

Newsletter #62 | 2 April 2019

Dear Luis Galveias,

I'm pleased to have met many of our members and followers at our annual LPEA Insights conference in March. This event, being one of the most visible aspects of our commitment to develop the Luxembourg PE & VC scene, is certainly not the only one as one can see by the number of initiatives spurring out of our membership community recently. After the family offices group and the new ESG Committee, the latest initiative is the new PE for Women (PE4W) group which kicked-off last Friday. Member or not, thank you for taking part in this journey and supporting us in building an ever stronger PE hub.



**Paul Junck**  
Managing Director

*Paul Junck*

## LPEA



### **ESG Lunch: EU ESG Regulation and the Luxembourg Sustainable Finance Roadmap.**

**26 April | PwC Crystal Park | Exclusive to LPEA Members**

The second LPEA ESG lunch will address the latest developments on the regulation that is discussed both at European level and national level to foster the adoption of ESG standards in the PE sector. We invite LPEA Members to join us for a discussion with Anna Lekston, Head of Public Affairs of Invest Europe and Jennifer de Nijs, Advisor of the Ministry of Finance. More information in the following [link](#). *Earlier in March the ESG Committee organised its first lunch "Defining ESG Principles, Guidelines and Practices" with contributions from Astorg and the EIB.*



### **LPEA GP Workshop: Analysing the Impact of the new Interest Limitation Rules on Private Equity Investments**

**24 April | GP/LP members only**

The LPEA is inviting its Full Members to a series of GP workshops centred around the anti-tax avoidance directives (ATAD/ATAD 2) as well as other tax developments and their impact on private equity investments. This workshop will focus on analysing the impact of the new interest limitation rules on private equity investments and will include concrete examples and a Q&A session. [[registration](#)]



### Luxembourg PE Workshop in London

**7-8 May | Central Hall Westminster** The LPEA will again collaborate with ALFI to organise a PE workshop in the context of ALFI's London Conference. While the overall conference will be focused in "Reimagining asset management", the workshop will focus on the practical aspects of fund structuring, fund distribution or governance. [[registration](#)]



### LPEA Insights

The 3rd edition of the LPEA Insights in Luxembourg brought together over 350 practitioners to discuss the future of the industry. Under the topic of "Private Equity 3.0", LPs and GPs shared their insights from sectorial perspectives to the challenges of shaping PE to upper ESG standards.

*Useful links:*

[Conference Notes](#)

[Picture Report](#)

[Video Report](#)

News: [Le private equity atteint l'âge de raison](#) (*Paperjam*)

News: [Luxembourg, le «hub» du Private Equity](#) (*Luxemburger Wort*)

*«Really top level and inspiring speakers»*

*«Future looks bright in PE & VC in Luxembourg»*

*«ESG is not rhetorical, there simply is no way around it»*

*«I can only anticipate the sector to double in size in a few years»*



### PE4W - Private Equity for Women

A strong PE community can only be built on the basis of diversity and integration. Giving women the right tools to succeed in the still male-dominant PE marketplace can play a critical role to drive Luxembourg to the next level. The newly created PE4W group intends to bring together women and men, identify the obstacles of the industry and find the solutions for optimal integration. If you missed the first meeting stay tuned for the initiatives to come!



## Security Tokens: Legal Aspects

LPEA Young PE Leaders Legal working group

With over six billion US dollars raised through token sales since the beginning of 2018, the popularity of the ICO model for fundraising has surged while regulators around the world have been closely monitoring the phenomenon. The purpose of this paper is to give an overview about the possible classification of tokens and the possible legal issues relating to an ICO. [[document](#)]

## OPINION



### INTERVIEW

#### Norbert Becker: Serial Entrepreneur and Investor in Private equity

#madeinLuxembourg

LPEA met with Norbert Becker, a successful investor and manager who, after an international career in the consultancy and advisory world, returned to Luxembourg in 2004 to launch his own venture. It is in his quality of founder as well as of bespoke representative of entrepreneurial families from all around the world that he spoke with LPEA about his professional achievements, the private equity sector and the country of Luxembourg. [[full article](#)]



### INTERVIEW

#### Pierre Gramegna: Luxembourg has succeeded to attract PE business

Mr. Gramegna argues that Britain's decision to leave the EU has prompted an inflow of Private Equity firms to Luxembourg, a measure of the success of the government's efforts to maintain the country's attractiveness. The re-elected coalition is also ready to act, Gramegna says, to ensure that firms are not penalised by EU legislation that leads to a broadening of the tax base. [[full article](#)]



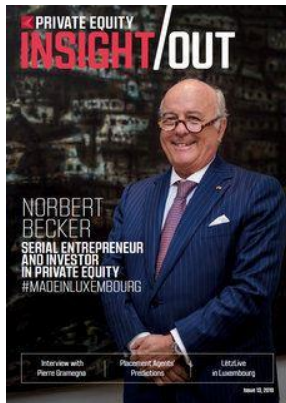
### How is the temperature?

by Olivier Coekelbergs, Vice-President of LPEA

Highlights:

- Fund-raising activity in 2018 was strong, though off from the record levels of 2017. PE firms raised approximately US\$682b in 2018;

- Investment activity remained strong, with 1,768 deals announced valued at US\$480b in 2018, up 11.3% from 2017;
- Exits through IPOs declined by 31% over the previous year [[full article](#)]



### PE Insight/ Out #13

#### LPEA magazine

LPEA's biannual magazine is out! Download your digital sample or pick a hard copy in any of our events or meetings. Highlights of this edition - on top of those already mentioned in this newsletter are:

- PE-dedicated training in Luxembourg
- Placement agents' view on Luxembourg
- Impact of the AIFMD
- The new interest limitation rules on PE
- Recovery of VAT by Holding Companies
- Tax: more than just a cost
- Big data
- PE & VC in Poland

...and much more! [[PE I/O #13](#)]

## OTHER PE&C EVENTS/ INITIATIVES

- 3-5 April - Invest Europe's [Regulatory & Legal Issues](#) in Brussels
- 4 April - [DACH Private Equity Conference](#) (Frankfurt, Germany, discount to LPEA Members with code 'LPEA\_PEI')
- 5 April - Arendt & Medernach: [The Luxembourg limited partnership regimes in practice](#)
- 11 April - [Swiss Private Equity Conference](#) (Zurich, Switzerland; discount to LPEA Members with code 'LPEA\_PEI')
- 11-12 April - Invest Europe: [Financial Modelling](#) (Brussels)
- 23 April - House of Training: [Private Equity - Mastering the Specificities of PE Fund Accounting and Reporting](#)
- 7-8 May - **PE Workshop in London** (in collaboration with ALFI)
- 9-10 May - Invest Europe: [Building & Managing Boards](#) (Brussels)
- 13 May - **LPEA AGM** - Save the Date (Exclusive to Members)
- 14-15 May - [Innovative and Sustainable Finance Summit Luxembourg](#) (discount to LPEA Members)
- 16 May - Arendt & Medernach: [Circular CSSF 18/698](#)
- 16-17 May - Invest Europe: [IPEV Valuation Guidelines](#) (Brussels)
- 22 May - PwC Private equity Forum (save the date)
- 22 May - Arendt & Medernach: [PE/RE fund structuring: the must-know and the must-haves](#)
- 23 May - Arendt & Medernach: [AIFMD marketing intelligence](#)
- 6-7 June - [Invest Europe: Fundraising & Investor Relations](#) (Brussels; discount to LPEA Members)
- 11-12 June - Invest Europe: [CFO Forum](#)

## MEMBERS' NEWS

- **Allen & Overy** published an [alert on four important laws](#) referring to: MLI, Exchange of Information, Tax Treaty with France and the 2019 Budget Bill.
- **Alter Domus** [appoints Aidan Connolly as Chief Executive Officer of Alter Domus Group](#).
- **ATOZ** published the alert [Luxembourg takes additional steps to mitigate Brexit effects](#) referring to the draft law on Brexit.
- **EY Luxembourg** Private Equity Leader Olivier Coekelbergs expects "[digitalisation to reduce Private Equity costs](#)". (Paperjam)

- **GSK Luxembourg** shared an [update on the "Blockchain Law"](#) allowing the use of blockchain in the issuance and circulation of securities
- Global investor services provider [SGG Group rebrands](#) as **IQ-EQ**.
- **Loyens & Loeff** published its [Holding Regimes 2019](#) publication with a comprehensive overview of the most relevant tax aspects of holding regimes in 12 jurisdictions (*Belgium, Cyprus, Hong Kong, Ireland, Luxembourg, Malta, Mauritius, the Netherlands, Singapore, Spain, Switzerland and the United Kingdom*)
- Yannick Oswald from **Mangrove Capital Partners** explains [why they recently led the Seed round of Sybel](#), the world's first platform for high-end audio content.
- **Northern Trust** [establishes EU bank in Luxembourg](#). Following several acquisitions it is today within the top 10 fund administrators in Luxembourg.

## OTHER NEWS

- [Private equity is booming](#) (Lëtzebuerger Journal)
- [Ezbeez Raised €2.6 Million](#) (*Silicon Luxembourg*)  
The Luxembourg-based start-up has more than 1200 clients, manages 8,000 monthly payrolls and counts 15 employees based in Hesperange.
- [10 Startups Selected For Fit4Start](#) (*Silicon Luxembourg*)
- [Business Woman of the Year 2019](#) competition is open!
- Applications for the [NadiFin Fintech Acceleration Program 2019](#) until April 10th.
- Invest Europe released a [Guide to ESG Due Diligence for Private Equity GPs and their Portfolio Companies](#) (*restricted to members of IE*)

## ABOUT LPEA

The Luxembourg Private Equity and Venture Capital Association (LPEA) is the representative body of private equity and venture capital professionals in Luxembourg.

With 200 members, LPEA plays a leading role in the discussion and development of the investment framework and actively promotes the industry beyond the country's borders.

Luxembourg disposes of a stable tax regime and is today at the forefront of international PE regulation providing a flexible, secure, predictable and multi-lingual jurisdiction to operate in.

LPEA provides a dynamic and interactive platform for its members to discuss and exchange information and organises working meetings and networking opportunities on a regular basis.

If Luxembourg is your location of choice for private equity, LPEA is where you actually join the industry!

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