

Putting Flanders on the map

Excellent infrastructure and skilled workforce have made the Belgian region a prime business location

Editor's note: Prior to Belgian King Philippe's visit to China from June 20 to 27, Bert De Graeve, chairman of the Flanders-China Chamber of Commerce, talked to China Daily about the recent development in business ties between China, Flanders and Belgium.

How have trade and business cooperation between China and Belgium developed in the past year?

Economic and trade relations between our two countries have been expanding steadily. Belgian — and especially Flemish — companies continue to invest in China. Those who have been there for many years are expanding their investments and some of our dynamic small and medium-sized enterprises are finding their way to China.

In 2014, Flanders' exports to China reached close to 7 billion euros (\$7.9 billion), while Flanders imported about 11.7 billion euros in goods from China. In 2014, 91.4 percent of Belgian exports to China originated from Flanders, while 86.2 percent of imports from China ended up in Flanders.

We are also witnessing a steady rise in Chinese investments, including those from Geely, Huawei, the Hainan Airlines Group and the Industrial and Commercial Bank of China.

Flanders is a region with a rich variety of opportunities for overseas companies. Its location at the heart of Europe, its excellent infrastructure and its skilled workforce are just some of the trumps that have turned Flanders into a prime business location.

The major achievement in Sino-Belgian ties in 2014 was the continued development of business relations and understanding; the visit of Chinese President Xi Jinping laid the foundation for much collaboration.

During his state visit, Xi was received by the Belgian king and queen and he held talks with the prime minister on several projects. The direct contact between Chinese



Bert De Graeve, chairman of the Flanders-China Chamber of Commerce

and Belgian ministers also gave new impetus to several projects. This year we expect more Chinese investment in Flanders.

King Philippe will pay an official visit to China. How will his visit promote trade relations between the two countries?

The upcoming visit of King Philippe to China offers the opportunity of direct contact with the highest Chinese leaders, including President Xi Jinping. For a few days, Belgium and Flanders will be prominent in the news in China.

The Minister-President of Flanders Geert Bourgeois will accompany the king in Beijing and Shanghai. About 100 business leaders are part of the high-level delegation, which will visit Wuhan, Beijing, Shanghai, Suzhou and Shenzhen. The visit is an opportunity for Chinese people to meet Belgian officials and CEOs, who will no doubt also have a chance to improve their knowledge of China. Better mutual understanding and the development of new contacts are essential for the promotion of trade and investment.

What efforts will you take to encourage bilateral trade? What do you suggest Chinese authorities do to help?

We continue to advise our mem-

ber companies to be very pragmatic and be well prepared when doing business with or investing in China. It may be a cliché, but doing your homework well in advance will surely avoid costly mistakes later on. For many Flemish managers and business leaders China remains a largely unknown faraway giant, so we have to continue our efforts to help them understand the business environment and opportunities in China.

The Chinese authorities are steadily improving the business environment but this remains a never-ending task. Better protection of intellectual property rights through improved enforcement, so our companies do not have to worry about their most valuable asset, would be highly appreciated. Many companies also continue to view better implementation of the rule of law as the top driver for China's economic development in the future. In recent years communication from China about priorities for investment and strategic plans has improved steadily.

What sectors in the China-Belgium trade developed the most last year? In which sectors do you see new partnership potential?

Flemish exports to China mainly consisted of vehicles, chemical products and machinery, while we mainly imported electronics, machinery and steel from China.

I believe we have to focus more on high-tech products, new materials and environmental protection to which China is paying a lot of attention. We have many famous research and development centers who can play a role in further developing our relations in the field of science and technology. The biggest potential is to help companies and organizations with innovative technologies to expand into China. China would benefit from the technologies, and we would benefit from access to larger markets.

What advantages do both sides

have in the bilateral business relationship?

Flemish people are pragmatic problem-solvers, something which our Chinese partners highly appreciate. They also speak several languages and many of those who have worked in China for some time also understand and speak Chinese. This is a big advantage in working in China. The opportunities for foreign investment in China are increasing, we have to make sure to inform the companies which might be interested.

The Flemish like the Chinese entrepreneurial spirit and can-do attitude. Together they make a strong team.

What suggestions do you have for Chinese companies that plan to invest in Belgium?

As Flemish companies investing in China have to be well prepared, Chinese companies coming to Flanders also have to be informed about our business environment and customs. They are welcome to contact us for assistance. Flanders Investment and Trade, our banks and professional associations are also ready to help them to integrate in the Flemish business environment. The big opportunity is in collaboration, we can help put Chinese companies in contact with the right industrial, governmental and technical partners.

How is the Flanders-China Chamber of Commerce promoting the China-Belgium relationship?

Pioneering companies with a lot of experience in China includ-

ing Bekaert, Barco, Agfa, Umicore and Picanol, are all members of our chamber. We regularly invite managers from these companies to share their insights and experiences at symposia and workshops organized for our members so that newcomers to China can learn the knowledge those pioneers have accumulated.

We also receive Chinese delegations, including those from special economic zones, to explain their investment environment to our members. We not only assist our Flemish companies on the way to China but are ready to assist Chinese companies to invest in Flanders. We are also publishing our weekly economic newsletter, informing our members about the rapidly evolving economic and business conditions in China.

Bank of China celebrates Sino-Belgian ties

On the occasion of the 10th anniversary of China-EU relations, Bank of China, as one of the most globalized bank in China, is very glad to see successful high-level visits between China and Belgium. We hope the economic and trade cooperation between the two countries will become closer and grow faster on the basis of mutual benefit and trust.

During the high-level visit of Belgium's King Philippe to China and Chinese Premier Li Keqiang to Belgium, Bank of China signed a memorandum of understanding on strategic partnership with Duroire, the leading international public credit insurer in Belgium, and signed another MOU on strategic partnership with the Schreder Group, an international lighting group. Bank of China Chairman Tian Guoli will make a speech at the business leaders' plenary session of the 10th EU-China Business Summit.

Bank of China (Luxembourg) S.A. Brussels branch was founded in 2010, the first Chinese bank in Belgium. We view the Belgium market as our most important overseas market to serve and support. We consider supporting the development of Chinese as well as local corporate cli-

ents in Belgium and promoting China-Belgium business development our responsibility, and commit to acting as a bridge between Chinese and Belgian corporations. For clients who have international trading businesses, we have an adequate product portfolio to support their needs, such as project finance, buyers' credit, syndicate loans, working capital loans and sup-



ply chain finance, cash management and RMB business etc.

With our strategic partnership with Duroire, we can integrate our banking services with their credit insurance business to provide better support for China-Belgium trade and investment activities. With the strategic partnership with the Schreder Group, which is an international

Group to develop in China with the aid of our Chinese branches and provide a global cash management service and supply chain finance with our international operations' network.

As the renminbi has become more and more important in international trading, we are continuously consolidating our market position in main business channels. In 2014, the Bank of China Group fulfilled a volume of \$3.92 trillion on the international settlement market, maintaining its global leading position. For Belgian and other European companies trading with Chinese companies, we can offer diverse renminbi products to help them reduce foreign exchange risks and costs.

As a local bank with a long-term development plan in Belgium, we wish the trade and investment between China and Belgium a bright future! The Bank of China (Luxembourg) S.A. Brussels branch will always be with you on your way to success.



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