association of the luxembourg fund industry

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**Luxembourg updates its fund legislation**

Today, Luxembourg's Parliament published a new draft law[1] that is aimed at improving and modernising the country's investment toolbox. The proposed changes impact five sectoral laws, namely the laws on SICARs, SIFs, RAIFs, UCI Part II Funds, and AIFMs.

Some of the changes include extending the deadlines to reach the minimum capital, offering additional structuring options of UCI Part II funds, allowing AIFMs to use tied agents, reducing the minimum investment capital requirement from EUR 125,000 to EUR 100,000 to qualify as well-informed investor, and administrative simplification.

ALFI welcomes the changes proposed by the draft law. We believe that this initiative demonstrates Luxembourg's ability to keep up with new developments and that it will further enhance the legislative framework of the fund industry, which operates in a highly competitive international environment.

For more information, please refer to the draft law.

**ENDS**

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Notes to editors:

The Association of the Luxembourg Fund Industry (ALFI) represents the face and voice of the Luxembourg asset management and investment fund community, championing mainstream, private assets and sustainable investing. ALFI seeks to promote Luxembourg's fund sector internationally, and to cultivate for the benefit of its members a collaborative, dynamic and innovative ecosystem underpinned by the most robust regulatory framework. ALFI's ambition is to empower investors to meet their life goals.

Created in 1988, the Association today represents over 1,500 Luxembourg domiciled investment funds, asset management companies and a wide range of business that serve the sector. These include depositary banks, fund administrators, transfer agents, distributors, legal firms, consultants, tax advisory firms, auditors and accountants, specialised IT and communication companies. Luxembourg is the largest fund domicile in Europe and a worldwide leader in cross-border distribution of funds. Luxembourg domiciled investment funds are distributed in more than 70 countries around the world.

[1] Projet de loi n° 8183 portant modification de :
1° la loi modifiée du 15 juin 2004 relative à la société d'investissement en capital à risque (SICAR) ;
2° la loi modifiée du 13 février 2007 relative aux fonds d'investissement spécialisés ;
3° la loi modifiée du 17 décembre 2010 concernant les organismes de placement collectif ;
4° la loi modifiée du 12 juillet 2013 relative aux gestionnaires de fonds d'investissement alternatifs ;
5° la loi modifiée du 23 juillet 2016 relative aux fonds d'investissement alternatifs réservés .