

connexion

luxembourg amcham report



Q3 2012



Building an ICT Future
in Luxembourg

Your one-stop reference on European integration



For all you need to know about the European integration process,
visit us on our new website: **www.cvce.eu**.

Knowing the past to build the future

Centre Virtuel de la Connaissance sur l'Europe, Luxembourg



connexion

luxembourg amcham report



Q3 2012

The American Chamber of Commerce in Luxembourg asbl
is an international voluntary organization of business persons
committed to promoting English-speaking networking
opportunities and business relations in the Grand Duchy.

Chairman and CEO

Paul-Michael Schonenberg

Director of Marketing & Sales

Elisabeth Hessbrügge
hessbrugge@amcham.lu

Communications Director

Natalie Gerhardstein
gerhardstein@amcham.lu

General Information

Dilek Ayaydin
ayaydin@amcham.lu

Editorial Committee

Natalie Gerhardstein
Paul-Michael Schonenberg

Layout Conception

Anita Dore
info@anitadore.com

Printer

Imprimerie Faber
www.faber.lu

6, rue Antoine de Saint-Exupéry
L-1432 Luxembourg
Phone : (+352) 43 17 56
Fax : (+352) 26 09 47 04
www.amcham.lu

Please Note :

The American Chamber of Commerce in Luxembourg does not necessarily
endorse the views or opinions expressed in this periodical nor accept any
responsibility in connection with information rendered.

Copyright © 2012:

The American Chamber of Commerce in Luxembourg

*No part of this publication may be reproduced without written permission
from the American Chamber of Commerce in Luxembourg.*

*All editorial materials and advertising inquiries should be addressed to
the Chamber at the above address.*

CHARTERED MEMBERS

ALFI

Alter Domus

Arendt & Medernach, Attorneys at Law

Badenoch & Clark

BDO Tax & Consulting S.A.

BIL

CASTEGNARO

Caterpillar Luxembourg

Clearstream International

Commerzbank International

Covidien

Dechert Luxembourg

Deloitte

Delphi Corporation

DSM Avocats à la Cour

Ernst & Young Luxembourg

European Fund Administration

European Relocation Services

European Value Partners Advisors

Euroscript Luxembourg

Fiduciaire Whitecourt-Kornerup

G4S Security Solutions

Goodyear

Guardian Europe

Intertrust (Luxembourg)

KNEIP

KPMG Luxembourg

Leadership Solutions Europe

Loyens & Loeff

McKinsey & Company, Luxembourg

MNKS

Oracle

P&T Luxembourg

PwC Luxembourg

RBC Dexia Investor Services Bank

Rowlands/Tempo-Team

Sal. Oppenheim jr. & Cie

Sandstone

SecureIT

State Street Bank (Luxembourg)

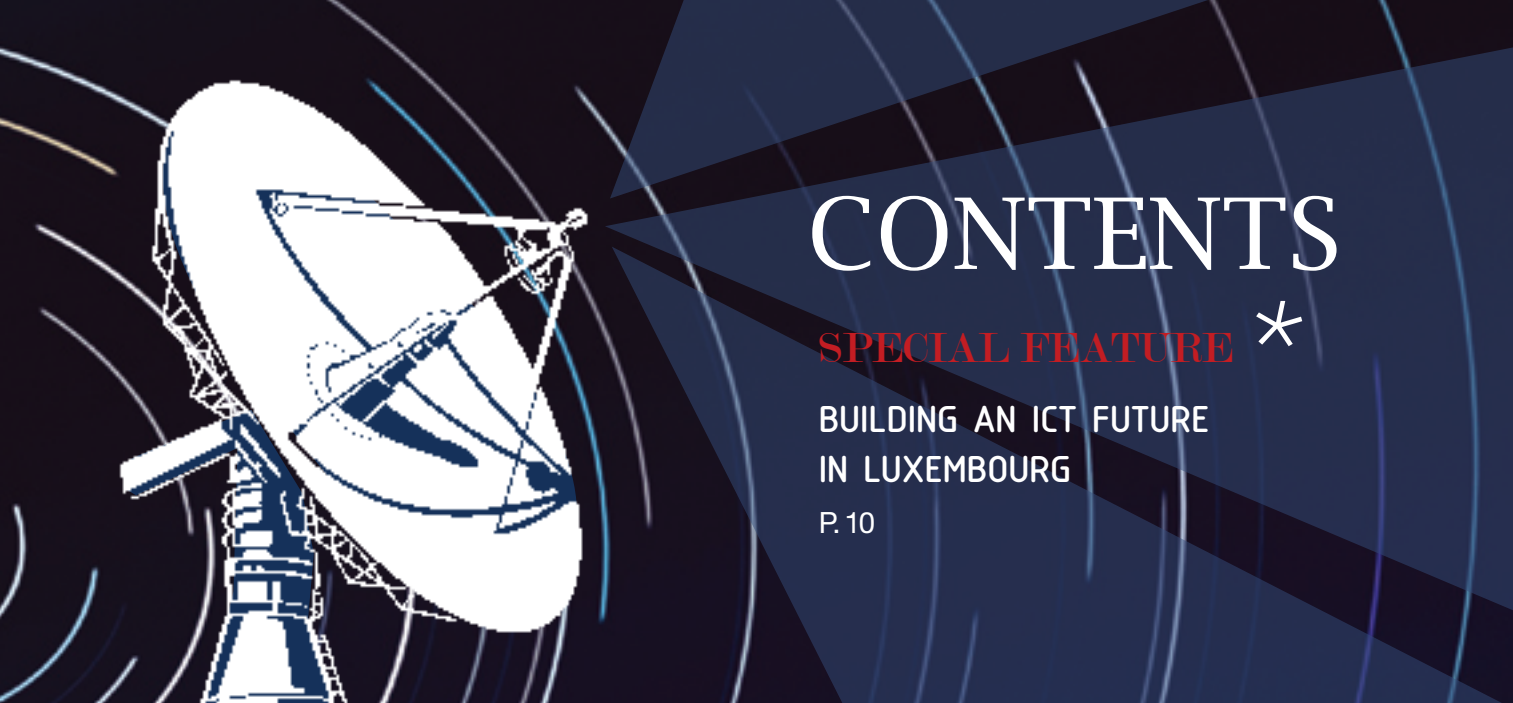
Streff Removals & Storage

TEAM Allied

United International Management

Follow us on:





CONTENTS

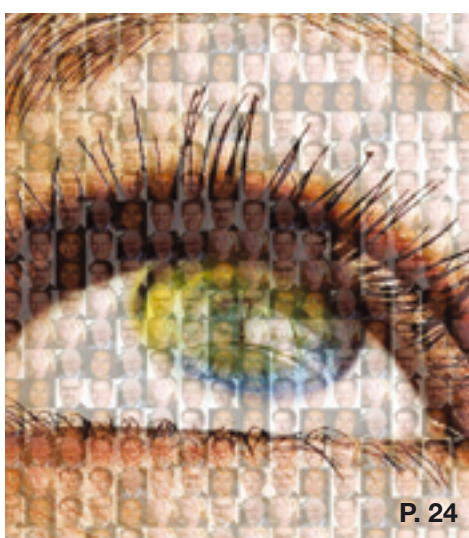
SPECIAL FEATURE *

BUILDING AN ICT FUTURE IN LUXEMBOURG

P. 10



P. 20



P. 24



P. 30

CHAIRMAN'S REMARKS

5

A WORD FROM THE CHAIRMAN

AMCHAM NEWS & COMMITTEES

6

NEW MEMBERS

24

MARKETING: KEEPING AN EYE ON
MARKETING

25

TAX: CLOUD COMPUTING

26

ABAL: PERSONAL INCOME TAX

INTEGRATION ISSUES

16

LOCAL INTEGRATION

INFORMATION TOOLBOX

18

MANAGING UNETHICAL BEHAVIOR

20

A SUCCESSFUL CORPORATE CULTURE

22

CYBER RISKS & CYBER INSURANCE

SPECIAL FEATURE *

10

ICT IN LUXEMBOURG

COMMUNITY NEWS

30

NETWORKING WITH MINISTER BILTGEN

32

5 VIR 12 EVENT

34

JCI LUXEMBOURG UPDATE

LUXEMBOURG NEWS

28

UNIVERSITY OF LUXEMBOURG

MEMBER SPOTLIGHT

23

MAS INTERNATIONAL

FIND OUT ABOUT OUR
UPCOMING EVENTS:



A WORD From the Chairman



Dear Colleagues and Friends,

Welcome to the Q3 2012 issue of *Connexion*! This issue highlights the great success of our recent ICT Spring, which saw unprecedented numbers of local and foreign attendees networking and doing business together developing and promoting global ICT activities here in Luxembourg. AMCHAM is pleased and proud to be a member of the ICT Spring Board and active supporting this event and the full range of initiatives promoting ICT activities and companies in Luxembourg. If you are not yet an attendee to this annual event, we urge you to attend next year: AMCHAM will be offering invitations for free attendance at this great event!

Also highlighted in this issue is our cooperative agreement with the University of Luxembourg to encourage American students to spend a semester abroad attending the University of Luxembourg. We help by encouraging international companies based in Luxembourg to welcome these students so the interns can gain international work experience, develop a deeper understanding of international relations and broaden their multicultural awareness. Please consider this a worthwhile Corporate Social Responsibility project in which your company can participate. Building bridges between the U.S. and Luxembourg (and, more broadly, Europe) is important in keeping our two huge economic entities connected and ensuring that as economic and political partners, we understand one another. Having a young American as an intern can also help your firm and employees better understand Americans, as well as American business practices, market place and culture. Everyone wins!

We enter the fall season enthusiastic and confident! At the same time we are fully aware of the economic and political challenges we all face. Our seven committees and 40+ annual events are focused to help you by providing the information you need, the networking opportunities you seek, the problem solving you request and the lobbying necessary to make sure that the politicians make the right decisions to keep—and further improve—the Luxembourg environment. We have in Luxembourg the most attractive and best business location in Europe for international companies with European business activities, and we all work hard together to make sure it stays that way.

To help us take AMCHAM to the next level of performance and service, we are very pleased to welcome Elisabeth Hessbrügge who joined us on August 1 as Director of Marketing & Sales. Elisabeth is a very high-energy, broadly experienced professional with an engaging customer-focused personality and style. A long-time Luxembourg resident fluent in English, French, German and Luxembourgish, she brings solid additional strength and skill to our management team. You will be as pleased to meet and get to know her as she is looking forward to meet, work with and support you.

I close by expressing my great appreciation and warm thanks to all of our current members and friends: with your help and support we have become the biggest and most influential private chamber of commerce in Luxembourg. I also extend a warm hand of welcome to any Luxembourg-based company or any international company looking to consider Luxembourg as a business location. If you share common interests and values with us, we would be pleased and happy to have you as members. Join us for an upcoming event! And, as always, feel free to contact us for further details and information.

With respect and our very best greetings,

Paul Michael Schonenberg
Chairman and CEO

CORPORATE



Advanzia Bank S.A.

Representative: Gregor Sanner
 Title: Chief Operations Officer
 9, rue Gabriel Lippmann - Parc d'Activité Syrdall
 L-5365 Munsbach
 Phone: (+352) 26 38 75 00
 Fax: (+352) 26 38 75 99
 E-mail: info@advanzia.com
www.advanzia.com

Advanzia Bank S.A. is a modern direct bank in Luxembourg founded in 2005 and is supervised by the CSSF. Advanzia Bank specializes in two products which concentrate on attractive features for its customers: a no-fee MasterCard Gold credit card for payments and loans, as well as a highly yielding interest rate deposit account for savings. Advanzia stands for clear and beneficial products, based on the values of transparency, simplicity and trust. The bank is one of the fastest-growing credit card issuers in Germany and Luxembourg.



MindForest S.A.

Representative: Jane Barton
 Title: Management Assistant
 34, rue Michel Rodange
 L-2430 Luxembourg
 Phone: (+352) 43 93 66 67 70
 Fax: (+352) 43 93 66 67 77
 E-mail: jane.barton@mindforest.com
www.mindforest.com

MindForest specializes in helping organizations overcome the challenges related to change management, in terms of specific projects, workforce transitions, mergers, acquisitions, cultural adjustments or similar situations. As a Luxembourg-based change management consultancy, MindForest was founded in 2000 and has since evolved to develop expertise within all aspects of organizational change from the development and realization of values, missions and visions; cultural adjustments and progress monitoring; to the optimization of organizational structures and business processes, human capital management, training, assessment and employee development, communication strategies and documentation; whilst simultaneously grouping together an international network of specialists in the MindForest Alliance.



Multifonds

Representative: Petra Buderus
 Title: Global Head of Human Resources
 7, rue des Primeurs
 L-2361 Strassen
 Phone: (+352) 22 44 211
 E-mail: petra.buderus@multifonds.com
www.multifonds.com

Multifonds is a leading multi-jurisdictional, multi-asset class investment fund software platform offering three fully integrated products in a single flexible and scalable architecture: Multifonds Fund Accounting, Multifonds Portfolio Accounting and Multifonds Global Investor. Multifonds serves most of the world's leading global custodians, third-party administrators and asset managers and supports more than USD 3 trillion in assets in more than 30 jurisdictions.



Neopixl

Representative: Fabrice Dewasmes
 9, avenue des Hauts Fourneaux
 L-4362 Esch-sur-Alzette
 Phone: (+352) 661 544 755
 E-mail: contact@neopixl.com
www.neopixl.com

Neopixl is a company dedicated to building user-centric software on Mac OS and mobile platforms. Simplicity, user experience and accurately tailored functional scope are at the core of our preoccupations to provide users with the right tool for the right context.

Through our services of software edition, user experience design and on-demand software development, we can accompany companies from early analysis to delivery. On mobile platforms we can help companies define a mobile strategy and go all the way down to a concrete and full-fledged solution.

Neopixl is also building its own software solutions for professionals. Check our website to learn more.



Verizon

Representative: Stijn Gasthuys
 Title: Sales Manager Luxembourg
 4A/B rue de l'Etang
 L-5326 Contern
 Phone: (+352) 27 00 81 1
 Fax: (+352) 27 00 81 00
 E-mail: info-luxembourg-lu@verizonbusiness.com
www.verizonbusiness.com/lu

Verizon has had a presence in Luxembourg for more than 10 years, earning the trust of many international companies, not in the least because of its local presence (60 employees), data center, security operations center and PSF status, whereby it shows the highest degree of quality of service and respect of confidentiality.

Companies across all verticals turn to Verizon for mobility, machine-to-machine, cloud and IT, advanced communications, network and security innovations. Our technologies help advance your business globally to build sustainable growth, create new revenue opportunities, share critical information immediately and offer rich services to your customers.

SMALL BUSINESS

EDifly – Innovative Software S.à.r.l.

Representative: Pierre van Wambeke
 Title: Managing Director
 27, cité Holleschberg
 L-5831 Hesperange
 E-mail: pierre.vanwambeke@edifly.com
www.edifly.com



Jeeni S.A.

Representative: Steve Albrecht
 Title: Founder & Managing Director
 55, rue du Verger
 L-2665 Luxembourg
 Phone: (+352) 691 919 145
 E-mail: steve.albrecht@jeeni.net
www.jeeni.net



WANT TO REFER A COMPANY TO BECOME A MEMBER OF AMCHAM?



Please contact us:



Phone: (+352) 43 17 56
 Fax: (+352) 26 09 47 04
 E-mail: info@amcham.lu

SMALL BUSINESS

Klenske Ink Marketing and Communication Luxembourg

Representative: Uberto Cantu
 Title: Country Manager
 53, avenue de la Liberté
 L-1931 Luxembourg
 Phone: (+352) 208 808 02
 E-mail: uberto@klenskeink.com
 www.Klenskeink.com



Mach-3D S.à.r.l.

Representative: Chandra De Keyser
 Title: CEO
 Mach-3D S.à.r.l - Tudor Incubator
 9, avenue des Hauts Fourneaux – Belval
 L-4263 Esch-sur-Alzette
 Phone: (+352) 691 363 677
 E-mail: c.dekeyser@mach-3D.com
 www.mach-3D.com



OneTree Solutions S.A.

Representative: Denis Avrilionis
 Title: Managing Director
 Airport Center, 5 Heienhaff
 L-1736 Senningerberg
 Phone: (+352) 27 84 55 10
 Fax: (+352) 27 84 55 11
 E-mail: denis@onetreesol.com
 www.onetreesol.com & http://pricelenz.com



onetree
SOLUTIONS

TreveriMarket S.A.

Representative: David Scheckel
 Title: Director
 8-10, avenue Marie Thérèse
 L-2132 Luxembourg
 Phone: (+352) 621 887 744
 E-mail: d.scheckel@treverimarket.comnet
 www.treverimarket.com



WORKING IN LUXEMBOURG

This professional guide provides key information on the rules, practices and customs of the Luxembourg business environment, as well as the cultural context of the workplace, government and social support systems.

	AMCHAM Member Price	Non-Member Price
Book	30€	50€
CD-ROM	15€	20€

Order your copy today!

Interested in ordering in bulk? Contact us today about special rates!

YES! Please send me _____ (qty) books and/or _____ CD-ROMs

Contact Name: _____

Company: _____

(if applicable)

Shipping Address*: _____

(House/Building Number) (Street Name) (City/Country) (Postal Code)

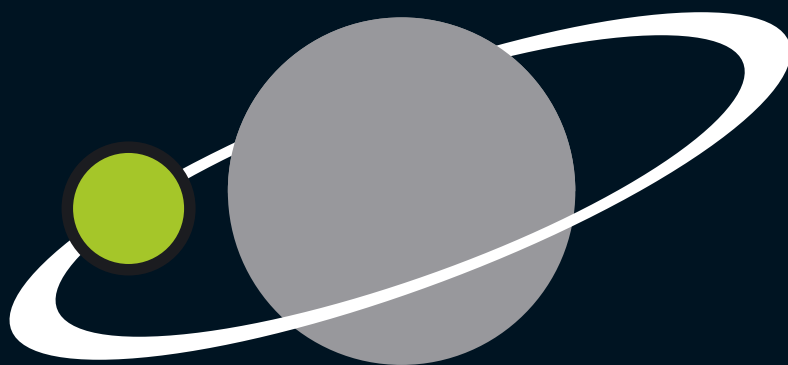
Telephone: () _____

Email: _____

Signature: _____

Please send completed form to info@amcham.lu or fax to +352 26 09 47 04.

*Shipping only within the EU



Our clients get 360° attention

Deloitte Luxembourg's app is



Deloitte.

Building an ICT Future in Luxembourg

At AMCHAM's ComIT annual networking event last season, the Minister for Communications and Media François Biltgen provided a wrap-up of the latest developments in Luxembourg's ICT sector.

In this special feature, we take a closer look at the Minister's state of the ICT nation address, review the role ICT Spring Europe plays for the industry in Luxembourg and present a case study on how the University of Luxembourg's SnT Center is building the bridge between research and local business.

Minister François Biltgen: The State of the ICT Nation

Source: Luxembourg for Business – proud to promote ICT

On May 24, 2012, AMCHAM's ComIT had the honor to welcome the Luxembourg Minister for Communications and Media, François Biltgen, for its yearly networking event.

With over 1,000 new jobs created and EUR 550 million of fiscal revenues in 2011, ICT and e-commerce have a serious economic impact in Luxembourg. The sector represents 4.7% of total state revenues and thereby closely follows the fund industry (5.3%).

The space industry is a particular niche of the Luxembourg ICT sector. Minister Biltgen underlined that “our space in space is much bigger than our space on earth.” This perfectly illustrates the importance of space related laws and policies in Luxembourg. It comes therefore without surprise that Minister Biltgen—“the first space minister of Luxembourg,” as he put it—has been designated to be one of the co-chairs of the ESA (European Space Association) Council for the period 2012-2015, a mission the minister is particularly well-placed to fulfill since he is both in charge of space law in his capacity as Minister for Communications and Media, and space policy in his capacity as Minister for Higher Education and Research.

While Luxembourg's future in space is undisputed, many questions arise when it comes to the e-commerce sector. In 2015, the VAT rules regarding electronic services will change from the country-of-origin-principle (VAT collected in the supplier's home country) to the country-of-destination principle (VAT collected in the customer's home country). VAT is often being quoted as the main driver for e-commerce companies to establish in Luxembourg. Wrongly, as Minister Biltgen pointed out: “We will have more e-commerce companies, but less fiscal revenues; Luxembourg has other advantages to offer to e-commerce companies.”

Many initiatives were indeed taken by the government to keep the place attractive for e-commerce and tech companies, be it in the field of infrastructure, regulation or the general business environment.

“In 1999, I started visiting companies like eBay or Yahoo in the Silicon Valley, but none of them was interested in Luxembourg,” explained Minister Biltgen. The situation has changed dramatically since. Investing in ICT infrastructure has been declared and still remains a top priority for the government.

In the past five years, Luxembourg multiplied by five the number of international communications lines going out of the country and is now fully integrated in the European Internet backbone. Better still, thanks to its favorable geographic location, the Luxembourg fiber lines are increasingly used as the preferred Internet routes for many international operators who are seeking the shortest—and thereby fastest—way to connect some of the major European Internet hubs, such as Frankfurt, Amsterdam, Paris, etc.

On a national plan, the government adopted an ambitious strategy for very high-speed Internet that aims to position Luxembourg as one of the leaders in the matter with 1 Gbps connections available for everyone by 2020. A better coordination of civil engineering works, new rules regarding in-house cabling and creating ultra-high speed Internet zones for businesses are only some of the measures decided.

On the data center side, progress is impressive as well. By the end of 2012, 20 public data centers will be operational, many of them of the highest quality. Actually, 15% of all Tier-IV Design certified

data centers (Tier-IV being the highest level of quality and security) worldwide are located in Luxembourg. And with over 40,000 m² (over 440,000 ft²) of net floor space available, Luxembourg ranks fifth in Europe in terms of data center offering. Add to this the very competitive energy prices, and one understands quickly why tech companies keep rushing to Luxembourg.

New data center projects are already being investigated. They will focus on (i) customer demand by adapting a multi-tier approach, (ii) risk mitigation based on geographical diversification and (iii) sustainability by resolutely adopting a green approach.

Risk management is also at the center of reflections surrounding cybersecurity and the legal environment for cloud computing.

Luxembourg's Cybersecurity Board, chaired by Minister Biltgen, puts a lot of energy into defining the right rules that will help secure the country's data highways in order to maintain the climate of trust needed for businesses to flourish. As Minister Biltgen underlined, Luxembourg adopts an offensive approach in the matter, building on dissemination of best practices, training the users, etc.

As for cloud computing, a new law is being drafted to regulate the handling of customer data in case of insolvency of a cloud provider. Once adopted, this law will provide for an unmatched level of legal certainty in the relations between cloud providers and cloud customers.

Legal certainty also explains why Luxembourg is a strong proponent of the new EU proposal for contractual law put forward by the European Commission. Having a common regulatory framework throughout the European market will be good for business and foster the development of the EU digital single market.

Finally, security and trust are key elements of Luxembourg's research efforts in the field of ICT. As part of the University of



Photo: Robert Prendergast

Luxembourg, the Interdisciplinary Center for Security, Reliability and Trust, better known as SnT, concentrates on making communication networks and software systems more secure and reliable in an interconnected environment. Headed by Prof. Dr. Björn Ottersten, an IEEE Technical Achievement Award laureate, and combining both research and PhD education, SnT puts a strong focus on interacting and collaborating with the private sector through its partnership program.

A highly skilled workforce is one of Luxembourg's key advantages. This is also true for the ICT sector. To raise awareness among the current generation of students, the yearly Student's Fair in November will concentrate on the full array of jobs available in ICT. "It's a unique opportunity for interested companies to offer an insight into real business life to young people," notes Minister Biltgen.

To summarize, Minister Biltgen provided an encouraging outlook on the state of the ICT nation. The sector continues to progress well and is bound to consolidate its position as a growing pillar of the Luxembourg economy.

ICT Spring Europe 2012: A Springboard for Technology and Innovation

By Natalie Gerhardstein

Source: ICT Spring Europe Team, Farvest Group

On June 19-20, the Farvest Group held its third edition of ICT Spring Europe at LuxExpo Kirchberg, welcoming more than 3,000 visitors from over 60 countries, including several in Europe plus the U.S., Japan, Israel and Korea, among others. This year, the event welcomed 120 startups in addition to the many entrepreneurs and exhibitors in attendance. Numerous conferences and workshops also allowed visitors to explore the latest ICT innovations in a dynamic atmosphere.

"The event is still growing," says Kamel Amroune, Partner of ICT and Finance at Farvest Group. "More than 3,200 visitors came to Luxembourg to discover the latest ICT innovations and to find investors, partners, customers or access to the European market."

This year's spotlight was on inspiration and logics, and particular attention was given to issues involving gaming, security, social media, entrepreneurship and big data.

The first day of the event kicked off with a speech given by Teemu Huuhtanen, Head of M&A and Investments of Rovio. Huuhtanen explained that the key to the incredible growth experienced by the game Angry Birds was to create fans instead of users. Brian Wong, Founder & CEO of Kiip-me, further insisted on the importance of feeling and emotions with users. This first panel's conclusion: gamers own the ICT world.

Additional speeches followed, covering the opportunities for entrepreneurship and innovation, particularly in emerging markets—a source of many potential users in the future. Hiroshi



Photo: Olivier Dessy (Oliv images)

Mikitani, CEO & Founder of the Rakuten Group, provided one of these speeches, presenting his way of shopping on the Internet.

Security was another important issue during this third edition of ICT Spring Europe. Christophe Lambert, French actor and startup investor, spoke about numeric identity and presented Demat-Store products, which also won the second prize as "Innovation of the Year."

The first day ended with the European ICT Awards ceremony dinner, opened by Xavier Bettel, Mayor of Luxembourg. Approximately 730 people attended the ceremony (see winners on page 13). The winners of the Apps Foundry Contest were also announced during the dinner, with C-services team winning the award for the best mobile application for a project enabling people with disabilities to locate places adapted to their needs. BeeWee and the Halo team received second and third places, respectively.

The second day started with a speech by Randi Zuckerberg, Founder of R to Z Media and former Head of Marketing at Facebook, where she presented the latest trends and highlighted the great importance of games with several examples.

According to the Farvest Group, it was evident that Luxembourg is seen as a true platform reference for Europe in the field of ICT.

AMCHAM Luxembourg has also been a part of ICT Spring Europe for the last two years, with AMCHAM Chairman & CEO Paul Schonenberg also serving on the Advisory Board for the event. "AMCHAM supports ICT Spring Europe because we believe

it makes great sense to showcase the infrastructure and working environment realities that make Luxembourg such a terrific place for local and international companies alike," says Schonenberg. "Our big data capacity and fiber optic networks are best in class; our well-educated, multi-cultural, multi-lingual workforce is broadly experienced and has high energy; and our IP and tax regimes make Luxembourg a perfect place to protect and profit from innovation. ICT Spring Europe serves as a great place for old and new players in Luxembourg to network."

Georges Schmit, Consul General of Luxembourg, Executive Director, Luxembourg Trade and Investment Office in San Francisco (U.S.), also served as the Vice Chairman of the Advisory Board for the event. "Over the last couple of years, ICT Spring Europe has become a perfect illustration of the Luxembourg ICT ecosystem and has provided significant visibility of the unique position of Luxembourg as a gateway for tech companies and startups, including those from the San Francisco Bay Area, that wish to expand into the European market," he says.

Amroune agrees, adding, "Luxembourg is more and more the place to be to access the European market and establish ICT or e-business companies."

The next ICT Spring Europe event is planned for June 19-20, 2013. Stay tuned at www.ictspring.com and www.amcham.lu for upcoming details, including exclusive invitations for AMCHAM members and friends.



EUROPEAN ICT AWARD WINNERS 2012



Startup of the Year: TagTag

Nominees: TagTag, ParStream GmbH, Zlyck

ICT Innovation of the Year: Najmtek

Nominees: Goldsmiths-Ircam, Demat-Store, Najmtek

CIO of the Year: Sabine Everaet, Europe Group CIO of Coca-Cola

Nominees: Olivier Bussman, SAP; Sabine Everaet, Coca-Cola; Stéphane Liberty, Société Générale

WHAT ICT SPRING SPEAKERS ARE SAYING

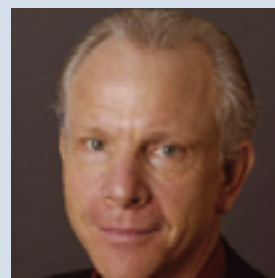


"I was thrilled and honored when I was asked by Georges Schmit and Kamel Amroune to be a keynote speaker at the ICT Spring 2012 convention. My topic was 'Entrepreneurism and Innovation in a

Deeply Social World'. I also moderated a panel on day one on entrepreneurship. I had never been to Luxembourg prior and was astounded by its beauty and culture. The convention itself attracted many key tech players from all over the world. I believe this event is really doing the job of making the rest of the world's 'movers' in the tech space aware of what Luxembourg has to offer in the way of tech infrastructure, business incentives and the desire to expand its entrepreneurial side."

—Jeffrey Edell

Co-founder & Executive Chairman, Emergent TransMedia, LLC, & Former Chairman of InterMix Media, LLC, parent of MySpace when it was founded



"The ICT conference is a great event for bridging technology and innovation in Europe. Luxembourg is creating an environment and an infrastructure for technology

companies to expand their European operations."

—Chris Redlitz

Founder, Kicklabs & Managing Director for Transmedia Capital



Photo: Dirk Hans (scienceRELATIONS)

SPELL: Satellite Communication's 'Lingua Franca'

By Hannes Schlender, *scienceRELATIONS*, on behalf of Luxembourg University's Interdisciplinary Center for Security, Reliability and Trust (SnT)

Frank Hermann is a theoretical computer scientist who works as a translator. But it isn't Luxembourg's great linguistic diversity—where English, German, and French all converge in the sciences—that keeps him gainfully employed. Instead, Hermann specializes in automatic translation of programming languages for satellite technology—a field that is highly relevant to Luxembourg-based SES, one of the world's leading satellite operators with a large fleet of satellites in orbit, with new ones being constantly added. The secret to SES' long-term success is continual technological progress, which helps explain why this global company works closely with SnT.

Launched in 2009, the SnT is a leading international research institute with a strong focus on modern-day ICT. It brings together university scientists with non-university-affiliated researchers, as well as partners from the public sector and industry—like SES. The shared focus is on basic science research that helps address the challenges faced by today's technology companies—challenges like the operation of satellites in space.

SES satellites are all made by different manufacturers, each of which uses its own idiosyncratic programming language. "Because of this

complete and utter lack of standards, operation and maintenance of the machines require an enormous amount of effort on our part," explains Martin Halliwell, Chief Technology Officer at SES. "Our operators have to negotiate and juggle a huge number of different programming languages in order to successfully navigate the SES fleet through space." This is particularly daunting because satellites don't normally forgive programming errors. "If we do make a mistake, our satellite could potentially get lost in space," he explains, "which means SES incurs millions in losses."

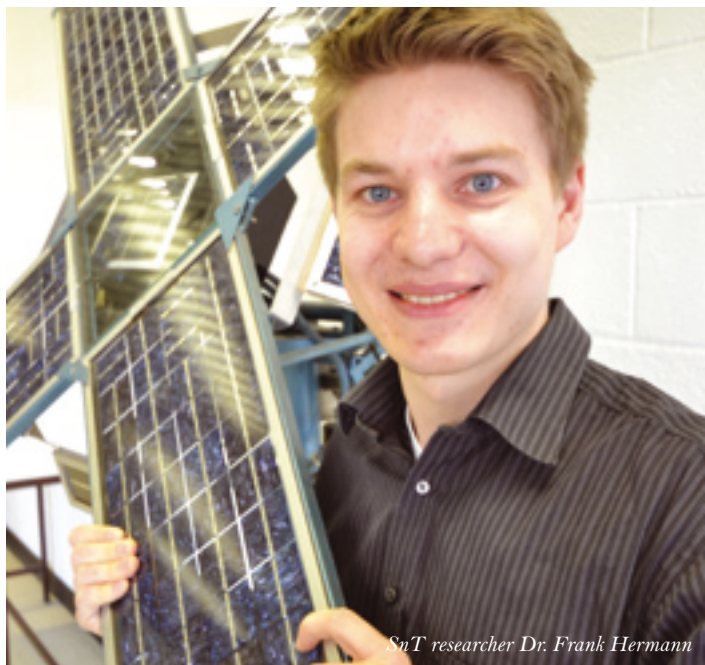
This is why SES has been working on developing the open-source-software SPELL for some time now. The acronym stands for Satellite Procedure Execution Language & Library, a standardized satellite control language that allows operators to execute every imaginable control procedure of any ground control system for every potential satellite in the fleet: in other words, maximum flexibility with maximum security. "However, there is a definite catch," concedes SnT scientist Hermann. "All of the control procedures in existence that are being used in the various programming languages have to be converted over to SPELL. If this process is not automated and one hundred percent error-free, the whole affair turns into a huge mess."

However, this "catch" is in fact somewhat of an incentive for a theoretical computer scientist who specialises in triple-graph-transformations like Hermann. "This particular mathematical model has been around since the 1990s," explains Hermann. "It turns out that, along with other computational tools, it is actually the ideal instrument to unite different programming languages under SPELL." What makes the translational protocol, which was co-developed by Hermann, unique is the fact that source code programming is unnecessary for translation. "Instead, we work with visual programming, where translational rules are being drawn into a graphic user platform," he says. These rules are executed automatically by special mathematical tools. Automatic consistency testing guarantees a high-quality translation. "Ample mathematical evidence exists in support of our approach."

If the translation proceeds as planned, every piece of information in the original language is first converted into a graph. "This creates a network containing multiple knots in the graphics interface," explains Hermann. Next, the network is read and select graphs are translated into the target language SPELL. "Every piece of information in the original programming language has a designated SPELL counterpart. Our translation has to be extremely precise since our ultimate goal is to have a satellite that now runs on SPELL control software but which behaves identically to its original version, which still ran on the old software."

Since extensive empirical evidence exists in support of this protocol's ability to successfully retain this information, the results of the translational work may find their way into application sooner rather than later. "Our validation teams are in the process of confirming our results as we speak," says Halliwell, optimistically. "If all goes well, our next satellite will start out running on SPELL."

It is successes like these that help demonstrate the extent to which SnT's strategy greatly benefits Luxembourg. Ultimately, it is SnT's Director, Prof. Dr. Björn Ottersten, who is in charge of defining the Center's research focus and direction. "SnT and its partners are helping establish Luxembourg as a European center for excellence



SnT researcher Dr. Frank Hermann

Photo: Dirk Hans (scienceRELATIONS)

and innovation in the field of safe, reliable and trustworthy ICT systems and services," says Ottersten. He further outlines the key to SnT's huge success, saying, "To maximize our impact, the Center has taken an interdisciplinary approach to research topics ranging from technology to economics, law and even the liberal arts."

Here it is SnT's Partnership Program that plays a key role in promoting the development of innovative ideas while forging professional relationships with established partners from industry, the public sector and start-ups, all the while cementing Luxembourg's reputation for ICT excellence. According to Ottersten, "The Partnership Program allows us and our partners to pool our resources and together develop new ideas, which enables us to very successfully conduct basic science research with a strong nod towards application—just as we have done with SES during development of SPELL."

ATOZ

LUXEMBOURG

Leading Tax Advice

Leading Knowledge



THE PREMIER TAX ADVISORY FIRM

INDEPENDENT • TAX DEDICATED • LOCAL FOCUS / GLOBAL REACH

www.atoz.lu

Integration is Experienced Locally



The Fête quartier en folie took place in Dudelange. This event was organized by the association Inter-Actions, the city of Dudelange and OLAI.

Photo: Inter-Actions

By Mike Gordon

Integration is a high priority issue for Luxembourg, with foreigners making up a significant part of the population: figures from last year show that 43.2% of this country's population of approximately 511,800 did not hold a Luxembourg passport and hailed from 170 different countries. In the workforce, Luxembourg nationals make up only a quarter of private sector employment.

Integration occurs primarily at the local level. Indeed, that's where most people have the greatest chance to participate in local life—be it with schools, childcare, hobbies, etc. Integration at the local level—like integration at the national level—can only succeed if it's a two-way process and if responsibilities are shared among Luxembourgers and non-Luxembourgers.

The government has recently launched a number of initiatives to encourage integration measures. In the previous issue of *Connexion*, the Welcome and Integration contract was presented. This time, we'll look at what integration can mean at the local level and what means and bodies can facilitate your participation.

WHY THE LOCAL LEVEL?

Aspects of integration are played out every day in neighborhoods, towns and regions. Municipalities play an important role, as they are usually the first point of contact for residents. The recent national strategy for integration at the local level highlights a number of orientations which integration projects should reflect. Indeed, integration at the local level can only happen if awareness has been made with regard to its transversal, sustainable and shared nature. Integration at the local level is not only a question for official bodies focusing on integration. It is a matter concerning all inhabitants of a commune since it has an effect on schools, sports associations, cultural offerings, etc. It allows us to transcend our divisions and share a common goal.

CONSULTATIVE COMMISSIONS FOR INTEGRATION: A KEY PLAYER

Towns, villages and cities are required by a recently passed law (Grand-Ducal Regulation of November 15, 2011) to set up

consultative commissions for integration (CCI) to promote better integration in all 106 communes. CCIs are intended to play an essential role between municipal authorities, local politics, national government and the municipalities' populations, highlighting needs and passing messages in both directions.

THE CALL: AN OPPORTUNITY TO GET NATIONAL SUPPORT

The Luxembourg government has launched its second call in 2012 for municipally organized integration projects eligible for its co-financing initiative. The Luxembourg Reception and Integration Agency (OLAI) issued the call on July 16, following an earlier call issued March 28.

OLAI financing can be applied to a range of projects that can be organized by CCIs—for example, producing a welcome brochure, translating certain official documents and organizing receptions for new arrivals. OLAI also supports municipalities that have chosen to undertake a concerted and multi-year effort to put in place an ensemble of actions promoting, in a sustainable manner, integration in their area.

This second call for projects addresses towns and villages that did not submit projects following the earlier initiative. The co-financing is capped at 50% of the total project, within the available funds. Municipalities can qualify for a maximum of five projects which must be carried out in 2012.

Co-financed projects must fulfill certain criteria. The office points out that "the initiative proposed for co-financing must lead to real exchanges and substantive interactions between the populations concerned."

A VARIETY OF OTHER SUPPORT TOOLS

OLAI, along with the CLAE (Comité de liaison des associations étrangères) and CEFIS (Center d'étude et de formation interculturelles et sociales), have prepared a series of training modules for members of the consultative commission for integration, helping them to understand various aspects of immigration, citizenship, governance, integration concepts, project

KEY SUCCESS FACTORS

The study of existing projects in a range of Luxembourg municipalities has allowed OLAI to identify a number of key factors that lead to the successful inception and support for local integration projects:

- The identification of specific needs for the integration of the groups in question
- Strong political will
- Involving and motivating local actors
- Technical support in carrying out approved efforts
- Starting projects that are able to fulfill realistic and achievable objectives
- Making the necessary people available to enable to the coordination of efforts on the ground
- The involvement of the populations concerned, both Luxembourgish and non-Luxembourgish
- A broad approach to integration involving the taking into account of integration questions at all levels of the municipalities' service and institutions

INTEGRATION AGREEMENTS

Some municipalities request operational support on various matters: in terms of what projects to select, how to put them into operation and how to best target the various groups concerned. This has led to the creation of integration agreements (*pactes d'intégration*), the goal of which is to help municipalities who sign to undertake "a voluntary and coordinated approach in favor of integration". Signing the integration agreement engages the triple support of the national government, municipalities and civil society, with each playing its own role. Specifically, the integration agreement involves OLAI, ASTI (Association de Soutien aux Travailleurs Immigrés) and the municipality or group of municipalities.

- OLAI co-finances the projects included in the agreement and oversees the coherence of the co-financed projects.
- ASTI, through an agreement with OLAI, oversees the integration agreement with the advice and support of local actors, in the execution of the agreement's projects, by putting local actors in contact with resource people, offering written translation services, producing articles for community newsletters and document research, and with the provision of addresses and sharing of know-how.
- The municipality (or group of municipalities) remains in charge of putting the projects into motion and are in charge of the projects' administrative and financial coordination, as well as communicating about the agreement within the municipality.



A workshop for CCI members held in Remich

Photo: Jeroen van der Hoef (originally printed in Luxemburger Wort)

development and electoral participation. These modules aim to empower the newly elected commission to set up its own projects according to the needs and demands which have been identified.

OLAI, in collaboration with the ASTI and Syvicol (Syndicat des Villes et Communes Luxembourgeoises, or the Union of Luxembourg Communes/Municipalities) have prepared a guide helping those who seek to organize projects. It is presented as a series of questions that should be answered before launching an integration project, and thus helps organizers in planning and executing concrete projects.

OLAI is currently working on a website called Integraloc that provides a portal for exchanging good practice in the field of integration at the local level. The site's goal is to bring together the various people working in the integration area at a local level. It also presents integration projects put in place and the tools and services proposed namely by associations.

In collaboration with INAP (Institut national d'administration publique) and CEFIS, OLAI has set up a training course on intercultural knowledge and skills (*formation à l'approche interculturelle*) addressing the employees of the communes and of the state who are in direct contact with the foreign population. The purpose of this training course is to provide tools allowing them to solve the types of concrete problems they are likely to encounter in their work with foreigners. This course aims in particular at developing sensitivity concerning intercultural issues and to make participants aware that it is essential for all of us to take part in the process of integration.

Office luxembourgeois de l'accueil et de l'intégration (OLAI)

7-9, avenue Victor Hugo

L-1750 Luxembourg

Tel.: (+352) 24 78 57 00

Email: info@olai.public.lu

www.olai.public.lu

Effective Guidelines on Managing Unethical Behavior

By Gérard Zolt, Head of Fraud and Investigation & Dispute Services, Ernst & Young, Luxembourg

Unethical behavior can encompass many forms, such as fraud, embezzlement and bribery, but also cases of harassment or even corporate espionage.

While it is certain that a proactive approach to managing the risks of unethical behavior is an essential part of the processes that a company should implement to lessen its exposure, it would be unrealistic to believe that this constitutes 100% protection, as from an operational and business point of view this is unachievable in itself. Although fraud and other unethical behaviors are not something any company wishes to face, most organizations will have to deal with such a situation at some point.

One fall out of the financial crisis is that the potential for unethical behavior to take place within a company has significantly increased; the loyalty that many members of staff feel towards their company has unfortunately been eroded, largely as a result of the unequivocal message that nowadays nobody is safe from sudden staff-cutting measures.

While it is certain that each case is unique to a company, we will provide the reader with guidelines on how to manage a situation of unethical behavior from the very first moment it is suspected or discovered.

GUIDELINE N° 1: KEEP CALM

Fortunately for the majority of companies, being the victim of potential acts of unethical behavior is an exception and not the norm. As such the company's decision makers will be faced with an unusual and extremely stressful situation, while simultaneously maintaining the day-to-day running of business operations, even if fraud prevention processes and response procedures are in place.

If allegations are made about persons/a person, or there is indication of foul play, your first reflex may be to act immediately by confronting them. This "hot" reaction should be avoided as actions taken blindly might compromise the outcome of the investigation and/or court case, or could even give rise to the possibility of civil litigation against the company. It is only very rarely that any given situation faced by a victimized company does not allow for taking reasonable time to plan a structured and by-the-book response.

GUIDELINE N° 2: RECEIVING AND ANALYZING AN ALLEGATION AND/OR INITIAL PIECE OF INFORMATION

A company might discover that it is potentially the victim of unethical behavior in various ways, such as:

- Information provided by employees of the company
- Allegations from customers, business partners or third parties
- Suspicious or unusual information discovered during internal or external audit assignments
- Press articles

If these first elements point towards potentially significant consequences for the company, it is the responsibility of the board and/or management to ensure that the appropriate steps are taken in order to shed the necessary light on any questions raised. In the case that the board is involved, its decision must be clearly documented and immediately communicated to the management of the company, unless it is the management itself that is under suspicion. It should be noted that the level of board involvement depends on the nature of the allegations and/or information, the potential negative impact on the company, the seniority of the persons involved and so forth.

The investigation and response system should include a process for:

- Categorizing issues
- Confirming the validity and the potential impact of the allegations and/or information
- Determining the degree of escalation and deciding if an investigation is required
- If the decision is taken to investigate, determine whether this investigation is done in-house or if external forensic teams are required
- Deciding the degree of case management by the company's designated representative during the investigation

Note: The designated representative must possess sufficient authority to be able to quickly unblock any internal interference that might hinder the efficient course of the investigation. If it is a member of the Management team that is suspected, the investigation should be supervised by the Board.

GUIDELINE N° 3: POINTS TO CONSIDER BY THE COMPANY AS TO THE INVESTIGATION ITSELF

Concerning the investigation itself, several points should be taken into consideration by the company. For example, is there a legal or regulatory requirement that necessitates the investigation is conducted inside a predefined timeframe? (*Note:* If the allegation and/or information concerns a member of the management team and/or if it could potentially have an impact on the financial statements, there is a likelihood of the existence of a requirement for rapidly notifying internal and external parties [audit committee, external auditors, regulatory bodies, and judicial authorities.]) What information should—and can—be kept confidential, and who gets access to it internally? What steps are taken to secure evidence? This is a crucial requirement to avoid breaching the chain of custody.

Other points include: consider involving external legal counsel as soon as possible and, in certain cases, actually leading the investigation in order to benefit from the confidentiality attached to attorney-client communications; examine what skill set the investigative team might require, such as fraud investigators, forensic accountants, legal or regulatory experts, assistance from internal audit, assistance from internal IT department, and forensic technology experts. As such, timely and sufficient allocation of internal resources is central to success; consider planning for publicity/press releases, especially if there is a strong possibility of it becoming public that a serious issue appeared or that an investigation is launched.

From the very beginning, it is also important to consider, if possible, what follow-up actions you plan on pursuing, as it might have an impact on the level of burden of proof and other investigative processes:

- Criminal complaint, in which the company refers the case either on a voluntarily basis or as imposed by laws and regulations.
- The company may wish to sue the guilty employee in front of a civil court in order to try to recover some funds.
- Disciplinary action against the guilty employee may include termination of contract
- The company might try to file an insurance claim for certain types of losses.

(*Note:* In some cases it may be necessary to start these proceedings before the investigation is finalized. Before such a decision is taken, the company, with the support from legal counsel, must ensure that at this stage of the investigation, there is sufficient legal basis, especially in cases of disciplinary or criminal action.)

GUIDELINE N° 4: CONDUCTING THE INVESTIGATION

An efficient investigation is only realistic if the planning was well organized and if the right mix of skills and experience were incorporated into the investigative team.

The following actions might be undertaken during a forensic investigation:

Collection of Evidence

This includes internal documents and information (such as HR files, internal phone records, Internet log files, computer files and other

electronic devices, email accounts, financial records, entry access logs, internal memos, bills and receipts) and external documents and information (such as public records, commercial information and documentation, press articles/media reports and publicly available government data).

Computer Forensics

This includes disk imaging, data analytics and data recovery.

Interviews

Interviews include witnesses, third parties, industry experts and/or suspected employee(s).

Analysis

This may include the review of information gathered, categorization of the information and identification of leads for additional information.

Chain of Custody

For example: quality control, preservation of received documentation and information, and review of respect of fundamental legal rights, such as privacy laws or data protection laws.

Reporting

Key actions may include determining what is considered as private or confidential; determining the appropriate form of reporting; ensuring proper internal and, if applicable, external distribution of reports; multiple reviewers on the draft report; and ensuring, if requested by the client, the suitable approach to providing public statements regarding the investigation and/or report.

GUIDELINE N° 5: THE LAST STEP: STUDY THE VULNERABILITIES AND EXPLORE CORRECTIVE MEASURES

After this particular investigation has been successfully finished, you might want to consider whether the issue was the consequence of a weakness in your controls and how to remediate it.

The company might want to:

- Undertake an analysis of the operational gaps that might have “encouraged” the guilty employee and therefore authorize follow-up investigations/active controls in order to identify potential additional cases
- Consider a business process remediation in order to reduce the opportunities for similar unethical behaviors
- Consider an internal control remediation in order to strengthen the internal controls
- Create a corporate compliance team and/or strengthen internal audit staff numbers
- Implement specific IT-based control and detection systems at various levels

The manner in which a company appears to have handled such a serious situation will provide a message not only to the public, but also to the stakeholders, employees and business partners of the company. When faced with such an unethical behavior, strong leadership and a clear understanding of the necessities and pitfalls of such an investigation are essential for a company's ability to emerge relatively safe and sound from such an experience. Timely and sufficient allocation of internal and external resources is central to success and there is no room for improvisation or amateurism.



The Essential Features of a Successful Culture

By Roger Claessens, Prof. UBI, Brussels; R.J. Claessens & Partners Sàrl

THE ORIGIN OF CULTURE

The very origin of a culture is often a dream, vision, passion or obsession. In the early 1970s, the processing power of a powerful PC, as we know it today, took a quarter of a room. At that very moment, some dreamer—genius, rather—named Bill Gates stated that we would have a computer on a desk: a quarter of a room on a desk! Microsoft has realized that dream which has gradually evolved into its corporate culture. Its mission statement is quite modest: "To enable people and businesses throughout the world to realize their full potential." It has transformed customers into disciples, avid supporters who have spread the word about iVillage to friends and colleagues!¹

WHAT DOES CULTURE MEAN?

"Culture is an abstraction, yet the forces that are created in social and organizational situations deriving from culture are powerful"². Culture in an organization is basically composed of:

1. Shared values: important concerns and goals that are shared by most of the people in a group that tend to shape group behavior, and that often persist over time even with changes in group memberships, and
2. Group behaviour norms: common or pervasive ways of acting that are found in a group and that persist because group

members tend to behave in ways that teach these practices to new members, rewarding those that fit in and sanctioning those that do not.

The longer the solutions seem to work, the more deeply they tend to become embedded in the culture.

PREDOMINANT TYPES OF CULTURE

Cameron and Quinn³ point out that almost all organizations develop a dominant type of organizational culture. They tend to emphasize one or more of four basic culture types. In the authors' view:

- The *adhocracy*⁴ culture is the most responsive to the hyper-turbulent, ever-accelerating conditions that increasingly typify the organizational world of the twenty-first century.
- The *clan type of culture* is so called because of the similarity to a family-type organization. Clan-type firms are firms where teamwork, employee involvement programs and corporate commitment to employees are highly valued.
- The *hierarchy culture* is a culture responsive to the challenges of generating efficient, reliable, smooth-flowing, predictable output. This type of culture is characterized by clear lines of decision making, standardized rules, procedures, control and accountability mechanism.

- The *market culture* is not synonymous with the marketing function or the market place; rather it refers to a type of culture that functions as a market itself. It focuses on transactions and focuses on competitiveness and productivity.

CULTURE AND LEADERSHIP

"Corporate culture is usually the result of the embedding of what a founder has imposed on a group, and that has worked out! In this sense, culture is ultimately created, embedded, evolved and ultimately influenced by leaders. At the same time, with group maturity, culture comes to constrain, stabilize, and provide structure and meaning to group members even to the point of ultimately specifying what kind of leadership will be accepted in the future.... These dynamic process of culture creation and management are the essence of leadership and make us realize that leadership and culture are two sides of the same coin⁵."

Although strategy, market presence and technology are clearly important, highly successful firms have capitalized on the power that resides in developing and managing a unique corporate culture. Without any doubt, the purpose of corporate culture is to have a winning culture, not one that pushes its entire staff to the abyss.

A WINNING CULTURE

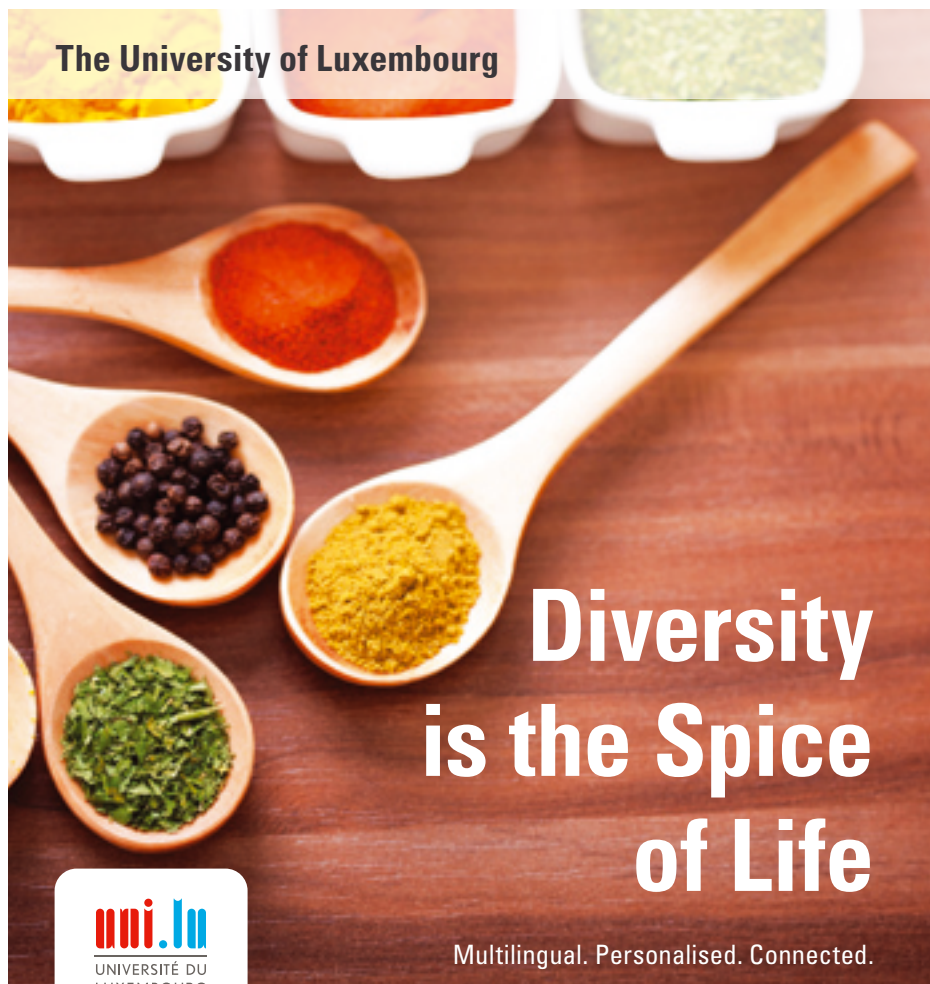
Assuming you have the right mission, what makes you stand out? What do you need to do to assure that people will participate in order to reach a set of goals? If not, what needs to be improved? How can we get the best out of people? Jack Welch, in his book *Winning*⁶, underlines key features of a winning culture, (i.e., the candor effect, cost avoidance attitude, finding a way "to do things" and the right compensation). "Whatever the issues, whatever

the obstacles, whatever needs to be done, it can be done! It is a matter of attitude and values. In real life strategy should be very straightforward... it is a matter of implementation. It is not a theoretical issue but a pragmatic approach of how objectives should be reached and if it entails change: how to change attitudes, procedures, and reporting lines, whatever, so that it works! Not all companies are "moon walkers or water walkers" but all companies can try to be better and different tomorrow than they are today. Winning is so much about attitude. A positive attitude is part of a winning corporate culture.

Google is a good example of a winning culture and their mission statement is even more modest than Microsoft's. It reads as follows: "Organize the world's information and make it universally accessible and useful." It is even more impressive than putting a quarter of a room on a desk!

NOTES


1. Phil Carpenter, HB School press.
2. *Organizational Culture and Leadership*, E. H. Schein, Jossey-Bass, 2010
3. *Diagnosing and Changing Organizational Culture*, K.S.Cameron & R.E. Quinn, Jossey-Bass, 2006
4. The root of the word adhocracy is ad hoc, implying something temporary, specialized and dynamic.
5. *Organizational culture and Leadership*, op. cit.
6. *Winning*, Jack Welch, Harper Collins, 2005



The University of Luxembourg

**Diversity
is the Spice
of Life**

Multilingual. Personalised. Connected.

 UNIVERSITÉ DU LUXEMBOURG

Introducing a truly international research university that will spice up your life! With students from 100 different countries, an academic staff from 25 countries, multilingual degrees and programs in English, as well as exchange agreements with over 50 universities in the US, Europe and around the world, the University of Luxembourg offers a distinctive multicultural environment.

A unique atmosphere for students and researchers, thanks to the close proximity of the European institutions, the Luxembourg financial center, and the University's close ties to Luxembourg's attractive business world. We've got it all in the mix!

Contact us to find out how your company can connect with a university that is one of a kind.

communication@uni.lu / www.uni.lu

Cyber Risks & Cyber Insurance

By Wim Geleyn, Siaci & Partners (Luxembourg) S.A.

Organizations—particularly those in the ICT/technology, media, telecom and financial industry—have become increasingly reliant on technology for storing, using, manipulating, transferring and processing data. At the same time the question of how to ensure the security of these data has arisen. Changes in the legal environment—for example, the EU Data Protection Directive 95/46/EC and the draft European Data Protection Regulation of January 25, 2012, additional obligations with respect to data protection in commercial contracts, and increase in cyber criminality—have created an awareness for cyber risk. Organizations today are exposed to important fines not only, for example, for lack of notification of a data breach, but also to their own financial losses or third-party claims, with a potential impact on their reputation.

Data protection and IT security have been integrated into companies' compliance, audit and risk management guidelines and procedures, as well as into their business continuity planning and disaster recovery planning.

WHAT DATA ARE WE TALKING ABOUT?

Data are valuable intangible assets for the company and their owner. For companies, these assets can range from basic client and prospect lists or employee files to strategic systems. For the owner, these data—known as personally identifiable information—can include items such as name, address, etc., as well as more sensitive information, such as credit or debit card information, medical records, ID cards, Social Security numbers, etc.

Other data managed by companies are protected by intellectual property rights, such as trademarks and copyrights.

WHAT EXPOSURES ARE WE TALKING ABOUT?

Exposures may include any of the following:

- Computer crime and security breaches, such as unauthorized use of a company's computer system, hacking, denial of service attack, theft, identity theft, phishing, piracy, extortion, counterfeit, falsification, as well as the use of malicious code to intrude into a company's system with the intention to do harm or to steal information, such as a virus, worm, Trojan horse, spyware, logical bombs, dishonest adware, crimeware;
- Human error or malicious acts, such as accidental damage or destruction of data due to human error; programming error of delivered programs; privacy disclosures; defamation via mail or on social networks; copyright or trademark infringements; or breach of data protection legislation;
- Supplier deficiency;
- Accidental damage or destruction of hardware so that the data stored is not machine readable;
- Malfunction or failure of the company's computer system;
- Failure of a direct or back-up power supply or under/over voltage, but only if such power supply is owned, operated and controlled directly by the company or by a business process service provider or IT service provider that occurs in certain circumstances as defined in the policy;
- Fines and penalties, if insurable;

- Third-party claims for restitution of lost, stolen or destroyed personally identifiable information or for reparation of the financial consequences thereof.

WHAT COVER DOES INSURANCE PROVIDE FOR CYBER RISKS?

Insurance or risk transfer is one technique of managing companies' exposures. However, traditional insurances such as property damage, general and products liability, errors and omissions and crime insurance do not (or not adequately) cover cyber exposures because of insignificant intervention limits or sublimits, inadequate definitions of cyber exposure, limited conditions or exclusions for immaterial events.

Over the past few years, specialist insurance companies, particularly those in Bermuda and London, have started developing new insurance products that provide bespoke cover for cyber exposures. These insurance products contain cover for both a first-party loss and a third-party loss.

Here we are referring especially to the cover for third-party loss or cyber liability insurance. This cover is often offered in conjunction with a traditional professional indemnity insurance. Specific cyber liability insurance will cover companies against third-party claims following:

- Unauthorized access, theft, falsification, destruction, unauthorized use of personal or confidential data or e-business activities, computer viruses, denial of service attacks, as well as alleged unauthorized e-commerce transactions;
- Failure to protect electronic and non-electronic data in their care, custody and control;
- Breach of the data protection legislation;
- Breach of intellectual property (copyright and trademarks) and personal injury resulting from errors and omissions in content on social media;
- Illegal spreading and disclosing of digital information over a medium controlled by the insured;
- Psychological damage, such as insult, breach of privacy, breach of ownership.

The first-party cover (indirect financial loss) is often offered in conjunction with a first-party material damage cover such as an all risks electronics insurance. With respect to indirect financial loss first-party cover, the insurer will pay for business interruption; extra expenses; emergency response costs; costs associated with legal notification of a security/data breach, including lawyers fees; costs for organizing a hotline; credit monitoring (fees associated with risk reduction after a breach or a denial of service attack); crisis management costs; fees of the security expert/loss adjuster (to establish the dollar amount of the loss); fees of forensic consultants (to discover the author of a cyber crime); extortion monies; breach of data protection legislation: fines and penalties, if insurable and defense costs; and reputational management fees.

Because of the global nature of the World Wide Web, cyber risks can originate from anywhere. It is thus advised to opt for a policy with worldwide territorial coverage.

MAS International

Building a Transatlantic Connection

By Loïc Vexlard

To develop business on the North American continent involving the establishment of Luxembourg and other European structures, a representative office may not be enough. An active operation in New York is helping accounting group MAS build a genuine transatlantic practice.

A MARKET REDISCOVERING ITS DYNAMISM

Europe may still be suffering from the economic crisis, but on the other side of the Atlantic, capital is available and firms are looking to develop business elsewhere. But capitalizing on those business opportunities requires a more substantial presence than just a representative office. MAS North America has been doing business with U.S. clients for several years, but it has now decided to develop its New York office and reinforce the team with CPAs



Peter Rich, one of the two new Directors of MAS North America

Peter Rich and Jonathan Bander. The expansion will enable the firm to alert more potential clients to its services as well as to the opportunities available through pan-European structures. As the economy recovers, the potential for complex international transactions and the development of strategic transatlantic alliances is set to grow, and MAS North America is ready to assist companies from the west to exploit that potential.

HOW DOES THAT WORK IN PRACTICE?

Having an on-the-ground presence in the U.S. is critical to getting decisions made and issues resolved rapidly. MAS North America works hand-in-hand with companies in many sectors including real estate, manufacturing industries and finance. Given the complex nature of each business, all relationships are highly personalized and often require multilingual skills. The ability of MAS North America to work across borders and in multiple time zones enables it to deliver fast, efficient and creative solutions. It can also alert potential clients about the advantages that Luxembourg may offer.

AN INTERNATIONAL PARTNER

Its Luxembourg office makes MAS an ideal partner for companies from the west engaged in complex international transactions. In a turbulent environment, the Grand Duchy offers great stability, a well-established financial industry and firm yet flexible regulation. MAS is a natural partner in that development, with its capability to manage entities, prepare financial statements and provide other CPA services on both sides of the Atlantic and in intermediate offshore jurisdictions—it also has offices in Paris, Frankfurt and Mauritius. The development of the New York operations adds both speed of service and a platform to get the message out. And the transatlantic connection is a two-way street—MAS is on hand to provide active help to European companies taking a first step into the North American continent.



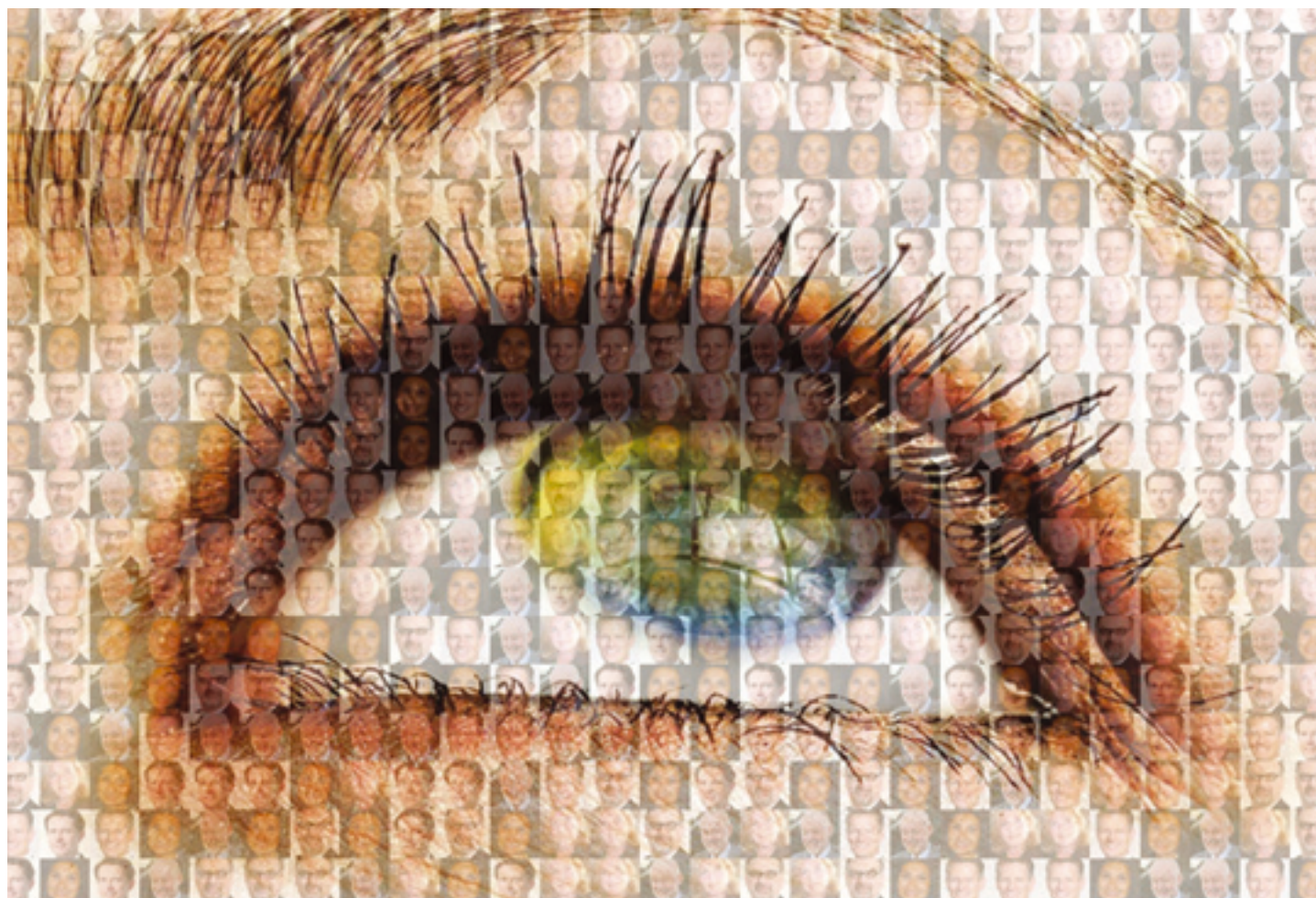


Illustration: Troy Bankhead

Keeping an Eye on Marketing

By Paul Schonenberg, AMCHAM

AMCHAM is very pleased to announce the official launch of our Marketing committee.

Chaired by Troy Bankhead, the Head of Marketing at KNEIP and recent Marketing Manager of the Year award winner, the committee is composed of Mira Leonard, Head of Istile; Gabriel Bleser, Head of Marketing, BD & Communications at Allen & Overy; Geoff Thompson, Founder and Editor of our online news magazine partner, The Luxembourg Chronicle; our new AMCHAM Marketing Director, Elisabeth Hessbrügge; and AMCHAM Chairman, Paul Schonenberg. All are seasoned and experienced marketing professionals with a confirmed knowledge of both international marketing and the marketing environment here in Luxembourg.

We have launched this committee because we think there is a need to share marketing best practices and new marketing trends, to help Luxembourg-based enterprises expand their horizons and position themselves to make more profit and greater success by getting their marketing right, both here in Luxembourg and globally.

The rise of social media and the hugely enhanced access to information that business and private consumers have at their disposal has caused huge changes in the dynamics of marketing. The old-fashioned, hard sell no longer works. Customers are too smart and bombarded with advertisement for that. Instead,

customers demand honest communication and reliable information; they look to their peers for validation of best value and want most especially to have awareness of trends—all in real time. Combining this with the need for culture specific marketing as we all participate in fragmented but global markets and information overload is a complicated mix.

We will try through the Marketing committee to help our members and friends sort this all out and to collectively further our expertise in the full range of cost effective current and future cutting edge marketing strategies and tactics. We will do our best to help you succeed!

Our first Marketing committee event focused on gamification in marketing and took place on September 25 at Atoz.

A Place in the Sun for Cloud Computing

By Philippe Neefs & Emilie Mattos, KPMG Luxembourg

For the past ten years, cloud computing has been quietly revolutionizing the organization of information technologies (IT) in companies, bringing stable operational costs and scalability while maintaining high reliability. Yet with all these advantages, cloud computing remains unknown to many people, especially taxation management aspects.

WHAT IS CLOUD COMPUTING?

If you have browsed the Internet recently, chances are you went on websites which use cloud computing. It is everywhere, whether under the form of software as a service (operating software delivered to paying customers through the Internet¹), platform as a service (supplying access to computers/virtual machines with everything needed for standard web applications hosting) or infrastructure as a service (IAAS, which consists in supplying access to computers/virtual machines). Cloud providers (such as Amazon with Amazon Web Services, Rackspace, Salesforce.com, Microsoft with Windows Azure or Cloud Services by P&T Luxembourg) rent the access to their data centers to clients, giving them many benefits over having to manage their own IT infrastructure. But despite its massive growth during the past decade, the term cloud computing is still hard to define and somewhat mysterious, as it is a placeholder term which covers new ways of organizing and consuming services and data over the Internet.

Originally, when a company wanted to run a website, it needed to buy and maintain hardware and a connection to the Internet so that users could access it. The bigger your user base, the more hardware you needed and the more expensive its maintenance would get. Some companies had to go as far as creating massive data centers to respond to certain spikes in their users' demand. One such company was Amazon: their IT team quickly discovered that most of the time, the demand on their website was lower and hardware sat unused, though still costly to run and maintain. Taking an innovative yet logical step, they decided to sell the access to their unused hardware power to other companies that needed to run their website and that would then benefit from the reliability and security of a data center without actually having to own one. The revolution of cloud computing had begun!

WHAT ARE THE ADVANTAGES OF CLOUD COMPUTING?

The most obvious benefit is cost: no need for hardware maintenance and predictable IT operational costs replace occasional significant expenses. The scalability of cloud computing further decreases these costs: cloud providers give their customers the possibility to add hardware power to their subscription on

demand and very quickly, allowing companies to constantly align their supply and demand while keeping operational costs at a minimum. Other technical benefits include reliability with most cloud providers offering guaranteed uptime and multiple site replications. This means that cloud providers host their client's data or application in multiple data centers located around the world so that if one of them is compromised, others will take over in order to maintain the access. This has led to the term "hosted in the cloud": basically, only the cloud provider knows where your application/data actually is; the client doesn't and has no use of that knowledge. For standard Internet consumers, the main benefit remains the constant availability of the data provided you have Internet access and its reliability (no loss of data over time).

SO WHERE DOES TAXATION COME INTO THE PICTURE?

This aspect is often overlooked and unknown: since no dedicated provision exists within Luxembourg tax law, each situation should be analyzed on a case-by-case basis.

Direct Tax

- Overall, service providers are taxable (28.80%) on income received when they are a Luxembourg tax resident or a foreign tax resident with a Luxembourg permanent establishment (PE). According to OECD comments, current Luxembourg tax law and doctrine, a data server could be considered as a PE².
- Withholding tax aspects also need to be assessed on inbound (relief possibilities for foreign taxes suffered) and outbound income (depending on the characterization of the income).

Indirect Tax

- VAT aspects should also be closely monitored as cloud computing should fall within the scope of electronically supplied services.

As a final point, it seems that recent studies have shown that ICT companies intend to dedicate most of their IT budget to cloud computing. Currently, Europe produces approximately 5% of the worldwide IAAS capacity and buys over four times that from the U.S. The future is thus full of opportunities for European cloud computing, provided the challenge is globally and carefully taken up.

For further reading:



www.kpmg.lu

NOTES

- You might also have heard of private cloud vs. public cloud (available to the public): private clouds are actually equivalent to standard (public) clouds but limited to companies that already have their own infrastructure (e.g., a company with its own data center providing easy access to it for its different subsidiaries).
- When applicable, double tax treaties need to be considered.

Personal Income Tax in Luxembourg: Things to Remember

By Karl Horsburgh, Vistra Luxembourg S.à.r.l.

Following my presentation at a recent AMCHAM ABAL luncheon, I would like to set out below some basic principles to remember about who must pay personal income tax in Luxembourg, what they should pay tax on and how it is calculated.

Personal tax in Luxembourg is payable by people who are:

- Residents in Luxembourg and who have an income from employment, working as an independent, or receive a pension from the state, rent out property, receive royalties, interest on bonds, dividends on shares or buy and sell investments within a period of six months; and
- Non-residents in Luxembourg, if they have Luxembourg source income from employment, working as an independent or receive a pension from the state or rent out property.

People are considered residents in Luxembourg if they have a property available to them which is owned or rented by them, where the rest of the family lives and goes to school and where they spend their leisure time.

Income from employment means the salary and all incomes and benefits received by an employee from a Luxembourg-based employer as a result of the employment relationship such as bonuses, redundancy payments, benefits in kind from rental paid on behalf of an employee, or a mortgage interest subsidy and provision of a company car. This also includes the salaries and benefits of those employed by a foreign employer but carrying out their activity in Luxembourg for a period of more than six months.

Working as an independent in the territory of Luxembourg for more than six months also requires the independent to complete an income tax return in Luxembourg as a non-resident. If the independent earns more than EUR 10,000 he/she will also have to register and charge 15% value added tax in Luxembourg.

Pensions from the Luxembourg state or company pensions from employers abroad are taxable in Luxembourg. State pensions from other countries, European Union pensions and company pensions from Luxembourg employers are exempt from tax in Luxembourg.

Rental profit and capital gains made on property situated in Luxembourg is taxable in Luxembourg. Rental profit and capital gains on property situated in another country is exempt from tax in Luxembourg but taken into account for the progression rate. Mortgage interest up to EUR 1,500 per person in the family, paid on a taxpayer's personal home, can be deducted from a deemed rental income calculated as a percentage of the cadastral value which usually ends up being a rental loss. Capital gains made on the sale of one's principal residence are tax exempt if the house is sold within two years of vacating it.

Only 20% of royalties earned by an individual resident in Luxembourg as a result of a registered patent or trademark is subject to personal income tax.

Interest earned on deposits in bank accounts in Luxembourg is subject to a 10% withholding tax charged by the bank at source and does not need to be declared on the income tax return. Interest on deposits in bank accounts in a bank based in Austria, Switzerland and the Channel Islands are subject to a 35% withholding tax but should also be declared in the income tax return. If declared, the excess 25% can be reclaimed. Interest on deposits in banks in all other European countries is subject to

automatic exchange of information and should be declared on the income tax return as is interest earned on deposits in banks in the rest of the world. Credit is given on any withholding taxes paid in foreign countries based on double tax treaties.

Fifty percent of dividends received on shares in EU-based companies and 100% of all other dividends are subject to Luxembourg income tax. Credit is given on any withholding taxes paid in foreign countries based on double tax treaties.

Capital gains made on the sale of investments held for more than six months are tax exempt if, for shares, the tax payer held less than 10% of the share capital of a company. If an asset is sold within six months of purchase, the gain is taxable as ordinary income. If more than 10% of the share capital of a company is sold, then the gain is treated as an extraordinary income and the gain that exceeds EUR 50,000 (or EUR 100,000 if married) is taxable.

Luxembourg income tax is calculated on the total income, less allowable expenses. For a single person, it is based on a tax table that ranges from 0% to 39% in steps of about EUR 1,000, with the first EUR 10,000 exempt. For married couples, their taxable income is added together (if both spouses work, an additional allowance of EUR 4,500 is deducted), and half their total taxable income is applied to the single person's tax table. The resultant tax is then multiplied by two. In conclusion, if both spouses are gainfully employed, a married couple pays the same amount of tax as two single people, except that they have an additional allowance of EUR 4,500.

Luxembourg tax residents can deduct an allowance of EUR 672 per person in the family for savings; life insurance which pays out after ten years or other personal insurance premiums for third party liability, sickness, or health; and payments into a building society account which pays out after ten years. The following are also deductible, a recognized personal pension policy at EUR 1,500 for the taxpayer and EUR 1,500 for the spouse and personal contributions to a company complimentary pension scheme where the allowance is EUR 1,200 per annum. Certain items of expenditure are also allowed at a maximum of EUR 672 per person in the family, including interest paid on personal loans, credit cards or overdrafts. There are also allowances for extraordinary expenditure, such as supporting family members, non-reimbursed medical expenditure or special education needs not provided by the Luxembourg education system, but these must exceed certain limits and be very well argued as these are at the discretion of the tax inspector.

The tax tables and the basic information on all the allowances are available in each book store in Luxembourg in French.

I trust that this has given you some insight into some of the fundamental things that you should be aware of about the Luxembourg personal income tax system. U.S. citizens of course must remember that they are obliged to not only complete a Luxembourg tax return but also a U.S. return based on what they have declared in Luxembourg.

If your major income is interest, dividends and capital gains, consideration should be given to placing your investments into a corporate structure which could reduce the amount of tax you pay and especially when you pay it. You should also ensure that you structure the ownership of your assets in such a way that inheritance is made easy and tax efficient for all these issues a corporate structure may be the solution.

Flexible workplace solutions to support your business

Options to suit all budgets



From just one person, to an entire department, we provide a whole range of cost-effective, flexible office solutions which can be tailored to your business and to suit any budget.

- Fully equipped offices
- Meeting rooms and drop-in business lounges
- Over 1200 locations worldwide

Find out more about our flexible solutions...



www.regus.lu



(+352) 22 99 99 5200

Regus
Work your way

A choice of locations in
Luxembourg



EQUIPPED OFFICES



VIRTUAL OFFICES



MEETING ROOMS



VIDEO COMMUNICATION



BUSINESS LOUNGES



BUSINESSWORLD

1200 locations | 550 cities | 95 countries

THE UNIVERSITY OF LUXEMBOURG: Linking Students and Business

Source & Photo: University of Luxembourg

The University of Luxembourg wants to be connected to the business community. When a student enters a workplace as an intern, they are entering a business environment with sound business practice. They gain exposure to employees with years of experience in their career field, advice on the job market, as well as practical hands-on experience that allow them to make a direct link between theory and real-life practice.

When a business takes on a student intern, they gain a fresh perspective from a student who has the latest theoretical knowledge in their field. Both the employee and intern benefit when students are placed in the workplace during their studies—it is a win-win situation.

"The Luxembourg business community has really embraced students from our unique graduate programs, and we hope to see even more students from our University and abroad benefiting from a strong business community," says Jenny Hällen Hedberg, who heads the international relations initiatives at the University. "Today's graduates are tomorrow's employers, and we all benefit from connecting students and business."

The University of Luxembourg places a few hundred students in internships of up to six months every year. Hoping to increase the number of internships offered each year, new strategies and agreements with the Luxembourg business community will benefit students in future.

Earlier this year, Chairman and CEO of AMCHAM Luxembourg, Paul Schonenberg, and the University of Luxembourg President, Prof. Rolf Tarrach, signed a cooperation agreement to set up an internship program in Luxembourg for students from the University of Luxembourg's partner institutions in the U.S.

The internship program aims to attract even more students from partner universities in the U.S. by offering them a professional experience in addition to their study period at the University of Luxembourg. Interested students will combine their semester at the University of Luxembourg with an internship of one to three months at a company or organization. The companies will all be international companies, most of them with a presence in the U.S., so as to provide the students with a connection to a company also upon the return to the U.S. Students also have an option to work in a company/organization in Luxembourg at the same time as studying at the university, for up to 10 hours a week.

At most American universities, an internship is often obligatory. With this internship program, the internship is combined with a study abroad period so as to maximize the return of the time spent abroad. The internship program is aimed at attracting both



Paul Schonenberg (AMCHAM),
Prof. Rolf Tarrach (University of Luxembourg)

undergraduate and graduate students. The fees are waived between the University of Luxembourg and the partner universities so that the students will pay their usual fee to their home university even though they spend the semester abroad. The University of Luxembourg endeavors to find housing for all exchange students and provides a large offer of sport and cultural activities free of charge.

The University of Luxembourg has signed inter-university agreements with nine partner institutions in the U.S., including the University of San Francisco, College of William and Mary, Miami University, University of Northern Arizona, University of Illinois at Urbana-Champaign, University at Buffalo (The State University of New York) and Columbia University. More agreements are underway and will hopefully be signed during autumn 2012. The University of Luxembourg looks forward to welcoming more and more American students. These agreements are included in the global exchange program of the University of Luxembourg, in which the students are invited to do an exchange semester at a university overseas. Within the global exchange program, the U.S. is the favorite destination for the students.

STRONG PARTNERSHIPS WITH LAW AND THE FINANCE SECTOR

A unique three-year partnership, bridging academia and the financial industry, was also signed in 2012 which aims to further develop Luxembourg as a global center of excellence for banking and finance as well as promote close multi-disciplinary collaboration between UBS and the University of Luxembourg.

University of Luxembourg students are already benefitting from a partnership agreement with UBS Luxembourg. Patricia Araujo Lopes, a University of Luxembourg Master of Science in Banking and Finance student and current intern at UBS, explains, "Working at UBS allows me to be constantly involved with highly-skilled professionals. I have significantly improved my knowledge of the financial industry, especially the bank's operational systems. I believe this experience will prepare me well for future opportunities."

André Prüm, professor of law in the Faculty of Law, Economics and Finance states, "We are privileged to count UBS Luxembourg among our partners. This new cooperation will reinforce the synergies among the major disciplines of our research and teaching activities in law, economics, management and finance. It will also help us in conducting relevant research to Luxembourg's financial center and prepare students with useful skills for a competitive job market".

STUDENT OPPORTUNITIES IN COMMUNICATIONS TECHNOLOGY

SES, a world leader in satellite operations, with a fleet of 47 geostationary satellites, and SnT, the University of Luxembourg's Interdisciplinary Center for Security, Reliability and Trust, entered into a multi-year partnership agreement to jointly develop Luxembourg as a European and International center of excellence and innovation for advanced information communications technology in satellite systems, and to create a globally unique chair encompassing all relevant aspects of space, telecom and media law relevant in the field of satellite communications.

Professor Mahulena Hofmann was appointed as the SES Chair in Satellite and Media Law and is currently developing a highly competitive research and teaching program in International and European telecommunications, space and media law and spectrum regulation, with a particular focus on satellite communications. She contributes to the SES Research Program in Satellite Systems at SnT, which has accepted student interns from the University of Luxembourg.

SEE THE POTENTIAL, SEIZE THE OPPORTUNITY

The University of Luxembourg offers a unique Master's program in entrepreneurship and innovation. Today's fast moving competitive and global economy means today's graduates need to be able to make a job, not just fill a job. Sustaining a competitive advantage requires that companies and individuals can anticipate and stimulate, not merely manage, change.

The Master's program in entrepreneurship and innovation, now in its fifth year, is sponsored by the Luxembourg Chamber of Commerce. It focuses on providing students with the skills to optimally balancing theory and know-how in today's business marketplace.

The mandatory internships for students in this program are of vital importance for both domestic and international students; students gain an inside glimpse into the actual Luxembourgish business world, which can create job opportunities in future.

In this unique program students in their second semester intern with a Luxembourgish company and benefit from a corporate and academic mentor. They write their thesis on a topic that benefits both the company and the educational goals of the student.

When asked what he liked most about this Master's program, Nita Karol replied, "Working closely with my mentor company gave me the opportunity to tackle the company's practical business tasks and challenges related to the Luxembourgish marketplace. I focused on researching a topic that describes the added value to business of Web 2.0 technology in the business-to-business environment of professional service companies".

During the internship, students apply models and concepts taught at the University to a specific challenge faced by the mentoring company. Students are then called upon to address and implement solutions, and this project provides the material for their Master's thesis. This type of practical internship creates a climate of knowledge exchange and learning for both the student and industry.

The University of Luxembourg, founded in 2003, is a multilingual, international research university. It offers a very unique environment to students and researchers alike, thanks not only to the proximity of the institutions of the European Union, the Luxembourg financial center and the attractive national job market, but also to the outstanding multilingual situation of the Grand Duchy. With students from 100 different countries, professors from 25 countries and exchange agreements with over 50 universities around the world, the University of Luxembourg offers a truly multilingual environment, with degrees taught in English, French or German. The University offers 11 bachelor degrees, 28 masters degrees and doctoral studies and currently has nearly 6000 students.

For more information on the University of Luxembourg, please visit www.uni.lu.

bpm PARCEL-STATION

- 1. SHOP WORLD WIDE**
- 2. USE A BPM ADDRESS**
- 3. WE RECEIVE, YOU PICK UP 24/7**

BPM.LU

WE RECEIVE, YOU PICK UP 24/7

For more information on the University of Luxembourg, please visit www.uni.lu.

Networking with Minister Biltgen

AMCHAM members and friends met at RTL Studios to hear Minister François Biltgen provide an update on the ICT sector in Luxembourg.

Photos: Robert Prendergast



With his presence and sharing of information, the Minister shows his interest in the English-speaking community, and more specifically in the development of the ICT sector and the importance that the government dedicates to this sector. For ICT stakeholders, this is the right moment to get first-hand information about the governmental trends in ICT and talk with the Minister in a simple way during a relaxing networking cocktail."

—Jean-Paul Hengen, Luxinnovation & ComIT Committee Chair





5 vir 12 Event

Last season, AMCHAM hosted an event for members and friends to learn about the 5 vir 12 initiative. Topics included the challenges Luxembourg is facing and how those can be addressed for future generations.

Photos: Robert Prendergast



Paul Schonenberg (AMCHAM)



Bringing local and international communities together and building a better Luxembourg to ensure our collective future success are big challenges! AMCHAM is doing its part through our Diversity and other committees, as well as with our external partners. Our 5 vir 12 event was a very successful and well-received first step along this path—and one we will surely repeat!

—Paul Schonenberg, AMCHAM



Geraldine Knudson (Ville de Luxembourg),
David Schrieberg (VitalBriefing)



Daniel Schneider (Tenzing Partners), Robert Goeres (Goeres Horlogerie),
Jean-Claude Bintz (Lakehouse), Paul Helminger (Luxair, Brasserie Simon),
Raymond Schadeck (Forum of Civilization),
Paul Schonenberg (AMCHAM)



Selvaraj Alagumalai (Fouress Systems), Hakan Sekulu (Clearstream)



Jérôme Bloch (BGS Crossmedia), Karl Horsburgh (Vistra Luxembourg), Daniel Eischen (Interact)



Natalia Durus (multi-LEARN Institute), Jean Marc Prime (Kelly Services)



Raymond Schadeck (Forum of Civilization)



Margot Parra (ISL), Florence Roux-Christmann (PwC)

The Public Speaking & Debating Academy

Source & Photo: JCI Luxembourg

The Public Speaking & Debating Academy (PDSA) involves three days (October 11-13) of training and networking with the best trainers in public speaking, debating among other soft skills; trainers, trainees and keynote speaking and debating, among other soft skills; trainers, trainees and keynote speakers from across Europe, all with global promotion and broadcast.

The PDSA offers a hands-on approach, tutoring and competition for 40 trainees and will open and close with public events. Renowned speakers present examples and increase media impact. At the conclusion of the academy, trainees compete in front of a distinguished audience in an international setting.

STRUCTURE OF THE EVENT

The PDSA will start with a welcoming session and training warm-up for the 40 trainees on Thursday afternoon. An open, public event will follow: a keynote speaker will open the event and a debate on "Integration in Luxembourg" will follow. The trainees and audience will benefit from seeing firsthand how professionals communicate and argue, launching the discussions and setting the tone for the event.

THE BEST OF THE BEST

Two days of intensive hands-on, practical training will follow. It will be given by top international experienced trainers—experts in their fields. The training will be limited to 40 people, from Luxembourg and abroad, working in small groups. This practice will prepare the trainees so they can then in turn present and debate in front of an audience. The third day of the event will be dedicated to competitions in public speaking and debate, and a final group of trainees will be selected for the grand finale.

The final competition will be held on October 13 during a gala dinner.

The trainers and their topics include Valter Alcoforado Barreira on networking, Stephan Landi on voice techniques and Deniz Senelt on public speaking.

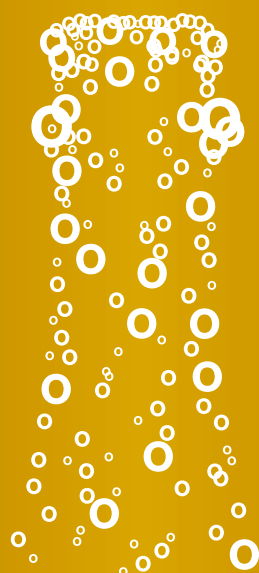
Pedro Castilho, former JCI Luxembourg President 2010, notes, "Public speaking and debating skills are essential for those who want their opinions and ideas to be heard and understood. I'm glad JCI Luxembourg is launching a platform for active citizens to learn how to express themselves in public."

HISTORY OF PDSA

The PDSA had its first edition in 2010 and was a tremendously successful event. It had the participation of personalities such as the Minister of Family and Integration of Luxembourg, Marie-Josée Jacobs, and the Ambassador of Portugal in Luxembourg, Pessanha de Viegas. Furthermore, the event had coverage by Euronews TV, hosted at the headquarters of BGL BNP Paribas for the debate of two keynote speakers, politician/deputy Pacheco Pereira and the President of the Pierre Werner Institute, Mario Hirsch. There was also a 120-person gala dinner which hosted a competition among the best participants of the training academy.

To learn more about how to be a part of PDSA 2012 or to learn about registration details, please visit www.jci.lu or send an email to jcipsda2012@gmail.com.





20 YEARS

CRÉMANT DE
LUXEMBOURG

CHOOSE THE CRÉMANT
TO MATCH YOUR MOOD

20 YEARS
FILLED WITH
FINESSE
EMOTIONS
INTENSITY
RENOWNED LOCAL
GRAPE VARIETIES
ELEGANCE
DIVERSITY
LIGHTNESS
DISCOVERY
SMOOTHNESS
HAPPY GATHERINGS
FRESHNESS
AND CHARACTER

BIZART



JOY KNOWS NO BORDERS.

As a member of the Corps Diplomatique, a European institution or an international organization, you know that things can be quite different from one country to another. One thing we want to keep unchanged, is your joy of driving a BMW. Our dedicated team perfectly understands the constraints of your mission and is used to finding the best solutions in the shortest laps of time and providing you with a full service. This includes delivery of your personalized car anywhere in the world while respecting local specifications. And in addition, we offer you particularly attractive sales conditions. Because we just love to push back frontiers.

BMW DIPLOMATIC SALES.

BMW EfficientDynamics Less emissions. More driving pleasure.

Arnold Kontz
184, Route de Thionville
L-2610 Luxembourg
Tel. 49 19 41-1
bmw@arnoldkontz.lu
www.arnoldkontz.bmw.lu