

01/01 - 31/01/2010

mediawatch

january 2010

INTRODUCTION

Dear reader,

You have in your hands the first edition of the Media Watch compiled by Luxembourg for Finance, the Agency for the development of the Luxembourg financial centre.

Since the task of Luxembourg for Finance is to position the financial centre and contribute to creating a strong brand image, we try to monitor three main areas :

- what is said about Luxembourg and its financial centre abroad, be it by foreign media, politicians, institutions and organisations;
- initiatives taken by foreign financial centres to enhance their competitiveness, and
- initiatives taken at a supra-national level that might have an impact on the Luxembourg financial centre and/or its actors.

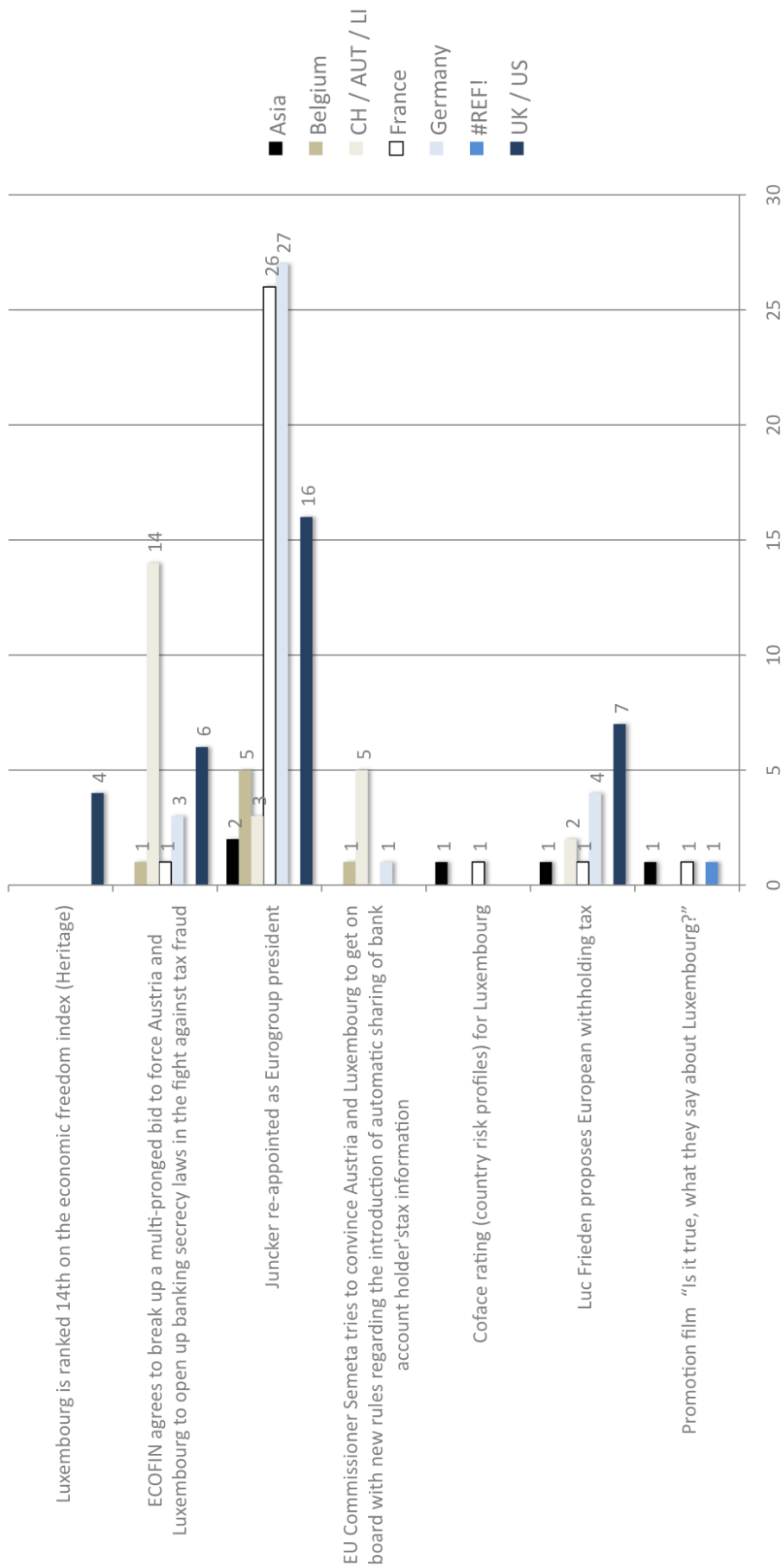
Further to this, we have dedicated a “dossier” to the ongoing discussion about taxation of savings.

In this first edition, we have summarised the main media headlines and messages of January 2010.

We plan to produce a more detailed press review twice a month from now on.

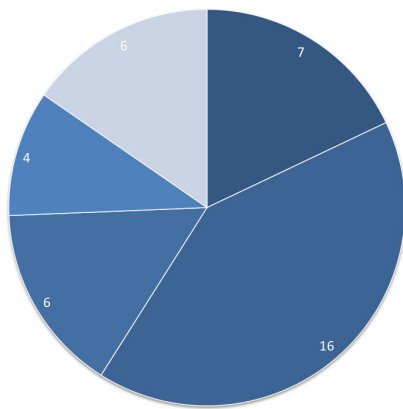
We are grateful for all constructive comments from our readers.

FINANCIAL CENTRE: MEDIA COVERAGE (by number of articles)



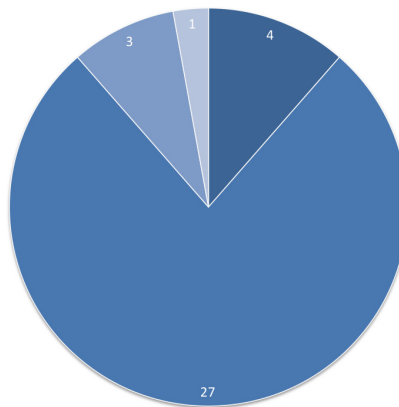
FINANCIAL CENTRE: COVERAGE BY COUNTRY (by number of articles)

UK / US



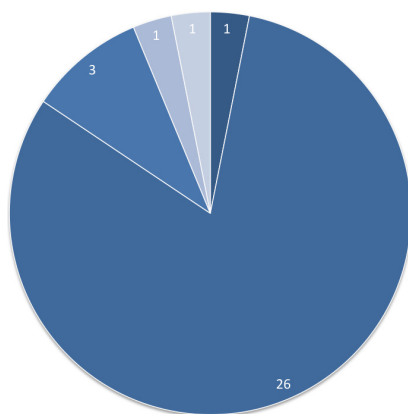
- Luc Frieden proposes European withholding tax
- Juncker re-appointed as Eurogroup president
- ECOFIN agrees to break up a multi-pronged bid to force Austria and Luxembourg to open up banking secrecy laws in the fight against tax fraud
- EU Commissioner Semeta tries to convince Austria and Luxembourg to get on board with new rules regarding the introduction of automatic sharing of bank account holder's tax information
- Coface rating for Luxembourg

Germany



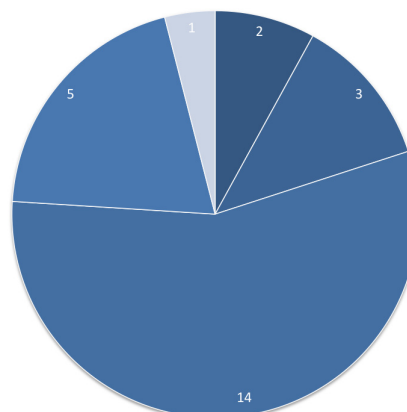
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France



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- Promotion film "Is it true, what they say about Luxembourg?"

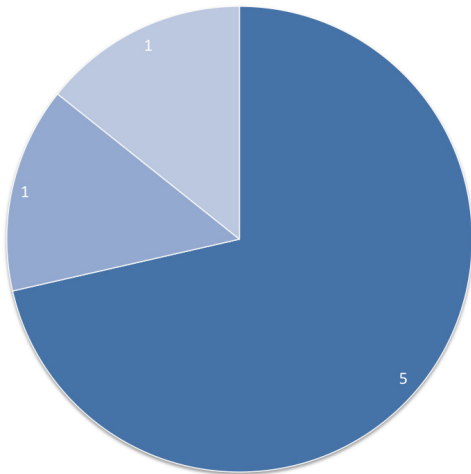
CH / AUT / LI



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- Luxembourg is ranked 14th on the economic freedom index (Heritage)

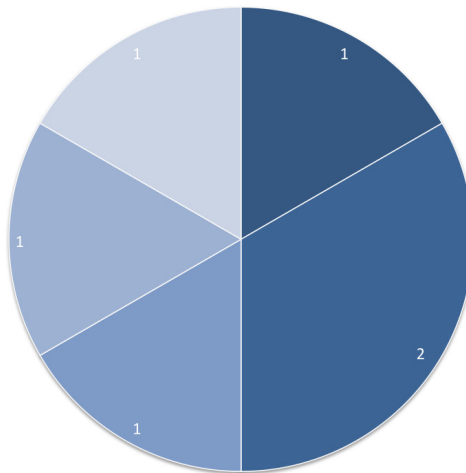
FINANCIAL CENTRE: COVERAGE BY COUNTRY (by number of articles)

Belgium



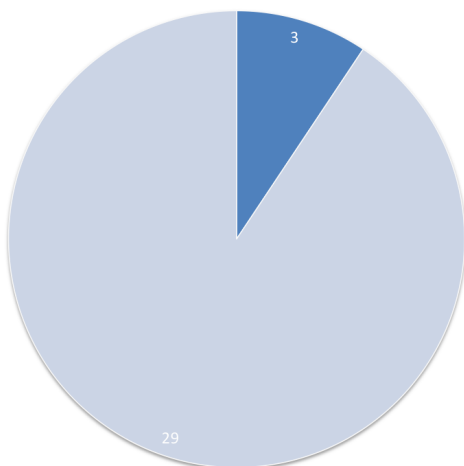
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Asia



- Luc Frieden proposes European withholding tax
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- Promotion film "Is it true, what they say about Luxembourg?"
- Luxembourg wants to become a hub for Islamic Finance

Middle East



- Luxembourg wants to become a hub for Islamic Finance
- LFF mission to Bahrain and Dubai

FINANCIAL CENTRE: CHRONOLOGY

28 January:

Refund of withholding tax paves way for EU investment fund reclaims. (Hedge Week)

27 January:

2010 Quality of Life Index : Luxembourg ranks sixth. ("6. Luxembourg: A financial center and tax haven, and a per capita gross domestic product of \$88,000.")

25 January:

KOF Economic globalization : Luxembourg ranks third and 14th for the global index.

21 January:

Coface rating for Luxembourg: Country rating A1 and business environment A2. Coface sees a weak spot in the fact that the Luxembourg economy features a predominance of financial services that belong to foreign groups.

Luxembourg is ranked 14th on the economic freedom index (Heritage).

20 January:

ECOFIN: Luxembourg and Austria agree on directive on mutual assistance in the recovery of taxes. The two countries also give up their position on a package solution and are ready to consider the various elements on an individual basis. (European Council / official press release)

According to the Conference Board: Luxembourg leads the labour productivity ranking.

19 January:

Juncker re-appointed as Eurogroup president. (multiple sources)

18 January:

In an article published simultaneously in the FTD, Figaro and Expansion, minister Luc Frieden calls for a European withholding tax of 25% and says that European partners focus excessively on banking secrecy and tax evasion. A European tax that would directly feed the EU budget would be much more useful.

15 January:

Transparency International accepts the non-profit association "Association Pour la Promotion de la Transparence" as national Transparency International contact point in Luxembourg.

14 January:

Tax commissioner-designate Semata calls on states to exert pressure on Luxembourg and Austria to agree to the anti-fraud agreement with Liechtenstein. (European Parliament / official press release)

13 January:

Financial mission to the Middle East: The Luxembourg delegation visits Dubai. DIFC and Luxembourg for Finance sign Memorandum of Understanding to promote cooperation and industry development.

12 January:

Financial mission to the Middle East: Luxembourg and Bahrain sign cooperation agreement. The cooperation will include, amongst others, the fund industry, and an exchange of competencies at the level of central banks and supervisory authorities.

08 January:

Launch of "Is it true what they say about Luxembourg?", a promotional film project consisting of 10 films introducing subjects ranging from Finance to Tourism in Luxembourg with the aim to counter wide-spread clichés.

STATEMENTS ABOUT LUXEMBOURG

Name	Position	Organisation	Source	Date	Info
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Competitiveness

Mushtak Parker	Journalist	zawya	zawya	01/02/10	
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Luxembourg in fact is emerging as the fastest growing Islamic finance hub in Europe with key developments in the process of being implemented with counterparties in Saudi Arabia and Malaysia over the next few months. In this respect Luxembourg is emerging as a serious alternative hub for Islamic finance to London and Paris, although officials and market players on all sides stress that there is room for all given the nascent state of the industry in the European Union.

Fernand Grulms	CEO	Luxembourg for Finance	AMEinfo	12/01/10	
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International investors, including sovereign wealth funds from the MENA region, rely on Luxembourg's expertise to structure their worldwide investments, namely in the area of real estate and private equity. For example, local know-how in setting up, administering and distributing investment funds has led the Bank of London and the Middle East (BLME) to launch a Shari'ah-compliant dollar income fund from Luxembourg.

Guillaume von Luxembourg	Hereditary Grand Duke	Grand Ducal Family	Tageblatt	12/01/10	
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Wir müssen uns der Tatsache bewusst sein, dass sich bei uns der Finanzplatz gerade verändert und wir um eine neue Kundschaft werben. Bahrain ist ein kleines Land und hat genau dieselben Probleme wie Luxemburg. Bahrain ist im Bezug auf die Beschlüsse der G20-Gipfel in derselben Situation wie Luxemburg.

Ahmed Humaid Al Tayer	Governor	DIFC	AMEinfo	12/01/10	
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By working with other leading international financial centres such as Luxembourg, DIFC brings business opportunities and a continually expanding scope of financial products and services not only to DIFC-based firms, but also to the UAE and wider region. Luxembourg is a natural partner for DIFC, with each centre's strengths complementing those of the other, and opening many possibilities for cooperation among our regulators, as well as among the many firms located in our two jurisdictions.

Samia Rabia	Senior-Partner	Wildgen & Law	Tageblatt	11/01/10	
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Das Nicht-Interesse in Frankreich, die Ausrichtung der Londoner Islam-Banken auf den Schalterkunden und die Kompetenz Luxemburgs in der Kreation von Produkten geben Luxemburg die Chance, 'Islamic Finance' zu einer wichtigen Nische des Finanzplatzes zu machen. Wir müssen diese Chance nutzen.

Teresa Owusu-Adjei	Director	PwC	lawandtax-news-com	01/02/10	
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Investment funds across the EU who are challenging unlawful application of withholding taxes levied on dividends can expect refunds of millions of euros following Norway's decision to refund withholding taxes to a Luxembourg Sicav... Both the Aberdeen ECJ ruling and this settlement with the Luxembourg Sicav will have a significant impact on the current withholding tax on dividends regimes applied in EU and EEA jurisdictions, ensuring a level playing field for all funds.

David Isenberg	Journalist	Huffington Post	Huffington Post	27/01/10	
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Many of the top 29 U.S. publicly-traded defense contractors--those with \$1 billion or more in DOD contracts in fiscal year 2008--have created offshore subsidiaries to "facilitate global operations," as in avoiding paying various taxes. Between fiscal years 2003 and 2008, they increased their use of these subsidiaries by 26 percent, maintaining at least 1,194 in 2008, according to a report released yesterday by the U.S. Government Accountability Office....Of the total offshore subsidiaries, about 200 were located in tax haven financial privacy jurisdictions such as Singapore, Hong Kong, Ireland, or Luxembourg.

Not named	Journalist	Prague Daily Monitor	Prague Daily Monitor	27/01/10	Tax havens attract 2,153 Czech companies in 2009
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The most attractive tax havens are still the Netherlands, Cyprus and Luxembourg. The biggest relative growth last year was seen by Panama and Belize.

Fund Industry

Stijn Janssen	Tax Advisor	Loyens & Loeff	Business 24-7	04/01/10	
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We want more Luxembourg-registered funds to be launched in the UAE. 10 Luxembourg-registered funds have been in launched in the country in the past one year.

STATEMENTS ABOUT LUXEMBOURG

	Name	Position	Organisation	Source	Date
Image	Helmut Wyrwich	Journalist	Tageblatt	Tageblatt	19/01/10
	<p>Es hat in der Vergangenheit nie geholfen, dass Vertreter Luxemburgs in Berlin und Paris auf das luxemburgische Rechtssystem verwiesen, darauf aufmerksam machten, dass man schließlich dieselben europäischen Direktiven umsetze wie alle anderen Staaten. Luxemburg hatte insgesamt im Laufe der Jahre seine Glaubwürdigkeit verloren. Finanzminister Luc Frieden ist dabei, das zu ändern. Der neue Herr der Finanzen Luxemburgs hat dabei einen klaren Vorteil: Er muss nicht um einen europäischen Posten kämpfen, muss daher keine Kompromisse machen zwischen seinen persönlichen Interessen und denen des Landes.</p>				
Taxation	Marianne Truttman	Journalist	Luxemburger Wort	Luxemburger Wort	20/01/10
	<p>Mit der Zustimmung zur Beitreibungsrichtlinie haben Luxemburg und Österreich "ihren guten Willen"; gezeigt, lobte die französische Finanzministerin Christine Lagarde. Die Zustimmung zur Richtlinie war laut Frieden unproblematisch, da die EU-Staaten schon bisher bei der Eintreibung von Steuern kooperieren. Frieden und Pröll wunderten sich allerdings, dass Großbritannien bei der Beratung der Richtlinie plötzlich Bedenken anmeldete. Diese konnten letztlich aber ausgeräumt werden. Laut Pröll zeigt dies, dass sich einige Länder hinter dem bisherigen Widerstand von Österreich und Luxemburg versteckt hätten.</p>				
	Luc Frieden	Minister of Finance	Luxembourg Government	La Voix du Luxembourg	20/01/10
	<p>Nous sommes en train de renégocier la directive, y compris sur l'échange automatique d'information, sans effacer ce qui a été adopté. Si l'Union européenne veut des standards supérieurs, il faut qu'ils s'appliquent aussi aux pays tiers. Il y a un manque de cohérence dans le débat</p>				
	Luc Frieden	Minister of Finance	Luxembourg Government	FTD	18/01/10
	<p>Als überzeugter Europäer wünsche ich mir eine entspannte und objektive Diskussion über die beste Art der Besteuerung von Einkünften in einem Europa, in dem grenzübergreifende Geschäfte alltäglich geworden sind. Ich stelle mit Bedauern fest, dass bei unseren Gesprächen eine allgemeine Reflexion über das Steuerrecht in Europa kaum eine Rolle spielt. Abgesehen davon, dass sich die Diskussion ausschließlich um die Besteuerung von Ersparnissen dreht, sind außerdem ungenaue und mehrdeutige Ausdrücke aufgetaucht, wobei diejenigen, die diese Ausdrücke verwenden, nicht immer in der Lage sind, sie zu definieren, oder sie mit einem gesunden Steuerwettbewerb verwechseln. Steuerparadiese werden mit dem Bankgeheimnis vermischt, Steuertransparenz mit Steuergerechtigkeit.</p>				
	Luc Frieden	Minister of Finance	Luxembourg Government	FTD	18/01/10
	<p>Bei der Zusammenarbeit zur Bekämpfung der Steuerhinterziehung unterstütze ich die strikte, einheitliche und internationale Anwendung des OECD-Standards im Bereich des Informationsaustauschs auf Ersuchen. Luxemburg hat mit seinen wichtigsten Wirtschaftspartnern bilaterale Verträge über die Umsetzung dieser Verfahren unterzeichnet. Es scheint mir allerdings kontraproduktiv, wenn EU-Mitgliedsstaaten ein System zum automatischen Informationsaustausch zwischen Banken und Steuerbehörden auf europäischer Ebene einführen, während in der restlichen Welt lediglich ein Informationsaustausch auf Ersuchen in bestimmten Fällen gelten würde. Dies wird mit Sicherheit zu Kapitalverlagerungen aus der EU führen und die gewünschte Besteuerung von Einkünften unmöglich machen.</p>				
	Luc Frieden	Minister of Finance	Luxembourg Government	Le Figaro	18/01/10
	<p>Les services financiers doivent circuler comme tous les autres services dans l'Union européenne. Aujourd'hui, les produits financiers sont traités différemment et les taux appliqués varient. L'Europe demande une solution efficace. C'est la raison pour laquelle je plaide pour une retenue à la source libératoire de 25 % sur un large éventail de revenus, les sommes prélevées étant transférées en partie au pays d'origine du bénéficiaire des revenus.</p>				

INITIATIVES IN FOREIGN FINANCIAL CENTRES

Ireland:

Finance Bill tax changes set to help Ireland become EU funds centre

Irishtimes.com, 02/01/10

<http://www.irishtimes.com/newspaper/finance/2010/0102/1224261527364.html>

IRELAND'S FUNDS industry is gearing up to position itself as the European funds centre of choice, after the assertion by Minister for Finance Brian Lenihan in December's budget that he would bring forward taxation changes which "will strengthen Ireland's competitive edge in this important sector" in the forthcoming Finance Bill.

The industry, largely based in Dublin's IFSC, has broadly welcomed Mr Lenihan's commitment to making the changes, which are seen as necessary after two new European regulations – Undertakings for Collective Investment in Transferable Securities (Ucits) IV and the Alternative Investment Fund Managers Directive.

Bermudan group finds Ireland has XL factor

Financial Times, 12/01/10

<http://www.ft.com/cms/s/0/bda9f68e-ffb5-11de-921f-00144feabdc0.html>

XL Capital, the Bermudan insurance and reinsurance group, has become the latest in the industry to announce plans to move its legal domicile to Ireland, which is finding favour both as growing insurance market and as a stable, low-tax home. Mike McGavick, chief executive, acknowledged the risk of a clampdown on tax havens by US lawmakers, but said that there was more to the proposed move of its legal domicile away from the Cayman Islands, where it is registered in spite of its Bermudan base. "The real focus for us is not on the negatives, but on the broad positives of working in Ireland," Mr McGavick said. "We have had significant operations in Dublin for some time and have grown those in recent years."

A view from the Citi centre

Irishtimes.com, 15/01/10

<http://www.irishtimes.com/newspaper/finance/2010/0115/1224262376992.html>

THE FRIDAY INTERVIEW: Aidan Brady, Citi chief country officer

IRELAND'S INTERNATIONAL financial services industry needs to get its act together by diversifying away from servicing funds, developing a clearer vision for itself, and getting out and marketing more, according to one of the stalwarts of the IFSC. Aidan Brady, chief country officer with Citi, is concerned that the sector is too exposed to fund services, and should instead be looking to develop other ends of the business, particularly in technology.

INITIATIVES IN FOREIGN FINANCIAL CENTRES

Switzerland:

Place financière: le CF veut mieux sanctionner les délits boursiers

Romandie News, 15/01/10

<http://www.romandie.com/infos/news2/201001151615050AWPCH.asp>

La réputation de la place financière suisse doit être améliorée. Pour y parvenir, le Conseil fédéral propose de créer des normes légales permettant de sanctionner "efficacement" les fautes commises sur le marché, notamment les délits d'initiés et la manipulation des cours. La révision proposée de la loi sur les bourses, mise en consultation jusqu'au 30 avril, tient compte de la réglementation internationale, indique vendredi le Département fédéral des finances (DFF). Le projet permet de ratifier la Convention du Conseil de l'Europe relative au blanchiment, au dépistage, à la saisie et à la confiscation des produits du crime et au financement du terrorisme. Concrètement, les infractions que sont le délit d'initiés et la manipulation de cours ne devront plus être traitées dans le code pénal, mais dans la loi sur les bourses. Dans les cas les plus graves, ces transgressions devront être considérées comme des infractions préalables au blanchiment d'argent.

Bilan positif pour les fonds - Lancement de la campagne sur les fonds

Swiss Funds Association, 13/01/10

<https://www.sfa.ch/>

Bilan positif pour les fonds – Lancement de la campagne sur les fonds Zurich, le 13 janvier 2010 – Par rapport à d'autres produits d'investissement, les fonds de placement en Suisse ont bien surmonté la crise financière. Dès le second semestre 2009, ils ont à nouveau drainé un important volume d'argent frais. Bien que les fonds entrent régulièrement dans la composition des portefeuilles, les investisseurs connaissent souvent mal ces instruments de placement. Pour combler cette lacune, la Swiss Funds Association SFA a décidé de lancer pour la première fois de son histoire une campagne sur les fonds de placement.

L'afflux annoncé de hedge funds anglais à Genève est très timide

Le Temps, 11/01/10

http://www.letemps.ch/Page/Uuid/762892ce-fe30-11de-af77-2f51b213d65a/Lafflux_annonc%C3%A9_de_hedge_funds_anglais_%C3%A0_Gen%C3%A8ve_est_tr%C3%A8s_timide

L'intérêt proclamé des hedge funds britanniques pour une installation à Genève peine à se concrétiser. Seuls quelques grands gérants alternatifs londoniens ont ouvert une présence physique sur les rives du Léman ces 18 derniers mois. Parmi eux, il y a Bluegold, spécialisé dans les stratégies sur les matières premières, CQS Asset Management, actif surtout dans le crédit, Tiresias Capital, en collaboration avec Omni Partners, et l'américain Arrowhawk Capital Partners. Selon l'Association suisse des fonds, entre 10 et 20 hedge funds de toutes origines se sont installés en Suisse ces 24 derniers mois. Ils ont suivi l'exemple de la star Philippe Jabre, qui a déménagé avec armes et bagages à fin 2006.

Launch of <http://www.finanplatz-zuerich.ch/default.aspx> to promote the Swiss financial centre

INITIATIVES IN FOREIGN FINANCIAL CENTRES

France:

Paris platform to tap bond demand

FT.com, 18/01/10

<http://www.ft.com/cms/s/0/744009c4-0466-11df-8603-00144feabdc0.html>

Paris plans to grab a bigger slice of the growing European bond markets with a new trading platform as part of a wider push to divert financial activity from rival centres to the French capital. Christine Lagarde, French finance minister, on Monday announced the trading plans, together with a series of bond listing reforms also designed to make Paris more attractive. Most companies list, or register, new bond issues in London, and France has long chafed that the UK has the lion's share of this business in spite of being outside the eurozone. The bond trading plan is one of the first signs of efforts to launch exchanges to take advantage of regulators' demands that more financial instruments traded privately between banks be shifted into formal exchanges. The Obama administration and European Commission have made this a central part of reforms of the massive over-the-counter, or off-exchange, derivatives markets. Details of the new trading platform were sketchy on Monday but one official said it would take the form of an exchange. Compared with equities, the complexities of corporate bonds – any single company may have a number of very different debt securities that cannot easily be compared to each other – have meant bonds tend to trade far less than a company's equity and are usually handled in bilateral over-the-counter deals.

La France va prolonger son dispositif de régularisation fiscale

La Tribune, 03/01/10

<http://www.latribune.fr/depeches/reuters/la-france-va-prolonger-son-dispositif-de-regularisation-fiscale.html>

La France va prolonger "autrement" son offre de régularisation fiscale à destination des personnes ayant placé illégalement des capitaux à l'étranger, déclare le ministre du Budget, Eric Woerth.

La cellule de régularisation mise en place par Bercy, qui a fermé comme prévu le 31 décembre, avait permis de récupérer plus de 500 millions d'euros de fiscalité début décembre, a-t-il déclaré sur Europe 1, précisant qu'il donnerait les chiffres complets courant janvier.

UK:

Government moves to support UK Islamic finance industry

HM Treasury, 21/01/10

http://www.hm-treasury.gov.uk/press_04_10.htm

The Treasury has introduced measures in Parliament to support Islamic finance and the issuance of corporate sukuk within the UK. The Financial Services and Markets Act 2000 Order 2010, will help to provide a level playing field for corporate sukuk within the UK. The Order provides clarity on the regulatory treatment of corporate sukuk, reducing the legal costs for these types of investments and removing unnecessary obstacles to their issuance.

INITIATIVES IN FOREIGN FINANCIAL CENTRES

UAE:

Interview: Dubai's Financial Hub DIFC Sees More Momentum

crienglish.com, 12/01/10

<http://english.cri.cn/6826/2010/01/12/1721s541695.htm>

Five years after its foundation, Dubai International Financial Center (DIFC) sees activities picking up in the center after a difficult 2009, analysts said Monday. Home of 249 banks, insurance firms and asset managers from around the globe, the DIFC with its international legal framework saw more than three dozen of firms closing their offices last year, as a direct result of the financial crisis, with the DIFC refusing to disclose the exact number. "But since the end of 2009, we have seen new momentum," Abdulla Al Awar, CEO of the DIFC authority, told Xinhua at a reception of the Canadian Business Council.

DIFC plans 'substantial' cut in fees in 2010

arabianbusiness.com, 12/01/10

<http://www.arabianbusiness.com/578603-difc-plans-substantial-cut-in-fees-in-2010>

Dubai International Financial Centre, a tax-free business park, plans a "substantial" cut in fees on asset managers this year to attract more funds and become internationally competitive. "We want a substantial share of the mutual funds industry," especially those investing in the Middle East and North Africa, DIFC chief economist Nasser Saidi told reporters at a conference in Dubai on Tuesday. DIFC is also looking to attract real estate investment trusts and funds complying with Muslim banking law, he said.

Luxembourg and Dubai Deepen Collaboration in the Field of Financial Services

DIFC, 12/01/10

http://www.difc.ae/press_centre/archive/2010/735.html

'Luxembourg for Finance' and DIFC sign Memorandum of Understanding to promote industry development and regulatory cooperation that will benefit Luxembourg and MENA region

A senior finance delegation from Luxembourg, led by Prince Guillaume, Crown Prince of Luxembourg, and the Dubai International Financial Centre (DIFC) held a seminar today to explore opportunities for greater collaboration in financial services between the Grand Duchy and the Middle East and North Africa (MENA) region. At the seminar, DIFC and Luxembourg for Finance, the agency responsible for developing the financial sector in the Grand Duchy, signed a Memorandum of Understanding (MoU) to promote cooperation and industry development across a wide range of areas – including market access, financial regulations and infrastructure, training, and industry development for firms located in the two jurisdictions. The MoU and the seminar are particularly significant given the regional and global roles of the two financial centres, as well as the strong and growing relationship between the UAE and Luxembourg in a range of areas, such as trade and investment. While DIFC is the leading financial centre and global gateway for capital and investment in region stretching between Europe and Asia, Luxembourg is the second largest investment fund centre in the world and the Eurozone's premier hub for private banking. Both are looking to increase business opportunities for companies located in their jurisdictions.

Luxembourg funds woo UAE investors

Emirates Business, 05/01/10

http://www.business24-7.ae/Articles/2010/1/Pages/03012010/01042010_63115395b5f549aebfa071f342afe740.aspx

Luxembourg, the second-largest investment fund centre after the US and an important private banking centre in the Europe, is trying to attract fund managers from the UAE to invest in registered funds there, people associated with the matter told Emirates Business. As a part of the initiatives to attract investments from the UAE into the Luxembourg-registered investment funds, the Crown Prince of Luxembourg Prince Guillaume will visit the UAE on January 12. (...) While Bahrain already has about 600 Luxembourg-registered investment funds, the number is much lesser in the UAE. "We want more Luxembourg-registered funds to be launched in the UAE," Janssen said. He added that 10 Luxembourg-registered funds have been in launched in the country in the past one year.

INITIATIVES IN FOREIGN FINANCIAL CENTRES

Japan:

La Bourse de Tokyo lance un système de transactions plus rapide

Reuters, 04/01/10

<http://fr.reuters.com/article/frEuroRpt/idFRLDE6030CS20100104>

TOKYO, 4 janvier (Reuters) - La Bourse de Tokyo [TSE.UL] a lancé lundi un système de transaction plus rapide pour améliorer sa compétitivité par rapport aux autres grandes places financières. Avec son nouveau système "Arrowhead", qui permet l'exécution d'un ordre 600 fois plus rapidement qu'auparavant et de gérer de plus gros volumes, Tokyo fait désormais à peu près jeu égal avec Londres ou New York.

Bahrain:

Bahrain in key deal with Luxembourg

Gulf Daily News, 12/11/10

<http://www.gulf-daily-news.com/NewsDetails.aspx?storyid=268355>

MANAMA: Bahrain yesterday signed a memorandum of understanding (MoU) with Luxembourg on economic, trade and technical co-operation.

The MoU was signed by the Finance Minister Shaikh Ahmed bin Mohammed Al Khalifa and Luxembourg Finance Minister Luc Frieden in the presence of Luxembourg Crown Prince Guillaume, who was in Bahrain for a joint economic seminar between the two countries. The MoU reflects the willingness of the two countries to strengthen and develop economic, trade and technical co-operation between them on the basis of equity and mutual benefit.

China:

China markets set for new phase in 2010

AFP, 17/01/10

<http://www.google.com/hostednews/afp/article/ALeqM5jPAhdQH0Q1H66GTiRZNC5sHelmuA>

Shanghai's stock market is set for major changes in 2010 that could help close the gap with London and New York as the Chinese city strives to become a global financial centre, analysts say. China began the year with a strong signal that it is serious about its goal of turning Shanghai into a leading finance hub by 2020, approving a raft of measures that give investors more sophisticated investment options. Previously, mainland investors were only able to bet on stocks going up, but the State Council, or Cabinet, has approved trials of short-selling and margin trading that would allow investors to profit from falling markets as well.

DOSSIER: TAXATION OF SAVINGS - CHRONOLOGY

28 January:

Belgian government issues a list of 30 tax havens : no EU country included. (L'Echo)

21 January:

OECD reports on its progress with international tax standard: those standards have been endorsed in 2009 as the four OECD countries which were in opposition lifted their reservation to art 26. OECD now regards as a key issue how developing countries can best be supported to take advantage of a more transparent environment.

20 January:

FPÖ (Freedom party of Austria) rejects the idea of a European tax designed to finance the EU budget. (Der Standard)

18 January:

Germany says it opposes introduction of a EU tax, proposed by Luc Frieden, with proceeds going directly into the EU budget. (Handelsblatt)

14 January:

The Swiss Private Bankers Association (SPBA) asks the government to look more carefully at the details of renegotiated double taxation agreements. Parliament was also urged to draw up a legal framework to allow concessions without breaking banking secrecy laws. (Reuters)

13 January:

Semeta, EU Commissioner designated for Taxation, tries to convince Austria and Luxembourg to get on board with new rules regarding the introduction of automatic sharing of bank account holders' tax information. (European Parliament)

Le Soir reports that Belgians have withdrawn a total of €224.38m euros of undeclared money in 2009 from EU countries.

11 January:

The Belgian Council of State delivers an opinion on a proposed bill aiming to soften bank secrecy. (L'Echo)

08 January:

According to officials at the European Parliament who contributed to a major report on the future development of the EU, the economic crisis could present an opportunity to harmonise taxation policy across EU member states. (EurActiv)

German government says it has no reasons to pursue sanctions against Germans who carry out bank transactions with states it had previously accused of being tax havens. A statement from finance ministry says "no state or area fulfilled the criteria for prohibitive measures suggested in the September tax evasion law". (Handelsblatt)

03 January:

Liechtenstein offers Germany further cooperation in tax matters. (AFP)

French government collected €500m in revenues coming from tax evaders after the government set up a cell to encourage people to take their money out of tax havens, and extends deadline for tax evaders. (Les Echos)

DOSSIER: TAXATION OF SAVINGS - MEDIA COVERAGE IN JANUARY 2010 (by number of articles)

