

## I. NEWS ON BUSINESS CLIMATE IN BELGIUM

- a. Belgium in 4<sup>th</sup> place worldwide in attracting foreign investments (2006)
- b. New fiscal stimuli to benefit companies active in R&D
- c. Belgium one of the biggest investors in the BRIC countries
- d. Good results for the port of Antwerp
- e. Brussels Airport ever more important for freight transport
- f. 4,200 new jobs in the technological industry during first year of notional interest deduction
- g. Belgian export of polished diamonds up by 25 %
- h. Toyota invests € 80 million to expand its research and development centre in Zaventem
- i. Belgium has the largest number of millionaires per capita
- j. Faster business or work visas for foreigners
- k. Indian consortium Caliber Corporation opens distribution centre in Liège
- l. Research centres can attract foreign talent even faster now

## II. BELGIUM IN CHINA

- a. Solvay strengthens position in high-quality fluorine compounds in Asia
- b. A Belgian–Chinese joint venture on soil treatment (Dalian)
- c. 300 USD Belgian investment in windpower factory in Tianjin
- d. Athletes' Alley, an Olympic gift from Belgium
- e. Vlerick Management School organizes Peking University's MBA programme BiMBA
- f. A snapshot of Belgium at the Olympics
- g. 2008 Belgian Cultural Festival in Beida University (29.10-5.11)
- h. Belgium organizes largest European Festival on China (2009)

## I. NEWS ON BUSINESS CLIMATE IN BELGIUM

### a. Belgium in 4<sup>th</sup> place worldwide in attracting foreign investments (2006)

A study by the Catholic University of Leuven (KUL) "*Foreign Direct Investments, trends and developments*", indicates that Belgium is in 4<sup>th</sup> place worldwide in attracting foreign investments (2006). Only the US, the UK and France outdo it. With 72 billion dollars worth of inward investments our country is doing very well. In 2006, 63 billion dollars left Belgium in outward investments, giving a positive balance of 9 billion.

### b. New fiscal stimuli to benefit companies active in R&D

Since 01/07/2008 new fiscal stimuli have been introduced to benefit companies located on Belgian territory that are active in research and development. Exemption from withholding tax for employers of researchers has increased from 50 % to 65 %. In fact, this measure puts researchers employed in the private sector on the same footing as those in the public sector, i.e. those employed by universities, colleges, who have enjoyed exemption for 2 years already. The objective is to encourage investment in scientific research. As a result of this new fiscal stimulus the cost of a researcher in Belgium will drop by 10 to 12 %. This measure comes on top of the 80% tax exemption on income from patents, which came into force last year. This reduces fiscal pressure in Belgium from 33.99 to 6.8 %.

### c. Belgium one of the biggest investors in the BRIC countries

Of the 27 EU member states, Belgium is one of the biggest investors in the BRIC countries (Brazil, Russia, India, and China). A survey by *Eurostat* shows that Belgian companies invest mainly in Russia and China. Belgian investments in Russia doubled (€ 958

million in 2007). In China, too, there was a marked increase in investments (€ 369 million). India seems to be less important for Belgian companies at the moment, with € 28 million.

#### **d. Good results for the port of Antwerp**

In the first six months of 2008 the port of Antwerp handled 8.1 % more goods than in the same period last year. Goods turnover exceeded 96 million tons. Container traffic rose by 12 % to 52 million containers. The Deurganck dock did especially well with 39 % growth. Bulk goods handling rose by a good 9 % in the first half of 2008. Crude oil (+34 %), ores (+27.8 %) and coal (+22.8 %) are the most striking leaders. Antwerp has also strengthened its position as a distribution hub for chemical products, with a growth in chemicals of just over 8 %.

#### **e. Brussels Airport ever more important for freight transport**

Brussels Airport is becoming an ever bigger player in the freight traffic market. The *ACI (Airports Council International) World Airport Traffic Report 2007* shows that Brussels is the 6th largest freight airport in Europe and ranks 26<sup>th</sup> worldwide, thanks to an 11 % growth in cargo traffic to nearly 750,000 tons. If only international freight traffic is taken into the equation the national airport moves up into 20<sup>th</sup> place, with a good 737,000 ton.

#### **f. 4,200 new jobs in the technological industry during first year of notional interest deduction**

Since 2006 companies based in Belgium have been able to deduct a fictitious interest from their equity base, the so-called notional interest deduction. A study carried out by the Catholic University of Leuven (KUL) indicates that an extra 4,200 jobs were created in the technological industry during the year following the introduction of the notional interest deduction. Konings sees various reasons for this important positive impact on the technological industry – the cost-effectiveness and therefore also the fiscal advantage is relatively high for this sector; the technological industry comprises a comparatively large number of big companies, which make more use of the notional interest deduction etc.

#### **g. Belgian export of polished diamonds up by 25 %**

Belgian exports of polished diamonds rose 25 % from January to July 2008 compared to the same period in 2007. 5,646,813 carats, worth US \$ 7,993,860,039, were exported.

#### **h. Toyota invests €80 million to expand its research and development centre in Zaventem**

The Japanese car manufacturer *Toyota* is investing € 80 million to expand its European research and development centre in Zaventem, having already invested € 75 million there in 2006. At the *Toyota Motor Europe Technical Centre* in Zaventem vehicles have been developed and adapted to suit the requirements and tastes of the

European market since 1987. It currently employs around 800 people and will require another 250 or so in the next 2 years. Thanks to this investment the number of employees at the research centre will rise to over 1000. Including those in Diest, Evere, Zaventem and Zeebrugge, *Toyota* has more than 3000 employees in Belgium.

#### **i. Belgium has the largest number of millionaires**

Of all the countries in Europe Belgium has the largest number of millionaires (in US \$) in relation to the number of inhabitants. These figures come from the *Boston Consulting Group*. In the world top ten, apart from Switzerland only three Arab oil countries, the US and Singapore outdo Belgium.



#### **j. Faster business or work visas for foreigners**

Since 15/09/2008 the Service for Economic Migration, which is part of the Immigration Office, has been operational in Belgium. This will give foreigners faster access to work or business visas allowing them to work in Belgium. Belgian embassies will continue to be responsible for delivering the visas. The new Service for Economic Migration will provide support for the embassies and other competent bodies. The Service for Economic Migration will also act as the point of contact for the business world, supplying information on obtaining work permits, procedures and exemptions.

#### **k. Indian consortium Caliber Corporation opens distribution centre in Liège**

*Caliber Corporation*, an Indian consortium of textile manufacturers and exporters, is to open a marketing and distribution centre in Liège. *Caliber Corporation* will commercialise the whole of its textile production from Liège, particularly furnishing fabrics sourced from *Cauvery Hi-Tech Weaving Park* in Lomarapalayam, in southern India. By establishing itself in Liège *Caliber Corporation* hopes to increase its profit margins by bringing end-users and manufacturers closer together and limiting the number of intermediaries. The European headquarters of *Caliber Corp* intends to call on local designers in order to be able to respond better and faster to the requirements of the local clientele. Liège was chosen for its logistical importance in Europe.

#### **l. Research centres can attract foreign talent even faster now**

Thanks to an initiative of Vincent Van Quickenborne, Belgium's Minister for Enterprise and Administrative Reform, recognised research centres that want to bring in foreign talent will be able to do so in just a few days from now on. In October 2007 a new regulation came into force eliminating the need for recognised research centres in Belgium to apply for work permits for foreign knowledge workers. Since

then it has been enough for recognised research centres to conclude visiting agreements with foreign knowledge workers. This means that taking on talent from outside the EU for recognised research centres will only take a few days now.

## **II. Belgium in China**

### **a. Solvay strengthens position in high-quality fluorine compounds in Asia**

The *Solvay* Group has inaugurated a new world-class production unit for polytetrafluoroethylene micropowder (PTFE) in China. It already had one in Marshallton, Delaware, USA. The new factory in China will meet the dynamic local demand for innovative high-quality materials. PTFE micropowder is used in a wide range of complex applications like cosmetics, high-gloss inks, high-quality lubricants and heat-resistant materials. The new factory is part of *Solvay's* strategy of geographic expansion in fast-growing markets.

### **b. A Belgian–Chinese joint venture on soil treatment (Dalian)**

The deal was inaugurated in Dalian on September 2<sup>nd</sup>, 2008. It was attended by Belgian Ambassador Bernard PIERRE. The Belgian DEC company (Deme Environmental Contractors) is a daughter company of DEME (dredging). It is specialized in soil remediation, groundwater treatment and the redevelopment of landfills and brownfields.

Its Chinese partner, Yitai, based in Dalian, has solid expertise in soil remediation, sewage and waste water treatment.

Both companies will cooperate in soil treatment contracts for Dalian and its surroundings.

With a lack of companies specialized in this field in China, the market potential for the proposed joint venture is considerable, offering the partnership long term opportunities to export their expertise to other regions in China.

### **c. 300 USD Belgian investment in windpower factory in Tianjin**

Hansen Transmissions International NV, (ticker 'HSN'), a Belgian-based established global gearbox designer, manufacturer and supplier, and a leader in the wind turbine gearbox market, has signed an agreement with the developers of the Beichen Hi-tech Industrial Park in Tianjin, to build a factory in the economic zone to produce wind turbine drives. Hansen intends to sign a land lease for 250,000 square meters for the plant.

The total project will involve an investment of 200 million Euros. The first phase of the project will include assembly and testing facilities, with an investment of about 60 million Euros.

Hansen's factory is expected to reach full capacity by early 2011. With an output of 3000 megawatts per annum, the plant will employ over 600 people.

In addition to its principal manufacturing facilities in Belgium, comprising a wind turbine and industrial gearbox plant at Edegem and a fully integrated state-of-the-art dedicated wind turbine gearbox manufacturing facility at Lommel, Hansen also has a large new plant under construction in Coimbatore, India. Hansen employs more than 1600 people worldwide.

#### **d. Athletes' Alley, an Olympic gift from Belgium**

The artwork 'Athletes Alley' by Belgian artist Olivier Strebelle is a gift of the Kingdom of Belgium to the Beijing municipality and the Chinese people for the 2008 Beijing Olympic Games.

The sculpture was officially inaugurated in the Beijing Olympic Forest Park on May 23, 2008 in the presence of the Vice Mayor of Beijing Chen Gang, Belgian Foreign Minister Karel De Gucht, former Belgian Prime Minister Jean-Luc De Haene, Belgian Ambassador to China Bernard Pierre and Olivier Strebelle himself.

Made of stainless steel chord, 'Athletes' Alley' is 160 meters long, 23 meters wide and weighs 130 ton. It creates an optical effect that changes as the visitors stroll along it. At first, visitors perceive five 20-meter high stainless steel figures rising up from the ground along a 100-meter long path. When visitors finally reach the focal point, the five figures magically stand up holding the five Olympic rings. Its symbolism is deeply rooted in the Olympic values. The 'standing up in time' takes on its full meaning in the light of Chinese civilization, the realization of the Olympic Spirit and the long hard road to Beijing for the athletes.



'Athletes' Alley' is the only work of art to remain in place in the Beijing Olympic Forest Park after the closing of the Games, keeping the Olympic Spirit and values alive forever.

#### **e. Vlerick Management School organizes Peking University's MBA programme BiMBA**

In October 2008, Vlerick Leuven Gent Management School launched a full-time and a part-time international English-language MBA at Peking University (BiMBA). BiMBA currently is ranked second most valuable full time MBA programme in China.

BiMBA was established in 1998 as the first joint international MBA programme in Beijing to be approved by the Chinese government. As the original 10-year partnership with a consortium of American business schools and universities was nearing the end, the search for a new organizing started. This search eventually led to Belgium and after 18



months of negotiations, Peking University felt fully convinced of Vlerick's overall quality and invited the School to deliver a full-time and a part-time international MBA programme.

Vlerick designs the MBA programme, monitors the quality of the curriculum and ensures marketing, faculty staff and recruitment to further establish a world class MBA programme at one of China's finest universities.

The new educational joint venture will result in more joint research, a better mutual understanding and the exchange of knowledge, resources, academics and businesspeople.

#### **f. A snapshot of Belgium at the Olympics**

Summers in Beijing are hot and this year's Olympic summer was no exception. Belgium saved the best for last and waited until the final days of the Olympics for our athletes to bring us some medals. Tia Hellebout's successful first attempt on the 2.05m during the high jump final won her the gold medal while Kim Gevaert, Olivia Borlée, Elodie Oudraogo et Hanna Mariën took second and silver in the 4x100m.

Of course Belgium is particularly proud on one of its most famous native sons, Mr Jacques Rogge, the president of the International Olympic Committee who managed one of the most successful Olympiads ever.



Belgium was well represented during the Paralympics as well and Jan Boyen won the bronze medal on the cycling track in the individual pursuit.

Prince Philippe attended the stunning opening ceremony and supported the Belgian Olympic Team during the first week of the Games. Princess Astrid and Prince Lorenz did the same

for the Paralympics.

Yet other high visitors came. Prime Minister Yves Leterme, and the Ministers of Sports of the Regions, Michel Daerden and Bert Anciaux, the Minister of Foreign Affairs Karel De Gucht, Vice Prime Minister and Minister of Finance Didier Reynders as well as Elio Di Rupo all came to Beijing during the Olympic Games taking advantage of this opportunity to establish and maintain high level contacts. Secretary of State for Persons with a Disability Julie Fernandez-Fernandez attended the closing ceremony of the Paralympics.

#### **g. 2008 Belgian Cultural Festival in Beida University (29.10-5.11)**

The 2008 Belgian Cultural Festival will bring some of Belgium's most renowned and diverse art forms, artists and academics to China to establish a platform for cultural exchange today and in the future. The festival takes place at Peking University, NCPA and the North Church between October 31 and November 4.

The festival features Baroque Music during the Qing Court, the music of Chinese composer Tan Dun and Belgian composer C. Franck, the Chinese contribution to the First World War in Belgium, Comic Strips and Chinese *Manhua*'s, documentary films,

Emperor Qianlong and 17<sup>th</sup> century missionaries and the renovation project of Pingyao.

Details on the event can be found on [www.diplomatie.be/beijing](http://www.diplomatie.be/beijing) and Pauline Tam: +86 10 5276 8955

#### **h. Belgium organizes largest European Festival on China (2009)**

On 25 October 2008 the Chinese ministry of culture and the Europalia Festival, the largest cultural festival in Europe signed an agreement which will jumpstart Europalia's 'China year'

From October 2009 till February 2010 the festival will move off the beaten track to not only present the masterpieces of Chinese history but also to examine its contemporary art scene. It will unveil an authentic, unknown and contemporary China.

Many hundreds of events will take place during this period, prepared in collaboration with the Ministry of Culture of the People's Republic of China and with the greatest Chinese and international experts. They allow China to reveal the extent, diversity and richness of its culture: exceptional exhibitions, music, theatre, dance, cinema, literature but also science, folklore, fashion, gastronomy and design will permeate the heart of Europe with the subtle fragrance of China

## Belgian Contact points points China



<b>Beijing</b>	<b>Shanghai</b>	<b>Guangzhou</b>	<b>Hong Kong</b>
<p><i>Embassy of Belgium in Beijing</i></p> <p>6, San Li Tun Lu 100600 Beijing Tel : 010 6532 1736 Fax : 010 6532 5097 <a href="mailto:beijing@diplobel.fed.be">beijing@diplobel.fed.be</a></p>	<p><i>Consulate General of Belgium in Shanghai</i></p> <p>127, Wu Yi Road 200050 Shanghai Tel: 021 6437 6579 Fax: 021 6437 7041 <a href="mailto:shanghai@diplobel.fed.be">shanghai@diplobel.fed.be</a></p>	<p><i>Consulate General of Belgium in Guangzhou</i></p> <p>CITIC Plaza Room 1601-02A 233 Tianhe Bei Lu, 510613 Guangzhou Tel: 020 3877 2351 Fax: 020 3877 2353 <a href="mailto:guangzhou@diplobel.fed.be">guangzhou@diplobel.fed.be</a></p>	<p><i>Consulate General of Belgium in Hong Kong</i></p> <p>9/F, St. John's Building 33 Garden Road Central Hong Kong Tel: 852 25.24.31.11 Fax: 852 28.68.59.97 <a href="mailto:hongkong@diplobel.fed.be">hongkong@diplobel.fed.be</a></p>
<p><i>Economic representation of Flanders in Beijing</i></p> <p>c/o Embassy of Belgium 6, San Li Tun Lu 100600 Beijing Tel: 010 6532 4964 Fax: 010 6532 6833 <a href="mailto:beijing@fitagency.com">beijing@fitagency.com</a></p>	<p><i>Economic representation of Flanders in Shanghai</i></p> <p>c/o Consulate General of Belgium 127, Wu Yi Road 200050 Shanghai Tel: 021 6437 8467 Fax: 021 6437 7574 <a href="mailto:shanghai@fitagency.com">shanghai@fitagency.com</a></p>	<p><i>Economic representation of Flanders in Guangzhou</i></p> <p>c/o Consulate General of Belgium, CITIC Plaza Room 1601-02A 233 Tianhe Bei Lu, 510613 Guangzhou Tel: 020 3877 0493 Fax: 020 3877 0462 <a href="mailto:guangzhou@fitagency.com">guangzhou@fitagency.com</a></p>	<p><i>Economic representation of Flanders in Hong Kong</i></p> <p>c/o Consulate General of Belgium 9/F, St. John's Building 33 Garden Road Central Hong Kong Tel: 852 2523 2246 Fax: 852 2524 7462 <a href="mailto:hongkong@fitagency.com">hongkong@fitagency.com</a></p>
<p><i>Economic representation of Wallonia and Brussels in Beijing</i></p> <p>c/o Embassy of Belgium 6, San Li Tun Lu 100600 Beijing Tel: 010 6532 6695 Fax: 010 6532 6696 <a href="mailto:awexbrubeijing@188.com">awexbrubeijing@188.com</a></p>	<p><i>Economic representation of Wallonia in Shanghai</i></p> <p>c/o Consulate General of Belgium Wu Yi Road, 127 200050 Shanghai Tel. :021 6437 9234 Fax : 021 6437 7083 <a href="mailto:awexsh@188.com">awexsh@188.com</a></p> <p><i>Walloon Investment Office in Shanghai</i></p> <p>c/o Consulate General of Belgium Tel : 021 6437 9489 Fax: 021 6437 7083 <a href="mailto:izou@investinwallonia.cn">izou@investinwallonia.cn</a></p> <p><i>Economic representation of Brussels in Shanghai</i></p> <p>c/o Consulate General of Belgium Wu Yi Road, 127 200050 Shanghai Tel : 021 6437 5224 Fax 021 6437 6541 <a href="mailto:mail@brussels-china.com">mail@brussels-china.com</a></p>	<p><i>Economic representation of Wallonia in Guangzhou</i></p> <p>c/o Consulate General of Belgium, CITIC Plaza Room 1601-02A 233 Tianhe Bei Lu 510613 Guangzhou Tel : 020 3877 1768 Fax: 020 3877 1483 <a href="mailto:guangzhou@awex-wallonia.com">guangzhou@awex-wallonia.com</a></p>	<p><i>Economic representation of Wallonia in Hong Kong</i></p> <p>c/o Consulate General of Belgium 9/F, St. John's Building 33 Garden Road, Central Hong Kong P.O. Box 135 Tel : 852 2537 5762 Fax : 852 2537 5834 <a href="mailto:hongkong@awex-wallonia.com">hongkong@awex-wallonia.com</a></p>

