



# LINARI LAW FIRM

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## AVOCATS A LA COUR

### **Fostering entrepreneurship in Luxembourg – the intended reform of the business licence framework**

Fostering entrepreneurship is a major objective for the Luxembourg economy, as presented last week by the Luxembourg minister for the Middle Classes. To this end, the minister has suggested to reform the existing legal framework in relation to business licences by implementing several measures.

First of all, entrepreneurs will have a “second chance” to obtain a new business licence to start another economic activity in case they had failed at their first attempt (e.g. went bankrupt notably as a result of strategic miscalculations in their first unsuccessful activity, etc). Secondly, certain categories of economic activity will no longer require a proof of qualification from the potential business licence holders taking into account recent digitalization trends in respect of certain economic activities (such as photographers, sound producers, etc). Thirdly, administrative formalities and the conditions for the transmission of a business licence will be considerably relaxed.

It is equally noteworthy that public policy will play an even greater role in the entrepreneurship process, notably, the controls over the money laundering and terrorism financing activities would be reinforced and the public authorities (such as the RCS, the ministry for the Middle Classes, the CSSF, the tax agencies) will participate in an more extensive exchange of information regime for the purposes of prevention of money laundering and terrorist financing activities.



The intended reform does not fall short of the aspirations to protect the consumers from dishonest entrepreneurs either as these could be provided with a real-time online tool to verify the qualifications and the validity of a business licence of the relevant entrepreneur.

Please visit our website and social media accounts for further information on the scope of legal services we offer to entrepreneurs or reach out to our team members directly to discuss your potential projects.