

## Press release

Luxembourg, 29 March 2018

### LUXEMBOURG UCITS TURN 30 ON FRIDAY 30 MARCH 2018

- **ALFI wishes “Happy Birthday” to one of the EU’s strongest brands and the only globally distributed investment fund product**
- **Two out of three UCITS funds distributed internationally are based in Luxembourg**

On 30 March 1988, 30 years ago, Luxembourg implemented the European UCITS<sup>1</sup> Directive into national law. It was the first country to take this important step.

Since then, Luxembourg has become the global leader for cross-border distribution of investment funds, and **today 65% of UCITS funds distributed internationally are based in Luxembourg**. The first-mover advantage proved to be significant: international asset managers, notably from the US, Germany and Switzerland, recognized the arising opportunities of UCITS early on, choosing Luxembourg as a hub from which to develop their EU business. Today, asset managers from these markets are still amongst the top initiators of Luxembourg UCITS.

Luxembourg UCITS are held by investors resident in over 70 countries worldwide, including markets in Europe, Asia, Africa, the Middle East and Latin America and **Luxembourg now has over EUR 3500 billion assets under management in UCITS investment funds**.

A growing number of countries in Asia and Latin America have accepted **UCITS as a stable, high quality, well-regulated investment product with significant levels of investor protection**. Fund initiators choose to set up UCITS in Luxembourg to benefit from the country’s unequalled know-how and expertise, regulatory framework, and political and economic stability. A comprehensive ecosystem of fund administrators, compliance and risk management specialists, lawyers and service providers, more recently joined by a number of ‘fintechs’ dedicated to investment funds, has developed over the past 3 decades, transforming Luxembourg into a true centre of excellence.

Looking forward and based on the same fund ‘passporting’ concept as for UCITS, the European Union’s Alternative Investment Fund Managers Directive (AIFMD) that entered into force in 2013, also benefits from the Luxembourg know-how and is set to become the next success story, with Luxembourg private equity and real estate investment products managed under AIFMD experiencing impressive growth rates.

Over the years, the UCITS regulation has undergone a series of improvements and updates and Luxembourg has always been among the first to implement each UCITS directive into national law.

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<sup>1</sup> UCITS stands for ‘Undertakings for Collective Investment in Transferable Securities’. The directive provides for a harmonised UCITS framework across the European Union for open-ended funds investing in transferable securities such as shares and bonds.

Denise Voss, Chairman of ALFI comments: “Since the very beginning, **ALFI has been one of the most fervent promoters of UCITS funds and we continue to promote the benefits of UCITS and Alternative Investment Funds through our busy programme of roadshows and events that cover five continents. Wherever we go, we are pleased to see how well known and appreciated Luxembourg is in this context.**

“ALFI is committed to remaining at the forefront of all changes and improvements to the European investment fund regulatory and operational framework, and to offering state-of-the-art solutions for the evolving needs of the asset management industry and investors worldwide. **We wish “long life and prosperity” to the global brand that is UCITS which, with the increasing need for investors to take responsibility for their own long-term financial security, will have an increasingly important role to play going forward.**”

Statistics on UCITS can be found [here](#).

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**Notes to editors:**

**The Association of the Luxembourg Fund Industry (ALFI)** is the representative body of the Luxembourg investment fund community. Created in 1988, the Association today represents over 1500 Luxembourg domiciled investment funds, asset management companies and a wide range of service providers such as custodian banks, fund administrators, transfer agents, distributors, legal firms, consultants, tax experts, auditors and accountants, specialist IT providers and communication companies. The Luxembourg Fund industry is the largest fund domicile in Europe and a worldwide leader in crossborder distribution of funds. Luxembourg-domiciled investment structures are distributed on a global basis in more than 70 countries with a particular focus on Europe, Asia, Latin America and the Middle East. For further information, do not hesitate to consult our website at [www.alfi.lu](http://www.alfi.lu)

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