

ASSISTING FRAUD VICTIMS IN LUXEMBOURG IN TIMES OF COVID-19

Country: LUXEMBOURG

1. MOST CRITICAL PHASE OF THE CRISIS

As long as measures to prevent the spread of Covid-19 restrict freedom of movement: What are the effects of the Covid-19 crisis on civil justice?

- **Is there special legislation on the effects of the crisis on civil justice?**

The Luxembourg government introduced legislation in different matters:

- Labour law regarding partial unemployment
- Civil procedure regarding a suspension of the deadlines and the execution of judgments
- Company law regarding non-physical general meetings/board meetings

- **Does the crisis have an effect on court hearings?**

- Do court hearings take place during the crisis?

Only for very urgent matters in criminal cases. Court hearing are limited to the very minimum. All non-urgent matters have been postponed after the COVID crisis.

Urgent criminal proceedings which used to be oral proceedings are now handled in a written manner.

- Do court hearings take place in form of video conferences?

Under Luxembourg law, court hearings cannot be taken in form of video conferences.

However, in criminal matters, with regard to the hearing of applications for release from prison, the defendant may attend hearing by videoconference.

- **Does the crisis have an effect on deadlines (of procedural and substantive law)?**

- Are deadlines of ongoing proceedings affected?

All deadlines are suspended in civil, commercial and administrative matters.

- Are deadlines for bringing actions affected (limitation periods)?

As for deadlines of ongoing proceedings, the limitation periods are also suspended and will resume after the *état de crise*.

- **Does the crisis have an effect on enforcement?**

- Are enforcement orders issued?

As for the deadlines, enforcements are suspended.

- Are there any effects on deadlines?

Yes, all deadlines are suspended.

- Can enforcement acts be postponed due to the crisis?

Yes.

- **How do courts work during the crisis?**

- Are courts closed?

Yes, there is only very limited access to the courts, only for urgent hearings.

- Can courts / judges be contacted?

Judges can be contacted via phone, email and fax.

- Are documents served?

Documents can be served.

- **How are particularly urgent matters handled, in particular requests for interim measures such as injunctions and freeze orders?**

Freezing orders can be served by the bailiff. Urgent matters will be pleaded upon decision of the judge presiding who will decide whether the matter is urgent.

- **How do lawyers work during the crisis?**

We work from home where we have total access on our files. Most law firms seem to have moved to home office.

- **How do banks work during the crisis?**

Banks are still open with limited staff, mostly working from home.

- **Does the crisis have an effect on insolvency law?**

No further bankruptcy decisions are taken for the moment unless there are employees involved.

- **Are there any further effects not addressed in the questions above?**

None.

2. FORECAST: AFTER THE CRISIS AND LONG-TERM EFFECTS

What are the consequences of the Covid 19 pandemic once the pandemic has abated, in the gradual return to a new normality and what are the long-term effects?

- **Which measures introduced during the crisis will be withdrawn immediately?**

In our opinion all measures will be withdrawn as most of them are limited to the *état de crise* which has been declared by the government following Grand Ducal Regulations of 18 March 2020.

- **Which measures will remain in place?**

We are of the opinion (and hope) that a willingness to go for more paperless justice will remain.

- **Will enforcement of economic crime, including corruption matters be weakened due to the lack of financial resources?**

No, we are not of such opinion. We consider that fraud cases may rise.

- **Do you expect a rise of new anti-corruption prosecutions after the crisis?**

We may think due to the fact that people are more working from home hence connection from their private desktop. This may increase cyber-criminality as the risk is heightened by the fact that contact between private individuals is greatly reduced, and in some cases even impossible, in the context of the company's management as well as in its day-to-day business.

More still, the digitalization of everybody's activity as well as the recourse to home working (*télétravail*) allows fraudsters to be more efficient. The widespread use of modern technology has led to the emergence of a very specific type of crime that is of concern to companies and financial institutions.

- **Will the ratio of third party funded matter rise?**

At this stage, we have no opinion on that.

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