



## **Press release**

**09/07/2020**

# COVID-19 Luxembourg: 63% of financial institutions accelerated the development of IT solutions during lockdown, says KPMG and ABBL survey

- **Entire sector prepared to manage a second wave**
- **Almost a quarter of institutions anticipate reducing office space in the future**
- **Majority of financial institutions to maintain some level of homeworking**
- **Over a third of finance firms report surge in cyber attacks**

In the first survey of its kind since the pandemic began, forty-three Luxembourg financial institutions have shared their experiences of the impact of COVID-19 on their businesses. The primary research, conducted by the Digital Banking and Fintech Innovation Cluster of the Luxembourg Bankers' Association and KPMG Luxembourg, covers the main phases of crisis response: Reaction & Resilience (short-term impact), and Recovery & New Reality (plans and expectations for the medium-term).

Jean Pascal Nepper, Head of Consulting at KPMG Luxembourg, explains:

“Financial institutions in Luxembourg, like many other companies, have been significantly impacted — being required to comprehensively change the way they operate and organize themselves, almost overnight, in order to face the lockdown while maintaining their operations in a secure, customer-centric and employee-supportive manner. In moments of crisis and doubt, the way you handle both your customers and your employees is key, as to maintain a high-quality customer experience, you also need to maintain a high-quality employee experience.”



Jean Hilger, Chairman of the Digital Banking and Fintech Innovation Cluster at the ABBL went on to explain the uncertainty surrounding recovery plans:

“Today, as we write these lines, there are still many uncertainties as to how the world and, closer to us, the Luxembourg economy, will recover from these extraordinary events. Economists, journalists, writers and futurists resort to multiple letters of the alphabet — V-shape, U-shape, L-shape — to try to describe or anticipate what’s going to hit us next. Most of these predictions are highly speculative and should be treated with care.”

To conclude, Jean-Pascal explained how the report can help respond to this uncertainty:

“In this unexpected context, where we are all learning by doing and where guidance and benchmarking are actively sought, we thought it would be relevant to try to gather the sum of experiences and feedback from Luxembourg-based financial institutions — not only their reactions during the crisis but also, and maybe more importantly, the new reality that imposes itself upon us going forward.”

Read the report on [www.kpmg.lu/covid19survey](https://www.kpmg.lu/covid19survey)

### About the survey

Forty-three financial institutions answered a series of 30 questions online between 3 and 17 June 2020. The questionnaire was broken down into two main sections. The first section focuses on reaction and resilience: responding to the crisis and managing through uncertainty. The second section focuses on recovery and new reality: planning an exit from lockdown and adapting to the new world.

**Ends**

**Notes to editors:**

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