

The Liechtenstein financial centre

Thinking in generations

Liechtenstein is a constitutional hereditary monarchy based on democratic and parliamentary principles that is closely aligned with the European system of values and law and also enjoys a high reputation for its high political and economic stability (Triple-A-Rating).

Market access

Liechtenstein has been a member of the European Economic Area (EEA) since 1995. This means it offers unrestricted market access to 29 states and around 450 million people in Europe.

The customs and currency union with Switzerland also secures access to the neighbouring state.

Financial Services

With its long-standing experience and wide range of services, it combines solutions for the preservation of wealth over generations with fast and innovative regulatory solutions at the cutting edge of technological and other financial developments.

Liechtenstein Financial Market Authority

Pursuant to its statutory remit, the Liechtenstein Financial Market Authority (FMA) is responsible for guaranteeing the stability of the Liechtenstein financial market, the protection of clients, the prevention of abuses as well as the implementation of and adherence to recognised international standards.

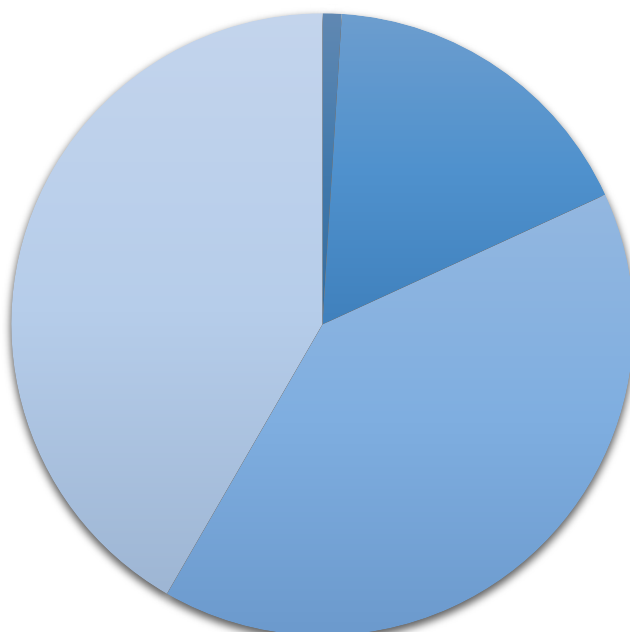
Market operators

- 11 banks
- 3 e-money institutions
- 15 pension schemes
- 3 pension funds
- 30 insurance companies
- 89 asset managers
- 122 fiduciaries
- 817 single funds and sub-funds
- 1,396 common-benefit foundations

Gross added value by economic sector

The Liechtenstein financial sector is highly diversified and maintains strong international networks. It is the third largest economic sector in the Liechtenstein economy after industry and general services.

(Source: Office of Statistics)



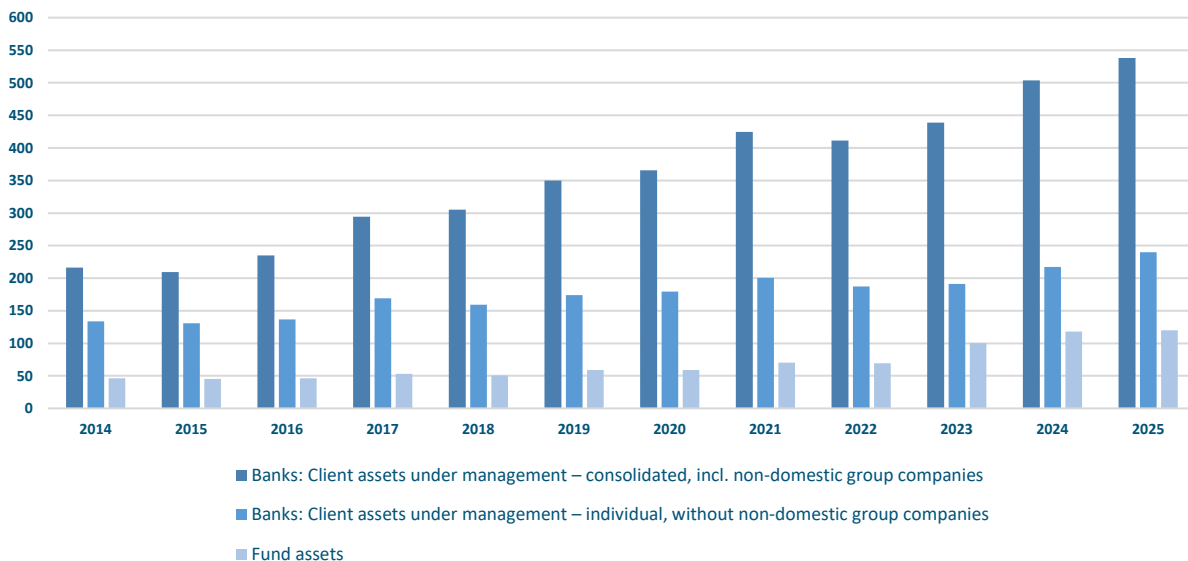
- 0.2 % agriculture and households
- 17.3 % financial services
- 40.5 % general services
- 42.2 % industry and manufacturing

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Assets under management & investment fund assets (in CHF bn)

(source: FMA Annual Report)



Locational advantages financial centre Liechtenstein

- Unrestricted access to Switzerland thanks to the customs union of 1923 and the adoption of the stable Swiss franc as currency as a result of the monetary union
- Unrestricted access to the European single market thanks to membership of the European Economic Area (EEA) since 1995 and the associated full adoption of EU law
- AAA country rating awarded by Standard & Poor's
- High political and economic stability and security
- Broadly diversified economy with strong industrial sector
- Liberal legal system in line with European and international standards
- Commitment to internationally accepted legal and tax standards
- Attractive operating conditions that promote new technologies and financial solutions
- Short and efficient decision-making channels
- Low-risk business models (no investment banking, no state aid in the 2008 financial crisis) and excellent capitalisation with an average tier 1 ratio of over 20 %
- Responsible pioneer with sustainable asset investments and structures as well as comprehensible products
- Cross-generational outlook and continuity in personal client relationships

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Quality

The Liechtenstein financial centre is closely aligned with the European system of values and law, offers its clients comprehensive market access to the EU as well as to Switzerland, and guarantees political and economic stability. With its long-standing experience and broad range of services, it stands for first-class, long-term wealth solutions and the preservation of assets over generations.

Sustainability

Sustainability has always been an important concern for Liechtenstein and its financial centre and, along with stability and quality, is one of the three cornerstones of its strategy for the future.

As a clear distinguishing criterion, responsible, sustainable action was established as a component of the culture in the Liechtenstein financial centre through the government's Financial Centre Strategy of February 2019.

The Liechtenstein banks' business models focus on the long-term and not on short-term profit-seeking. No bank is active in investment banking. They are also actively involved in sustainability initiatives across a wide range of areas and are committed to high standards of corporate governance.

Innovation

"Blockchain Act"

The Liechtenstein Token and Trusted Technology Service Providers Act (TVTG) came into force at the beginning of 2020. The TVTG entrusts the FMA with the registration and event-driven supervision of service providers that provide services on systems such as blockchain, thus creating legal certainty for many current and future business models.

Liechtenstein Venture Cooperative

By founding a Liechtenstein Venture Cooperative, a special form of cooperative, innovators bring their idea directly into a dedicated legal form, thus preparing the foundations for facilitated cooperation with other know-how providers and capital lenders. The LVC provides a legal basis for bringing together professional services, contributions in-kind as well as capital contributions from various parties (natural persons and legal entities) that are required to develop an innovation, in the form of an investment.