

The Liechtenstein Investment Fund Association

Liechtenstein's ambitious investment fund centre offers a wide range of possibilities when it comes to setting up funds. On an international comparison it stands out positively with its swift licensing procedures and moderate start-up, administrative and supervisory costs.

The first investment fund pursuant to Liechtenstein law was set up in 1996. Since then the fund centre has experienced continuous growth. Clients benefit from the flexibility of an innovative fund centre with EU-compliant investment fund structures. EU passporting ensures simple and non-discriminatory access to the European market. A large proportion of the funds domiciled in Liechtenstein are white label funds. These investment funds are individually configured to meet the needs of the promotor. Fund promoters are mainly independent asset managers, managers of alternative investment funds (AIFM), family offices or high net worth private individuals. They determine the names, the investment and marketing structure as well as the fee structure.

A streamlined bureaucracy means that funds can be launched quickly and efficiently. There are statutory limits on the time that the Financial Market Authority is allowed to take to licence new funds for sale. Depending on the particular fund type, this amounts to 10 or 20 working days. On an international comparison, the cost of setting up, overheads and supervision fees are very competitive. Once they have been launched, Liechtenstein investment funds are fully liable for tax. Earnings are tax-exempt, however, and are therefore effectively not taxed. In addition, Liechtenstein does not impose withholding tax on distributions. By state treaty, Liechtenstein is obliged to adopt EU regulation. Therefore, investors have the same legal security as with a fund domiciled in the EU. In addition, the business activities of the fund companies are reviewed by the financial market authority and auditors.

At the end of 2023, 18 asset management companies or managers of alternative investment funds (AIFM) were registered.

An investment fund can consist of a single fund or as an umbrella of one or more sub-funds. At the end of 2023, 836 single funds and sub-funds were licensed.

Net assets under management at the end of 2023 amounted to CHF 103 billion. The number of non-domestic investment funds licensed for sale in Liechtenstein amounted to 1159, and there were 2398 sub-funds with a sales licence.

Contact

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The Liechtenstein Investment Fund Association was founded in the year 2000 as an industry association. Its members include all UCITS management companies, most managers of alternative investment funds (AIFM) and further fund sector service providers, such as for example custodian banks, law firms, auditors, specialised IT service providers or training and further training institutions. It promotes the development of the Liechtenstein investment fund centre and represents the interests of the domestic fund sector at home and abroad. In addition, the LAFV is a member of the European umbrella association EFAMA as well as of the global association IIFA.