

# Luxembourg implements the Directive on whistleblowers

## Background

On 17 May 2023, the law transposing the Directive (EU) 2019/1937 on the protection of persons who report violations of Union law was published in the *Mémorial A* ("**Whistleblower Law**").

## Protection granted to whistleblowers through dedicated reporting channels

- The purpose of the Whistleblower Law is to establish a comprehensive legal framework offering protection to persons who report or disclose illicit acts or omissions contravening Luxembourg or EU law ("**Reporting Persons**").
- Reporting Persons are effectively protected against any form of retaliation by their employer and are provided with effective legal remedies.
- Reporting Persons will not incur any liability for obtaining or accessing information that is reported or publicly disclosed.
- Protection is granted to Reporting Persons in both private and public sectors, including independent contractors, shareholders, executives, volunteers, interns, contractors, and suppliers. The protection also extends to facilitators and third parties linked to Reporting Persons and legal entities affiliated with Reporting Persons.

## The obligation to implement dedicated reporting channels and procedures

- Private and public entities with 50 employees or more must establish dedicated written and oral reporting channels and procedures. These channels must ensure the confidentiality of the Reporting Persons and any mentioned third parties.
- Said entities must appoint an impartial person responsible for the diligent follow-up of the report.
- Failing to implement said procedures, or failing to meet diligent follow-up requirements, may enable Reporting Persons to proceed with an external report or even to publicly disclose said illicit acts or omissions to the public.

## Criminal sanctions and penalties

- Entities which fail to implement said reporting channels and procedures could face fines ranging from 1,500 to 250,000 euros, with penalties potentially reaching up to 500,000 euros for repeat offences.

## Transitory measures

- The Whistleblower Law entered into force on 21 May 2023.
- For entities employing between 50 and 249 employees, the obligation to implement these procedures is deferred until 17 December 2023. Such entities may "share resources" by organising a joint service, for example, within a group of companies.

For any further information please contact us or visit our website at [www.elvingerhoss.lu](http://www.elvingerhoss.lu).

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