



Investing in Europe's Energy and Defense: Luxembourg Offers Efficient Financing Solutions

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What's happening

- Geopolitical developments are highlighting Europe's vulnerabilities in energy security and national defense capabilities.
- Europe is increasingly focused on developing its own capacity, including significant investment in energy and defense manufacturing.
- Energy and defense project financing is a critical priority for governments and private stakeholders.
- Traditional sources of funding are insufficient.
- Investment funds based in Luxembourg provide innovative financing solutions.

Why

- Luxembourg is the largest fund domicile in the European Union (#2 globally after the U.S.).
- Access to private capital on global basis: Luxembourg domiciled funds offer ability to pool private capital from professional investors. Over 90% of the top 30 global credit fund managers are present in Luxembourg due to its scale and investment protections.
- Flexibility: Luxembourg domiciled funds can be tailored to meet the specific needs of energy and defense projects, including infrastructure development, energy initiatives, advanced defense technologies, and space projects.
- Tax framework: Tax-efficient environment offering tax neutrality for most fund vehicles, and extensive network of double taxation treaties.
- Stability and regulatory standing: Luxembourg offers pragmatic supervisory authority, access to EU marketing passport, and compliance with EU standards providing governance and investor protection safeguards.

Why it matters

- Luxembourg's capacity to harness global private capital enables solutions to Europe's pressing defense and energy needs

What we do

Investment fund structuring

- Cross border fund formation capabilities with extensive experience in infrastructure, private equity, and all alternative areas of investment.
- Represent diverse range of fund sponsors and institutional investors across all fund types and structures in all major jurisdictions.
- Broad experience on fund's investor due diligence.
- Global regulatory capabilities, including on ESG-related topics.

Transactional capabilities

- Advise on the whole private equity / M&A cycle, so on all transaction types (fund formation, co-investments, secondaries – including general partner (GP)-led and continuation funds), feeders, discretionary and non-discretionary advised accounts, and initial public offerings (IPOs).
- Apply a tailor-made and business focused approach.

