

Luxembourg: funds and the European passport

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Luxembourg is Geneva's most direct European competitor in wealth management and the only French-speaking centre of comparable rank. Its strength lies in investment funds, of which it is the leading European centre and the second largest in the world, and in the European passport, which allows a Luxembourg fund to be distributed throughout the Union.¹ The Geneva houses domicile a significant share of their funds for European clients there, which makes Luxembourg both a competitor and part of the infrastructure of the Geneva financial centre. Its sixteenth place in the Global Financial Centres Index, ahead of Geneva, reflects this platform function.²

Luxembourg also offers international private banking, fed by European clients who wish to remain within the Union, as well as a life insurance centre used for the estate planning of French, Belgian and Italian residents. French is among its administrative languages, which makes it a credible alternative to Geneva for French-speaking clients, though without Swiss neutrality or Geneva's expertise in commodity trading. The relationship between the two centres is one of competitive complementarity: Geneva manages, Luxembourg domiciles and distributes, and each tries to enlarge its share of the value chain.

1 Notes

1. Net assets of Luxembourg undertakings for collective investment: EUR 6,199 billion at 31 December 2025, across 3,036 undertakings; "L'actif net des OPC luxembourgeois atteint 6.199 milliards d'euros" (Net assets of Luxembourg UCIs reach EUR 6,199 billion), Paperjam, 19 February 2026, citing the Commission de surveillance du secteur financier. ↩

2. The Global Financial Centres Index 39, March 2026, cited above. ↩

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