

# 20 Ш C FAS

# EAST BELGIUM: SMALL IS BEAUTIFUL!



Interview with Nathalie Klinkenberg (Director of the East Belgian Business Development Corporation (WFG)) and Philippe Felten (Chairman of the Board of Directors).

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As its name suggests, the WFG (Wirtschaftsförderungsgesellschaft, or Business Development Corporation in English) promotes business development in East Belgium. What are the main assets that East Belgium has to offer as a business location?

The Business Development Corporation (WFG) plays an active role in the promotion of economic growth in East Belgium. The region offers numerous advantages and therefore stands out as an attractive business location. The economic landscape is marked above all by small and medium-sized enterprises, which benefit from favourable framework conditions to promote sustainable development. Optimal conditions are created thanks to the promotion of multilingualism and cultural understanding and by an internationally renowned, top-class education system. These benefits are further enhanced by the region's proximity to renowned colleges and universities as well as cross-border networking. East Belgians are also highly motivated workers who play a significant role in enhancing the region's economic performance.

East Belgium is in no way a structurally weak region. The employment rate is among the highest in the country. To what extent is economic development needed given this situation?

It is true that the employment rate in East Germany makes the region an attractive place to work, live and do business. However, economic development has a decisive role to play even in structurally strong regions. The introduction of measures to promote and strengthen economic growth is essential even in a stable economy. This involves supporting existing start-ups and protecting current businesses, diversifying the economy, promoting small and medium-sized enterprises, attractive and retaining skilled labour and improving the infrastructure. These initiatives enhance competitiveness and improve people's quality of life. According to the well-known saying: "You need to take care of what you already have." Therefore, we must not rest on our laurels, but must continue to invest in maintaining and developing our strengths.

East Belgium is a very small border region. This means that interregional mobility is particularly high. How does East Belgium compare with neighbouring regions?

East Belgium lies in the heart of Europe and benefits from excellent transport links that enable it to reach over 400 million consumers within just four hours by lorry, corresponding to around 20% of EU purchasing

power. The region is also known for its nature and its family-oriented environment, which attracts both local and foreign visitors. East Belgium also offers numerous advantages thanks to its small size, such as short travelling distances and a personal, non-bureaucratic atmosphere that enables businesses to operate efficiently and develop successfully.

How can the WFG help companies and investors wishing to launch or expand their activities in East Belgium?

The WFG supports companies and investors not only through its extensive know-how and expertise, but also through its far-reaching partnerships and networks in East Belgium, Wal-Ionia, the Meuse-Rhine Eureoregion and the Greater Region. Our aim is to offer our customers tailor-made advice and to support their individual needs and interests to the best of our ability by calling upon our partners and networks. We support our customers in all areas of their businesses, be it in relation to settlement, establishment, protection, expansion, innovation, export or succession.

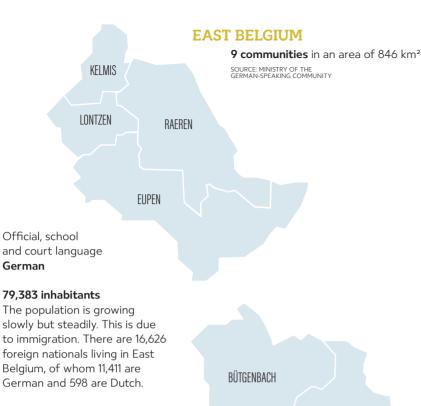
# TO SUM UP:

East Belgium offers countless advantages and extremely fertile ground for the sustainable development of your company.

We hope that you will enjoy reading the following pages, in which we invite you to discover the diversity and attractiveness of our region.







61,923 Belgians (78.02 %) 14,148 EU citizens (17.82 %)

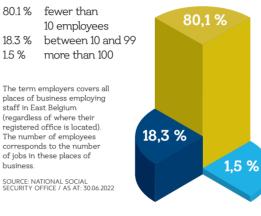
German

3,312 non-EU-citizens (4.17 %) SOURCE: STATBEL / AS AT: 01.01.2023





# **HOW BIG ARE EAST BELGIAN COMPANIES?**



### WHAT IS THE GROSS **VALUE ADDED?**

Manufacturing industry		
Trade and repair		
Real estate and housing		
Education and training		
Public administration		

€ million

TOP 5

480.1

283.4

226.7

204,3

191.3

SOURCE: NATIONAL ACCOUNTS INSTITUTE / AS AT: 2022

### **BELGIUM IS ONE OF THE MOST PRODUCTIVE COUNTRIES IN THE**

WORLD. In the OECD ranking of GDP per hour worked, Belgium is in 8th position with USD 72.9 behind Ireland (USD131.6), the Grand Duchy of Luxembourg (USD100.2), Norway (USD 84.3), Switzerland (USD 77.7), Sweden (USD 74.8), Denmark (USD 74.3) and the USA (USD 73.9) and well above the EU average of USD 55.7. SOURCE: OECD AS AT: 2002



East Belgium is an attractive place to live with a successful economy. The region is geographically embedded in a financially strong international area. It has a high density of outstanding international companies and a strong backbone of highly productive small and medium-sized enterprises in a range of sectors. East Belgium benefits from the strength of its manufacturing sector in the fields of industry, trade and construction. This is what drives the East Belgian economy, which has developed strongly over recent decades and made a significant contribution to people's quality of life and social stability.

Bernd Hugo,

Vice Chairman of the employers' organisation in the German-speaking Community (AVED)

# BUILDING BRIDGES THROUGH MULTILINGUALISM

East Belgium is a reasonably small region that borders with Germany, the Netherlands and the Grand Duchy of Luxembourg (around 80,000 inhabitants, 846 km<sup>2</sup>) and enjoys extensive autonomy. As well as being the official language used in schools and the courts, German is also the mother tongue of the majority of people.

> This is a place where two cultures merge: the Germanic and the Romance. East Belgians are known on the one hand for their "Prussian" industriousness and admired on the other for their French savoir-vivre. This diversity makes them excellent bridge-builders and networkers. The

key to this is to promote multilingualism at an early age. Children are introduced to their first foreign language through play at kindergarten, which is part of the free education system in Belgium. This continues at primary school, where the second language is developed. English and Dutch, or even Spanish, are added at secondary school depending on the department.

The border

triangle in

Kelmis – an intersection of cultures and languages.

More and more schools are offering bilingual classes in which German and French are taught at the same time by native speakers from kindergarten through to A-level.





French is compulsory as the first foreign language in East Belgium and is taught through play to children from kindergarten age (up to 200 minutes per week).

### BILINGUAL

More and more schools are offering bilingual classes where German and French are taught in a ratio of 60 to 40.

### **CHINESE**

English, Dutch, Spanish or even Chinese are added at secondary school depending on the field of study (BSTI school community).

# A 2ND LANGUAGE

37 % of primary school children in Belgium learn a second language. The figure stands at 98.6% in the German-speaking Community.

(SOURCE: EUROSTAT)

# **DELF-TEST**

83.36 % of all school children in East Belgium have passed the DELF French language test. (SOURCE: MINISTRY OF THE GERMAN-SPEAKING COMMUNITY)



The European furniture sector has been facing tough competition from the Far East for decades, which is shaking up the industry with its low production costs. The upholstered furniture manufacturer Rom based in Eupen has decided to adopt a different approach, however. It has created a unique selling point by becoming established as the undisputed market leader in the field of customised sofas and armchairs.

Headed up by its Director Paul Rom, the innovative company has undergone a remarkable transformation. "It is always frustrating when sales talks have to be cut short because individual customer requirements cannot be fulfilled. This is why we have made it our mission to fulfil nearly every requirement by moving away from standard products and focusing on the production of tailor-made individual items. Cheap products from China and elsewhere can't compete with this," says Paul Rom.

Presenting this vision in discussions between the furniture seller and the customer was a real challenge. Printed catalogues and price lists were no longer sufficient for this complicated task. The idea of a digital configurator came even before the iPad era. Paul Rom goes on to say: "Not to present products in a futuristic way, but to reduce complexity and make the sales process simple, fast and error-free." Rom has been continuously developing the configurator system within the company for 12 years now. Furniture sellers now have a highly efficient, customer-friendly sales tool at their disposal, which is unique in the furniture industry. Even though production has been relocated to Poland due to costs, the company headquarters, including design, product development, finance, procurement, IT, marketing and sales, are still in Eupen. There is a reason for this, as the Director explains: "In East Belgium, we live with different languages and different cultures.

People in East Belgium are open to finding out about how business relationships are conducted in other countries. This is even more important than multilingualism in determining our success. The openness and cultural diversity of East Belgians enables them to meet international trading partners on an equal footing and develop a deep understanding of different markets. We are literally located right at the centre of the diverse markets of Western Europe, which gives us an invaluable geographical advantage!"

Rom AG Industriestraße 38 4700 Eupen www.rom1961.com



INNOVATIVE AND DETERMINED IN THE FACE OF COMPETITION FROM THE FAR EAST

People in East Belgium are open to finding out about how business relationships are conducted in other countries.





# DUAL SUCCESS

The success of dual vocational training in East Belgium is remarkable. The close integration of schooling and industrial training is having an impact: The youth unemployment rate stands at 13% and is the lowest in Belgium.

The business location of East Belgium is characterised by small companies and businesses in the manufacturing sector, with 81% <sup>(2)</sup> of employers having fewer than 10 employees.

In this environment, dual training is the most efficient way of preparing future generations of employees. Training is offered specifically for the skilled workers who are needed. East Belgian businesses are also willing to provide training. The figures speak for themselves: An average of 500 apprentices and 300 master tradespeople have been trained in over 500 active training companies in recent years.

Dual training not only offers a direct gateway into a career, it also enables students to complete a master's degree and obtain a university entrance qualification after a preparatory year. Belgian-German dual degrees also provide openings for cross-border careers.

(I) SOURCE: EMPLOYMENT OFFICE FOR THE GERMAN-SPEAKING COMMUNITY / AS AT 31.12.2023 (2) SOURCE: NATIONAL SOCIAL SECURITY AUTHORITIES / AS AT: 30.06.2020 (3) SOURCE: JAWM



### EAST BELGIAN CRAFTSMEN ARE WORLD CLASS!

Young East Belgian carftsmen frequently represent Belgium at the WorldSkills or EuroSkills, where the best carftsmen from all over the world or Europe compete. They regularly perform extremely well.

For example, John Wiesemes from Recht won the excellence medal in the car mechanic/mechatronics category at WorldSkills 2022 in Dresden and at EuroSkills 2023 in Gdansk.

Do we need any further proof of the quality of East Belgian craftsmanship?





# EXEMPLARY DUAI TRAINING IN EAST BELGIUM

Around 95 % of all apprentices in East Belgium find a permanent position within six weeks of receiving their apprenticeship diploma - usually in the company in which they trained. Year after year. Dual training has a long tradition in this region and is a true model of success. Flanders and Wallonia are just two of the regions that have been inspired by the model.

"The exemplary nature of dual training here, in the smallest part of Belgium, can be explained by the fact that companies in the German-speaking area have always considered it important to train their own future skilled workers," says Dr. Verena Greten, Director of the Institute for Vocational and Educational Training in SMEs (IAWM). Craftsmen in the German-speaking area are trained jointly by vocational schools and companies. This approach quarantees training that meets the high standards and is geared to the reguirements of companies. It means that graduates are immediately employable and in high demand far beyond the region's borders.

Training is provided for more than 70 professions at the two training centres (ZAWM) in Eupen and St. Vith or in cooperation with the Walloon IFAPME or foreign training centres, covering not only technical and craftmanship, but also trade and service professions. New courses are added every year, such as recently introduced product designer training. "We are more flexible in East Belgium due to our small size. If we identify a need for a specific Offering young people good, wellfounded career guidance and letting them get a taste of the world of work are the proven keys to future success.

professional profile in the market. we find out whether corresponding training exists in neighbouring regions and establish cooperation agreements if necessary. There is a lot that can be done. It takes us at most a whole training year to find a solution," explains the IAWM Director pragmatically.

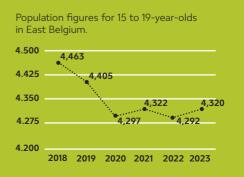
"Offering young people good, well-founded career guidance and letting them get a taste of the world of work are the proven keys to future success", says Dr. Verena Greten. But politicians are keen to optimise career guidance even further. To this end, skills, interests and haptic abilities will be systematically tested in a talent centre in future. The IAWM is also calling on companies to present themselves in a more attractive light and show how areat the different professions are. The aim is to forge appropriate links between students and companies. "The better the overall image of the student and the more specific the job description, the more successful the vocational orientation will be, so that nothing can stand in the way of successful training," assures Dr. Greten.



# 4700 Eupen www.iawm.be

# AND TRADES **ARE GREAT!**

SKILLED CRAFTS The number of young people aged 15 to 19 has been falling steadily for years. However, the number of apprentices remains stable. This proves how attractive skilled crafts and trades are in East Belgium.



New training contracts for the dual



# WHERE TRADITION MEETS INNOVATION: EAST BELGIUM'S CRAFTSMANSHIP SETS STANDARDS

There are 52 full-time joineries within the East Belgium carpenters' guild, representing a volume that is unrivalled in Europe. Only the Vorarlberg region in Austria comes close. Philipp Gonay's joinery in the Eifel region is one such example. He is also Chairman of the Royal Carpenters' Guild of East Belgium and teaches at the Centre for Initial and Further Training in SMEs. "East Belgian craftsmanship is highly sought-after way beyond the region's borders," he says. And he knows why.

> In many regions, small workshops have developed into large industrial companies as part of the industrialisation process. This was not initially the case in East Belgium, however. "Because we were located some distance away from the industrial basins, these developments large

ly passed us by." In recent decades, however, many of these businesses have grown into strong and successful medium-sized companies.

Local companies have also become mobile as a result of this tradition of craftsmanship. East Belgian carpenters are in high demand from Brussels to Cologne and throughout the Grand Duchy of Luxembourg. This is because they have mastered a craft that is often at risk of disappearing in other regions. Most of the panels processed there are wood based. "Very few people are still working with solid wood or are able to restore listed buildings using traditional methods in those regions," says Gonay.



He goes on to explain: "The network of subcontractors is also very large and diverse due to the needs of the flourishing craft industry in East Belgium. We can fulfil all kinds of customer request, however unusual it may be. There is a company in East Belgium for every trade and every specialisation, that can produce exactly the parts they need right here right now, without long delivery times!"

The chairman of the carpenters' guild is resolute: "These skills must be preserved. This is our strength!" High-quality craft training of the kind that has always been organised by and with the companies in the Ger-

man-speaking Community is therefore of utmost importance. "The training programmes meet companies' needs and the guild provides the examination jury in the schools and training centres, while the practical training takes place within the company, the master carpenter explains with conviction. Guides were abolished in the countries concerned and education was nationalised during the French Revolution. Dual training, as practised in the German-speaking countries and regions of Europe, is, however, the most effective solution for highly qualified specialists. The same goes for East Belgium.

> East Belgian craftsmanship is highly sought-after way beyond the region's borders!

# SUCCESSFUL LINKS BETWEEN BUSINESS AND SCIENCE

When it comes to innovation, if a region is small, it has to be clever, move beyond its borders, build bridges and promote successful links between business and science.

> East Belgium is not only home to an impressive range of successful, predominantly medium-sized companies, it is also known for its intelligent cooperation with universities in the wider region.

> Cooperation with two universities in particular (HEC Liège - School of Management and FH Aachen - University of Applied Sciences) has been extremely positive over recent years. Informal meetings are held regularly between companies from East Belgium, scientists and students, with the latter being invited to visit the companies. These encounters not only create connections, they also often enable students to find the company on which they will write their thesis or even meet their future em

ployer. Local companies in turn gain direct access to scientific expertise and find skilled contacts from these educational institutions to take part in studies, product development or general research activities.

An outstanding example of this fruitful cooperation is the joint MBA programme for experienced managers in Eupen, which is offered by HEC Liège - School of Management in Liège, FH Aachen and Hasselt University. A dual bachelor's programme has also been offered for a number of years at Aachen University of Applied Sciences in East Belgium as an innovative initiative developed to meets the reaion's needs.









EAST BELGIAN

Wilfried Niessen, Dean of the Faculty of Economics of Liège University PHOTO: HEC LIÉGE MANAGEMENT SCHOOL

EAST BELGIAN COMPANIES BENEFIT FROM PARTNERSHIPS WITH UNIVERSITIES AND COLLEGES

Eas

East Belgium lies at the heart of a dense network of renowned research institutes. The companies based in the region are more than happy to take advantage of this. Universities are involved in research, development and education. Companies therefore often try to form links with such institutions, whether to set up joint research projects or to attract and promote junior staff. East Belgium lies at the heart of a dense network of renowned research institutes. The companies based in the region are more than happy to take advantage of this. The German-speaking Community has drawn up an ambitious cooperation agreement with the HEC Management School at the University of Liège and the HELMo Gramme School of Industrial and Management Engineering.

The Dean of the Faculty of Economics at the University of Liège is Wilfried Niessen, who was born in East Belgian Bütgenbach. He wants to see his Management School develop even more on an international scale and is already involved in teaching together with his fellow professors in China, Morocco and the Democratic Republic of Congo. 150 Chinese students were recently invited to Liège where they were awarded their management diplomas and put in contact with local companies.

However, he also sees it as his task to forge connections between neighbouring East Belgium and the internationally renowned HEC. It was in this spirit that the Open Borders MBA was created ten years ago to provide an MBA programme for experienced managers. Hasselt University and Aachen University of Applied Sciences are also involved in the initiative alongside HEC. Classes are held at the Eupen Business & Event Centre "Kloster Heidberg".

HEC students are invited to East Belgium once a year. They are introduced to various East Belgian companies as part of a roadshow and are personally invited by the Minister-President to a reception where students are put in touch with companies. The Minister-President in turn presents his region each year to the students in Liège. A number of internships are also completed within East Belgian companies and final papers are written with their support. This win-win cooperation has already attracted a number of specialists to East Belgium.



HEC Liège Management School Rue Louvrex 14 4000 Lüttich www.hec.uliege.be



HELMo Gramme Quai du Condroz 28 4031 Lüttich www.helmo.be/Institution/Instituts/HELMo-Gramme



The key to success is probably the combination of visionary thinking and the values of a family business marked by passion, quick decision-making processes, flexibility and availability. The advantages offered by the geographical location of East Belgium are also considerable. These include, in particular, its central location in Europe and the multilingualism of the employees. "Customers appreciate being able to speak their native language during the consultation," says Patrick Pauels. However, other decisive factors include the high level of training of potential employees and the proximity to specialised departments for timber construction at various universities and colleges in Belgium and Germany. "This kind of cooperation enables us to set up joint projects and continue to develop," the Director explains. "Woodinnovation" should therefore always remain a step ahead of the competition in the future.

By cooperating with different universities and colleges in Belgium and Germany, we are able to set up joint projects and continue to develop our own skills.

# BELWOOD'S WOOD VISION: FROM SAWMILL TO PIONEER OF PREFABRICATED HOUSES IN EUROPE

200,000 cubic metres of wood pass through the fully automated Belwood sawmill in the south of East Belgium every year. As a manufacturer of laminated timber, Belwood has become the market leader in the Benelux countries since it commissioned a specialized plant in 2011. Its latest product, the prefabricated timber house, is now well on its way to giving the company yet another boost.

> Belwood's newest subsidiary "Woodinnovation" plans, produces and custom-fits complete house walls made from wood. Holes and channels for cables, lines and sockets are prefabricated beforehand. They are then installed directly on site by subcontractors. It all happens very quickly

- within three days the whole custom-made, clean and, above all, sustainable structure is up and running. The innovators from the Belgian Eifel region in Amel are in tune with the times. "Demand is very high," says Director Patrick Pauels. Belwood Amel AG Woodinnovation AG Kaiserbaracke 3 4770 Amel



www.belwood.be

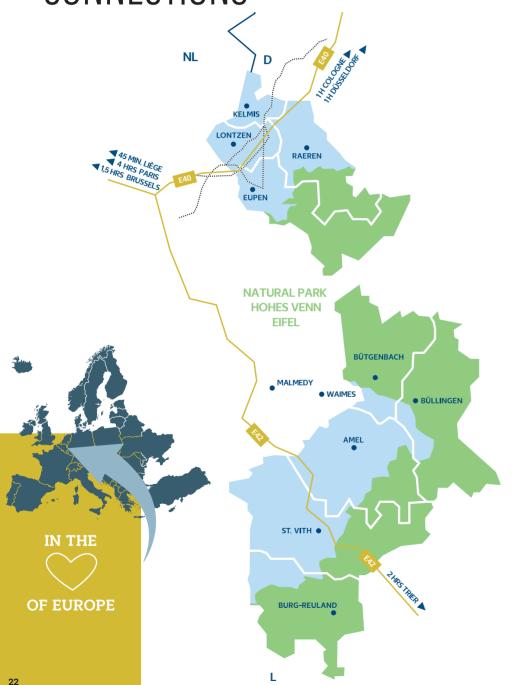


www.wood-innovation.be

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# CENTRAL LOCATION AND CONNECTIONS

East Belgium is located at the heart of Europe. The region is directly connected to the largest conurbations in Europe via the E40 and E42 motorways. Over 40 million consumers can be reached within just four hours by lorry. This corresponds to around 20% of the total purchasing power of the European Union.



# DISTANCES

### **ROAD TRANSPORT:**

From Eupen to				
Cologne	<b>→</b> 85 km			
Brussels	── <b>&gt;</b> 132 km			
Antwerp	── <b>&gt;</b> 148 km			
Rotterdam	──> 241 km			
Frankfurt	──> 278 km			
Paris	──> 411 km			

### **AIRPORTS**:

There are 7 international airports within a radius of 150 kilometres, connecting East Belgium with Europe and the rest of the world.

**RAILWAY STATIONS:** 

Ghent, Bruges and Ostend.

The Intercity takes passengers from Eupen

International connections are available in the

🗟 (17 km) or Liège Guillemins 🗟 (50 km).

immediate vicinity from Aachen central station

station direct to Liège, Leuven, Brussels,

DISTANCE	EU CARGO RANKING	EU PASSENGERS RANKING
47 km	5	-
62 km	-	-
98 km	7	54
111 km	-	20
123 km	-	56
126 km	9	17
145 km	6	72
	47 km 62 km 98 km 111 km 123 km 126 km	47 km   5     62 km   -     98 km   7     111 km   -     123 km   -     126 km   9

SOURCE: EUROSTAT - AS AT 2022 / WIKIPEDIA - AS AT 2023

### **SHIPPING**:

The port of Liège 🕮 (39 km) is the third largest inland port in Europe. The multimodal "Liège Trilogiport" platform on the Albert Canal in Hermalle-sous-Argenteau 🕮 is developing into a trans-shipment centre between transport by water, rail and road and provides direct access to the seaports in Antwerp, Rotterdam and Dunkirk. The major Rhine harbours in Cologne, Leverkusen and Düsseldorf 🕮 can also be reached within an hour's drive. Europe's second largest seaport in Antwerp 🕮 is just 149 kilometres away from East Belgium.

# EAST BELGIAN PROPERTY PRICES WITH INTERNATIONAL COMPARISON:

### Rental prices for office and commercial space (€/m²/year)

Eupen: EUR 120-180	
Brussels: EUR 200-400	
Amsterdam, Dublin, Mailand: EUR 300-600	
Frankfurt, Zürich: EUR 400-800	
Luxembourg City: EUR 500-900	
Paris: EUR 600-1.200	
London: EUR 700-1.400	

SOURCE: INTERNET COMPARISON / EU REAL ESTATE EUPEN



# A SUCCESS STORY **BASED ON TRADITION**, **RESILIENCE AND FUTURE PROSPECTS**

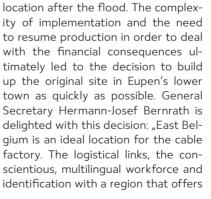
The Eupen-based cable factory has been one of the world's leading manufacturers of cables and wires for energy and telecommunications for over 110 years. The company's products can be found in over 70 countries. In addition to cables, Eupen Pipe manufactures PVC and polyethylene pipes, while Eupen Foam supplies customised foam solutions, demonstrating the versatility of this highly successful company. However, on 14 July 2021, the Weser Valley was hit by a catastrophic flood, which also severely affected the cable factory with almost 850 employees.

> Over 30 hectares of land were flooded, with the water reaching up to 2.30 metres in height. Offices, machinery raw materials and finished goods were destroyed or severely damaged. Power connections, switch cabinets and sew

ers were temporarily at a standstill. The company nevertheless displayed huge resilience and commitment.

The restoration work involved was a labour of love for employees and craftsmen alike. Production was up and running again two years after the catastrophe, even though things were not quite back to normal. The rapid resumption of sales and administrative functions meant that operations could start again. The Eupen-based company is now looking to the future with confidence. By overcoming the crisis, this company steeped in tradition has shown just how strong and determined it is. Further investments are planned.

The logistical links, the conscientious, multilingual workforce and identification with a region that offers a great quality of life make East Belgium an attractive place to be.



Ouestions were also raised about the

UCARESIST® COEX BLUE

The heads of state of the German-speaking regions, led by King Philippe and the Minister-President of the German-speaking Community of Belgium, Oliver Paasch, were invited to the Eupen cable factory in September 2023.

flooding.

a great quality of life make East Belgium attractive."

The Eupen-based company was particularly honoured on 12 September 2023 when it welcomed the German-speaking heads of state at the cable factory. They specifically represent the countries with which the cable factory fosters intensive business relations. The guests were impressed by the modern pipe mill factory, which was largely spared in spite of the





Kabelwerk Eupen AG Malmedyer Straße 9 4700 Eupen www.eupen.com ECONOMICPANORAMA East Belgium



# A FAMILY-FRIENDLY QUALITY OF LIFE

East Belgium enjoys a great quality of life with its picturesque landscapes, cultural diversity and strong sense of community. The region, which is characterised by charming towns and villages and an idyllic natural environment, not only offers an impressive quality of life, but it is also extremely family-friendly. It is not only a retreat for nature lovers, but it also offers great conditions for enjoying a good day-today quality of life. The region offers a rich network of hiking and cycling trails that lead through forests, along riversides and through historic villages.

However, East Belgium is known in particular for its strong community spirit and warm atmosphere. The local people appreciate the values of solidarity and togetherness, as reflected in the large number of local associations, events and festivals. Not only does the region offer families a safe and friendly environment for their children, but it also provides numerous opportunities for them to get involved in the community.

The educational institutions in East Belgium correspond to the highest standards and offer a wide range of opportunities for young people. The schools focus on academic excellence, but also promote social development and creativity. Kindergartens are free of charge in Belgium (from the age of 2 ½).

However, Belgium is known for providing widespread access to healthcare, high levels of medical treatment and solidarity-based financing. International comparisons take into account different aspects such as efficiency, quality of care, patient satisfaction and financial sustainability. Families can rest assured that their healthcare needs will be addressed with due care.

East Belgium is certainly a region in which quality of life coexists in harmony with family-friendly attitudes.

# EAST BELGIUM IS A "PEOPLE'S COMMUNITY"



His name is Chris Eyre-Walker: He is a photographer and son of an Englishman and a Flemish woman who settled in the Belgian Eifel region decades ago. Her name is Ashley Joanna, she is also a photographer, and was born and raised in New York.

They met in Australia. But they didn't really get together until the photography workshop that they attended on the Faroe Islands. This marked the start of a long-distance relationship between New York and East Belgium, until the Covid-19 pandemic hit and Ashley Joanna was unable to return home due to the lockdown... and then didn't want to leave the village of Rodt near St. Vith, with just over 500 inhabitants. But what inspired these globetrotters to stay in this peaceful East Belgian village.

"For me it's quite simple," says Chris Eyre-Walker. "I grew up here and have the kind of social network that I wouldn't be able to find anywhere else in the world." It was more difficult for Ashley Joanna. She had to learn the language and get to know people: "I took a German course, gradually got to know people and started to get my first photography assignments. The people here are so open and friendly. Things just started to fall into place."

It even gave Ashley Joanna's photography career a real boost. During and after the Covid pandemic, the young American and East Belgian by adoption started to focus on people photography and made it her trademark. She was initially commissioned by local companies and organisations. Gradually she became known to international companies based in Belgium. "It's much easier to find new customers here than in the USA, where the competition is much keener," she admits. Chris Eyre-Walker, who travels the world as a landscape photographer, enjoys the central location of the region: "Where else in the world do you have so many airports within an hour or two that allow you to go wherever you want to go?"

But the thing that they both still consider to be the region's greatest asset is what they call the "people's community": the quality of life, because you feel part of a community of open, helpful and friendly people... and at the same time you are surrounded by a breathtaking natural environment. But that's not all! "You can have a real influence here in East Belgium. Distances are short. Politicians are never far away. They are approachable. You can really make a difference here if you want to," adds Chris.

This is nothing new for Chris and Ashley Joanna has learnt to love East Belgium too. "We appreciate the region and feel very much at home here," they say in unison.

> Where else in the world do you have so many airports within an hour or two that allow you to go wherever you want to go?

# FROM CREATIVE MINDS TO BUSINESS DRIVERS

The importance of creativity is increasingly being recognised by companies and society alike. Creativity is seen not only as a cultural expression, but also as a driving force for innovation and economic growth. Governments are therefore keen to take measures to promote this sector. This includes offering financial support, promoting networking between different players and setting up creative clusters or co-working spaces. Flourishing cultural and creative industries have emerged in recent years in many regions of Europe, which is becoming increasingly important, including in East Belgium.

What do we actually mean by cultural and creative industries? They are made up of artists and all the creative professions: Creators of literature, musicians, visual and performing artists, journalists, film-makers, designers, broadcasters, graphic designers, copywriters, advertising agencies, etc. They are all involved in some kind of creative activity. They produce a piece of work, and artistic product or a service.

### **ART IN VIRTUAL SPACE**

In Eupen, artist Jana Rusch combines real images with virtual reality in collaboration with the Visual Computing Institute at RWTH Aachen University. The viewer, wearing a VR headset and holding onto the controller, takes a deep dive into the artwork. It is a truly innovative artistic experience. The leading international trade journal for art and technology, Leonardo, devoted a detailed article to this project.

### LEADING GERMAN JUICE PRODUCER OPTS FOR EAST BELGIAN VIDEO AGENCY

Rotbäckchen, the high-quality juice that has been popular for over 75 years, commissions the East Belgian video agency Paperplane Productions to create high-quality TV ads. The creative collaboration began when the German juice manufacturer became aware of Paperplane a number of years ago via social media. This led to the creation of corporate films, recruiting spots and social media series. The partnership grew.

"Rotbäckchen" then decided to entrust the Eupen-based company with the production of elaborate TV ads - a challenge that had previously been reserved for a large German advertising agency.

The successful distribution of the latest advert, with an impressive 1.8 million impressions in the first month on Pro7 on Connected TV, is testament to the strength of this partnership. Paperplane, owner-managed by David Mollers and Adrian Küchenberg and supported by an in-house team of eight people, not only excels in the food industry, but also in the fields of tech, robotics and research among others. Customers such as Knauf Insulation, Fanuc, Savencia and Sealed Air testify to its extensive portfolio. Paperplane is also developing its expertise in digital marketing with a branch office in Aachen and as a co-founder of the Luxembourg-based social media agency SHIFT.





# AUTONOMY **BOOSTS CULTURAL** AND CREATIVE **INDUSTRIES**

In the words of Benjamin Fleig, born in northern Germany and East Belgian by adoption, gallery owner, designer, exhibition organiser, networker and cultural manager, "The Meuse-Rhine Euroregion can be likened to Berlin. The number of inhabitants, the total area and the number of cultural centres are comparable. The only difference is that the cultural playhouses are not separated by rows of houses, but by cow pastures and agricultural meadows."

HOWI MY IDFA 22 Ostbelgien **O SPEZIAL: DIGITALISIERUNG** Benjamin Fleig, gallery owner, designer, exhibition organiser, networker, cultural manager and animator of the series "How I Met My Idea", a platform where creative minds from East Belgium meet regularly. PHOTO: MAXSCHOLL

According to this cultural go-getter, cultural and creative industries (CCIs) are very active for what is largely a rural area, including East Belgium: "Economic policy is not one of the responsibilities of the German-speaking Community, but cultural policy is. This has been taken advantage of to increase the visibility of CCIs, create networks, facilitate cooperation and the sharing of best practices, thereby professionalising the sector and actively advising cultural professionals, among other things."

"In East Belgium, efforts to promote autonomy are based on language and culture", says Fleig.

It is therefore not surprising that the cultural and creative industries are strengthening their development as a result. The proof is in the figures. Michael Söndermann, an expert in researching the links between culture and business, has demonstrated this. This sector accounts for around two to three per cent of total economic output in the EU as a whole, which is more than the steel industry or mechanical engineering. According to his calculations, this also applies to East Belgium. Although later studies challenge these figures slightly, they nevertheless confirm that the creative industry in East Belgium is comparable the automotive sector.

This is particularly remarkable as, according to Söndermann, cultural and creative industries generally exist mainly in urban areas.

Benjamin Fleig also draws conclusions from his own experience: "We have creative people here in East Belgium. We don't need to go to Brussels. Our task is much more about continuing to strengthen the infrastructure of the creative industry so that we can keep these people here."

Benjamin Fleig is also the initiator and organiser of the "How I met my Idea" series, where creative minds share, discuss and develop ideas. These events promote collaboration and exchanges between players from the creative industry and help to advance their visions and entrepreneurial ideas.

> We have creative people here in East Belgium. We don't need to go to Brussels.

Sustainable development has been a key concept in economic policy for a long time. It not only promotes environmental protection, but it also guarantees long-term economic stability. The integration of economic, social and ecological aspects allows for balanced development that meets the needs of the current generation without jeopardising the future.

Clear political framework conditions and incentives are crucial when it comes to sustainable development. The government of the German-speaking Community has set ambitious goals in this area. Although it is not responsible for large parts of energy policy, climate protection is taken into account in all areas. The aim is to reduce CO2 emissions by 55% by 2030 compared to 2006. This means that East Belgium will be well on the way to achieving the European climate target of being climate-neutral by 2050 sooner than planned.

However, education and the raising of awareness are equally important when it comes to promoting an understanding of the long-term benefits of sustainable practices. Children are obviously confronted with this issue from a very early age. Today, there is no doubt that such a basic understanding of the need for sustainable development exists in East Belgium, much more so than in some neighbouring regions.

Companies need to incorporate all aspects of sustainability in their business models. They will not only be more sustainable, but they will also be actively shaping a resilient economy. There are plenty of examples in East Belgium, ranging from the smallest to the largest companies.

# INVESTING IN THE FUTURE THROUGH SUSTAINABILITY



# CLIMATE-CONSCIOUS EAST BELGIANS

When the German-speaking Community took over responsibility for energy from the Walloon Region and simplified the application procedure, the East Belgians applied for ten times more energy premiums than before in the first year.



# WHEN ECONOMY, FCOLOGY AND SOCIAL **RESPONSIBILITY MEET**

It all started in 1953 with mustard. Nowadays, the "Conserverie et Moutarderie Belge" in the pottery village of Raeren produces a large range of sauces, ready meals, salad dressings and spreads (over 400 recipes!), which are exported to more than 15 countries. 40% of products are already organic. But the company is even more ambitious. It wants to become 100% organic.

> The company has been run for the past two years by siblings Rachel, Laurent and Raphael Renson, with youthful vigour, expertise and a well thought-out, up-to-the-minute corporate strategy. Their management approach is based on the three pillars of economy, ecology and social responsibility. They are inspired by the "B Corp" movement that promotes an ecologically and socially sustainable economy.

In economic terms, the motto is: to become less dependent on a small number of major customers. The CMB made a very good living from "private label" products for many years. The time has come now to diversify by building up own brands. "Maria & Franz", "Jefke The Belgian Chef", "The Veggie Family" or "La vache gui regarde passer les trains" are all brands with their own USP and specific target

groups. This offers CMB more stability in a fast-moving and volatile world.

From an ecological point of view, there is still some work to be done on the photovoltaic system and the water treatment plant according to Raphaël Renson. Reusable glasses, coupled with a sophisticated logistics system, have been in use for a long time, however

And then there is the social commitment. There are 25 employees on the production team in Raeren. The products are bottled by 35 colleagues who form part of a social enterprise in the sheltered workshop in neighbouring Eupen. "What began as an interesting opportunity has now grown into a genuine, long-term partnership with cooperation on an equal footing," says Raphaël Renson.

What does it mean for this long-established family business to be located in East Belgium? According to the young entrepreneurs, there are no language barriers on the border between two cultures. "We take our inspiration from the German market and bring it to Belgium and France, or vice versa, when it comes to product innovations. The location is strategically important for us." concludes Renson.

> We take our inspiration from the German market and bring it to **Belgium and France,** or vice versa, when it comes to product innovations. The location is strategically important for us!





Conserverie et Moutarderie Belge AG Eynattener Straße 20 4730 Raeren www.moutarderie.be



# GOfiber: EAST BELGIUM LAUNCHES INTO THE DIGITAL FUTURE

In 2020, the German-speaking Community did something that anywhere else would be the exception rather than the rule, if it happens at all. It decided to take the initiative to promote a large-scale fibre optic network throughout East Belgium. So far, fibre optic expansion has mainly taken place in cities, and this initiative has enabled the community to go a step further and cover more rural areas. This is a unique initiative in Belgium! able to learn from the mistakes made elsewhere; we now offer a highly efficient network and are well equipped for the future."

What opportunities does this offer companies in East Belgium? Extensive, data-intensive process automation, remote control of the most complex production systems, optimum conditions for remote working, etc. "There are no limits nowadays to digitalisation," says Max Munnix. This would be particularly beneficial for small and medium-sized companies that are located at some distance from equipped industrial zones, where Internet speed has often been poor to date.

The Director of GOfiber points out that another unique selling point for the business location is the autonomy of the German-speaking Community. "East Belgium is an enclosed area that is largely managed and organised by a single authority. The responsibilities of the German-speaking Community will continue to develop and it will be able to regulate and organise more areas itself as further state reforms are introduced. Many more options will open up at that point", he predicts.



East Belgium was not actually at the top of the list of priorities for private fibre optic network providers: it is considered too rural, too sparsely populated with too few potential users and therefore commercially uninteresting. However, it is essential for the economic development of East Belgium. The German-speaking Community therefore decided to take action. It released €40 million (of which €19.5 million came from the European recovery plan) and founded the company GOfiber in 2022 with two private partners (the network and telephony provider Proximus and the insurance company Ethias), which together provided €100 million in funding for the project.

Their task is now to bring the fibre optic network to almost every household and business in even the most remote parts of East Belgium. According to GOfiber Director Max Munnix, the network installed in East Belgium is of a particularly high quality: "Belgium was not at the forefront when fibre optics were introduced. The advantage, however, is that we have been



PHOTO: PROXIMUS

Visit <u>www.gofiber.be</u> to find out where fast Internet is already available and how the further expansion of the fibre optic network in East Belgium is progressing.



# COOL, FAST, WITHOUT LIMITS: GLOBAL RACING FEVER WITH EAST BELGIAN CROSS CARS!

LifeLive has grown from a small start-up to one of the leading companies in its sector within the space of just four years. This 'hidden champion' from St. Vith in East Belgium is causing a real stir in the sector.

> The idea was put forward by Thierry Neuville, who has been runner-up several times in the world rally championship, and his brother Yannick. Originally intended as a workshop for the company founder's rally cars, the private garage was soon transformed into the breeding ground for a cross car, a manoeuvrable ,buggy' with a multi-tubular steel frame and a motorbike engine (with 600 or 850 cubic capacity) that was to cause a real stir on the racing scene.

The rapid rise of the company continued with the launch of a high-tech production hall in the St. Vith industrial zone in 2019 and the marketing of the first TN5 model. The aspiring company already employs 12 people, the successor model TN11 is ready to go into mass production and the cross cars are being sold worldwide. David Meat was runner-up in the European autocross championship on a LifeLive TN11 and Tom Heindrichs won the Belgian championship on the same cross car. "Our aim is to win the European title next year," says Sales Manager Danny Müller with confidence.

And why shouldn't they? The cross car is currently experiencing a boom in motor sport. "The International Automobile Federation FIA specifically promotes the cross car. It is fairly accessible for young drivers due to the low purchase and maintenance costs and is the ideal stepping stone to rallying or rallycross," says Danny Müller. And LifeLive is heavily involved in this field. The East Belgian company is setting new standards on the cross car racetracks by placing high demands on itself, its team and its vehicles. The upcoming races promise pure excitement.

The racing drivers and their teams are not the only customers, however.

It is often motorsport enthusiasts or associations who take these vehicles out on the racetracks at the weekend for the sheer joy of driving. LifeLive also leases vehicles to companies who want to give their employees a unique team-building experience, either on "track days" or for unforgettable weekend adventures.

> Our aim is to win the European title next year!



LifeLive Mercatorstraße 1 4780 St. Vith www.life-live.be ECONOMICPANORAMA East Belg

Parliament of the German-speaking Community.

# GREAT THINGS COME IN SMALL PACKAGES!

The thing that makes East Belgium unique on the international stage is its small size. With almost 80,000 inhabitants, it is the smallest federated entity of Belgium and accounts for less than 1% of the Belgian population.

This makes East Belgium ten times smaller than the smallest federal state in Germany (Bremen) and no larger than Andorra. However, the German-speaking Community is granted the same competencies as the Flemish and French communities. It has also taken over some of the responsibilities for its territory from the Walloon Region. It is sometimes justifiably referred to as the "best protected" minority in Europe.

The German-speaking Community has its own directly elected parlia-

ment with 25 representatives, its own government consisting of four ministers and an associated ministry. In many areas, the German-speakers determine their own destiny on a completely autonomous basis.

The German-speaking Community has also had its own "citizens' parliament" since September 2019. This is a novelty both in Belgium and beyond. Citizens selected by lot put forward recommendations for political action on topics of their choice as part of the so-called "citizens' dialogue".

# COMPETENCES OF THE GERMAN SPEAKING COMMUNITY

- ✓ Culture
- Family, health and social affairs
- Education and training (including the use of languages for teaching)
- Spatial planning and parts of energy policy
- Housing
- Cooperation between communities and international cooperation
- Monument and landscape protection and excavations
- Employment
- Supervision and financing of municipalities
- ✓ Tourism

### ANNUAL BUDGET EUR 549.51 million (2022)

The German-speaking Community in Belgium is going for a world première: Ordinary citizens now make the region's laws together with the parliament. Some believe that this will save democracy.

SÜDDEUTSCHE ZEITUNG

A Belgian experiment that Aristotle would have approved of.

THE ECONOMIST

An amazing experiment with astonishing results: The citizens' parliament not only makes wellconsidered decisions that serve the common good, but it also changes the participants.

**DER SPIEGEL** 

# POLITICAL MANADATORIES

- 25 representatives in the Parliament of the Germanspeaking Community and 4 ministers (this corresponds to approximately 1 representative per 3,175 citizens and 1 minister per 19,840 citizens)
- 1 Member of the European Parliament
- ✓ 1 Community senator
- ✓ 3 representatives in the Parliament of the Walloon Region

# THE POWER OF SHORT DISTANCES

East Belgium is unique in that widespread autonomy is granted to such a small region. Short distances allow for direct communication, speed up decision-making and promote simple solutions. The business development corporation WFG has has a central role to play in this respect. It acts as a companion and partner and supports entrepreneurs, start-ups, project organisers and the self-employed who want to become active in East Belgium. The WFG successfully connects with the right decision-makers and guides entrepreneurs confidently through Belgian red tape, even for responsibilities outside East Belgium. The principle of "one-stop shopping" could be applied here: There is one point of contact, one personal advisor and one network of specialists to accompany the entrepreneur for the entire journey.

# John Sola

# SETTING UP BUSINESS "YOU'LL NEVER WALK ALONE"

The road to success is often a marathon presenting many hurdles and challenges. This is where the WFG's business advisory service comes in. It offers guidance for both budding entrepreneurs and established companies, providing valuable support in the development of business ideas or in developing and securing a company. In the words of the WFG consulting team, "We guide people through the formalities that need to be completed, check or help to draw up business plans and provide information on funding and financing options."

In 2023, 320 participants in the startup phase connected with the WFG. Of these, 85 took the plunge and

became self-employed in the same year. In addition, 47 people who had been supported by the WFG in previous years also decided to set up their own company in 2023. 141 participants also received advice during the safeguarding phase to help them to secure their business in the long term.

In addition to tailored individual advice, the WFG also organises information events, programmes to promote self-employment ("Wirtschaft macht Schule" (the economy goes to school)) and networking meetings for East Belgian companies and interested companies from the border region.

### FINANCIAL INCENTIVES FOR COMPANIES IN (EAST) BELGIUM



Financial incentives of various kinds can offer welcome support both when setting up a business and when securing business activities.

For example, the so-called "airbag premium" can be applied for when setting up a company. This source of funding serves as a kind of "buffer" to facilitate the transition to full-time self-employment. In specific terms, a maximum sum of  $\notin$ 12,500 is available over a period of 2 years.

The best-known form of subsidisation is the investment premium, which can amount to a maximum of 15 to 20 % of the total investment sum for the purchase of land, buildings, equipment, etc. The amount of the bonus depends on various factors such as the size of the company, investment volume, job creation and location.

There is also a system of "company cheques", which enable companies to receive support from recognised consultants in different areas (e.g. digitalisation, circular economy, innovation, exports, etc.).

Various subsidies are also available to reduce personnel costs and promote recruitment. A few examples:

- The employer's social security contribution is waived up to a maximum of €3,100 per quarter when the first employee is hired. Reductions are offered for the next 2-3 appointments.
- When jobseekers are hired via a training system (IBU individual vocational training within the company), the employer only pays the net difference between the unemployment benefit and the final salary during the training phase. There is a subsequent employment obligation that corresponds to at least the duration of the training.
- The AktiF and AktiF PLUS employment promotion programmes are available within the German-speaking Community for certain age groups and qualifying categories.

These are just some of the financial incentives available for start-ups and companies. Additional funding is available in the areas of energy, environment, innovation and research and development. A detailed overview can be found at www.aides-entreprises.be and on the website of the employment office **www.adg.be** (under "Employers").





### **TAX SHIFT**

In order to reduce the tax burden in Belgium, various measures were adopted in 2015 as part of a tax shift to increase the competitiveness of Belgian companies. One of the specific aims was to reduce ancillary labour costs for employers. The tax shift involves redistributing the tax burden. In specific terms, this means that the taxes levied in a certain area are shifted to another area - for example, from labour to consumption. At the same time, total public sector revenue remains the same.





# THE AWEX - FOREIGN INVESTORS IN GOOD HANDS

Wallonia has for a long time been seen as an attractive investment location and is no longer considered an insider tip. The official organisation that offers support to foreign investors is called the Wallonia Export and Investment Agency - AWEX Invest. This agency not only supports companies wishing to invest in East Belgium, but it also guides them through the various federal and regional administrations and institutions. This is particularly important as the German-speaking

Community forms an integral part of the Walloon Region when it comes to economic matters.

In East Belgium, the AWEX works closely with the WFG to offer "onestop" solutions. AWEX interlocutors are available to assist foreign companies by answering their questions and helping with procedures relating to property and commercial space, potential financing options, subsidies and staff recruitment.

---> Further information: www.investinwallonia.be

### **OSTBELGIENINVEST (OBI)**

Ostbelgieninvest (OBI) is the venture capital company of the German-speaking Community of Belgium and surrounding areas. OBI was founded by private companies from East Belgium in cooperation with the Walloon Region. Its aim is to support and promote small and medium-sized enterprises (SMEs) by offering financing and advice. The allocation of risk capital by OBI strengthens the company's own funds and optimises the leverage effect to provide access to bank loans.

-> Further information: www.ostbelgieninvest.be

# A BRIEF OVERVIEW OF WHAT THE WFG HAS TO OFFER IN EAST BELGIUM:

### SELF-EMPLOYMENT & SETTING UP BUSINESS

- Project preparation
- ✓ Formalities & approvals
- Financing & subsidies

### **ECONOMIC PROMOTION**

- Establishment & investments
- Project funding
- Financing & subsidies
- Digitalisation
- Export promotion
- ✓ Business succession





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# 10 GOOD REASONS TO GO FOR EAST BELGIUM



# **OUR PARTNERS**:



WFG Ostbelgien VoG Wirtschafts- & Regionalförderung

www.wfg.be



Industrie- und Handelskammer Ostbelgien (IHK)

www.ihk-ostbelgien.be



Ostbelgieninvest (OBI)

www.ostbelgieninvest.be



www.mittelstand.be

Mittelstandsvereinigung der DG (MSV)

SPI - Agence de développement territorial pour la province de Liège

www.spi.be

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AWEX Export & Invest (Wallonia.be)

Wallonia.be

EXPORT INVESTMENT

www.awex.be

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