

Economic & business news from Belgium – December 2014

This newsletter was prepared by the Federal-Regional Liaison Unit for Foreign Investment. The Liaison Unit was created in 1995 as a result of the Cooperation Agreement "Foreign Investments" of 7 February 1995. Its mission is to raise important issues concerning the investment climate in Belgium to policy makers, and create synergies between all the Belgian authorities involved in the attraction of foreign investments. The following authorities are represented in the Cell: FPS Foreign Affairs, FPS Economy, FPS Finance, the Chancery of the Prime Minister, Flanders Investment and Trade (FIT), Agence wallonne à l'Exportation et aux Investissements Etrangers (AWEX) and Brussels Invest & Export (BIE). Its chair is held by the Regions on a rotating basis and its secretariat is ensured by the FPS Economy.

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1. Foreign investments in Belgium

New Total plant sets records in Antwerp

For its new production plant in Antwerp, Total uses innovative and record-setting assembly procedures.

In 2013, Total announced a EUR 1 billion modernization project at its Antwerp production plant, the company's largest refining and petrochemical platform in Europe. One of the investment projects, OPTARA, is a new refining complex intended primarily for converting heavy fuel oil into desulphurized diesel and domestic heating oil with ultra-low sulphur content. Hereby, Total aims to respond to a shift in demand towards more ecofriendly products.

Many of the new plant's components will be built modularly on a remote construction site. No fewer than 32 construction modules — the largest being 22 meters high — are transported to the Port of Antwerp by barge and unloaded at the ABES quay. From there, trucks convey them to the Total site via the Scheldelaan road. The outsize cargos are the largest and heaviest ever to transported on public roads in the Antwerp area.

The transport operations began in October 2014. The new plant will be operational in 2016.

<http://www.portofantwerp.com/en/news/outsize-load-new-total-plant#sthash.0mMA2RC4.dpuf>

US-based 3M invests EUR 20 million in Belgium (Zwijndrecht)

Next January, US-based technology concern 3M, famous for its Post-It Notes, will launch plans for a new solvent-free glue production line in Zwijndrecht.

In the next two years, 3M will invest a staggering EUR 20m in its Flanders-based site in Zwijndrecht, recruiting fifteen new researchers along the way. At the site, 3M hosts both research and production activities, the latter mainly involving high-quality rubber and glue.

Due to a shortage of capacity in the United States — but also because of the proximity of scientific knowledge and expertise — 3M decided on Zwijndrecht as the location for its new solvent-free production line. The new line is expected to produce "several thousand tonnes" every year.

"Usually, glue consists for 70 per cent of solvent, which is basically deadweight", explains Hans Vlamincx, R&D Manager at 3M. "That's why we exclude all solvents, ending up with 100 per cent glue that still has the same properties." How this happens is a well-kept company secret.

But 3M has more plans in store for its Zwijndrecht site. The company will also plow EUR 4.6m into a new manufacturing technology to create durable, high-quality rubber for the aerospace and automotive industries. What's more, the company also opened its validation lab, which tests filters for biochemical and pharmaceutical concerns from all over western Europe.

The company employs about 700 people in Belgium.

http://solutions.3mbelgie.be/wps/portal/3M/nl_BE/about-3M/information/more-info/press-room/?PC_Z7_RJH9U5230ONQ6027DTROJH248200000_assetId=1361821566358

DAF (the Netherlands) invests in Belgium (Westerlo)

With the commissioning of a brand-new paint shop by the end of 2016, Dutch truckmaker DAF is investing in the future of its plant in Westerlo, which produces driver's cabs.

Within a few weeks from now, DAF Trucks N.V. will sign an investment contract of 100 million euros for a new paint shop in its factory at Westerlo. The works are planned to start in early 2015. The new paint shop will be put into service by the end of 2016.

Recently DAF received two large orders. Next year 700 cabs will be built for the leading Russian transport company Monopoly and another 1,000 for the Hungarian transport company Waberer.

The Westerlo plant employs 1,800 people, including more than 1,500 manual workers. Daily, a total of 184 truck cabins come down the production line.

<http://www.daf.be/nl-be/news-and-media>

ExxonMobil, Evonik and BASF: major investments in Antwerp

This autumn, international chemical concerns ExxonMobil (US), Evonik and BASF (Germany) are planning major investments in the Flanders-based Port of Antwerp, Europe's largest and most diverse integrated chemical cluster.

Earlier this month, ExxonMobil kicked off the USD 1 billion construction of a new Delayed Coker Unit in the Antwerp port area. This unit will convert heavy, high-sulphur oil residues into transport fuels such as gasoil for ships.

Meanwhile, Evonik Industries is constructing a new site in Antwerp for the production of its shrimp feed additive AQUAVI® Met-Met — an innovative application which, besides being more eco-friendly, also improves the feed's quality. "Worldwide, aquaculture is a fast-growing market", explains Christoph Kobler, Product Manager at Evonik. "With this new application, we'll build and sustain our leadership position."

Finally, BASF is starting up a brand-new extraction plant for butadiene, a chemical used for the production of — among other things — synthetic rubber. The new Antwerp plant will produce about 155,000 tonnes of butadiene every year, making it the second biggest BASF butadiene extraction plant in Europe.

www.portofantwerp.be

http://www.exxonmobil.com/Benelux-Dutch/news_releases_bnl_20141002CokerUnit.aspx

<http://corporate.evonik.be/region/belgium/nl/media/press-releases/pages/default.aspx>

http://www.basf.be/ecp2/Press_belgium_nl/index

Bloom Technologies sets up base in BioVille (BE)

US-based Bloom Technologies has recently decided to open a second site in Diepenbeek (Belgium), more specifically in BioVille — a business incubator for companies that specialize in life sciences.

Headquartered in San Francisco, Bloom Technologies is a spin-off of Belgian IT research institute IMEC. The company develops portable digital devices for monitoring mother and child, both during and after pregnancy. These patented devices accurately measure relevant vital signs, reassuring parents or allowing doctors to intervene quickly, if necessary.

By setting up a base in BioVille, on the campus of the University of Hasselt (UHasselt), Bloom Technologies will be able to collaborate even more with both IMEC and East-Limburg Hospital (ZOL). Eric Dy, CEO at Bloom Technologies: "BioVille's unique offer of infrastructure, services and networks convinced us to open a new site in Flanders."

In the next two years, Bloom Technologies expects to further extend its Flanders-based R&D team. In addition, the company aims to kick off production and distribution activities for the European market.

<http://www.bloomtechnologies.net>

Qatar Airways Cargo checks in at Brussels Airport

Based in Doha, airline Qatar Airways Cargo has recently announced it will expand its operations to Brussels Airport. The Arabian group will schedule four weekly flights between Brussels and Entebbe (Uganda) or Nairobi (Kenya).

According to Qatar Airways, the major types of goods passing through Brussels Airport will be pharmaceuticals, as well as automotive, perishables and optical, technical and medical apparatus.

Besides Brussels, the group also adds Shanghai to its freighter destinations. Ulrich Ogiermann, Qatar Airways Chief Officer Cargo: "We are delighted to launch freighter services to these major cities. Our services will create exciting opportunities for businesses, especially in the pharmaceutical industry in Belgium and China."

<http://www.qatarairways.com/be/en/latest-press-releases.page>

Eastman Chemical (US) acquires Taminco (BE)

Based in Ghent, chemical concern Taminco is to be acquired by American group Eastman Chemical for USD 2.8 billion. "By collaborating with Eastman, our company will receive a lot of investment opportunities", says Taminco CEO Laurent Lenoir.

Taminco is the world's leading producer of alkyl amines—the primary chemical for feed products and agrochemicals, as well as paint products and rubber. Ghent, however, has always been the company's main production site.

Two years ago, the Ghent-based concern had been acquired by private equity group Apollo for USD 1.2 billion.

http://www.taminco.com/component/com_investornews/Itemid,503/lang,en/

Xtratherm creates one hundred jobs in Belgium

Xtratherm, the Irish family-run company manufacturing and distributing polyurethane insulation panels (PIR), is to open a production unit in Feluy, Belgium. This investment amounts to over €30 million will lead to the creation of one hundred jobs. Xtratherm generated a turnover of over €100 million in 2013 and already employs more than 300 people.

The main reasons behind Xtratherm's decision are Belgium's central position in the heart of its trading area, the accessibility of markets, the availability of land, the possibilities for expansion, the investment subsidies received from the Walloon Region and from Europe (30% of the total investment amount), the support of the Walloon Region's financial tools and banks, the fiscal ruling and the five-year guarantee.

The polyurethane insulation panel (PIR) production and distribution unit will supply clients in Belgium, Luxembourg, the Netherlands, Germany and France, resulting in major exports from Feluy. The building has a surface area of 16,000 m² and will soon house an initial production line, although expansion plans are already in the pipeline.

As the business uses fine chemistry based on polymers, it was completely natural for the factory to be located in the region's main chemical activity zone, "Seveso". "The arrival of Xtratherm further strengthens the strategic position of the leading Walloon cluster, managed by Idea, in the field of petrochemicals in Feluy", stated Caroline Decamps, Director General of the intermunicipal economic development agency, Idea.

<http://www.xtratherm.be/nl/about-us>

Mapei invests in Belgium

With a turnover of over €2.3 billion and 7,500 employees in 68 subsidiaries on all five continents, Mapei is an undeniable global leader in adhesives, sealants and chemical products for building. The Italian multinational has just announced a major investment in the Liège region.

The project represents an investment of over €4 million and aims to double the existing storage capacity with a new warehouse and build new offices, a showroom and a laboratory. The project also includes the modernisation of the existing buildings, particularly those used for loading and unloading materials.

Construction work began in October 2014 and is due to be completed by the end of 2015.

"This investment is a clear signal that the Group wants to strengthen yet further its already strong position in Belgium and Luxembourg", confirmed Doctor Giorgio Squinzi, CEO of the Mapei Group. "We are determined to give Mapei Benelux every possible advantage so that it can best serve our clients and fully exploit the potential of our wide range of products and innovative solutions".

<http://www.mapei.com/BE-NL/>

Burger King in Brussels

The American fast food chain Burger King, owned by 3G Capital Holding (where we find Jorge Lemann and Brazilian shareholders of AB InBev), has landed in our country.

The company arrives in Brussels, not to attack the Belgian market but to manage its activities in four countries in South and Eastern Europe.

On October 7, it created the limited company Burger King SEE Ixelles.

Burger King SEE main mission will be to exploit the group's restaurants in four countries of south-east Europe: Italy, Greece, Romania and Poland. It will have to ensure the financing of local affiliates, including through franchise agreements, and manage the operation of the latter as a franchise of the Swiss company Burger King Europe GmbH.

<http://www.bk.com/news-press>

2. Belgian companies

EUR 1.27 million for Bio Base Europe in Ghent

The European Union, the government of Flanders and the province of East-Flanders are plowing a staggering EUR 1.27 million into Bio Base Europe, a pilot plant for the bio-based economy, located in the city of Ghent.

As a test plant for the bio-economy — all economic activity based on natural resources, specifically biomass — Bio Base Europe supplies both specialized equipment and expert know-how to companies which develop innovative bio-products (such as bio-plastics, -chemicals, -detergents, -solvents, etc.).

Established in 2009, the pilot plant is now fully operational and employs about 40 people. Professor Wim Soetaert, CEO of Bio Base Europe: "Because of a rising demand from companies, we needed additional equipment, especially in the field of industrial biotechnology." With the EUR 1.27 million investment, both Europe and Flanders enable the building of three brand-new bioreactors and all the equipment and software that goes with it.

The bioreactors (two with a 1,500 l and one with a 15,000 l capacity) will allow even more companies to test and produce industrially significant quantities of new bio-based products. A thriving backdrop for various innovative projects that target economic growth and create employment — in Ghent, Flanders and beyond.

<http://www.bbeu.org/tags/news>

EUKA — a new drone competence center in Belgium (Genk)

In Genk, a brand-new competence center for the drone industry officially opened: EUKA. Its main objective? Gathering drone technology developments from around the globe and supporting companies looking to develop a business model in the sector.

Today, drones are mainly used for military purposes and entertainment. Many entrepreneurs, however, believe the innovative applications will offer a lot of economic potential. To allow local businesses in the sector to test their drones, a Drone Valley was created at Sint-Truiden (Belgium).

Several local companies decided to go even further. With the help of the government of Flanders, they decided to collectively launch EUKA in an attempt to support further scientific research and product development in the drone industry.

Bart Lodewyckx, director at Unizo Limburg, the local SME association: "EUKA will prove to be an important and innovative cluster that will definitely create a lot of new jobs in the region."

<http://www.unizo.be/limburg/viewobj.jsp?id=436575>

Biocartis (BE) creates biomarker spin-off MyCartis

Belgian biopharmaceutical company Biocartis spins out its Evaluation division into MyCartis. This new entity will also contain the Ghent-based biotech company Pronota, which was recently acquired by Biocartis.

Evaluation is the developer of a platform for biomarker analysis, while Pronota specializes in the development of biomarkers. Together, they will form a biomarker specialist called MyCartis.

The Biocartis shareholders have provided a capital increase of EUR 7.5 million to finance the spin-off, with a commitment to increase the capital again next year by the same amount. The day-to-day management of MyCartis will be in the hands of Dutchman Paul Ladestein.

<http://biocartis.com>

AGC Glass Europe opens New Technovation Center in Belgium

The Technovation Center was opened on 5 November in Gosselies in the presence of His Majesty, King Philippe. The new AGC Glass Europe research and innovation center represents an investment of €30 million and 250 jobs.

AGC Glass Europe, based in Louvain-la-Neuve, employs no fewer than 14,500 people around the world. The glass industry employs 7,700 people in Belgium.

The engineers, researchers and technicians working in the new center are creating new cutting-edge technologies. They are developing increasingly high-performing glass. The many projects being undertaken by the company include the marketing of a 12 mm-thick insulating glass. The engineers would have no qualms about describing this project as extraordinary. The work of the Group's researchers makes it possible to constantly extend the range of functions of glass (comfort, energy management, health and safety and aesthetics) by giving it revolutionary properties.

<http://www.agc-glass.eu/English/Homepage/News/page.aspx/882>

Solvay enters skin care market with acquisition of Dhaymers in Brazil

Solvay announced that it is acquiring Dhaymers, a Brazilian manufacturer of specialty esters, entering the skin care market and expanding its presence in industrial lubricants and mining industries in Latin America.

Solvay's Global Business Unit Novecare has been strengthening its foothold in fast-growing market segments in Latin America. The customized product portfolio of Dhaymers complements Novecare's acquisition in April of the specialty chemical assets of Erca Química and further increases production capacity.

http://www.solvay.com/en/media/press_releases/index.html

BESIX selected for the construction of the "Great Rugby Stadium" - Paris

The French Rugby Federation (FFR) has selected the group - BESIX - Cofely GDF SUEZ for the design, construction and maintenance of the new rugby stadium, to be located in Ris-Orangis (Evry, Department of l'Essone), near Paris.

The stadium with 82.000 seats, will be one of the biggest stadiums in Europe and will include over 200 000 m² of space to be built.

FFR and the group BESIX - Cofely GDF SUEZ are finalizing the contract . After obtaining building permits and other authorizations necessary building, the actual construction will begin in 2017.

<http://www.besix.com/News/BESIX-selectionne-pour-la-construction-du-«-Grand-.aspx>

3. General economic information about Belgium

Belgium ranks fourth in the Innovation Index 2014

For the third year in a row, Belgium takes up the fourth place in the Innovation Index. With this fourth place, Belgium outclasses the Netherlands (8th), France (17th) and Germany (6th).

The Innovation Index is a study executed by a consortium of three research institutes: the Fraunhofer Institute for Systems and Innovation Research, the Centre for European Economic Research (ZEW) and the Maastricht Economic and Social Research Institute on Innovation and Technology (MERIT). This consortium analyses 35 countries on the following domains: economy, science, education, government and society. The Innovation Index is composed out of 38 individual indicators to conclude on the capacity for innovation of a nation.

According to the study, Belgium takes up the 4th place in the ranking thanks to its large number of hidden champions in the small industrial subcontracting markets and thanks to the fact that the Belgian innovation system is very balanced.

<http://www.zew.de/en/>

Brussels figures in the top 15 cities most appreciated

According to the Reputation Institute, global leader in consulting, represented in Belgium by the communication agency Akkanto, Brussels has a better reputation than Paris or Rome.

In one year, the capital of Europe has moved from 28th to 13th place. Conducted for four years, over a hundred cities in the world whole, the study is based on interviews with 19,000 citizens from the G8 countries.

Among the highlights of Brussels figures its attractiveness to the business world, thanks to the presence European institutions.

"Brussels has also boosted its marketing with an organization like Visit Brussels. It is more visible on the international stage " argues Walter Gelen, partner at Akkanto.

<http://www.reputationinstitute.com/thought-leadership/city-reprtrak>