10 good reasons to invest in Flanders

Flanders Investment & Trade
Government of Flanders - Belgium
Allow us to give you to **10 different reasons** why Flanders is Europe’s ultimate location for your business activities. **10 crucial arguments** which are **the base** of all sound investment decisions. You will be surprised to see the wide range of advantages our region has **to offer you** ...

1. Central location at the heart of Europe
2. Outstanding transport infrastructure
3. Globally recognized human capital
4. Diverse offering of tax benefits and fiscal incentives
5. Sustainable growth for major industries
6. State-of-the-art research centers
7. High density of knowledge clusters
8. Excellent results in international surveys
9. High quality of life for expat employees
10. Professional support in setting up your operations
Central location at the heart of Europe

10 good reasons to invest in Flanders - An introduction to Europe’s ultimate business location
At the heart of European purchasing power
Over 60% of the European purchasing power is situated within a tight radius of 500 kilometers around Flanders. This means customers can be reached and served in the fastest of times. The region is relatively close to large industrial and consumer centers, such as the region around Paris, the Ruhr area and the Benelux.

Close proximity to the European institutions
Brussels is home to the NATO headquarters and to that of the European Union. No wonder that a large number of international governmental and non-governmental organizations as well as corporate representative offices and treasury operations are based there. They like to keep abreast of European policymaking and the effect this has on their activities.

Distances from Brussels (by road):
- Amsterdam: 210 km
- Berlin: 780 km
- Dublin: 940 km
- Düsseldorf: 270 km
- Copenhagen: 920 km
- Lisbon: 2,100 km
- London: 390 km
- Luxembourg: 220 km
- Madrid: 1,550 km
- Paris: 300 km
- Rome: 1,530 km
- Stockholm: 1,800 km

Flanders is a prime business region. It is strategically located right in the center of the most prosperous part of Europe. In addition, its capital Brussels is home to the European decision-making centers. Two crucial factors for your company when making an investment decision in Europe.
Running European operations from Flanders
This a selection of global concerns that have their European headquarters in Flanders:

- 3M
- Avnet
- Baltimore Aircoil
- Cargill Cerestar
- Donaldson
- Honeywell Johnson Controls
- International/Controls Group
- Exxon
Flanders is centrally located in the area from which a large chunk of Europe can be supplied at favorable transport costs and within feasible delivery times (24h/48h). European Distribution Centers (EDCs) are preferably located in this area.
June 2008, Genk

Saudi Arabian petrochemical concern **SABIC** starts building the biggest greenfield polypropylene compounding plant in Europe.

March 2009, Antwerp

**ExxonMobil** opens a new Combined Heat and Power facility (CHP) for its refinery in Antwerp, totaling investments in its operations there since 2005 to 588 million euros.

**BASF Antwerp:**

*fully aware of Flanders’ strategic location*

“The central location of Flanders is a key performance indicator for the competitiveness of a region. We are in the middle of the European market for our products.”

Wouter De Geest, Managing Director, BASF Antwerp

**Ford EU Affairs office:**

*finger on the pulse of Europe*

“Our Ford EU Affairs office in Brussels is Ford’s way of keeping its finger on the pulse of the European institutions and becoming quickly aware of changes and trends that could have a serious impact on the corporation’s development costs and profitability.”

Jo Declercq, Director Public & Governmental Affairs, Ford Motor Company Belgium
Outstanding transport infrastructure

10 good reasons to invest in Flanders - An introduction to Europe’s ultimate business location
Flanders can boast the **most modern maritime ports** and highly efficient airports for the global transport of both goods and passengers. In addition, the region is among the world’s best when it comes to the **density** of road, railroad and inland waterway networks. It is, in short, a **paradise** for any logistics operation.

**World-leading seaports**
Down the centuries, Flanders has always been a trading region. Its seaports on the southern edge of the North Sea have played a key role in this development. With the ports of Antwerp, Zeebrugge, Ghent and Ostend, the region has the ideal ocean-going gateways for the fast handling of all kinds of goods from all over the world. The Flemish ports have built up an enviable reputation with shippers, port operators and logistics players worldwide.

**Modern maritime gateways**

**Port of Antwerp**
- The second largest port in Europe for international shipping traffic and the fourth largest in the world.
- Europe’s number 1 chemicals cluster.

**Port of Zeebrugge**
The world’s leading port for the transshipment of new cars: 2.2 million cars handled per year.

**Port of Ghent**
The world’s second largest fruit juice port and a European leader in biofuel.

**Port of Ostend**
Major shortsea hub for Ro-Ro traffic to the United Kingdom. Popular with shortsea container lines and feeder services.
**Highly efficient airports**

Flanders can boast an excellent airport infrastructure. With Brussels Airport at the heart of Europe, it houses an international cargo airport that is consistently in the top of the charts. And then there’s Ostend-Bruges International Airport, conveniently situated for the modern seaports of Zeebrugge and Ostend, or Antwerp airport (near the Port of Antwerp).

**Flanders’ international airports**

**Brussels Airport**
- Handled close on 700,000 tonnes of goods and in excess of 17.8 million passengers in 2008.
- Brucargo, the logistics zone surrounding the airport, comprises 109 ha, has 31 bays for cargo planes and an airside capacity of 1.5 million tonnes of goods.
- Home to 10 low-cost airlines.
- Wide range of long-haul destinations.

**Ostend-Bruges Airport**
- Handled close on 83,000 tonnes of goods in 2008.
- Specializes in international outsized cargo, perishables and livestock.
- Located close to the seaports of Ostend and Zeebrugge.

**Antwerp Airport**
- Offers daily business flights to both Manchester and London City.
- Its small-scale character allows for fast departure and arrival.
Highest density of EDCs in Europe

Flanders is home to over 400 European Distribution Centers (EDCs). 56% of these are outsourced to a third party, the remaining 44% are owned and operated by the shipper. With an average of 3 EDCs for every 100 km², Flanders is the European leader.
Excellent road, rail and inland waterway connections
The performance of the Flemish transport network is practically unequaled in Europe. Flanders’ road, rail and inland waterway networks are among Europe’s densest. Its modern infrastructure permits fast connections with the European hinterland.

Roads
- Flanders has the world’s densest road network. Its highways are directly linked to those of France, Germany and the Netherlands, as well as those of Great Britain via the ferry links or the Channel Tunnel.
- Logistics companies and distribution centers can transport goods from Flanders to most major European markets within 24 hours by road.

Railroads
- The world’s second densest rail network: 1,700 kilometers of railroad tracks, covering a geographic area of 13,700 km².
- Transportation output by rail: 5.4 billion person-kilometers and ca. 4 billion freight tonne-kilometers.

Inland waterways
- One of the densest river and canal networks in the whole world.
- Navigable waterways extend over 1,375 kilometers, 1,076 kilometers of which are used for commercial navigation purposes.
- 80 % of all companies in Flanders are located less than 10 kilometers from a navigable waterway.
June 2008, Zele

**CRC Industries Europe** adds a new distribution center to its European HQ and production facility.

January 2008, Grimbergen

American specialist in data protection and storage services, **Iron Mountain**, brings its third data center in Flanders into service.

---

**Chiquita:**

benefiting from the expertise of the Port of Antwerp

“We chose Flanders because of the efficiency and speed with which ships are unloaded. There are specialized service providers here that have developed advanced expertise.”

Kris Van Ransbeek, Vice-President, European Supply Chain, Chiquita

---

**DHL Exel Supply Chain Belgium:**

happy to be at Brussels Airport

“We are very happy with our operations at the Brucargo site, the airport area used for international freight. Brussels Airport is not yet saturated and offers excellent access to our inland destinations via the Flemish road network.”

Jan Deltour, Managing Director, DHL Exel Supply Chain Belgium
Globally recognized human capital
Worldwide, Flanders enjoys the reputation of a region with a highly productive, flexible, eager-to-learn and **multilingual workforce**. Several international surveys have confirmed this. At the root of this lies a **superb education system**.

The human factor can be decisive in your investment decision.

**High-performance education system**

Flanders’ education system is world renowned. This was recently confirmed by the Organization for Economic Cooperation and Development (OECD). Its 2008 survey shows some excellent results for Flemish students. In scientific literacy, mathematics and reading skills, Flanders finds itself among the world’s elite.

**Top-class higher education with a sharp focus on applied skills**

Flanders is home to seven universities with an international reputation in a wide range of scientific research fields. They have forged partnerships with numerous companies from all kinds of industries to supply graduates with a strong package of applied skills.

In the shape of the Vlerick Leuven-Ghent Management School, two of Flanders reputed universities (Ghent and Leuven) have joined forces to develop a business school with international standing. In the Financial Times’ 2008 MBA rankings it is listed number 1 in the Benelux and the British magazine The Economist ranked it among the world’s top 25 business schools.
Highly productive workforce
Belgium, and Flanders as a region, can boast some excellent figures when it comes to productivity. In the 2008 IMD World Competitiveness yearbook, Belgium is ranked ahead of its neighboring countries. It also beat the USA and Japan.

Productivity Index
Germany = 100 (2007)
Source: IMD World Competitiveness Yearbook 2008

<table>
<thead>
<tr>
<th>Country</th>
<th>Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>125</td>
</tr>
<tr>
<td>France</td>
<td>119</td>
</tr>
<tr>
<td>USA</td>
<td>114</td>
</tr>
<tr>
<td>UK</td>
<td>114</td>
</tr>
<tr>
<td>Netherlands</td>
<td>109</td>
</tr>
<tr>
<td>Germany</td>
<td>100</td>
</tr>
<tr>
<td>Japan</td>
<td>82</td>
</tr>
</tbody>
</table>

The bottling room at the Moortgat brewery in Puurs
Odysseus: the government’s brain-gain
Flanders’ Odysseus program encourages eminent researchers who have made a name for themselves abroad to pursue an independent research career at a Flemish university. Top-level or high-potential researchers are offered a position at the Flemish host institute while the Research Foundation Flanders (FWO) grants a sizeable amount, in start up financing, for a period of five years. The Flemish Community provides the FWO with 12 million euros per year for this kind of sponsorship.

Flanders’ business talent abroad
Flemish high-level managers are much sought-after. These are some of Flanders’ top-level executives in companies around the world:

- **Wim Dejonghe**
  Global Managing Partner Allen & Overy, the UK’s world-leading law firm
- **Rudy Provoost**
  Chief Executive Officer Lighting Division Philips, the Dutch consumer electronics concern
- **Tom Van Daele**
  Creative Director TBWA/Chiat/Day, one of the largest and hippest US advertising agencies
- **Michel Demaré**
  Interim Chief Executive Officer ABB, the Swiss engineering concern
- **Patrick De Maeseneire**
  Chief Executive Officer of Barry Callebaut, the Swiss world leader in cocoa and chocolate
- **Jean-Pierre Blumberg**
  Managing Partner at Linklaters, the UK’s world-leading law firm
- **Paul Bulcke**
  Managing Director Nestlé, the world’s largest food concern, based in Switzerland
- **Sofie Vandebroek**
  Chief Technology Officer XEROX, the US global document management company
- **Wilfried Verstrate**
  Chief Executive Officer Euler Hermes, the French world leader in credit insurance
- **Ronnie Leten**
  President and Chief Executive Officer Atlas Copco, the Swedish industrial group
US biopharmaceutical company Genzyme announces plans to further expand its hi-tech cell culture production facility to increase production of the revolutionary medicine Myozyme.

March 2008, Rumst

The Austrian global leader in brick manufacturing, Wienerberger, expands its production facility; an investment worth 55 million euros.

Genencor: innovative engineers

“Here in Flanders, engineers receive a broad academic training. They think beyond their specific field and are driven to realize innovations that are then shared with other plants in the group.”

Frans Van Londersele, Plant Manager, Genencor Bruges

Genzyme: falling back on talented people

“It is a major advantage to us that we can draw upon a deep pool of talented people. Their excellent qualifications are backed up by a strong productivity/cost ratio. This gives us a major competitive advantage. On top of that, the multilingual capabilities of the Flemish – people here speak 3 to 4 different languages – makes the integration of foreign companies that much smoother.”

Sandra Poole, Vice-President, Genzyme Flanders
Diverse offering of tax benefits and fiscal incentives
It is crucial for companies to operate in a cost-effective manner. Flanders offers them an **ideal climate** in this regard. The region can offer a wide range of **tax benefits** and **financial grants**, from tax exemption and rulings to beneficial tax regimes for R&D and pension funds and the much valued notional interest interest deduction.

Below you can find seven **interesting measures**, but there are many, many more.

### Notional interest deduction
The notional interest deduction allows companies and Belgian branches of foreign companies to reduce their taxable base when making investments from their own resources. At the same time, the 0.5% registration fee on capital contributions has been abolished. This makes it an outstanding tax measure, especially for capital-intensive companies, headquarters and treasury centers. The amount that can be deducted as notional interest from the taxable base equals the fictitious interest cost on the adjusted equity capital. The notional interest rate for tax year 2010 is 4.473% (even 4.973% for SME’s).

### Patent deduction
The patent deduction is a significant benefit for companies with R&D activities. The aim is to promote technical innovation in the region through research and development. This fiscal measure stimulates the development of patents, ownership (or usufruct) on patents, as well as the production of goods which are based on these patents. The patent deduction allows Belgian companies and Belgian branches of foreign companies to deduct 80% of their gross patent income from their tax base, which leads to a maximum effective tax rate of 6.8% on the gross patent income.

### Tax rulings
All taxpayers may request an ‘advance ruling’ under which the Service for Advance Decisions will confirm the applicability of the tax code to a particular situation or specific transaction that has not yet taken effect from a taxation point of view. A ruling relating to any tax matter can be applied for: mergers, splits and related transactions; contributions; transfer pricing; absence of permanent establishment; participation exemption; withholding taxes; depreciation; tax deductions; capital gains. This list is by no means exhaustive.
Domestic dividend withholding tax exemption
The domestic dividend withholding tax exemption extends the EU Parent-Subsidiary Directive between the 27 EU-countries* to all countries worldwide that have a double tax treaty with Belgium on the condition that, amongst others, the treaty provides for the exchange of information between Belgium and the country involved. Using Flanders as their holding location for investments in Europe allows corporate investors from treaty countries to repatriate European profits free of dividend withholding tax.

* Switzerland, not being part of the EU, concluded a separate agreement with the EU on October 26, 2004. This agreement provides for implementation of the Parent-Subsidiary Directive between the EU and Switzerland, but subject to more strict participation rules, i.e. 25% during an unbroken period of 2 years. On the basis of this agreement, a dividend distribution from Belgium to Switzerland (effective since January 1, 2007) is deemed to be free of withholding tax.
**VAT grouping**
All taxpaying entities of a group can be regarded by the Belgian VAT administration as a single entity for VAT purposes. Consequently, different companies of the same group will not have to invoice one another 21% VAT. There will be one VAT return for the entire group. This simplification of VAT rules makes Belgium an even more attractive location for inward investment and the multinationals’ choice to base centers like those for invoicing, accounting, credit management, contact, and IT services.

**Ecological support**
Financial support which encourages companies to invest in state-of-the-art ecological technologies can be obtained via a call system. Once an application for a subsidy has been filed, the company concerned is informed if it will receive the financial support or not and the money is transferred immediately. State-of-the-art technology that outperforms existing European or Flemish norms will be entertained by the new system. The Flemish government organizes 3 grant-calls a year.

**Organization for financing pensions (OFP)**
An Organization for Financing Pensions (OFP) is a special purpose vehicle specifically designed for pan-European pension funds. As of January 1st 2007 all new Belgian pension funds have to be incorporated within this legal framework. There are several advantages that go with this measure. An OFP is not subject to the special annual estate tax of 0.17% on the pension funds’ assets at January 1st of each year, it is subject to corporate tax on an alternative basis and it will be able to credit interest and dividend withholding tax against corporate tax due.

**Deloitte:**

**Fiscal benefits à la carte**
“In Flanders, foreign companies are offered a wide array of tax relief measures and financial incentives. One could almost choose ‘à la carte’ which ones serve them best for their specific operations. The unique notional interest deduction scheme is highly efficient, simple to understand. In addition, foreign companies are encouraged to relocate to Flanders (or expand their existing R&D) through the form of a deduction for (deemed) patent income. Last but not least, the ruling commission provides foreign taxpayers with an individually-tailored approach to guide them on the fiscal aspects of their investment project in Flanders.”

Coen Ysebaert, Tax Partner, Deloitte Belgium
January 2008, Zaventem

Japanese carmaker **Toyota** expands one of its 4 worldwide R&D centers. Up till now, Toyota has invested 130 million euros in this center.

April 2009, Hasselt

American medical research group **MabCure** moves its worldwide research center to the campus of the Hasselt University to better cooperate with the Flemish research institute, Biomed.

---

**Buckman Laboratories:**

*benefiting from recent tax changes*

“Flanders is a most attractive region for foreign companies to invest in. The recent changes in tax law for example, propping the notional interest deduction, were a major incentive to concentrate most of our business lines in our European headquarters in Ghent.”

Michael R. Anstey,
Managing Director

**Mazda Motor Logistics Europe:**

*happy with the new tax measures*

“We were very happy with the federal government’s initiative to introduce the notional interest deduction and favorable taxation measures for expat employees.”

Alex Janssens,
Director European Accounting & Treasury, Finance & Administration, Mazda Motor Logistics Europe
Flanders is a tiny region in terms of surface area, but a **big player** in a number of major industries. It houses **numerous world-leading multinationals** and SMEs. If you decide to locate your business activities in Flanders, you’ll **benefit** from the sustainable growth achieved in these industries and the **worldwide reputation** they have acquired.

We briefly introduce you to Flanders’ seven principal industries.

**Automotive**
Flanders’ reputation in automotive engineering is well established. For over a century, the region has been a world-class manufacturer of cars, buses, trucks and other types of vehicles. And over time, Flanders has grown into a leading region for suppliers to the automotive industry in Europe and the world over.

Did you know that...
- Flanders has one of the highest motor vehicle productions per capita in the world?
- Flanders has an export ratio for assembled vehicles that exceeds 80%?
- Flanders is home to 4 leading carmaking plants: Volvo, Opel, Audi and Ford?
- Toyota has invested (since 1970) close on 500 million euros in Flanders in a new European HQ, European logistics centers for cars and parts, an accessories and service center and a European R&D center?
Food & Lifestyle
Flanders is renowned the world over for its delicious beers and chocolates. But Flanders’ food industry has a lot more in store than just that. The region produces high-quality meat, dairy products, biscuits and pastries, all kinds of grain products and much more besides, totaling an annual turnover of 30 million euros. As for lifestyle products, Flanders sustains its worldwide reputation through entrepreneurial flair and creativity in the diamond, fashion and textile industries and in interior design.

Did you know that...
- The Antwerp-based fashion designer Dries Van Noten was named ‘2008 International Designer of the Year’ by the Council of Fashion Designers of America?
- The international diamond certification system, know as ‘the four Cs’ (carat, clarity, color and cut) was developed in Antwerp? Today, over 50 % of the world’s diamond production passes through Antwerp.
- The French-owned dairy group Danone produces its famous L.casei Immunitas®-containing drinking yogurt Actimel exclusively in Flanders? At the plant in the town of Rotselaar, 2.2 million mini-bottles roll out every year.
Environmental technology
Flanders was one of the first regions to recognize the heavy burden that a successful economy places on the environment. Today, soil remediation, water and air treatment receive the attention they deserve. Flanders’ environmental companies and research centers have built up a wealth of experience in state-of-the-art environmental technologies.

Did you know that...
• The Volvo truck plant in Ghent, the biggest of the Volvo Truck Division, is the world’s first CO²-free automotive plant?
• Ignace Schops, one of the pioneers of Flanders’ first national park, was awarded the prestigious Goldman Environmental Prize in 2008?
• The Flemish firm Ecover is the world’s largest manufacturer of ecological detergents and cleansing agents? It expects to turn over 78 million euros in 2008.
• The six 1.5-megawatt wind turbines at the Nike EMEA Logistics Center at Laakdal, between them, generate 22 million kilowatt-hours a year? This makes it one of the largest on-site wind power projects in Europe.
• Flemish busmaker Van Hool introduced its first fully-fledged hybrid fuel cell bus in 2007? US public transport companies have ordered several units.

Logistics
Flanders, with its central location, its vast know-how, its modern infrastructure and highly-efficient gateways is the reference beacon in Europe for logistics operations. It is no coincidence that the region has been called ‘the crossroads of Europe’, applying to land, water and air transport. Whether it’s vehicles, chemicals, pharmaceuticals, food-stuffs or anything you can think of. Logistics firms in Flanders take care of the value-added activities and the (electronic) paperwork involved. Its experienced companies stock goods and distribute them in no time to the European hinterland or to the rest of the world.

Did you know that...
• Cushman & Wakefield’s 2008 European Distribution Report puts Belgium in Nº1 spot when it comes to logistics operations in Europe?
• Flemish leading global logistics player, Katoen Natie, is developing 280ha of industrial land along the left bank of the river Scheldt in Antwerp? It will become Europe’s largest logistics center, providing 1.4 million m² of distribution center.
• Over 60 % of European purchasing power is situated within a tight radius of 500 kilometers around Flanders? This makes for fast delivery times to your customers.
ICT
Driven by innovation, creativity, technological expertise and entrepreneurship, Flanders can boast an impressive and diverse ICT industry. Operating in its open business culture, ICT companies can rely on a hi-tech ecosystem in which to develop tomorrow’s technologies. As for doing business in broadband, wireless or satellite communication, or those firms that develop any kind of ICT application, Flanders holds all the trump cards to foster sustainable growth.

Did you know that...
• With i-City, Flanders is home to Europe’s largest living lab for mobile applications? In the cities of Hasselt and Leuven, ca. 1,100 highly motivated test users are giving structured feedback.
• Alcatel-Lucent’s Bell Lab in Antwerp is the location that invented the DSL and PON technologies? It contributed to 4 of the 14 major recent research breakthroughs in the group.
• Flemish firm Option first introduced 3G data cards? In 2008, they introduced the world’s smallest and fastest high-speed packet access (HSPA) embedded module for Intel-based mobile Internet devices.
• Flemish firm Clear2Pay is helping to streamline the US Federal Reserve Banks’ transition from paper checks to electronic check transactions? Clear2Pay delivers the lion’s share of the products and the core technology for the new settlement system to the 12 Federal Reserve Banks.
**Life sciences**

With major companies active in the pharmaceutical industry, biotechnology, medical equipment and medical imaging, Flanders holds a European leading position in the life sciences industry. The region’s long history of successful research and its hi-tech cluster of production and distribution facilities have made it a major exporter of prescription and over-the-counter drugs.

In biotechnology, Flanders has achieved international status in widely-divergent fields, such as gene sequencing and plant transformation technology, infectious diseases and cardiovascular research.

**Chemicals & Plastics**

In Europe, Flanders is a major producer of chemicals and plastics. Between them, the ca. 500 chemicals companies in Flanders employ, directly and indirectly, ca. 160,000 people. These turn over around 37 billion euros a year. The chemicals heart of Flanders is, without a doubt, the Port of Antwerp. Major names with production plants there include the likes of: BASF, Bayer, Nippon Shokubai, Borealis, Total, Proviron, BP, DuPont, Chevron, Monsanto, Ineos, Air Liquide, Exxon-Mobil and Dow.

Did you know that...

- Flanders is home to Janssen Pharmaceutical, a subsidiary of Johnson & Johnson? This Flemish company has developed 4 therapeutics that are on the WHO list of essential drugs.
- Ghent is currently the European epicenter of biotechnology directed at plants? Major crop protection companies like Bayer, BASF and Monsanto have all set up a research center in this Flemish city.
- Numerous therapeutics to treat Alzheimer’s, several forms of cancer and influenza were first invented in Flanders?
- Flemish scientists were the first to discover the complete coding sequence of a gene and of an entire organism?
September 2008, Melsele

From now on, **Ranbaxy**, India’s largest pharmaceutical concern, will distribute its products for the European market from one central location.

September 2008, Tienen

Total and GDF Suez, give the go-ahead for the further expansion of their Flemish solar cell factory, **Photovoltech**. This will bring total cell productive capacity to at least 140 megawatt-peak.

---

**Alcatel Lucent**

**pioneers from its facility in Antwerp**

“Alcatel Lucent’s Bell Lab in Antwerp is one of our key research centers. This is the location that invented the DSL and PON technologies.”

Thierry Van Landegem, Vice-President Global Operations, Bell Labs

---

**SGS**

**successfully conducts clinical trials in Flanders**

“The hospital testing infrastructure in Flanders is excellent and the trial publications are of high quality. It is a top trial region for us in western Europe.”

Robert Lins, Business Manager Benelux, SGS Life Science Services
State-of-the-art research centers

10 good reasons to invest in Flanders - An introduction to Europe’s ultimate business location
Flanders has an impressive track record when it comes to discovery research and innovation across a wide range of disciplines and a variety of sectors. The region houses four Strategic Research Centers that collaborate with the academic and business worlds and each have their own specific focus. When siting your company in Flanders you can benefit greatly by collaborating with these centers. They are the birthplaces of cutting-edge technologies and of the processes that shape tomorrow’s society.

IMEC: Europe’s leading research center on nanoelectronics and nanotechnology
IMEC is the leading European independent research center in micro- and nanoelectronics, nanotechnology, design methods and technologies for ICT systems. It carries out research that runs 3 to 10 years ahead of industrial needs. The world’s top integrated device manufacturers, equipment and material suppliers, system houses and electronic design automation (EDA) vendors participate in the research conducted there.

The Scientist: global recognition for scientific research
In November 2007, readers of the American scientific magazine, The Scientist, voted Belgium ‘best country in the world for scientific research’. In addition, Ghent University was acclaimed as one of the best environments for scientific research for academics in Europe.
**VIB: world class center for life sciences expertise**

VIB, the Flanders Institute for Biotechnology, is an autonomous entrepreneurial research institute that conducts strategic basic research in the life sciences, including molecular biology, cell biology, developmental biology, structural biology, genetics, biochemistry, microbiology, genomics and proteomics.

The object of the institute’s research is to better understand the mechanisms that are responsible for normal and pathological development and for diseases such as cancer, inflammation, neurodegeneration and hemophilia. It pursues an active technology transfer policy, thereby facilitating the commercialization of its research results for the benefit of society.
**IBBT: Flanders’ research institute for ICT and broadband**
The Interdisciplinary Institute for Broadband Technology (IBBT) conducts research on information & communication technology (ICT) in general, and on applications of broadband technology in particular. This research is interdisciplinary and demand-driven, and takes place in close collaboration with businesses and governments, both local and international. Its aim is to provide solutions to complex problems and thus help meet society’s future challenges.

Applications of IBBT’s research can be found in a variety of fields, such as eHealth and elderly care, mobility and logistics, new media and eGovernment. The multidisciplinary approach used by IBBT to build bridges between knowledge centers, the business world and government ensures the development of highly competent human capital.

**VITO: technological research and consulting for product innovation and improved levels of business**
VITO, the Flemish Institute for Technological Research, is an independent, leading European contract research and consulting center. It converts the latest scientific knowledge and innovative technologies into practical applications, both for governments and industry. The research center operates in the fields of energy, environmental and material technology, in industrial product and process technologies and in remote sensing. Efficient and cost-effective production technologies, reduced energy consumption, biomaterials, cleaner environment, improved health care and mapping and monitoring the effects of global climate change are some of the many applications to come out of VITO’s research efforts.

**IWT: providing adequate funding for continued innovation in Flanders**
Providing the funding so that new technologies can be proof-tested is crucial to leveraging innovation. The Institute for the Promotion of Innovation by Science and Technology in Flanders (IWT) is the main institute that takes care of grants and subsidies for firms that do research into innovatory products and technologies. The institute does this both for Flemish and for foreign companies based in Flanders.

IWT provides financial incentives to the various players – especially SMEs – and supervises them during the course of their innovation project. Furthermore, this government agency fosters closer collaboration between enterprises, research institutes, universities and the other parties involved.

In 2008, IWT allocated ca. 285 million euros in project aid. This amount was distributed among more than 1,600 dossiers.
American biotech firm Integrated DNA Technologies (IDT), one of the world leaders in synthetic DNA production, opens its European headquarters in Leuven.

Japanese logistics group NYK expands its existing site for the transshipment of new cars in the port of Zeebrugge from 56 to 76 ha. Thereby increasing its total annual capacity from 1.3 million to 1.7 million cars.

Sarnoff Europe: greater certainty on the research funding issue
“IWT gives us the means to conduct long-term research and provides us with greater certainty on the funding issue. Furthermore, we are given the necessary freedom in our research. This allows us to develop our products ahead of the market.”
Koen Verhaege, Executive Director, Sarnoff Europe

ThromboGenics taps into Flanders’ academic knowledge
“There is a very productive interaction with the academic world possible here, not to mention that it provides us with a source of highly educated talent.”
Patrick De Haes, CEO, ThromboGenics
High density of knowledge clusters

10 good reasons to invest in Flanders - An introduction to Europe’s ultimate business location
The winning combination of Flanders’ dense population of companies – SMEs, large enterprises, local companies or foreign concerns – and their traditional willingness to cooperate in order to extend themselves, has provided a hotbed for the development of various knowledge clusters. These clusters form a tight network with the academic world and their member companies, for whom they afford a crucial head-start in the different industries.

**Flanders’ DRIVE**

Flanders’ DRIVE aims at strategically strengthening the product development capacity of the vehicle supplier industry in Flanders. By this means, that branch of industry will be better equipped to compete at the European and global levels. Flanders’ DRIVE supports the vehicle suppliers with up-to-date know-how through the Flanders’ DRIVE Network on the one hand, and the latest infrastructure through the Flanders’ DRIVE Research Center on the other.

**Flanders’ Mechatronics Technology Center (FMTC)**

Flanders’ Mechatronics Technology Centre (FMTC) is an initiative of Agoria, the Belgian multisector federation for the technology industry, and 14 leading mechatronic companies in Flanders. Its mission is to jointly develop new and improve existing generic mechatronic competences and technologies and, in doing so, sharpen the competitive edge of its member companies. To achieve this, the center oversees and implements industry-driven research projects.

**Telematics cluster**

Telematics Cluster was set up to provide state-of-the-art telematics in Flanders and Belgium with a business strategy built on a solid foundation. By organizing regular workshops and networking activities this cluster encourages collaboration, innovation and business development in this fast-growing sector of intelligent transport systems, thereby optimizing its members’ economic potential. The organization thinks in a European context and is an active partner of the European umbrella organization, ITS Nationals.
The Flemish Innovation Center for Graphic Communication (VIGC)
The Flemish Innovation Center for Graphic Communication (VIGC) is the knowledge center for the graphic arts industry, from designers, writers, publishers and photographers through to prepress houses, printers, finishing and fulfillment companies. A key role of the VIGC, as a knowledge center, is to keep abreast of new technologies and new trends in the market-place. VIGC also assists companies that embrace innovation. It assists firms that are looking for a higher degree of efficiency and/or for more innovation in their processes and products.
Digital Signal Processing Valley (DSP Valley)
DSP Valley is a technology network organization focusing on the design of hard- and software technology for embedded systems and systems for digital signal processing. It brings together universities, research institutes and industrial concerns. Its aim is twofold. Firstly, to foster the continued growth of member companies by exploiting synergy effects and complementarity through closer cooperation and cross fertilization and, secondly, to promote the industry in Flanders.

Flanders Institute for Logistics (VIL)
The aim of the Flanders Institute for Logistics (VIL) is to strengthen the competitive advantages of the logistics industry in Flanders. It does this by encouraging innovation, conducting applied research and supporting companies with expert advice and guidance. Promoting innovation and knowledge transfer are its main tasks. VIL makes studies, gets the information out and initiates pilot projects with interested companies. The institute works closely with big players from the logistics sector – shippers, third-party logistics providers and the like.

Flanders Multimedia Valley (FMV)
Flanders houses a large number of companies active in multimedia. The multimedia industry represented by Flanders Multimedia Valley is active in various domains of the multimedia value chain, with the highest concentration of activities in online multimedia creation and software development. Their cluster organization, Flanders Multimedia Valley, has established a dense network in Flanders but also abroad, through the European Multimedia Associations Convention.
March 2009, Tessenderlo

**Siemens** announces the construction of a new combined cycle power plant in the town of Tessenderlo. The total order is worth around 320 million euros.

December 2008, Zaventem

Dutch datacenter group **Interxion**, one of Europe’s biggest players in the datacenter market, announces a major expansion of its offices in Zaventem.

**NYK Logistics Belgium:**

“When we were looking into the possibility of importing RFID (Radio Frequency Identification) technology to support our logistics processes, the expertise of the Flanders Institute for Logistics allowed us to evaluate the applicability of the technology in our own logistics environment. It is the ideal facilitator for such projects. They contributed the know-how, helped us coordinate the project and supported us select the technology as well as the system integrator.”

Hugo Van Herck, General Manager, NYK Logistics Belgium
Excellent results in international surveys

10 good reasons to invest in Flanders - An introduction to Europe’s ultimate business location
Flanders is the ultimate location in Europe for your business activities.

We don’t just say so ourselves. International surveys show that Flanders is a region with a rich variety in opportunities for overseas companies looking for sustainable growth.

Whether your activities concern a European HQ, a coordination or service center, logistics, marketing & sales, production, R&D or treasury operations, companies from all industries in Flanders find themselves in the right spot.

fDi: Flanders is the №2 European region for inward investment

Every two years, the Financial Times’ magazine on foreign direct investment, fDi, publishes its ranking of ‘European Regions and Cities of the Future’. In the 2008/2009 edition, Flanders came second in the overall ranking of top European regions and in the ranking of regions or cities that are most attractive for foreign direct investment.

This list is the result of a comprehensive questionnaire on inward investment and plans for economic development that fDi sent to over 1,000 European cities and regions. The evaluation criteria are grouped into 7 key areas: economic potential, business friendliness, quality of life, human resources, costs, infrastructure and foreign direct investment.

Top 25 European regions: overall ranking
Source: fDi 2008

1 Scotland (UK)
2 Flanders (Belgium)
3 Northern Ireland (UK)
4 Kent (UK)
5 Wallonia (Belgium)
6 Isle of Man (UK)
7 Southern Poland (Poland)
8 Northern Brabant (Netherlands)
9 Eastern Netherlands (Netherlands)
10 Western France (France)
Top 25
Most attractive for foreign direct investment
Source: fDi 2008

1. London (UK)
2. Flanders (Belgium)
3. Paris (France)
4. Leipzig (Germany)
5. Wallonia (Belgium)
6. Tallinn (Estonia)
7. Cardiff (UK)
8. Bristol (UK)
9. Berlin (Germany)
10. Scotland UK

Cushman & Wakefield: Belgium is the №1 logistics country in Europe
Cushman & Wakefield’s European Distribution Report 2008 puts Belgium in first place as top logistics location in Europe. The ranking was based on key factors, such as the local cost of warehousing, land and employment, the quality of transport systems and the accessibility of the region. The Flemish province of Limburg is Europe’s favorite location for pan-European logistics operations.
King Sturge: Flanders has among the lowest rents for prime logistics space
The 2009 ‘European industrial property markets’ report by real estate consultant King Sturge revealed that rental prices in Flanders are among the lowest in Europe. Prime rents for large-area industrial space have been maintained at 45 euros per square meter per year in Brussels and 40-42 euros per square meter per year in Antwerp. When prime logistics rents are compared to the yields, only Warsaw and Budapest perform better in Europe.

“Antwerp and Brussels continue to be the main strategic locations in Flanders for logistics activity. Within what is known as the ‘Golden Triangle’, which includes the city of Ghent, this area offers good multimodal connections, with Brussels Airport and the Port of Antwerp having developed as important logistics hubs,” the report read.

Cushman & Wakefield: Brussels is a cheap and attractive European business city
The European Cities Monitor 2008 has revealed that Brussels is ranked number 4 on the list of ‘most attractive European business cities’. Brussels’ strengths are its language skills, housing quality for expats, market and customer accessibility, the national and international transport networks and the ready availability of qualified personnel.

In ‘Office Space Across the World 2009’, Cushman & Wakefield’s annual list of the world’s most expensive business areas, Brussels is positioned 29th. Compared to other business cities, the capital of Flanders remains an attractive location in terms of office rentals. The list shows that the surrounding business cities, such as Amsterdam, Frankfurt, Zurich and Milan are considerably more expensive than Brussels. Paris and London are much more expensive.
**AmCham Belgium: the US is the top investor in Belgium**
A survey published in 2008 by the American Chamber of Commerce in Belgium revealed that in 2006, Belgium attracted 4.5 billion dollars worth of investment from the United States. This is the highest figure of the EU-15 after Great-Britain. Belgian employment in companies from the US has created – over the years - a total of 130,000 jobs. According to the survey, the investment climate has improved significantly compared to 2005.
In the survey Belgium’s central location, the multilingualism of its workforce and its education system are cited as its main advantages for inward investment. AmCham Belgium also noted the further improvement in Belgium’s infrastructure and its excellent international connections by air.
Belgium attracts relatively more investment that the other EU-15 countries in the chemical and pharmaceutical industries, professional services, IT and in the financial sector.

---

**Flanders in Action - creating an optimal environment for foreign investment**
In 2004, to cater to future growth and challenges, the Flemish government launched an initiative called ‘Flanders in Action’, a number of coordinated socio-economic initiatives that optimize Flanders’ key strengths. Over 30 projects have already been launched, centered around the program’s six main pillars:

- Flanders’ people and their talents;
- Flanders’ creative, innovative and entrepreneurial mindset;
- Flanders’ excellent geographic location in Europe;
- The quality of the Flemish government’s administration;
- Increased internationalization emanating from Flanders;
- Flanders’ opportunities in an eco-friendly environment.

By working hard around these main themes, Flanders aims to keep its prosperity at its current high level and create the right environment for sustainable growth.
Ernst & Young 2009 European Investment Monitor: Flanders is excellent location for headquarters and logistics operations

According to Ernst & Young’s 2009 European Investment Monitor, Belgium is the first western-European country on the list of attractive destinations for foreign direct investment, after the ‘Big 4’ (United Kingdom, Germany, France and Spain). Over half of the investments in Belgium took place in Flanders.

When deciding to headquarter one’s activities in Belgium, the central location of Brussels is a distinct asset. With a score of 8%, Flanders can boast a figure above the European average (7%) when it comes to attracting these activities. In addition, Belgium also continues to attract increasingly more investment in logistics operations. Almost a quarter (23%) of the investment projects in Belgium went on logistics operations, while the European average stands at only 7%. Two-thirds of all investments in logistics in Belgium were directed at Flanders. Of all foreign direct investment projects in Belgium, 5% was directed at R&D activities. Belgium, and Flanders as a region, has made great strides to attain the European average of 6%.
May 2008, Geel

US pharmaceutical giant, **Johnson&Johnson**, invests a record 130 million euros in the construction of a brand-new chemicals test plant for its Flemish subsidiary, Janssen Pharmaceutica.

April 2009, Antwerp

South Korean chemical concern **Songwon Industrial** invests in a new distribution center in the port of Antwerp to optimize its European distribution.

All the ingredients to ensure sustainable growth

“Besides its powerhouse location, Flanders provides businesses with added value at many other levels too. Think, for example, of research and innovation, a highly educated and productive workforce with a fluency in languages, and highly developed transport and communication infrastructures. Foreign businesses receive a warm welcome in Flanders and are well surrounded here by all the ingredients to ensure sustainable growth.”

Koen Allaert, General Manager, Flanders Investment & Trade
High quality of life for expat employees

10 good reasons to invest in Flanders - An introduction to Europe’s ultimate business location
For decades on end, expatriate employees have enjoyed a high standard of living in Flanders. The region’s social fiber is strong and its people are open minded. Its cultural past is both long and colorful and its inhabitants have always enjoyed - and still enjoy - the reputation of living life to the fullest. On top of that, Flanders’ excellent medical health care and education system ensure a worry-free stay for your expatriate employees and their families.

Pleasant living environment for expats
Flanders’ high standard of living, combined with the Flemings’ reputation for enjoying the good things in life, makes for a pleasant environment for any expatriate employee. In addition, international business cities such as Antwerp or Brussels have a thriving culture of expat communities from all four corners of the world. And thanks to the Flemings’ cultural sensitivity and openness, and their ability to speak several languages, you will always feel at home anywhere in the region.

Excellent healthcare and education
An affordable and comprehensive medical healthcare system and a constant focus on healthcare and prevention has resulted in a high life expectancy for people in the region. In education, the international character of Flanders is reflected in a wide range of schools and universities to choose from. You can send your kids anywhere from free local schools to international and European schools and American, British, German, Japanese and Scandinavian schools. Both secondary schools and universities in Flanders enjoy an excellent reputation worldwide.

ECA International: Antwerp and Brussels are the global N°2 and N°3 for quality of life
According to a survey by ECA International, a global leader in the development and provision of HR solutions for the management and assignment of employees, the Flemish cities Antwerp and Brussels are the global N° 2 and N° 3 cities with the highest quality of life. The Danish city of Copenhagen leads the charts. To gather data, ECA questioned 1,800 expats in 254 cities worldwide. Among the criteria used were: infrastructure, climate, opportunities for integration, air quality, public service, access to medical care, social life and entertainment, housing, political tensions and safety.
Endless recreation opportunities
Flanders offers an enormous range of activities for your leisure time. The region boasts an abundance of museums, galleries, theaters and cinemas. You can savor the Belgian beers in the countless cafés and its exquisite cuisine in the many fine restaurants. Football and cycling are definitely the most popular sports, but you can easily enroll in one of the thousands of sports clubs catering from ice-hockey and basketball over tennis and rugby to rowing, fencing and golf. Need a well-deserved break? Head for the countryside or the beach. Get away for the weekend to London, Paris or Amsterdam. Go skiing in the Alps or enjoy a summer holiday in Rome, Venice or the French Riviera. All these destinations are close by and easy to reach.
Colorful cultural past and a lively cultural present

Flanders has a rich cultural heritage. It is the birthplace of many of the world’s great masters, such as Pieter-Paul Rubens, Jan van Eyck, Anton van Dijck, Jacob Jordaens and the Brueghel family. Many talented modern Flemish painters such as Roger Raveel, René Magritte, Leon Spilliaert and James Ensor have followed in their footsteps. Flanders’ rich culture is also reflected in the architecture of the town squares, cathedrals and other historic buildings in cities like Bruges, Ghent, Antwerp and Brussels.

Contemporary arts from Flanders: renowned the world over
Here’s a selection of Flanders’ sons and daughters who have enchanted audiences across the globe with their talents in contemporary arts:

• Dance: Anne Teresa De Keersmaeker, Alain Platel and Wim Vandekeybus
• Plastic arts: Jan Fabre, Octave Landuyt, Panamarenko, Roger Raveel and Luc Tuymans
• Bands and singers: 2 Many DJ’s, Axelle Red, dEUS, Hooverphonic, K’s Choice, Sylver, Novastar, Ozark Henry, Soulwax and Vive la Fête
• Classical music: Paul Dombrecht and the Il Fondamento baroque orchestra, Philippe Herreweghe’s Collegium Vocale, Sigiswald Kuijken’s La Petite Bande, Jos Van Immerseel (Anima Eterna), Huelgas Ensemble (Paul Van Nevel), opera conductor and counter-tenor René Jacobs and the composers Luc Brewaeys and Dirk Brossé
• Jazz music: Bert Joris, Toots Tielemans, Frank Vaganée and Jef Neve
April 2009, Ghent

German Bayer CropScience will consolidate its European plant biotechnology research activities in Flanders and focus on aspects such as stress tolerance and higher crop yields.

January 2008, Antwerp

Brazilian’s largest diversified group Votorantim will, from now on, handle all of its European imports of fruit juice, cellulose and metals at the Port of Antwerp.

Dubai Ports World:
Flanders scores high on the soft factors
“Companies always look at the bottom line first. But, in addition to an investment-friendly environment, companies also want a people-friendly environment. Flanders, with its high standard of living, also scores high on the soft factors.”
Roger Roels, Director, Dubai Ports World

Bandag:
excellent living conditions
“Living conditions in Flanders are excellent. A healthy balance between work and personal life is maintained and Flemish cuisine never fails to surprise me.”
Mike Tirona, Vice-President & General Manager, Bandag EMEA
Professional support in setting up your operations

10 good reasons to invest in Flanders - An introduction to Europe’s ultimate business location
Providing expert advice and guidance to foreign companies wanting to start or expand operations in Flanders is one of the core responsibilities of Flanders Investment & Trade.

Thanks to our experienced, multilingual staff we are able to assist you with your integration into one of Europe’s most prosperous economies, both efficiently and effectively. We have more than 90 regional offices worldwide to assist you, wherever you are.

Identification of an optimal location
We provide confidential information and support at no charge to foreign companies who want to start or expand operations within or from within Flanders. Our experienced staff will help you look for a suitable location for your activities, taking into account the ease of access by road, water and rail, proximity to ports and airports, gateways to markets and suppliers, availability of qualified personnel, and support measures from regional, national and European government agencies. But, first and foremost, they will listen to your particular needs and wishes.

Knowledge and contact center
We are a knowledge-driven organization with access to up-to-date information about the availability of building sites, the local workforce, recruitment and training, suppliers, markets and export opportunities.

We can put you in touch with the right regional and national government agencies, utilities, top knowledge centers and academic institutions. We can introduce you to sectoral and cross-sectoral business networks. We ensure that your company, as well as your employees and their families, will feel right at home in Flanders.
Subsidies and other support measures
We provide you with relevant information about the range of subsidies and support measures offered by the Flemish and national governments. We know everything there is to know about investment subsidies and favorable tax measures, tax rulings, the notional interest deduction, exemption from tax deduction at source for dividends derived from domestic securities, VAT grouping and about setting up a pension fund organization.

We can explain fiscal measures that could produce a financial advantage for your R&D activities, such as existing tax credits for feasibility studies, basic research and prototype development. We can clarify the royalty taxes on patents and the social security system for foreign researchers. And, finally, we can tell you about the types of support that are available for recruiting, hiring and training staff.
Technology attachés: dedicated contacts for hi-tech industries
Flanders Investment & Trade has posted five technology attachés across the globe. These dedicated technology and business experts serve as a direct link for your company when looking to invest in Flanders, set up joint ventures or do business with Flemish firms and/or centers of knowledge. You can find them at these locations:

1. New York (USA): Biotechnology
2. Tokyo (Japan): Biotechnology & Nanotechnology
3. Los Angeles (USA): ICT
4. New Delhi (India): ICT
5. Beijing (China): Environment & Energy

Legal requirements clarified
We actively support you in meeting the legal requirements involved in starting up your business in Flanders. A handy reference for potential investors is our comprehensive Investment Guide to Establishing a Business in Flanders. The guide provides an overview of the different types of companies, the steps involved in setting up a company here, the currently available support measures, taxes, minimum manning levels, import and export, competition laws and environmental regulations. It can be downloaded or ordered via our website.

Ranbaxy: faster internal approval
“Flanders Investment & Trade’s high-impact business presentations on Flanders’ tax advantages and strengths as a logistics hub really speeded up the internal approval process of our investment decision. Our Board of Directors was deeply impressed and, shortly thereafter, the go-ahead was given for our new European Combined Import, Processing & Distribution Center in the Port of Antwerp. Once in Flanders, the staff of Flanders Investment & Trade was extremely helpful in providing us with comprehensive information on the possibilities to research and develop pharmaceutical technology here and all the tax benefits involved. It’s good to know they are around and we will certainly make use of their expert services in the future.”

Neeraj Sharma, General Manager, Ranbaxy Belgium
Maart 2009, Tessenderlo

Japanese chemical giant **Tosoh Corporation** decides to make the Tosoh Bioscience plant in Flanders the parent company for its European operations.

May 2009, Zeebrugge

Norwegian logistics group WWL expands its 47-hectare site for the shipment and processing of cars and heavy rolling equipment. The investment is worth 8.5 million euros.

---

3M Belgium: 

**valuable assistance**

“Flanders Investment & Trade gave us valuable assistance in gathering the information needed to apply for environmental incentives concerning our recent investment in our Antwerp-based manufacturing plant. Apart from providing very complete documentation, they arranged a top-level meeting for us with the Flemish Minister of Economy. The agency has proved to be a very useful source of information and of contacts, through its widely-developed network.”

Denise Rutherford, until October 2008, Managing Director, 3M Belgium and President of the American Chamber of Commerce in Belgium