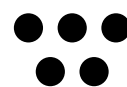


Feel inspired



Investing in
Wallonia / Belgium

How to optimise your presence at the heart of Europe



Wallonia.be

EXPORT
INVESTMENT

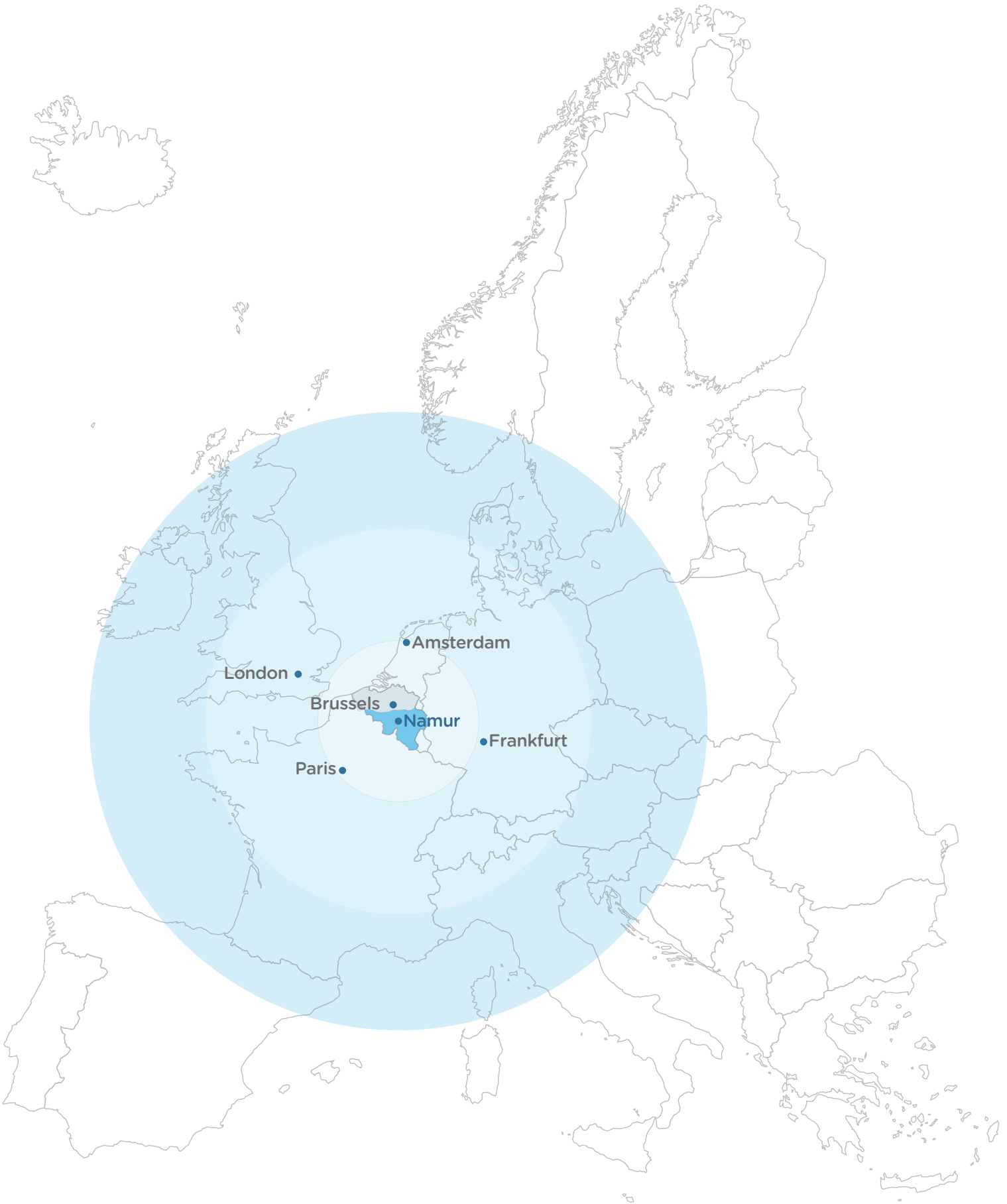


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10 good reasons to invest in Wallonia

By choosing Wallonia,

You're setting up your company close to the capital of Europe

Between Paris, Amsterdam, London, Luxembourg and Frankfurt, Wallonia is at the heart of Europe. Close to Brussels, headquarters of major international organisations (European Union, NATO etc.), home to 1,700 European HQs and second largest journalistic centre in the world after Washington DC.

Within four hours on the road you have a market of 400 million consumers

The European market is at your fingertips. Distribution is made easy via a high level of infrastructure and the presence of five multimodal platforms on the doorsteps of Germany, the Netherlands and France.

Take advantage of attractive taxation

Effective corporate tax rates are some of the most advantageous in Europe (about 25% on average). Added to this is an attractive fiscal system for shareholders and expatriate executives. The self-financed part of an investment is tax deductible (notional interest deduction).

Benefit from advantageous incentives

European and regional financial support is particularly significant and completely tax exempt.

Fast implementation of suitable infrastructure

Large spaces and buildings that are immediately available await you in more than two hundred business parks. Ideally located in Europe's major corridors of communication, they are equipped at a real estate cost that is amongst the lowest in Europe.

Communicate in a culture of partnerships

Wallonia has thousands of ingredients for business/research partnerships. The Wallonia government has approved six competitiveness clusters: Biowin (life sciences), Skywin (aerospace and aeronautics), Wagralim (agro-food), Logistics in Wallonia (transport and logistics), Mecatech (mechanical engineering) and Greenwin (environmental technologies). One aim of these clusters is to provide access to training centres, research centres, universities and businesses.

Export in an extremely favourable framework

Wallonia is one of the world's largest exporters per capita, and offers an international culture centred around exporting; its public support suited to exporting companies - particularly through financial incentives - and its 108-strong network of trade and investment commissioners spread throughout the world.

Employ productive, competent and multilingual people

Productivity in Wallonia is among the highest in the world and a supportive social consensus ensures high quality business relationships. Wallonia is an intercultural society and, therefore, multilingual.

Discover an exceptional art to living and quality of life

At the crossroads of Latin, German and Anglo-Saxon culture, Wallonia practices an exceptional art of living. Wallonia creativity is notably expressed through René Magritte, Georges Simenon, César Franck, the Dardenne brothers, Benoit Poelvoorde, Cécile de France, Dupuis, Hergé...

Simplify administrative processes

Business and foreign investment are the focus of the government's attention. This explains the quality of direct service provided by all regional authorities, simplified administrative procedures and fast decision-making processes



Setting up your company in **Wallonia**

Companies: structures and capital

Constitution and company types

Before creating a legal entity in Belgium, it is first of all necessary to choose the form: subsidiary or branch. A subsidiary is a company under Belgian law with its own separate legal personality to the parent company. A branch is a place of business where foreign companies established in Belgium carry out their activity. These activities take place in Belgium and are directed by a legal representative of the parent company.

The main characteristics of a branch and subsidiary are detailed in the table opposite:



SUBSIDIARY	BRANCH
Distinct legal personality from the parent company	Not its own legal personality. Although it constitutes a separate financial entity, it's primarily an extension of the parent company
<ul style="list-style-type: none"> • A notarial act is required for its creation • The statutes must be registered at the commercial court and published in the Belgian official gazette • A subsidiary must be registered with the Banque Carrefour des Entreprises (BCE, Belgian companies database) • Administrators or managers must prove their ability in terms of management 	<ul style="list-style-type: none"> • The transfer of certain information is required upon its creation, notably: the parent company's articles of association certified by a notary, the decision to create the branch certified by a notary, an original extract from the companies register for the parent company, etc. • This information must appear in the Belgian official gazette • A subsidiary must be registered with the Banque Carrefour des Entreprises (BCE, Belgian companies database) • Administrators or managers must prove their ability in terms of management
Fees: <ul style="list-style-type: none"> • Notary fees • Publication fees • BCE registration fees 	Fees: <ul style="list-style-type: none"> • Translation, notary and authentication fees • Registration and publication fees • BCE registration fees
A subsidiary can be held 100% by a foreign company There are no residency or nationality criterion for shareholders	
Shareholders' responsibility is limited to their contribution to the subsidiary	The parent company has unlimited liability for any agreement, debt, activity, etc. that is entered into into by the Belgian branch
The subsidiary is managed by a board of directors (SA) or by one or more managers (SPRL)	The branch is represented by a legal representative
Minimum capital should be released (see below)	There is no capital obligation: any branch can function using the account of the parent company
Accounting obligations: <ul style="list-style-type: none"> • The balance sheet must be formatted for the submission to the Banque Nationale (national bank) • Publication of annual accounts 	Accounting obligations: <ul style="list-style-type: none"> • The branch balance sheet need not be submitted to the Banque Nationale. However, the parent-company accounts (translated) must be submitted to the BNB (National Bank of Belgium) • Existence of annual accounts
A subsidiary must report to a statutory auditor if any of the following criterion are met: <ul style="list-style-type: none"> • Revenue of €3,125,000 (exc. VAT) • Total assets of €6,250,000 (exc. VAT) • 50 employees equivalent to full-time 	A obligation to report to a statutory auditor if the branch has 100 employees or more
Linguistic obligations: <ul style="list-style-type: none"> • The location of the entity determines the language in which every official document must be written (in French for Wallonia) • Any official communication with the authorities or employees must be in French 	Linguistic obligations: <ul style="list-style-type: none"> • As above for subsidiaries • Any document from the parent company can be written in the company's language. However, if the document has to be registered or appear in the Belgian official gazette, it must be translated into French.

If a company chooses a subsidiary, it's necessary to choose the legal form, either Société Anonyme (SA, limited company) or Société Privée à Responsabilité Limitée (SPRL, private limited company). The main characteristics are the following :

SA	SPRL
Minimum capital: €61,500 (released upon creation)	€18,550 of which €6,200 (or €12,400 if the business is created by a single person) must be released upon creation
The shares can no longer be bearer shares	The shares are registered and the transfer must be authorised beforehand
Creation of the entity must be carried out by at least two founding shareholders, either Belgian or of foreign nationality	Creation by one or several founding shareholders. If a single shareholder is a legal entity, this shareholder will be responsible for any debts of the SPRL for as long as they are the sole shareholder
Shareholders' responsibility is limited to their contribution	Shareholders' responsibility is limited to their contribution
The board of directors is made up of at least three persons (two if there are only two shareholders). These persons must not necessarily be of Belgian nationality	One or more managers each manage the SPRL. They all have management authority and can create a board of directors. These persons must not necessarily be Belgian nor reside in Belgium
The company is represented by its board, or by one or several directors acting alone or jointly according to the terms of the articles of association	The company is represented before third parties by its managing director(s). The articles of association can, however, stipulate that several managing directors must act jointly to represent the company.
Daily management can be provided by several persons, directors or otherwise, acting alone or collectively	Legislation does not explicitly impose a specific type of daily management. However, specific proxies can be granted for certain tasks

Setting up your company in Wallonia

Social

Employment contracts

Employment regulation

In Wallonia, as in the rest of the country, each member of staff (employees or workers) must, through their employer, be covered by insurance within the scope of their job. They must also, via their employer, be registered with a family allowance fund.

The employee will also be linked to the employer by an employment contract defining the tasks undertaken, working hours, disciplinary measures etc. This employment contract will also include the salary that will be paid to the employee once per month. Once a year, the employer will submit a record of all remuneration paid in order to enable the employee to complete their tax return, which the Belgian State will require of them each year.

Different accredited social secretariats exist in order to carry out administrative duties such as payments on behalf of the business.

Two types of wage-earners exist in Belgium, employees and workers. Employees mainly carry out intellectual tasks while workers mainly carry out manual tasks. Working hours are usually 8 hours per day and 38 hours per week. Additional hours are, of course, permitted, but are strictly regulated according to level of responsibility.

Recruitment:

The most simple and least expensive way of recruiting people to your business is to contact the Forem, the Wallonia public service for employment and training.

The free services offered by the Forem vary according to your needs. The Forem will support you in finding the ideal candidate among the competencies available in Wallonia. They help you to develop the knowledge and skills of your employees (training, financial benefits) and can also provide you with any necessary

documentation and give you advice on taking on workers from outside the European Economic Area.

Employment support

In addition to these efforts to improve professional competencies, numerous aid measures have been put in place by the Wallonia government to enable businesses to be more competitive.

This aid covers two aspects:

- Tax benefits and grants that help to reduce wage costs; this concerns recruitment grants, reductions in social security costs or tax exemptions for workers employed for the purposes of R&D, exports or quality (see business taxation).
- Support measures encouraging training: advantageous training plans or programmes, financial aid for training staff and taking on people in search of employment etc.

Example of a measure: the «Plan - Training - Insertion»

- Employment seekers benefit from a training period (from 4 to 26 weeks, or even 52 weeks for a person under 25 years of age) determined between the employer and the Forem, immediately followed by an employment contract for a period at least equivalent to that of the training.
- The advantage: the intern continues to receive possible unemployment benefits and the business pays them an incentive that's exempt from social security contributions. So, at the end of the training period, the business employs an efficient and productive person from day one.

Contact us for a practical simulation suited to your needs: welcome@investinwallonia.be



Skills centres

Skills centres created in Wallonia represent a new concept in the area of training. Designed around open and multifunctional approach, these «next generation» centres are modern training facilities but also spaces dedication to knowledge, know-how and above all, innovative engineering.

The development of skills is therefore the main objective of skills centres. This objective involves professional training.

Skills centres are the result of a partnership between Wallonia, the Forem, corporate partners from professional sectors, research centres and universities. Skills centres are «on point» when it comes to training!

The centres cover the following sectors:

- aeronautics
- agriculture and horticulture
- assembly, maintenance, mechanics and materials, mechatronics, metal, micro-technologies, production theory
- construction
- design
- environment
- wood industry
- food industry
- automotive and and motor sports industries
- chemical and pharmaceutical industries
- graphics industry
- glass industry
- management
- catering
- water-related professions
- industrial painting
- tourism
- transport and logistics
- ICT etc.

Setting up your company in Wallonia

Financial support

Investment aid:

Investment grants are awarded to businesses that invest and create employment in Wallonia.

This aid varies depending on:

1. the size of the company

Criteria	Workforce	Balance sheet total	Turnover
Very small companies	< 10 employees	< 2.000.000 €	
Small companies	From 10 to fewer than 50 employees	< 10.000.000 €	
Medium-sized companies	From 50 to at least 250 employees	< 50.000.000	< 43.000.000 €
Large companies	Businesses that do not meet SME criteria		

2. the business activity

The sectors of activity allowed are production or processing-based activities, wholesale activities, business services, biotechnology, chemistry, aeronautics and aerospace, new materials etc. This list of sectors is for guidance only. Contact us to receive detailed information on sectors that are allowed or excluded for public incentives.

3. Set-up location

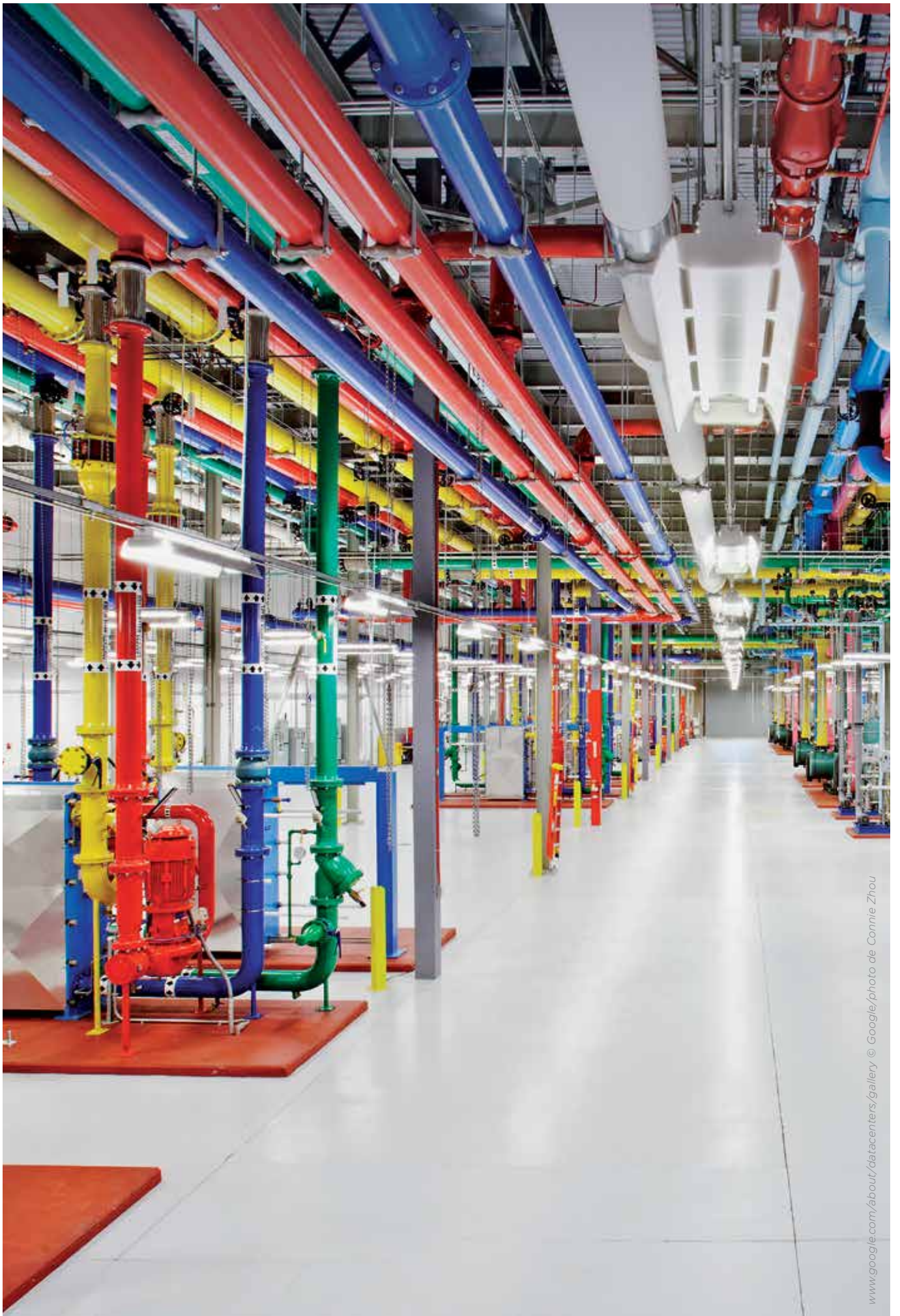
In Wallonia there are «areas of development» in which it's possible to benefit from more advantageous grants. Furthermore, the investment taken into consideration must reach a minimum amount (from €25,000 to €500,00 for SMEs and €1,000,000 for large companies). These investments can relate to the purchase of buildings, materials purchased new, and also intangible investments or equipment on wheels greater than 3.5 tonnes (with the exception of the transport sector). These investments must be capitalised on the balance sheet for a period of five years as of the date the investment is made, otherwise the business must reimburse the grant awarded to it.

Maximum levels of aid 2014-2020

The table below details the maximum amount of aid that can be awarded to companies investing in the Wallonia region:

	Large companies	Medium-sized companies	Small companies
Zone C predefined = Hainaut until 2017	15%	25%	35%
Zone C predefined = Hainaut 2018 - 2020	10%	20%	30%
Zone C non predefined = ZD hors Hainaut 2014 - 2020	10%	20%	30%
Outside area of development	0%	10%	20%

This aid represents a percentage applied to the eligible amount of investment.



Setting up your company in **Wallonia**

Financial support

Wallonia also encourages businesses to carry out an investment programme with the aim of protecting the environment or using sustainable energy. Within this legal framework, the business must invest in Wallonia with the view to exceed existing community standards, anticipate community standards, reduce energy consumption, develop renewable energy sources and develop high-efficiency cogeneration installations.

In order to be able to benefit from this aid, the business must invest a minimum of €25,000.

The rate at which Wallonia will contribute depends on the objective of the investment, the size of the business and its location.

For investments aiming at protecting the environment, the rate can be up to 40% to 50% of the amount invested within the context of using sustainable energy. The rate applies to additional costs for achieving the objectives of protecting the environment less the value of green certificates obtained over five years.



R&D subsidies

Wallonia has a series of R&D aid awarded to medium and large businesses that are located in Wallonia. The aim of these multiple forms of aid is to help businesses strengthen their potential for innovation, acquire the external knowledge needed to implement a project, run research projects, run development projects, create a spin-out using technologies developed by the business, but which are not yet exploited, protect the innovation or even prepare a case for European intervention or achieve the Eureka label.

To meet these objectives, Wallonia has put into place different systems that are applied according to the goal of the research and the size of the business. Evidently, the resources made available by Wallonia are more significant for SMEs.

SMEs can benefit from this aid to:

1. Strengthen their potential for innovation:

- «First enterprise»: aid for the recruitment and training of young job seekers carrying out research at a University or equivalent establishment, or an approved research centre.
This financial aid helps to cover part of the payroll (from 40% to 70%).
- «First enterprise doctor»: aid for the recruitment of a doctor with the view to run research project. This financial aid helps to covers 50% of the payroll for 2 years.
- RPR (Research Project Manager): this aid consists in supporting the business within the scope of recruiting a RPR with the view to running an industrial research project.
This financial aid helps to cover (from 6 months to 2 years) part of the RPR's salary (from 60% to 70%).

2. Acquire external knowledge to implement a research project:

- Technical feasibility study: with the view to develop a new product or service.
- Software feasibility study: to implement new software used for industrial purposes.
These two financial aids help to cover 40% to 75% of the cost of services from external providers (public research organisations, universities or higher education institutions).
- Feasibility study with the view to transfer technologies: to evaluate plans to purchase technology that the business doesn't have.
- Consultant study in strategic marketing: to evaluate chances of success for a new product, procedure or service.
These two aids help to cover 75% of the cost of external providers. The cumulative total of these subsidies cannot exceed €200,000 over 3 years, per company.

Setting up your company in Wallonia

Financial support

3. Run a research project:

- Business subsidy: to carry out basic industrial research.
This financial aid helps to cover 40% to 70% of basic research expenses.

4. Run a development project:

- Repayable loan: to carry out applied research or technological development.
This financial aid helps to cover 40% to 50% of admissible research expenses.

5. Create a new entity from a technology developed within the company:

- «First enterprise spin out»: when a business is not exploiting a technology because it falls outside its main activity. This aid helps to recruit a person in developing an innovative product, procedure or service that uses this technology with a view to creating a new company.
This financial aid helps to cover a part of the payroll incurred by the business (80%) for a maximum of 2 years and awards a sum of €20,000 per year to cover the costs of supervisory staff.

6. Protect your innovation:

- Subsidy for filing or extending a patent: this aid covers the filing of the request and prior research costs. This financial aid varies from 25% to 70% of filing costs.

7. Prepare a case for European intervention or obtain the EUREKA label:

- Horizon Europe subsidy: in order to cover the costs incurred by preparing, filing and negotiating the case before the European authorities.
This aid helps to cover the remuneration of staff (from €3,500 to €7,000), secretariat costs (from €350 to €700) and allowable costs incurred by the project (from €7,000 to €12,000).

With regards to large companies, the aid is intended to:

1. Run a basic research project:

- Business subsidy: to carry out basic industrial research. This financial aid helps to cover 50% of basic research expenses.

2. Run a research and development project:

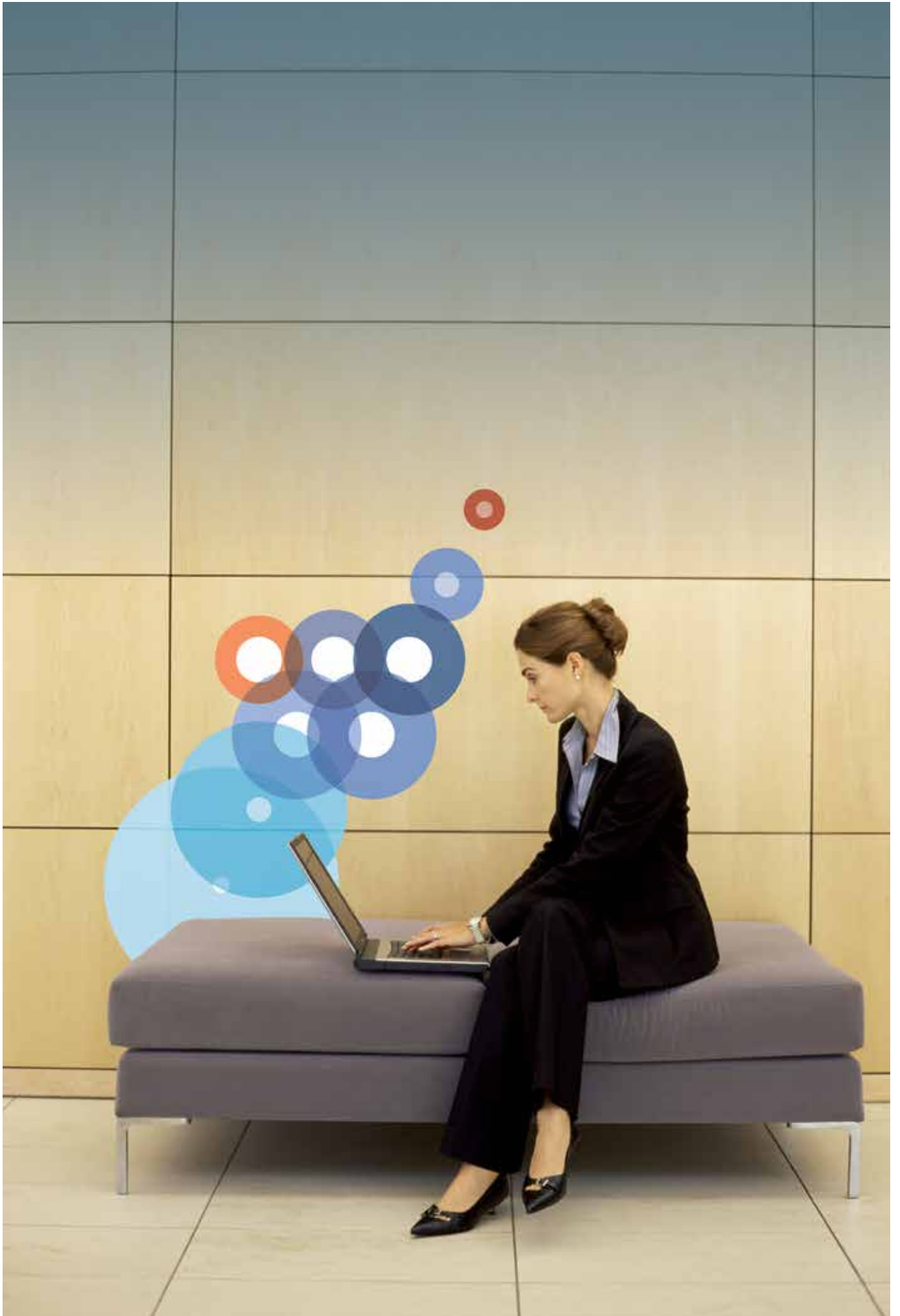
- Repayable advance: to carry out applied research or technological development.
This financial aid helps to cover 40% to 55% of admissible research expenses.

3. Strengthen the potential for innovation:

- «First enterprise»: this aid consists in supporting the company within the context of recruiting and training a young researcher. This financial aid helps to cover 50% of the salary of the young researcher and the organisation at which the research is being carried out receives €5,000 per semester.
- «First enterprise doctor»: the recruitment of a doctor with the view to running a research project. This financial aid helps to cover 25% of the salary of the researcher for two years.

4. Create a new business from a technology developed within the company:

- «First enterprise spin out»: when a business is not exploiting a technology because it falls outside its main activity. This aid helps to engage a person in developing an innovative product, procedure or service that uses this technology with a view to creating a new company.
This financial aid helps to covers 50% of the payroll incurred by the business (80%) for a maximum of 2 years and awards a sum of €20,000 per year to cover the costs of supervisory staff.



Setting up your company in **Wallonia**

Financial support

Tax incentives

Wallonia offers comparatively low tax rates, both for businesses as well as expatriates. This tax policy is broken down into different measures :

- The nominal rate of corporation tax has been lowered in recent years and is competitive in comparison with the main Western European countries.
- Simple and advantageous tax measures make it possible to reduce this nominal rate even more. Among them is the possibility for low-revenue SMEs to benefit from a reduced rate of tax.
- Creating a deduction for «notional interests», which brings the corporation tax rate down to an effective rate of about 25% on average.
- The removal by the Wallonia Government of any uneconomical taxation: abolition of the tax on prime movers, tax exemptions on regional investment aid, property tax exemption.
- A tax system for non-residents and foreign workers or researchers temporarily based in Belgium.

Furthermore, it is good to know that the tax administration system can analyse and determine a priori the tax consequences of a particular situation or planned operation. This is what is called the «tax ruling» or anticipated decision.

The area of application for the anticipated decision applies to all forms of taxation: corporation tax, personal income tax, VAT, customs duties, capital duties. This makes it possible to determine the impact of future decisions in terms of direct and indirect taxes based on anticipated decisions concerning tax administration. This procedure guarantees you legal certainty and conformity with international laws.

Taxation for companies

- **The tax base**
As standard, the tax base is calculated using gross profits from which deductible expenses are taken away. Deductible expenses are, notably, various goods and services (maintenance, travel, rent etc.), remuneration, social security costs and pensions. It is possible to deduct previous tax losses and defer them to following years without limit in terms of time period and amount.
- **Corporation tax rates and reduced rate**
The corporation tax rate is 33.99%. Under certain conditions, SMEs that are mostly owned by physical persons, and whose profit does not exceed €322,500 benefit from a reduced rate of 24.98%
- **Avoiding double taxation**
Belgium benefits from a number of double-taxation preventative tax agreements with several countries. This can be advantageous when a company's activities are consolidated on a global level.

- **Notional interest deduction:**

The main advantage of this measure is the inclusion, fiscally speaking, of the tax applied to borrowed capital (currently interest paid can be deducted from the tax base) and that of financing using own capital, which encourages the self-financing of businesses. With this deduction, businesses that increase their own funds through self-financing can deduct from their tax base a non-accounting charge corresponding to a certain percentage of their own «corrected» funds. To obtain the basic deduction calculation, you start with the book value of capital at the end of the taxation period preceding that for which the deduction is requested. From this amount, different elements must then be deducted.

For example:

Shareholders' equity	100
Long-term investments	10
Notional interest deduction	$(100-10) \times 2,742 \% = 2,4678$
Tax base before the deduction of notional interests:	13
Tax base after the deduction of notional interest:	$13 - 2,4678 = 10,5322$
Corporate tax:	$10,5322 \times 33,99\% = 3,58$

Thanks to this effect, the effective tax rate increases to approximately 25%

This rate of reduction for risk capital is based on OLO rates (10-year linear bonds).
2013 = 2.742% (3.242% for SMEs).

- **Service centres and distribution centres**

There are tax systems which are particularly favourable for various types of activity. These systems, which allow the application of «cost plus» or «resale minus» systems concern service centres (shared service centres, call centres etc.) and distribution centres.

According to the Belgium attractiveness survey 2013 published by Ernst & Young, Belgium went from 6th to the 5th place on the list of the most attractive European countries in terms of investment, which is our best position since 2008.

<http://www.ey.com>

Setting up your company in **Wallonia**

Financial support

- **Tax incentives**
 - In certain conditions, it is possible to practice accelerated write-offs.
 - Exemption on profits up to €14,140 for hiring staff to the position of head of exports or quality control.
 - Other direct advantages can be obtained on certain conditions:
 - › Tax deductions on investment: 14.5% for investment in R&D
 - › Tax exemption for hiring qualified staff responsible for research, quality assurance or exports (up to 75%).
 - › Deductions for patent income are aimed at stimulating technological innovation and activities linked to R&D. This deduction for patent income reduces the tax pressure on net revenues to 6.8% instead of 33.99%
 - › The removal of capital duties (0.5% of the capital).
 - › Tax exemption on certain regional subsidies.
 - › Exemption of 80% of income tax for researchers employed by universities and businesses active in research and development (R&D).
 - › The transformation of the deduction for investment in R&D as a tax credit.
 - › The stage in companies: deduction of 120% of costs carried by employers.
- **The «tax shelter» regime for audio-visual productions**

The aim of this system is to provide tax exemption for companies on sums invested in «recognised Belgium audio-visual works».
- **The system of «customs warehousing»** makes it possible to import goods within the European Union without having to immediately pay customs duties, which avoids significant pre-financing, and also unnecessarily paying duties on goods that will end up being re-exported outside the European Union.
- **Status of foreign expatriate executives**

Attractive conditions for employers. On certain conditions, it is possible to obtain a reduction in payroll costs for foreign managers (see below).

Personal income tax

Basic rate for foreign residents

The rate varies progressively from 25% to a maximum of 50%. There are no taxes on large incomes. Residents that need to contribute must declare their global incomes.

- **The status of expatriate foreign executives:**

They benefit from taxation that only applies to their income resulting from work carried out in Belgium, excluding any professional activity carried out abroad, including work-related travel. Expenses reimbursed by the company for real additional costs, such as moving, renovation, certain trips to their home country, education costs for children, «tax equalisation» etc. are therefore not taxable.

Financial incentives

The SRIW

The Société Régionale d'Investissement de Wallonie (SRIW, regional investment company of Wallonia) and its specialist subsidiaries aims to financially support businesses over the long term, both in Belgium and abroad, with the objective of directly or indirectly encouraging Wallonia's economic development.

These structures participate in business redeployment, modernisation and growth projects. The financial support it provides companies relates to activities mainly focussed on long term investment rather than on short-term financing which is usually the remit of traditional banks.

Furthermore, the SRIW Group develops special links with risk capital professionals and can, where necessary, co-invest with these professionals.

Support provided by the SRIW Group can concern every sector of the regional economy and may cover the following forms, in particular:

- private equity investment accompanied or not by the option to buy and/or sell;
- awarding of loans, convertible or not, subordinated or not, accompanied or not by warrants.

All these interventions can be devised for a longer time period than those that are generally practised on the interbank market.

SRIW's current portfolio consists of stakes in sectors of activity that make up the industrial fabric of the region. The SRIW intends to actively pursue these interventions in these sectors.

Furthermore, the SRIW particularly supports the development of certain activities such as environmental professions and technologies, telecommunications and new technologies. Additionally, the SRIW Group also participates in specific financing activities such as the social economy, aeronautics, space and agricultural products.

www.sriw.be

Setting up your company in **Wallonia**

Financial support

Sowalfin

Created on the initiative of the Wallonia Government, limited company SOWALFIN - Société Wallonne de Financement et de Garantie des PME (Wallonia Finance and Guarantee Company for SMEs) - responds to the financial needs of Wallonia businesses at key moments in their life-cycle: creation, innovation, development, internationalisation and takeover-handover.

The objective is to enable entrepreneurs to carry out projects by offering them financing solutions suited to their needs.

SOWALFIN's basic financing operations are:

- The granting of guarantees to cover bank finance
- Co-financing through the granting of subordinated loans
- Risk capital and long-term financing by means of nine regional Investors which coordinates (Sambrinvest, Hoccinvest, Ostbelgieninvest, Nivelinvest, Meusinvest, Luxembourg Development, Invest Borinage Centers, Investsud, Namur Invest).

Equally, to respond to needs not satisfied by the market, SOWALFIN has put in place specific products through the formation of subsidiaries (SOCAMUT, SOFINEX, SOWACCESS, NOVALLIA).

www.sowalfin.be

Various

Additionally, private initiatives (bringing together different stakeholders in regional development) have come to develop the offer of risk capital such as E-Capital (www.e-capital.be). A non-exhaustive list of risk capital providers is available on the Union Wallonne des Entreprises website : **www.uwe.be**



Export subsidies

The Wallonia Foreign Trade and Investment Agency (AWEX) is the complete partner in Wallonia given that, after having helped you set up, they become a privileged partner for your various initiatives and aid in terms of exporting.

AWEX has put in place a range of financial incentives, sometimes accessible to all businesses, sometimes reserved for small and medium-sized business, or even within the context of specific expertise, and micro-enterprises.

More specifically, these incentives take the form of:

- the availability of specialists and coaches to help develop an export strategy
- the awarding of subsidies to create high quality communication materials suited to prospective markets
- the awarding of subsidies for prospecting abroad within the context of collective actions (joint stands, subsidised trade shows, missions organised by Awex) or individual actions by delegates of the business or Awex interns trained in foreign trade (Export programme)
- partial participation in the financing of the business abroad and the establishment of a partnership with a foreign company
- the awarding of subsidies for training customers of a business in the use of its equipment and services such that the Wallonia-based commercial offer becomes more advantageous for the foreign customer, as well as, via SOFINEX, the availability of financial instruments, shares, bank credit guarantees etc.) to support commercial operations in the short term or long-term investment.

Awex has a network of 108 trade and investment commissioners in a number of foreign countries that can help any business in Wallonia export.

Each year, Awex targets a particular region that is the subject of a structured campaign to build the profile of and promote Wallonia companies, enabling these businesses to intensify their presence or take their first steps in this market.

www.awex.be

Setting up your company in **Wallonia**

Support with setting up

Economic development inter-communal agencies

Wallonia economic development inter-communal agencies, coordinated by Wallonie-Developpement, carry out missions and provide the following services for businesses that invest in Wallonia:

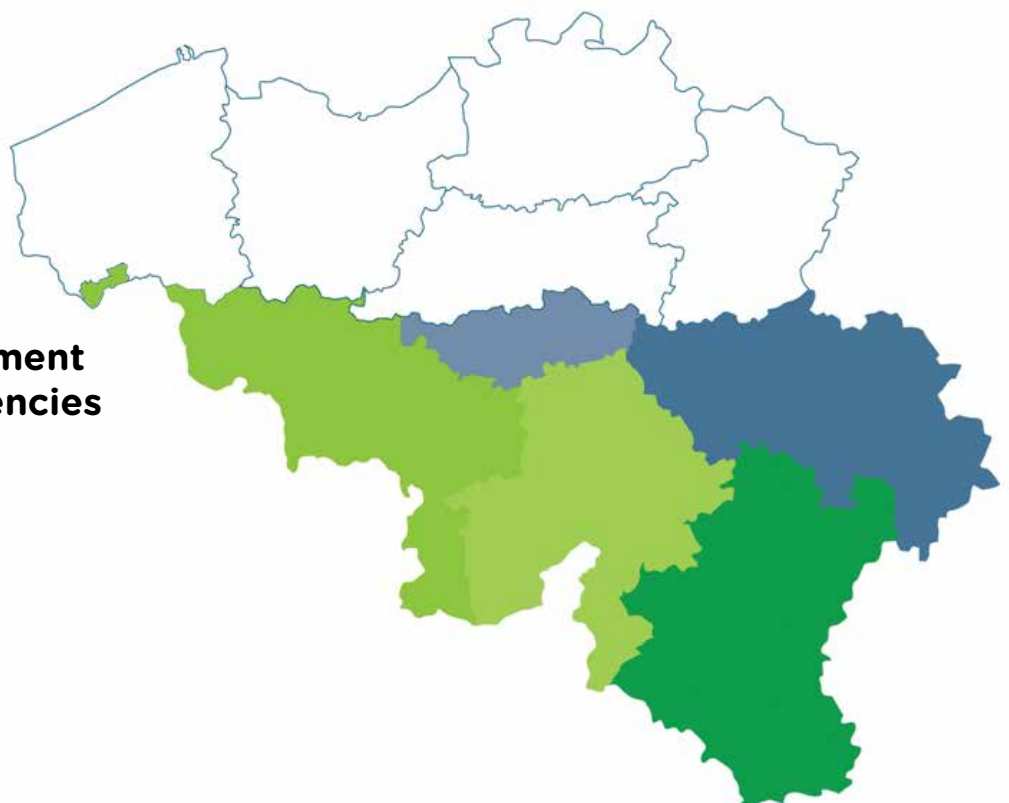
Ground management

- Urban studies and regional planning (the revision of sector plans, urban revitalisation, town development plans, regional development strategies, maps);
- Clean-up operations and the renovation of disused economic sites;
- Expertise in environmental matters and mobility (impact assessments, mobility studies, multimodal development).

The management of visitor infrastructure•

- Acquisition, development and management of business parks and company property (incubators, bridging buildings, auxiliary service centres);
- Availability of property financing tools;
- Advice on company property;
- Design of property projects dedicated to businesses.

Location of the 8 economic development intercommunal agencies



Business support services

- Spreading and promotion of entrepreneurial spirit;
- Project evaluation;
- Access to financing and public funds;
- Support in administrative tasks and assistance with management;
- Administrative advice and follow-up for obtaining permits;
- Support in hand-overs and business restructuring;
- Training of creative candidates and entrepreneurs;
- Brokering of information and strategic intelligence;
- Cross-border development;
- Embedding competencies linked to human capital (awareness, information, teaching, training);
- Support the spreading of Information Communication Technology (ICT) and support its usage;
- Organization of sectoral groups, clusters and competitiveness clusters.





Attractiveness of the investments

- Coordinating operator of local policies for prospecting foreign and local investors (welcome, management, continuity);
- Promoting the image of the Wallonia brand.

Local and regional development:

- Strategic analysis and forecasting, studies and planning;
- Implement Wallonia policies, adapting to local regions.

To find out more: www.wallonie-developpement.be

 Province of Hainaut	IEG : Mouscron/Comines district IDETA : Tournaisis IDEA : région of Mons borinage centre IGRETEC : Charleroi and South Hainaut
 Province of Brabant Wallon	IBW
 Province of Namur	BEP
 Province of Liège	SPI
 Province of Luxembourg	IDELUX

Setting up your company in **Wallonia**

Support with setting up

**Urban aspects:
urban planning permits
+ environment permit
= single permit**

Urban planning permit

This aims to provide the most pleasant possible framework for life and to allow for good coexistence between neighbours and various different activities (trades, services, large and small industries, traffic, public facilities etc.).

Certain town-planning acts are therefore subject to obtaining a permit: to construct or renovate a building or road, make changes to the landscape or even for new installations (counters, signs etc.). According to the impact of the project, the decision to obtain the permit takes between 30 and 115 days.

The legislation that determines precisely what requires a permit, the issuing procedure and the instruments support the decision (plans, regulations) is called Cwatup (Code wallon de l'Aménagement du Territoire, de l'Urbanisme et du Patrimoine, Wallonia code of regional and urban planning and heritage). A simpler procedure has been put in place for certain acts: the planning declaration.

Environment permit

This aims to manage the consequences of economical activities on the natural environment (water, air, noise, etc.). According to their impact (machines, vats, hazardous products, waste, etc.), the legislation discusses establishment classes 1, 2 or 3.

Class 1 establishments are those whose activities have more potential impact. For this reason, they all are subject to an environmental impact assessment before being able to obtain a permit. Once the assessment is complete, the decision is returned within a maximum period of 170 days.

Class 2 establishments (the majority of projects), with a lower impact, require a permit and, to a certain degree, an impact assessment (decision within a maximum of 120 days).

Finally, class 3 establishments, the environmental impacts of which are known and can respond to «integral» conditions are only subject to a declaration (decision within 15 or 30 days). Legislation concerning this can be found in the Wallonia Environmental Code.

Single permit

When a project requires an urban-planning permit and an environment permit, legislation has put in place a single permit that groups the two procedures into one. The two procedures are thereby combined for more consistency and clarity in the introduction, handling and follow-up of applications as a whole. Furthermore, strict deadlines are imposed for obtaining permits. In summary, the single permit simplifies and clarifies the situation while saving time and being more efficient for the business!



Setting up your company in **Wallonia**

Infrastructure

Road, rail, waterway-maritime and airport networks

A neighbour of Brussels, capital of the European Union, Wallonia is a place to do business par excellence, a place that will welcome your business, right at the geographical heart of the European market.

Wallonia offers you

A free motorway network

Without tolls, the Wallonia road network is the densest and one of the best equipped in the world. Directly linked to all major neighbouring corridors of communication it serves 200 industrial zones where several thousand businesses are located.

A vast rail network

This network has been intelligently combined with others means of communication. High-speed rail links (TGV) connect Wallonia to Paris, London via the Eurotunnel, Cologne and Amsterdam via Anvers and create excellent mobility.

Travelling through Wallonia also offers fast connections to the Mediterranean and North Sea coast and the Rhur and Thames bassins.

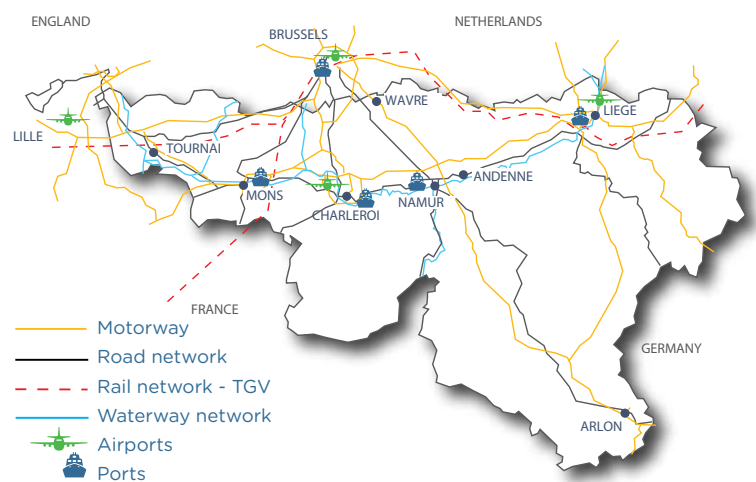
A network of navigable waterways

In Wallonia, more than 450 km of rivers and canals are used for trade and tourism. 9,000-tons boats navigate from Rotterdam and Anvers to Liège, the third largest river port in Europe.

www.portdeliege.be

Airports, European logistics centres

Although, when starting out from any Wallonia city, an hour is enough to reach Brussels International airport and its cargo terminal Brucargo, Wallonia has its own airports where foreign companies have heavily invested



Liege Airport (www.liegeairport.com) is situated in the centre of the triangle Amsterdam, Paris and Frankfurt, with a fast intervention radius for transporting merchandise by lorry. The airport in Euregio Meuse-Rhin has become a large logistics centre served by the TGV and a strategic motorway junction. «Liège Logistics» welcomes businesses working multimodally via air-rail-road and is connected to the port of Liège as well as the training centre for logistics professions.

Brussels South Charleroi Airport (www.charleroi-airport.com). The Brussels-South airport is positioned as a serious contender to Brussels National airport. It provides passenger, courier, maintenance and cargo services. A vast aeropole -a training centre using state-of-the-art technologies- has been built on the edge of the airport. This industrial area dedicated to high-technologies benefits from a very high-speed telecommunications infrastructure.



Wallonia's science parks

Created close to the large university centres and main communication channels, the science parks are open to high-tech businesses focussed on R&D.

The science parks and Wallonia technologies offer numerous hosting possibilities and have office space and laboratories available for rent.

The major sectors of activity in the science parks relate to life sciences, information technologies, chemistry, quality management, electronics, space technologies, new materials, engineering, aeronautics and graphic arts.

Through their structure and specific links with universities and research centres, Wallonia science and technology parks contribute to stimulating the competitiveness of the region by promoting innovative products created by universities and research centres within their businesses.

Launched in 2003, SPoW, (Science Parks of Wallonia) the network of Wallonia science parks, groups seven science and technology parks in which you'll find several well-known companies:

- Louvain-la-Neuve Science Park (IBA, Pfizer, IRIS, GSK Biologicals, etc.),
- Liège Science Park (Eurogentec, Zentec, EVS, etc.),
- Créalys - Namur (Océ Software, SGS, AIB Vinçotte, GSK Biologicals, etc.),
- Aéroport - Charleroi (Johnson & Johnson, Caterpillar, AGC, etc.),
- Initialis - Mons (Microsoft Innovation Centre, Polymedis, I-Movix, I-Care, etc.)
- Qualitis - Enghien (Baxter, Natiss-Materia Nova, Valeo, etc.)
- Novalis - Marche-en-Famenne.

The objective of SPoW is to support the welcoming of Wallonia and foreign businesses focussed mainly on high-technologies and business-university relations.

www.spow.be

Setting up your company in Wallonia

Infrastructure

High Tech Business parks

Wallonia, in association with the eight economic development intercommunal agencies, manages more than two hundred business parks connected to Europe's major communication and transport networks.

These zones are notably characterised by a high level of property available at reasonable rates. Furthermore, they are serviced (water, electricity, telecommunications, drainage and, depending on the case, gas and fibre optics) and linked to Wallonia research and development centres.

Property: Land prices and rent for industrial buildings

	Semi Industrial		Logistics		Land Value
	Average rent (€ / sq.m / year)	Prime rent	Average rent	Prime rent	€ / sq.m
Brussels	48	55	40	45	140-220
Flemish Brabant	48	55	40	45	125-185
Antwerp	39	46	40	43	100-150
East-West Flanders	36	42	38	43	70-160
Wallonia Brabant	48	52	38	42	40-120
Limburg	35	40	38	41	40-85
Liège	35	40	30	39	25-45
Hainaut	33	42	35	38	25-45
Namur / Luxembourg	33	40	30	38	20-40

Source : 2013 BELGIUM Industrial market report - Knight Frank.

Bridging buildings and incubators

Bridging buildings and incubators aim to temporarily welcome one or more SMEs during their launch phase. These halls, office spaces, laboratories etc. are mostly situated at the very heart of the business parks. It's therefore about temporarily making premises available to businesses under attractive conditions, with or without services and common equipment (telephones, photocopier, meeting room, secretarial services, internet, reception, furniture, etc.).

Young, growing businesses are not always interested in building an industrial property immediately. This set-up enables them to move to Wallonia to test and assess the market in order to determine their future growth as well as what they really need before taking the decision to invest in their own infrastructure.



Welcome Offices

Welcome offices are infrastructures made freely available for 6 months and which aim to enable businesses to test out the European market.

These centres offer a series of services such as the presence of translators, administrative support and logistics, help in understanding the language and culture... and, of course, Awex's services.

To date, seven Welcome offices have been created:

- CHARLEROI: welcome office for investors coming from European priority markets
- MONS: welcome office for Chinese companies
- LIÈGE: welcome office for Indian companies
- ARLON: welcome office for Brazilian and South American companies
- LOUVAIN-LA-NEUVE: welcome office for Japanese companies
- NAMUR: welcome office for ASEAN companies
- TOURNAI: welcome office for North American and clean technologies companies

Business centres

Business centres make the ideal launchpad for any business project, whether these are young or well-established businesses, national or international and who wish to have immediate access to equipped offices and meeting rooms, a registered address or trading address, a fixed telephone line, a complete multilingual secretarial service, office logistics, fax, copier, printers, scanners, etc.

Business centres enable entrepreneurs to reach their potential at low cost when launching a project. It encourages the setting-up of foreign companies, notably in order to test the Belgian and European markets. Investors can take advantage of all that the business centre has to offer, devoting all their energy to growing their business.

This development and the creation of jobs that accompanies it are therefore achieved in a healthy economic climate.

Wallonia

in a few figures

Key figures for Wallonia / Belgium

Surface area

Wallonia : 16,844 km²

Belgium : 33,990 km²

Economic performance

Productivity at work - GDP per employee per hour (US\$)

Luxembourg	68.12
France	55.88
Belgium	54.09
Spain	48.37
Italy	46.32
Germany	44.78

Source : IMD World Competitiveness Yearbook 2013

Foreign trade (1996-2013)

Average annual economic growth:		+6.1%
Points of comparison:	Netherlands	+6.6%
	Germany	+6.5%
	Flanders	+5.9%
	UE 15	+5.6%
	France	+4.3%

Wallonia exports

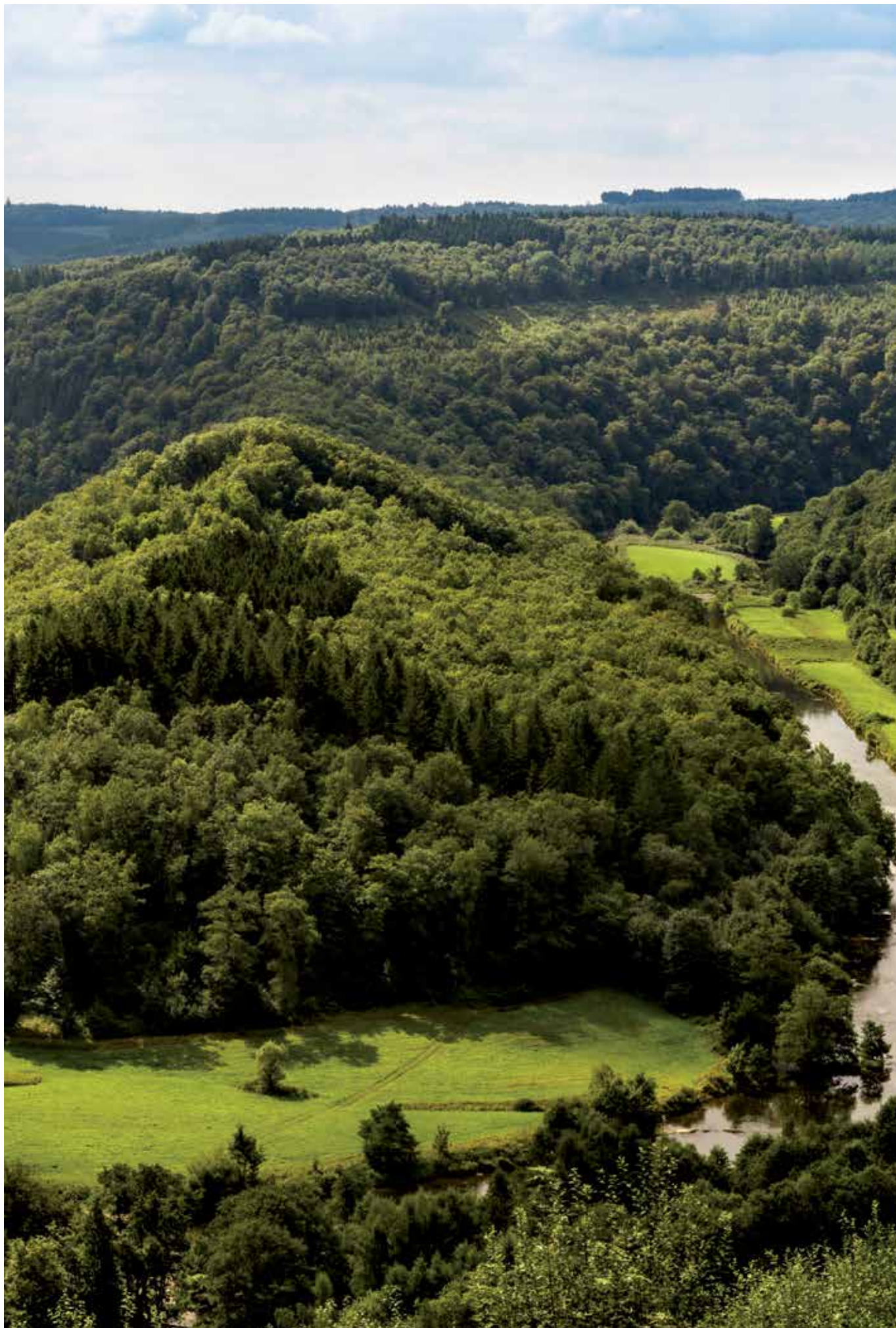
In 2013, exports reached €45.4 billion.

Foreign investment (2000-2013)

Confirmed cases of investment: 1,681

Foreign capital invested: €9.9 billion

Jobs created: 24,064



Wallonia

in a few figures

Economy

Wallonia, between tradition and diversification

Wallonia was the birthplace of the continental industrial revolution. The economic driving force of the region at the start of its industrialisation was then heavy industry, led by industrialists such as John Cockerill (steel industry), Ernest Solvay (chemistry), Zénobe Gram, Jadot, Empain or even Nagelmackers. Today, the economic fabric is considerably more diverse.

Rich in traditional industries that have known how to manage their re-orientation, at the start of the 21st century Wallonia has turned towards state-of-the-art technologies: the aerospace and aeronautics industry, biotechnologies, the pharmaceutical industry, graphic arts, food processing, etc.

It's around the industrial areas and universities that Wallonia's regional economic activity has been restructured. It's structured around the East-West axis that stretches from Eupen to Mouscron, via Liège, Namur, Charleroi and Mons.

These cities have developed new centres of excellence based on high-tech products.

Thus, Liège and Charleroi are, among others, the melting pot of the region's aeronautical industry. Let's take the Centre Spatial de Liège for example (CSL, Liège Space Centre, www.csl.ulg.ac.be), active in space instrumentation and technological developments linked to space testing; Techspace Aero (www.techspace-aero.be), subsidiary of the group SAFRAN, which designs, develops and produces subassemblies, components, equipment and test benches for aircraft and rocket engines or even Sonaca (www.sonaca.com) in Charleroi, who specialises in making aircraft parts.

Furthermore, in Liège, Wallonia has one of the

most comprehensive universities in Belgium. The university of Liège (ULg) is linked to more than 600 institutions around the world and is part of major international science networks.

Listening to the needs of companies, ULg plays an important role as a creator of high added-value activities and coordinator of technology centres bringing together businesses and public operators (biotechnologies, aerospace, the environment etc.). It is the French-speaking university that creates the most spin-off companies from its laboratories.

The East-West axis also points towards telecommunications (Minerve Centre in Charleroi, Multitel in Mons, Téléparc des Hauts-Sarts in Liège, etc.), as well as towards research and technology in new materials (the role of the Materia Nova centre of excellence in Mons is to support businesses in achieving and/or maintaining an excellent level of technology in the area of materials).

The North-South axis crosses Wallonia from Wavre to Athus (close to Luxembourg city) passing through Namur. Here as well, collaboration between businesses and universities is remarkable. The Catholic University of Louvain-la-Neuve has transformed Wallonia Brabant into an incubator for businesses mainly focussed on the biomedical and pharmaceutical fields (GSK Biologicals, Pfizer, Abbott).

Gembloux Agro-Bio Tech and the State centre of agronomic research attract numerous businesses in the food processing industry.

As for the south of the province of Luxembourg, it's the centre of the forest industry and also one of the centres of the food processing industry, which attracts a large number of foreign investors (Ferrero).

Wallonia expertise exports itself very effectively.

The geographic distribution of Wallonia exports is characterized by a strong concentration on the European Union (first France, then Germany, the Netherlands, the United Kingdom and Italy). The United States are nevertheless the sixth customer for companies in Wallonia. In terms of exports, five sectors make up practically 65% of sales.

These are metals, chemistry, machinery/equipment, plastics and transport equipment. The food-processing industry is in sixth place.

From the Marshall Plan to the Marshall Plan 2022

In order to strengthen the Wallonia region's competitiveness in sectors for which it also has potential, in September 2005 the Wallonia Government launched the Marshall Plan. This is based around five focal-points:

- competitiveness centres
- the creation of activities
- the easing of taxation on businesses
- the strengthening of research and innovation
- the improvement of skills for employment

In 2009, the Wallonia Government – in conjunction with the government of the Wallonia-Brussels Federation – updated and optimised the priorities of this first plan through what's called the «Marshall Plan 2.Vert». With a budget of €2.75 billion for the period 2009-2014, this plan is based around the following six priority areas:

- Human capital, an advantage to enhance
- Competitiveness centres and business networks, a success to amplify
- Carrying out scientific research, a driving force of the future
- Setting up a framework conducive to the creation of activities and quality jobs
- Employment-environment alliances, a strategy for the future
- Combining employment and social well-being: policies of job support in community services.

Continuing the logic of the «Marshall Plan 2.Vert». and launched in 2013, the Marshall Plan 2022 integrates measures that support the six competitiveness centres, with something new: two lines of force that guide decisions:

- the reinforcement of teaching and training;
- energy transition.

The aim of the Marshall Plan 2022 is to develop a new strategy of regional development that builds on the strengths of the «Marshall Plan 2.Vert» and which innovates while also including teaching policies belonging to the Wallonia-Brussels Federation and competencies that will soon be transferred to Wallonia.

The Marshall Plan strategy has borne fruit: since 2005, 46,388 jobs have been created or are ultimately planned, 31,165 cases of direct aid have been granted to companies and 417,895 training positions have been filled. www.wallonia.be

If you require any further information or would like a simulation with figures adapted to your project, PLEASE, CONTACT US :

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