

KPMG's extensive Global China Practice Network

KPMG firms are among the world's leading providers of audit, tax and advisory services. We have 138,000 people working in 150 countries.

KPMG's Global China Practice network extends across all KPMG's leading practices and other countries that are major sources or destinations for Chinese investment. It is a community of KPMG's senior professionals with a strategic focus on locations with high potential for inbound and outbound investments related to China.

KPMG's China Practice in Belgium is part of this extensive global network. Our Senior-level partners and professionals with years of multidisciplinary industry experience make up the core of the practice. Many of them have solid working relations with both Chinese and European authorities on both local and national levels. Among these is a KPMG LLP partner who is permanently based in Hong Kong.

The China Practice in Belgium can serve as your first point of contact for coordinating international cross-border service. We can help Chinese clients and prospects better understand the business landscape in Europe.

This means your organization can benefit from our multidisciplinary services in this highly developed and wealthy market, and at the same time, receive support from a central contact partner at home.

Contact us

If you need more information on the services that KPMG's China Practice in Belgium provides, please contact:

Dr. Weihua Huang
Head of China Practice
Senior manager advisor
T: +32 2 708 42 38
M: +32 474 85 24 67
E: weihuahuang@kpmg.com

Mailing address:
Avenue de Bourget 40
1130 Brussels
Belgium

Our core team members:

Erik Clinck
Partner
KPMG Bedrijfsrevisoren/Réviseurs d'Entreprises
Head of Markets
T: +32 3 821 18 55
E: eclinck@kpmg.com

Jorn De Neve
Partner
KPMG Advisory
T: +32 2 708 47 78
E: jdeneve@kpmg.com

Henk Vandorpe
Partner
KPMG Bedrijfsrevisoren/Réviseurs d'Entreprises
T: +32 9 241 88 07
E: hvandorpe@kpmg.com

Paul Op De Beeck
Partner
KPMG Tax Advisers
T: +32 2 708 42 11
E: popdebeeck@kpmg.com

Luc Van Wallegghem
Director
KPMG Tax Advisers
T: +32 2 708 42 56
E: lvanwallegghem@kpmg.com

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2011 KPMG Support Services, a Belgian Economic Interest Grouping ("ESV/GIE") and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. Printed in Belgium



CHINA PRACTICE

Investing in Belgium, the Heart of Europe

kpmg.be

Chinese businesses that plan to invest in Europe face a wide range of challenges, including unfamiliar tax and legal regimes, accounting standards, business customs and cultural differences. Nevertheless, there are nine compelling reasons to invest in Belgium.

1. **Center of a large and prosperous EU customer base:** Within a radius of 500km, Belgium lies at the very heart of an area where 60% of Europe’s purchasing power is concentrated.

2. **European centers of decision making:** Brussels is the headquarters for decision-making organs of the EU. Companies established their businesses here in order to be close to the center of financial and political power in Europe.

3. **Perfect place to set up European headquarters and distribution centers:** Belgium has the highest density of roads in the world. Antwerp is Europe’s 2nd largest seaport. Goods sent from any port of Belgium can be delivered within Western Europe within 24 hours.

4. **Access to talent pool:** Belgium’s workforce is highly productive (top 5 world ranking), well educated and multilingual.

5. **Center of knowledge:** The quality of its math and science education and management schools places Belgium among the top 10 in the world for educational achievement. It is also a leading country with regards to academic and clinical research.
6. **Welcoming and supportive business environment:** There are low barriers and low capital requirement to set up a business; no limitation on dividends and interests payment for repatriation; business registration in 3 days.

7. **Attractive tax regime:** Belgium has a very extensive network of double taxation treaties, including one with China, which provides reduced or 0% withholding tax rates and exemption (under certain conditions) for foreign source profits.
8. **Low real estate costs:** Rents and purchase prices in Belgium are competitive compared to other European cities. Office rental in Brussels is 10% lower than Amsterdam, 48% lower than Frankfurt, 175% lower than Paris, and 400% lower than London.

9. **Exceptional quality of life:** Belgium has among the best healthcare systems in Europe. The country is also centrally located and has an excellent infrastructure.



KPMG China Practice in Belgium

Working closely with KPMG’s multidisciplinary professionals in China and worldwide, KPMG’s China Practice in Belgium, led by a dedicated executive team, brings together technical, regulatory and industry experience to work with clients across global markets.

A look at our services

- Market entry studies
- Choosing the right business form: Joint venture, M&As, or Greenfield
- Legal support
- Location planning

A circular diagram with three segments: 'Strategic Planning' (teal), 'Investing in Belgium' (dark blue), and 'Operation and post-deal implementation' (green). In the center is a white circle with the text 'KPMG China Practice in Belgium'.

- Due diligence
- Financing advisory
- Tax structuring
- Accounting system design
- Business registration
- Expat services

- Tax and regulation compliance services
- Accounting advisory and Forensic
- Auditing (as well as internal audit, internal control, risk management)
- IT Advisory
- Performance services

Belgium’s economic strengths correspond to China’s 12th Five -Year Plan

China’s Five-Year Plan for 2011-2015 emphasizes “Higher Quality Growth”. Seven strategic industries have been selected as key economic growth drivers. These are:

- New Energy
- Environmental Protection
- Biotechnology
- New Materials
- New IT
- High-End Equipment
- Clean Energy Vehicles

Belgium’s strengths in these seven key areas make the country a top overseas investment destination for Chinese companies:

- Belgian companies have successfully developed in-depth expertise and extended their international experience worldwide in windmills, windfarms, photovoltaic and biomass equipment. Belgium provides special incentives to encourage investment in these sectors.
- Belgium is the best performing country in the OECD in terms of innovation and biotech industry development,

based on biopharmaceutical patent applications, drugs under development, venture capital invested and the number of biotech companies per capita. Belgian biotechnology companies accounted for 16% of Europe’s turnover and almost 10% of R&D expenditure.

- Belgium is a world leader in the pharmaceuticals industry. Every year, the pharmaceuticals industry invests over €1.5 billion into R&D. This represents 40% of all private investment in R&D in Belgium, double the European average.
- Belgian industry plays a prominent role in the aerospace sector. Many aircraft and spacecraft bear the stamp of Belgian know-how, including Airbus and Boeing planes, the F-16 jet fighter, the Rafale and Falcon 7X jet aircraft, the Ariane 4 and 5 launch systems and SPOT earth observation satellites.
- The ICT sector in Belgium is flourishing. It currently contributes over 4% to Belgium’s GDP.
- Public authorities in Belgium award various types of economic incentives to companies, including allowances, subsidies and tax breaks for investments and R&D that are designed to ease the burden on the environment.

Belgium is also a world leader in

Luxury and Consumer Goods:	Manufacturing and Processing:	Chemicals and Plastics:
<ul style="list-style-type: none">• The world’s largest diamond center• A producer of high quality gourmet chocolate• A beer lover’s heaven with over 450 top-quality beers	<ul style="list-style-type: none">• The 2nd largest petrochemical center in the world.• The world’s leading exporter of synthetic carpets.• The largest manufacturer of cars per capita in the European Union.• The world leader in the processing of cobalt, germanium and radium.	<ul style="list-style-type: none">• Hosting the 2nd largest world cluster for chemicals and plastics• The No 1 in the world in terms of production and sales in chemicals on a per capital basis• Preferred country to invest in for 75% of world’s top chemical companies

Our sector focus

As managing complexity becomes imperative to success, advice and accountancy support tailor-made to a specific sector becomes vital.

KPMG professionals are dedicated to focusing on sectors, leading to a key understanding of industry-specific issues and trends, which runs parallel a discipline-based structure of audit, tax and legal, advisory and accountancy services.

Some of the sectors in which our multidisciplinary industry teams help you meet global challenges and respond to opportunities are **healthcare, banking, automotive,**

diversified industrials, chemicals, technology and real estate.

In addition, the **KPMG EU desk** in Brussels is dedicated to managing KPMG business development with the EU institutions and closely tracking primarily all major regulatory developments from the European Commission and the European Parliament. Our firm is thus able to monitor critical regulatory and policy developments on issues such as those impacting financial services, internal markets, as well as any external trade-related issues that may affect the way you run your business in Europe.