

In This Newsletter - Issue 1

Politics & Diplomacy

- Xi Jinping Strengthens Sino-Belgium Bilateral Ties
- Belgium Climbs on Financial Service Delivery index
- Belgium 8th World Exporter
- Van Den Bossche Appointed to WTO Dispute Settlement Body

Economy & Investments

- Enfinity Signs Major Solar Panel Park Contracts
- Solvay Expands China Operations
- Waterleau Opens Water-To-Waste Plant Zhangjiagang
- GSK and Neptunus JV in Shenzhen
- GSK and Walvax Announce JV
- Taradon Laboratory and Beijing Baili Set Up JV
- ADB To Build Airport Lighting System

Arts & Culture

- Belgium Hosting Europolia-China
- Belgian Pavilion Shanghai 2010 World Expo Unveiled
- Opening new René Magritte Museum Brussels
- Belgian Beers Victorious in HK

Research & Development

- Vlerick Management School 10th Best MBA Program
- Pioneering Brain Research Cluster Launched
- World Premiere: Heart Muscles Cells Cultured in Limburg
- Belgian Chemical Industry: Record R&D Expenditure
- Belgian Technology Won Wimbledon
- Flanders Drive Innovation Center

Politics & Diplomacy

Belgium Climbs on Financial Service Delivery Index

The newly published ranking by the World Economic Forum (WEF) puts Belgium on the 13th position overall: a rise of 4 ranks from last years 17th ranking. The criteria used to calculate the index cover financial stability, accessibility of financial services, the number of available branches and the extent of the financial market.

Belgium scores especially high in respect of office network density, cash machines and penetration degree of bank accounts.



Belgium in the Top 20 of the IT Industry Competitiveness Index 2009

The study outlines six key factors that work together to create a supportive environment for the IT sector: an ample supply of skilled workers; an innovation-friendly culture; world-class technology infrastructure; a robust legal regime that protects intellectual property; a stable, open, and competitive economy; and government leadership that strikes the right balance between promoting technology and allowing market forces to work. Belgium came in rank 18, up from 22 in 2008. It climbed ahead of Germany and stays at par with France (59.2).

Belgium Eighth World Exporter

The annual *World Trade Report 2009* published by the World Trade Organization (WTO) shows that in 2008 Belgium, with 477 billion U.S. dollars, was the eighth largest exporter in the world.

www.wto.org/english/news_e/pres09_e/pr554_e.htm

China VP Xi Jinping's Belgium Visit Solidifies Bilateral Relationships

Chinese Vice-President Xi Jinping made a whirlwind tour of Belgium in the wake of the "Europalia China" cultural festival. Mr. Xi arrived in Europe on the 7th of October where he was welcomed by an official Belgian delegation. The visit was timed to coincide with Mr. Xi's inauguration of the Europalia festival. In the margins of his visit, Mr. Xi used his 3 day tour of Belgium to oversee the signing of several governmental agreements and commercial contracts between Belgian and Chinese companies.

Moreover, Mr. Xi visited the Catholic University of Leuven (KUL), the Antwerp Diamond Center, GSK Biologicals, and the Brussels Mayoral office. In between his official visits Mr. Xi managed to meet up with the delegates of the China-Belgium Business Forum as well as the representatives of the Chinese community in Belgium. Some of the most noteworthy official governmental accords signed in attendance of Mr. Xi were the Belgium-China Double Taxation Treaty.

At the private company level, Mr. Xi and Belgian PM Van Rompuy were present for the signatures to contracts and strategic cooperation agreements between: *Enfinity* and *CGNPC* (solar panel park), the Collaboration Agreement between *DEXIA* and *China Development Bank*, between *Solvay Chemical Group* and *Huatai* (chemical products) and between *Bekaert* and *Ansteel* (steel wire products).

Peter Van den Bossche Appointed as Member of Dispute Settlement Body of the WTO

Belgium's Peter Van den Bossche was appointed in Geneva as one of seven members of the Dispute Settlement Body (DSB) of the World Trade Organisation. The DSB is the highest body for settling global trade disputes.

Professor Van den Bossche was appointed to represent the EU after a broad consultation process with the WTO member countries.

Van den Bossche's pro-development outlook and his in-depth knowledge of international trade law, of WTO institutions, and of the settlement of international economic disputes were all crucial factors in landing him this prestigious



Economy & Investment

Brussels in top 5 European Business Cities

The 2009 European Cities Monitor report is based on interviews with executives in charge of location for 500 of Europe's largest companies. Brussels gets best results for spoken languages (2nd), the availability of qualified staff and good access to markets, consumers and customers. In addition to the overall ranking of which 34 cities are considered the leading business locations, they are also ranked against a number of criteria such as transport links, telecommunications, access to markets, availability and quality of staff, cost of office space and quality of life.

Solvay Expands Operations in China with new Hydrogen-Peroxide Factory

Belgian Chemical Group Solvay and its Chinese local partner Shandong Huatai Intercox Chemical Co. Ltd. have joined forces to build up a new factory at Dongying, Shandong Province. Huatai is a global leader in the production of paper for newspapers and is an active player in the paper and chemical industry in China. The factory will specialize in producing high quality peracetic acid and hydrogen-dioxide. These products are used in the bleaching of paper and textiles as well as in the **sanitization** of food products. The factory aims to process 50.000 ton of hydrogen-peroxide per year and the factory should be operational by the end of 2011. The total cost of the new factory is estimated at €10 million.

China is the largest market for hydrogen-peroxide whilst Solvay is global market leader with a total production of 900.000 ton per year. With this second investment in the Chinese chemical industry, Solvay aims to expand its participation in the Chinese market from a commercial and industrial point of view.

Vyncke To convert Wuhan Coal Power into Biomass Power Station

During the visit of VP Xi Jinping, company Vyncke signed a contract with a power station in Wuhan to convert it from a coal fired into biomass fired system. The plant generates 25MW of electricity, and process steam for the surrounding industry.

First due diligence studies to ascertain the availability of biomass in the region were conducted. Then Vyncke was selected to design, deliver, and install the biomass combustion system, as it is the critical part of the power plant.



Waterleau Opens waste-to-energy plant in Zhangjiagang

Belgian firm *Waterleau* and its Chinese JV partner *Golden State Group* won the contract to operate a state-of-the-art "waste-to-energy power plant" in Zhangjiagang, Jiangsu Province.

Waterleau will help convert municipal solid waste into electricity for this rapidly developing city in need of eco-friendly methods of disposing and re-utilizing its urban waste.

To tackle this challenge Waterleau will introduce its registered *Energize*® technology in the Chinese market. This process will convert the municipal household garbage into energy, which will be funneled back into the energy grid of the city of Zhangjiagang.

The construction of the power plant started in December 2007 and the official inauguration of activities happened on the 26th of September 2009, in the presence of the Flanders Investment and Trade Technology Attaché and the Belgian Consul General of Shanghai Mr. Bruno Georges.

Energy Company Enfinity to Build Massive Solar Energy Parks in China

The Belgian solar energy firm *Enfinity*, specialized in wind and solar renewable energy projects, landed a spectacular series of contracts to drastically expand its activities in China.

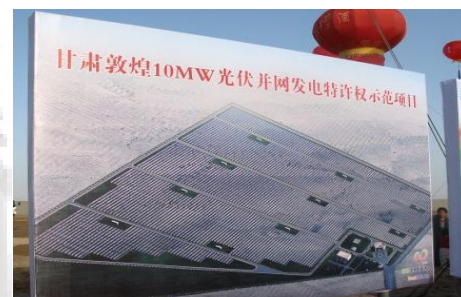
An initial contract to build a 10 megawatt solar park in the Chinese Dunhuang region of Gansu province at a cost of €20 million was approved earlier this year. The solar park is being built in cooperation with Chinese nuclear power producer *CGNPC* and Chinese solar cell manufacturer *LDK Solar*. *Enfinity* intends to increase the Dunhuang region solar power plant's capacity to 500 megawatts within a short time frame.

This first contract merely served as a stepping stone by all stakeholders towards a deeper and larger cooperation on the Chinese mainland. On October 7th, Chinese Vice-President Xi Jinping and Belgian Prime Minister Herman Van Rompuy were present at the inking of several new mega-contracts. In the course of the next 10 years, *Enfinity* will develop 2 large solar power energy plants of 2000 megawatts each, or roughly 200 times the initial Dunhuang contract. The combined total value of both contracts is estimated at €8 billion. The first of these solar-energy parks will be developed in the province of Ningxia at Shizuishan. A second park will be developed in the province of Qinghai. In both provinces an initial capacity of solar cell panels of 200 Megawatts will start shortly. Throughout the next decade the capacities of both parks will be gradually increase to 2000 Megawatts.

These groundbreaking projects are set to become the standard reference for future solar energy projects in China. According to *Enfinity* founder Gino Van Neer, the partnership with China Guangdong Nuclear Power Corporation (*CGNPC*) offers *Enfinity* the opportunity to make a smooth and successful transition from a project development company to a locally entrenched utility company. Though the initial contracts stipulate that only solar energy projects are on the books, *Enfinity* does not exclude the possibility that other renewable energy sources, such as wind energy, may be harnessed in the future.



energy for life



ADB to Build lighting Systems at Chinese Airports

ADB is a Belgian company newly registered in China and a world leader in airport lighting systems and equipments. The company is based in Beijing and will offer its technology and services to Chinese airports.

www.industry.siemens.com/adb/en/



GSK and Walvax Announce Cooperation Agreement

GlaxoSmithKline (GSK) and Jiangsu Walvax Biotech Company announced a cooperation agreement to form a long-term Joint Venture (JV) to develop and manufacture paediatric vaccines for use in China. The JV further expands GSK's presence in China. The JV will produce vaccines for measles, mumps, and rubella (MMR) (*Priorix™*) and potentially other paediatric vaccines. GSK will also transfer the technology to enable the JV to manufacture the vaccines locally over time.

In addition to the technology transfer, the JV will build a new manufacturing facility for GSK's paediatric vaccine *Priorix* and once the facility is operational, the JV will supply the vaccines to China's public vaccine market. Once the JV is formed, upon fulfilment of a number of conditions, a total of €45 mln will be invested into the JV. GSK will initially invest €22 mln at incorporation and an additional €8 mln will be invested in 2015. Walvax will invest a total of €15 mln. Equity interest will be divided 65% and 35% between GSK and Walvax respectively with provisions enabling both parties to revise their equity share in the future.

GSK and Neptunus in Shenzhen Joint Venture

GlaxoSmithKline plc (GSK) today announced it has entered into a definitive agreement to form a new Joint Venture with *Shenzhen Neptunus Interlong Bio-Technique Co. Ltd* (Shenzhen Neptunus) focused on developing and manufacturing influenza vaccines for the Chinese market. The Joint Venture is expected to benefit from the differing expertise that both companies have in developing vaccines. Together they aim to gain access to specific local influenza antigens and make available new vaccines to benefit public health in China and neighbouring territories. GSK will take a 40% stake in the Joint Venture for a contribution of cash and assets equivalent to €23 mln. Shenzhen Neptunus will take a 60% stake in the Joint Venture for a contribution of cash and assets equivalent to €34 mln.

Taradon Laboratory Expands China Market Operations

Taradon Laboratory is a Belgian Biotech company set up in November 2008 and markets and commercializes the second generation of lactoferrin, named Lactoferrin-NFQ®. Lactoferrin is a protein extracted from milk before high temperature treatment. Lactoferrin is used as a functional ingredient in many finished products like baby food, yoghurt, cereals and food supplements.

For Taradon Laboratory, the Chinese market represents a big opportunity for their products. To be an active player in China, they decided to reinforce their link with the company *Beijing New Baili Evergreen Int'l Trade Co., Ltd*. Taradon Laboratory brings its technology, its experience and its scientific support to the table, whilst *Beijing New Baili* makes its strong customer base and sales network in China available.

On the 19th of October 2009, they set up a Sino-Belgian joint venture called *Beijing NBL-Perraudin BioTech Development Co., Ltd*.

Arts & Culture

Europalia - China in Belgium

From October 8th until February 14th 2010, the heart of Europe will beat to the rhythm of the *Da Gu*, the Chinese drum. During this period thousands of Chinese artists and artifacts will fly to Belgium for what is said to be the biggest cultural festival on China ever organized abroad: Europalia China.

His Majesty Albert II, King of the Belgium and His Excellency Xi Jinping, Vice-President of the People's Republic of China formally opened the Festival which will showcase around 50 exhibitions and 300 performances to audiences in Belgium, the Netherlands, France, Germany and Luxembourg. The displays and art performances follow four main themes, namely *Immortal China*, *Contemporary China*, *Colorful China* and *China and the World*.

Each theme identifies a novel or important aspect of China's 5000 year history. To support the themes in depth as many as 19 Chinese provinces, various cities and autonomous regions, museums, libraries, archeological institutes, and numerous public and private cultural institutions have contributed to the art festival, thereby inundating Europe with rarely seen masterpieces of China's history.

The Europalia festival also signals a profound maturation in the socio-economical bilateral relationships between China and Belgium. Chinese Vice-President Xi said the development of Sino-Belgian relations is enjoying good momentum, and his visit is aimed to improve political trust and substantial cooperation to make new progress in bilateral ties.

The Europalia China festival operates on a budget of € 6-7 million drawn from the public sector, ticketing and merchandising and private sector sponsorships. Companies such as Bekaert, Total and GdF-Suez have associated their names to this prestigious cultural event, in line with their economic investments in mainland China. The festival ends on a symbolic date: February 14th is the night of the Chinese Lunar New Year.

For the full program, see www.europalia.eu



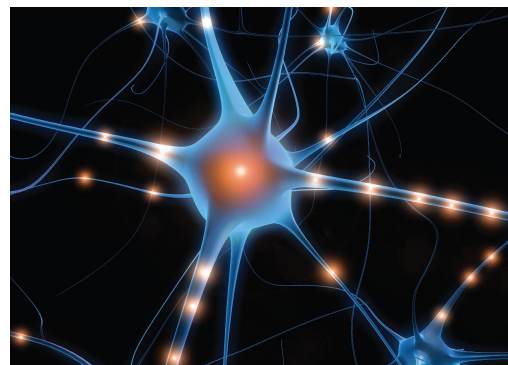
Launch of the Belgian Pavilion at the Shanghai World Expo 2010

Belgian Vice-Prime Minister Didier Reynders placed down the symbolic first stone of the Shanghai 2010 World Expo's Belgian Pavilion during his official visit on August 5th. The concept of the Belgian Pavilion had been unveiled to the public less than one month earlier.

The minimalist structure will lure the visitor inside the Pavilion's spectacular inner construction in the shape of a neuron (brain cell). This neuron imagery serves as the dominant conceptual idea of the Pavilion. The brain cell will be visible from outside the Pavilion and functions as the "central nervous system". From the brain cell, visitors can access and connect to all the separate parts of the Pavilion. The neuron symbolizes the unique tradition of creativity and artistic richness in Belgium and underlines its links to modern science, research and development. As Belgium will also be chairing the European Union during the Shanghai Expo, the neuron directly refers to the role of Belgium as one of Europe's main crossroads of the great Latin, Germanic and Anglo-Saxon cultures. As such, the neuron represents Belgium as the central node of the European Union, in line with historical and modern developments.

The various regions and communities that comprise Belgium will each contribute to the decoration and development of the exhibition spaces, thereby promoting the diversity that is a hallmark of Belgian culture.

www.shanghaieexpo2010.be



Three Belgian Beers Awarded in Hong Kong

Three Belgian beers won first prize at the *Hong Kong International Beer Awards* in three different award categories.

The *framboise* (raspberry) beer from *Lindemans* brewery was elected *best fruit beer*.

Hoegaarden's (< *AB InBev*) white beer won the "Belgium Style Standard Strength Speciality Beer (-6%)" category.

Last but not least, *Delirium Tremens* from *Huyghe* brewery was awarded 1st prize in the "Belgium Style Strong Ale (+ 6% ABV)" category.

This beer was also elected second best beer in all categories.

www.restaurantandbarhk.com/en/event_beer_awards.html



Opening of New Musée Magritte Museum in Brussels

On June 2nd, 2009 the new Musée Magritte Museum opened its doors in Brussels.

The museum holds the world's richest collection devoted to the Belgian surrealist artist.

More than 250 works await the visitor: oils on canvas, gouaches, drawings, sculptures and painted objects, as well as advertising posters, musical scores, vintage photographs and films shot by Magritte himself. The Musée Magritte Museum will be the world reference centre for the artist. Additionally, it houses a research centre that allows access to archives on the life and work of the painter.

The Empire of Light, 1954 © Charly Herscovici, with his kind authorization
- c/o SABAM-ADAGP, 2009-

www.musee-magritte-museum.be/
www.magritte.be/



Research & Development

World First In Belgian Hospital

Cultured cells heal heart

A Belgian hospital (*Ziekenhuis Oost-Limburg / ZOL*) has implanted heart muscle cells into a cardiac patient that were grown from his own bone marrow. This is a world first.

ZOL is the only Limburg hospital to take part in a global pilot project led from the United States. Research is being conducted on how stem cell therapy - where cells are removed from a patient's very own bone marrow - can help heal damaged heart muscles.

A severe heart attack tends to cause up to fifty percent of the heart muscle to die off. Until now, these patients could only be treated with medication, and a defibrillator. Today, stem cell therapy actually cultures heart muscle cells, which are subsequently placed back into the heart. The research is promising and may eventually lead to a technique to avoid heart transplants altogether.

www.zol.be
www.c3bs.com

Launch of Pioneering Brain Research

A Belgian collection of leading universities and think tanks: IMEC (Europe's leading independent nano-electronics research centre), the VIB (Flanders' leading life science institute), and the University of Louvain (K.U. Leuven) set up a joint basic research initiative to unravel the neuronal circuitry of the human brain called NERF: *Neuro Electronics Research Flanders*.

It intends to push the boundaries of science, by zooming in on the working of neurons at an unprecedented level of detail. In the long run, NERF will generate new insights into the functional mapping of the brain, as well as research methodologies and technologies for medical applications, i.e. diagnostics and treatment of disorders of the central and peripheral nervous system.

NERF will officially take off on October 29, 2009. By 2014, NERF aims to expand its team to about 50 international top-researchers.

www.imec.be



Belgian Chemical Industry Spends Record Amount on Research & Development

The Belgian chemical and life sciences companies have invested a combined record amount of € 2.34 billion in research and development in 2008. According to *Essenscia*, the umbrella organization for businesses in the chemical sector, the research and development expenditures have more than doubled in ten years, from € 1.13 billion in 1998 to 2.34 billion in 2008. The economic crisis that broke out during the last quarter had no negative impact on the constant increase in the budgets for innovation.

www.investinbiopharma.be

Belgian technology wins Wimbledon (again)

Every single point that Roger Federer scored during his historic victory at Wimbledon 2009 and the 2009 US Open were (at least in part) the result of Belgian state-of-the-art technology. The racket strings Federer uses are manufactured in Antwerp, by the company *Luxilon*. These *Luxilon* strings – also known under the brand name *Big Banger* – have changed the way tennis is played dramatically: they allow players to hit the ball harder and more precisely. Not only Federer, but almost all of the top-ten ranked players, choose to play with *Luxilon* strings; a testament to *Luxilon's* hard hitting technology.

www.luxilon.be

www.investinflanders.be

FLANDERS DRIVE: A New Innovation Centre for Automotive Industry

"Flanders Drive" is the name of the innovation centre for the automotive industry, and will focus on niche activities such as the development of lighter materials, green drive systems and active safety systems which prevent accidents. Engineers of FLANDERS DRIVE, in cooperation with nine industrial partners, developed new materials to reduce the weight of a car door by 20%. This exercise will be repeated with car roofs and engine bonnets. FLANDERS DRIVE is now also working with VOLVO to implement a new on-line quality control system for the assembly lines leading to a saving of half a million euros.

For more info: www.flandersdrive.be



Vlerick Management MBA Top 10 World

The Vlerick Leuven Ghent Management School was awarded tenth place in the international ranking list for its full-time MBA courses by the reputable weekly magazine *The Economist*. Vlerick, an amalgamation of training institutions from the Ghent and Louvain universities, has been climbing the list since 2006. The IESE Business School in Barcelona is number one, followed by the Swiss International Institute for Management Development and a number of well-known universities such as Harvard, Berkeley, Chicago and Stanford.

Both *The Economist* and *Financial Times* have given Vlerick a high score in respect of price/quality ratio. One year's study at Vlerick costs 'only' 24,500 Euros and includes a trip to China.

Vlerick MBA program works in partnership with Beijing International MBA (BiMBA) Peking University China