



# ECONOMIC PANORAMA

A GOOD REGION FOR PEOPLE TO LIVE AND  
WORK AND FOR COMPANIES TO GROW





## East Belgium

# A GOOD REGION FOR PEOPLE TO LIVE AND WORK AND FOR COMPANIES TO GROW

According to the general attitude of inhabitants of East Belgium based on a representative survey (1), the living conditions in this region are excellent. 98 percent of citizens are satisfied or extremely satisfied with their standard of living. Particular emphasis is placed in this context on personal life and above all on apartments, houses and the neighbourhood. This is closely followed by employment as well as health and well-being. These results are an indicator of the close link between the population and their region as well as of a high-output economic region.

The economic landscape of East Belgium is marked by a large number of burgeoning small and medium-sized firms. The conditions are ripe for future-orientated, sustained economic development in this area. This begins with multilingualism and a high level of cultural understanding which is promoted in children

from a very young age and is reflected in the excellent level of education compared with other countries. The proximity to internationally renowned colleges and universities in the direct catchment area and networking beyond borders also play an active role in this context. As a result, inhabitants of East Belgium make up an ambitious, highly sought-after workforce.

East Belgium lies in the heart of Europe and benefits from excellent traffic connections. Over 40 million consumers or 20% of the purchasing power of the European Union can be reached within just four hours by HGV. And all this is situated within a largely natural, family-friendly region characterised by excellent living conditions. It is little wonder, therefore, that East Belgium is considered by non-residents to be an attractive region in which to live and work; it has a great appeal for people.

But what makes East Belgium really special is its small size. The German-speaking community is the smallest constituent state of Belgium with 77,000 inhabitants. It enjoys a large degree of autonomy in person-related areas such as language, education and culture as well as in economic areas. A logical consequence of this is that distances in East Belgium are short. People know one another and get a lot done through direct contact without very much bureaucracy and often on quite a personal basis. It could also be said that the region's small size creates an unbeatable competitive advantage.

In short, East Belgium has many trump cards to play and is an excellent breeding ground on which to develop you and your firm in the long term. The following pages present what East Belgium has on offer for you.

Happy reading!

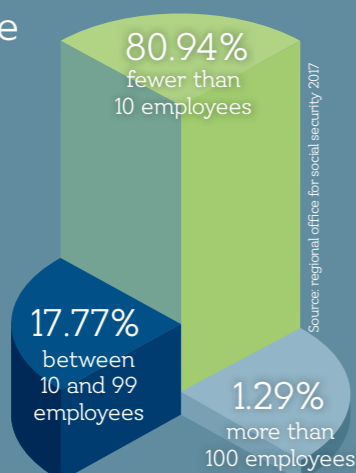
**NATHALIE KLINKENBERG**  
Managing Director  
of WFG Ostbelgien

**ISABELLE WEYKMANS**  
Employment Minister  
for the German-speaking community

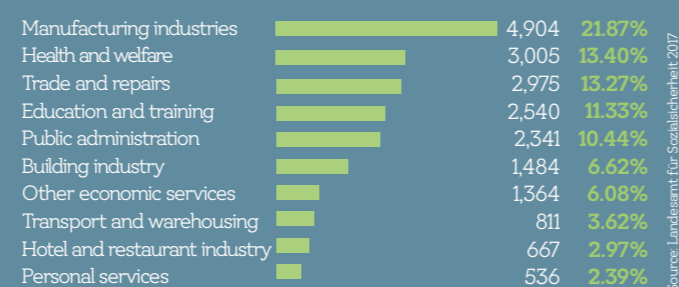
(1) Survey on the opinions and mood of the population of East Belgium conducted by 'forsa Politik- und Sozialforschung GmbH' (Berlin). 1,000 people over the age of 18 responded to a telephone survey during the period from 30 June to 26 July 2018.

## How large are East Belgian businesses?

All our employers are taken to be branches which employ staff in East Belgium (regardless of whether their headquarters are based). The number of employees corresponds to the number of jobs in these branches.



## In which sectors do the majority of employees work?



## How many employers and employees are there altogether?



East Belgium  
THE FILM!

# East Belgium BUILDING BRIDGES THROUGH MULTILINGUALISM

East Belgium is the tiny area of Belgium on the border with Germany, the Netherlands and the Grand Duchy of Luxembourg (approximately 77,000 inhabitants, 854 km²) with a high degree of self-determination and where German is not only the language of business, education and the courts but also the native language of the majority of the population.

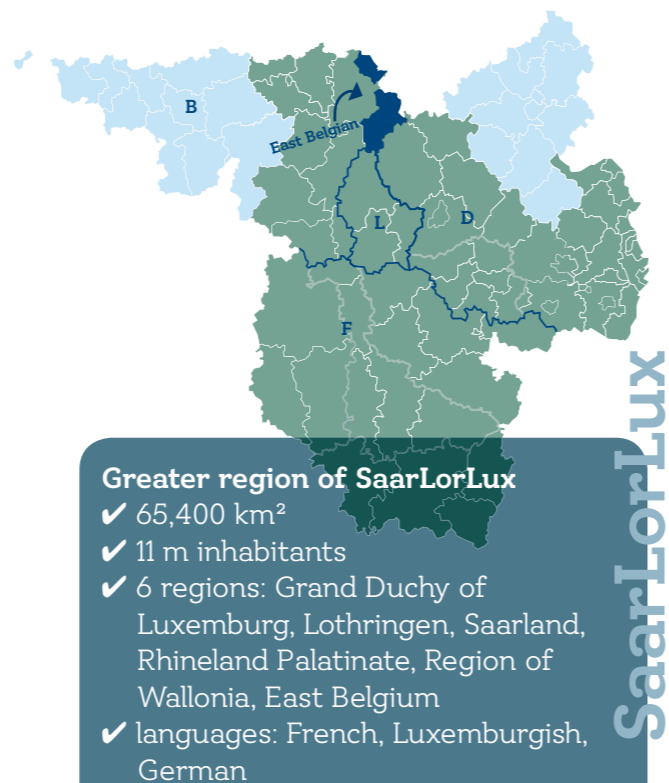
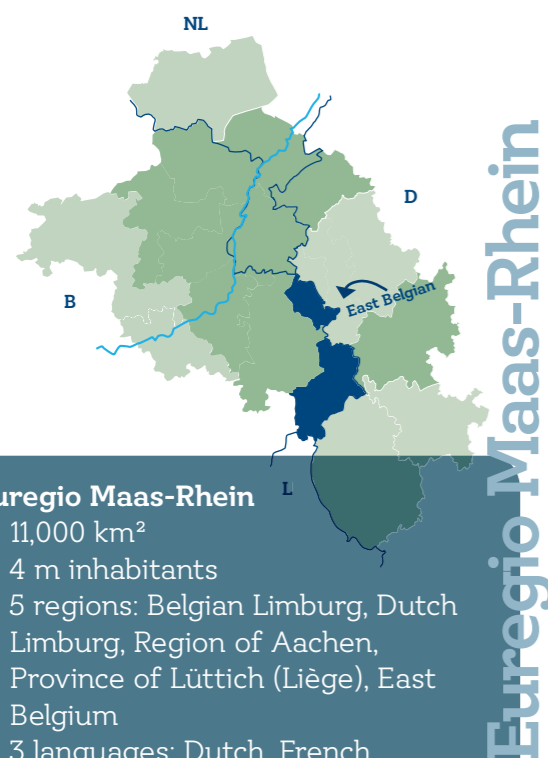
The region is a meeting point of two cultures: Germanic and Romanic. The East Belgians are held in high esteem for their "Prussian" zeal on the one hand and their French 'Savoir Vivre' on the other. They have something of both cultures and this helps to build bridges and create networks.

All this begins with the multilingual approach to education at a very early age. Children are introduced to their first foreign language in the form of play at kindergarten (which is free in Belgium and part of the school system). The second language is built on at primary school followed by English and Dutch at secondary school.

An increasing number of schools offer bilingual classes in which German and French are taught at the same time and in equal measure by native speakers from kindergarten through to graduation from high school.



The border triangle in Kelmis – an intersection of cultures and languages  
photo: Frans Berkelaar



„Multilingualism is considered **normal** in East Belgium.“

According to Peter Gijbels, who moved to East Belgium two and a half years ago where he became Human Resources Manager with AstenJohnson, "More than 95 percent of our products are intended for export markets. We are therefore totally dependent on multilingual staff. We have the advantage, however, of being able to recruit multilingual staff easily in East Belgium and the surrounding area and that is a real luxury."

## AT LEAST BILINGUAL

Even the production workers at AstenJohnson are generally at least bilingual. "German has always been the working language. Our employees therefore need to be conversant in German at least to a level which enables them to understand work orders, safety instructions and product descriptions. German speakers in East Belgium generally speak French as well and are happy to help their French-speaking colleagues if necessary," acknowledges Gijbels. People find that quite normal here but this has not always been the case everywhere.

## OPENNESS TO CULTURES AND LANGUAGES

He is convinced that the border location and associated openness to other cultures and languages is what makes all this possible. People have no other

option. The region is small and people are dependent on their neighbours in Wallonia, Germany and the Netherlands. This multilingualism is also promoted in a targeted manner however. Children are introduced to their first foreign language through play at kindergarten and this is a real trump card which is worth holding onto.

## WORKING INTERNATIONALLY AND EXPERIENCING NATURE

What motivated Peter Gijbels to move from Hamont (Belgium) 110 km away to East Belgium? "The possibility of working in an internationally active firm and living in a uniquely beautiful, largely natural region. I also love the mentality: the people are extremely entrepreneurial and willing to work but at the same time relaxed and open in their dealings. We Limburgers are not very different from this."



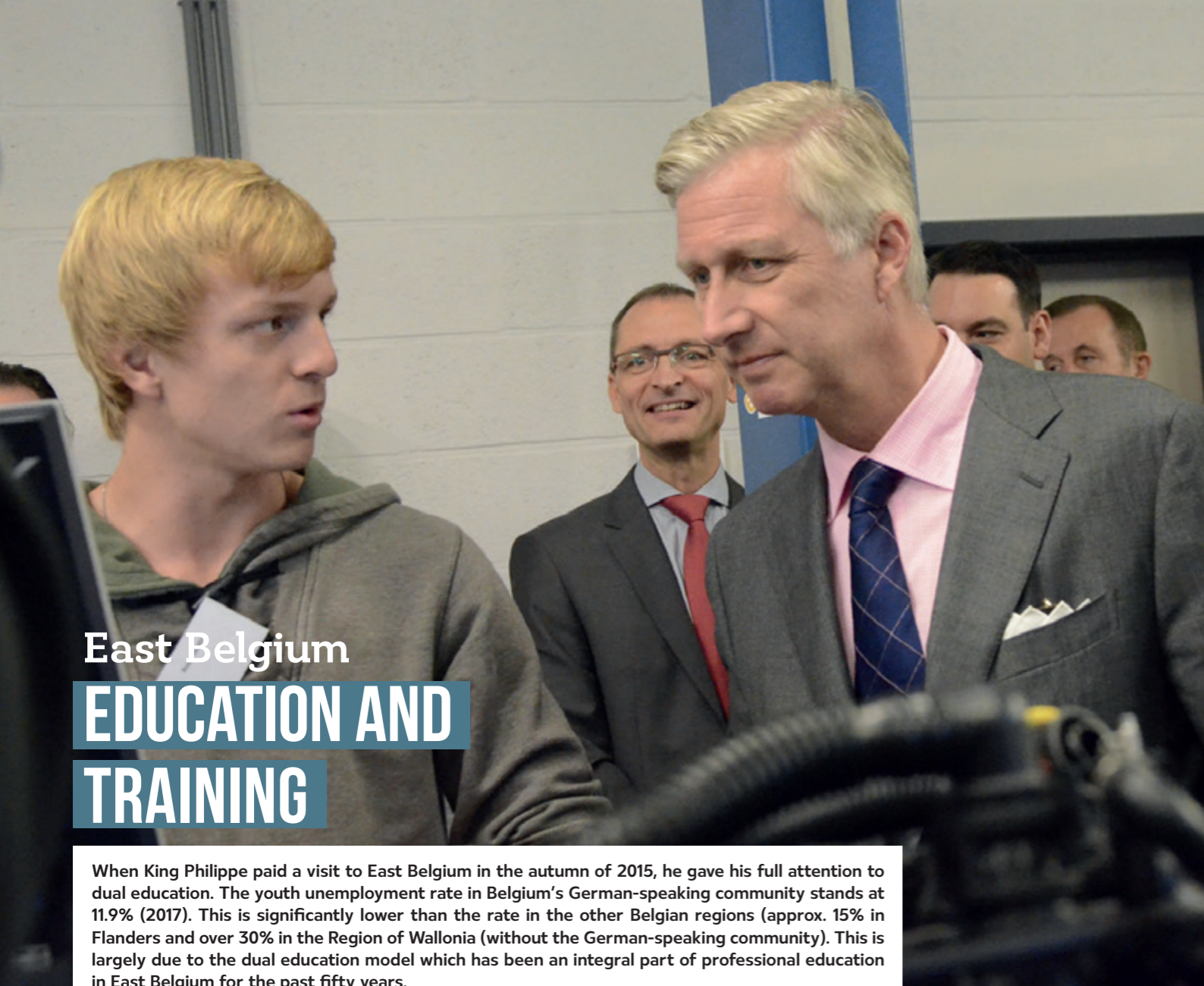
PETER GIJBELS, Human Resources Manager with AstenJohnson in Kettenis, is impressed by the multilingualism and mentality of East Belgians  
photo: GrenzEcho / David Hagemann



AstenJohnson is a global leader in the manufacturing of coverings and screening for the paper and non-woven fabric industry. The firm (founded in 1885) has been based since the end of the 20th century in its original location in Kettenis (Eupen). In 1999, it merged with the Canadian / American firm Johnson to consolidate and expand its worldwide presence. The firm employs 175 people in East Belgium.

## German/East Belgium How do you say...?





# East Belgium EDUCATION AND TRAINING

When King Philippe paid a visit to East Belgium in the autumn of 2015, he gave his full attention to dual education. The youth unemployment rate in Belgium's German-speaking community stands at 11.9% (2017). This is significantly lower than the rate in the other Belgian regions (approx. 15% in Flanders and over 30% in the Region of Wallonia (without the German-speaking community). This is largely due to the dual education model which has been an integral part of professional education in East Belgium for the past fifty years.

Dual learning means that young people acquire the theory in a professional education centre and learn how to put the theory into practice in a recognised centre of learning. East Belgian firms are happy to offer their services as centres of learning. They have been aware for a long time that this is the most effective way of promoting young talent. Firms thus have the opportunity of training young people in a practical manner tailored to their particular firm. Over recent years, an average of 600 appren-

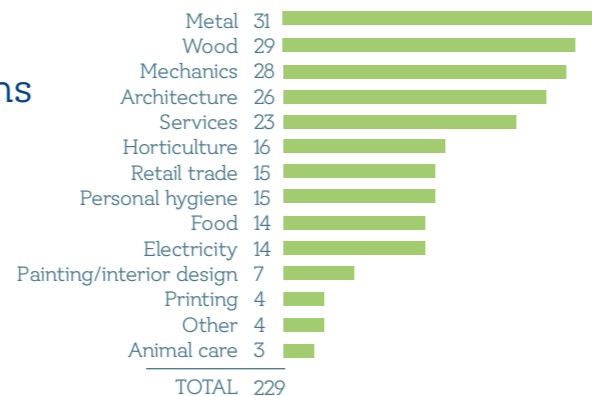
tices and 250 masters candidates have been trained in over 400 training centres on apprenticeship contracts or masters courses. This proportion far exceeds those of other regions. "The results speak for themselves," concludes Thomas Pankert, Director of the centre for education and training for small businesses in Eupen: "In East Belgium, 95% of all apprentices find a job within six weeks of completing their training – a placement rate which can only be dreamed of via other training channels."

**KING PHILIPPE**  
in discussion with Robin Henry from Kelmis, a trainee automotive mechatronics engineer at the ZAWM in Eupen, finding out about the successes of dual professional training. In the background Thomas Pankert, Director of the ZAWM.

photo: GrenzEcho – Helmut Thönissen

## Most popular training courses for trade professions

Newly concluded apprenticeship contracts 2017



Source: IAWM 2018 / Status 1 October 2017

## More opportunities in the employment market thanks to dual diplomas

Thanks to different agreements with the Chambers of Crafts in Aachen and Trier, automotive mechatronics engineers, hairdressers, retailers and cabinet makers in East Belgium automatically obtain a German professional licence in addition to the Belgian diploma with just a single journeyman's examination. This increases the value of the diploma and the professional experience in a neighbouring country promotes the independence of trainees as well as the mobility in the employment market. This offers real opportunities for young people and firms in East Belgium. The dual diploma also promotes mobility in the employment market.

## Results of 2015 PISA study?



### EAST BELGIUM

Natural sciences: 505 Points  
Mathematics: 502 Points  
Reading: 501 Points

### AVERAGE OF OECD COUNTRIES

Natural sciences: 493 Points  
Mathematics: 490 Points  
Reading: 493 Points



## Number of schools in East Belgium?

- 23 primary schools (59 establishments)
- 10 secondary schools
- 2 training centres for small businesses (ZAWM)
- 1 college (health and education)

## East Belgian tradespeople are world leaders

Young East Belgian tradespeople are reaching the winner's podium time and again at the Worldskills and Euroskills events, which recognise the best tradespeople in the world and in Europe. In 2017, Sabrina Scheen (painter), John Pauquet (tiler), Johann Krings (automotive mechatronics engineer) and Julien Boveroux and Micha Meys (horticulturalists) represented Belgium at the Worldskills event in Abu Dhabi.

**JOHANN KRINGS,**  
Automotive mechatronics engineer, Johann Krings from Heppenbach, at the Worldskills event in Abu Dhabi.  
photo: Worldskills Belgium



## „Cooperation between FH Aachen and East Belgian firms is a real win-win partnership“

When Stefan Eberhard 2015 was looking for a traineeship as a timber engineering student at FH Aachen, he came into contact almost by chance after a lecture with the business manager of the East Belgian St. Vith based firm LIGNA Systems, a young, dynamic business specialising in the construction of wooden hall buildings. However, this meeting was not quite a coincidence as FH Aachen had been working intensively for a number of years with firms from the German-Belgian border region. Both undergraduates and masters students are increasingly completing their practical training with firms from East Belgium.

Stefan Eberhard comes from Moers in the German Ruhr area and had already been introduced to East Belgium prior to his studies from motorcycling trips through the idyllic Eifel countryside. "When I came into contact with LIGNA Systems as a student, I immediately felt excited away as timber construction is my thing and corresponds to my basic ecological beliefs. But above all I was impressed by the dynamism and innovative nature of LIGNA Systems. Repetitive tasks are very quickly automated leaving time to deal with challenging

constructions, time which is often lacking in less innovative firms", says the former student of FH Aachen, who is currently in charge of the technical office at LIGNA Systems. Three former FH students have since been taken on by LIGNA Systems and a further two are currently completing their practical training with the firm.

Stefan Eberhard sees this close cooperation between FH Aachen and local industry as a win-win partnership. Students receive interesting, practi-

cal training whilst the firm has access to specialist staff and maintains close contact with professors and research and development centres enabling it to keep abreast of current innovations.

So what is it like for a German to work for an East Belgian firm? "It's completely different! The hierarchy is quite flat. You know who your line manager is but you discuss things on an equal footing. There are often lots of different opinions and that can be slightly chaotic at times but it often leads to new ideas."

### STEFAN EBERHARD

Stefan Eberhard studied construction engineering at FH Aachen and wrote his master's thesis at LIGNA Systems in St.Vith where he is currently in charge of the technical office.

photo: Talking Circles

## Excellent networking for East Belgian economy and science

A small region must be a clever region capable of transcending its own borders, building bridges and networking. East Belgium excels in all these areas particularly when it comes to cooperation between the economy and the world of science. Universities and colleges lie in the direct catchment area in Lüttich and Namur, Leuven and Hasselt, Maastricht and Heerlen, Aachen, Cologne and Trier and Luxemburg. They are attended by East Belgian students and may be consulted by local firms.

Intensive cooperation agreements exist with some of these institutions. The "Science for East Belgium" initiative connects East Belgium with KU Leuven and Cologne University. If a firm is looking for a scientific partner to conduct studies or develop products; if it has research and development questions; if it is seeking help for the formulation of a scientific query; or if it is interested in cooperation with one of these universities, it can contact a coordination office in Eupen directly.

FH Aachen takes it a step further by not simply offering East Belgian firms access to the world of science and applied research and development; it also strives to develop close, practical partnerships with local firms either within the framework of dual education through practice-orientated final dissertations which may be written in the local firm or through contract investigations and scholarship programmes.

FH Aachen is present in East Belgium via a permanent point of contact. It also supports the Early Birds Technology Breakfasts, a networking event which is organised on a regular basis by WFG Ostbelgien.

### CONTACTS

#### FH Aachen

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n.pielen@fh-aachen.de  
www.fh-aachen.de

#### WifO - Wissenschaft für Ostbelgien

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info@wifo.info  
www.wifo.info

"The dual education programme in East Belgium provides us with an excellent, efficient system. Multilingualism, the availability of land and good geographical connections give us opportunities to grow and be in a position to implement this growth."

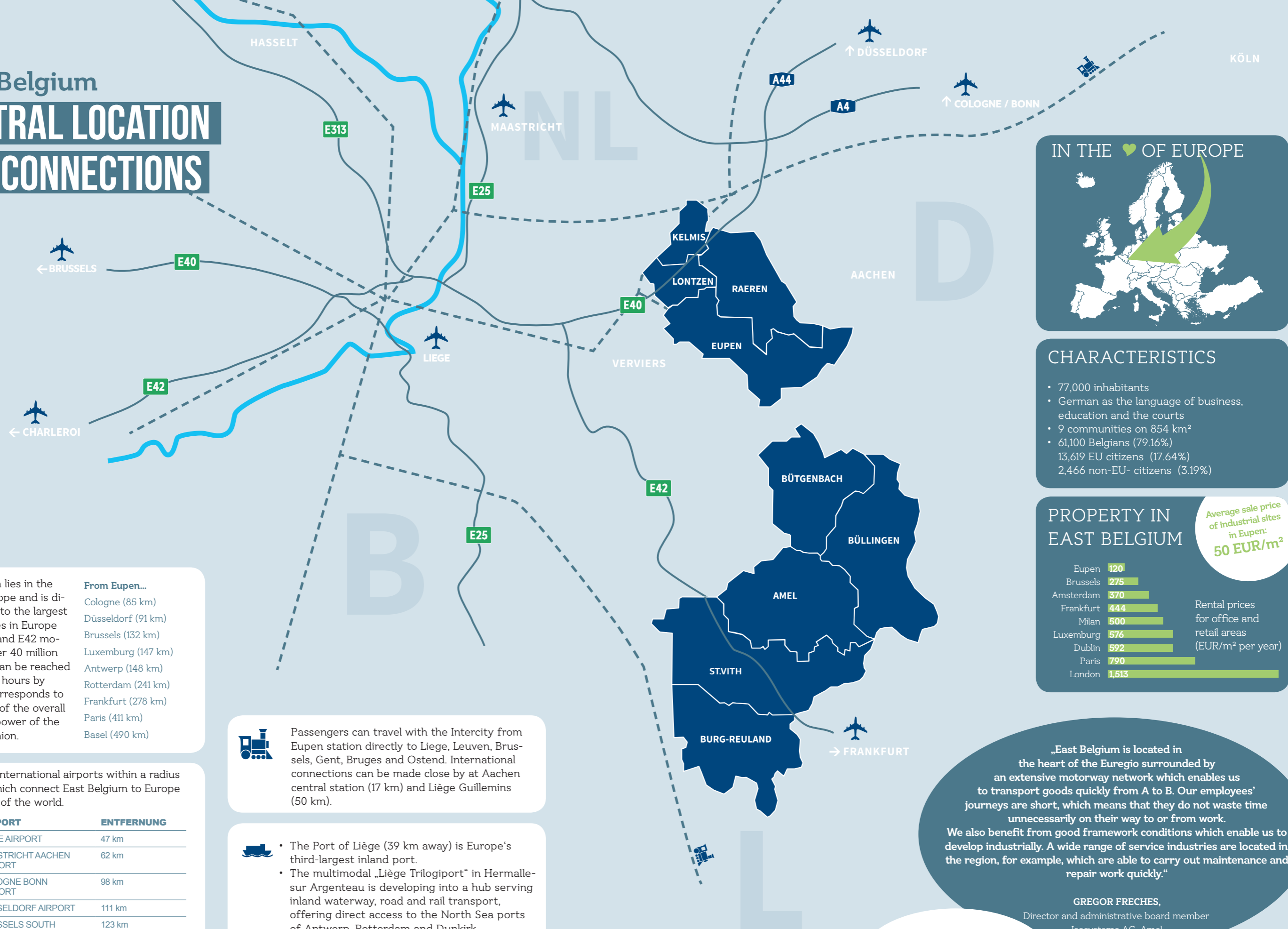
#### GERT LUDT,

Branch Manager & Head of Land Transport /  
Head of Logistic Eupen,  
Schenker nv (Eupen)



LIGNA Systems based in St.Vith has specialised since it was established in 2006 in the construction of wooden hall buildings for industry, commerce and leisure sectors. The core business involves the planning, calculation and production of large scale timber structures. The young firm currently employs over 30 people and its main markets are Germany, Austria, Switzerland and Belgium.

# East Belgium CENTRAL LOCATION AND CONNECTIONS



East Belgium lies in the heart of Europe and is directly linked to the largest urban centres in Europe via the E40 and E42 motorways. Over 40 million consumers can be reached within just 4 hours by HGV. This corresponds to around 20% of the overall purchasing power of the European Union.

**From Eupen...**

- Cologne (85 km)
- Düsseldorf (91 km)
- Brussels (132 km)
- Luxemburg (147 km)
- Antwerp (148 km)
- Rotterdam (241 km)
- Frankfurt (278 km)
- Paris (411 km)
- Basel (490 km)

There are 7 international airports within a radius of 150 km which connect East Belgium to Europe and the rest of the world.

AIRPORT	ENTFERNUNG
<b>LGG</b> LIEGE AIRPORT	47 km
<b>MAA</b> MAASTRICHT AACHEN AIRPORT	62 km
<b>CGN</b> COLOGNE BONN AIRPORT	98 km
<b>DUS</b> DÜSSELDORF AIRPORT	111 km
<b>CRL</b> BRUSSELS SOUTH CHARLEROI AIRPORT	123 km
<b>BRU</b> BRUSSELS AIRPORT	126 km
<b>LUX</b> LUXEMBOURG AIRPORT	145 km

Passengers can travel with the Intercity from Eupen station directly to Liege, Leuven, Brussels, Gent, Bruges and Ostend. International connections can be made close by at Aachen central station (17 km) and Liège Guillemins (50 km).

- The Port of Liège (39 km away) is Europe's third-largest inland port.
- The multimodal „Liège Trilogiport“ in Hermalle-sur Argenteau is developing into a hub serving inland waterway, road and rail transport, offering direct access to the North Sea ports of Antwerp, Rotterdam and Dunkirk.
- The large Rhine ports between Cologne and Düsseldorf are just one hour's drive away.
- Europe's second-largest seaport, Antwerp, is just 149 km away from East Belgium.

IN THE OF EUROPE

CHARACTERISTICS

- 77,000 inhabitants
- German as the language of business, education and the courts
- 9 communities on 854 km²
- 61,100 Belgians (79.16%)  
13,619 EU citizens (17.64%)  
2,466 non-EU- citizens (3.19%)

PROPERTY IN EAST BELGIUM

Average sale price of industrial sites in Eupen:

**50 EUR/m²**

Eupen	<b>120</b>
Brussels	<b>275</b>
Amsterdam	<b>370</b>
Frankfurt	<b>444</b>
Milan	<b>500</b>
Luxemburg	<b>576</b>
Dublin	<b>592</b>
Paris	<b>790</b>
London	<b>1,513</b>

Rental prices for office and retail areas (EUR/m² per year)

„East Belgium is located in the heart of the Euregio surrounded by an extensive motorway network which enables us to transport goods quickly from A to B. Our employees' journeys are short, which means that they do not waste time unnecessarily on their way to or from work.

We also benefit from good framework conditions which enable us to develop industrially. A wide range of service industries are located in the region, for example, which are able to carry out maintenance and repair work quickly.“

**GREGOR FRECHES,**  
Director and administrative board member  
Isosystems AG, Amel



**CHRISTINE BEYER**  
appreciates the great  
quality of life in East  
Belgium particularly for  
families with children  
photo: Sophie Bellec

## East Belgium QUALITY OF LIFE AND FAMILY-FRIENDLY POLICIES

Christine Beyer moved to East Belgium from her home town of Lyon (France) four years ago when her husband decided to go back to work at Aachen technical college after a two-year parental leave break.

They had been looking for child care for a long time but there were simply no free places in Aachen. They eventually found a lovely childminder in Eupen who looked after children up to the age of 18. That is nothing exceptional here in East Belgium. "Work-friendly opening hours are normal here and it is easy as a mother to find a full-time job", says Christine Beyer, who wanted to go back to work after the birth of her youngest daughter.

The couple found a childminder in Eupen and therefore looked for and found a house nearby. Christine Beyer was pleasantly surprised by the wonderful hospitality and spontaneous helpfulness of her new neighbours. "When I didn't leave the house for two days, the neighbours came to see if everything was OK and whether I needed any help. This friendly attitude is extremely heart-warming and typical of people from this region", the young French lady adds.

When the children were a little older, they went to the kindergarten. "The children are not simply kept busy here, they are introduced straight away to a second language and actively prepared for school", she says. And at the end of the school day children have access to after-school care – "This care allows me to pursue my career."

The family now live in their own home in Raeren. Christine Beyer enthuses once again: "Thanks to the attractive property prices, we can afford a standard of living here which would not be possible at all in Lyon or Aachen."

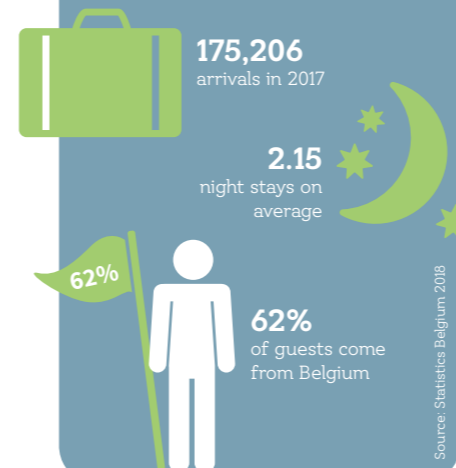
She has also changed jobs. She currently works as Human Resources Manager with Hydro in Raeren, as she was keen to work in an international environment: "I now have a challenging job with a world market leader which offers me interesting development opportunities. And I live in a region with a great standard of living and a surprisingly wide range of cultural activities where you always feel safe, even at large-scale events. You can enjoy the peace and quiet of rural life here. But if I am in the mood for a large city, I simply jump in my car and can be in the centre of Aachen, Maastricht or Liege within a quarter of an hour. What more could anyone want?!"

"We feel really at home here. The quality of life in East Belgium is excellent. My family never want to move away from here", concludes the young mother. But she hesitates for a moment. "There is one thing I miss", she says, winking, "The sun... When I retire I might go back 'home'... to the sunshine!"



Hydro is an international aluminium manufacturer which is active throughout the value added chain from bauxite extraction to the creation of rolled, extruded aluminium products and construction systems. The firm operates an extrusion plant in Raeren and a die casting plant in Eupen. It employs around 250 people in total in East Belgium.

### How many tourists visit East Belgium?

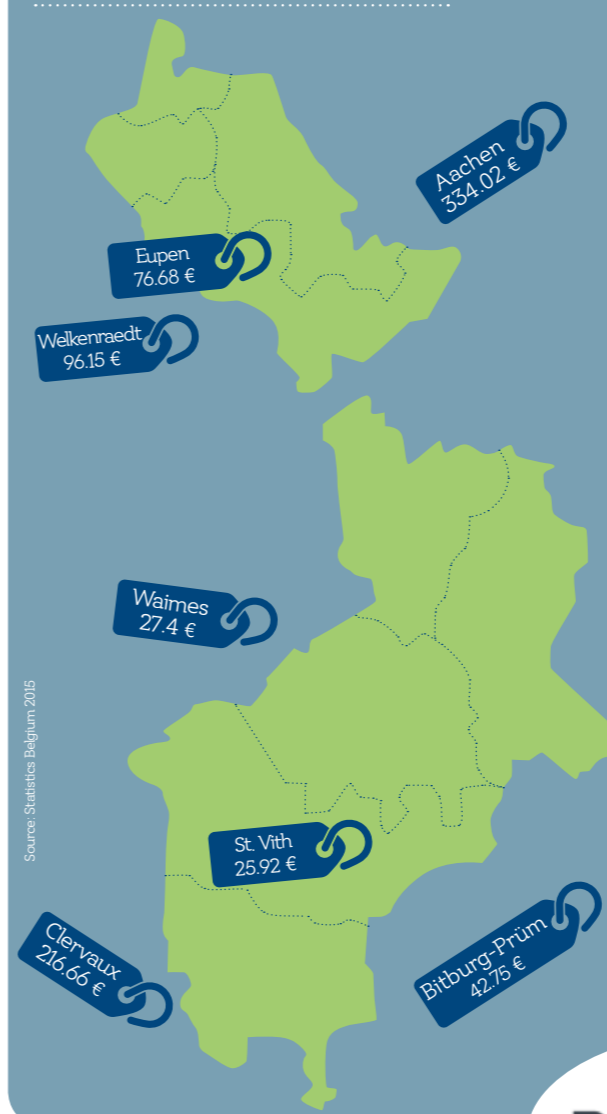


### Culture, sports and fun... East Belgian residents are involved in associational life



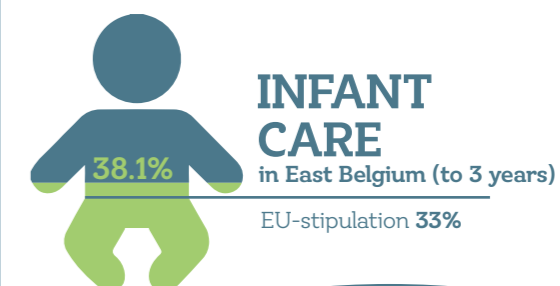
### The cost of living is reasonable in East Belgium

land prices for private accommodation 2015



## 2 HOSPITALS for medical care

## 3 ONE IN THREE East Belgian residents are involved in VOLUNTARY WORK



„The things that commit us as a customer-orientated textile cleaner to East Belgium are the structured mentality and multilingualism of our employees. These assets enable us to provide both the Belgian and German markets with a high-quality service. We appreciate the combination of a rigorous work ethic and love of life of East Belgians when cooperating with local firms. Incoming tasks are dealt with in good time with a great deal of care which promotes motivation and a sense of fun in the workplace.“

**OLIVIER EGYPTIEN,**  
Operation Manager Polytex AG (Eupen)





Plenary session at the Parliament of the German-speaking community  
photo: GrenzEcho - David Hagemann

## East Belgium SO SMALL AND YET SO GREAT

The thing that makes East Belgium unique in the international sphere is its small size. With a population of 77,000, it is the smallest constituent state in Belgium and represents less than 1% of the Belgian population.

East Belgium is therefore ten times smaller than the smallest federal state in Germany (Bremen) and no larger than Andorra. However, the German-speaking community is equipped with the same skills as the Flemish and French communities. Furthermore, it has acquired certain skills for its territory from the region of Wallonia. It is not without justification that certain people refer to

the region as the “best protected” minority in Europe.

The German-speaking community has its own parliament with 25 elected representatives, its own government and associated ministries. The German-speaking population decide on their own destiny in many areas in a totally autonomous manner.

### Competencies:

- ✓ Culture
- ✓ Family, health and social affairs
- ✓ Training and education
- ✓ Cooperation between communities and international cooperation
- ✓ Use of different languages in education
- ✓ Protection of monuments and the environment and excavations
- ✓ Employment
- ✓ Supervision and financing of the communities
- ✓ Tourism

Additional transfers of competences are currently being negotiated between the DG and the region of Wallonia particularly in relation to regional development and the construction of housing.

### Annual budget:

314 million Euros

### Number of parliamentarians or ministers / inhabitant:

- ✓ A government with 4 ministers
- ✓ 25 parliamentarians
- ✓ 1 European parliamentarian

Approximately 1 elected representative per 3,075 citizens.  
Approximately 1 minister per 19,250 citizens.

„With its central location, multilingual population and restorative environment, East Belgium offers the trump cards that can be enjoyed by our international customers when they visit us. The traditional location of Büllinger demonstrates how leading-edge technology can also be at home “in the countryside.”

MARIE-JOSEPHINE KESSLER,  
Marketing Manager,  
Faymonville Group

**FAYMONVILLE**  
TRAILERS TO THE **MAX**

## Mecondor chooses East Belgium

The firm Mecondor, which specialises in the manufacturing of gauntlets, has been based in St. Vith for the past 42 years. However, the firm has increasingly been struggling due to a lack of space which became even more evident with the acquisition of a production line for PVC separators from an Austrian business. Everything is moving East. But Mecondor and the Italian parent company decided to build new premises in St. Vith.

The business manager Klaus Jousten explains why: “We considered carefully the option of relocating all our production to Eastern Europe, particularly since a large proportion of our customers are based

there. However, we decided to stay in St. Vith. There has not been a single day of strikes in all the 38 years I have worked for the firm and the quality of the work produced here and the company management are second to none. In the past we have worked in cooperation with the mechanical engineering company Feka in St. Vith and Capaul in Eupen to complete major developments for the main factory in Monza.

Over the past 42 years we have acquired knowledge and know-how in our current location which would have to be rebuilt in a new place. All these reasons combined led us to the decision to stay in St. Vith.

„The recent reduction in corporation tax in Belgium will no doubt help to keep businesses in this area as well as enticing new ones.“



Mecondor has been manufacturing gauntlets for the battery industry in St. Vith since 1976. Prior to the year 2000, only woven polyester gauntlets were produced, but fleece is now increasingly being used and this material currently accounts for around 70% of the production volume. Around 35 employees produce approximately 250 million running metres of individual gauntlets which corresponds to around 29 million plates.

## East Belgium THE POWER OF SHORT DISTANCES

The combination of a small region with a high degree of autonomy is what makes East Belgium so special. Distances are short. Thanks to short, direct routes detours can be avoided, decisions speeded up and non-bureaucratic solutions sought.

The WFG understands this situation and acts as a partner for firms wishing to become active in East Belgium. It puts businesses into contact with the relevant decision points and, if they are not located in East Belgium, guides them skilful-

ly through the Belgian red tape. The system is direct and uncomplicated. The "one-stop-shop" principle applies in which a contact point, a personal adviser and a team of specialists accompany the customer all the way.

## „The short distances make us strong“

On setting up Sterisys 10 years ago, Patrick Radermacher made a deliberate choice for Eynatten (Raeren), guided by the location in the centre of Europe, the proximity to universities and suppliers, the multilingualism and cultural competence of our staff, but also the compactness of the region and the associated short distances. "Our proximity to organisations like the WFG or OBI and even to politicians are one of our strengths. When questions arise, it's easy to find help. We aren't faced with mountains of red tape. We have direct access to decision-makers", said the CEO of this booming manufacturer of industrial sterilisation units.

The challenges facing companies operating in East Belgium are no different to those elsewhere, whether with regard to the struggle to find suitable skilled labour or the unstable political situation in Europe and worldwide and the consequent market uncertainty. But the CEO of the 20-strong company is convinced that the company's proximity to various institutions and policymakers can be of great help: "It's easy to get heard. The needs of companies are taken seriously. And their interests are represented, not just within the region but also further afield."

And the East Belgian identity is an additional asset: "Many people for example don't know that German is spoken in Belgium. This makes them curious – and at the end of the day helps generate business in the whole German-speaking region. And it makes it easier for us to present ourselves as a multicultural company. The multilingualism found in the region and among our staff means that we are better at understanding others."

**PATRICK RADERMACHER,**  
CEO, Sterisys (Eynatten)

A strong team  
of specialists  
and personal  
advisers are  
available for WFG  
entrepreneurs  
wishing to gain a  
foothold in East  
Belgium.  
photo: WFG – Fabian Erler

## The partners of WFG Ostbelgien:



OSTBELGIENINVEST (OBI)

Hütte 79  
Quartum Center  
4700 Eupen

[www.ostbelgieninvest.be](http://www.ostbelgieninvest.be)



CHAMBER OF INDUSTRY  
AND COMMERCE EUPEN-  
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4700 Eupen

[www.ihk-eupen.be](http://www.ihk-eupen.be)



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STERISYS is a market leader in Europe in the field of manufacturing ethylene oxide sterilisation equipment for the medical technology industry. STERISYS offers comprehensive turnkey solutions to medical technology manufacturers and sterilisation service providers, providing end-to-end support covering the analysis of requirements, process organisation, the manufacturing and commissioning of the systems, staff training and system maintenance. Founded in 2008 in Eynatten, the company now has over 20 employees and has become a leading player on the international market.

# East Belgium SETTLING AND FOUNDING

## Foreign investors in good hands

89 foreign firms, mainly from Europe (Flanders, the Netherlands and France) and North America (Canada and the United States) invested a total of 683 million Euros in Wallonia in 2017. This represented an increase of 23.5% compared with 2016, which resulted in the creation of over 2,000 new jobs (+42% compared with 2016). Wallonia has been known for some time now as an investment location.

The official body which supports foreign investors in the region of Wallonia is known as Wallonia.be Foreign Investment Agency. It also supports firms wishing to invest East Belgium and assists them in dealing with the Walloon and federal administrations and organisations. The small German-speaking

community is an integral part of the region of Wallonia as far as economic matters are concerned. For East Belgium, the Walloon investment agency collaborates closely with the WFG.

Melanie Cordonnier is the main contact partner. She supports foreign entre-

preneurs with questions and procedures in relation to property, available financing possibilities and subsidies, staff recruitment, etc. and is able to establish direct contact with international tax experts.

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## Setting up business – „You never walk alone“

Founders of businesses often have sparkling business ideas but the long list of tasks to be carried out often present hurdles. The advisory service for setting up business offered by the WFG is available to address these issues. It advises future self-employed workers and existing firms and offers guidance and resources for company development and project promotion.

“We discuss the necessary formalities, develop business, finance and profitability plans together and find out about promotional and financing possibilities”, says Yannick Grosch, one of the consultants in the WFG team.

248 people benefited from individu-

al advice in 2017 during their start-up phase and 51 started their own business in the same year. A further 39 businesses were founded by people who had received support during previous years whilst 117 existing firms sought advice on how to secure their activities in the long term.

As well as individual advice, the der WFG also organises general information meetings, raises awareness to issues around freelance work for young people and plans networking events for young firms.

## A place where ideas can come to fruition

Incubators are places where new business ideas and innovative projects can develop to the point of a successful market launch and beyond. They are co-working spaces, where start-ups and established firms meet and receive support from an extensive network of specialists and experts from all kinds of fields.

They provide a combination of infrastructure, knowledge and networks and are springing up in many different locations. It is estimated that 10,000 already exist worldwide. An incubator of this kind is currently being launched in East Belgium. It was started by WFG Ostbelgien and Ostbelgieninvest. The start-up incubator is therefore located in a place where consultants and experts meet: the Eupen Quartum Center.

The East Belgian incubator stands out for its close network with a further eight incubators in Flanders, Wallonia, the Netherlands and Germany within the framework of the EU regional project “EMR StartUp”. It enables (young) entrepreneurs in the East Belgian incubator to share their experiences with like-minded people in partner incubators and benefit from their expert networks.

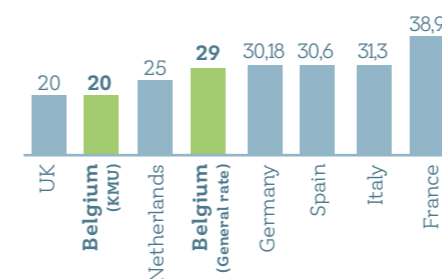
Sandrine Barre is the project manager within the WFG and is delighted to welcome the first “residents”: “The younger generations think and work differently. Our aim with this project is to provide a platform from which they can mess around and work things out with the support of experts so that they can bring their innovative ideas to fruition.”

# Financial incentives for firms in (East) Belgium

The region of Wallonia pays out investment premiums of between 15 and 20% of the total eligible investment amount (depending on the size of the firm, investment volumes, creation of jobs and location) for the acquisition of building plots, buildings, equipment, etc.

The **notional interest deduction from equity investments** is a unique international measure which allows for a drastic reduction in corporation tax. The average corporation tax currently stands at around 25% and is even lower in certain sectors such as distribution and logistics and research and development.

Within the framework of the tax shift adopted in 2015, **corporation tax** was reduced to 25% for large firms and 20% for small and medium-sized firms. Belgium is therefore becoming an extremely attractive location for firms by comparison within Europe.



Furthermore, tax regulations may be introduced with the federal financial administration which could result in a further reduction in the tax burden, e.g. exemption from property tax for 5 years, long-term tax exemption for new facilities, etc.

The Belgian government is keen to promote **research and development** and has therefore introduced particularly attractive tax-related framework conditions with extremely beneficial measures such as an 80% tax reduction on income from patents, partial exemption from social contributions for researchers and a specific system for expats in the area of R&D. Special grants are also available for research and development.

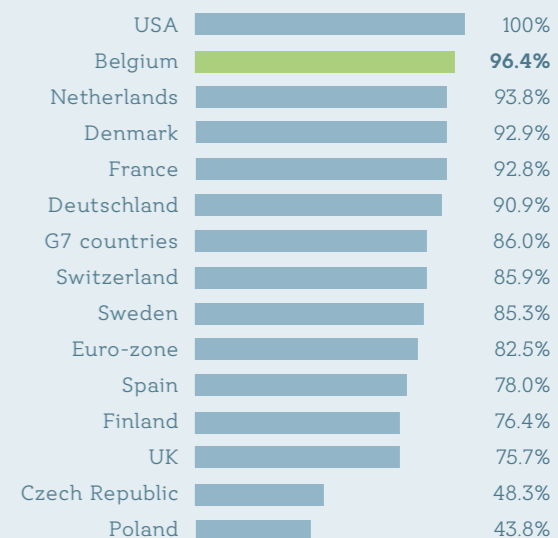
A number of incentives exist in the field of **human resources** which are intended to reduce staff costs and promote recruitment.

A few examples are outlined below:

- A wage tax exemption is available for night and shift work amounting to 22.8% for at least 2 shifts and 25% for continuous work (at least four shifts)
- The employer's contribution to social security payments is waived completely with the first employee is hired. Significant reductions are granted for the next five employees.
- In the case of the recruitment of unemployed people, the employer simply pays the net difference between the unemployment benefit and the final wage for the first 6 months. Further recruitment subsidies result in average wage cost savings of up to 12% over 4 years.
- An incentive of up to € 1,500 per quarter is also available for the appointment of older employees (over the age of 54) or young unemployed people.

Additional financial incentives exist for staff **education and training**.

## Are the (East) Belgians actually more productive than other nationalities?



## How can we help you?

A brief overview of the services offered by WFG Ostbelgien:

### FREELANCE WORK & BUSINESS START-UPS

- Project preparation
- Formalities and authorisations
- Financing and subsidies

### PROMOTION OF ECONOMIC DEVELOPMENT

- Settlement & investment
- Project promotion
- Financing and subsidies
- Innovation and research
- Export promotion
- Establishment of successors

WFG Ostbelgien VoG  
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# 10 GOOD REASONS FAVOURING EAST BELGIUM

## 1 Multilingualism

Whether German, French English or Dutch, language is no problem for East Belgians.

## 2 Highly-motivated staff

People in East Belgium are characterised by their high levels of motivation and productivity.

## 3 Practical vocational training

VET colleges and companies work together – under the „dual“ apprenticeship system – to train skilled workers, in line with labour market needs.

## 4 Proximity to academia

East Belgian is well-integrated in the network of surrounding universities and research institutions.

## 5 Central location

Located in the middle of Europe, East Belgian has excellent connections, whether by road, rail, water or air.

## 6 Room for growth

Well-equipped industrial estates and infrastructures offer your company the necessary room to develop.

## 7 Tailored support

Companies and the self-employed are provided with competent advice and support in developing their projects, whether with regard to development grants, investments, innovation, R&D, etc.

## 8 Institutional autonomy

Though only a small region, East Belgium enjoys political autonomy and is well-integrated in international networks.

## 9 Top quality of life

Nature, culture, sports, gastronomy .... and excellent care facilities for children. East Belgium is a fantastic place to live.

## 10 Short distances

Decision-makers are just round the corner. The WFG is there to help you develop your business.

### IMPRINT :

Economic Panorama of East Belgium –  
a magazine published by  
WFG Ostbelgien VoG.  
Published in loose succession in German,  
French and English.

### EDITOR:

WFG Ostbelgien, Hütte 79/20, B-4700 Eupen  
Responsible editor:  
Nathalie Klinkenberg  
©2018, WFG Ostbelgien VoG - Wirtschafts- & Regionalförderung

Concept, copywriting and production: Talking Circles PgrmbH, Eupen  
Graphic design: studiodreizehn, Eupen  
Printing: Pavonet, Eupen  
Photos Cover: Ministerium der DG – Gregor Colienne / Christian  
Charlier, MOCKEL AG, AstenJohnson, WFG – Fabian Erler, SPI,  
ostbelgien.eu – Dominik Ketz, GrenzEcho – Ralf Schaus

WITH THE RECOMMENDATION OF THE CHAMBER OF INDUSTRY & COMMERCE EUPEN-MALMEDY-STVITH.