

Doing business in Belgium



Are you a member of a UK company wishing to export overseas?

Interested in entering or expanding your activity in the Belgian market? Then this guide is for you!

The main objective of this **Doing Business Guide** is to provide you with basic knowledge about Belgium; an overview of the market, business culture, potential opportunities and an introduction to other relevant issues. Novice exporters in particular will find it a useful starting point.

Further assistance is available from the UKTI team in Belgium. Full contact details are available at the end of this guide.



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Content

<u>Introduction</u>	4
<u>Country and Market Information</u>	6
<u>Preparing to Export to Belgium</u>	9
<u>How to do business in Belgium</u>	10
<u>Business Etiquette, Language and Culture</u>	15
<u>What are the challenges?</u>	16
<u>How to Invest in Belgium</u>	17
<u>Contacts</u>	19
<u>Resources/Useful Links</u>	20

Introduction

Located in the heart of Europe between the Netherlands and France and also sharing borders with Luxembourg and Germany, Belgium is a small, multilingual and multicultural country, very often referred to as the meeting place of Europe.

Belgium has traditionally been an especially open country and was one of the forerunners of European unification. Belgium is a hub for international contacts. More than 1,000 public and private international organisations (international institutions, diplomatic missions, lobby groups, think tanks, multinationals..) have set up headquarters or have a permanent secretariat in Belgium. Of particular note is the presence in Belgium, in addition to the institutions of the European Union, of Supreme Headquarters Allied Powers Europe (SHAPE), the headquarters of the North Atlantic Treaty Organisation (NATO), and the General Secretariat of the Benelux.

Strengths of the market

In brief these are:

- **Strategic location at the “crossroads of Europe”**
- **Proximity to the UK**
- **Small, diverse and cosmopolitan**
- **Long standing trade relationship with the UK**
- **Open economy, used to imports, early adopter of new technologies**
- **English widely spoken & accepted as business language**
- **Headquarters of NATO, the EU and many other international organisations**
- **Easy transport links with the UK (Eurostar, direct flights)**
- **Excellent transport network**

Opportunities in Belgium

Belgium is an open and highly competitive market, with opportunities in most sectors, especially for small and medium-sized business. Belgians place a premium on non-price factors such as design, quality, delivery and after sales service. UK goods and services are generally held in high regard, but must be of high quality and competitively priced.

Priority sectors identified by UK Trade & Investment are:

Chemicals

Creative & Media

Giftware

Healthcare

Renewable Energy

Food & Drink

ICT

Security

Financial Services

Country & Market Information

Trade between UK and Belgium

Most of Belgium's trade is with countries in the European Union.

The United Kingdom was Belgium's 5th supplier in 2010. The country ranked after the United States, but preceded Ireland.

Belgian imports from the United Kingdom grew by 23.0%, from EUR 12,830.3 million in 2009 to EUR 15,777.5 million in 2010; 5.4% of total Belgian imports came from the United Kingdom.

In 2010 the United Kingdom ranked 4th in the league table of Belgium's main clients, just after the Netherlands but before the United States.

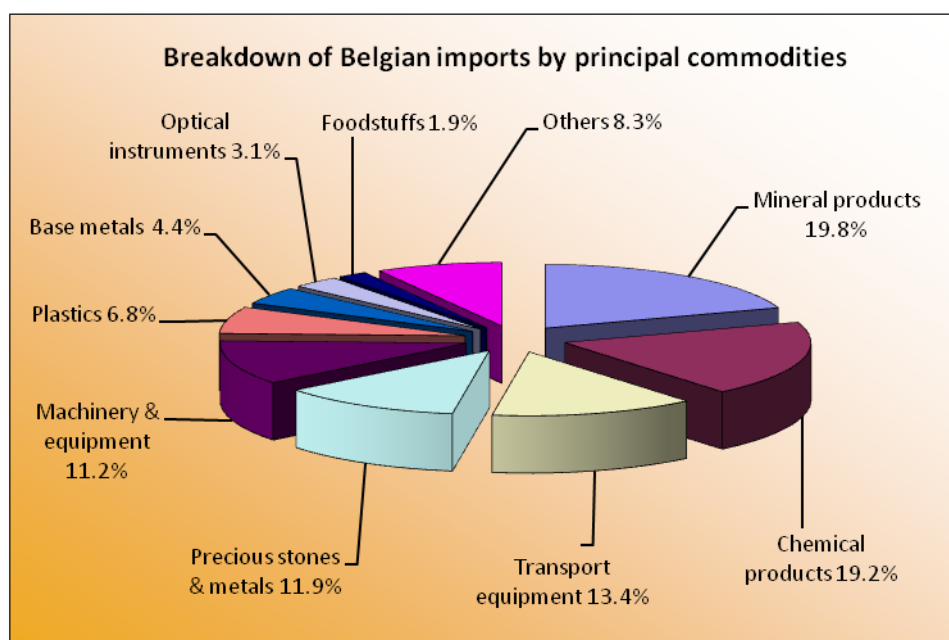
Belgian exports to the United Kingdom amounted to EUR 21,724.4 million compared to EUR 19,036.3 million in 2009, i.e. a 14.1% increase. Exports to the United Kingdom accounted for 7.0% of Belgium's total sales.

Belgium traditionally runs a trade surplus with the United Kingdom. This surplus, which reached EUR 4,611.1 million in 2006, increased to EUR 5,243.7 million in 2007 but fell slightly in 2008. Because imports contracted more than exports in 2009, Belgium's trade surplus with the United Kingdom grew by EUR 1,010.3 million to EUR 6,206.0 million. In 2010 it narrowed once again to EUR 5,946.9 million.

<i>In million €</i>	2006	2007	2008	2009	2010
Exports (B to UK)	23,072.6	23,999.8	23,159.7	19,036.3	21,724.4
Imports (UK to B)	18,461.5	18,756.1	17,964.0	12,830.3	15,777.5
Trade balance (from a Belgian point of view)	4,611.1	5,243.7	5,195.7	6,206.0	5,946.9
Exports (B to UK) : variation in %	4.8	4.0	-3.5	-17.8	14.1
Imports (UK to B) : variation in %	6.5	1.6	-4.2	-28.6	23.0

In 2010 Belgian imports from the United Kingdom were mainly composed of 5 sections. These product groups accounted for 75.5% of total Belgian purchases from the United Kingdom:

- mineral products amounted to EUR 3,125.9 million and accounted for 19.8% of Belgian imports;
- chemical products represented 19.2% of Belgian imports and purchases totalled EUR 3,025.0 million;
- transport equipment; imports of this section reached EUR 2,116.5 million and represented 13.4%;
- precious stones and metals: with 11.9% of Belgian imports, purchases of this section increased to EUR 1,883.2 million and
- machinery and equipment; this product group ranked fifth with 11.2% and purchases amounted to EUR 1,774.0 million.



In 2010 three product groups represented more than half (54.8%) of total Belgian exports to the United Kingdom. These sections were:

- transport equipment (major export section: motor cars and motor vehicles principally designed for the transport of people) which represented 23.8% of Belgian exports and amounted to EUR 5,159.6 million;
 - chemical products (major export section: medicaments consisting of mixed or unmixed products for therapeutic or prophylactic use) with EUR 4,496.7 million or 20.7% of total Belgian sales to the United Kingdom and
 - machinery & equipment (major export section: printing machinery; this section reached EUR 2,246.8 million and stood for 10.3% of total exports.
- (all figures : Belgian Foreign Trade Office)

Population and Languages

Belgium had a population of 10,839,905 people on January 1st, 2010, an increase of 601,000 in comparison to 2000 (10,239,085 inhabitants). Between 1990 (9,947,782 inhabitants) and 2000 the increase was only 291,000. The population of Flanders, Wallonia and Brussels on January 1st, 2010 was 6,251,983 (57.7%), 3,498,384 (32.3%) and 1,089,538 (10.1%), respectively.

The country is populated by a Flemish majority of about 6,000,000 people speaking Dutch, a Walloon minority of 3,400,000 people speaking French, and about 73,000 German speaking people in Wallonia, near the German border.

Political Overview

Article 4 of the Belgian Constitution states that there are 4 linguistic areas: Dutch-speaking (in the north), French-speaking (in the south), bilingual (French and Dutch in the Brussels Capital Region), and a small German-speaking community (70,000 - in the south-east). Belgium became a federal state in 1970, consisting of 3 Regions and 3 Communities. Successive reforms have transferred certain competences from the federal to regional and community levels.

The Federal Government is responsible for issues such as defence, foreign affairs, justice, the national budget (setting and collecting most taxes), and social security.

There are 3 Regions (the Flemish, Walloon and Brussels-capital Regions). They have their own legislative and executive powers, dealing with 'territorial' policies: economy, employment, agriculture, energy, environment, public works and transport. Belgium has also 3 Communities (the Flemish, French and German-speaking Communities). They have their own legislative and executive powers, dealing primarily with linguistic and cultural: culture, education, healthcare. Regional and community governments are entirely autonomous. There are also 10 administrative provinces and almost 600 municipalities (communes), which are all under tutorship of the Regions and Communities.

Federal elections are held every 4 years; regional and community elections every five years; and local/provincial elections every 6 years. Voting is compulsory at all levels. All the major political parties split along linguistic lines in the 1970s. No party presents candidates across the country as a whole.

In April 2010, after another failed attempt to resolve the issue of the language and voting rights in the area around Brussels (usually referred to as BHV), the Flemish Liberals (Open VLD), decided to step out of the government, which led to Prime Minister Leterme to submit his resignation early May. Early elections were held on 13 June 2010.

The June elections resulted in victories for the Flemish Nationalists (N-VA) in the Flemish part of the country and the Socialists (PS) in the Francophone side of the country. As it stands, parties have been unable to reach agreement on key areas such as economic and social policies and state reform. Belgium is currently under what is known as a 'caretaker government' whilst negotiations continue.

Getting here and advice about your stay

FCO Travel Advice

The FCO website has travel advice to help you prepare for your visits overseas and to stay safe and secure while you are there.

Getting here

By air

Flights between Belgium and the UK are operated by British Airways, Brussels Airlines, Ryanair, bmi and CityJet. Brussels Airport is the main Belgian airport, located in Zaventem at a few kilometres from the capital. Antwerp Airport offers daily flights to London City Airport. Brussels South Charleroi Airport is a low cost airport, located in Charleroi which is 45 km south of Brussels.

By Eurostar

Frequent high speed direct Eurostar trains, traversing the Channel Tunnel, operate between London St Pancras and Brussels South Station. Eurostar offers eleven London–Brussels services including three running non-stop. Journey time between London and Brussels is 1 hour 51 minutes.

By ferry

Several companies offer travel by ferry from England and Scotland to the port of Oostende and Zeebrugge: DL Lines, P&O Ferries, Transeuropa Ferries and Norfolk Line.

Visas

EU residents do not require a visa to enter Belgium but should hold a valid passport or identity card.

Preparing to Export to Belgium

In most cases doing business in Belgium requires local representation in the form of an agent or distributor.

The appointment of a local partner/representative will only be the first step. This requires an investment primarily of time and personal presence. Likewise, product training for the agent's workforce is essential, as are regular updates on developments, modifications, competitor activity etc. Therefore regular visits to the market, especially during the early phase, are an important part of a successful interaction with the agent / distributor.

British companies wishing to approach the Belgium market are advised to undertake as much market research and planning as possible in the UK.

UKTI's team in Belgium can provide a range of services to British-based companies wishing to grow their business in the Belgian market. Our services include the provision of market information, validated lists of agents/potential partners, key market players or potential customers; establishing the interest of such contacts in working with the company; and arranging appointments. In addition, they can also organise events for you to meet contacts or promote a company and its products/services.

Companies wishing to set up a local base may also benefit from support and advice by the UKTI Section of the British Embassy in Brussels. The British Chamber of Commerce (www.britcham.be) can also help with useful advice and contacts.

You can commission these services under which are chargeable and operated by UK Trade & Investment (UKTI) to assist British-based companies wishing to enter or expand their business in overseas markets. Under this service, the Embassy's Trade & Investment Advisers, who have wide local experience and knowledge, can identify business partners and provide the support and advice most relevant to your company's specific needs in the market.

How to do business in Belgium

What companies should consider when doing business

In 1957, Belgium was a founding member of what has now become the European Union, so European business practises and standards apply. In the same time, Belgium has always been an open economy.

Gateways/Locations – Key areas for business

Belgium's trump card is certainly its enviable geographical location, lying as it does at the very heart of a dynamic region. Belgium boasts a highly developed infrastructure of airports, ports, roads and railways, linking up seamlessly with its neighbouring countries. The Belgian road network consisting of seven international motorways (12.585 km) is one of the best in Europe, the extensive inland waterway network (1.532 km) connects the major Belgian sea ports with other European inland waterways such as the seaport of Antwerp, which is the second largest port in Europe and the fourth largest in the world, whilst Liege's river port is also one of Europe's key ports.

The country has used this inherent asset to its advantage, becoming a pivotal logistics hub in terms of transportation, assembly, refining, processing and distribution.

The northern Dutch-speaking region Flanders covers 44.8% of Belgium's 30,528 km² and accounts for some 60% of the total population. Home to the majority of the country's industry and workforce, the region also generates the major part of national trade: the Flemish GRP (Gross Regional Product) provides 60% of the national GDP. The leading sectors in the Flanders economy are chemicals and plastics, automotive, life sciences, logistics and food.

Antwerp is the country's leading industrial hub. The province of Antwerp is home to half of the chemicals sector (refineries, petrochemicals, photographic products, pharmaceutical products, etc.). The port of Antwerp is the second largest European sea port by cargo volume, and the first diamond market in the world.

The **Brussels-Capital** region is the second largest industrial hub and primarily service-oriented and geared to consumer goods but also maintains industrial activities.

The **Walloon region** contributes to around 25% of the national GDP. The largest industrial hubs are Charleroi and Liege and the industries in Wallonia focus on aerospace, mechanical and electrical engineering, pharmaceutical, steel, chemicals, etc.

The two large industrial areas not within an urban area are in central Flanders, the Kortrijk region and the Northeast. The Kortrijk region specializes in light industries which demonstrate a dynamic network of SMEs under local management. In contrast, the Northeast is mainly made up of large foreign companies which have benefited from the sizeable labour force available in this area.

Market entry and start up considerations

Belgium has simplified start-up procedures and is the European leader in terms of the time you need to set up a new business. The complete administrative formalities to set up your business in Belgium have been slashed from 56 days to just 3 days. E-one-stop shops and e-deposit help businesses save a lot of time. A starter needs to follow a 3 step procedure to register a firm:

- Bank: the starter deposits the minimum capital. This takes 1 day
- Notary: deposit a financial plan (business plan); sign the deed of incorporation and the by-laws. The notary submits the authentic act electronically and receives the company number. This also takes 1 day.
- Register at the Crossroads Bank for Enterprises: the starter can go immediately to one of the business one-stop-shops (so-called Guichet d'Entreprise – Ondernemingsloket) and activates the unique company number. This also takes a maximum of 1 day.

British companies can approach the Belgian market in several ways; export directly, appoint a local partner or distributor or they can opt for setting up a subsidiary (incorporated under Belgian law) or operate throughout a branch (incorporated under the laws of a foreign country). No preliminary authorisation is required in respect of take-overs and joint ventures.

The most common forms of corporations in Belgium are:

- The Cooperation: Public Limited Company in European terminology, Société Anonyme/Naamloze Vennootschap (S.A./N.V.)
- the Limited Liability Company: Société Privée à Responsabilité Limitée/Besloten Vennootschap met Beperkte Aansprakelijkheid (S.P.R.L./B.V.B.A.)

Both forms have legal personality and are limited liability companies.

For more information : <http://www.belgium.be/en/economy>

Advertising & sales promotion

Belgian broadcasting reflects the unique political and linguistic nature of the country. The cultural communities, rather than the federal authorities, are responsible for regulating radio and TV. So, unlike most other European countries, Belgium does not have a single public broadcasting organisation, but two separate bodies, with their own regulations, running their own radio, TV and external broadcasting. The Belgian press is self-regulated by the Federation of Editors - to which all editors of major newspapers belong. A small number of media groups own the main newspaper titles.

Belgium has 95% cable TV coverage, one of the highest take-up rates in the world, and pioneered xDSL landline broadband. Moreover Belgium ranks amongst the top eight in terms of both regular and frequent internet use. There is great potential for developing ICT infrastructure though there is room for improvement in exploiting mobile and wireless internet opportunities. These figures show the attractiveness of advertisement on television and internet, besides radio commercials and advertisements published in daily newspapers, magazines and specialised trade directories. E-commerce is growing in Belgium, however there is reluctance to fully embrace on-line purchasing.

Customs and Regulations

Belgium is part of the harmonised trade system of the EU and applies the EU common tariff to goods imported from non-EU countries.

Legislation and Local Regulations

Companies are advised to seek legal and taxation advice before entering into a partnership with a Belgian company. UKTI Brussels can help you enter the Belgian market and provide contacts and details of law and taxation specialists.

Local regulations

No prior authorisation is needed to set up a company except for certain specific types of business including banking, transport and insurance. There are no restrictions on the transfer of capital to foreign companies and to foreign investors, who wish to settle in Belgium in order to start a commercial or industrial operation.

The tax regime, both in respect of individuals and of companies (both for a subsidiary and a branch), is a complex matter. One area in which Belgium offers a very generous tax-break is in the establishment of co-ordination centres, permitting a multi-national company to carry out a range of financial and managerial services on a virtually tax-free basis. Other tax-breaks cover service and distribution centres, and for the employment of persons employed for scientific research. Other initiatives taken by the Belgian government to attract foreign investors can be found on <http://invest.belgium.be/>.

Taxes

The standard rate of VAT is currently 21%, a reduced rate of 12% applies to social housing and agricultural products and a 6% tax rate applies to basic foodstuffs, water, hotel services, property

restoration and certain other supplies. There is no wealth tax in Belgium and in general, capital gains on shares are exempt.

All commercial companies resident in Belgium are subject to Belgian corporate income tax at a rate of 33.99% (on their worldwide profits). If however the Belgian company derives income from a foreign branch, this income will be exempt from tax if the branch is located in a country which has a double taxation treaty with Belgium. Belgian accounting standards apply to all Belgian entities and branches of foreign entities based in Belgium. Information relating to investment/tax treaties and accounting standards may be obtained through the Fiscal Department for Foreign Investments or the Belgian ministry of Finance. They can provide you with free, confidential support to help you in preparing your application and dealing with the relevant authorities.

For more information : <http://www.minfin.fgov.be>

Responding to Tenders

In Belgium, all major public projects are published in a weekly supplement (Bulletin des Adjudications – Bulletin der Aanbestedingen) to the Belgian Official Journal (Moniteur Belge – Belgisch Staatsblad), online available at http://www.ejustice.just.fgov.be/cgi_bul/bul.pl or <https://enot.publicprocurement.be/>

Outside the tender process, there are no restrictions on informal contacts between potential suppliers and the authorities, and companies are encouraged to make themselves known directly to potential public sector customers. Projects which are considered an opportunity for UK companies, will be published in the UKTI portal, under the 'Business Opportunities' section.

Recruiting and Retaining Staffing

Belgians have earned themselves a well-deserved international reputation for being flexible, innovative, multilingual and solution-minded. Turning out such a high-quality workforce is no doubt linked to the education and training provided in Belgium; Belgian schools and universities are world class and rank highly at international level. EU nations do not need a permit in order to work in Belgium.

Belgian employment policy is based on consultation between the trade unions and the employer federation. Social consultation offers multiple benefits, such as wage cost control, increased workforce productivity and guaranteed peaceful industrial relations.

Belgian social security legislation consists of specific benefits (such as unemployment benefits, pensions, sickness and disability benefits, family and child allowances, industrial accidents and health care). The payment of social security contributions is compulsory, employees pay 13.07% of their salary, while employers pay between 32 and 38% of the gross salary, depending on the sector.

Advances in e-government have greatly simplified certain procedures. The [Limosa](#) electronic declaration system can complete staff hiring formalities in just a few clicks but is also used by foreign employers to take the necessary steps to [post workers to Belgium](#).

FPS Employment, Labour and Social Dialogue

1, rue Ernest Blerotstraat

1070 Brussels

fax: 02 233 42 57

Email: info@employment.belgium.be

<http://www.employment.belgium.be/>

Labelling and Packaging Regulations

The European Commission has embarked on a process of harmonisation of the labelling and packaging regulations in all EU member countries, so that goods produced in one EU country can easily be sold in another country. At the moment, some national labelling and packaging requirements exist alongside EU legislation.

Labelling

According to the law, the following must be mentioned on the label:

- Denomination of product
- List of ingredients
- Quantity of certain ingredients
- Best-before date
- Particular conditions of preservation and of use
- Name and address of manufacturer, packager or seller (EU)
- Instructions for use
- Alcohol percentage if it contains more than 1.2% alcohol
- Net quantity (in metric units for Belgium)
- Place of origin if omission could confuse the consumer about the origin

Products for sale in Belgium must be labelled in both French and Dutch; German is optional.

Note: a brand name is optional but cannot replace the denomination.

Packaging

Packaging regulations are mainly linked to environmental issues. Belgium uses Fost Plus, which is a system whereby importers or retailers pay for the processing and recycling of household waste. Useful information on this can be found on www.fostplus.be.

Industrial packaging (e.g. pallets on which goods are transported) is covered by Val-I-Pac. Useful information can be found on www.valipac.be.

A *Conformité européenne* (CE) mark is required to show that a product complies with all EU legal requirements as laid down in the directives. It is mandatory for such items as gas appliances, machinery, toys, telecommunications terminal equipment and construction machinery.

Contacts for more information on labelling and packaging:

Belgian Packaging Institute

Research Park

Kranenberg 10

1731 Zellik

Tel: +32(0)2 464 02 10

Fax: : +32(0)2 464 02 39

E-mail: packaging@ibebvi.be

Web: www.ibebvi.be

Getting your Goods to the Market

The most convenient methods of getting your goods to Belgium are by road, air, sea and post. For one-off orders, many British international transport companies operate daily consolidated freight deliveries to Belgium and organise delivery to the final customer through local partners within 48 to 72 hours. Full load deliveries can be shipped to the customers within 24 hours from most parts of the UK. For compact, fragile or high-value goods, air freight may be preferable, but not necessarily faster. Express delivery companies offer a door-to-door service that is transparent to the customer and the supplier.

For all methods, it is often easier to use freight forwarder. Forwarders should be approached in the early stages of market research rather than waiting until the goods are ready to go.

British International Freight Association (BIFA)

BIFA can provide assistance to companies who are new to exporting. BIFA has an online directory whereby you can "Search by detail" to select members by country, region or specialisation. A BIFA registered member can advise companies on such matters as modes of transport, distribution methods, costing, documentation and payment terms.

BIFA can be contacted on +44 (0)20 8844 2266. Website : www.bifa.org

Freight Transport Association (FTA)

The FTA can put UK companies in touch with UK fleet operators who send lorries into Europe or even further afield. FTA's International department can be contacted on +44 (0) 1892 55 22 58 or by email international@fta.co.uk. Website: www.fta.co.uk

Standards and Technical Regulation

Most technical regulations are driven by European legislation and international standards, however there are many specific Belgian regulations that apply e.g. in the construction sector or electrical engineering.

For more sector specific information please contact the sector specialist in our team or

<http://www.nbn.be/>

Intellectual Property Rights

The Intellectual Property Office is the Belgian entity responsible for the grant and protection of Intellectual property rights on a national and international level. Also a Benelux office for Intellectual Property (BIOP) exists, which is the official entity for the registration of trademarks, designs and drawings within the Benelux.

The FPS Economy

Intellectual Property Office

North Gate III – Boulevard du Roi Albert II 16

1000 Brussels

Tel: +32 (0) 2 277 90 11

Fax: +32 (0) 2 277 52 77

<http://economie.fgov.be/en/>

BIOP

Bordewijklaan 15

NL – 2591 XR The Hague

Tel: +31 70 349 11 11

Fax: +32 70 347 57 08

E-mail: info@boip.int

<http://www.boip.int/en/>

Business Etiquette, Language and Culture

Language

English is widely understood and an accepted business language in Belgium, especially in Flanders (the north of Belgium) and Brussels. Most people in the large cities, and young people in general, speak English. If you are going to do business in Wallonia (the south of Belgium), it may sometimes prove useful or necessary to bring a translator who speaks French. Please bear in mind that language is a very sensitive subject in Belgium. Flemish people do not like to be addressed in French and equally French speakers do not like to be addressed in Dutch. Bear in mind too that a Flemish or Walloon language does not exist. In case you do not know the cultural background of a person try to address him or her in English, which is by far the most neutral language in Belgium.

Meetings and Presentations

Belgian business culture is rather formal, and meetings are well structured and focused. You should prepare thoroughly, make appointments at least a week in advance, and distribute an agenda if you are the organiser. Business practices are a bit less formal and hierarchical among Flemings compared with French-speakers. Punctuality is highly valued, so it is advised to arrive in good time. To address your contacts, use Mr, Mrs or Miss in Dutch or German-speaking areas, and Monsieur, Madame or Mademoiselle for French speakers. It is unusual to use first names in business, at least at an initial stage. Business cards are exchanged at the first meeting. Business attire is quite formal, with good traditional quality suits being the norm for both men and women. Belgians have a good dress-sense, and sometimes judge people on the quality of their clothing. Third party introductions are not necessary in Belgium. The Belgian business culture is clearly a mix of several traditions (French, Dutch,..). Appointments should be made at least 1 or 2 weeks in advance, and confirmed a few days before the actual meeting.

Negotiations

Sometimes, negotiations are not conducted until after the initial meeting, which is primarily for building a working relationship. Some initial small talk is often used to help establish trust. Don't over-emphasise your achievements or experience, as self-importance is generally disliked. Business negotiations are often held over lunch or dinner, but towards the end of the meal, following more general conversation. Belgians are receptive to new ideas, but decision-making can be a meticulous and slow process, and a range of parties (sometimes including trade unions) may have to be consulted. At the same time, your contacts will expect a prompt response to any requests, and deadlines are taken seriously. Keep in mind that the person you have a meeting with is not necessarily the person who makes the decisions.

Cultural guidance

One should always be polite and well mannered.

Belgians take time before trusting others.

Business dealings are rather bureaucratic.

Belgians are generally direct in their communication and also expect the response to be direct.

They engage in long and critical discussions before taking a decision.

Representatives in the market

It would clearly be sensible to send someone who is in a position to take decisions on the spot, with technical and financial support staff as required but the closeness of Belgium makes it easy to bring appropriate people in for visits as necessary. Given the high quality of managerial staff with language skills available in Belgium, an alternative would be to recruit a Belgian local representative or agent.

What are the challenges?

As a member of the European Union, and a traditional trading partner of the UK, Belgium does not present major challenges to UK companies wishing to develop trade.

However, there may be some specific issues which British companies should consider, namely as far as language and terms of payment are concerned.

Getting Paid – Terms of Payment

Credit is an important feature of the market. The Belgian banking system has been using an electronic clearing system for more than thirty years, which enables transfers between bank accounts in Belgium (and now also throughout the Eurozone) without incurring any charge. Cheques and other means of payment have all but disappeared. Letters of Credit or other international instruments will normally only be used within Europe for major international projects.

The most common method of payment from Belgium is by open account. The invoice should state how the value is to be transferred to the UK (or the UK supplier's local Belgian bank account) and give the exporter's bank's name and town, the sort code, and the exporter's bank account name and number. Belgian customers will mostly also need to know the supplier's IBAN and SWIFT codes of the supplier's bank. Using these accelerates the transaction and reduces costs. Companies should contact an international branch of their own bank to advise of the best route for their money to be transferred to the UK. Banks can also give advice on, for example, credit management, and short-term credit insurance and factoring.

The most common payment term is 30 days, although extended payment terms of 60, 90 or even 120 days are not unusual. Belgian businesses however, like many European ones, routinely delay payment beyond the agreed terms.

Should payment terms not be met, first check the terms of the contract. The UKTI team in Brussels can offer guidance and provide a list of Belgian lawyers who correspond in English and British law firms with offices in Belgium. However, the UKTI team in Brussels cannot become involved in commercial disputes.

It is advisable to quote in Euros. Large importers are more likely to want to use the Euro early on, given the advantages of lower transaction costs and transparent pricing between euro-zone countries.

Payment and accounting systems are more advanced in the financial sector and in large businesses than in small and medium-sized businesses.

How to Invest in Belgium

Setting up a business in Belgium

The following is an overview and general advice for UK companies, thinking of setting up a business in Belgium. These pages should not be seen as a substitute for professional advice on issues such as tax, incorporation, labour regulation, and other regulatory issues.

Why Invest in Belgium?

Belgium is one of the most prosperous (per capita) economies in western Europe. Several factors have attracted a large number of overseas companies to set up in Belgium :

- economic strengths : Belgium has always been an open economy, and has pro-actively encouraged foreign direct investment (FDI) since the end of the Second World War. Belgium has one of the highest per capita productivity levels of any mature economy, and much of the workforce is multilingual;
- geography : Belgium's location in western Europe has attracted businesses. Belgium's ports, airports and motorway network host a large volume of freight, and many companies have set up major distribution networks in the country. Brussels' position as the capital of Europe and NATO has additionally attracted businesses.
- incentives : the federal and regional governments in Belgium have provided certain incentives to attract business, notably tax incentives (in French : intérêts notionnels, in Dutch : notionele interest) to encourage companies to establish co-ordinations centres. This has resulted in Belgium hosting an impressive number of European Headquarters (EHQs).

UK companies have a long track record in setting up in Belgium and many familiar names are present. However, setting up in Belgium is not simply an extension of setting up business in the UK. In key respects, the regulatory, employment and tax environment is very different.

Belgium's federal government and its three regions – Flanders (northern half of Belgium), Wallonia (southern half) and Brussels (the capital region) - are active in encouraging overseas companies to set up in Belgium. The Belgian authorities are particularly keen to attract high value-added investments in areas such as information and communications technologies (ICT), life sciences, and business services (financial services, advanced logistics, IT and computer services/software). There is extensive information - both in hard copy and online. Good starting points are:

Invest in Belgium

<http://invest.belgium.be>

This sites gives general information about investing in Belgium, including basic information about formalities and company types, employment laws, VAT & accounting and work permit & immigration.

Invest in Brussels

www.investinbrussels.com

Attractive site about investing in the Belgian capital.

Flanders Investment & Trade

www.fitagency.be

Everything about investing in Flanders, the Dutch speaking region of Belgium.

Invest in Wallonia

www.investinwallonia.be

Your investment entry to Wallonia, the French speaking region of Belgium.

Please have a look on these internet sites for more information:

Setting up a company in Belgium : www.openaeuropeancompany.com/country-pages/belgium.html

The Belgian ministry of Economic Affairs : <http://economie.fgov.be/en>

Contacts

If you have a specific export enquiry about the Belgian market which is not answered by the information on this report, you may contact:

UK Trade & Investment Enquiry Service

Tel: +44 (0)20 7215 8000

Fax: +44 (0)141 228 3693

Email: enquiries@ukti.gsi.gov.uk

You will be signposted to the appropriate section on our website, or transferred at local call rate directly to the British Embassy in Brussels.

Otherwise contact the team in Belgium directly:

UK Trade & Investment Belgium

British Embassy in Brussels

Oudergemselaan 10 Avenue d'Auderghem

B-1040 Brussels

Tel: +32 2 287 6211

Fax: +32 2 287 6240

Email: belgium.uktradeinvest@fco.gov.uk

We have 8 staff working at the British Embassy in Brussels dedicated to helping British exporters win business in Belgium, as well as assisting Belgian investors to the UK.

Inge Haeldermans – Head of UKTI Brussels

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Biotechnology, pharmaceuticals, chemicals, nanotechnology, advanced engineering, transport technologies

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ICT and business services

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Security and commercial publicity

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Healthcare & medical equipment, sports & leisure, creative & media, food & drink, construction

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Tel: +32 2 287 62 39

General enquiries

Ine Huygen - Trade Adviser

ine.huygen@fco.gov.uk

Tel: + 32 2 287 62 75

If you are looking for a venue to launch your new product, organise a seminar or host a reception, we can offer you the use of our official residence. Please contact us for terms and conditions

Resources/Useful Links

Country Information:

BBC Website:

http://news.bbc.co.uk/1/hi/country_profiles/default.stm

FCO Country Profile:

<http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/country-profile/>

EU Points of Single contact

http://ec.europa.eu/internal_market/eu-go/index_en.htm

Culture and communications:

CILT – National Centre for Languages - Regional Language Network in your area:

http://www.cilt.org.uk/workplace/employer_support/in_your_area.aspx

Customs & Regulations:

HM Revenue & Customs: www.hmrc.gov.uk

Import Controls and documentation (SITPRO): <http://www.sitpro.org.uk>

Economic Information:

Economist: <http://www.economist.com/countries/>

Export Control

Export Control Organisation:

<http://www.bis.gov.uk/policies/export-control-organisation/eco-contact-details>

Export Finance and Insurance:

ECGD: <http://www.ecgd.gov.uk/>

Intellectual Property

Intellectual Property Office: www.ipo.gov.uk

Market Access

Market Access Database for Tariffs (for non-EU markets only):

<http://madb.europa.eu>

SOLVIT – Overcoming Trade Barriers (EU Markets only)

www.bis.gov.uk/EUMarketAccessUnit

Standard and Technical Regulations:

British Standards Institution (BSI):

<http://www.bsigroup.com/en/sectorsandservices/Disciplines/ImportExport/>

National Physical Laboratory: <http://www.npl.co.uk/>

Intellectual Property - <http://www.ipo.gov.uk/>

Trade Statistics:

National Statistics Information: <http://www.statistics.gov.uk/hub/index.html>

UK Trade Info: <https://www.uktradeinfo.co.uk/>

Travel Advice

FCO Travel:

<http://www.fco.gov.uk/en/travel-and-living-abroad/>

NHS:

<http://www.nhs.uk/nhsengland/Healthcareabroad/>

Travel health:

<http://www.travelhealth.co.uk/>

Business Link: International Trade

Business Link's International Trade pages provide an overview of export basics including licensing, customs procedures, classifying and movement of goods, other regulatory information and export paperwork issues. It also introduces exporters to the UK Trade Tariff.

Essential reading for exporters!

Find out more at:

<http://www.businesslink.gov.uk/bdotg/action/layer?r.s=tl&r.lc=en&topicId=1079717544>

Produced by the UKTI Team in Belgium

Contact:

Email:

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