin, USA. Numerous dignitaries from Luxembourg and the State of Wisconsin participated in the festivities. Honored guests included: High Royal Highness Grand Duke Henri of Luxembourg accompanied by Prince Felix, Prince Louis and Prince Sebastien. The Royal Family traveled to the United States on a private visit to witness the dedication of the Cultural Center.

Other dignitaries representing the Grand Duchy included: His Excellency Jean-Paul Seminger, Luxembourg Ambassador to the U.S., Madame Erna Hennicot-Schoepges, former Minister of Culture, Mr. Guy Dockendorf, Director General – Ministry of Culture, Honorary Consul General Donald J. Hansen, Honorary Consul General Robert Schaeffer, and Honorary Consul Robert Biver.

The LACS was also honored with the presence of Wisconsin Governor Jim Doyle and First Lady Jessica Doyle along with representatives from the Wisconsin Departments of Commerce, Tourism, and Education.



*"HRH Grand Duke Henri & Governor Jim Doyle of Wisconsin at the Dedication of the Luxembourg American Cultural Center"*

the annual four-day Luxembourg Heritage Weekend, August 6 – 9. This year's Heritage Weekend featured a Luxembourg Heritage Circle Tour of Northern Ozaukee County, annual Cultural Conference, a Sneak-



*View of the Luxembourg American Cultural Center*

FH

Preview Celebration at the Cultural Center, the Green Heart Gala Dinner Auction and the annual Luxembourg Fest.

The LACS also welcomed this year's cultural performers direct from Luxembourg: folk dancers Robert & Marianne Johanns and the six-member Luxembourg Fun Brass Band. Their performances and presence helped make this year's Heritage Weekend a resounding success.

The LACS invites you to mark your calendars for Heritage Weekend 2010 and the Grand Opening Celebration of the Cultural Center: Heritage Weekend - August 5 - 8, 2010 and Grand Opening - August 7, 2010. All are invited and welcome to attend!

Following the Dedication Ceremony, Grand Duke Henri, the Royal Family members, and Governor and Mrs. Doyle were given a private tour of the Cultural Center. A reception with the Grand Duke and Governor followed for Board Members, major donors, and representatives of local Luxembourg societies from throughout the U.S. Public tours for LACS members and guest ensued on Saturday afternoon as well as on Sunday, August 9.

The dedication of the new Cultural Center took place in the midst of the

## LOCATION/HOURS OF OPERATION/ADMISSION

The Luxembourg American Cultural Center is located at:

100 Peter Thein Avenue

Belgium, WI, 53004, USA

262-476-5085

[admin@luxamculturalsociety.org](mailto:admin@luxamculturalsociety.org)

[www.luxamculturalsociety.org](http://www.luxamculturalsociety.org)

### Hours of Operation

Wednesday, Thursday, Friday: 10 a.m. - 4 p.m.

Saturday (1<sup>st</sup> & 3<sup>rd</sup>): 1 - 4 p.m.

Also by Appointment. Closed Holidays. Groups Welcome.

### Admission

LACS Members - Free!

Adults (non-members) - \$9

Children (non-members, 12 & under) - \$5



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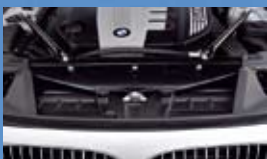
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