Feel inspired

INVEST IN **WALLONIA**

How to optimise your set-up in the heart of Europe

Wallonia.be

EXPORT
INVESTMENT

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PRESENTATION OF WALLONIA

Wallonia welcomes you to the heart of Europe This forward-looking Region has many advantages and has already convinced a large number of foreign investors.

INTRODUCTION

CENTRAL AND ACCESSIBLE

Wallonia offers a favourable environment for businesses. Every effort is made to facilitate the set-up and growth of your business, with direct access to almost 500 million European consumers.

SUPPORTING COMPETITIVENESS

With sustained economic growth and a vast culture of partnership, Wallonia has a comprehensive system of financial aid and an attractive tax regime. Our one-stop shop and its experts will offer support and customised follow-up throughout your processes.

EXPERTISE

Innovation and creativity are among Wallonia's main concerns. As well as competitive salary costs and a highly qualified multilingual workforce, you will also find the right training for your employees.

A GOOD QUALITY OF LIFE

Wallonia is universally recognised as a very welcoming region and you will love both its heritage and its exceptional quality of life. You will be impressed by its wide variety of real estate, its high-quality healthcare and its world famous universities.

KEY FIGURES

EVOLUTION OF WALLOON EXPORTS

+11.2%
2019

AMOUNT OF WALLOON EXPORTS (2019)

49.2 bn

GEOGRAPHICAL TRENDS

UE28 ZONE
+6.6 %
(2019)

OUTSIDE UE28
+27.4%
(2019)

UNEMPLOYMENT RATE DECREASING CONSTANTLY SINCE 2010

R&D EXPENDITURE PER CAPITA AMONG THE HIGHEST IN THE WORLD

Agri-industry
€300

Transport and logistics
€180

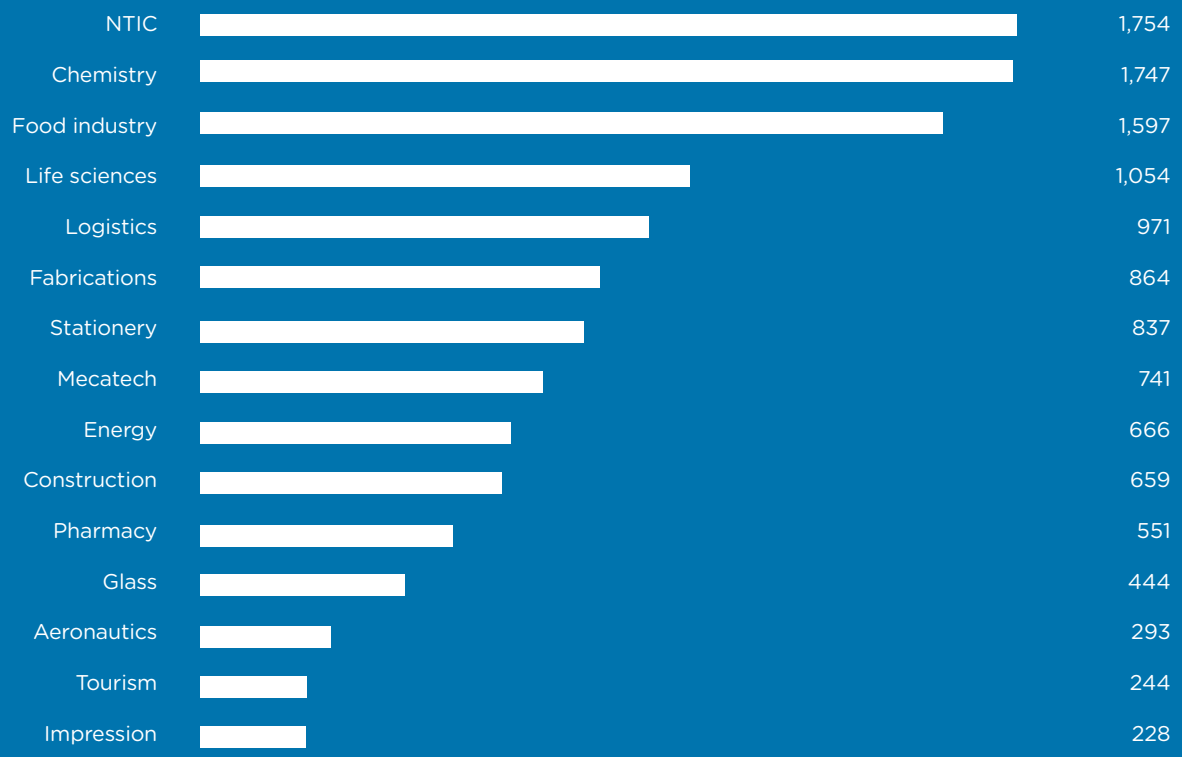
Chemistry and sustainable materials
€58

Mechanical engineering
€282

Life sciences
€338

Aeronautics and space
€69

FOREIGN INVESTMENTS 2000-2019
SECTOR BREAKDOWN OF AMOUNTS INVESTED (MIO. €)



« Results 2019 - Wallonia Export - Investment Agency»

WALLOON ECOSYSTEM

WALLOON INDUSTRIAL AND TECHNICAL BOOM

Wallonia was a pioneer in the industrial revolution at the start of the 19th century. Its expertise is exported around the world, with businesses such as Cockerill Maintenance & Ingénierie (CMI), which has become a world leader in mechanical engineering over the last 200 years.

Wallonia has taken the Belgian industrial boom across Europe and it is this dynamism that encouraged the country to play a leading role in the founding of the European Economic Community (EEC), which became the European Union (EU).

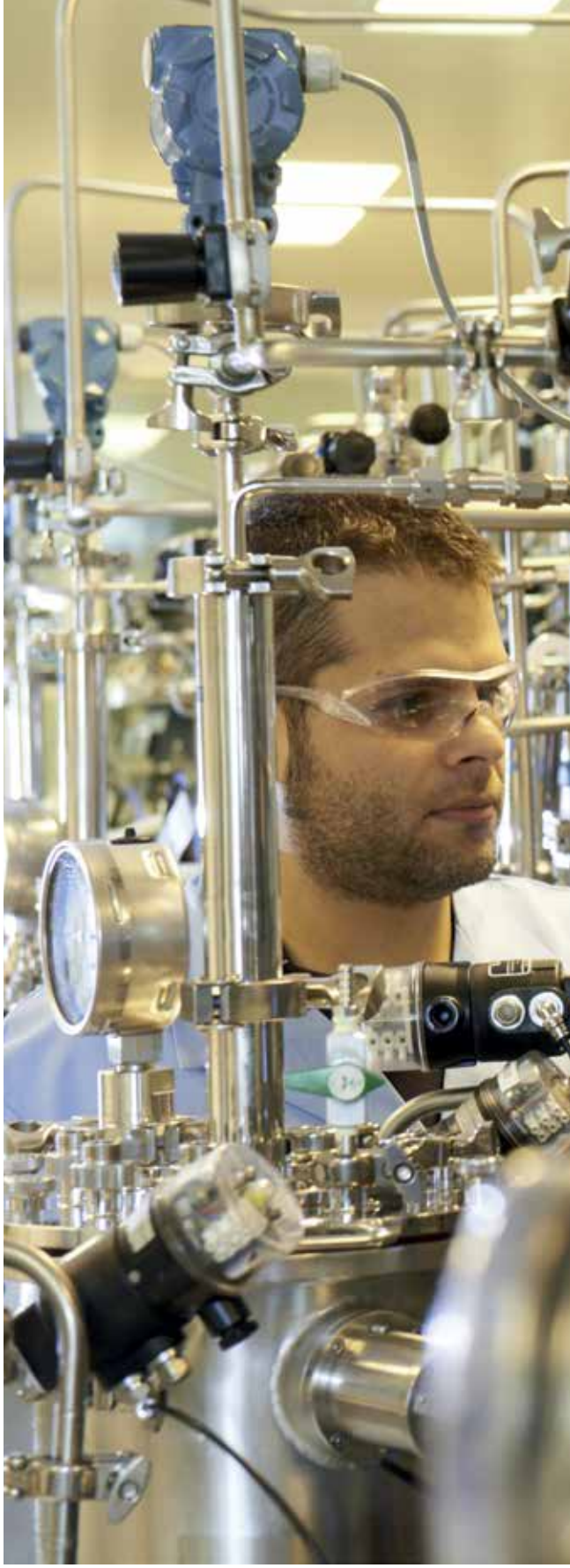
WALLONIA, AN INNOVATIVE REGION

Following the European Commission's recognition of Wallonia as a "European Creative District", the Creadis3 project allows the Region to be a laboratory for development by the creative economy. Wallonia has adopted a culture of progress and research, introducing a number of initiatives intended to support businesses in their innovation.

COMPETITIVENESS CLUSTERS

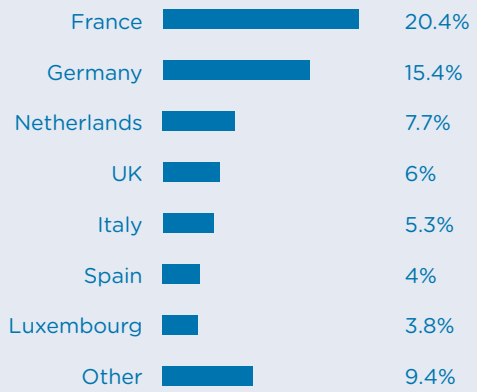
Wallonia has stepped up its support for innovation by creating six competitiveness clusters: life sciences (Biowin), agribusiness (Wagralim), transport-logistics (Logistics in Wallonia), mechanical engineering and new materials (Mecatech), aeronautics and space (Skywin) and environmental technologies (Greenwin).

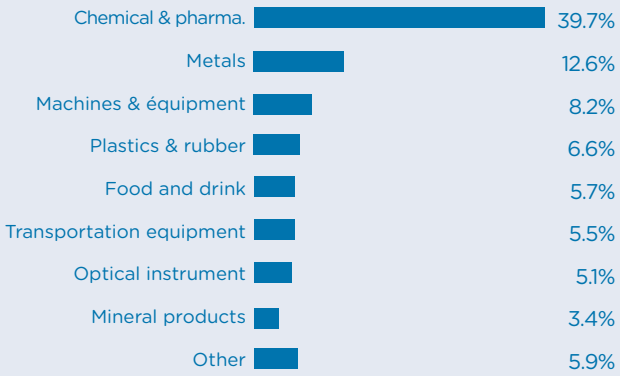
These clusters offer businesses and research bodies in the same sector the opportunity to strengthen their synergies and thus increase their competitiveness.



Technological development is a priority for Wallonia. A wide range of aid, support for research, technical support and training is available for local stakeholders and their international partners.

WALLOON EXPERTISE EXPORTS VERY WELL





Results 2019

Wallonia Export - Investment Agency

Wallonia, in the heart of Europe and a market of 500 million consumers, offers modern infrastructures that guarantee fluid transition from one means of transport to another.

INFRASTRUCTURE

MOTORWAY NETWORK

Wallonia's road network is the densest and best equipped in the world, allowing you to reach a population of almost 60 million people in four hours.

RAIL TRANSPORT

The train can reach London, Paris, Cologne or Amsterdam in under two hours. Several connections to the national and international networks allow businesses to operate efficiently and ecologically.

RIVER NETWORK

Wallonia's river network provides direct links to the major ports of Antwerp, Rotterdam and beyond via Germany and France.
The Autonomous Port of Liège is the largest Belgian inland port and 3rd largest European inland port

AIR TRANSPORT

Wallonia's Liège and Brussels South Charleroi airports guarantee optimum travel for your employees and goods. The proximity of Brussels Airport, which is a real international crossroads, means that you can reach 250 destinations all around the world!

Liège Airport

- One of the five largest cargo airports in Europe
- Strong, constant growth over the last 20 years
- Operational 24/7
- More than 100 ha of available land
- Perfect for a European Distribution Centre
- Key sectors: e-commerce, fresh, perishable produce, pharma and health, live animals, projects and charters

Brussels South Charleroi Airport

- Focused primarily on "charter" flights
- One of the highest growths in terms of passenger numbers over the last ten years
- Low-cost flights to 116 destinations
- Located in a 200 ha business park

INDUSTRIAL REAL ESTATE

AN ATTRACTIVE OFFER IN THE HEART OF THE EUROPEAN NETWORK

A June 2017 study by PwC placed Wallonia fourth out of the 50 European regions most attractive to logistics stakeholders.

AVAILABILITY AND DIVERSITY OF LAND

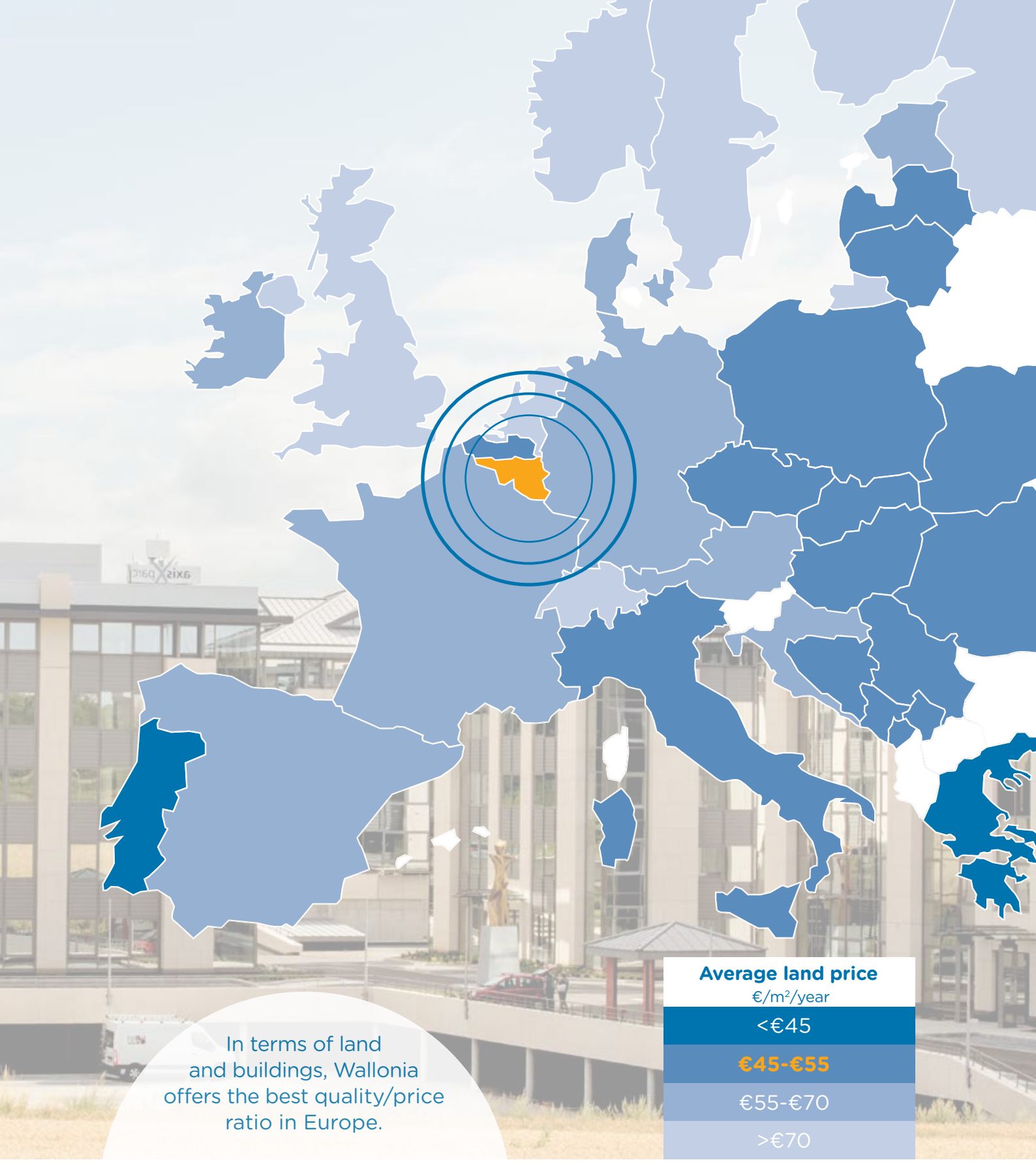
More than 280 business parks, including seven science parks, six logistics parks and 11 multimodal parks, are perfectly connected to the major European communication and transport networks. Bridging buildings and incubators can house one or more SMEs on a temporary basis during their launch phase.

A MODERN, EFFECTIVE OFFER

The available zones are fully equipped (water, electricity, telecoms, drainage, gas and fibre optics) and offer direct access to Wallonia's research and development centres.

A SINGLE, FAST AND SIMPLE PERMIT

You only need to apply for a single permit to launch your business in Wallonia. The procedure has been simplified and the administration will help you to prepare your dossier, so that you can receive your permit within 90 days - a record in Europe!



In terms of land and buildings, Wallonia offers the best quality/price ratio in Europe.

QUALITY OF LIFE

LIVING IN WALLONIA

Are you thinking about setting up in Wallonia? You have a very wide choice for both rental and purchase. The prices are also very attractive compared with those in neighbouring countries.

EXCEPTIONAL HEALTHCARE

The Belgian health system is world famous and is the fourth best in Europe*. Anyone living in Wallonia has access to excellent healthcare which is reimbursed by Belgian social security.

HERITAGE AND GASTRONOMY

Wallonia has a number of historic sites and cultural events recognised by UNESCO as the world's tangible and intangible heritage. It is also home to some of the best preserved natural areas in Europe.

While Belgium is universally recognised for its lifestyle, Wallonia in particular can take pride in gastronomy that prioritises tradition and quality. AS an example, its many special beers, its exceptional cheeses, its chocolate and its Liège waffles are enjoyed around the world.

EDUCATION, SCHOOLS AND UNIVERSITIES

The universities, higher education institutions and colleges offer a wide range of accessible training courses. Large numbers of students from around the world choose this outward-looking, multi-cultural region for the excellence and multilingual nature of its education.

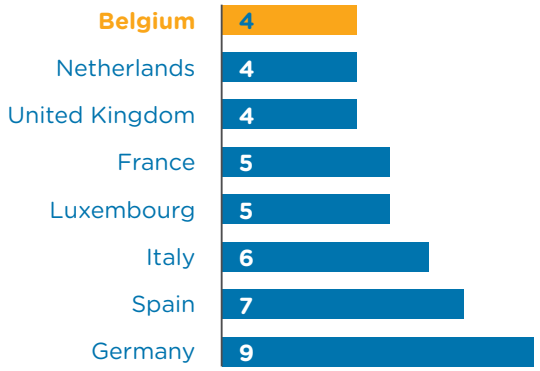
(*Annual report on the state of European health systems by the Swedish company Health Consumer Powerhouse – 01/2017).

Education in Wallonia offers significant advantages:

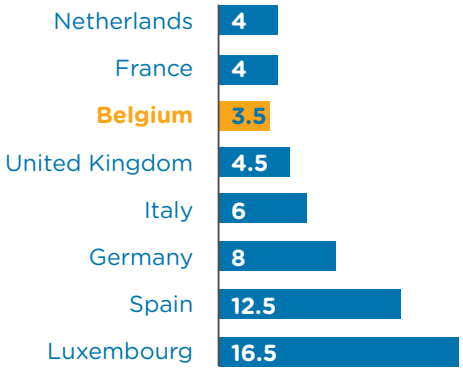
- relatively low registration fees compared with neighbouring countries
- close links with businesses
- the international dimension of universities through exchanges of students and teachers.

SETTING UP IN WALLONIA

Number of formalities to start a business



Number of days to start a business



Source : IMD World Competitiveness Yearbook 2019

Our team is here to help you

We would be delighted to answer your questions. We are of course also available to connect you with resource people such as notaries, lawyers and banks.

CONTACT US

welcome@investinwallonia.be

CREATION OF YOUR BUSINESS

CREATING YOUR BUSINESS IN BELGIUM: FAST AND EASY!

All investors, whether from Belgium or overseas, are welcome to launch a business by creating a branch or subsidiary that will have the same rights, benefits and obligations as Belgian companies.
Foreign capital may be injected without restriction and there are no limits on the repatriation of profits!

THE TYPE OF COMPANY THAT IS RIGHT FOR YOU

There are two possible options for the creation of your company:

- The "**SRL**" (Limited liability company)
- The "**SA**" (Public limited company)

Wallonia welcomes you without creating barriers to investment. Whether you decide to create an SA or an SRL, the capital injected to launch your business can be paid in the form of contributions, in cash or in kind.

A **notarial deed** from a Belgian notary is required for the creation of an SA or SRL. You will be requested to complete the following formalities before proceeding:

a/ Have a **Business plan** containing a summary of your activities and a three-year financial plan;

b/ Have your company **statutes** drawn up by a service provider;

c/ Open a **bank account** in Belgium;

d/ Establish **an address** for your head office in Belgium.

FINANCIAL SUPPORT & INCENTIVES

INVESTMENT AID OF UP TO 30%!

1/ What is this?

This aid represents a percentage applicable to the eligible investment amount, i.e. the purchase of land, buildings, new machines and equipment or intangible assets (patents and licences).

2/ What are the criteria?

Foreign companies that invest in Wallonia can receive investment aid based on criteria including:

- The investment **location**
- The activity **sector**
- The project **type**
- The **size** of the company (SME or large organisation)
- The **number of jobs** created

3/ Investment grants

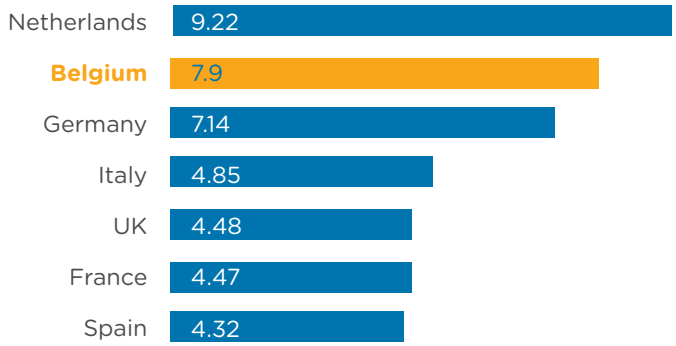
Large organisations cam claim up to 10% in investment grants and SMEs up to 30%.

In Wallonia,
everything is centralised and simplified: AWEX is your sole contact point and facilitates direct access to the decision-makers.

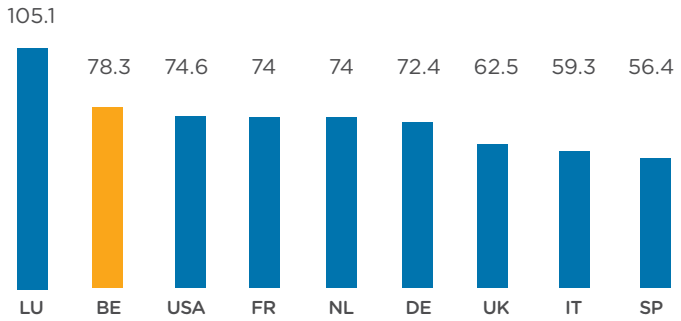
SOCIAL, EMPLOYMENT AND TRAINING

Qualified workforce and record productivity

Language skills meet business needs
IMD World Competitiveness yearbook 2019



LABOR PRODUCTIVITY (2018)
GDP PER HOUR WORKED - USD



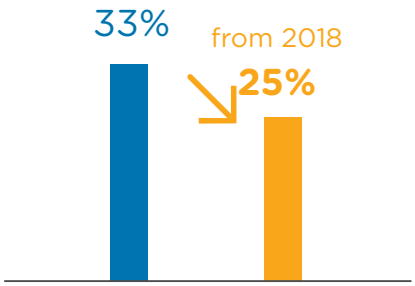
Source : OECD stat.

With one of the best qualified multilingual workforces in the world, Wallonia guarantees record business productivity.

INCREASINGLY ATTRACTIVE EMPLOYMENT COSTS

New federal and regional measures have significantly helped to reduce employment costs over the last few years.

General reduction in the tax burden on labour



for the first recruitment

Specific additional reductions over four years

Through other regional benefits for employment or training

There are also free zones set up by the government. Additional tax reductions (25% of tax withholdings on professional income) are applicable over two years for new recruits.

Benefits of all kinds remain very popular with employers and are an excellent means of payment at a good price, without increasing tax equity.

RECRUITING AND TRAINING STAFF

Wallonia offers many advantages in terms of human resources. **Labour costs are increasingly advantageous** and employees are **highly qualified** and multilingual. A **wide range of training courses** is available to businesses, both in Belgium and abroad.

SCHOOLS AND UNIVERSITY CENTRES

Wallonia is home to a number of training centres offering a wide range of disciplines. There are two main types of institution: universities (faculties and universities) and colleges.

SKILLS CENTRES

The 25 Walloon skills centres are centres of expertise that help to support business competitiveness. They provide training, information and awareness-raising for workers, job seekers, students, teachers and executives.

RESEARCH CENTRES

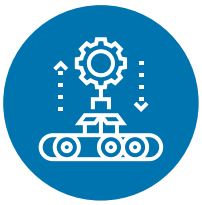
Approved research centres are skills centres in their respective technological fields.They are the preferred contact points of companies wishing to improve their processes or develop a new product.

Our experts are available to help you with your processes.

AIDS FOR R&D

Wallonia provides financial and structural support for business involved in R&D projects, whatever their size and whether they are basic or applied research.

DEFINITIONS



Industrial research
Subsidies
of 30 to 80%

Experimental development
Repayable advance
of 35 to 70%

These research projects can be carried out alone or in cooperation (excluding sub-contracting) with one or more local or international partners. The object of the research can also be carried out in Wallonia or abroad.

Another advantage: the repayable advance must be refunded only if the research produces results that lead to industrialisation.

ELIGIBLE EXPENSES

- **SALARIES**: salary costs of the company employees directly and actively involved in the research programme
- **OPERATIONS**: raw materials, consumables, minor equipment, tools, prototype components, equipment maintenance, missions abroad
- **OVERHEADS**: 12% of salaries and operations
- **EQUIPMENT**: linear depreciation of the equipment used for the R&D programme
- **SUB-CONTRACTING**: freelance scientific and technical consultancy, engineering studies, certifications, etc.

Summary of possible interventions
(in% of eligible expenditure)

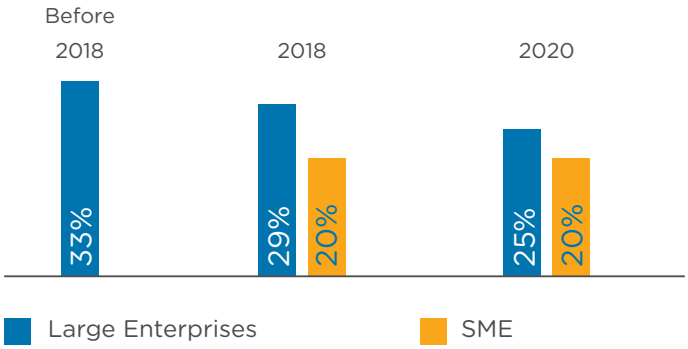
	Industrial research		Experimental development	
	Subsidies		Repayable advance	
	Only	Cooperation	Only	Cooperation
Small enterprise	70%	80%	55%	70%
Medium-sized enterprises	60%	70%	45%	60%
Large enterprises	30%	40%	35%	50%

TAX INCENTIVES

Tax incentives are available for companies that wish to invest in Wallonia. The tax administration has a team of experts dedicated exclusively to foreign investors, so they can provide information and help you to optimise your business plan and taxation. It is very easy to arrange a meeting with them during your next trip to Belgium. The confidentiality of your project is guaranteed.

TAX REFORM

tax rate for companies



TAX INCENTIVES FOR R&D

These incentives make it possible to reduce R&D costs by using three levers:

- **EXEMPTION OF 80%** FROM WITHHOLDING TAX ON PROFESSIONAL INCOME ON RESEARCHERS' SALARIES
- **85% DEDUCTION** IN INNOVATION REVENUE (LINKED TO A PATENT)
- **DEDUCTION FROM THE COSTS** LINKED TO THE RESEARCH PROJECT

The corporate tax rate has been reduced to stimulate the Belgian economy and increase the competitiveness of Belgian businesses.

TAX RULING

The ruling makes it possible to anticipate a tax decision on a future investment or operation. This means that an investor can meet the authorities and agree on a customised tax rate.

Characteristics:

- Valid **for all taxes** (corporation, VAT, personal income, etc.)
- Ruling **on a case-by-case basis**
- **Tax certainty** for the investor for a five-year period, renewable
- **Open to** existing and potential investors

HOLDING COMPANIES SCHEME

- **NO TAXATION** ON CAPITAL GAINS ON STOCKS
- **TOTAL DEDUCTIBILITY** OF INTEREST ON THE PURCHASE OF STOCKS
- **0% TAX** ON DIVIDENDS RECEIVED IF BILATERAL TREATY APPLIES

STATUS OF EXPATRIATE PROFESSIONALS

Foreign company bosses and executives temporarily seconded to Belgium can benefit from a highly favourable tax regime.

- Considered as "**non-resident in Belgium for tax purposes**"
- **Tax exemption for working days abroad** (notion of "travel exclusion")
- **Tax exemption on the expenditure allowance received from an employer to cover additional expenses related to s secondment in Belgium** (€11.25/year for an operational entity and €29.75/year for HQ or R&D centre)

Employer benefits:

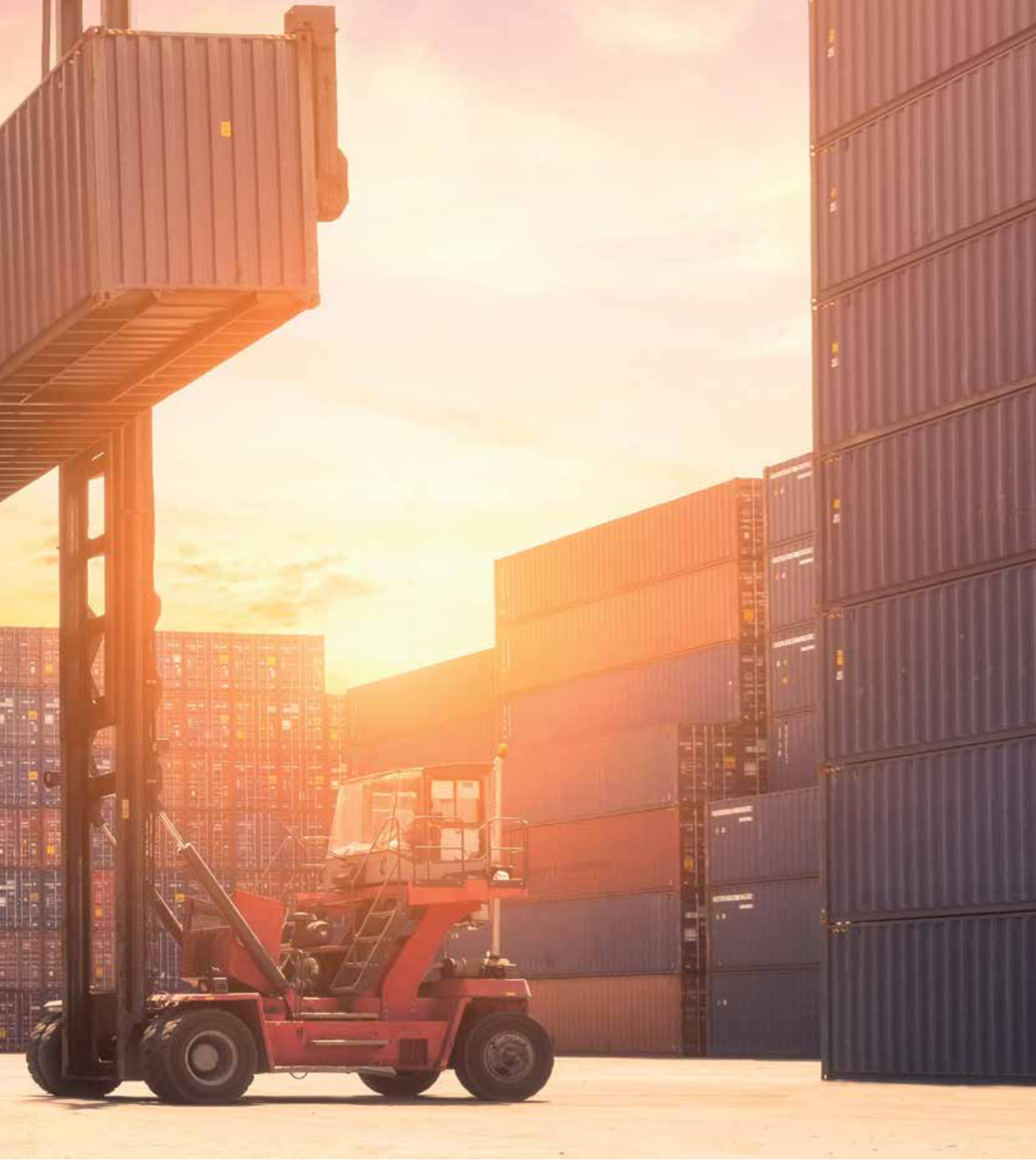
- No taxes or social security contributions on the expatriation allowance
- Deductible from corporation tax

EXPORT AIDS

Wallonia's strategic location in the heart of Europe means that it is naturally focused on exports. Everything is in place for you to receive significant export aids:

- subsidies for your **communication media** (increased visibility internationally)
- subsidies for **consultancy** (support from approved specialists in foreign trade, design and webmarketing)
- subsidies for your **non-EU prospecting.** (new commercial network, invitation to Belgium by foreign trade partners)
- subsidies for your **trade fairs and exhibitions abroad**
- subsidies for **opening a trade office** (outside the EU)

www.awex-export.be



SOURCES OF FINANCING

THE SRIW

The Regional Investment Company of Wallonia (SRIW) provides long-term funding for businesses and foreign investment projects in Wallonia. The goal is to promote the region's economic development. This investment is granted for longer periods than those generally granted by the interbank market. Currently, the SRIW portfolio comprises interest in all the sectors of activity that make up the industrial fibre of the region and there are plans to actively continue this path.
www.sriw.be

The SRIW also develops special links with risk capital professionals and can co-invest with these public or private professionals. Its aid takes the following forms:

- acquisition of shareholdings, which may or not be accompanied by put and/or call options
- granting of loans - convertible or non-convertible, subordinated or non-subordinated - which may or may not be accompanied by warrants.

THE SOWALFIN

The Walloon Company for the Financing and Management of SMEs (Sowalfin), created at the initiative of the Walloon Government, allows entrepreneurs to carry out their project by offering financing solutions suited to their needs. It provides a tailor-made response to businesses' financial needs at the key points in their existence - creation, innovation, development, internationalisation and transfer-takeover.
www.sowalfin.be

The Sowalfin will support you in three main areas:

- the granting of **guarantees to cover bank financing**
- **cofinancing** by granting subordinated loans
- **risk capital** and **equity financing** through the nine regional Invests whose action it coordinates.

AWEX enjoys special contact with several private investment funds so it can develop its risk capital offer.

Our team of advisers will be delighted, depending on your project, to talk to you about the options for obtaining the public and private funds that will allow you to put together the financing for your investment in the best possible way.

CUSTOMISED SUPPORT FOR INVESTORS

Business Plan

Business start-up and access to capital

Subsidies and state aid

Sea for infras

The Wallonia Export-Investment Agency (AWEX) is the **single contact point** for foreign investors wanting to set up in Wallonia and develop their business there.

Our team of sector- and location-based experts will provide you with valuable and customised aid by facilitating your meetings and assisting you with your administrative procedures, at the same time guaranteeing the confidentiality of your project.

www.investinwallonia.be

THEY CHOSE WALLONIA

"Market Access" (DE, UK, FR, NL, GDL) »

Sophie Houtmeyers, *Vice-President Distribution Operations,* **SKECHERS** (USA)

"Presence of a sufficient workforce"

"Work of the Walloon authorities"

"Availability of land"

"Technical expertise"

"European structural funds"

Danny PESCH, *Customer Operations,* **BAXTER** (USA)

"Strategic European location"

"Productivity level of the workforce"

CBTC

Minrong ZHANG,
General Manager United Investment Europe, **CHINA BELGIUM TECHNOLOGY CENTER** (China)

"Welcome and professional support"

"Top-level international business environment"

"Central location in Europe"

"Smart taxation and attractive financial support"

"Affordable property costs"

"Research and innovation ecosystem"

"Available infrastructure"

Google

Andrew HYLAND,
Community Relations Data Centers Europe,
GOOGLE (USA)

"Fibre optic connectivity"

"Favourable business environment"

"University focused on technical learning"

"Central location"

"Energy resources"

THEY CHOSE WALLONIA

MaSTherCell
Manufacturing Synergies for Therapeutic Cells

Denis BEDORET,
Managing Director,
MASTHERCELL ORGENESIS INC. USA

"Close to Charleroi and Brussels airports"

"Wallonia, an innovative region"

"One of the most competitive tax packages"

"Close to clinical centres"

"Dense motorway network"

"Aid for R&D"

Lonza

Bernard DELCHAMBRE,
CEO, **LONZA** (Switzerland)

"Support for the development of SMEs"

"Location of the Walloon site"

"Tax-related incentives and subsidies for R&D

"A lot of multilingual talent"

"Presence and availability of suppliers and consultants"

"Customised meeting schedule coordinated by the AWEX team"

PETIVA

Dr Banibrata PANDEY,
Managing Director,
PETIVA (India)

"Fast investment procedure"

"Financial aid and incentives"

"Financial support from the private and public sectors"

"Network sharing"

"Benefits of the Walloon ecosystem"

For additional information or a cost simulation for your project, please contact us:

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