Doing Business in Belgium: 2013 Country Commercial Guide for U.S. Companies

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Chapter 1: Doing Business In Belgium

Market Overview Return to top

Belgium is a compact and diverse market, sitting on the cultural and linguistic border of Germanic and Latin Europe. It is composed of the francophone Wallonia region to the south, the Dutch speaking Flanders region in the north, and the bilingual capital region of Brussels. There is even a small enclave of German speakers. This diversity makes it an ideal market for many U.S. firms to test their products before expanding their distribution throughout Europe. With a population of 10.5 million people in a territory comparable to the state of Maryland, it is densely populated. It enjoys one of the highest per capita incomes in Europe, with a relatively balanced income distribution, resulting in widely-spread purchasing power.

Belgium GDP was a total of 419.6 billion US dollars in 2012. The U.S. ranks as Belgium's 5th principal trading partner; with Belgium ranked 18th for largest U.S. trading partner. Bilateral trade was worth over $41 billion for the year 2010. Often referred to as "the capital of Europe", the Belgian capital of Brussels is home to the headquarters of the European Union (EU) and of the North Atlantic Treaty Organization (NATO), as well as hundreds of international institutions, associations and multinational corporations.

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Economic forecasts by OECD and others predict Belgium's economic growth will be flat over the next year, still most analysts suggest that Belgium has weathered the crisis relatively well. In 2012, while the Belgian economy contracted by -0.3 percent, the same rate as the combined EU-27 economy, unemployment in Belgium was less than the EU average. Belgium's unemployment rate closed the year at 7.6 percent, less than the EU-27 average of 10.5 percent. Last year, inflation of 2.1 percent was just under the Euro area average of 2.2 percent. Belgium's 10 year government bond rates continued to decline, dropping to 3.1 percent in December 2012 in a further indication that financial markets saw Belgium as a safe haven. The government of Prime Minister Elio Di Rupo continued to cut costs and to take other measures to meet its deficit reduction target of 3 percent of GDP; however, it was unable to do so in part because of the need to recapitalize troubled bank Dexia and ended 2012 with a deficit of 3.9 percent of GDP. The European Union, OECD and others have called for additional structural reforms in Belgium to help meet its deficit target and to strengthen its competitiveness, to include among other things, labor market and tax code reforms as well as lowering energy costs.

Market Opportunities

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The leading Belgian sectors for U.S. export and investment are: biotechnology, chemicals, energy and renewable energy, environmental technologies, green building, medical devices, safety and security, automotive, and travel and tourism. As the host of NATO and EU headquarters, and hundreds of other international organizations, Belgium also offers opportunities for specific projects.

Belgium's central location in the wealthy region of Europe makes of the country an ideal gateway for exports to Europe. Within a radius of 300 miles, 140 million EU consumers can be reached representing 60% of Europe's purchasing power.

Belgium is also seen as a test market. Indeed, Belgium contains a few distinctly separate socio-demographic groups such as the Germanic Flemings and the Latin Walloons, governed by the same legal system. The Belgian economy largely reflects the overall European economy and consumer, a mini-Europe that is easier to enter than starting with larger European markets.

Moreover, Belgian productivity levels are the result of high investment in the quality of its labor force. Because of its location and history, the educational system in Belgium is highly oriented towards the instruction of foreign languages. U.S. companies contemplating the Belgian market will be encouraged by the large number of English speakers.

The Notional Interest Deduction (NID) of 2005 introduced an annual deduction on taxable income and is very attractive for foreign businesses as it reduces the taxable base. The American Chamber of Commerce (AmCham Belgium) has tracked the impact of NID on U.S. companies operating in Belgium. Changes to the NID are being depbated by the di Rupo government. See: http://www.amcham.be/Publications/PrioritiesforaProsperousBelgium/tabid/71/Default.aspx

Market Entry Strategy

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U.S. exporters can penetrate the Belgian market through importers/distributors, wholesalers or specialized retailers, depending on their products and their company size. Interested U.S. exporters will have to focus on innovation, quality and competitive pricing to successfully penetrate the market.

In support of U.S. commercial interests in Belgium, the U.S. Embassy in Brussels uses the combined resources of the various U.S. Government agencies to promote exports of U.S. goods and services. It also supplies information on trade and investment opportunities and serves as an advocate for U.S. firms. For specific requests, firms can contact the applicable Commercial Specialist at the U.S. Embassy in Brussels for counseling and market entry strategies tailored to their products and services (see: Export.gov - What can CS Belgium do for you?).

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Chapter 2: Political and Economic Environment

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

http://www.state.gov/r/pa/ei/bgn/2874.htm

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Companies wishing to use distribution, franchising and agency arrangements need to ensure that the agreements they put into place are in accordance with EU and member state national laws. Council Directive 86/653/EEC establishes certain minimum standards of protection for self-employed commercial agents who sell or purchase goods on behalf of their principals. In essence, the Directive establishes the rights and obligations of the principal and its agents; the agent's remuneration; and the conclusion and termination of an agency contract, including the notice to be given and indemnity or compensation to be paid to the agent. U.S. companies should be particularly aware that the Directive states that parties may not derogate certain requirements. Accordingly, the inclusion of a clause specifying an alternate body of law to be applied in the event of a dispute will likely be ruled invalid by European courts.

Key Link:
http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31986L0653:EN:HTML

The European Commission's Directorate General for Competition enforces legislation concerned with the effects on competition in the internal market of "vertical agreements." U.S. small- and medium-sized companies (SMEs) are exempt from these regulations because their agreements likely would qualify as "agreements of minor importance," meaning they are considered incapable of affecting competition at the EU level but useful for cooperation between SMEs. Generally speaking, companies with fewer than 250 employees and an annual turnover of less than €50 million are considered small- and medium-sized undertakings. The EU has additionally indicated that agreements that affect less than 10% of a particular market are generally exempted as well (Commission Notice 2001/C 368/07).

Key Link:
http://eurlex.europa.eu/LexUriServ/site/en/oj/2001/c_368/c_36820011222en00130015.pdf

The EU also looks to combat payment delays with Directive 2000/35/EC which was reviewed in 2010. The new directive, which replaces the existing one in March 2013, covers all commercial transactions within the EU, whether in the public or private sector, primarily dealing with the consequences of late payment. Transactions with consumers, however, do not fall within the scope of this Directive. In sum, the new Directive 2011/7/EU entitles a seller who does not receive payment for goods and/or services within 30 days of the payment deadline to collect interest (at a rate of 8% above the European Central Bank rate) as well as 40 Euro as compensation for recovery of costs. For business-to-business transactions a 60 day period may be negotiated subject to conditions. The seller may also retain the title to goods until payment is completed and may claim full compensation for all recovery costs.

Key Link:
http://ec.europa.eu/enterprise/policies/single-market-goods/files/late_payments/doc/directive_2011_7_en.pdf

Companies' agents and distributors can take advantage of the European Ombudsman when victim of inefficient management by an EU institution or body. Complaints can be made to the European Ombudsman only by businesses and other bodies with registered offices in the EU. The Ombudsman can act upon these complaints by investigating cases in which EU institutions fail to act in accordance with the law, fail to respect the principles of good administration, or violate fundamental rights. In addition, SOLVIT, a network of national centers, offers online assistance to citizens and businesses who encounter problems with transactions within the borders of the single market.

Key Links:
http://www.ombudsman.europa.eu/home/en/default.htm
http://ec.europa.eu/solvit/site/about/index_en.htm

Establishing an Office

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U.S. companies wishing to start business activities in Belgium can choose to set up either a subsidiary or a branch. A subsidiary is incorporated under foreign law and the branch under Belgian law. The choice between a subsidiary and a branch often depends on the taxation structure in the foreign country from which the investment is made. Incorporation generally takes six weeks. No prior government authorization is required and there is no restriction on the transfer of capital into Belgium, with the exception of industries such as banking, insurance, pharmaceuticals, and broadcasting. When planning to open an office or set up a company in Belgium, U.S. companies should contact the Foreign Investment Offices of the Belgian region where they will be located (Flanders , Wallonia, and Brussels). These offices will be able to provide support and advice on matters of tax, employment, location and accounting.

Legal Features

A subsidiary is a separate legal entity; thus, liability is limited to its own assets. However, a branch does not constitute a separate entity and has unlimited liability. The parent company is liable for all obligations and debts of the branch.

Setting up a Subsidiary

Subsidiaries are usually set up either as a public limited liability company (SA/NV) or a private limited liability company (SPRL/BVBA). The private limited liability company is generally suited for smaller companies. Steps for setting up public and private companies are relatively similar.

- Deposit initial capital (€62,000 for SA/NV; €19,000 for SPRL/BVBA) with a Belgian bank. A certificate indicating the amount of capital held in blocked account will be issued by the bank.
- File signed financial plan with a notary. A financial plan shows how the initial capital covers the company's operations for the next two years.
- In the presence of a notary, sign the deed of incorporation and the by-laws.
- The notary will file the deed of incorporation with the local commercial court and submit the corporate charter for publishing in the Belgian Official Gazette. (Cost is approximately €1,000-1,500 for notary, €207 for publication the Belgian Official Gazette.) Upon registration, an official corporate registration number is issued.
- Register at the "one-shop stop for companies" (guichet d'entreprise / ondernemingsloket) to activate the corporate registration number and register with VAT administration. (Cost is €71 for registration fee and €61 for VAT registration)
- Register with social security administration for salaried workers (ONSS/RSZ).
- Within three months of incorporation, companies must register with social insurance fund for self-employed persons and begin annual contributions to this fund.

Setting up a Branch

To open a branch office in Belgium, the following documents must be brought to a notary to be legalized and translated:

- Articles of incorporation and bylaws of the foreign incorporation with subsequent amendments.
- Minutes from the Board Meeting when it was decided by the parent company to open a branch office in Belgium.
- Minutes from the Board Meeting to appoint a legal representative along with a description of powers delegated to him.
- Consolidated annual accounts of the parent company.
- The translation of these documents must be done by an official translator in Belgium into French or Dutch, depending on the location in Belgium.
- The documents must be submitted to the local Court of Commerce and the annual accounts must be filed at the National Bank of Belgium.
- Register at the "one-shop stop for companies" (guichet d'entreprise / ondernemingsloket) to activate the corporate registration number and register with VAT administration.

- Publish the documents in the Belgian Official Gazette. (The costs will be the fee for the translation, registration fee, and publishing fee)
- Register with social security administration for salaried workers (ONSS/RSZ).
- Within three months of incorporation, branches must register with social insurance fund for self-employed persons and begin annual contributions to this fund.

A list of notaries in Belgium is available at http://www.notaire.be/index.php

In an effort to modernize and streamline the procedure of setting up a company or an office in Belgium, the Belgian Government established the "Crossroads Bank for Enterprises" (Banque Carrefour des Entreprises). It is a repository that assigns business entities a unique identification number that replaces the social security number, its register of commerce number, its VAT number, and the number granted by the national register of legal entities. Data are entered one time only and all government entities share this database. The database tracks relevant identification details, such as name, address, VAT number, and business type. For third parties (including the administration), this number serves as the main identification number of the branch. It must appear on all documents originating from the subsidiary or branch.

By granting the notional interest deduction, Belgium's attractiveness is improving for capital intensive companies, equity funded headquarters, and treasury centers of multinationals. Both Belgian and foreign companies with a Belgian permanent establishment or real estate may be granted a tax deduction equal to a percentage of the "capital at risk." See Chapter 6 for more details concerning the notional interest deduction.

Franchising Return to top

Belgium's franchising system represents about 3,500 franchisees, 30,000 jobs, and $3.5 billion.

Franchising represents 6% of all retail in Belgium compared with the European and American averages of 11% and 40%, respectively. This places Belgium, along with Denmark and Finland, among the European countries with the lowest number of franchise units per capita. Over the past 10 years the franchising of services has grown significantly. Services such as hotels, hairdressing and car maintenance have shown an important increase, while sub-sectors such as building maintenance services, security, car-washing, travel and tourism, express delivery, personnel training and accounting services are also expanding.

Regarding franchising regulation, a law relative to pre-contractual information in the framework of commercial partnership agreements was adopted in 2005. The law went into effect on February 1, 2006. The franchiser is obliged to provide the prospective franchisee with the draft agreement and a separate document containing important contractual clauses. This document must also include additional details, so as to allow the franchisee to accurately evaluate the contractual relationship. The required information must be given to the franchisee at least one month before entering into the franchising agreement. Additionally, franchises are also subject to EU regulations regarding vertical and horizontal restraints, more specifically 12790/1999 or the "block exemption", which exempts a smaller franchise network from complying with the principles of free trade of article 81(3) of the Treaty of Rome. So far, no franchise system has failed to qualify for the block exemption. For more information on the "block exemption," please see: http://www.eff-franchise.com/.

Since its foundation in 1972, the European Franchise Federation (EFF) has had the European Code of Ethics for Franchising. Its purpose is to promote a self-regulatory approach to the ethical business practice of franchising in Europe, and to set the standards of this self-regulation. The Code of Ethics has proved itself fundamentally useful not only to self-regulate the practice of franchising on the markets in Europe, but by doing so, has guaranteed the EFF a forceful and credible role in its dealings as the federal representative of franchising, with both national and European authorities. In the 1980s, the EU and the European Court of Justice recognized the EFF's Code as the leading example of its kind, both in its definition of franchising and in its responsible practice of this method of distribution. Every EFF national member, and in turn each franchise system member of the national franchise associations (or federations), commits itself through its membership, to the principles laid down in this Code.

Direct Marketing

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There is a wide range of EU legislation that impacts the direct marketing sector in Belgium. Compliance requirements are the stiffest for marketing to private consumers. Companies need to focus, in particular, on the clarity and completeness of the information they provide to consumers prior to purchase, and on their approaches to collecting and using customer data. The EU's Directive on distance selling to consumers (97/7/EC) set out a number of obligations for companies engaged in direct marketing. It can read like a set of onerous "do's" and "don'ts," but in many ways it represents nothing more than a customer relations good practice guide with legal effect. Direct marketers must provide clear information on the identity of themselves as well as their supplier, full details on prices including delivery costs, and the period for which an offer remains valid – all of this, of course, before a contract is concluded. Customers generally have the right to return goods without any required explanation within seven days, and retain the right to compensation for faulty goods thereafter.

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Selling to the Belgian Government

The Belgian Government generally follows EU procurement regulations. The public procurement market is regulated by two EU Directives, which are applicable to contracts above agreed thresholds. Below these agreed thresholds, each EU member state has developed its own procurement law, which is not regulated by the EU public procurement directives; however, the general principles of the EU Treaty regarding non-discrimination and free movement of goods are applicable even below the thresholds. The two EU public procurement directives are: Directive 2004/18 on coordination of procedures for the award of public works, services and supplies contracts, and Directive 2004/17 on coordination of procedures of entities operating in the utilities sector, which covers water, energy, transport and postal services. These directives are implemented in each EU member state's national procurement legislation.

Selling to the EU

The EU public procurement market, including EU institutions and member states, totals approximately EUR 1.6 billion. This market is regulated by three Directives:

- Directive 2004/18 on Coordination of Procedures for the Award of Public Works, Services and Supplies Contracts;
- Directive 2004/17 on Coordination of Procedures of Entities Operating in the Utilities Sector, which covers the following sectors: water, energy, transport and postal services; and
- Directive 2009/81 on Coordination of Procedures for the Award of Certain Works, Supply and Service Contracts by contracting authorities in the fields of defense and security.

Remedies directives cover legal means for companies who face discriminatory public procurement practices. These directives are implemented in the national procurement legislation of the 27 EU member states.

The U.S. and the EU are signatories of the World Trade Organization's (WTO) Government Procurement Agreement (GPA), which grants access to most public supplies and services and some work contracts published by national procurement authorities of the countries that are parties to the Agreement. In practice, this means that U.S.-based companies are eligible to bid on supplies and services contracts from European public contracting authorities above the agreed thresholds.

However, there are restrictions for U.S. suppliers in the EU utilities sector both in the EU Utilities Directive and in the EU coverage of the GPA. The Utilities Directive allows EU contracting authorities in these sectors to either reject non-EU bids where the proportion of goods originating in non-EU countries exceeds 50% of the total value of the goods constituting the tender, or is entitled to apply a 3% price difference to non-EU bids in order to give preference to the EU bid. These restrictions are applied when no reciprocal access for EU companies in the U.S. market is offered. Those restrictions, however, were waived for the electricity sector.

For more information, please visit the U.S. Commercial Service at the U.S. Mission to the European Union website dedicated to EU public procurement. This site also has a database of all European public procurement tenders that are open to U.S.-based firms by virtue of the Government Procurement Agreement. Access is free of charge.

Key Link:
http://export.gov/europeanunion/grantstendersandfinancing/cseutendersdatabase/index.asp

Selling to NATO

NATO purchases anywhere between two and four billion USD worth of products and services each year. Most of this falls under NATO's Security and Investment Program or NSIP. It is the NATO common funding program. The Program finances the provisions and facilities needed to support NATO Strategic Commands. The investments cover communications and information systems, radar, military headquarters, airfields, fuel pipelines and storage, harbors, and navigational aids. It also includes Peace Support Operations such as SFOR and KFOR including Communications, Information Systems, Local Headquarters Facilities, Power Systems, and Repairs to Airfields, Rail, and Roads.

This is budget is supplemented by NATO's Military Budget which covers the International Military Staff, the two NATO Strategic Commands and associated command, control and information systems, research and development agencies, procurement and logistics agencies, and the NATO Airborne Early Warning and Control Force.

Unit: USD thousands

	2010	2011	2012 (estimated)	2013 (estimated)
Total Market Size	624,000*	624,000*	624,000**	624,000**

*Ceiling agreed to by North Atlantic Council in 2001
**Anticipated

Funded by the above budgets and other additional external sources, NATO procures goods and services mainly through two acquisition agencies: NCI-A and NSPA. Over the past eighteen months NATO has been overhauling and streamlining its acquisition agencies. At this point it is unclear how this will unfold.

NCI-A, or NATO Computer Information Agency is the principal agency involved in the research and development, procurement and implementation of Consultation, Command and Control within NATO. NCI-A procures technology that can support the objectives of its NATO member nations, partner nations, and Crisis Response Operations in Afghanistan and Kosovo for example.

NSPA, located in Luxembourg, is the main logistics agency for NATO. Its task is to provide logistic services in support of weapon and equipment systems held in common by NATO nations, in order to promote materiel readiness, to improve the efficiency of logistic operations and to effect savings through consolidated procurement in the areas of supply, maintenance, calibration, procurement, transportation, technical support, engineering services and configuration management.

Both agencies procure goods and services through preferred suppliers and International Competitive Bidding (ICB) for larger projects   NCI-A and NSPA's suppliers lists are respectively known as the Basic Ordering Agreement (BOA) and the Source File. Procurement contracts, though smaller than ICBs, can reach up to five million USD. U.S. companies interested in being added to the BOA and/or Source File should contact Ira Bel ira.bel@trade.gov at the U.S. Commercial Service in Belgium for assistance. U.S. companies interested in tracking and bidding on ICBs are should monitor Commerce's bulletin board recapping NATO opportunities: www.fbo.gov.

NATO is a "private club" and only buys from its member nations. This is itself gives U.S. suppliers a distinct advantage. As the United States is under represented in maintenance and supply contracts, NAMSA will offer U.S. companies the opportunity to match the most competitive bid, providing the firm is within 10% of the lowest bid meeting minimum military requirements.

At the conclusion of the NATO Lisbon summit in November 2010, NATO is has reaffirmed and renewed its priorities. Also the Soviet threat has disappeared NATO renewed its commitment to collective defense embodied in Article 5 of the North Atlantic Treaty: the pledge to collectively defend and repel any aggressions committed upon any of its members.   NATO also recognized, particularly 9/11, that threats are increasingly unconventional in nature. Therefore NATO is now focusing on rapid deployability of smaller forces, cyber defense and the streamlining of its operations and management.

We expect NATO to focus on the purchase of information technology security software with a focus on information assurance and services, auditing and business management services and logistical solutions enhancing deployability.

www.fbo.gov

Distribution and Sales Channels Return to top

Belgium has a very well developed infrastructure and is regarded as an excellent transit and distribution center. It has the second most extensive canal network in Europe and benefits from modern road and rail networks. Antwerp is Europe's largest container port for the US-EU trade; Liege, located 90 kilometers east of Brussels, is the third largest European river port, and Liege Airport is also an important center for freight with 339,431 metric tons sent in 2011. Brussels Airport is located only 15 minutes from the center of Brussels is also among the busiest by cargo traffic in Europe, sending a little over 475,000 tons of freight in 2011.

The dense population and pattern of urban development means that for 91% of Belgian consumers, retail shops and department stores are accessible within a 10-mile radius of their homes. Compared to the U.S., or other European markets, the Belgian consumer has a relatively low ratio of square meters of retail space per capita. As a result, several major commercial centers or malls are being developed, but none will open before 2014.

These will, however, offer U.S. retail brands and franchises with new, modern locations for their outlets.

The cultural, linguistic and economic differences of Belgium's three regions have a strong influence on how business is conducted. A good importer/distributor must be able to operate in all three areas. Belgian distributors tend to be small and specialized.

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It is important to remember that Dutch, French, and (to a very limited extent) German language divisions define consumer characteristics in the Belgian market. At the industrial level, where price and technical factors are usually paramount, the language issue is not particularly significant. At the consumer level however, issues such as labeling and marketing strategies take on greater weight. In both instances, language can influence the personal relationships between buyers and sellers, so it is necessary to determine whether importers and distributors can service the entire Belgian market.

The prevailing Belgium law for labeling simply requires that consumers of the targeted market must be able to read the product information. Typically this has been Dutch in the northern half of Belgium (Flanders), French in the southern half of Belgium (Wallonia), and German in two small communities of German-speaking Belgians on the Belgium-German border. Generally both Dutch and French appear on all products sold in the Belgium market and should be the most prudent option for all newcomers.

Electronic Commerce Return to top

As a result of early internet infrastructure development, e-commerce is freely accessible in Belgium. High levels of broadband and cable access for high-speed internet is readily available in Belgium. In 2010, Belgium ranked ninth-highest broadband penetration rate in the European Union at 29.1 percent. However, despite the growth that has been seen in high-speed internet services, Belgium has overall low total internet penetration, partly due to the fact that the cost of broadband internet services to consumers is among the highest in Europe. According to a 2010 report from the European Commission, 27% of Belgian internet users ordered goods or services over the internet in 2009, below the EU average of 31%.

The need to tailor offerings according to local laws, culture, and in two languages (French and Dutch), combined with a small population, make Belgium a somewhat more difficult market for those entering the EU e-commerce division. However, in February 2008, eBay introduced a system to allow users in Belgium to register using an electronic identity card instead of a credit card. Using this government-issued electronic identity card, known as eID, provides greater proof of identity and security in exchange of electronic data. Such increased security provides greater trust in the e-commerce market and may offer a boost in attractiveness.

Although in the past the Belgian government has lagged in providing online public services, it is catching up and now offers tax filings online. In addition, the Belgian government is updating its electronic procurement structure and public tenders can now be submitted online. It is expected to soon launch its completed online-procurement system for purchasing goods from approved suppliers.

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General EU Legislation

Laws against misleading advertisements differ widely from member state to member state within the EU. To respond to this imperfection in the Internal Market, the Commission adopted a directive, in force since October 1986, to establish minimum and objective criteria regarding truth in advertising. The Directive was amended in October 1997 to include comparative advertising. Under the Directive, misleading advertising is defined as any "advertising which in any way, including its presentation, deceives or is likely to deceive the persons to whom it is addressed or whom it reaches and which, by reason of its deceptive nature, is likely to affect their economic behavior or which for those reasons, injures or is likely to injure a competitor." member states can authorize even more extensive protection under their national laws.

Comparative advertising, subject to certain conditions, is defined as "advertising which explicitly or by implication identifies a competitor or goods or services by a competitor." member states can, and in some cases have, restricted misleading or comparative advertising.

The EU's Audiovisual Media Services Directive lays down legislation on broadcasting activities allowed within the EU. Since 2009, the rules allowing for U.S.-style product placement on television and the three-hour/day maximum of advertising have been lifted. However, a 12-minute/hour maximum remains. Child programming will be subject to a code of conduct that will include a limit of junk food advertising to children. Following the adoption of the 1999 Council Directive on the Sale of Consumer Goods and Associated Guarantees, product specifications, as laid down in advertising, are considered as legally binding on the seller. (For additional information on Council Directive 1999/44/EC on the Sale of Consumer Goods and Associated Guarantees, see the legal warranties and after-sales service section below, though this Directive will be incorporated into the Consumer Rights Directive mentioned above by June 2014.)

The EU adopted Directive 2005/29/EC concerning fair business practices in a further attempt to tighten up consumer protection rules. These rules outlaw several aggressive or deceptive marketing practices such as pyramid schemes, "liquidation sales" when a shop is not closing down, and artificially high prices as the basis for discounts in addition to other potentially misleading advertising practices. Certain rules on advertising to children are also set out.

Key Link:
http://ec.europa.eu/comm/consumers/cons_int/safe_shop/fair_bus_pract/index_en.htm
http://ec.europa.eu/avpolicy/reg/avms/index_en.htm

Medicines

The advertising of medicinal products for human use is regulated by Council Directive

2001/83/EC as amended by Directive 2004/27/EC. Generally speaking, the advertising of medicinal products is forbidden if market authorization has not yet been granted or if the product in question is a prescription drug. Mentioning therapeutic indications where self-medication is not suitable is not permitted, nor is the distribution of free samples to the general public. The text of the advertisement should be compatible with the characteristics listed on the product label, and should encourage rational use of the product. The advertising of medicinal products destined for professionals should contain essential characteristics of the product as well as its classification. Inducements to prescribe or supply a particular medicinal product are prohibited and the supply of free samples is restricted.

The Commission presented a new proposal for a framework for information to patients on medicines in 2008 which would allow industry to produce non-promotional information about its medicines while complying with strictly defined rules and would be subject to an effective system of control and quality assurance. The debate on the framework however is currently blocked in the member states and therefore, current varying systems at national level are in force.

Key Link:
http://ec.europa.eu/health/human-use/information-to-patient/index_en.htm

Nutrition & Health Claims

On July 1, 2007, a regulation on nutrition and health claims entered into force. Regulation 1924/2006 sets EU-wide conditions for the Use of nutrition claims such as "low fat" or "high in vitamin C" and health claims such as "helps lower cholesterol". The regulation applies to any food or drink product produced for human consumption that is marketed in the EU. Only foods that fit a certain nutrient profile (below certain salt, sugar and/or fat levels) are allowed to carry claims. Nutrition and health claims are only allowed on food labels if they are included in one of the EU positive lists. Food products carrying claims must comply with the provisions of nutritional labeling Directive 90/496/EC and its amended version Directive 1169/2011 on information to consumers mentioned below.

In December 2012, a list of approved functional health claims went into effect. The list includes generic claims for substances other than botanicals which will be evaluated at a later date. Disease risk reduction claims and claims referring to the health and development of children require an authorization on a case-by-case basis, following the submission of a scientific dossier to the European Food Safety Authority (EFSA). Health claims based on new scientific data will have to be submitted to EFSA for evaluation but a simplified authorization procedure has been established.

The development of nutrient profiles, originally scheduled for January 2009, has been delayed. Nutrition claims can fail one criterion, i.e. if only one nutrient (salt, sugar or fat) exceeds the limit of the profile, a claim can still be made provided the high level of that particular nutrient is clearly marked on the label. For example, a yogurt can make a low-fat claim even if it has high sugar content but only if the label clearly states "high sugar content". A European Union Register of nutrition claims has been established and is updated regularly. Health claims cannot fail any criteria.

Key Link: http://ec.europa.eu/nuhclaims/

Food Information to Consumers

In 2011, the EU adopted a new regulation on the provision of food information to consumers (1169/2011). The new EU labeling requirements will apply from December 13, 2014 except for the mandatory nutrition declaration which will apply from December 13, 2016.

Key link: http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:304:0018:0063:EN:PDF

Food Supplements

Directive 2002/46/EC harmonizes the rules on labeling of food supplements and introduces specific rules on vitamins and minerals in food supplements. Ingredients other than vitamins and minerals are still regulated by Member States.

Regulation 1925/2006, applicable as of July 1, 2007, harmonizes rules on the addition of vitamins and minerals to foods. The regulation lists the vitamins and minerals that may be added to foods. This list was most recently revised in November 2009. A positive list of substances other than vitamins and minerals has not been established yet, although it is being developed. Until then, member state laws will govern the use of these substances.

Key Link: http://ec.europa.eu/food/food/labellingnutrition/supplements/index_en.htm

Tobacco

The EU Tobacco Advertising Directive bans tobacco advertising in printed media, radio, and internet as well as the sponsorship of cross-border events or activities. Advertising in cinemas and on billboards or merchandising is allowed, though these are banned in many member states. Tobacco advertising on television has been banned in the EU since the early 1990s and is governed by the Audiovisual Media Services Directive. The EU proposed a revision to the Tobacco Products Directive in 2012 with proposals to include bigger, double-sided health pictorial warnings on cigarette packages and plain packaging along with health warnings, tracking systems.

Key link: http://ec.europa.eu/health/tobacco/products/revision/

Pricing

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Belgium is a highly competitive market in which the Belgian importer is looking for the best quality at the lowest price. American products and technology are highly regarded but do not command higher prices than comparable products. It is important to remember that while Belgium is a significant market in its own right, it is also the country of entry for many imports originating from many countries, with final destinations all throughout Europe. This characteristic gives Belgian buyers access to a wide range of products at competitive prices.

U.S. companies are advised to quote prices on a Cost Insurance Freight (CIF) basis, surface or airfreight. This is standard practice for most exporters, since it facilitates price comparison between EU suppliers. Import duties are usually quoted on a delivered to warehouse basis.

Sales Service/Customer Support Return to top

Conscious of the discrepancies among member states in product labeling, language use, legal guarantee, and liability, the redress of which inevitably frustrates consumers in cross-border shopping, the EU institutions have launched a number of initiatives aimed at harmonizing national legislation. Suppliers within and outside the EU should be aware of existing and upcoming legislation affecting sales, service, and customer support.

Product Liability

Under the 1985 Directive on liability of defective products, amended in 1999, the producer is liable for damage caused by a defect in his product. The victim must prove the existence of the defect and a causal link between defect and injury (bodily as well as material). A reduction of liability of the manufacturer is granted in cases of negligence on the part of the victim.

Key link:
http://ec.europa.eu/enterprise/policies/single-market-goods/product-liability/

Product Safety

The 1992 General Product Safety Directive introduces a general safety requirement at the EU level to ensure that manufacturers only place safe products on the market. It was revised in 2001 to include an obligation on the producer and distributor to notify the Commission in case of a problem with a given product, provisions for its recall, the creation of a European Product Safety Network, and a ban on exports of products to third countries that are not deemed safe in the EU. The legislation is still undergoing review.

Key link: http://ec.europa.eu/consumers/safety/prod_legis/index_en.htm

Legal Warranties and After-sales Service

Under the 1999 Directive on the Sale of Consumer Goods and Associated Guarantees, professional sellers are required to provide a minimum two-year warranty on all consumer goods sold to consumers (natural persons acting for purposes outside their trade, businesses or professions), as defined by the Directive. The remedies available to consumers in case of non-compliance are:

- Repair of the good(s);
- Replacement of the good(s);
- A price reduction; or
- Rescission of the sales contract.

As of June 2014, Directive 1999/44/EC will be incorporated into the new Consumer Rights Directive previously mentioned.

Key link: http://ec.europa.eu/consumers/rights/gen_rights_en.htm

Other issues pertaining to consumers' rights and protection, such as the New Approach Directives, CE marking, quality control and data protection are dealt with in Chapter 5 of this report.

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Protecting Your Intellectual Property in Belgium

Several general principles are important for effective management of intellectual property ("IP") rights in Belgium. First, it is important to have an overall strategy to protect your IP. Second, IP is protected differently in Belgium than in the U.S. Third, rights must be registered and enforced in Belgium, under local laws. Your U.S. trademark and patent registrations will not protect you in Belgium. There is no such thing as an "international copyright" that will automatically protect an author's writings throughout the entire world. Protection against unauthorized use in a particular country depends on the national laws of that country. However, most countries do offer copyright protection to foreign works under certain conditions, and these conditions have been greatly simplified by international copyright treaties and conventions.

Registration of patents and trademarks is on a first-in-time, first-in-right basis, so you should consider applying for trademark and patent protection even before selling your products or services in the Belgian market. It is vital that companies understand that intellectual property is primarily a private right and that the US government generally cannot enforce rights for private individuals in Belgium. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in Belgian law. The U.S. Commercial Service in Belgium can provide a list of local lawyers upon request.

While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should U.S. Government advice be seen as a substitute for the obligation of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. Negotiate from the position of your partner and give your partner clear incentives to honor the contract. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in Belgium require constant attention. Work with legal counsel familiar with Belgian laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting. There are a number of these organizations, both Belgian or U.S.-based. These include:

- The U.S. Chamber and local American Chambers of Commerce
- National Association of Manufacturers (NAM)
- International Intellectual Property Alliance (IIPA)
- International Trademark Association (INTA)
- The Coalition Against Counterfeiting and Piracy
- International Anti-Counterfeiting Coalition (IACC)
- Pharmaceutical Research and Manufacturers of America (PhRMA)
- Biotechnology Industry Organization (BIO)

IP Resources

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information on complying with EU IP rules and registration, see: http://ec.europa.eu/youreurope/business/competing-through-innovation/protecting-intellectual-property/netherlands/index_en.htm

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: **1-866-999-HALT** or register at **www.StopFakes.gov**.

- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the US Patent and Trademark Office (USPTO) at: **1-800-786-9199**.

- For more information about registering for copyright protection in the US, contact the US Copyright Office at: **1-202-707-5959**.

- For more information about how to evaluate, protect, and enforce intellectual property rights and how these rights may be important for businesses, a free online training program is available at www.stopfakes.gov.

- For US small and medium-size companies, the Department of Commerce offers a "SME IP Advisory Program" available through the American Bar Association that provides one hour of free IP legal advice for companies with concerns in Brazil, China, Egypt, India, Russia, and . For details and to register, visit: **http://www.abanet.org/intlaw/intlproj/iprprogram_consultation.html**

- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: **www.StopFakes.gov** This site is linked to the USPTO website for registering trademarks and patents (both in the U.S. as well as in foreign countries), the U.S. Customs & Border Protection website to record registered trademarks and copyrighted works (to assist customs in blocking imports of IP-infringing products) and allows you to register for Webinars on protecting IP.

- The U.S. Commerce Department has positioned IP attachés in key markets around the world. You can get contact information for the IP attaché who covers Belgium at: https://www.buyusa.gov/europeanunion/contactus/index.asp

Due Diligence

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To assist companies to conduct due diligence prior to entering into a financial or other agreement, the Commercial Service recommends that the U.S. firm contact a company that offers commercial information reports. CS Belgium also offers a service known as the International Company Profile report. For more information contact us at office.brussels@trade.gov

Local Professional Services

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Local service providers focusing on EU law, consulting, and business development can be viewed on the website maintained by the Commercial Service at the U.S. Mission to the European Union at:
http://export.gov/europeanunion/businessserviceproviders/index.asp

For information on professional services located within each of the EU member states, please see EU Member State Country Commercial Guides which can be found at the following website: http://www.export.gov/mrktresearch/index.asp under the Market Research Library.

Web Resources

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EC Directive on Commercial Agents
http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:31986L0653:EN:HTML

Guidelines on "Vertical Agreements"
http://eur-lex.europa.eu/LexUriServ/site/en/oj/2001/c_368/c_36820011222en00130015.pdf

EC Directive on Late Payments
http://ec.europa.eu/enterprise/policies/single-market-goods/files/late_payments/doc/directive_en.pdf

EC on Data Protection
http://ec.europa.eu/justice_home/fsj/privacy/law/index_en.htm

Safe Harbor
http://www.export.gov/safeharbor/

Model Contracts for the transfer of personal data
http://ec.europa.eu/justice_home/fsj/privacy/modelcontracts/index_en.htm

Ensuring safe shopping across the EU
http://ec.europa.eu/consumers/cons_int/safe_shop/index_en.htm

Financial services
http://ec.europa.eu/consumers/rights/fin_serv_en.htm

Electronic commerce
http://ec.europa.eu/internal_market/e-commerce/index_en.htm

European public procurement tenders open to U.S. companies
http://export.gov/europeanunion/grantstendersandfinancing/index.asp

EU Tenders Website
http://ted.europa.eu/

Market Research Reports
http://export.gov/mrktresearch/index.asp

eVAT
http://ec.europa.eu/taxation_customs/taxation/vat/how_vat_works/e-services/index_en.htm

EC Internal Markets official documents
http://ec.europa.eu/consumers/rights/index_en.htm

Food labeling
http://ec.europa.eu/food/food/labellingnutrition/foodlabelling/index_en.htm

Food Supplements
http://ec.europa.eu/food/food/labelingnutrition/supplements/index_en.htm

Tobacco
http://ec.europa.eu/health/index_en.htm

Liability of defective products
http://ec.europa.eu/consumers/safety/rapex/index_en.htm

Safety of products
http://ec.europa.eu/consumers/safety/prod_legis/index_en.htm

Sale of goods and guarantees
http://ec.europa.eu/consumers/safety/prod_legis/index_en.htm

Copyright and Neighboring Rights

http://ec.europa.eu/comm/internal_market/copyright/index_en.htm

European Patent Office
http://www.epo.org/

Industrial property
http://ec.europa.eu/internal_market/indprop/index_en.htm

Office for Harmonization in the Internal Market (OHIM)
http://oami.europa.eu/en/default.htm

WIPO Madrid System
http://www.wipo.int/madrid/en

Exhaustion of trademark rights
http://ec.europa.eu/internal_market/indprop/tm/index_en.htm

Professional service providers
http://export.gov/europeanunion/businessserviceproviders/index.asp

Other useful websites

The EU Online
http://europa.eu/index_en.htm

European Commission
http://ec.europa.eu/index_en.htm

EU Press Room
http://europa.eu/press_room/index_en.htm

EU Relations with the US
http://eeas.europa.eu/us/index_en.htm

DG Trade
http://ec.europa.eu/trade/index_en.htm

DG Enterprise
http://ec.europa.eu/enterprise/index_en.htm

EUR- Lex – Portal to EU law
http://eur-lex.europa.eu/en/index.htm

Eurostat – EU Statistics
http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home

Summaries of EU Legislation – SCAD PLUS
http://europa.eu/legislation_summaries/index_en.htm

One Stop Internet Shop for Business
http://ec.europa.eu/youreurope/business/finance-support/business-support/index_en.htm

Euro Info Centers
http://www.enterprise-europe-network.ec.europa.eu/index_en.htm

AmCham EU
http://www.amchameu.eu/

Invest in Flanders
http://www.investinflanders.be/

Invest in Wallonia
http://www.investinwallonia.be/ofi-belgium/accueil.php

Invest in Brussels
http://www.investinbrussels.com/en/

Creating Subsidiaries and Branches
http://www.diplobel.us/tradeinvestment/investingbelgium.asp

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Chapter 4: Leading Sectors for U.S. Export and Investment

Commercial Sectors

- Automotive
- Biotechnology
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- Energy & Renewable Energy
- Environmental Technologies
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Automotive

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Belgian (New) Motor Vehicle Sales (Febiac)

	2011	2012
Cars	572,211	486,737
Light Commercial Vehicles <3.5 tons	61,428	54,608
Trucks	4,528	4,149
Industrial Tractors	5,355	4,326
Buses	716	701
Motorcycles	27,024	25,276

Historically the automotive industry has been an important part of the Belgian economy. In recent years two manufacture plants from Renault and Opel (GM) closed their doors. Three car manufactures remain with production and assembly units. Their 10,766 direct employees yield an average annual output of 483,616 vehicles (fig. 2010), with an estimated total value of €7 billion but Ford Europe announced the closing of its factory in Belgium as of 2014, a move which will cost some 6,200 people their jobs.

Belgium has a worldwide reputation for its production of trucks, buses and trailers. Over 10,000 workers in the sector help to generate an annual turnover of € 2.7 billion. According to FEBIAC, more than 300 automotive suppliers employ over 70,000 people. Belgium owes its international reputation as an automotive country to the presence of an important assembly and supply industry. These companies are active across a full range of services including production, logistics, engineering, R&D, ICT, and other services. Their ability to adapt rapidly to new supply rules has put Belgian suppliers among the world leaders.

Belgian car market (more than 4 million cars) is a replacement market. The fleet market is an important factor in the Belgian car fleet. Company cars are widely used as an extralegal benefit for employees. Only 6.6% of the Belgian population cannot afford a car. The export ratio for assembled vehicles exceeds 90% in Belgium, which further emphasizes the international character of this industry.

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Different public and private initiatives are underway to facilitate the use of electrical cars. Incentives for electrically chargeable vehicles are now applied. Electric mobility will make an important contribution towards ensuring sustainable mobility. For public use on the

short term hybrid petrol/electrical and even full electrical solutions seem to be the feasible way towards green hydrogen/electric propulsion.
Strong efforts are made to promote alternatives. Belgium is at the origin and in the middle of the hydrogen pipe network between France and the Netherlands. This is an important asset for combined (Flemish-Dutch) government support for developments around this energy carrier. Hydrogen powered cars have been successfully tested and a major Belgian retailer wants to invest € 600,000 in research and infrastructure for the use of hydrogen powered forklifts in their distribution center.
However, advanced conventional technologies, engines and fuels will further play a predominant role for years to come.

According to Febiac (the federation for the Auto industry in Belgium) the sales will be affected by the macro-economic situation. With the increasing fuel prices, the selling proposition will be more than ever focused on real usage costs. Consciousness on the environmental effect of personal transport is strongly rising but in the end it comes down to the user friendliness and the cost per km.

Biotechnology

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In Belgium, the biotechnology activity can be subdivided in 3 activities: red biotechnology covering the healthcare applications (80%), green biotechnology with the agro-food applications (15%), and the white or industrial biotechnology used in sectors like the chemical, textile and paper industry (5%). Belgium is very strong in cell therapy. The first cell therapy product approved in Europe comes from a Belgian company.

Belgium currently has 224 biotech companies. Both federal and local governments are strong supporters of biotechnology and biomedical applications as a source of knowledge-based employment and economic growth; they offer flexible and significant financial incentives, particularly for international development and investment in Belgium.

Belgium maintains a well-structured network of world acclaimed scientists, prominent research institutions and universities. The availability of high quality, advanced science and technology has attracted many research-oriented multinationals.

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Opportunities exist and are rapidly growing in the Belgian biotechnology markets of research partnerships and collaboration with a strong network of academic and research institutions. This situation is the result of the outsourcing policies of large companies. Most Belgian companies are interested in promoting technology transfer within the industry, creating and strengthening alliances, and accelerating the commercialization of research results. Strong collaboration between science-based academic teams, entrepreneurs and industries investing in Belgium are a well-established feature of Belgian biotechnology. In particular, international companies developing activities and investing in Belgium can benefit from a large pool of financial subsidies at three levels: Federal (the Belgian state), Regional (the three regions) and European (the EU).

Adequate financing is one of the building blocks of biotechnology. All stages from academic research through product commercialization can be supported in Belgium by a wide array of public and private financial sources. Private sector firms and government granting agencies are helping to fund basic research.

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Essenscia (Chemicals and life science association)
www.essenscia.be
Flandersbio
http://www.flandersbio.be
BioWin, the Health Cluster of Wallonia:
http://www.biowin.org
Biotech in Brussels
http://www.biotechinbrussels.be/

Chemicals and Plastics Materials

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With a turnover of 54.5 billion USD in 2011 the chemical industry in Belgium accounts for one-fifth of total turnover in Belgium's manufacturing sector as a whole and one sixth of the European industry as a whole. Direct employment in the chemical and life sciences industry totals 62,000 jobs, or 17.4% of all employment in the entire manufacturing sector. In addition, the chemical and life sciences industry generates about 150,000 indirect jobs in other sectors of the Belgian economy. The Belgian chemical industry accounts for more than 6% of the total European turnover in this sector, even though Belgium's share of the total EU population is only 2.1%.
The average yearly growth rate for the chemical industry reached 3.5% the last ten years. In 2010 there growth has slowed industry wide. There are no figures available for Belgium however sources agree that the industry has recovered, though will not match pre-Great Recession numbers for some time. The industry currently breaks down as follows: 30.7% primary chemical manufacturing; 28.0% plastic production; 15.2% pharmaceuticals; 8.2% specialized chemical production; 6.0% soaps, detergents and cosmetics; 6.0% varnishes, paints and inks; 3.1% rubber; 1.5% agrochemicals; 1.3% other.

The port of Antwerp plays a crucial role in this industry. It is the largest and most diversified petrochemical centre in Europe. No fewer than seven of the ten largest chemical companies in the world have one or more production sites within the Antwerp petrochemical cluster. Nowhere in the world are more chemical substances produced than in the Antwerp port area. Thanks to the Antwerp Integrated Model, there is a degree of integration between the various producing companies that is not found anywhere else.

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The Belgian long-term outlook for plastics and resins is favorable, due to Belgium's central location in Europe and its port of Antwerp which is the world's second largest chemical cluster after Houston, TX. The Antwerp area has a large concentration of chemical and petroleum industries, which provide raw materials for the plastics and resins industries. In addition, the increasing use of plastics in automobiles and in isolating materials for the construction industry is favorable to the sector's growth.

Belgium hosts 252 plastics and rubber converting SME companies, and 57 plastics and rubber producers and trading companies. The main markets are: automotive (21.2%), packaging (21%), compounds and recycling (19.2%) and construction (14.8%). Flanders, with its Port of Antwerp which is the second biggest in Europe, accounts for 74% of the plastics and rubber converting industry turnover.

Belgium exports of plastics and rubber amounted to $21.6 billion in 2006, representing 9.1% of total Belgian exports (+11.6% over 2006). 83% of plastics and 88% of rubber industry exports go to other EU countries. Imports into Belgium of plastics and rubber amounted to $13.8 billion in 2007 (+9.7% over 2006). More recent figures are unavailable.

Opportunities

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The recession had a significant impact on the Belgian Chemical sector. Although turnover dipped in 2009-10 the industry recovered fairly well and even experienced mild growth. Best prospects are forecast to be in green and clean technologies as well as higher end compounding.

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http://www.essenscia.be/

Essenscia is a multisectoral umbrella organization that represents the numerous sectors of activities in the field of chemicals and the life sciences. It includes nearly 800 companies representing more than 95% of the overall turnover in the sector. Essencia represents and defends the interests of the industry sector at the Belgian and European levels.

The three regional sections, Essenscia Bruxelles, Essenscia Vlaanderen and Essenscia Wallonie, reflect the reality of the Belgian institutions, with federal, regional and community areas of competence. Each section of Essenscia, act as representative for companies of the region.

Port of Antwerp Petrochemical Cluster:
http://www.portofantwerp.com/portal/page/portal/POA_EN/Focus%20op%20de%20haven/Petrochemische%20cluster

NBB, NIS, Eurostat.

Energy & Renewable Energy

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Currently, several shifting factors influence the rapidly changing Belgian energy market, among others the continuing EU-wide process of de-regulation and liberalization, the discussion on phasing or non-phasing out of nuclear energy, the incentives to develop renewable energy sources, the changing structure of the country's energy distribution and so forth. U.S. companies wanting to export to the Belgian energy market must be aware and take into account these uncertain or changing factors, which will determine the potential for exports of relevant goods and services to this market.

Except for some limited renewable energy potential, Belgium has no natural energy sources. The country imports all its coal, natural gas and petroleum requirements for its energy needs that amount to almost 42,000 ktoe (kilo-ton oil equivalent, or about 489 TWh). Of this total consumption, 31% is used for residential needs, 30% by the industry and 23% for transport purposes. Because of various policies (among others, energy security and environmental considerations) there has been a slight shift in energy sources. Between 2007 and 2010, solid combustibles dropped from 13.9% to 7.8%, petroleum dropped from 40.7% to 39.2% while natural gas grew (22.3% to 25.4%), as did nuclear energy and renewables (20.8% to 21.4% and 1.6% to 5.0%, respectively).

Regarding electricity production, Belgium has an installed capacity of 104.600 GWh, but produces 88.800 GWh and imports a further 6.000 GWh. Of the national electricity production, 54% comes from nuclear energy, 39% from fossil fuel power plants, 5.4% from renewable energy sources and 1.5% from hydraulic pumping stations.

On the national level, energy policies in Belgium are guided by strategic and socio-economic interests. As with most western countries, strategic interests concern the security of supply and source diversification, especially in view of recent disruptions of gas deliveries by Russia to the EU. Economic interests are largely the result of breaking up former national monopolies on energy production, transit and delivery as enforced by EU legislation. Social interests include environmental considerations and EU directives stemming from the Kyoto Protocol, and job retention and creation.

Sub-Sector Best Prospects
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Several trends are still shaping the Belgian energy market, yielding opportunities for U.S. firms.

1) Electricity market

a) Market liberalization:

Deregulation has been set in place on a policy level, but this has not yet led to a satisfactory level of competition. The federal and regional governments will most likely continue to create incentives to improve the efficiency of market forces on the industry.

While the various government bodies have persistently warned against a likely shortage of Belgian electricity production capacity, the industry itself seems reluctant to invest in relevant infrastructure at the moment. Key factors highlighted for this are the fear of a low electricity price in the long run (Belgium's electricity prices for residential and industrial users are on the EU-27 average, but relatively low for western-EU standards), limited cross-border network capacity impairing exports of excess production, and finally uncertainties with respect to environmental policies, the eventual re-instatement of the civil nuclear electricity program and the market behavior of the incumbent utility Electrabel. U.S. firms can therefore expect opportunities in those areas improving some of these bottlenecks.

b) Production facilities:

CREG has highlighted the need for investments in power generation infrastructure in Belgium because of a perceived future shortage of electricity production. It also notes that investments are taking place in other EU countries with similar energy pricing levels, including by GDF/Suez, owner of the dominant provider Electrabel. Therefore, the lack of investments in Belgium cannot be based solely on economic factors, and investments with associated opportunities for U.S. firms, equipment providers and subcontractors alike, could appear in the near future.

The deregulation and opening of the energy market has allowed companies with no specific tradition in electricity production to invest in their own electricity generation plants. An example mentioned earlier is BASF that has commissioned a 400 MW plant to feed its own production processes.

c) Nuclear energy:

The uncertainty around the abandonment of the nuclear energy industry in Belgium negatively affects the prospect of any investments in this sector. However, with 54% of Belgium's electricity coming from the seven ageing nuclear reactors, abandonment seems unlikely as no other source can easily replace that capacity before 2015, the date when the first decommissioning is due. One can therefore expect a decision on continuation of the nuclear energy program as this deadline approaches, with subsequent purchases of equipment and services for revamping and maintaining the country's nuclear reactors, if not the ordering of entirely new production plants.

d) Emissions-controlling measures and renewable energies:

Belgium is committed to lowering its CO^2 output under the EU's adherence to the Kyoto Protocol. Several studies made specifically for the Belgian market have shown that a wide approach will be needed to attain the national emissions-reduction targets. These comprise a mixture of consumption reduction, green/ renewable technologies and investments in cleaner, more efficient production facilities.

Many power plants in Belgium consume a mixture of coal and natural gas, and are highly polluting. Some parties suggest their replacement with more modern versions, which would serve the purpose of capacity expansion as well as lowering the country's output of CO^2 and other pollutants. Possible indications of this trend may be found in the slow but steady progress of Belgium's thermal power stations, from 49.8% in 2001 to

50.4% in 2006. Retro-fitting these facilities with pollution-mitigating devices could also present opportunities for U.S. firms.

In this context, CREG submitted a proposal for an indicative power generation program in 2005-2014, stating that the capacities to be invested in the period 2005-2014 that amount to 1,729 MW in renewable energy sources and 1,749 MW in qualitative co-generation. In this same proposal, by 2014, decisions are recommended on investments in eight units using combined steam and gas cycles (CCGT plants) of 400 MW and four gas turbines with open cycles (GT) of 80 MW.

Further investments come from large industrial sites that focus on co-generation. For example, ExxonMobil has just commissioned co-generation facilities at its Antwerp refinery that generate 125 MW of power, reducing an estimated 200,000 tons of CO^2. Given the importance of the (petro)chemical industry, the second industrial sector in Belgium with its many processing sites, similar investments can be expected from other companies.

Finally, many smaller businesses are investing in renewable energies given the advantages of using electricity from their own sources (i.e. not subject to a volatile market) and the generous incentives proposed by the government, often allowing for very short return on investments. Distribution centers and other businesses with large surface areas that allow the installation of windturbines and/or photovoltaic cells are driving this market.

e) Maintenance and provision of spare parts:

Despite the current economic crisis, maintenance and repairs to facilities are still needed, in particular in the secondary (transforming) sector that is well represented in Belgium. Opportunities for small equipment manufacturers specializing in process control and similar equipment can find a market in Belgium, especially when working through an effective, well established distributor.

2) Gas Market

Natural gas is seen as a key source in Belgium’s future energy basket. First, because it is relatively clean. Second, because at least one key provider of gas in Belgium is a reliable partner (Norway), while new suppliers are appearing (Qatar and Libya), promoting the diversity of supply.

Expansion of the country’s import and transit capacities are therefore anticipated for the near future. The planned expansion of Belgium’s import capacity from 3.84 million m^3(n)/hour today to 5.44 million m^3(n)/hour by 2013 can present opportunities for U.S. firms active in provision of hardware (among others measurement devices) as well as service providers (flow management systems etc.).

Further expansion of LNG terminals is a clear possibility given the numerous LNG terminals being developed, or that have recently been commissioned in northwestern Europe. The CEO of GDF/Suez, owners of Belgium’s largest utility Electrabel, has indicated that the group intends to create a European gas hub in Zeebrugge harbor. Furthermore, the owner of Zeebrugge’s current LNG facilities Fluxys has issued a press release in April 2009 highlighting a cooperation agreement with Exmar to make a detailed assessment on the feasibility of a second LNG terminal jetty in the port of Zeebrugge, specifically aimed at allowing regasification ships to moor. This could provide opportunities for equipment providers and EPC contractors alike, as has been the case for a large U.S. firm for an LNG terminal in the United Kingdom.

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CREG – Committee for Regulation of Gas and Electricity
http://www.creg.be

VREG - Flemish Regulation Authority for the Electricity and Gas Markets
http://www.ort.be/vreg/vreg/index.htm

CWAPE - Wallonia Energy Commission
http://www.cwape.be

BRUGEL – Brussels Region Commission for Gas and Electricity
www.brugel.be

FEBEG – Federation of Belgian Electricity and Gas companies
www.febeg.be

Inter-Regies
http://www.inter-regies.be

APERe (Association for the promotion of renewable energies)
http://www.apere.org

Cogen Europe - The European Association for the Promotion of Cogeneration
http://www.cogen.org

Environmental Technologies

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The Belgian environmental market (public and private sectors) is estimated at approximately 5 billion dollars divided among wastewater treatment, waste management, soil remediation, air pollution control and environmental consultancy. The market has not grown significantly since the last market report for this sector was published in 2008.

The ecological footprint of the average Belgian is 4.9 global hectares, 2.7 times the available space per person (1.8 ha). Of this amount, 0.95 ha comes from food production, 1.25 ha comes from accommodation, 0.95 ha comes from transportation and 1.75 ha comes from various waste streams—e.g., goods and services, health care, consumer consumption.

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Water and Waste Water

The Belgian water treatment market is comprised of industrial and residential wastewater and drinking water treatment, and includes both equipment and services. Recently, the three regions of Belgium-- Flanders, Wallonia, and Brussels--implemented major infrastructure projects and made considerable investments aimed at the treatment of virtually all wastewater by 2010. While the Belgian water treatment market is very developed with limited opportunities expansion, water and wastewater treatment equipment and supplies dominated the nearly $500 million of U.S. environmental exports to Belgium in 2007. The best prospects for American companies are in equipment and supplies. It is recommended to approach the Belgian market through partnerships, strategic alliances and joint ventures with local firms.

The EU implemented the European Water Framework Directive in December of 2000 to protect public health and water sources. The general objective of the directive is to have surface and groundwater in a "good state" by the end of 2015. All member countries must comply with this directive.

Waste & Recycling

The Belgium environmental market is primarily engineering and service-oriented. Most companies provide environmental services in waste integrated management, wastewater treatment and soil remediation. The Belgian environmental market is undergoing much change currently, with the reorganization of the public waste sector, newcomers from Asia, industrial operators restructuring their operations, and a new government since June 2004. Household waste is managed by the public sector through regional and municipal authorities. The industrial waste market is managed by the private sector. However, pressures are now in play to privatize the household waste sector.

Soil Remediation

Soil may become polluted from a number of sources: industrial activity, agriculture, leaking fuel storage tanks, transport accidents, and more. All three regions undertake a similar approach to remediating soil issues. These steps include maintenance of a property registry of contaminated sites. The first step is a thorough investigation which can then be used to next determine if remediation is necessary and to what extent. The final stage is actual remediation activities. Property transfer laws have a significant impact on remediation. Soil investigations are mandatory upon property transfer. In the case where the private parties cannot agree to undertake remediation, local authorities reserve the right to step in to perform the necessary work.

The three regions and the federal government have in fact joined together to form a financing and soil remediation needs of petrol stations. In Flanders alone, OVAM estimates that there may be as many as 3,000 cases that need to be effectively and efficiently dealt with. In March 2004, a fund called BOFAS npo was created to handle the financing for petrol station clean up. Please visit their website, www.bofas.be, to learn more about the fund, to see how to register as a service provider and for up to date information on tenders.

Technologies that do not require “dig and dump” and/or incineration may offer opportunities for soil remediation concerns due to limited landfill and incineration capacity.

Indoor & Outdoor Air Pollution

Two air quality areas are receiving significant attention in Belgium: 1) particulates, and 2) indoor air quality.

Particulates. As noted, the largest improvement with this category will come from attacking the largest source—diesel automobile engines. Technologies that can burn diesel more thoroughly, efficiently and effectively should see improving market opportunities in Belgium with the passage of the new EU Ambient Air Quality Directive. As the EU is heavily committed to biodiesel and biofuels, they have begun to address this issue. However, these alternate fuels are not without their own set of unique implications, such as increased NOX emissions from corn and rapeseed derived biofuels.

Indoor Air Quality. To date, the EU has not developed any specific directives for indoor air quality, but issues related to indoor health are now receiving much attention. Like most Europeans, Belgium citizens spend a significant amount of time indoors. Safety from typical indoor pollutants—benzene, radon, formaldehyde, household cleaning solvents, etc—will need attention. As the U.S. has been a leader in indoor air quality, U.S. product should see an advantage in serving this segment. Sensing devices, monitoring devices, and ventilation and filter systems should see opportunity in the area of indoor air quality. This is true for all indoor activity—from the home to workplace.

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The following are Best Prospects for U.S. exports to Belgium

- Gas analyzers, gas separation equipment and gas meters
- Dust collection and purification devices
- Air emission monitors and analytical devices
- Alarm and emission warning devices
- Filtering and purification devices
- Gas sample preparation equipment
- Effective diesel fuel strategies, equipment, and technologies

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IFEST (Belgian environment show)
www.ifest.be

BEST ENVIRONMENT (regional environment show)
www.bestenvironnement.be

Belgian Minsitry of Social Affairs, Public Health and Environment
FPS Health

OVAM – Flanders Regional Waste Management Agency
EFBWW

Wallonia Ministry of Environment, Waste Management Agency)
http://environnement.wallonie.be/

Institut Bruxellois pour la Gestion de l'Environnement - I.B.G.E.-B.I.M. (Environmental administration for the Brussels region)
www.ibgebim.be

Green Building

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Before considering the green building market, it is important to have a broad understanding of the general construction market in Belgium. The construction market is one of Belgium's largest industry sectors, employing nearly 200,000 workers with an annual turnover of $32 billion. The building sector activity has shown enormous growth in the past ten years. Despite the recent upsurge in growth, the construction market in Belgium is quite mature, and general growth in this sector, with the exception of renovation, fell in 2008 and 2010, not exceeding a growth of 1%

In recent years, green technology and sustainable development has seen an increased interest and attention across Europe. Ambitious goals have been set by national governments to improve energy efficiency in buildings and the need for environmental conservation has been growing in popularity among the general population. Green building is becoming more appealing as it reduces energy consumption, creates jobs, decreases the impact on the environment, and improves future sustainability. There is a strong need for green building in Belgium, as its energy efficiency is one of the lowest in Europe. The average residential energy consumption was among the highest in Europe and was 72 % higher than the EU-25 average. Such large consumption is due to the old age of buildings, higher percentage of single families, and relatively few energy efficiency features.

Strong public opinion for change is backed by federal government actions, such as the EU striving to reduce its greenhouse gas emissions by 20 to 30 % by 2020. The EU is working as a whole to establish a common energy policy that will result in renewable energy accounting for 20% of the total energy by 2020. In 2008, the EU's energy consumption from renewable sources was less than 10%, a proportion which must double in order to achieve its goal. Belgium must increase its renewable energy consumption, which was 2.67% in 2007, to 13% in order to comply with the EU expectations.

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Belgium's residential and commercial buildings account for 35 percent of primary energy demand. Of this primary energy demand, residential buildings are responsible for 73 percent, with commercial buildings accounting for the remaining 27 percent. Energy in buildings is consumed primarily in heating, cooling, and lighting. Demand for energy efficient products such as heating ventilation, air conditioning, and lighting have grown due to government initiatives and regulations. In addition, demand is expected to rise further should the federal tax incentives continue.

As the economic situation continues to be uncertain, Belgians are increasingly investing in real estate and renovation of aging buildings. About 80 % of Belgian homes were built before 1980 and are environmentally inefficient. These homes are in need of renovation with new insulation materials, windows, and heating systems.

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The active expansion of the renovation sector has been the most important trend in residential construction in recent years. In 2008, 63 percent more residential renovation projects were started than was the case in 1998. In contrast, there was a 15 percent decline in 2008 in the number of new housing construction projects compared to 2007. Residential renovation projects increases demand for energy efficient products and construction materials. Several new EU Directives, aimed to reduce energy and pollution, have resulted in a strong demand for economic water systems, double glazing, and an increased interest in solar panels, heating systems, and green roofs/rainwater usage. Energy-efficient construction materials are also tax deductible—a feature which creates further incentives for green construction.

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While there is no association specific to green building in Belgium, many of the construction associations have green building divisions.

The Belgian Association of Producers of Materials for Construction (PMC)
http://www.bmpmc.be

The Belgian Federation of Building Traders (FEMA) / Federation for Construction Material Negotiators (FEPROMA)
http://www.fema.be/

The Confederation of the Construction Industry
http://www.confederationconstruction.be

European Association of Builders' Merchant Associations (UFEMAT)
http://www.ufemat.eu

European Federation of Building and Woodworkers (EFBWW)
http://www.efbww.org/

Medical Devices

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Belgium produces less than 10 percent of its overall medical equipment. This leaves the market open for heavy competition among suppliers from the U.S., Germany, France and U.K. The U.S. has a 27 percent share of total medical equipment imports into Belgium. U.S. suppliers are particular dominant in sectors of diagnostic imaging apparatus, orthopedic and implantable products and medical and surgical instruments. The Belgian market for medical equipment and supplies is estimated at $2.2 billion.

The Belgian Social Security System, which includes the Health care System, is considered among the most extensive and efficient in Europe. It covers nearly 100 percent of the population of 10.5 million inhabitants. Belgium's healthcare budget for 2013 was set at $34.4 billion.

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Belgium's healthcare system is currently facing several challenges. Belgium's growing aging population and the higher health expectations will have an important impact on healthcare expenditures in the coming years. The GOB is therefore looking at various cost-saving measures. Thus, innovative technologies and equipment offering cost savings will have a strong market potential. Orthopedic products, homecare products, obesity and diabetes products are as a consequence in high demand. Furthermore, there is a trend towards miniaturization of medical devices allowing more minimally-invasive and non-invasive procedures. Medical software, telemedicine and e-health are also sectors with a strong market potential.

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Belgium is an effective starting point for marketing medical equipment to the rest of Europe due to its geographical location, its effective healthcare system, and its relatively open attitude regarding procurement. Belgium is a distribution center for many multinationals: products are imported into Belgium and exported to other European countries.

In order to enter the medical equipment market in Belgium, American suppliers should be familiar with the EU directives concerning the registration, marketing and health/safety standards required throughout Europe as well as regulations specific to Belgium. It is therefore advisable to work with a local partner/distributor.

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Belgian Ministry of Health
http://www.fagg-afmps.be/en/human_use/health_products/medical_devices_accessories/

The Belgian Association of manufacturers and importers of medical devices
http://www.unamec.be

CE Mark
http://export.gov/europeanunion/eustandardsandcertification/index.asp

EU Medical Devices Legislation
http://ec.europa.eu/health/medical-devices/regulatory-framework/index_en.htm

REACH Directive
http://ec.europa.eu/enterprise/sectors/chemicals/reach/index_en.htm

WEEE and RoHS Directives
http://export.gov/europeanunion/weeerohs/weeeinformation/index.asp

Safety & Security

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Security has become a critical concern for both political authorities and citizens. The Belgian market for safety and security equipment and services has grown significantly in recent years. The growing feeling of insecurity and the presence of several international organizations and embassies have increased the demand for sophisticated security equipment and guarding services. Interest has been rising due to continued threats that have increased security awareness, and a strong emphasis has been placed on counter-terrorism, homeland security, transportation, and critical infrastructure protection.
This awareness, however, reduced significantly with the onset of the economic crises. Nowadays, the awareness of the necessity for safety and security services has changed into a more economic money-saving view because the current crisis put budgets under pressure.

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Safety and Security Products

The Belgian market for security equipment is largely an import market, where approximately 90% of the equipment is imported from neighboring countries. Safety apparel is often fabricated in Belgium while safety related equipment is imported from other countries, including the U.S.

Safety and Security Services

The responsibilities of the police and the private security are clearly divided. A law defines the scope of the market for security firms. Private security firms have taken over some of the non-essential responsibilities from police forces. The three most common safety and security services in Belgium are surveillance, investigation and consultation. Combined, more than 800 companies offer security services, of which 28 are authorized to offer alarm central services and more than 1000 private detectives are authorized to work in Belgium. Currently, around 200 companies are authorized to carry out guarding services. Due to the strict regulations, the strong presence of the major existing companies, and the decreased perception of risk, little probability of success is expected for new U.S. companies wanting to offer these services on the Belgian market

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According the BVBO the yearly consolidated revenue in safety and security services accounts for around euro 600 million. In general profitability is under pressure due to the economic crisis resulting in price erosion which in turn corrodes investments in human capital and thus quality. The valuables transport sector seems to escape this decrease in profitability.

Nevertheless growth was accounted for in the banking sector (+12%), wholesale distribution (+12%) and in the transport sector (air and sea transport, ports and railway stations) with 15%.
The market in government procurement, telecommunication and industry remained stable while the market for event monitoring decreased with 11%. The tendency towards an increased outsourcing from safety and guarding will continue and further growth is possible through a stronger cooperation between public and private security.
According to UNIZO (the largest Belgian association for one-person companies to medium-sized enterprises) small and medium sized companies invested significantly more in security en video surveillance during the first semester of 2012.
The market for intrusion detection and burglar alarm systems is quite competitive. In addition to the other rapid technical changes and developments in this sector, the switch from analog systems to IP also provides an opportunity in this market.
For the electronic access control systems and door/entrance solutions the prolonged recession is expected to be a catalyst for growth as the financial pinch can result in increased instances of theft, break-ins, shop-lifting and white-collar offences.
IT Security is seen as a growing market. The awareness of the risks coming along with the worldwide web is rising, which is an opportunity in this growing market.

Travel & Tourism (from Belgium to the U.S.)

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The United States is the top long-haul destination for Belgian travelers, accounting for nearly one fifth (19%) of the market – 259,490 Belgians visited the U.S. in 2011 which is an increase of almost two percent versus 2010. Belgium is at the 24th place of the countries that travel most to the U.S. The outlook for 2011 remains optimistic but will depend on the ongoing economic uncertainties. If the leisure travel is keeping up, business travel is more difficult to predict.

The U.S. remains the third most popular Belgian tourist destination, after France and Spain. Belgians generally have a high level of disposable income to spend on luxury items and leisure activities such as travel. Out of the five to six weeks of paid vacation that are standard for most Belgian workers, two of these are usually spent on long-haul travel. The average Belgian stays in the United States for 13 days and spends $2,500 (not including airfare), making Belgians some of the biggest spenders out of all the visitors to the U.S. Many Belgian travelers take a ski vacation each winter and a “sun” vacation each summer, and the U.S. tourist industry could benefit from catering to this annual cycle. Belgian tourism to the U.S. is recovering, particularly while the euro is still stronger than the U.S. dollar.

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Extensive business and cultural ties between Belgium and the United States, as well as Belgian’s interest in the American Way of life, shopping opportunities, natural parks, big cities, and attractions provide an excellent basis for market promotion of the U.S. tourism industry.

Opportunities for package deals combining flights, hotels, car rentals, and vacation destinations are often attractive to Belgian visitors, and are particularly popular with the middle-income population. Since around half of the Belgian visitors to the U.S. are leisure travelers, the potential fly-and-drive market accounts for roughly 50% of the total Belgian market. Business travelers should, however, not be overlooked since many business travelers combine a short vacation with their business trips and may thus find fly-and-drive combinations best suited to their needs as well. Approximately 45% of Belgian tourists in the U.S. rent vehicles to travel between cities, as opposed to 8% that use the interstate and inter-city rail system and 5% that use the interstate and inter-city bus system.

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Visit USA Committee/Marketing and Promotion Bureau for Belgium and Luxembourg
http://www.visitusa.org

Trade Promotion Opportunities

Brussels Holiday Fair – February 6 -19, 2014claudia

This is the best consumer show in Belgium! During this annual fair, over 110,000 visitors meet and each day exhibitors promote Belgian and foreign vacations, tourism, and leisure time. The success is so big, that up to 65% of the visitors book their holidays after their visit to the fair.

Visit USA is offering brochure distribution or mini booth.

info@visitusa.org

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Chapter 5: Trade Regulations, Customs and Standards

Import Tariffs

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The Integrated Tariff of the Community, referred to as TARIC (Tarif Intégré de la Communauté), is designed to show the various rules which apply to specific products being imported into the customs territory of the EU or, in some cases, exported from it. To determine if a license is required for a particular product, check the TARIC. The TARIC can be searched by country of origin, Harmonized System (HS) Code, and product description on the interactive website of the Directorate-General for Taxation and the Customs Union. The online TARIC is updated daily.

Key Link:
http://ec.europa.eu/taxation_customs/customs/customs_duties/tariff_aspects/customs_tariff/index_en.htm

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For information on existing trade barriers, please see the National Trade Estimate Report on Foreign Trade Barriers, published by USTR and available through the following website:
http://www.ustr.gov/sites/default/files/2013%20NTE%20European%20Union%20Final.pdf

Information on agricultural trade barriers can be found at the following website:
http://www.fas.usda.gov/posthome/useu/

To report existing or new trade barriers and get assistance in removing them, contact either the Trade Compliance Center at http://www.trade.gov/tcc or the U.S. Mission to the European Union at http://export.gov/europeanunion/

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The TARIC (Tarif Intégré de la Communauté), described above, is available to help determine if a license is required for a particular product.

Many EU member states maintain their own list of goods subject to import licensing. For example, Germany's "Import List" (Einfuhrliste) includes goods for which licenses are required, their code numbers, any applicable restrictions, and the agency that will issue the relevant license. The Import List also indicates whether the license is required under German or EU law. For information relevant to member state import licenses, please consult the relevant member state Country Commercial Guide: EU Member States' Country Commercial Guides or conduct a search on the Commerce Department's Market Research Library, available from: http://www.export.gov/mrktresearch/index.asp.

Import Documentation

The Single Administrative Document

The official model for written declarations to customs is the Single Administrative Document (SAD). Goods brought into the EU customs territory are, from the time of their entry, subject to customs supervision until customs formalities are completed. Goods are covered by a Summary Declaration which is filed once the items have been presented to customs officials. The customs authorities may, however, allow a period for filing the Declaration which cannot be extended beyond the first working day following the day on which the goods are presented to customs.

The Summary Declaration is filed by:

- the person who brought the goods into the customs territory of the Community or by any person who assumes responsibility for carriage of the goods following such entry; or
- the person in whose name the person referred to above acted.

The Summary Declaration can be made on a form provided by the customs authorities. However, customs authorities may also allow the use of any commercial or official document that contains the specific information required to identify the goods. The SAD serves as the EU importer's declaration. It encompasses both customs duties and VAT and is valid in all EU Member States. The declaration is made by whoever is clearing the goods, normally the importer of record or his/her agent.

European Free Trade Association (EFTA) countries including Norway, Iceland, Switzerland, and Liechtenstein also use the SAD. Information on import/export forms is contained in Council Regulation (EEC) No. 2454/93, which lays down provisions for the implementation of the Community Customs Code (Articles 205 through 221). Articles 222 through 224 provide for computerized customs declarations and Articles 225 through 229 provide for oral declarations.

More information on the SAD can be found at:
http://ec.europa.eu/taxation_customs/customs/procedural_aspects/general/sad/

Non-EU goods presented to customs must be assigned a customs-approved treatment or use authorized for such non-Community goods. Where goods are covered by a summary declaration, the formalities for them to be assigned a customs-approved treatment or use must be carried out:

- 45 days from the date on which the summary declaration is lodged in the case of goods carried by sea;
- 20 days from the date on which the summary declaration is lodged in the case of goods carried other than by sea.

Where circumstances so warrant, the customs authorities may set a shorter period or authorize an extension.

The Modernized Customs Code (MCC) of the European Union is expected to be fully in place by June 2013. Some facets of the MCC have already been implemented including EU wide Economic Operators Registration and Identification (EORI) numbers. The MCC replaces existing Regulation 2913/92 and simplifies various procedures such as introducing a paperless environment, centralized clearance, and more. Check the EU's Customs website periodically for updates: http://ec.europa.eu/taxation_customs/customs/procedural_aspects/general/community_code/index_en.htm

New U.S. - EU Mutual Recognition Arrangement (MRA)

Since 1997, the U.S. and the EU have had an agreement on customs cooperation and mutual assistance in customs matters. For additional information, please see http://ec.europa.eu/taxation_customs/customs/policy_issues/international_customs_agreements/usa/index_en.htm

In 2012, the U.S. and the EU signed a new Mutual Recognition Arrangement (MRA) aimed at matching procedures to associate one another's customs identification numbers. The MCC introduced the Authorized Economic Operator (AEO) program (known as the "security amendment"). This is similar to the U.S.' voluntary Customs-Trade Partnership Against Terrorism (C-TPAT) program in which participants receive certification as a "trusted" trader. AEO certification issued by a national customs authority is recognized by all member state's customs agencies. An AEO is entitled to two different types of authorization: "customs simplification" or "security and safety". The former allows for an AEO to benefit from simplifications related to customs legislation, while the latter allows for facilitation through security and safety procedures. Shipping to a trader with AEO status could facilitate an exporter's trade as its benefits include expedited processing of shipments, reduced theft/losses, reduced data requirements, lower inspection costs, and enhanced loyalty and recognition.

The U.S. and the EU recognize each other's security certified operators and will take the respective membership status of certified trusted traders favorably into account to the extent possible. The favorable treatment provided by mutual recognition will result in lower costs, simplified procedures and greater predictability for transatlantic business activities. The newly signed arrangement officially recognizes the compatibility of AEO and C-TPAT programs, thereby facilitating faster and more secure trade between U.S. and EU operators. The agreement is being implemented in two phases. The first commenced in July 2012 with the U.S. customs authorities placing shipments coming from EU AEO members into a lower risk category. The second phase will take place in 2013, with the EU re-classifying shipments coming from C-TPAT members into a lower risk category. The U.S. customs identification numbers (MID) are therefore recognized by customs authorities in the EU, as per Implementing Regulation 58/2013 (which amends EU Regulation 2454/93 cited above): http://ec.europa.eu/taxation_customs/resources/documents/customs/procedural_aspects/general/implementing_regulation_58_2013_en.pdf

Additional information on the MRA can be found at: http://www.cbp.gov/linkhandler/cgov/trade/cargo_security/ctpat/ctpat_program_information/international_efforts/eu_faq.ctt/eu_faq.pdf

Batteries

EU battery rules changed in September 2006 following the publication of the Directive on batteries and accumulators and waste batteries and accumulators (Directive 2006/66). This Directive replaces the original Battery Directive of 1991 (Directive 91/157). The 2006 Directive applies to all batteries and accumulators placed on the EU market including automotive, industrial and portable batteries. It aims to protect the environment by restricting the sale of batteries and accumulators that contain mercury or cadmium (with an exemption for emergency and alarm systems, medical equipment and cordless power tools) and by promoting a high level of collection and recycling. It places the responsibility on producers to finance the costs associated with the collection, treatment, and recycling of used batteries and accumulators. The Directive also includes provisions on the labeling of batteries and their removability from equipment. For more information, see our market research report: http://www.buyusainfo.net/docs/x_4062262.pdf

REACH

REACH, "Registration, Evaluation and Authorization and Restriction of Chemicals", is the system for controlling chemicals in the EU and it came into force in 2007 (Regulation 1907/2006). Virtually every industrial sector, from automobiles to textiles, is affected by this policy. REACH requires chemicals produced or imported into the EU in volumes above 1 ton per year to be registered with a central database handled by the European Chemicals Agency (ECHA). Information on a chemical's properties, its uses and safe ways of handling are part of the registration process. The next registration deadline is **May 31, 2013**: http://echa.europa.eu/web/guest/reach-2013. U.S. companies without a presence in Europe cannot register directly and must have their chemicals registered through their importer or EU-based 'Only Representative of non-EU manufacturer'. A list of Only Representatives (ORs) can be found on the website of the U.S. Mission to the EU: http://export.gov/europeanunion/reachclp/index.asp

Material Safety Data Sheets (MSDS) must be updated to be REACH compliant. For more information, see the guidance on the compilation of safety data sheets: http://echa.europa.eu/documents/10162/17235/sds_en.pdf

U.S. exporters to the EU should carefully consider the REACH 'Candidate List' of Substances of Very High Concern (SVHCs) and the Authorization List. Substances on the Candidate List are subject to communication requirements. Companies seeking to export products containing substances on the Authorization List will require an authorization. The Candidate List can be found at: http://echa.europa.eu/web/guest/candidate-list-table. The Authorization List is available at http://echa.europa.eu/addressing-chemicals-of-concern/authorisation/recommendation-for-inclusion-in-the-authorisation-list/authorisation-list

WEEE Directive

EU rules on Waste Electrical and Electronic Equipment (WEEE), while not requiring specific customs or import paperwork, may entail a financial obligation for U.S. exporters. The Directive requires U.S. exporters to register the products with a national WEEE authority or arrange for this to be done by a local partner. The WEEE Directive was revised on July 4, 2012. The revised WEEE Directive expands the scope of products covered to include all electrical and electronic equipment. The expanded scope will apply from August 14, 2018. U.S. exporters seeking more information on the WEEE Directive should visit: http://export.gov/europeanunion/weeerohs/index.asp

RoHS

The ROHS Directive imposes restrictions on the use of certain chemicals in electrical and electronic equipment. It does not require specific customs or import paperwork however, manufacturers must self-certify that their products are compliant. The Directive was revised in 2011 and entered into force on January 2, 2013. One important change with immediate effect is that RoHS is now a CE marking Directive. The revised Directive expands the scope of products covered during a transition period which ends on July 22, 2019. Once this transition period ends, the Directive will apply to medical devices, monitoring and control equipment in addition to all other electrical and electronic equipment. U.S. exporters seeking more information on the WEEE Directive should visit: http://export.gov/europeanunion/weeerohs/index.asp

Cosmetics Regulation

On November 30, 2009, the EU adopted a new regulation on cosmetic products which will apply from July 11, 2013. The new law introduces an EU-wide system for the notification of cosmetic products and a requirement that companies without a physical presence in the EU appoint an EU-based responsible person.

In addition, on March 11, 2013, the EU imposed a ban on the placement on the market of cosmetics products that contain ingredients that have been subject to animal testing. This ban does not apply retroactively but does capture new ingredients. Of note, in March 2013, the Commission published a Communication stating that this ban would not apply to ingredients where safety data was obtained from testing required under other EU legislation that did not have a cosmetic purpose. For more information on animal testing, see: http://ec.europa.eu/consumers/sectors/cosmetics/animal-testing

For more general information, see:
http://export.gov/europeanunion/accessingeumarketsinkeyindustrysectors/eg_eu_044318.asp

Agricultural Documentation

Phytosanitary Certificates: Phytosanitary certificates are required for most fresh fruits, vegetables, and other plant materials.

Sanitary Certificates: For commodities composed of animal products or by-products, EU countries require that shipments be accompanied by a certificate issued by the competent authority of the exporting country. This applies regardless of whether the product is for human consumption, for pharmaceutical use, or strictly for non-human use (e.g., veterinary biologicals, animal feeds, fertilizers, research). The vast majority of these certificates are uniform throughout the EU, but the harmonization process is not complete. During this transition period, certain member state import requirements continue to apply. In addition to the legally required EU health certificates, a number of other certificates are used in international trade. These certificates, which may also be harmonized in EU legislation, certify origin for customs purposes and certain quality attributes. Up-to-date information on harmonized import requirements can be found at the following website: http://www.fas.usda.gov/posthome/Useu/certificates-overview.html

Sanitary Certificates (Fisheries)

In April 2006, the European Union declared the U.S. seafood inspection system as equivalent to the European one. Consequently, a specific public health certificate must accompany U.S. seafood shipments. Commission Decision 2006/199/EC lays down specific conditions on imports of fishery products from the U.S. Unlike for fishery products, the U.S. shellfish sanitation system is not equivalent to that of the EU's. The EU and the U.S. are currently negotiating a veterinary equivalency agreement on shellfish. In the meantime, the EU still has a ban in place (since July 1, 2010), that prohibits the import of U.S. bivalve mollusks, in whatever form, into EU territory. This ban does not apply to wild roe-off scallops.

With the implementation of the second Hygiene Package, aquaculture products coming from the United States must be accompanied by a public health certificate according to Commission Decision 2006/199/EC and the animal health attestation included in the new fishery products certificate, covered by Regulation (EC) 1012/2012. This animal health attestation is not required in the case of live bivalve mollusks intended for immediate human consumption (retail).

Since June 2009, the unique U.S. competent authority for issuing sanitary certificates for fishery and aquaculture products is the U.S. Department of Commerce, National Marine Fisheries Service (NOAA-NMFS).

In addition to sanitary certificates, all third countries wishing to export fishery products to the EU are requested to provide a catch certificate. This catch certificate certifies that the products in question have been caught legally.

For detailed information on import documentation for seafood, please contact the NOAA Fisheries office at the U.S. Mission to the EU (stephane.vrignaud@trade.gov) or visit the following NOAA dedicated web site: http://www.seafood.nmfs.noaa.gov/EU_Export.html

U.S. Export Controls

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The U.S. Department of Commerce’s Bureau of Industry and Security (BIS) is responsible for implementing and enforcing the Export Administration Regulations (EAR), which regulate the export and re-export of some commercial items, including “production” and “development” technology.

The items that BIS regulates are often referred to as “dual use” since they have both commercial and military applications. Further information on export controls is available at: http://www.bis.doc.gov/licensing/exportingbasics.htm

BIS has developed a list of "red flags," or warning signs, intended to discover possible violations of the EAR. These are posted at: http://www.bis.doc.gov/enforcement/redflags.htm

Also, BIS has "Know Your Customer" guidance at: http://www.bis.doc.gov/Enforcement/knowcust.htm

If there is reason to believe a violation is taking place or has occurred, report it to the Department of Commerce by calling the 24-hour hotline at 1(800) 424-2980, or via the confidential lead page at: https://www.bis.doc.gov/forms/eeleadsntips.html

The EAR does not control all goods, services, and technologies. Other U.S. government agencies regulate more specialized exports. For example, the U.S. Department of State has authority over defense articles and services. A list of other agencies involved in export control can be found on the BIS web.

It is important to note that in August 2009, the President directed a broad-based interagency review of the U.S. export control system, with the goal of strengthening national security and the competitiveness of key U.S. manufacturing and technology sectors by focusing on current threats, as well as adapting to the changing economic and technological landscape. As a result, the Administration launched the Export Control Reform Initiative (ECR Initiative) which is designed to enhance U.S. national security and strengthen the United States’ ability to counter threats such as the proliferation of weapons of mass destruction.

The Administration is implementing the reform in three phases. Phases I and II reconcile various definitions, regulations, and policies for export controls, all the while building toward Phase III, which will create a single control list, single licensing agency, unified information technology system, and enforcement coordination center.

For additional information on ECR see: http://export.gov/ecr/index.asp

BIS provides a variety of training sessions to U.S. exporters throughout the year. These sessions range from one to two day seminars and focus on the basics of exporting as well as more advanced topics. A list of upcoming seminars can be found at: https://www.bis.doc.gov/seminarsandtraining/index.htm

For further details about the Bureau of Industry and Security and its programs, please visit the BIS website at: http://www.bis.doc.gov/

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For information on this topic please consult the Commerce Department's Country Commercial Guides on EU member states: EU Member States' Country Commercial Guides

Alternatively, search the Commerce Department's Market Research Library, available from: http://www.export.gov/mrktresearch/index.asp under Country and Industry Market Reports.

Labeling and Marking Requirements
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An overview of EU mandatory and voluntary labeling and marking requirements has been compiled in a market research report that is available at: http://buyusainfo.net/docs/x_366090.pdf

Prohibited and Restricted Imports
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The TARIC is designed to show various rules applying to specific products being imported into the customs territory of the EU or, in some cases, when exported from it. To determine if a product is prohibited or subject to restriction, check the TARIC for the following codes:

CITES Convention on International Trade of Endangered Species
PROHI Import Suspension
RSTR Import Restriction

For information on how to access the TARIC, see the Import Requirements and Documentation Section above.

Key Link:
http://ec.europa.eu/taxation_customs/customs/customs_duties/tariff_aspects/customs_tariff/index_en.htm

Customs Regulations and Contact Information
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The following provides information on the major regulatory efforts of the EC Taxation and Customs Union Directorate:

Electronic Customs Initiative – This initiative deals with EU Customs modernization developments to improve and facilitate trade in the EU member states. The electronic customs initiative is based on the following three pieces of legislation:

- The Security and Safety Amendment to the Customs Code, which provides for full computerization of all procedures related to security and safety;

- The Decision on the paperless environment for customs and trade (Electronic Customs Decision) which sets the basic framework and major deadlines for the electronic customs projects;

- The Modernized Community Customs Code which provides for the completion of the computerization of customs.

Key Link:
http://ec.europa.eu/taxation_customs/customs/policy_issues/electronic_customs_initiative/electronic_customs_legislation/index_en.htm

Homepage of Customs and Taxation Union Directorate (TAXUD) Website
Key Link: http://ec.europa.eu/taxation_customs/customs/index_en.htm

Customs Valuation – Most customs duties and value added tax (VAT) are expressed as a percentage of the value of goods being declared for importation. Thus, it is necessary to dispose of a standard set of rules for establishing the goods' value, which will then serve for calculating the customs duty.

The EU imports in excess of 2 trillion euro worth of goods. It is important that the value of such commerce is accurately measured for the purposes of:

- economic and commercial policy analysis;
- application of commercial policy measures;
- proper collection of import duties and taxes; and
- import and export statistics.

These objectives are met using a single instrument - the rules on customs value.
The EU applies an internationally accepted concept of 'customs value'.

The value of imported goods is one of the three 'elements of taxation' that provides the basis for assessment of the customs debt, which is the technical term for the amount of duty that has to be paid, the other ones being the origin of the goods and the customs tariff.

Key Link:
http://ec.europa.eu/taxation_customs/customs/customs_duties/declared_goods/index_en.htm

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Products tested and certified in the United States to American standards are likely to have to be retested and re-certified to EU requirements as a result of the EU's different approach to the protection of the health and safety of consumers and the environment. Where products are not regulated by specific EU technical legislation, they are always subject to the EU's General Product Safety Directive as well as to possible additional national requirements.

European Union legislation and standards created under the New Approach are harmonized across the member states and European Economic Area countries to allow for the free flow of goods. A feature of the New Approach is CE marking. For a list of new approach legislation, go to http://ec.europa.eu/enterprise/newapproach/nando/index.cfm?fuseaction=directive.main.

The concept of new approach legislation is likely to disappear as the New Legislative Framework (NLF), which entered into force in January 2010, was put in place to serve as a blueprint for existing and future CE marking legislation. Since 2010/2011 existing legislation has been reviewed to bring them in line with the NLF concepts.

While harmonization of EU legislation can facilitate access to the EU Single Market, manufacturers should be aware that regulations (mandatory) and technical standards (voluntary) might also function as barriers to trade if U.S. standards are different from those of the European Union.

Agricultural Standards
The establishment of harmonized EU rules and standards in the food sector has been ongoing for several decades, but it took until January 2002 for the publication of a general food law establishing the general principles of EU food law. This Regulation introduced mandatory traceability throughout the feed and food chain as of Jan 1, 2005. For specific information on agricultural standards, please refer to the Foreign Agricultural Service's website at: http://www.fas.usda.gov/posthome/useu/about.html

There are also export guides to import regulations and standards available on the Foreign Agricultural Service's website:
http://www.fas.usda.gov/posthome/useu/about.html

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EU standards setting is a process based on consensus initiated by industry or mandated by the European Commission and carried out by independent standards bodies, acting at the national, European or international level. There is strong encouragement for non-governmental organizations, such as environmental and consumer groups, to actively participate in European standardization.

Many standards in the EU are adopted from international standards bodies such as the International Standards Organization (ISO). The drafting of specific EU standards is handled by three European standards organizations:

1. CENELEC, European Committee for Electrotechnical Standardization (http://www.cenelec.eu/)

2. ETSI, European Telecommunications Standards Institute (http://www.etsi.org/)

3. CEN, European Committee for Standardization, handling all other standards (http://www.cen.eu/cen/pages/default.aspx)

Standards are created or modified by experts in Technical Committees or Working Groups. The members of CEN and CENELEC are the national standards bodies of the member states, which have "mirror committees" that monitor and participate in ongoing European standardization. CEN and CENELEC standards are sold by the individual member states standards bodies. ETSI is different in that it allows direct participation in its technical committees from non-EU companies that have interests in Europe and gives away some of its individual standards at no charge on its website. In addition to the three standards developing organizations, the European Commission plays an important role in standardization through its funding of the participation in the standardization process of small- and medium-sized companies and non-governmental organizations, such as environmental and consumer groups. The Commission also provides money to the standards bodies when it mandates standards development to the European Standards Organization for harmonized standards that will be linked to EU technical legislation. Mandates – or requests for standards - can be checked on line at: http://ec.europa.eu/enterprise/policies/european-standards/standardisation-requests/index_en.htm

Given the EU's vigorous promotion of its regulatory and standards system as well as its generous funding for its development, the EU's standards regime is wide and deep - extending well beyond the EU's political borders to include affiliate members (countries which are hopeful of becoming full members in the future) such as Albania, Belarus, Israel, and Morocco among others. Another category, called "partner standardization body" includes the standards organization of Mongolia, Kyrgyzstan and Australia, which are not likely to become a CEN member or affiliate for political and geographical reasons.

To know what CEN and CENELEC have in the pipeline for future standardization, it is best to visit their websites. Other than their respective annual work plans, CEN's "sectors" page provides an overview by sector and/or technical committee whereas CENELEC offers the possibility to search its database. ETSI's portal (http://portal.etsi.org/Portal_Common/home.asp) leads to ongoing activities.

With the need to adapt more quickly to market needs, European standards organizations have been looking for "new deliverables" which are standard-like products delivered in a shorter timeframe. While few of these "new deliverables" have been linked to EU legislation, expectations are that they will eventually serve as the basis for EU-wide standards.

Key Link: http://www.cen.eu/cenorm/products/cwa/index.asp

The European Standardization system and strategy was reviewed in 2011 and 2012. The new standards regulation, adopted in November 2012, clarifies the relationship between regulations and standards and confirms the role of the three European standards bodies in developing EN harmonized standards. The emphasis is also on referencing international standards where possible. For information, communication and technology (ICT) products, the importance of interoperability standards has been recognized. Through a newly established mechanism, a “Platform Committee” reporting to the European Commission will decide which deliverables from fora and consortia might be acceptable for public procurement specifications. The European standards bodies have been encouraged to improve efficiency in terms of delivery and to look for ways to include more societal stakeholders in European standardization.

Key Link: http://ec.europa.eu/enterprise/policies/european-standards/standardisation-policy/index_en.htm

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Conformity Assessment is a mandatory step for the manufacturer in the process of complying with specific EU legislation. The purpose of conformity assessment is to ensure consistency of compliance during all stages, from design to production, to facilitate acceptance of the final product. EU product legislation gives manufacturers some choice regarding conformity assessment, depending on the level of risk involved in the use of their product. These range from self-certification, type examination and production quality control system, to full quality assurance system. Conformity assessment bodies in individual member states are listed in NANDO, the European Commission’s website.

Key Link: http://ec.europa.eu/enterprise/newapproach/nando/

To promote market acceptance of the final product, there are a number of voluntary conformity assessment programs. CEN’s certification systems are the Keymark, the CENCER mark, and CEN workshop agreements (CWA) Certification Rules. CENELEC has its own initiative. ETSI does not offer conformity assessment services.

Product Certification Return to top

To sell products in the EU market of 27 member states – soon 28 - as well as in Norway, Liechtenstein and Iceland, U.S. exporters are required to apply CE marking whenever their product is covered by specific product legislation. CE marking product legislation offers manufacturers a number of choices and requires decisions to determine which safety/health concerns need to be addressed, which conformity assessment module is best suited to the manufacturing process, and whether or not to use EU-wide harmonized standards. There is no easy way for U.S. exporters to understand and go through the process of CE marking, but hopefully this section provides some background and clarification.

Products manufactured to standards adopted by CEN, CENELEC and ETSI, and referenced in the Official Journal as harmonized standards, are presumed to conform to the requirements of EU Directives. The manufacturer then applies the CE marking and issues a declaration of conformity. With these, the product will be allowed to circulate freely within the EU. A manufacturer can choose not to use the harmonized EU standards, but then must demonstrate that the product meets the essential safety and performance requirements. Trade barriers occur when design, rather than performance, standards are developed by the relevant European standardization organization, and when U.S. companies do not have access to the standardization process through a European presence.

The CE marking addresses itself primarily to the national control authorities of the member states, and its use simplifies the task of essential market surveillance of regulated products. As market surveillance was found lacking, the EU adopted the New Legislative Framework, which went into force in 2010. As mentioned before, this framework is like a blueprint for all CE marking legislation, harmonizing definitions, responsibilities, European accreditation and market surveillance.

The CE marking is not intended to include detailed technical information on the product, but there must be enough information to enable the inspector to trace the product back to the manufacturer or the local contact established in the EU. This detailed information should not appear next to the CE marking, but rather on the declaration of conformity (which the manufacturer or authorized agent must be able to provide at any time, together with the product's technical file), or the documents accompanying the product.

Accreditation Return to top

Independent test and certification laboratories, known as notified bodies, have been officially accredited by competent national authorities to test and certify to EU requirements.

"European Accreditation" (http://www.european-accreditation.org) is an organization representing nationally recognized accreditation bodies. Membership is open to nationally recognized accreditation bodies in countries in the European geographical area that can demonstrate that they operate an accreditation system compatible with EN45003 or ISO/IEC Guide 58.

Publication of Technical Regulations Return to top

The Official Journal is the official publication of the European Union. It is published daily on the internet and consists of two series covering adopted legislation as well as case law, studies by committees, and more (http://eur-lex.europa.eu/JOIndex.do?ihmlang=en). It lists the standards reference numbers linked to legislation (http://ec.europa.eu/enterprise/policies/european-standards/harmonised-standards/index_en.htm).

National technical Regulations are published on the Commission's website http://ec.europa.eu/enterprise/tris/index_en.htm to allow other countries and interested parties to comment.

NIST Notify U.S. Service
Member countries of the World Trade Organization (WTO) are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to report to the WTO all proposed technical regulations that could affect trade with other Member countries. **Notify U.S.** is a free, web-based e-mail subscription service that offers an opportunity to review and comment on proposed foreign technical regulations that can affect your access to international markets. Register online at Internet URL: http://www.nist.gov/notifyus/

Labeling and Marking

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Manufacturers should be mindful that, in addition to the EU's mandatory and voluntary schemes, national voluntary labeling schemes might still apply. These schemes may be highly appreciated by consumers, and thus, become unavoidable for marketing purposes.

Manufacturers are advised to take note that all labels require metric units although dual labeling is also acceptable. The use of language on labels has been the subject of a Commission Communication, which encourages multilingual information, while preserving the right of member states to require the use of the language of the country of consumption.

The EU has mandated that certain products be sold in standardized quantities. Council Directive 2007/45/EC harmonizes packaging of wine and spirits throughout the EU. Existing national sizes will be abolished with a few exceptions for domestic producers. Key Link: http://ec.europa.eu/enterprise/sectors/legal-metrology-and-prepack/prepacked-products/index_en.htm

The Eco-label
The EU eco-label is a voluntary label which U.S. exporters can display on products that meet high standards of environmental awareness. The eco-label is intended to be a marketing tool to encourage consumers to purchase environmentally-friendly products. The criteria for displaying the eco-label are strict, covering the entire lifespan of the product from its manufacture, use, and disposal. These criteria are reviewed every three to five years to take into account advances in manufacturing procedures. There are currently 30 different product groups, and approximately 1300 licenses have been awarded for several hundred products.

Applications to display the eco-label should be directed to the competency body of the member state in which the product is sold. The application fee will be somewhere between €300 and €1300 depending on the tests required to verify if the product is eligible. The eco-label also carries an annual fee equal to 0.15% of the annual volume of sales of the product range within the European community. However, the minimum annual fee is currently set at €500 and maximum €25,000.

There are plans to significantly reform the eco-label in the near future, reducing the application and annual fees and expanding the product ranges significantly. It is also possible that future eligibility criteria may take into account carbon emissions.

Key Links:
Eco-label Home Page

Trade Agreements Return to top

For a list of trade agreements with the EU and its member states, as well as concise explanations, please see http://tcc.export.gov/Trade_Agreements/index.asp

Web Resources Return to top

EU websites:
Online customs tariff database (TARIC):
http://ec.europa.eu/taxation_customs/customs/customs_duties/tariff_aspects/customs_tariff/index_en.htm

The Modernized Community Customs Code MCCC):
http://europa.eu/legislation_summaries/customs/do0001_en.htm

ECHA: http://echa.europa.eu

Taxation and Customs Union:
http://ec.europa.eu/taxation_customs/customs/index_en.htm

Security and Safety Amendment to the Customs Code - Regulation (EC) 648/2005:
http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2005:117:0013:0019:en:PDF

Electronic Customs Initiative: Decision N° 70/2008/EC
http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:023:0021:0026:EN:PDF

Modernized Community Customs Code Regulation (EC) 450/2008):
http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:145:0001:0064:EN:PDF

Legislation related to the Electronic Customs Initiative:
http://ec.europa.eu/taxation_customs/customs/policy_issues/electronic_customs_initiative/electronic_customs_legislation/index_en.htm

Export Help Desk
http://exporthelp.europa.eu/thdapp/index_en.html

International Level:

What is Customs Valuation?:
http://ec.europa.eu/taxation_customs/customs/customs_duties/declared_goods/european/index_en.htm

Customs and Security: Two communications and a proposal for amending the Community Customs Code:
http://ec.europa.eu/taxation_customs/customs/policy_issues/customs_security/index_en.htm

Establishing the Community Customs Code: Regulation (EC) n° 648/2005 of 13 April 2005
http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2005:117:0013:0019:en:PDF

Pre Arrival/Pre Departure Declarations:
http://ec.europa.eu/taxation_customs/customs/procedural_aspects/general/prearrival_predeparture/index_en.htm

AEO: Authorized Economic Operator:
http://ec.europa.eu/taxation_customs/customs/policy_issues/customs_security/aeo/index_en.htm

Contact Information at National Customs Authorities:
http://ec.europa.eu/taxation_customs/taxation/personal_tax/savings_tax/contact_points/index_en.htm

New Approach Legislation:
http://ec.europa.eu/enterprise/newapproach/nando/index.cfm?fuseaction=directive.main

Cenelec, European Committee for Electrotechnical Standardization:
http://www.cenelec.eu/

ETSI, European Telecommunications Standards Institute:
http://www.etsi.org/

CEN, European Committee for Standardization, handling all other standards:
http://www.cen.eu/cen/Pages/default.aspx

Standardisation – Mandates:
http://ec.europa.eu/enterprise/policies/european-standards/standardisation-requests/index_en.htm

ETSI – Portal – E-Standardisation :
http://portal.etsi.org/Portal_Common/home.asp

CEN – Sector:
http://www.cen.eu/cenorm/sectors/index.asp

CEN - Standard Search:
http://esearch.cen.eu/esearch/

Nando (New Approach Notified and Designated Organizations) Information System:
http://ec.europa.eu/enterprise/newapproach/nando/

Mutual Recognition Agreements (MRAs):
http://ec.europa.eu/enterprise/newapproach/nando/index.cfm?fuseaction=mra.main

European Co-operation for Accreditation:
http://www.european-accreditation.org/home

Eur-Lex – Access to European Union Law:
http://eur-lex.europa.eu/en/index.htm

Standards Reference Numbers linked to Legislation:
http://ec.europa.eu/enterprise/policies/european-standards/harmonised-standards/index_en.htm

What's New:
http://ec.europa.eu/enterprise/news/index_en.htm

National technical Regulations:
http://ec.europa.eu/enterprise/tris/index_en.htm

NIST - Notify U.S.:
http://www.nist.gov/notifyus/

Metrology, Pre-Packaging – Pack Size:
http://ec.europa.eu/enterprise/sectors/legal-metrology-and-prepack/prepacked-products/index_en.htm

European Union Eco-label Homepage:
http://ec.europa.eu/environment/ecolabel/

U.S. websites:
National Trade Estimate Report on Foreign Trade Barriers:
http://www.ustr.gov/about-us/press-office/reports-and-publications/2012-1

Agricultural Trade Barriers:
http://www.fas.usda.gov/posthome/Useu/

Trade Compliance Center:
http://tcc.export.gov/

U.S. Mission to the European Union:
http://useu.usmission.gov/

The New EU Battery Directive:
http://www.buyusainfo.net/docs/x_8086174.pdf

The Latest on REACH:
http://export.gov/europeanunion/reachclp/index.asp

WEEE and RoHS in the EU:
http://export.gov/europeanunion/weeerohs/index.asp

Overview of EU Certificates:
www.fas.usda.gov/gainfiles/200605/146187632.doc

Center for Food Safety and Applied Nutrition:
http://www.fda.gov/Food/default.htm

EU Marking, Labeling and Packaging – An Overview
http://buyusainfo.net/docs/x_366090.pdf

The European Union Eco-Label:
http://buyusainfo.net/docs/x_4284752.pdf

Trade Agreements:
http://tcc.export.gov/Trade_Agreements/index.asp
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Chapter 6: Investment Climate

Openness to Foreign Investment

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Belgium has traditionally maintained an open economy, highly dependent on international trade for its well-being. Since WWII, foreign investment has played a vital role in the Belgian economy, providing technology and employment. Both the federal and the regional governments encourage foreign investment on a national treatment basis. Foreign corporations account for about one-third of the top 3,000 corporations in Belgium.

Index/Ranking
Transparency International Corruption Perceptions Index 2012, Rank 16 (2011 Rank 19)
Heritage Economic Freedom Index 2012, Rank 38 (2011 Rank 32)
World Bank Doing Business 2013, Rank 33 (2012 Rank 28)
World Economic Forum Global Competitive Index 2012-2013, Rank 17 (2011-2012 Rank 15)

Conversion and Transfer Policies

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Payments and transfers within Belgium and with foreign countries require no prior authorization. Transactions may be executed in euros as well as in other currencies.

On May 1, 1998, Belgium was one of the 11 EU member states that agreed to form a currency union (European monetary union), with the euro as its single currency. On January 1, 1999, exchange rates were irrevocably fixed among euro zone currencies, with 1 euro equal to 40.3399 Belgian Francs (bf). Euro coins and bank notes were introduced in early 2002. Old bf notes can only be exchanged for euros at National Bank of Belgium offices; old bf coins can no longer be converted as of January 1, 2005.

Belgium has no debt-to-equity requirements. Dividends may be remitted freely, except in cases in which distribution would reduce net assets to less than paid-up capital. No further withholding tax or other tax is due on repatriation of the original investment or on the profits of a branch, either during its operations or upon the closing thereof.

Expropriation and Compensation Return to top

There are no outstanding expropriation or nationalization cases in Belgium with U.S. investors. There is no pattern of discrimination against foreign investment in Belgium.

When the Belgian government uses its eminent domain powers to acquire property compulsorily for a public purpose, adequate compensation is paid to the property owners. Recourse to the courts is available if necessary. The only expropriations that occurred during the last decade were related to infrastructure projects such as port expansion, roads, and railroads. In the future, expropriations to reserve space for nuclear waste storage are still expected, but the sites will not be near areas of existing economic activity. The government of Belgium has decreed that all nuclear power plants will be closed by 2025.

Dispute Settlement Return to top

Belgium's legal system is independent of the government and is a means for resolving commercial disputes or protecting property rights. As in many countries, the Belgian courts labor under a growing caseload, and backlogs cause delays. There are several levels of appeal.

Belgian bankruptcy law is governed by the Bankruptcy Act of 1997, and is under the jurisdiction of the commercial courts. The commercial court appoints a judge-auditor to preside over the bankruptcy proceeding, whose primary task is to supervise the management and liquidation of the bankrupt estate, in particular with respect to the claims of the employees. Belgian bankruptcy law recognizes several classes of preferred or secured creditors. A person who has been declared bankrupt may start a new business, unless the person is found guilty of certain criminal offences that are directly related to the bankruptcy. The Business Continuity Act of 2009 provides the possibility for companies in financial difficulty to enter into a judicial reorganization. These proceedings are to some extent similar to Chapter 11, as the aim is to facilitate business recovery.

Belgium is a member of the International Center for the Settlement of Investment Disputes (ICSID) and regularly includes provision for ICSID arbitration in investment agreements. Belgium is also a contracting state of the New York Convention of 1958 on the Recognition and Enforcement of Foreign Arbitral Awards. The government accepts binding international arbitration of disputes between foreign investors and the state; the most recent example is the ongoing international arbitration between the Belgian and the Dutch governments regarding a railway line dispute, the so-called ‘Iron Rhine’.

There are many judicial districts in Belgium and duration of investment and commercial dispute proceedings can vary. There is anecdotal evidence that court disputes can take months or years to resolve. The delays are generally attributed to a shortage of judges to rule on cases resulting in long queues for hearing dates.

Performance Requirements and Incentives Return to top

Since the law of August 1980 on regional devolution in Belgium, investment incentives and subsidies have been the responsibility of Belgian's three regions: Brussels, Flanders, and Wallonia. Nonetheless, most tax measures remain under the control of the federal government, as do the parameters (social security, wage agreements) that govern general salary and benefit levels. In general, all regional and national incentives are available to foreign and domestic investors alike. Belgian investment incentive programs at all levels of government are limited by EU regulations, and thus are kept in line with those of the other EU member states. The European Commission has tended to discourage certain investment incentives, in the belief that they distort the single market, impair structural change, and threaten EU convergence, as well as social and economic cohesion. Belgium thus has seen its number of underdeveloped areas, into which the EU allowed certain investment subsidies, further curtailed.

Under the Belgian constitution, promotion of foreign investment is the responsibility of the Belgian regions through the regional investment agencies - Flanders Investment and Trade (FIT), the Office for Foreign Investment (OFI-AWEX) in Wallonia, and the Brussels Enterprise Agency. In their investment policies, the regions emphasize innovation promotion, research and development, energy savings, environmental cleanliness, exports, and most of all, employment. The agencies have staff specializing on specific regions of the world including the United States, and have representation offices in the U.S. and other countries around the world. In addition, the Finance Ministry established a foreign investment tax unit in 2000 to provide assistance and to make the tax administration more "user friendly" to foreign investors.

Performance requirements in Belgium usually relate to the number of jobs created. There are no known cases where export targets or local purchase requirements were imposed, with the exception of military offset programs, which were reintroduced by the Verhofstadt II government in 2006. While the government reserves the right to reclaim incentives if the investor fails to meet his employment commitments, enforcement is rare. In 2012, with the announced closure of an automotive plant in Flanders, the issue of reclaiming government commitments has surfaced. The Flanders region with the company is in negotiation to reclaim training subsidies that had been provided to the company.

In 2005, the Belgian Federal Finance Ministry proposed a new investment incentive program in the form of a notional interest rate deduction. This was adopted by Parliament, and as of January 1, 2006, the new tax law permits a corporation established in Belgium, foreign or domestic, to deduct from its taxable profits a percentage of its adjusted net assets linked to the rate of the Belgian long-term state bond. The law permits all companies operating in Belgium to deduct the "notional" interest rate that would have be paid on their locally invested capital had it been borrowed at a rate of interest equal to the current rate the Belgian government pays on its 10-year bonds. This amount is deducted from profits, thus lowering the sum on which Belgian corporate taxes (currently 33.99%) are calculated. In 2011, the notional interest was set at 3.8 percent for corporations. The applicable interest rate is adjusted annually, but will never be allowed to vary more than one percent (100 basis points) in one year nor exceed 6.5 percent. Because this legislation results in a significant loss of tax revenues, the di Rupo government decided in December 2011 to limit the notional interest rate to 3 percent in 2012. For 2013, the Belgian Federal government set the notional interest rate at 3 percent for large corporations and 3.5 percent for SMEs.

Right to Private Ownership and Establishment

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Both domestic and foreign private entities have the right to establish business enterprises. This right is well established in Belgium's constitution and in law. The right to acquire or sell interests in business enterprises is similarly protected by law.

No restrictions in Belgium apply specifically to foreign investors. Foreign interests may enter into joint ventures and partnerships on the same basis as domestic parties, except for certain professions, such as doctors, lawyers, accountants and architects. Additional verification (to confirm equivalence of education and training) exist in these professions because they are subject to liability claims. All investors, Belgian or foreign, must obtain special permission to open department stores, provide transportation and security services, cut and polish diamonds, or sell firearms and ammunition. Food safety regulations require all organizations in Belgium involved in food production (packaging, wholesale, and retail) to obtain a permit from the Belgian Federal Food Administration.

There is competitive equality between public and private enterprises with respect to market access, credit, and other business operations, such as licenses and supplies.

Protection of Property Rights

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Property rights in Belgium are well protected by law. The courts are independent and considered effective in enforcing property rights. Belgium generally meets very high standards in the protection of intellectual property rights. Rights granted under American patent, trademark, or copyright law can only be enforced in the United States, its territories, and possessions. The European Union has taken a number of initiatives to promote intellectual property protection, but in cases of non-implementation, national laws continue to apply. Despite legal protection of intellectual property, Belgium experiences the commercial and private infringement - particularly internet music piracy and illegal copying of software - common to most EU states.

Transparency of Regulatory System

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The Belgian government has adopted a generally transparent competition policy, and effective laws foster competition. Tax, labor, health, safety, and other laws and policies have been implemented to avoid distortions or impediments to the efficient mobilization and allocation of investment, comparable to those in other European Union member states. Nevertheless, foreign and domestic investors in some sectors face stringent regulations designed to protect small- and medium-sized enterprises. Many companies in Belgium also try to limit their number of employees to 49, the threshold above which certain employee committees must be set up, such as for safety and trade union interests.

Recognizing the need to streamline administrative procedures in many areas, the federal government in 2004 set up a special task force to simplify official procedures. It also agreed to streamline laws regarding the telecommunications sector into one comprehensive volume after new entrants in this sector had complained about a lack of transparency. It also beefed up its Competition Policy Authority with a number of renowned academic experts and additional resources. The American Chamber of Commerce has called attention to the adverse impact of cumbersome procedures and unnecessary red tape on foreign investors, although foreign companies do not necessarily suffer more from this than Belgium firms.

In 2012, the government and the pharmaceutical sector negotiated an agreement to lower the government's healthcare costs. In exchange for the government agreeing to an accelerated approval process for new medicines, the pharmaceutical agreed to price decreases and price ceilings on certain types of medicine, requesting government reimbursements based on quantities of medicine used (ie. reimbursing for fractions of medication rather than entire box or pouch), paying taxes on marketing activities and decreasing the volume of prescriptions. Some of the measures will be temporary, in effect for a year, but there is concern that they will be renewed on an annual basis.

Efficient Capital Markets and Portfolio Investment Return to top

Belgium has in place policies to facilitate the free flow of financial resources. Credit is allocated at market rates and is available to foreign and domestic investors without discrimination. Belgium is fully served by the international banking community and is implementing all relevant EU financial directives.

Because the Belgian economy is directed toward international trade, more than half of its banking activities involve foreign countries. Belgium's major banks are represented in the financial and commercial centers of dozens of countries by subsidiaries, branch offices and representative offices.

In 2010, the net bottom-line profit of the banking sector amounted to 5.6 billion euro, a sharp recovery from the 1.2 billion euro deficit recorded in 2009 and the 21.2 billion euro loss of 2008. This result in 2010, compared to the profits generated in the first half of the previous decade, reflects several factors, in particular the decline of almost 4 billion euro in the level of new losses on loans and receivables, as compared to 2009, and the absence of major losses on investments or positions in financial instruments. This return to profitability was accompanied by new increases in solvency ratios, with the Tier 1 capital ratio rising from 13.2 percent at the end of 2009 to 15.5 percent at the end of 2010. Despite the Belgian banks' good results at the EU's stress tests in June 2010, Belgian, French and Luxembourg governments had to intervene in November 2011 to save Dexia, Belgium's second largest bank.

Belgium is one of the countries with the highest number of banks per capita in the world. The banking system is considered sound, but was particularly hard hit by the financial crisis that began in the fall of 2008, when federal and regional governments had to step in with lending and guarantees for the three largest banks. Following a review of the 2008 financial crisis, the Belgian government decided in 2012 to shift the authority of bank supervision from the Financial Market Supervision Authority (FMSA) to the National Bank of Belgium (NBB) in 2012.
From November 2011 to November 2012, total Belgian banking sector assets shrunk by 36 billion euros (from 1.29 trillion to 1.26 trillon euros). The decrease in asset size is attributed to the major downsizing and selling of subsidiaries that has taken place with Belgium's large banks, particularly Dexia.

The country's banks use modern, automated systems for domestic and international transactions. The Society for Worldwide Interbank Financial Telecommunications (SWIFT) has its headquarters in Brussels. Euroclear, a clearing entity for transactions in stocks and other securities, is also located in Brussels.

Belgium also has a well-established stock market. In fact, the first stock market ever was organized in Bruges in the 14th century. At the end of 2000, the Brussels stock market merged with the Paris and Amsterdam bourses into Euronext, a Pan-European stock-trading platform. In 2006, Euronext and NY Stock Exchange shareholders voted to merge the two exchanges. On Euronext, a company may increase its capital either by capitalizing reserves or by issuing new shares. An increase in capital requires a legal registration procedure. New shares may be offered either to the public or to existing shareholders. Public notice is not required if the offer is to existing shareholders, who may subscribe to the new shares directly. An issue of bonds to the public is subject to the same requirements as a public issue of shares: the company's capital must be entirely paid up, and existing shareholders must be given preferential subscription rights.

In Belgium, there are many cases of cross-shareholding and stable shareholder arrangements, but never with the express intent to keep out foreign investors. Likewise, anti-takeover defenses are designed to protect against all potential hostile takeovers, not only foreign hostile takeovers.

Competition from State Owned Enterprises Return to top

Belgium does not have any State Owned Enterprises (SOE) that exercise delegated government powers. Private enterprises are allowed to compete with public enterprises under the same terms and conditions, but since the EU started to liberalize network industries such as electricity, gas, water, telecoms and railways, there have been regular complaints in Belgium about unfair competition from the historical incumbents, i.e. the former state monopolists. Complaints have ranged from lower salaries (railways) to lower VAT rates (gas and electricity) and a regulator who was judge and party at the same time (telecom). Although these complaints have now largely subsided, one often finds these former monopolies as market leaders in their sector, mainly because they were able to charge high admission costs for access to a network which they themselves had already written off a long time ago. Corporate governance at the boards of these historical monopolies is still deficient. Board seats are occupied by representatives of the governing political parties in proportion to their representation in Parliament. However, board members do not report directly to cabinet ministers.

Belgium has a sovereign wealth fund (SWF) in the form of the Federal Participation Company, a quasi-independent entity created in 2004 and now mainly used as a vehicle to manage the banking assets which were taken on board during the 2008 banking crisis. The SWF has a board whose members reflect the composition of the governing coalition and are regularly audited by the “Court des Comptes” or national auditor. Due to the origins of the fund, the majority of the funds are invested domestically. Its role is to allow public entities to recoup their investments and support Belgian banks. The SWF is required by law to publish an annual report and is subject to the same domestic and international accounting standards and rules. The SWF routinely fulfills all legal obligations.

Corporate Social Responsibility

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There is a general awareness of corporate social responsibility among producers and consumers. Boards of directors are encouraged to pay attention to corporate social responsibility in the 2009 Belgian Code on corporate governance.

Political Violence

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Belgium is a peaceful, democratic nation comprised of federal, regional, and municipal political units: the Belgian federal government, the regional governments of Flanders, Wallonia, and the Brussels capital region, and 589 communes (municipalities). Political tensions do exist between the Flemish and Walloons, but they are addressed in democratic institutions and played out in socially acceptable venues. There is also some tension within the immigrant communities, which sometimes results in acts of violence.

Corruption

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Corruption, including bribery, raises the costs and risks of doing business. Corruption has a corrosive impact on both market opportunities overseas for U.S. companies and the broader business climate. It also deters international investment, stifles economic growth and development, distorts prices, and undermines the rule of law.

It is important for U.S. companies, irrespective of their size, to assess the business climate in the relevant market in which they will be operating or investing, and to have an effective compliance program or measures to prevent and detect corruption, including foreign bribery. U.S. individuals and firms operating or investing in foreign markets should take the time to become familiar with the relevant anticorruption laws of both the foreign country and the United States in order to properly comply with them, and where appropriate, they should seek the advice of legal counsel.

The U.S. Government seeks to level the global playing field for U.S. businesses by encouraging other countries to take steps to criminalize their own companies’ acts of corruption, including bribery of foreign public officials, by requiring them to uphold their obligations under relevant international conventions. A U. S. firm that believes a competitor is seeking to use bribery of a foreign public official to secure a contract should bring this to the attention of appropriate U.S. agencies, as noted below.

U.S. Foreign Corrupt Practices Act: In 1977, the United States enacted the Foreign Corrupt Practices Act (FCPA), which makes it unlawful for a U.S. person, and certain foreign issuers of securities, to make a corrupt payment to foreign public officials for the purpose of obtaining or retaining business for or with, or directing business to, any person. The FCPA also applies to foreign firms and persons who take any act in furtherance of such a corrupt payment while in the United States. For more detailed information on the FCPA, see the FCPA Lay-Person's Guide at: http://www.justice.gov/criminal/fraud/

Other Instruments: It is U.S. Government policy to promote good governance, including host country implementation and enforcement of anti-corruption laws and policies pursuant to their obligations under international agreements. Since enactment of the FCPA, the United States has been instrumental to the expansion of the international framework to fight corruption. Several significant components of this framework are the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD Antibribery Convention), the United Nations Convention against Corruption (UN Convention), the Inter-American Convention against Corruption (OAS Convention), the Council of Europe Criminal and Civil Law Conventions, and a growing list of U.S. free trade agreements. This country is party to [add instrument to which this country is party], but generally all countries prohibit the bribery and solicitation of their public officials.

OECD Antibribery Convention: The OECD Anti-bribery Convention entered into force in February 1999. As of March 2009, there are 38 parties to the Convention including the United States (see http://www.oecd.org/dataoecd/59/13/40272933.pdf). Major exporters China, India, and Russia are not parties, although the U.S. Government strongly endorses their eventual accession to the Convention. The Convention obligates the Parties to criminalize bribery of foreign public officials in the conduct of international business. The United States meets its international obligations under the OECD Antibribery Convention through the U.S. FCPA. [Insert information as to whether your country is a party to the OECD Convention.]

UN Convention: The UN Anticorruption Convention entered into force on December 14, 2005, and there are 158 parties to it as of November 2011 (see http://www.unodc.org/unodc/en/treaties/CAC/signatories.html). The UN Convention is the first global comprehensive international anticorruption agreement. The UN Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption. The UN Convention goes beyond previous anticorruption instruments, covering a broad range of issues ranging from basic forms of corruption such as bribery and solicitation, embezzlement, trading in influence to the concealment and laundering of the proceeds of corruption. The Convention contains transnational business bribery provisions that are functionally similar to those in the OECD Antibribery Convention and contains provisions on private sector auditing and books and records requirements. Other provisions address matters such as prevention, international cooperation, and asset recovery. [Insert information as to whether your country is a party to the UN Convention.]

OAS Convention: In 1996, the Member States of the Organization of American States (OAS) adopted the first international anticorruption legal instrument, the Inter-American Convention against Corruption (OAS Convention), which entered into force in March 1997. The OAS Convention, among other things, establishes a set of preventive measures against corruption and provides for the criminalization of certain acts of corruption, including transnational bribery and illicit enrichment, and contains a series of provisions to strengthen the cooperation between its States Parties in areas such as mutual legal assistance and technical cooperation. As of December 2009, the OAS Convention has 34 parties (see http://www.oas.org/juridico/english/Sigs/b-58.html) [Insert information as to whether your country is a party to the OAS Convention.]

Council of Europe Criminal Law and Civil Law Conventions: Many European countries are parties to either the Council of Europe (CoE) Criminal Law Convention on Corruption, the Civil Law Convention, or both. The Criminal Law Convention requires criminalization of a wide range of national and transnational conduct, including bribery, money-laundering, and account offenses. It also incorporates provisions on liability of legal persons and witness protection. The Civil Law Convention includes provisions on compensation for damage relating to corrupt acts, whistleblower protection, and validity of contracts, inter alia. The Group of States against Corruption (GRECO) was established in 1999 by the CoE to monitor compliance with these and related anti-corruption standards. Currently, GRECO comprises 49 member States (48 European countries and the United States). As of December 2011, the Criminal Law Convention has 43 parties and the Civil Law Convention has 34 (see www.coe.int/greco.) [Insert information as to whether your country is a party to the Council of Europe Conventions.]

Free Trade Agreements: While it is U.S. Government policy to include anticorruption provisions in free trade agreements (FTAs) that it negotiates with its trading partners, the anticorruption provisions have evolved over time. The most recent FTAs negotiated now require trading partners to criminalize "active bribery" of public officials (offering bribes to any public official must be made a criminal offense, both domestically and trans-nationally) as well as domestic "passive bribery" (solicitation of a bribe by a domestic official). All U.S. FTAs may be found at the U.S. Trade Representative Website: http://www.ustr.gov/trade-agreements/free-trade-agreements. [Insert information as to whether your country has an FTA with the United States: Country [X] has a free trade agreement (FTA) in place with the United States, the [name of FTA], which came into force. Consult USTR Website for date: http://www.ustr.gov/trade-agreements/free-trade-agreements.]

Local Laws: U.S. firms should familiarize themselves with local anticorruption laws, and, where appropriate, seek legal counsel. While the U.S. Department of Commerce cannot provide legal advice on local laws, the Department's U.S. and Foreign Commercial Service can provide assistance with navigating the host country's legal system and obtaining a list of local legal counsel.

Assistance for U.S. Businesses: The U.S. Department of Commerce offers several services to aid U.S. businesses seeking to address business-related corruption issues. For example, the U.S. and Foreign Commercial Service can provide services that may assist U.S. companies in conducting their due diligence as part of the company's overarching compliance program when choosing business partners or agents overseas.

The U.S. Foreign and Commercial Service can be reached directly through its offices in every major U.S. and foreign city, or through its Website at www.trade.gov/cs.

The Departments of Commerce and State provide worldwide support for qualified U.S. companies bidding on foreign government contracts through the Commerce Department's Advocacy Center and State's Office of Commercial and Business Affairs. Problems, including alleged corruption by foreign governments or competitors, encountered by U.S. companies in seeking such foreign business opportunities can be brought to the attention of appropriate U.S. government officials, including local embassy personnel and through the Department of Commerce Trade Compliance Center "Report A Trade Barrier" Website at tcc.export.gov/Report_a_Barrier/index.asp.

Guidance on the U.S. FCPA: The Department of Justice's (DOJ) FCPA Opinion Procedure enables U.S. firms and individuals to request a statement of the Justice Department's present enforcement intentions under the anti-bribery provisions of the FCPA regarding any proposed business conduct. The details of the opinion procedure are available on DOJ's Fraud Section Website at www.justice.gov/criminal/fraud/fcpa. Although the Department of Commerce has no enforcement role with respect to the FCPA, it supplies general guidance to U.S. exporters who have questions about the FCPA and about international developments concerning the FCPA. For further information, see the Office of the Chief Counsel for International Counsel, U.S. Department of Commerce, Website, at http://www.ogc.doc.gov/trans_anti_bribery.html. More general information on the FCPA is available at the Websites listed below.

Exporters and investors should be aware that generally all countries prohibit the bribery of their public officials, and prohibit their officials from soliciting bribes under domestic laws. Most countries are required to criminalize such bribery and other acts of corruption by virtue of being parties to various international conventions discussed above.

Public sector corruption, including bribery of public officials, remains a minor challenge for U.S. firms operating in Belgium. Insert country specific corruption climate, enforcement, commitment and information about relevant anticorruption legislation.

Anti-Corruption Resources

Some useful resources for individuals and companies regarding combating corruption in global markets include the following:

- Information about the U.S. Foreign Corrupt Practices Act (FCPA), including a "Lay-Person's Guide to the FCPA" is available at the U.S. Department of Justice's Website at: http://www.justice.gov/criminal/fraud/fcpa.

- Information about the OECD Antibribery Convention including links to national implementing legislation and country monitoring reports is available at: http://www.oecd.org/department/0,3355,en_2649_34859_1_1_1_1_1,00.html. See also new Antibribery Recommendation and Good Practice Guidance Annex for companies: http://www.oecd.org/dataoecd/11/40/44176910.pdf.

- General information about anticorruption initiatives, such as the OECD Convention and the FCPA, including translations of the statute into several languages, is available at the Department of Commerce Office of the Chief Counsel for International Commerce Website: http://www.ogc.doc.gov/trans_anti_bribery.html.

- Transparency International (TI) publishes an annual Corruption Perceptions Index (CPI). The CPI measures the perceived level of public-sector corruption in 180 countries and territories around the world. The CPI is available at: http://www.transparency.org/policy_research/surveys_indices/cpi/2009. TI also publishes an annual *Global Corruption Report* which provides a systematic evaluation of the state of corruption around the world. It includes an in-depth analysis of a focal theme, a series of country reports that document major corruption related events and developments from all continents and an overview of the latest research findings on anti-corruption diagnostics and tools. See http://www.transparency.org/publications/gcr.

- The World Bank Institute publishes Worldwide Governance Indicators (WGI). These indicators assess six dimensions of governance in 213 countries, including Voice and Accountability, Political Stability and Absence of Violence, Government Effectiveness, Regulatory Quality, Rule of Law and Control of Corruption. See http://info.worldbank.org/governance/wgi/index.asp. The World Bank Business Environment and Enterprise Performance Surveys may also be of interest and are available at: http://data.worldbank.org/data-catalog/BEEPS.

- The World Economic Forum publishes the *Global Enabling Trade Report*, which presents the rankings of the Enabling Trade Index, and includes an assessment of the transparency of border administration (focused on bribe payments and corruption) and a separate segment on corruption and the regulatory environment. See http://www.weforum.org/s?s=global+enabling+trade+report.

- Additional country information related to corruption can be found in the U.S. State Department's annual *Human Rights Report* available at http://www.state.gov/g/drl/rls/hrrpt/.

- Global Integrity, a nonprofit organization, publishes its annual *Global Integrity Report*, which provides indicators for 106 countries with respect to governance and anti-corruption. The report highlights the strengths and weaknesses of national level anti-corruption systems. The report is available at: http://report.globalintegrity.org/.

Belgian anti-bribery legislation was revised completely in March 1999, when the competence of Belgian courts was extended to extraterritorial bribery. Bribing foreign officials is a criminal offense in Belgium.

Under Article 3 of the Belgian criminal code, jurisdiction is established over offenses committed within Belgian territory by Belgian or foreign nationals. Act 99/808 added Article 10 related to the code of criminal procedure. This Article provides for jurisdiction in certain cases over persons (foreign as well as Belgian nationals) who commit bribery offenses outside the territory of Belgium. Various limitations apply, however. For example, if the bribe recipient exercises a public function in an EU member state, Belgian prosecution may not proceed without the formal consent of the other state.

Under the 1999 Belgian law, the definition of corruption was extended considerably. It is considered passive bribery if a government official or employer requests or accepts a benefit for him or herself or for somebody else in exchange for behaving in a certain way. Active bribery is defined as the proposal of a promise or benefit in exchange for undertaking a specific action. Until 1999, Belgian anti-corruption law did not cover attempts at passive bribery. The most controversial innovation of the 1999 law was the introduction of the concept of 'private corruption,' i.e. corruption among private individuals. Corruption by public officials carries heavy fines and/or imprisonment between 5 and 10 years. Private individuals face similar fines and slightly shorter prison terms (between six months and two years). The current law not only holds individuals accountable, but also the company for which they work. Contrary to earlier legislation, payment of bribes to secure or maintain public procurement or administrative authorization through bribery in foreign countries is no longer tax deductible. Recent court cases in Belgium suggest that corruption is most serious in government procurement and public works contracting. American companies have not, however, identified corruption as a barrier to investment.

The responsibility for enforcing corruption laws is shared by the Ministry of Justice through investigating magistrates of the courts, and the Ministry of the Interior through the Belgian federal police, which has jurisdiction in all criminal cases. A special unit, the Central Service for Combating Corruption, has been created for enforcement purposes but continues to lack the necessary staff.

Transparency International ranked Belgium 16th in the world in its 2012 Corruption Perceptions Index on corruption worldwide, up three positions from 2011.

Bilateral Investment Agreements Return to top

Belgium has no specific investment agreement with the U.S.; investment-related issues are covered in the 1951 Treaty of Friendship, Enterprise and Navigation. Belgium has bilateral investment treaties in force with Albania, Algeria, Argentina, Armenia, Bangladesh, Bolivia, Burkina Faso, Burundi, Chile, China, Croatia, Cyprus, Democratic Republic of the Congo, Egypt, El Salvador, Philippines, Gabon, Georgia, Hong Kong, India, Indonesia, Yemen, Cameroon, Kazakhstan, Kuwait, Korea, Lebanon, Lithuania, Macedonia, Morocco, Mexico, Moldavia, Mongolia, Ukraine, Uzbekistan, Paraguay, Romania, Rwanda, Saudi Arabia, Singapore, South Africa, Sri-Lanka, Thailand, Czech Republic, Tunisia, Uruguay, Russia, Venezuela, and Vietnam. Additionally, Belgium and Luxembourg have jointly signed (as The Belgium Luxembourg Economic Union - BLEU) as-yet-unimplemented agreements with Cuba, Liberia, Mauritania, and Thailand. Belgium and Luxembourg also have joint investment treaties with Poland and Russia, but these are not BLEU agreements. All these agreements provide for mutual protection of investments.

OPIC and Other Investment Insurance Programs Return to top

Belgium, as a developed country, does not qualify for OPIC programs. No other countries operate investment insurance programs in Belgium.

Labor

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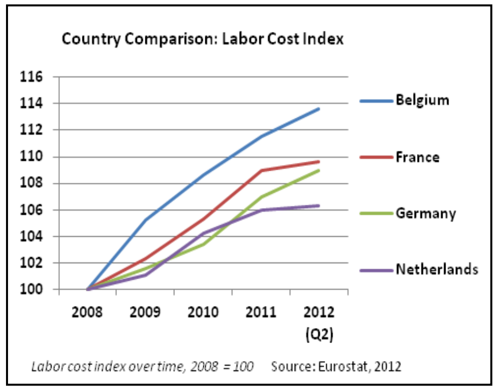
In 2012, there have been some noteworthy changes to the Belgian labor law though many of the main structural conditions remain in place. The retirement age was increased from 60 to 62. Unemployment benefits now decrease overtime as an incentive for the unemployed to regain employment. Historically, unemployment benefits were constant and some unemployed lived off the benefits indefinitely. Finally, during the 2013-2014 budget negotiations, a “wage-freeze” was agreed upon, but indexation would remain. In effect, the cost of labor would therefore continue to rise based on the automatic wage indexation calculations.

Wage increases are negotiated by sector within the parameters set by automatic wage indexation and the 1996 Law on Competitiveness. The purpose of automatic wage indexation is to establish a bottom margin that protects employees against inflation: for every increase in CPI above 2%, wages must be increased by (at least) 2% as well. The top margin is determined by the competitiveness law, which requires the Central Economic Council (CCE) to study wage projections in neighboring countries and make a recommendation on the maximum margin that will ensure Belgian competitiveness. The CCE is made up of civil society organizations (primarily representatives from employer and employee organizations). Its mission is to promote a socio-economic compromise in Belgium by providing informed recommendations to the government. The CCE’s projected increases in neighboring countries have been higher than their real increases, however. As Belgium’s margin is influenced by the projections, Belgium’s wages have increased more rapidly than its neighbors.



The Belgian labor force is generally well trained, highly motivated and very productive. Workers have an excellent command of foreign languages, particularly in Flanders. There is a low unemployment rate among skilled workers, such as local managers. Enlargement of the EU in May 2004 and January 2007 facilitated the entry of skilled workers into Belgium from new member states. However, registration procedures were required until mid-2009 for entrants from some new EU member states. Non-EU nationals must apply for work permits before they can be employed. Minimum wages vary according to the age and responsibility level of the employee, and are adjusted for the cost of living.

Belgian workers are highly unionized and usually enjoy good salaries and benefits. Wage increases are negotiated centrally and are automatically indexed to changes in cost of living. Belgian wage and social security contributions, along with those in Germany, are among the highest in Western Europe. In August 2011, Belgium’s EU-harmonized unemployment figure stood at 6.8 percent, below the EU average of 9.5 percent. High wage levels and pockets of high unemployment coexist, reflecting both strong productivity in new technology sector investments and weak skills of Belgium's long-term unemployed, whose overall education level is significantly lower than that of the general population. As a consequence of high wage costs, employers have tended to invest more in capital than in labor. At the same time, a shortage exists of workers with training in computer hardware and software, automation and marketing, increasing wage pressures in these sectors.

Belgian's comprehensive social security package is composed of five major elements: family allowance, unemployment insurance, retirement, medical benefits and a sick leave program that guarantees salary in event of illness. Currently, average employer payments to the social security system stand at 35 percent of salary, while employee contributions comprise 13 percent. In addition, many private companies offer supplemental programs for medical benefits and retirement.

Belgian labor unions, while maintaining a national superstructure, are, in effect, divided along linguistic lines. The two main confederations, the Confederation of Christian Unions and the General Labor Federation of Belgium, maintain close relationships with the Christian Democratic and Socialist political parties, respectively. They exert a strong influence in the country, politically and socially. A national bargaining process covers inter-professional agreements that the trade union confederations negotiate biennially with the government and the employers' associations. In addition to these negotiations, bargaining on wages and working conditions takes place in the various industrial sectors and at the plant level. About 51 percent of employees from the public service and private sector are labor union members. A cause for concern in labor negotiation tactics is isolated cases where union members in Wallonia have resorted to physically forcing management to stay in their offices until an agreement can be reached.

Foreign firms, which generally pay well, usually enjoy harmonious labor relations. Nonetheless, problems can occur, particularly in connection with the shutting down or restructuring of operations. Many strikes are one-day symbolic actions, but occasionally industrial actions last longer. Labor actions did not appear to affect foreign (including U.S.) firms any more than Belgian firms in 2011.

Firing a Belgian employee can be very expensive. An employee may be dismissed immediately for cause, such as embezzlement or other illegal activity, but when a reduction in force occurs, the procedure is far more complicated. For white-collar workers, the minimum standard is three months' notice or severance pay, or a combination of the two, for each five-year period or fraction thereof the employee has worked for the company. In the case of blue-collar workers, the minimum is four weeks' notice or the wage equivalent. Belgium is a strict adherent to ILO labor conventions.

In those instances where the employer and employee cannot agree on the amount of severance pay or indemnity, the case is referred to the commercial courts for a decision. To avoid these complications, some firms consider including a "trial period" (of up to one year) in any employer-employee contract.

Belgium was one of the first countries in the EU to harmonize its legislation with the EU Works Council Directive of December 1994. Its flexible approach to the consultation and information requirements specified in the Directive compares favorably with that of other EU member states.

Foreign-Trade Zones/Free Ports

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There are no foreign trade zones or free ports as such in Belgium. However, the country utilizes the concept of customs warehouses. A customs warehouse is a warehouse approved by the customs authorities where imported goods may be stored without payment of customs duties and VAT. Only non-EU goods can be placed under a customs warehouse regime. In principle, non-EU goods of any kind may be admitted, regardless of their nature, quantity, and country of origin or destination. Individuals and companies wishing to operate a customs warehouse must be established in the EU and obtain authorization from the customs authorities. Authorization may be obtained by filing a written request and by demonstrating an economic need for the warehouse.

Foreign Direct Investment Statistics

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TABLE I: Belgian Foreign Direct Investment Position in the U.S., Historical Cost Basis

Belgian FDI in the U.S. by Industry	Millions of USD				
	2007	2008	2009	2010	2011
All Industries Total	23,471	23,379	36,292	74,888	86,021
Total Manufacturing	11,998	8,323	17,034	(D)	50,273
Food	(D)	(D)	(D)	(D)	(D)
Chemicals	(D)	7,827	9,599	9,494	10,980
Primary and Fabricated Metals	390	561	(D)	4,582	4,640
Machinery	464	536	745	1,714	(D)
Computers and Electronic Products	14	12	13	24	16
Electrical Equipment, Appliances and Components	35	73	79	60	64
Transportation Equipment	4	(D)	(D)	(D)	(D)
Other Manufacturing	836	(D)	(D)	(D)	(D)
Wholesale Trade	6,429	10,486	11,471	12,626	19,587
Retail Trade	(D)	(D)	(D)	7,776	7,083
Information	7	4	(*)	-7	(D)
Depository Institutions	(D)	(D)	(D)	(D)	(D)
Finance (except depository institutions) and insurance	1,649	862	682	1,539	(D)
Real Estate and Rental and Leasing	42	(D)	45	(D)	-3
Professional, Scientific and Technical Services	60	177	38	34	33
Other Industries	31	(D)	(D)	4,154	6,173

TABLE II: U.S. Direct Investment Position in Belgium, Historical Cost Basis

USDI in Belgium by Industry	Millions of USD				
	2007	2008	2009	2010	2011
All Industries	62,491	65,279	44,759	48,496	52,888
Mining	14	12	12	37	62
Utilities	n.s.	n.s.	n.s.	n.s.	n.s.
Total Manufacturing	18,017	22,717	23,681	25,620	26,388
Food	619	1,002	1,592	1,437	1,589
Chemicals	8,024	10,574	12,053	14,734	15,779
Primary and Fabricated Metals	567	478	113	332	465
Machinery	237	976	617	569	682
Computers and Electronic Products	688	862	1,039	747	790
Electrical equipment, appliances, and components	313	307	146	79	98
Transportation Equipment	930	911	638	54	26
Other Manufacturing	6,639	7,607	7,483	7,669	6,960
Wholesale Trade	6,227	5,980	6,982	8,266	9,496
Information	-716	-785	-772	-593	-407
Depository Institutions	(D)	(D)	795	861	810
Finance (except depository institutions) and insurance	29,113	29,917	9,628	9,234	11,328
Professional, scientific, and technical services	2,026	1,309	303	731	1,150
Holding Companies (nonbank)	(D)	2,607	1,133	1,329	1,133
Other Industries	(D)	(D)	2,996	3,011	2,928

Source: Bureau of Economic Analysis, January 2013. (D) Indicates data suppressed to avoid disclosure of data of individual companies; "All Industries" does not necessarily add up to sum of each sector because certain sector specific data has not been included..

Web Resources

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Foreign Investment Offices:

Invest in Wallonia www.investinwallonia.be/ofi-belgium/accueil.php
Flanders Investment & Trade (FIT): www.investinflanders.com
Brussels Enterprise Agency (BEA): www.abe-bao.be/mystart.aspx

Belgium Trade and Industry Associations:

The Belgium Foreign Trade Agency: http://www.abh-ace.be/en/
Union Wallonne des Entreprises (Wallonian Enterprise Association): www.uwe.be
AGORIA (The Multisector Federation for the Technology Industry): www.agoria.be
Federation of Enterprises in Belgium (FEB): www.vbo-feb.be
Belgium Bioindustries Association (BBA): www.bba-bio.be
Federation of Automotive Industry (FEBIAC): www.febiac.be

Essenscia - Belgian Federation for Chemistry and Life Sciences Industries:
www.essenscia.be/EN/page.aspx/879
Federation Petroliere Belge: www.petrolfed.be
Federation of Textile Industry (Fedustria): www.febeltex.be

Export counseling:
The Ag Exporter Assistance: www.fas.usda.gov/agx/exporter_assistance.asp
Foreign Buyer Lists: www.fas.usda.gov/agx/buying/foreignbuyers.htm

Other resources:
American Chamber of Commerce Belgium: www.amcham.be
American Chamber of Commerce EU: www.amchameu.eu
Belgium Chambers of Commerce and Industry: www.cci.be/Default.aspx?lc=en
Brussels Chamber of Commerce: www.ccib.be
Visit USA Marketing and Promotion Bureau: www.visitusa.org

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Chapter 7: Trade and Project Financing

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Belgian importers are relatively small and tend to press for the most lenient credit terms possible, since they have fewer sources of inexpensive capital. Belgian importers are also accustomed to being offered flexible payment terms, particularly from neighboring trading partners such as France, Germany, the Netherlands, the U.K., Switzerland, and, to a lesser extent, Italy. Extended payment terms of 30, 60, 90 and even 120 days are not unusual, though the most common payment term is 30 days. Belgian businesses however, like many European ones, routinely delay payment beyond the agreed upon terms. In Belgium, 43 percent of all payments are not made by their anticipated due date, although 80 percent of these are paid within the 30 days following the original deadline. In short, 91 percent of all payments by Belgian businesses are made within 60 days. This is a better record than Italy's or the U.K.'s, and on par with France and the Netherlands.

Since the use of credit is widespread, offering more flexible credit terms can be an important factor in winning sales contracts in Belgium. U.S. firms should consider this option, provided they are able and willing to offer such terms, and have done a full credit check on the Belgian company. Even then however, it is advisable to try several shipments on a secured credit basis before moving to more lenient terms. There are several local credit reporting agencies available, including Dun & Bradstreet and Graydon.

Import duties and value added tax (VAT) are applied to the CIF (Cost Insurance Freight) value of goods. The rate of import duties is the same rate as applied by all EU countries. Since products coming from other EU member states enter Belgium duty free, U.S. products often start off with an average 5-6 percent price disadvantage. By offering favorable credit terms, U.S. suppliers can help their importers offset a portion of that disadvantage.

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The Belgian banking system has long been known to be a sophisticated and liberal banking system. Standardized customer account numbers for all financial intermediaries are widely used, and internet and phone banking are well developed. There are no restrictions on the free movement of capital and regulatory requirements are minimal.

There is a particularly wide and flexible range of loan products offered to companies, with no discrimination as to the nationality of the investor. There are also many options available when it comes to raising risk capital. Thanks to an efficient branch network, there is a large number of Belgian and foreign banks servicing the country. Due to the sheer volume of international business carried out in Belgium, more than half of all banking transactions are international financial transactions. The majority of Belgian banks also have an extensive international network based on strategically located branches in the main financial markets around the world. A number of the 106 banks located in Belgium feature prominently in the top 100 international banks. The combined assets of the three main banks (Fortis, ING and KB Group) amount to $370 billion USD.

All credit institutions (banks and savings banks) operate under the same legal framework and are monitored by the same supervisory authorities. The Banking, Finance and Insurance Commission (BFAC) supervises the activities of financial institutions, including banks, investment funds, stock brokers, finance companies and holding companies. As a result of the deregulation of the banking sector in 1993, credit institutions have been able to offer all financial services, as defined by European legislation. The BFAC supervises the financial sector in close coordination with the National Bank of Belgium (Belgium's central bank).

Domestic and foreign banks in Belgium are represented by the Belgian Bankers' Association (BBA). Since June 2003, the BBA has been part of the recently created professional organization that represents the whole Belgian financial sector (banks, investment funds, leasing companies, stock brokers, asset managers and companies offering credit to the household sector), called Febelfin.

The four main Belgian banks are ING, Dexia Bank, BNP Paribas-Fortis and KBC. A full range of financial services is offered, with special account facilities for non-Belgian nationals. Banking services are also available from the Post Office. Banking hours are normally 9.00 a.m. to 4.00 p.m., Monday through Friday.

The main bankcard used in Belgium is the Mister Cash-Bancontact debit card, issued along with a PIN number upon opening a bank account in Belgium. In order to open an account, proof of identity, such as a passport, is required. The Bancontact card can be used to withdraw cash at ATMs, and to pay for almost anything in Belgium, from a newspaper, parking meter, gasoline, or a loaf of bread from the bakery. Credit options are also available on application. All bank ATMs in Belgium accept the Bancontact card; some accept MasterCard, Visa and other credit and debit cards. The major credit cards are generally accepted in stores, restaurants, and hotels.

Foreign-Exchange Controls

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There are no foreign exchange limitations on the transfer of capital or profits in Belgium, except in exceptional situations (e.g., as with UN sanctions).

U.S. Banks and Local Correspondent Banks

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Citibank has 208 branches in Belgium. The following banks have correspondent U.S. banking arrangements:

BNP Paribas Fortis Bank
Website: https://www.bnpparibasfortis.be/portal/start.asp

Fortis is an international financial services provider active in the fields of insurance, banking and investment, and ranks as one of the World's largest financial institutions. In its home market, the Benelux countries, Fortis occupies a leading position and offers a broad range of financial services to individuals, companies and the public sector.

The bank has offices in New York, Stanford, Dallas, and Boston.

As the deterioration in credit market conditions impacted the solvency of Fortis, the governments of Belgium, Luxembourg and the Netherlands invested EUR 11.2 billion in the group in September 2008. Later, the French bank BNP Paribas announced the acquisition of Fortis, which would make it the largest holder of retail deposit in the 15-member euro area. This acquisition was negotiated with the Belgian authorities in order to prevent the bank from collapsing and triggering a breakdown in the financial system. Since May 12, 2009, Fortis bank has been controlled by BNP Paribas.

KBC
Website: http://www.kbc.be

KBC focuses on five key areas: retail and private bank insurance, corporate services, asset management, market activities, and Central Europe. The KBC Group also has a key position in Central Europe, its second home market. In Brussels, Flanders and the German-speaking area, the bank is active under the name KBC; in Wallonia it uses the name of its subsidiary, CBC.

The KBC Group also has branches in New York, Atlanta and Los Angeles.

ING
Website: http://www.ing.com

ING is the number one financial services company in the Benelux home market. It offers its clients in these markets a wide range of retail-banking, insurance and asset management services. In wholesale banking activities, ING operates worldwide, but maintains a primary focus on the Benelux countries. In the United States, ING is a top-5 provider of retirement services and life insurance.

ING's operations in the U.S. are based in Atlanta, but the bank has a network of approximately 10,000 associates in cities around the country such as Hartford, Minneapolis, Denver, Des Moines and Phoenix.

Dexia Bank / Belfius
Website: http://www.dexia.be

Dexia N.V./S.A., also referred to as the Dexia Group, is a Belgian-French financial institution active in public finance, providing retail and commercial banking services to individuals and SMEs, asset management, and insurance. The company has about

35,200 members of staff and core shareholders' equity of €19.2 billion as of December 2010, and provides governments and local public finance operators with banking and other financial services. In 2008, the bank received bailouts for €6 billion from the Belgian federal government, and it has become the first casualty of the 2011 European sovereign debt crisis. At the end of 2011, negotiations were taking place for its breakup.

2008 Crisis and Sovereign Debt Crisis

On 29 September 2008 Dexia came under pressure during the crisis in the banking sector. Other banks and financial institutions refused to provide further credit to Dexia because of potential losses at its U.S. subsidiary FSA and from a multi-billion loan to troubled German bank Depfa. The price of the Dexia share, having peaked above €20 in the previous years, but gradually fallen to around €10, dropped in one day to €6.62.

Dexia was quickly forced to apply for a bailout by the Belgian and French State, worth €6.4 billion of invested capital. Since Dexia had a New York banking office they were eligible for various bailouts from the US Federal Reserve. At its peak Dexia had borrowed $58.5 billion in total.

In February 2009 the bank announced net losses of 3.3 billion euros (approximately 4.2 billion US dollars) for 2008. The Dexia 2008 annual report mentions among others losses of €1.6 billion from selling FSA, €600 million on portfolios and €800 million on counterparties (including Lehman Brothers, Icelandic banks, and Washington Mutual)

In 2010 Dexia initiated a major reorganization and downsizing, some acquisitions were undone and by the middle of 2010 the State Guarantee was abandoned. In total Dexia will be downsized by one third by 2014.

Dexia posted a €4 billion loss for the second quarter of 2011, the biggest in its history, after writing down the value of its Greek debt. On 4 October its shares fell 22% to €1.01 in Brussels, cutting its market value to €1.96 billion. Discussions were taking place about a possible breakup, with a plan to place its "legacy" division into a bad bank with government guarantees.

In October 2011, it was announced that the Belgian banking arm will be purchased for €4 billion by the Belgian federal government. Parts of its French operations are likely to be purchased by Caisse des dépôts et consignations and La Banque Postale - the bank subsidiary of the French postal services. The remaining troubled assets, including a €95 billion bond portfolio would remain in a "bad bank" that would receive funding guarantees of up to €90 billion provided by the governments of Belgium (60.5%), France (36.5%) and Luxembourg (3%).

On March 1, 2012, Dexia Banque changed its name to Belfius

Project Financing Return to top

EU financial assistance programs provide a wide array of grants, loans, loan guarantees and co-financing for feasibility studies and infrastructure projects in a number of key sectors (e.g., environmental, transportation, energy, telecommunications, tourism, public health). From a commercial perspective, these initiatives create significant market opportunities for U.S. businesses, U.S.-based suppliers, and subcontractors.

The EU supports projects within its Member States, as well as EU-wide "economic integration" projects that cross both internal and external EU borders. In addition, the EU provides assistance to accession countries in Eastern and Southern Europe and Turkey, as well as some Eastern European countries.

The European Union provides project financing through grants from the European Commission and loans from the European Investment Bank. Grants from the Structural Funds are distributed through the Member States' national and regional authorities, and are only available for projects in the 27 EU Member States. All grants for projects in non-EU countries are managed through the EuropeAid Cooperation agency in conjunction with various European Commission departments, called "Directorates-General."

The CSEU Tenders Database

The U.S. Commercial Service at the U.S. Mission to the European Union offers a tool on its website to help U.S.-based companies identify European public procurement opportunities. The database features all current public procurement tenders issued by all national and regional public authorities in the 27 Member States of the European Union, plus four other European countries, and that are open to U.S.-based firms under the terms of the Government Procurement Agreement (GPA) implemented in 1995. The database is updated twice weekly and is easy to use with a range of search options, including approximately 20 industry sectors. The database also contains tenders for public procurement contracts relating to structural funds. Readers may access the database at http://export.gov/europeanunion/grantstendersandfinancing/cseutendersdatabase/index.asp.

EU Structural Funds

The EU Structural Funds, including the European Regional Development Fund, were created in 1975 to assist economically depressed regions of the European Union that required industrial restructuring. The EU earmarked EUR 308 billion for projects under the Structural Funds and the Cohesion Fund programs for the 2007-2013 period for the EU-27. In addition to funding economic development projects proposed by Member States or local authorities, EU Structural Funds also support specialized projects promoting EU socioeconomic objectives. Member States negotiate regional and "sectoral" programs with officials from the regional policy Directorate-General at the European Commission. For information on approved programs that will result in future project proposals, please visit: http://ec.europa.eu/regional_policy/atlas2007/fiche_index_en.htm.

For projects financed through the Structural Funds, Member State officials are the key decision-makers. They assess the needs of their country; investigate projects; evaluate bids; and award contracts. To become familiar with available financial support programs in the Member States, it is advisable for would-be contractors to meet with local officials to discuss local needs.

Tenders issued by Member States' public contracting authorities for projects supported by EU grants are subject to EU public procurement legislation if they meet the EU minimum contract value requirement for the eligible sector. Below this threshold, tender procedures are subject to national procurement legislation. There are no overt prohibitions against the participation of U.S. companies, either as developers or concessionaires of projects supported partially by the Structural Funds, or as bidders on subsequent public tenders related to such projects, but it is advisable to team up with a local partner. All Structural Fund projects are co-financed by national authorities and most may also qualify for a loan from the European Investment Bank. The private sector is also involved in project financing. For more information on these programs, please see the market research section on the website of the US Mission to the EU:

http://www.export.gov/europeanunion

The Cohesion Fund

The Cohesion Fund is another instrument of EU structural policy. Its EUR 61.5 billion (2007-2013) budget seeks to improve cohesion within the EU by funding transport infrastructure and environmental projects in Member States whose Gross National Income (GSI) per inhabitant is less than 90% of the Community average. This fund is used only for transportation and environmental projects. These projects are generally co-financed by national authorities, the European Investment Bank, and the private sector.

The Trans-European Networks

The European Union also provides financial support to the Trans-European Networks (TENs) to develop infrastructure, strengthen cohesion and increase employment across greater Europe. Launched at the Essen Counsel (Germany) in 1994, the TENs are a series of transport, telecommunications and energy projects that are continually being expanded and upgraded. The TENs are largely financed by private sector and non-EU sources. The EU does, however, provide grants from the Cohesion Fund, loans from the European Investment Bank (and loan guarantees from the European Investment Fund), and partial feasibility study grants for the TENs. There are no overt EU restrictions on the participation of U.S. firms in the TENs.

Key Link: http://ec.europa.eu/transport/infrastructure/index_en.htm

Other EU Grants for Member States

Another set of sector-specific grants offers assistance to EU Member States in the fields of science, technology, communications, energy, environmental protection, education, training and research. Tenders related to these grants are posted on the various websites of the directorates-generals of the European Commission. Conditions for participation are strict and participation is usually restricted to EU firms or tied to EU content. Information pertaining to each of these programs can be found on:

http://ec.europa.eu/grants/index_en.htm

External Assistance Grants

The EuropeAid Cooperation Office is the European Commission agency in charge of managing the EU's external aid programs. This agency is responsible for the management of the entire project cycle, from identification to evaluation, while the Directorates-General in charge of External Relations and Development, are responsible for the drafting of multi-annual programs. The EuropeAid website offers extensive information on the range of grant programs, the kind of projects that are eligible, as well as manuals to help interested parties understand the relevant contract law. However, participation to calls for tender for contracts financed by EuropeAid is reserved for enterprises located in the EU Member States and requires that the products used to respond to these projects are manufactured in the EU or in the aid recipient country. European subsidiaries of U.S. firms are eligible to participate in these calls for tender.

Key Link: http://ec.europa.eu/europeaid/index_en.htm

All tenders related to EU-funded programs outside the territory of the European Union (including the accession countries) are located on the EuropeAid Cooperation Office website: http://ec.europa.eu/europeaid/index_en.htm

Two new sets of programs have been approved for the financing period 2007-2013. As of January 2007, the EU will provide specific Pre-Accession financial assistance to the accession candidate countries that seek to join the EU through a new instrument called the Instrument for Pre-accession Assistance (IPA). Also, the European Neighborhood and Partnership Instrument (ENPI) will provide assistance to countries that are the Southern Mediterranean and Eastern neighbors of the EU.

- IPA replaces the following programs: PHARE (Poland and Hungary Assistance for Restructuring of the Economy), ISPA (Instrument for Structural Pre-Accession financing transport and environment projects), SAPARD (projects in the agriculture sector), CARDS (aid to southern Balkans) and the Turkey Facility Fund. IPA focuses on priorities linked to the adoption of the *acquis communautaire* (the body of European Union law that must be adopted by accession candidate countries as a precondition to accession), i.e., building up the administrative and institutional capacities and financing investments designed to help them comply with European Commission law. IPA will also finance projects destined to countries that are potential candidate countries, especially in the Balkans. The budget of IPA for 2007-2013 is EUR 11.4 billion.

  Key Link: http://ec.europa.eu/enlargement/how-does-it-work/financial-assistance/index_en.htm

- ENPI: replaces the former TACIS and MEDA programs. The European Neighborhood Policy program covers the EU's neighbors to the east and along the southern and eastern shores of the Mediterranean i.e. Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, the Palestinian Authority, Syria, Tunisia and Ukraine. ENPI budget is € 11.9 billion for 2007-2013.

Loans from the European Investment Bank

Headquartered in Luxembourg, the European Investment Bank (EIB) is the financing arm of the European Union. Since its creation in 1958, the EIB has been a key player in building Europe. As the EIB's lending practices evolved over the years, it became highly competent in assessing, reviewing and monitoring projects. As a non-profit banking institution, the EIB offers cost-competitive, long-term lending in Europe. Best known for its project financial and economic analysis, the Bank makes loans to both private and public EU-based borrowers for projects in all sectors of the economy, such as telecommunications, transport, energy infrastructure and environment.

While the EIB mostly funds projects within the EU, it lends outside the EU as well (e.g., in Central, Eastern and Southeastern Europe; Latin America; and Pacific and Caribbean states). The EIB also plays a key role in supporting EU enlargement with loans used to finance improvements in infrastructure, research and industrial manufacturing to help those countries prepare for eventual EU membership.

Projects financed by the EIB must contribute to the socioeconomic objectives set out by the European Union, such as fostering the development of less favored regions; improving European transport and telecommunication infrastructure; protecting the environment; supporting the activities of SMEs; assisting urban renewal; and, generally promoting growth, competitiveness and employment in Europe. Last year, the EIB created a list of projects to be considered for approval and posted the list on its website. As such, the EIB website is a source of intelligence on upcoming tenders related to EIB-financed projects: http://www.eib.org/projects/.

The EIB presents attractive business opportunities to U.S. businesses. EIB lending rates are lower than most other commercial rates. Like all EIB customers, however, U.S. firms must apply the loan proceeds to a project that contributes to the European

Key Link: http://www.eib.org

The US Mission to the European Union in Brussels has developed a database to help US-based companies bid on EIB public procurement contracts in non-EU countries in particular. The EIB-financed contracts that are open to US-based companies are featured in this database. All the tenders in this database are extracted from the EU's Official Journal. The EIB database contains on average 50 to 100 tenders and is updated twice per week.

Key Link:
http://export.gov/europeanunion/grantstendersandfinancing/cseutendersdatabase/index.asp

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Export-Import Bank of the United States: http://www.exim.gov

Country Limitation Schedule: http://www.exim.gov/tools/country/country_limits.html

OPIC: http://www.opic.gov

Trade and Development Agency: http://www.tda.gov/

SBA's Office of International Trade: http://www.sba.gov/oit/

USDA Commodity Credit Corporation: http://www.fsa.usda.gov/ccc/default.htm

U.S. Agency for International Development: http://www.usaid.gov

(Insert a link to the applicable Multilateral Development Bank here and any other pertinent web resources.)

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Chapter 8: Business Travel

Business Customs

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Business appointments are necessary and the person with whom you are meeting will generally decide the time. Avoid scheduling business trips to Belgium during July and August, the week before Easter, and the week between Christmas and New Year's, as they are prime vacation times. It is expected to arrive on time to an appointment, as arriving late may create the impression of unreliability. Meetings are generally formal but first appointments are more social than business oriented, since Belgians prefer to do business with people they know. It is best not to remove your jacket during a meeting.

Business cards are exchanged without formal ritual and it is recommended to have one side translated into Dutch or French (depending on the area of the country where you are doing business). If you have meetings in both the Flemish-speaking and Francophone areas, it is beneficial to have two sets of business cards printed, and to be careful to use the appropriate ones. It is important to use the appropriate language and to avoid speaking French to a Fleming and vice versa. English is generally widely spoken within the business community.

Travel Advisory

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SAFETY AND SECURITY: Belgium remains largely free of terrorist incidents. Belgian law enforcement and security officials, in close cooperation with neighboring countries, maintain a solid anti-terrorism effort and a peaceful environment for tourists and business. However, like other countries that are members of the Schengen Agreement of free cross-border movement, Belgium's open borders with its European neighbors allow the possibility for terrorist groups to enter/exit the country with anonymity.
Prior police approval is required for public demonstrations in Belgium, and police oversight is routinely provided to ensure adequate security for participants and passers-by. Nonetheless, situations may develop that could pose a threat to public safety. U.S. citizens are advised to avoid areas where public demonstrations are taking place.

CRIME: Belgium remains relatively free of violent crime, but low-level street crime is common. Visitors should always be watchful and aware of their surroundings, however, because muggings, purse snatchings, and pick pocketing occur frequently, particularly in the major cities. Transportation hubs, like the Metro (subway) and train stations, are also frequented by thieves, who take advantage of disoriented travelers carrying luggage. In Brussels, pick-pocketing, purse snatching, and theft of light luggage and laptops are very common at the three major train stations -- the North Station (Noordstation or Gare du Nord), the Central Station (Centraal Station or Gare Central) and especially at the South Station (Zuidstation or Gare du Midi). The latter is a primary international train hub, and travelers are advised to pay very close attention to their personal belongings when in the station. Common ploys are to distract the victim by spraying shaving cream or another substance on his or her back or asking for directions while an accomplice steals the luggage. It is a good idea to remain in physical contact with hand luggage at all times, and not to place carry-on luggage on overhead racks in trains.

Another growing problem, especially in Brussels, is theft from vehicles, both moving and parked. Do not leave valuables in plain sight where a thief may spot them. Thieves will sometimes position themselves at stop lights to scan for valuables in stopped cars. If they see a purse or other valuable item they break the window and steal the item while the victim is stunned. Expensive car stereos and GPS navigational devices are often stolen from parked cars. Always drive with windows up and doors locked. Travelers to Brussels should be aware that small groups of young men sometimes prey on unwary tourists, usually at night and often in Metro stations. Items such as expensive mobile phones and MP3 players are often the target. Travelers should carry only a minimum amount of cash, credit cards, and personal identification. Wearing expensive jewelry and watches is discouraged.

Americans living and traveling abroad should regularly monitor the Department of State's internet web site at http://travel.state.gov, where the current Worldwide Caution Public Announcement, and the Belgium Consular Information Sheet http://travel.state.gov/travel/cis_pa_tw/cis/cis_1044.html can be found. Up-to-date information on security can also be obtained by calling 1-888-407-4747 toll free in the U.S. and Canada, or, for callers outside the U.S. and Canada, a regular toll line at 1-202-501-4444. These numbers are available from 8:00 a.m. to 8:00 p.m. Eastern Time, Monday through Friday (except U.S. federal holidays).

Visa Requirements

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American citizens do not need a visa when they travel to Belgium for business or for personal travel. Their stay in the Schengen area should not exceed 90 days within a six month period. The American visitor will need to present a valid American passport (that does not expire before the end of the visit), proof of sufficient funds, and a return airline ticket.

The Schengen visa is valid for the following 24 European countries: Austria, Belgium, The Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain and Sweden. A Schengen visa issued by an

Embassy or Consulate of the above countries allows the holder to travel freely in all of these countries.

Visas issued on or before December 20, 2007 by the new Schengen States (Latvia, Lithuania, Estonia, Hungary, Poland, The Czech Republic, Slovakia, Slovenia and Malta) are only valid for these nine new Schengen countries, not for the whole Schengen area.

A citizen of the United States of America who intends to reside in Belgium for a period longer than 90 days, or for a succession of periods totaling more than 90 days per six month period, must first obtain a temporary residency visa.

When the applicant seeks to engage in a professional activity on an independent basis, the required residency visa can only be issued upon the presentation of a professional card and supporting documents.

The professional card is applied for through the Embassy or Consulate General and must be approved **before** the Embassy can issue a visa.

When the applicant seeks to engage in a professional activity on a salaried basis (employee status), the required residency visa can only be issued upon the presentation of a work permit and supporting documents.

The work permit is applied for and must be obtained by the employer in Belgium at the appropriate regional government office before the prospective employee enters Belgium.

The employer mails the work permit to the employee who can then contact the appropriate consular office in the jurisdiction which the employee resides. The employee must request his/her visa at least three weeks prior to his/her intended departure date. The normal processing time for this type of visa is one week. See http://www.diplobel.us/TravelingBelgium/Visas/IndependentProfessionals.asp for more information on application procedures for the professional card and temporary residence visa.
U.S. Companies that require travel of foreign businesspersons to the United States should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: http://travel.state.gov/visa/

http://belgium.usembassy.gov/service.html

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There are several telephone companies in Belgium. In order to be connected to the landline network, an initial subscription must be taken with one of the landline operators: Belgacom**,** Telenet, Belgian Telecom, Toledo Telecom, Mondial Telecom. The latter companies offer telephone and Internet services for private individuals as well as small companies and medium to large entities.

There are three major service providers for mobile telephones in Belgium: Base SA, Mobistar NV, and Proximus. Each company offers a range of services and packages, and it is recommended to compare tariffs and conditions carefully before entering into a contract. International roaming (which allows a phone on a Belgian contract to work outside the country) is available but must be requested and may cost extra. In order to obtain a mobile phone contract, visit a shop and provide the following:

- ID (passport or identity card)
- Proof of address (a utility bill, property rental contract or bank statement)
- Bank account IBAN number

The alternative to a permanent contract at a fixed monthly rate is a rechargeable/pay as you go card, where the prepaid card must be regularly reloaded with additional credit.

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Road and Rail Networks
Belgium has a highly developed road network. High-capacity motorways (freeways) are located around Brussels and cut across the country, such as the Wallonia motorway. A network of expressways supports the motorways.

Most of the motorways are part of other European routes. They facilitate access to neighboring countries and make it possible to travel easily from one town to another or across a region.
The Belgian rail network was the first to be built on continental Europe and is the densest in the world. However, the density is not uniform throughout the country, due to the recent trend of eliminating unprofitable lines.
There are five high-speed train services currently operating in Belgium: Thalys, Eurostar, InterCityExpress (ICE), TGV and Fyra. These high-speed lines support speeds up to 300 km/h (190 mph) and allow fast and easy transit to London, Paris, Amsterdam and other major cities in neighboring countries.
For more information see Belgian Railways (SNCB/NMBS) http://www.b-rail.be/main/E/

Inland waterways
Inland waterways form a relatively evenly dispersed network. The network depends on two large rivers: the Meuse and the Scheldt, and a network of canals. Inland waterways as a means of transportation for goods is becoming more and more popular due to the high cost of traditional road transportation.

One national airport and four regional airports
Belgium has one international airport (Brussels Airport) and four regional airports (Antwerp-Deurne, Charleroi, Liège and Ostend-Middelkerke).

The Brussels Airport is currently enhancing its relations with many different regions around the world. It also features a fair balance between scheduled flights and charter flights.

Brussels Airport is sometimes backed up by the regional airports, which provide extra support. Each of these airports specializes in certain niche markets.

Antwerp-Deurne: small airlines, business flights and freight.

Charleroi: industrial airport (aeronautics industry), low-cost carriers, business flights, and some scheduled services and cargo.

Liège: large air freight, tourist flights, and some scheduled services.

Ostend-Middelkerke: air freight (especially with Africa), scheduled services and tourist flights.

For more information see: Brussels International Airport http://www.brusselsairport.be

As in other countries, each industry/product uses its own mode of transport. For mass retail and merchandise, road networks are utilized for short distances (foodstuffs, etc.). For construction materials, oil and chemicals, inland waterways are typically used. Most energy and steel products are transported via the rail networks.

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Belgium has three national languages: Dutch (also referred to as Flemish), French, and German. The divisions are as follows: Dutch (official) 58%, French (official) 41%, and German (official) less than 1 percent.

English is spoken and understood throughout most of Belgium. In Flanders, the northern region of Belgium, Dutch is the predominant language while in Wallonia, the southern region, most people speak French. Residents in a small section of Belgium near Germany speak German as their primary language. Brussels, the center region, is officially bilingual, speaking both Dutch and French.

As in any other country, language is a crucial part of doing business in Belgium. Many documents must be filed in at least one of the three national languages. It would benefit companies to have personnel who speak one of the languages, or to seek the help of a professional translator.

Health Return to top

MEDICAL FACILITIES AND HEALTH INFORMATION: Good medical facilities are widely available in Belgium. The large university hospitals can handle almost every medical problem. Hospitals in Brussels and Flemish-speaking Flanders will probably have English-speaking staff. Hospitals in French-speaking Wallonia may not have staff members who are fluent in English, however. The Embassy Consular Section maintains a list of English-speaking doctors, which can be found on the Embassy web site at http://brussels.usembassy.gov/medical_facilities.html

Information on vaccinations and other health precautions, such as safe food and water precautions and insect bite protection, may be obtained from the Centers for Disease Control and Prevention's hotline for international travelers at 1-877-FYI-TRIP (1-877-394-8747) or via the CDC's web site at http://wwwn.cdc.gov/travel/default.aspx. For information about outbreaks of infectious diseases abroad consult the World Health Organization's (WHO) web site at http://www.who.int/en. Further health information for travelers is available at http://www.who.int/ith.

MEDICAL INSURANCE: The Department of State strongly urges Americans to consult with their medical insurance company prior to traveling abroad to confirm whether their policy applies overseas and whether it will cover emergency expenses such as a medical evacuation. Please see our information on medical insurance overseas.

Local Time, Business Hours, and Holidays

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Belgium is six hours ahead of Eastern Time in the United States (Greenwich Mean Time [GMT] + 01:00 Standard Time).

Business Hours:
8.30 am to 5.30 pm - Offices (Monday to Friday with 30-60 minutes for lunch)
9.00 am to 3.30 pm - 5.00 pm - Banks (Monday to Friday)
9.00 am to 6.00 pm - Shops (Monday to Saturday and until 9.00 pm on Fridays)

Typical hours for museums are 10.00 am to 5.00 pm, six days a week, and are closed on either Monday or Tuesday. Belgians usually have lunch between 1.00 pm and 3.00 pm and dinner, their main meal, between 7.00 pm and 10.00 pm, with peak traffic around 9.00 pm. Some stores close from noon to 2.00 pm, but stay open until 8.00 pm to compensate. In many towns, stores will stay open until 9.00 pm one evening a week, normally Fridays.

2013 Holidays:

January 1	New Year's Day
April 6	Good Friday
April 8	Easter
April 9	Easter Monday
May 1	Labor Day
May 27	Ascension Day
May 28	Whit Monday
July 21	National Day
August 15	Assumption Day
November 1	All Saints Day
November 11	Armistice Day
December 25	Christmas

Temporary Entry of Materials and Personal Belongings

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Legislation exists that exempts goods from import duties and VAT, if they are brought into Belgium for re-export. Such goods must be kept in a bonded warehouse until they are re-exported. The shipment does not have to be re-exported in total; the portion of the shipment destined for the local or EU market is liable for duties and VAT at the time when the importation takes place. Additionally, goods may be sorted, repacked and relabeled in bonded warehouses. Many customs clearing agents in the main ports and airports are able to provide these services in bonded warehouses.

For temporary entry of goods, Belgium accepts an ATA Carnet. An ATA Carnet is an international customs document that simplifies customs procedures for the temporary importation of commercial samples, professional equipment, and goods for exhibitions and fairs.

Personal belongings are acceptable for transport to Belgium and can be processed with customs approval with exemption from duty and taxes. A Commercial Invoice is required for all shipments seeking this type preference from customs. In order to ensure that the goods are properly identified and processed as Personal Effects, the shipper should mark both the Bill of Lading / Air Waybill and Commercial Invoice with this wording: *"USED PERSONAL BELONGINGS"*.

Shipments of personal effects that are received without the proper documents and descriptions will be subject to normal entry, and documentation requirements and delays may result in the clearance. Shippers are cautioned to submit only qualified personal effects (used personal goods having been in the owner's possession for a period of at least one year) and **not** to include articles (new clothing, souvenirs, etc.) that do not qualify.
See http://www.fedex.com/us/international/irc/profiles/irc_be_profile.html?gtmcc=us for further information on document requirements.

Web Resources Return to top

www.VisitBelgium.com

http://www.diplobel.us/

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Chapter 9: Contacts, Market Research and Trade Events

Contacts Return to top

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- Franchising

- Security and Safety Equipment
- Services
- Automotive
- Industrial Equipment

Market Research

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To view market research reports produced by the U.S. Commercial Service please go to the following website: http://www.export.gov/mrktresearch/index.asp and click on Country and Industry Market Reports.

Please note that these reports are only available to U.S. citizens and U.S. companies. Registration to the site is required, and is free.

`Trade Events

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Please click on the link below for information on upcoming trade events.

http://www.export.gov/tradeevents/index.asp

http://export.gov/belgium/tradeevents/index.asp

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Chapter 10: Guide to Our Services

The President's National Export Initiative aims to double exports over five years by marshaling Federal agencies to **prepare U.S. companies to export successfully**, **connect them with trade opportunities** and **support them once they do have exporting opportunities**.

The U.S. Commercial Service offers customized solutions to help U.S. exporters, particularly small and medium sized businesses, successfully expand exports to new markets. Our global network of trade specialists will work one-on-one with you through every step of the exporting process, helping you to:

- Target the best markets with our world-class research
- Promote your products and services to qualified buyers
- Meet the best distributors and agents for your products and services
- Overcome potential challenges or trade barriers
- Gain access to the full range of U.S. government trade promotion agencies and their services, including export training and potential trade financing sources

To learn more about the Federal Government's trade promotion resources for new and experienced exporters, please click on the following link: www.export.gov

For more information on the services the U.S. Commercial Service offers to U.S. exporters, please click on the following link: (Insert link to Products and Services section of local buyusa.gov website here.)

U.S. exporters seeking general export information/assistance or country-specific commercial information can also contact the **U.S. Department of Commerce's Trade Information Center** at **(800) USA-TRAD(E).**

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