



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Service information et presse

Speech by Prime Minister Jean-Claude Juncker
Subject: “Seizing the opportunity for philanthropy in Luxembourg”
at: Philharmonie, Luxembourg
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- The speech actually delivered is the true version -

Monsieur Ahlborn,
Honorary Minister of State,
Minister,
Ambassadors,
Deputies,
Excellencies,
Ladies and Gentlemen,

[...]

My presence here, dear friends, is the result of friendly lobbying by my predecessor, Jacques Santer – who I was never able to refuse when he gave me a mission. While he was Prime Minister, I aspired to every possible mission, and now that I am and he was, I allow myself as a general rule to be inspired by, as Monsieur Ahlborn described it, his wisdom and humanity.

First of all, I want to say to Monsieur Ahlborn, Monsieur Depoorter and Banque de Luxembourg how much I appreciate the initiative that you are taking. It is true that we often reflect on the inter-relationship that there could be between the State, public action, and philanthropy and philanthropic action. The State is responsible for collective needs, needs that have been distilled, discovered and collectively exposed and accepted. But the State cannot do everything. Although it is responsible for collective needs, it does not have the ability required to identify new needs, or the ability to appreciate the true value of specific needs that exist in our society.

While I encourage philanthropic action and while the government would like to give it a stronger framework, I do not advocate disengagement by the State. Philanthropic action is not there to discharge the State from its essential and secondary duties.

Pascal said: “I like things that go together.” And public action and philanthropic action are things that go together; which means that Luxembourg, which is so good at nurturing and feeding, encouraging and supporting so many ambitions, must now provide itself with a genuine policy of philanthropy, something that we do not have as I speak to you now.

In my preparatory work leading to this morning’s speech, I discovered many areas in which the government could act. There are many fiscal and regulatory barriers hampering philanthropic action that need to be eliminated. It’s not only about taxation of course: I do not believe that only tax optimisation will encourage and underpin philanthropic action. But it is clear that the tax framework for philanthropic action in Luxembourg is too short-sighted. A thorough review is needed of the tax rules governing philanthropic action.

We will do what is needed. We will do what is useful. We will not do everything that may come to light, even after review, as that would be unreasonable. Consequently, the

government – and it will announce this at the national address *[on 22 May 2008]* – will create a tax package, dare I say, and a regulatory package that will enable Luxembourg philanthropic action to develop more effectively.

I want us not to lose sight of the element of continuity in philanthropic action. That element of continuity is absolutely lacking at the moment. I want us to accord greater importance to the advisory activity that should be offered to those who seek goals for their philanthropic action. I want us not to forget the cross-border aspects of philanthropic action and policy that we can develop together. I want us to take inspiration from the experience, expertise, and know-how of our French, German and Belgian neighbours.

I want us to establish an umbrella structure, a framework that will give philanthropic action a structure of organised generosity. I want this framework, which we believe should be in the legal form of a public utility foundation, to be fully independent.

When I say that the State should not be disengaged, when I say that the State must be the instigator, when I say that the State must give the impetus, when I say that the State can be an inspiration, I also mean that the State cannot be the only force driving the creation of this framework. I want this foundation to be independent. I want to see it associated with the charitable works of Grand-Duchess Charlotte, which are themselves rooted in long experience, in many instances going back several decades, and have a know-how and expertise that is unparalleled in other Luxembourg organisations and associations. I want those charitable works to be closely linked without abandoning the missions in which they are currently involved.

I want us to do all this rapidly. I want to be able to present to parliament a set of – in inverted commas – ‘philanthropic’ measures on 22 May 2008. I urge all those who have honoured me with an invitation to this symposium to get to work, with this date in mind. If, on that date, we are not a position to tell parliament of our philanthropic ambitions, we will have missed a wonderful opportunity.

I have learnt, after an already long life in politics – that some probably think has already been too long – that if you have an idea, if you can manage to rally a significant number of friends around that idea, you should act quickly. Reflect hard and act quickly. That is the key to achieving all the ambitions expressed.

Consequently, Ladies and Gentlemen, I invite you – well, not all of you – to parliament on 22 May 2008 where we will try to set the tone based on the work you achieve. For my part, I wanted to set my tone as we begin this morning.

Thank you.

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Banque de Luxembourg

Established in Luxembourg since 1920, Banque de Luxembourg offers wealth management expertise to private and professional investors in Luxembourg and Europe.

Our philanthropy advisory services are the natural extension of our objective to be at our clients' sides at every stage of their life, with analytical and project management expertise, and in-depth knowledge of their expectations.

As a committed sponsor of the Luxembourg social and cultural scene, the Bank organised this symposium to promote the development of philanthropy in Luxembourg.

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