

Banking

- Luxembourg has 126 banks from 27 different countries
- They employ around 26,000 people in Luxembourg
- Banks in Luxembourg are strictly regulated and controlled
- Banks in Luxembourg conduct a wide range of activities: fund deposits, private banking, asset management, corporate finance and more

Banks allow clients to carry out financial transactions such as transfers and payments with debit and credit cards, stock market investments and sign leasing agreements. Banks therefore play a crucial role as intermediaries in our society. They give private and business customers the opportunity to deposit their money and receive interest (although fairly limited at present) on the money invested. The banks, in turn, can use this money to refinance projects by continuing to lend the money to other private individuals or businesses, or even to the State. These loans continue to support and boost economic growth and create jobs.

Luxembourg households have taken out a total of €39 billion in loans to finance their homes, cars or other private projects. Luxembourg companies, on the other hand, have borrowed up to €30 billion to purchase or build new machinery, material and factories to help the economy grow and the labour market develop. This clearly underlines the importance of banks for all of us.

Banks in Luxembourg are strictly regulated and rigorously supervised. Precise and strict criteria exist in relation to establishing and operating a bank in Luxembourg. This is constantly monitored by the CSSF, the financial centre's supervisor, with its 900 employees. Such strict regulation and supervision safeguards the financial system and protects customers' assets. In the event of a serious crisis, customer deposits are secured up to EUR 100,000 per person and per bank.

In total, the 126 banks from 27 different countries employ 26,000 people in Luxembourg and have a wide range of activities, including: fund deposits, asset management, corporate financing and much more. They are not only a strong factor within our economy, as well as one of the country's largest employers, but they also pay taxes and duties of up to €2 billion a year; a major addition to the annual State budget..

Due to the severe global financial crisis in 2008, banks in Luxembourg had to be rescued. This was not only necessary, but also profitable. The costly rescue operations have so far injected more than €200 million in profit into the national treasury.

