

BUSINESS MEMO

Newsletter of the Embassy of Belgium
www.diplobel.us



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Flemish Government Visits GM, Ford Headquarters

Flemish Minister-President Kris Peeters, Minister Frank Vandenbroucke (Labor) and Minister Patricia Ceysens (Economy and Foreign Trade) visited the headquarters of Ford and General Motors on February 23rd and 24th to discuss the deteriorating situation in the automobile sector and the companies' plans in Belgium. Together GM (Opel) and Ford employ thousands of car assembly workers in Belgium, and they support many more in the supplier industry.

Among the topics discussed with CEO Rick Wagoner and Chief Operating Officer Fritz Henderson were GM's global restructuring plans, the role of European government support, and scenarios for more autonomy for the European division of GM. GM is seeking €3.3 billion in liquidity, as well as \$1.2 billion in cost reductions in Europe.

After his visit Minister-President Peeters expressed his intention to increase efforts to find a joint European solution with the German authorities regarding the European GM factories. Peeters particularly planned to reach out to the four Minister-Presidents of the German federal states where the Opel factories are situated. GM communicated during the meeting that no decisions had yet been made to close any European operations, including the Opel plant in Antwerp.

The Flemish delegation also discussed Ford's long-term plans with Ford Chief Financial Officer Lewis Booth, including the prospects for the Volvo assembly plant in Gent. Minister-Peeters announced that Ford will invest €51 million in its subsidiary in Genk, whereas the Flemish government will add another €7.2 million. Ford owns 110 factories in 25 countries. The Genk subsidiary employs more than 10,000 people, making it one of the larger employers in Flanders.

Belgian Tax Seminars in Washington, Los Angeles

In cooperation with the law firm Alston & Bird, the Belgian Embassy organized on March 4 a breakfast seminar "Belgium As a Location for European R&D and Patent Ownership" in Washington D.C. The main topic was the new Belgian patent income tax deduction.

In his opening remarks, Ambassador Matthysen explained the economic relationship between Belgium and the United States, and gave an overview of the reasons why Belgium is an excellent foreign investment destination for U.S. companies.

Mr. Albert Wolfs of the Belgian Finance Department explained how Belgian companies and Belgian establishments of foreign companies can benefit from the deduction of 80% of the income from patents from the taxable basis, resulting in an effective tax rate of maximum 6.8% on this income. Mr. Wolfs heads the Tax Department for Foreign Investments in the Finance Department.

Sam Kaywood (Alston & Bird) discussed the U.S. rules related to Belgian R&D and patent ownership, whereas Peter Moreau (Ernst & Young) presented suitable company structures and the pros and cons of European alternatives to Belgium.

Afterwards Mr. Wolfs traveled to Los Angeles where he spoke at a seminar on "Innovative Ways to Finance Motion Picture Production in Europe", more specifically on the Belgian "tax shelter" program for the promotion of audiovisual works and films in Belgium.

The seminar was organized by the Consulate General in Los Angeles, in cooperation with Mitchell, Silberberg & Knupp, a law firm known for its strong links to the entertainment industry. The seminar was well attended by filmmakers, producers, lawyers and consultants, at a time when Hollywood is increasingly looking for additional financing opportunities.

Contact Us!

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University of Liège Among Top Ten Research Institutions

The Scientist, magazine of the life sciences, announced on February 23rd the winners of its 7th annual *Best Places to Work for Postdocs* survey. The Whitehead Institute for Biomedical Research in Cambridge, MA was ranked the top U.S. institution, receiving high marks for its funding opportunities, training and mentoring support.

Among international institutions, the University of Liège took the #9 spot. The survey by The Scientist, conducted via the Internet, received 3438 responses from researchers worldwide. Survey participants were asked to evaluate the quality of their own postdoctoral experience at a university or private company, according to 43 criteria in 11 different areas. 85 American institutions and 27 non-American institutions that were mentioned at least 5 times were ranked.

"With this first-time ranking we are beginning to see the fruits of an ambitious and innovative program that we have been building in GIGA, the biotechnology research center created by the University of Liège in 2002, and which employs more than 300 researchers at present, said University Rector Bernard Rentier, one of the initiators of the project along with Pr. Joseph Martial. "Like the Center for Protein Engineering, a center for research expertise that has long been recognized at the international level, GIGA attracts postdoctoral researchers every year, who find at our university a stimulating work environment and a place for high-level scientific research. "

www.ulg.be, www.the-scientist.com

Flanders House Opens in New York

Ambassador Matthysen and the Minister-President of Flanders, Kris Peeters, attended the opening of Flanders House in New York on February 25th.

Flanders House will be a single point of contact for Flanders in America. The new entity consolidates all of the teams and services that work for Flanders in the U.S. Staff working for Flanders Investment and Trade (FIT), Tourism Flanders-Brussels (TV) and Flanders International (IV) will all work from the same location on the 44th floor of the new New York Times building on West 40th street and 8th Avenue in Manhattan.

To the outside world, Flanders House wants to promote Flanders in the U.S. as a small yet very dynamic and productive region with highly educated people, at the heart of the European Union. Among other things, Flanders House will assist Flemish SMEs in the U.S., promote Flanders as a tourist destination and fosters cultural socio-economic and scientific contacts between Flanders and the United States.

Much of Flanders House's infrastructure will be open to partners from both sides of the Atlantic. The University of Ghent for example will use facilities for a few months every year to recruit PhD students for its bio and plant technology departments.

"The United States are a very important economic partner to us," Flemish premier Kris Peeters explained during the opening ceremony. "About 1,400 American companies are active in Flanders." 25 to 30 per cent of foreign investment in Flanders is American.

Flanders has regional representatives in 90 cities worldwide, such as Osaka, London, Vienna, Paris and The Hague.

Latest Economic Indicators

GDP	+1.1 -1.9	2008 final 2009 forecast
Inflation	+4.5 +1.9	2008 final 2009-02
Unemployment	+7.2	2009-02
Euro-dollar	1.28	2009-03.20

**National Bank of Belgium Economic Indicators,
03.13.2009**



Antwerp, Brussels Top Cities for Expatriates

Antwerp and Brussels are the world's second-best cities to live in, according to the human resources consultancy *ECA International*. Both cities were ranked fifth last year. Top of the list was Copenhagen. European hot spots like Paris, London and Rome did not make the top 10, mainly because of security and air quality issues.

ECA's annual International's Location Ratings Survey rates living standards in more than 250 locations, according to categories including climate, air quality, health services, housing and utilities, isolation, social network and leisure facilities, infrastructure, personal safety and political tensions.

www.eca-international.com

Inauguration of Antarctica Research Base "Princess Elisabeth"

On 15 February 2009 the Princess Elisabeth Station in Antarctica was officially inaugurated, marking Belgium's return to the icy continent for the first time in over 40 years since leaving the King Baudouin base. The inauguration underscores the historical ties Belgium has with the sixth continent, dating back to 1897 when the first scientific expedition led by Adrien de Gerlache stayed on the continent there during winter for the first time.

The research base was officially inaugurated in the presence of Ms. Sabine Laruelle, Minister of the Belgian Science Policy Office, and Mr. Pieter De Crem, Belgian Minister of Defense. Minister Laruelle expressed great pride in being present in Antarctica for the inauguration of the station, while Mr. De Crem described the pioneering role Belgium has had in Antarctica throughout history.

Named after the granddaughter of King Albert II of Belgium, 'Princess Elisabeth' will house up to 16 scientists at a time. The main task of the scientists based at the station will be to conduct research into climate change. Significantly, it is the first 'zero emission' station, designed to function entirely on the basis of solar and wind energy. The base combines environmentally friendly materials, clean and efficient use of renewable energy, and the best techniques of waste management to reduce its ecological footprint.

The completion of the construction is the result of two years of work. The Belgian government had requested the International Polar Foundation (IPF) to build a new research station and the first steps toward construction were taken in 2007.

The station is built against a ridge (The Utsteinen ridge) that is exposed to gales of up to 300 km/h. It can withstand such strong winds through its aerodynamic shape and its foundation anchoring of several meters deep into the permafrost. The upper deck of the building is the actual station and looks over the ridge edge. The lower deck contains a garage for snowcat vehicles and other utilities.

Besides its scientific mission, the station also has an educational mission. It offers an interactive workshop to stimulate thought and action about sustainable development among young people, with an emphasis on the importance of polar science.

www.antarcticstation.org

Port of Antwerp Receives U.S. Security Award

The Antwerp Port Authority participated in the Flanders Port Area mission to New York and New Jersey from 24 to 27 February, led by Flemish minister-president Kris Peeters. The mission focused on economic and trade relations between the United States and the Flemish ports.

During the mission, CEO Eddy Bruyninckx of the Antwerp Port Authority and Administrator Noël Colpin of Belgian Customs received Recognition Awards by the U.S. Department of Energy for the excellent implementation of the *Megaports Initiative* at the Port of Antwerp. The Megaports Initiative provides radiation detection equipment, training, and technical support to scan cargo containers for nuclear and other radioactive materials. Monitoring is carried out at more than 40 detection sites in the port of Antwerp since 2007.

Antwerp and New York/New Jersey port authorities also signed a Memorandum of Understanding to intensify cooperation in areas of mutual trade, exchange of expertise and know how, cooperation on global trade issues, and educational and cultural exchanges.

www.portofantwerp.be

Foreign Investment Rises in Wallonia

The Wallonia Export and Investment Agency reports that foreign investment continued to rise in Wallonia last year. 122 foreign investment projects totaling €776 million were realized in the southern part of Belgium in 2008. They enabled the creation of 2543 jobs.

Foreign investment in Wallonia has been on the rise for a number of years. 723 foreign investment projects injected approximately €5.75 billion into the Wallonia economy between 2000 and 2008, creating almost 16,000 jobs. American investments accounted for almost 20% of the jobs, the other jobs were mainly created with capital from European origin.

Sectors attracting the most foreign capital were chemicals, paper, metal, logistics and food processing. The logistics sector created 2888 jobs, followed by metal (2118 jobs), chemicals (1551 jobs) and food processing (1595 jobs).

www.investinwallonia.be



Aseptic Technologies Wins Facility of the Year Award

Aseptic Technologies was a Category Winner in the fifth annual Facility of the Year Awards program in New York, sponsored by the International Society for Pharmaceutical Engineering (ISPE), INTERPHEX, and *Pharmaceutical Processing* magazine. Aseptic Technologies improves the quality of aseptic operations by providing state-of-the-art equipment and services to the pharmaceutical industry. INTERPHEX is a source for technology, education, and sourcing of the products and services that drive scientific innovation for life sciences manufacturing.

Located in Gembloux, Belgium, Aseptic won the Facility of the Year Award for Equipment Innovation. The Facility of the Year Awards (FOYA) program recognizes state-of-the-art pharmaceutical manufacturing projects that utilize new and innovative technologies to enhance the delivery of a quality project, as well as reduce the cost of producing high-quality medicines. Submissions for the awards have been over the past five years received from more than 20 different countries and territories.

To address the incidents that are still recorded each year due to the injection of contaminated products and the complexities of vial component preparation, high-speed filling, and aluminum cap crimping, Aseptic Technologies - a subsidiary of GlaxoSmithKline Biologicals- developed the new Crystal Closed Vial Technology for aseptic filling of injectable products. Aseptic Technologies decided to install the first Crystal Closed Vial Filling Line (CVFL) in its own Gembloux, Belgium facility.

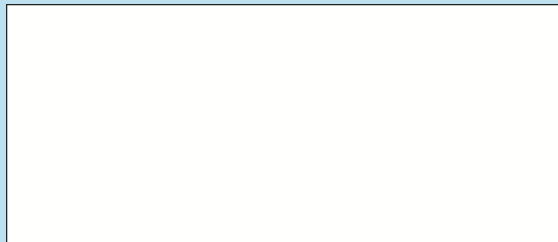
www.facilityoftheyear.org

Can't get enough of Business Memo? Earlier editions are available online, at www.diplobel.us.

The Embassy's website also lists other Investment Office publications, such as

- *Fact Sheets about various aspects of the Belgian economy
- *Setting Up in Belgium: a pocket guide for the business executive.
- *Corporate Directory: an overview of the Belgian corporate presence in the US
- *CD-ROM: Belgium: Gateway to Europe, with testimonials by US business executives

Hard copies of all publications are available from Bart Deelen, Business Development Manager, at bart.deelen@diplobel.fed.be



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