

A M C H A M  LUXEMBOURG
AMERICAN CHAMBER OF COMMERCE IN LUXEMBOURG A.S.B.L.



Exclusive Interview
With Ambassador J.R. Evans

Dear AMCHAM members and friends,

Welcome to the first issue of the AMCHAM.lu Newsletter for 2021! I expect we all are eager to leave the turmoil and pain of 2020 behind and hope for a better year ahead. We in AMCHAM.lu certainly join all of you in hoping for a healthy, happy and successful 2021 and commit to do everything we can to support all of you throughout the year! Let’s make it happen.

In the aftermath of the breach of the US capital building in Washington, I posted a message on the AMCHAM.LU FACEBOOK page. Please find that message here <https://www.amcham.lu/a-message-from-our-chairman/>

I take this occasion to express AMCHAM’s appreciation and thanks to Ambassador Evans who will be leaving Luxembourg on 19 January after the completion of his tour of duty. During his tenure as US Ambassador here in the Grand Duchy, he has worked very hard to strengthen and support the US/Luxemburg relationship and has been personally responsible for gaining US approval for several years of backlogged bilateral economic agreements. Of particular note has been the signing of the Luxembourg /US space treaty and arranging the inclusion of Luxembourg as a partner country in the ARTEMIS program for the economic development of space. Ambassador Evans’ efforts will substantially contribute to the economic prosperity of Luxembourg for years to come. Please see the details in my exclusive interview with him published in this issue.

Also included in this Newsletter (in addition to a great chicken soup recipe!), please find three links to excellent articles, ATAD 2 technical tax article, a tax article related to 2021 personal tax issues for individuals and a comprehensive HR article related to Covid 19 personnel management issues and a summary of upcoming AMCHAM events.

Thank you, dear members, for allowing us to serve you.

With respect and my very best regards,

Paul

Paul Michael Schonenberg
Chairman and CEO
AMCHAM.lu

1. Exclusive Interview with American Ambassador to Luxembourg, J. Randolph Evans

1. AMCHAM : What were your objectives to accomplish during your time as US Ambassador to Luxembourg ... and how do you think you have done?

Ambassador Evans: My principal objective was to help others, especially from the United States, see what I could see for myself and hence knew about Luxembourg.

This meant bringing world leaders, especially leaders in the United States to Luxembourg, and accompanying Luxembourg leaders when they visited the United States. To have so many members of the President's Cabinet, Members of the United States Congress, United States Ambassadors from around Europe, important leaders in the United States Government, and more – all come here help others see. These experiences and personal knowledge about Luxembourg will create bridges for decades to come.

2. **AMCHAM: What accomplishments are you most proud of?**

Ambassador Evans: Really, I would divide them into **three categories**.

First, there are platforms for the future including memoranda of understanding, statements of mutual interest, agreements, and the like. United States Secretary of Commerce Wilbur Ross started the ball rolling with a visit to Luxembourg to sign a Memorandum of Understanding regarding Space based on the good work of former Deputy Prime Minister Etienne Schneider. It was a multi-faceted memorandum that created multiple platforms in several different areas. In the following years, with the support of Minister Franz Fayot and others, the United States signed a significant number of additional initiatives in the space sector based on this initial step.

In addition, Finance Minister Pierre Gramegna and I worked for the ratification of a tax treaty negotiated over a decade ago. From there, we were able to sign the protocols for the implementation and use of the tax treaty providing stability for businesses and individuals alike. (In COVID times, Minister Gramegna has one of the most difficult jobs in Luxembourg. Fortunately, he is also one of the most brilliant.)

Deputy Prime Minister and Defense Minister Francois Bausch signed the Memorandum of Understanding regarding the facility at Sanem. This laid the foundation for additional understanding and arrangements for the expansion of the facility as well as protection of Luxembourg. His strength of character and innate leadership abilities have proven invaluable in managing Luxembourg's defense, involvement with NATO, and utilization of Luxembourg's army during COVID times.

There were many more major initiatives, one of which is soon to be announced and will be among the Embassy's biggest contributions. The total number on such significant advancements is astounding and does not include some others which, although not historical, are nonetheless important to the goodwill and bond between our countries.

For example, Minister Henri Kox signed a Statement of Mutual Interest regarding the Luxembourg American Military Cemetery – the largest attraction in the country according to various travel resources. This statement facilitates the movement of visitors from the Cemetery to downtown Luxembourg City and from downtown to the

City. It also enables the various parties to coordinate and train guides to help visitors who come.

Second, there are commemorations and events. Certainly, the 50th Anniversary of Man Landing on the Moon featuring Buzz Aldrin and the 75th Anniversary of the Battle of the Bulge (featuring Heads of State from around Europe) stand out.

But, with the assistance of European Court of Justice President Koen Lenaert and Prime Minister Xavier Bettel, Luxembourg hosted the September Summit in which sixteen (16) United States Ambassadors along with Under Secretary of State for Economic Affairs Keith Krach, former Speaker of the U. S. House of Representatives, Newt Gingrich, and other dignitaries attended and collaborated with multiple visits with Luxembourg Ministers. The visit coincided with a visit by a United States Space delegation that included high ranking individuals from NASA and the United States Department of Commerce.

(As an aside, although not in Luxembourg, I was honored to serve as a member of the U.S. Delegation to the 75th Anniversary of the Liberation of Auschwitz.)

When multitudes of Members of Congress came including the leadership of both political parties in both the United States Senate and the United States House of Representatives, it was notable. Speaker Nancy Pelosi visited with Grand Duke Henri and Prime Minister Bettel. Speaker Fernand Etgen arranged a joint session of the parliamentary bodies. It seemed that when the time for telling Luxembourg's story, he was always there.

But to focus only on such mega-events would be to overlook the hundreds of other events – many during the year of the 75th Anniversary of the Battle of the Bulge, and still others that were virtual but reached tens of thousands.

One of the most meaningful for me was the reenactment of Thanksgiving at Clervaux in 2019. Clervaux Mayor Emile Eicher lead the way on this (and many other unbelievable events). He, along with Mayors Lydie Polfer and Jean-Paul Schaaf, truly embraced the commemoration of the liberation of Luxembourg creating memories for another lifetime.

Third, there is the assistance we provided to American and Luxembourgers in response to the challenges of COVID – from providing resources to Luxembourg and assisting Americans with travel through our Consular Affairs section. At every step, we stood ready and delivered as the challenges arose. Meanwhile, we did our part to communicate what people needed to know when they needed to know it. It is a challenge we still face.

3. AMCHAM: What have been the most significant challenges you have faced... and how have you faced them?

Ambassador Evans: Without doubt, COVID – the Coronavirus, has been the single greatest challenge for all of us. We continue today as we await the distribution and administration of the vaccines necessary for defeating this Pandemic...

4. AMCHAM: What is your assessment of the current status of US-Luxembourg relations and what challenges lie ahead?

Ambassador Evans: The combination of our two mottos – “Let’s Make It Happen” and “Honoring the past while looking to the future”—has enabled our two countries to accomplish so many things. But, in the process, we have worked together so closely that our bond has grown stronger as a new generation emerges in the new millennium. Notwithstanding the turmoil in other places, and the corresponding tensions the come with them, we have found more and more ways to work together on the things we share in common, which provide enough common ground to build bridges on things we do not. Rather than pull back and making connections more difficult, we have reached up – toward space, financial stability, and shared interests – in hopes that when we reach out on other issues, we can solve those problems that we must confront.

Having successfully made our aspirational goals realities on so many issues, we have moved steadily toward the ability to solve other challenges down the road. In that regard, our relationship is stronger, better, and healthier.

5. AMCHAM: This past December, you and Vivienne Reding, former vice president of the European Commission, had a Zoom conference with AMCHAM assessing the health and challenges of the economic, political, military and cultural ties between the US and Luxembourg. Can you summarize the current status of this relationship?

Ambassador Evans: In that discussion, two issues emerged. One was the relationship between Luxembourg and the United States. As I said, our relationship is stronger, better, and healthier. The other issue was the relationship between the EU and the United States. As to that issue, the challenges are much different. And to be candid, COVID and the response to COVID has changed many of the dynamics at play.

6. AMCHAM: Please tell our readers about the Artemis project, why Luxembourg was invited to be a partner with the US in this project and what this means for Luxembourg/US relations and for the future success of Luxembourg?

Ambassador Evans :Luxembourg has made enormous strides in the space sector: the launch of the very first satellite by SES; Deputy Prime Minister Etienne Schneider's efforts to create an investment-friendly space sector environment; and

the Memorandum of Understanding on Space Cooperation that Commerce Secretary Wilbur Ross signed with Schneider in 2019.

In October 2020, Luxembourg joined the United States and six other countries to become charter members of the Artemis Accords, a set of principles establishing norms of behavior for space exploration on the Moon and other celestial bodies. The Grand Duchy has pledged to become a contributing partner on Artemis, NASA's program to land the first woman and next man on the Moon for sustainable exploration.

Having Luxembourg be among the first of eight countries in the world to participate in a multilateral relationship that is designed to help all of humanity solidifies the Grand Duchy as a player - as one of the countries that has a seat at the table, as we start to develop the boundaries of how we explore space, when we explore space and what we do when we get there.

Luxembourg is a country uniquely adept at assimilating a multitude of people from different backgrounds with different languages, beliefs, and goals. That makes Luxembourg reflective of what you would want to happen from the Artemis Accords, of course, which is to take the many different approaches, blend them, find the best, and then use them as a template to go forward for the future.

This agreement is already bearing fruit in the commercial sector, where iSpace Europe – a Luxembourg company – has already won a NASA contract related to the Artemis program.

7. AMCHAM: While many of our readers know you by your energy and actions during your time as the US Ambassador here in Luxembourg, most don't know your background. Please tell us the highlights of your personal and career path?

- **Ambassador Evans:** My parents were from a small town in Dublin, Georgia, where I was born. I grew up in Warner Robins, Georgia, the home of Robins Air Force Base. In 1980, I received my Bachelor of Arts degree from West Georgia College and my law degree from the University of Georgia in 1983.
- In college, my geography professor was Newt Gingrich. I met him in 1976 and worked on his first successful campaign for Congress in 1978. He went on to become the fiftieth Speaker of the United States Congress and I served as his outside counsel.
- After becoming an attorney, I served on the State Election Board of Georgia (2001-2011) and as co-chair of the Judicial Nominating Commission of Georgia (2010-2018). I also served as the Chairman of the Republican National Lawyers Association (2012-2016).
- Along the way, I've co-authored eight books, two syndicated columns, and participated in numerous programs and seminars on topics ranging from professional ethics to climate change. I've also appeared on national cable news networks as a talking head on current political events. My most recent book was released last year.

8. AMCHAM: As a follow up-question, please tell us the most important values and principles which guide your actions, your work and your decision- making process?

Ambassador Evans: Being a person of great faith, I have always trusted that God has a plan, and my job has been to follow the plan. Along the way, many good people have helped me. I always assumed they were part of the plan. For my own part, my grandmother once said that many can outsmart, outspend, and out network you. But only you can control whether anyone outworks you. As to this last part, the key from my perspective was discipline (which I defined as “doing that which you don’t want to do when you most don’t want to do it”). Add to it two simple boundaries – never judge anyone but yourself and love everybody. It has made life such a wonderful journey and so much easier to succeed.

9. AMCHAM: We understand the process of becoming a U.S. Ambassador is complicated. Can you give us some insight into the details?

Ambassador Evans: As simple as it may seem, becoming a U.S. Ambassador must be one of the most complicated processes in the world. In fact, the State Department gives you a sheet with the many, many steps required, and that is after a person has been nominated. In addition, the disclosures and interviews and hearings can be overwhelming. In fact, many decide that it is not worth it.

For me, service to my country is (and was at my nomination) my highest civic duty and so, notwithstanding some challenges, I stuck with it. It has been a great honor that I will carry with gratitude and dignity for the rest of my days.

10. AMCHAM: We understand you had several choices of Embassies. Why did you choose Luxembourg?

Ambassador Evans: The Grand Duchy of Luxembourg represents a unique idea – all people can come together, work together, live together, and succeed together. This core identity has led to a multilingual, multicultural, and multidimensional combination of talents and values that exemplifies what the world can be when considered as a whole. To now add to that ‘space’, and you have a place where not even the sky is the limit. Who would want to be Ambassador anywhere else if you had a choice? There are bigger Posts with more people and higher profiles. There are few where a single Ambassador could work and achieve so much in such a short period of time. (And that is because of how special Luxembourg is, not who the Ambassador may be.)

11. AMCHAM: What were your first impressions of Luxembourg as you settled in?

Ambassador Evans: It offered so much. In all the briefings, the focus was on size, GDP, population, etc. Yet, when you are here, you get a sense of how varied it is from north and south, and urban and rural, and so on. During my first weeks here, I made it a point to visit every part of the country and to talk with Luxembourgers throughout every place big and small. On the one hand, everyone was different. Yet, at their core, they were the same – shaped by history, cognizant of both freedom and

occupation, being rich and poor, enjoying good times and suffering bad ones - together. All of it made the Duchy a place like no other on the planet and hence it is appropriate that it is the only Grand Duchy in the world. I truly hope it stays that way.

12. AMCHAM: During your extensive travels around Luxembourg what feedback have you gotten from the Luxembourg people you have met?

Ambassador Evans: As the Ambassador from the United States, I heard two principle responses when I asked Luxembourgers directly for feedback. First, virtually everyone assured me that they had not forgotten the sacrifice made by Americans during the three liberations of Luxembourg, especially those during the Battle of the Bulge. (It is what made being here for the 75th Anniversary of the Battle of the Bulge so special.)

Second, Luxembourgers made clear that they know who they are, and while they share the same values, they are Luxembourgers, not Americans. I appreciated that. To know who you are and what you stand for is important for the long-term survival of a society, especially an affluent one.

13. AMCHAM: Tell us about the current embassy team? How many persons are assigned and what do they do?

Ambassador Evans: The Embassy has officers who work in our political/economic, public affairs, consular, management and security sections. In addition, we have about numerous support staff, who come from the U.S., Luxembourg, Germany, France, Belgium, and other countries. Our Deputy Chief of Mission, Casey Mace, who will continue to lead the Embassy after I leave, has been an integral part of all of our successes. As a result, I expect the momentum of our successes to continue through his leadership until the next Ambassador arrives.

14. AMCHAM: What words of advice would you offer to your successor?

Ambassador Evans: Believe in Luxembourg. Rather than judge it by the size of its territory, judge it by the size of its heart. It is that which has enabled it to survive when other countries would have failed; grow when other economies have succumbed; rise when others have stumbled; and constantly reinvent itself to fully take advantage of the best future for its people and their opportunity for fulfillment. It has done all this while never deviating from the core values of freedom and liberty.

(And, I have to say it to make coming back easier. Do not give up on a nonstop between the United States and Luxembourg. We have made great strides even amidst COVID, and if anyone can help make it happen, Gilles Feith at Luxair can.)

15. AMCHAM: What last words would you like to share with our readers?

Ambassador Evans: It's been the pleasure of a lifetime to serve here as the U.S. Ambassador. I have enjoyed everyone I've met and have been nothing but impressed with the members of AMCHAM. The work you are all doing on the economic front

is just as important in maintaining our bilateral ties as is the work done here by the embassy. And finally, God bless the Grand Duchy of Luxembourg and God bless the United States of America.

2. ATAD 2 – Latest news

Over the past year the AMCHAM tax committee has been deeply involved in the drafting of FAQs related to issues raised in the context of the rules against tax avoidance practices that directly affect the functioning of the internal market and, more in particular, the treatment of hybrid mismatches as laid down by Council Directive (EU) 2017/952 of 29 May 2017 amending Directive (EU) 2016/1164 as regards hybrid mismatches with third countries (ATAD 2). ATAD 2 has been transposed in the Luxembourg tax legislation through the law of 20 December 2019.

AMCHAM has been teaming with ALFI, LPEA and UEL in an effort aiming at bringing so clarity to tax payers. The result of that effort can be access by using the following link:

<https://www.amcham.lu/wp-content/uploads/2021/01/ATAD-2-FAQs-December-2020.pdf>

3. Navigating the Covid – 19 Pandemic in the Workforce

ALLEN & OVERY

In a series of webinars, members of Allen & Overy's Global Employment team discussed the significant issues and challenges that employers need to prioritise in relation to managing and supporting their workforce as we continue to navigate the Covid-19 coronavirus pandemic.

Their latest webinar can be viewed here, with kind permission of Allen & Overy.

<https://video.ibm.com/embed/recorded/128655770>

4. New 2021 Tax Measures at a glance from Hogan Lovells – reproduced with permission.

<https://www.hoganlovells.com/en/blogs/luxembourg-blog/luxembourg---main-new-2021-tax-measures-at-a-glance>

The logo for Hogan Lovells, featuring the name "Hogan Lovells" in a serif font, with "Hogan" on the top line and "Lovells" on the bottom line, set against a solid green square background.

5. Future Amcham Events

30th January 2021 – Opportunities for 2021 – Toastmasters of Luxembourg.

<https://www.amcham.lu/events/opportunities-for-2021-are-your-presentations-sexy/>

10th February 2021 – Live Webinar with **Ambassador Stronk** direct from US.

<https://www.amcham.lu/events/us-post-election-impact-on-luxembourg-and-europe/>



6. Hearty Chicken Soup

When we're sick, or hungover, or we've just eaten WAY too much junk, we always crave a simple and satisfying chicken noodle soup. Packed with veggies and protein, it's exactly what we need to get us back on track.

For those on keto, chicken noodle soup isn't exactly an option because of those pesky, carb-loaded noodles. Instead, this version gets a hearty boost with cauliflower rice, and we're big fans. Don't skimp on the ginger—it adds an irresistible kick to the broth. Serve with a squeeze of lemon or lime if you're feeling zesty.

INGREDIENTS

2 tbsp. vegetable oil
1 medium onion, chopped
5 cloves garlic, smashed
2" pieces fresh ginger, sliced
1 small cauliflower, cut into florets
3/4 tsp. crushed red pepper flakes
1 medium carrot, peeled and thinly sliced on a bias
6 c. low-sodium chicken broth
1 stalk celery, thinly sliced
2 boneless skinless chicken breasts
Freshly chopped parsley, for garnish

DIRECTIONS

In a large pot over medium heat, heat oil. Add onion, garlic and ginger. Cook until beginning to brown.

Meanwhile, pulse cauliflower in a food processor until broken down into rice-sized granules. Add cauliflower to pot with onion mixture and cook over medium high heat until beginning to brown, about 8 minutes.

Add pepper flakes, carrots, celery and chicken broth and bring to a simmer. Add chicken breasts and let cook gently until they reach an internal temperature of 165°, about 15 minutes. Remove from pan, let cool until cool enough to handle, and shred. Meanwhile, continue simmering until vegetables are tender, 3 to 5 minutes more.

Remove ginger from pot, and add shredded chicken back to soup. Season to taste with salt and pepper, then garnish with parsley before serving.

AMCHAM offers to each of you and your families our best wishes for your health and happiness. Be strong. Stay connected with your families and friends by phone and email. Use this time wisely and productively so you come out of this crisis stronger than when you started. For all those who don't know AMCHAM yet, please find our website here: <https://www.amcham.lu> and particularly our mission statement here: <https://www.amcham.lu/about-us/mission-statement/> and how you can join AMCHAM here: <https://www.amcham.lu/membership/> If you need us, we are here and will do all we can do to help. Feel free to pass on our newsletter to your colleagues and friends.

© Amcham Luxembourg