Is the prime minister looking to change jobs?

The German Chancellor Gerhard Schröder was on a working visit to Brussels on 18 May, where he attended a council of ministers’ meeting of the Belgian government for the first time. The discussion covered Europe’s socioeconomic prospects, the European Constitution and the Inter-Governmental Conference. At the press conference afterwards Prime Minister Verhofstadt was asked about his ambitions to become President of the European Commission, for hadn’t Schröder said that ‘Personalfragen’ would be discussed over lunch? Verhofstadt denied this. ‘I have an exciting job and am not looking for another one, and one of the reasons why I find this job so exciting is that I’m living in an era of long-term reforms’. For large parts of the media the denial was anything but convincing, but they were reproved by a spokesman for the Premier (FF).

BART EECHKOUT • DE MORGEN • 19 MAY

‘The Prime Minister has not in any way expressed his intention to run for the post of President of the European Commission’, stressed the Prime Minister’s spokesman, Verhofstadt textually repeated what he has been saying for weeks and months. It is of course a great honour that many should be thinking of him for the post, but he is not immediately or in any particular way looking for a new job. He is the Belgian Prime Minister. That is an exciting job and the work has not yet been completed’. This denial does not sound entirely watertight, either. As for Schröder, he refused to commit himself at all yesterday. He limited himself to outlining the profile of the future President of the European Commission. The question now remains as to whether Verhofstadt is or is not in the running for the European top job. The timing of Schröder’s visit to Brussels leads one to surmise that he is. The British press has already said that the leading British favourite for the job, Chris Patten, the current European Commissioner for Foreign Affairs, does not have a chance since he is out of favour with the French. As a matter of course, Verhofstadt should thereby come into the picture. And yet the fact that his name is being mentioned seems in itself to exclude Verhofstadt as the leading candidate. In previous negotiations the name of the eventual Commission President only came out of the hat at the very last moment. That fuels the theory that, despite the speculation (and perhaps also despite his personal aspirations), Verhofstadt is not the ultimate conciliation candidate that the European Union is looking for after all. The rumours are

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INTRODUCTION

The Federal Planning Bureau publishes its forecasts every year in May. Last year the Bureau and the governor of the National Bank Guy Quaden waited until after the elections of 18 May to do this. They were criticised for having sat on the figures - which warned of a budget deficit of 0.6% - in order to take the wind out of the opposition’s sails. The “purple” government clearly did not want to take this approach a second time, and for to steal a march on the opposition, Budget Minister Vande Lanotte (SPA) himself revealed the figures this year. The Planning Bureau is forecasting budget deficits of 1.3% (without interest charges) for 2006, if the government does not intervene. The marked rise in 2005 is especially noteworthy and is attributable to the absence (for the moment?) of one-off revenues such as the takeover of the Belgacom pension fund in 2003 or the planned - but anything but realised - EUR 850 million in income from the tax amnesty this year. In order to attain the contemplated budgetary balance until 2006, an effort of EUR 4 billion a year is required, according to calculations by the Planning Bureau. Vande Lanotte immediately counter-attacked: the Planning Bureau is overlooking the strong recovery in the trade cycle, which is already noticeable in the marked increase in VAT revenues in the first quarter, he claimed. He is basing himself on a deficit of 0.6% in 2005, which he regards as feasible. De Standaard (18 May) is not so sure of that. Since it is impossible to carry on inventing one-off operations, the purple cocktail of Liberal tax cuts blended with the increased healthcare expenditure defended by the Socialists risks exploding sooner or later, says the paper. There is also the danger that the juggling with statistics and figures between the majority parties and the opposition will degenerate, during the coming electoral battle, into a sterile “yes-it-is, no-it-isn’t” game, warns De Tijd (18 May). The Liberals and Socialists streamlined their figures in support of the purple policy on their respective websites, so that they could not be trapped on contradictions by the opposition. The CD&V is clearly publishing the figures with which it can best undermine the policy, on a website specially set up for the purpose (www.hardecijfers.be). According to De Tijd, these websites demonstrate that everything can be proven with figures. Comparing apples with lemons serves to be the rule: for economic growth, the budget and unemployment, a comparison of Belgium with its neighbouring countries is favourable for the purple coalition, so we find this on the VLD and SPA websites. The CD&V compares economic growth with the EU average, emphasises the increase in the primary balance (without interest charges) in the budget and compares the increase in unemployment with that under the previous Dehaene government. And yet the paper prefers a campaign dominated by figures to one in which attractive female ministers attempt to make the headlines by driving fork-lift trucks or making parachute jumps.

Frank Vandecaveye | editor in chief
ELECTIONS

‘Do the vote test’ criticised again by CD&V and N-VA

THE PROGRAMME’S IMPACT ON VOTER BEHAVIOUR IS NOT INSIGNIFICANT, THE POLITICAL PUNDITS AND THE POLITICIANS THEMSELVES ARE AWARE OF THIS

Political experts concur on one thing: the electoral battle will be waged largely on television. Aware of its enormous responsibility, the public broadcasting corporation VRT has reviewed its electoral strategy. Last year the station produced heavily criticised ‘infotainment’ shows such as ‘Bracke & Crabbé’, in which a very lightweight look was taken at the ‘person behind the politician’. This year, a conscious decision has been made to concentrate on content. ‘Do the Vote Test’, a programme in which the viewer can determine his own voter profile on the basis of statements such as ‘The mayor should be directly elected’ or ‘flash-photo posts should be installed on motorways as well’, is once again a key element in the electoral broadcasting menu. Last year it emerged as an ideal way of getting the citizen closer to politics. In fact, due to its unrivalled success, the programme is this year being extended to three vote tests, in which the viewer is faced on each occasion with 33 statements on three different themes. On each occasion the studio audience comprises Flemish personalities, target groups (truckers, leaders of youth movements, etc.) and politicians from all parties. The programme’s impact on voter behaviour is not insignificant, and not only the political pundits, but the politicians themselves, too, are aware of this. They follow the programme with Argus’ eyes, but also are docilely take part in it. After the first edition, on the subject of the quality of life, most of the parties appeared pleased, except the Flemish alliance of Christian Democrats (CD&V) and Flemish Nationalists (N-VA) [FF].

STEVEN SOMERS • HET LAATSTE NIEUWS • 18 MAY

More than 100,000 Flemings have already done the vote test and more than half a million viewers stayed up until 11.23 p.m. on Sunday evening to follow the results [710,000 for the first part, ed.]. The question that has to be asked is: to what degree does this kind of vote test determine the eventual choice of vote? ‘I hope that people will not vote on 13 June on the basis of “Do the Vote Test”’, says political expert Carl Devos. ‘It is a lively entertainment programme, but it can be no more than a prompt - a stimulus to discuss issues and to find out more about the parties’ manifestos. What’s more, the radical choices that people have to make to answer the questions give a false impression. Politics does not consist in radical choices between, say, ‘more policemen’ and ‘more social neighbourhood workers’.

Political policy consists in gradual negotiations and making compromises. It is never ‘or/or’, it is generally ‘both/and’. ‘We’ve repeated ad nauseam that we weren’t saying how people should vote. But if ‘Do the Vote Test’ can fan the flames of debate, that would be an excellent result, says presenter Siegfried Bracke. And the fact that people wrestle with the radical answers that they have to give makes it exciting. That’s part of the game. However, make no mistake, ‘Do the Vote Test’ is a game as far as the form is concerned, but as regards content, it’s about the essence of politics’. Bracke is aware that, with two more editions to go [on ‘money’ and ‘standards and values’], ‘Do the Vote Test’ will have a greater impact than last year’s one-off programme.

WIM VANDE VELDEN • DE TIJD • 18 MAY

The VRT showpiece in the elections, ‘Do the Vote Test’, has set blood boiling, just as it did last year, among the CD&V and the N-VA. They feel they have been treated rudely. Yesterday morning, the editors-in-chief Jos Bouveroux of the radio new service and Leo Hellemans of the television news service had already apologised to chair-men Geert Bourgeois and Yves Leterme for the ‘errors’. But Leterme and Bourgeois insisted that the VRT management should give an explanation and clarify how the errors would be rectified. The continued participation of CD&V and the N-VA in the subsequent editions of ‘Do the Vote Test’ was reportedly at stake. After the meeting Leterme played down the affair. ‘We mustn’t overplay the matter’, he said. According to Leterme, the VRT management recognised that errors had been made in the presentation of the CD&V’s and the N-VA’s standpoints. That is being put right. CD&V and N-VA felt strongly about the fact that the good score achieved by both parties in their ‘joker’ statement [namely that a good 90% of Flemings agree with the CD&V and the N-VA that immigrants should be obliged to follow a Dutch language course] was glossed over. The CD&V and N-VA were also rather miffed that none of the five ‘communities’, nor any of the five Flemish personalities in ‘Do the Vote Test’, emerged with a CD&V or N-VA profile. Moreover, according to the CD&V and the N-VA, the VRT pointed out just a little too much that the alliance had little in common. The VRT inferred several times that with its standpoints the N-VA was closer to the Vlaams Blok. According to Leterme this is one conclusion that cannot be drawn. The VRT management yesterday conceded that that was going too far. Once again a rectification followed.

WWW.DOEDESTEMTEST.BE
WWW.VRTKIES.NET
Minister Landuyt wants Flemish judiciary

ENVIRONMENTAL VIOLATIONS AND CONSTRUCTION OFFENCES ARE INFRINGEMENTS OF FLEMISH REGULATIONS AND SHOULD BE SETTLED BY A FLEMISH JUDICIARY SYSTEM

Flemish judicial authorities should be introduced in order to punish infringements of Flemish decrees and regulations, in the view of the Flemish SPA minister Renaat Landuyt, who has been responsible for employment and tourism for the past five years. Landuyt feels that the Flemish dependance on Belgian justice for policing and judicial matters cannot go on. Environmental violations and construction offences are infringements of Flemish regulations and should be settled by a Flemish judiciary system, he believes. A Flemish minister of justice would form the key piece in this new structure, according to Landuyt (FF).

KOEN VIDAL • DE MORGEN • 18 MAY

The SPA wants to install a minister of justice in the next Government of Flanders, whose job it will be to establish a Flemish public prosecutor’s office and a Flemish police force. The idea comes from Flemish SPA minister and justice specialist Renaat Landuyt and has received the approval of party chairman Steve Stevaert. Landuyt launches his proposal in his book: ‘A Flemish Judiciary’, which is published this week. According to the outgoing Minister for Employment and Tourism, the Belgian public prosecutor’s offices and judges are often not prepared to ensure compliance of the Flemish regulations. As a concrete example, he cites the Flemish campsite policy. ‘A host of reports from the inspection service of Tourism Flanders denouncing illegal campsite holders have been lodged. In this way the permit policy is being tripped up’. Another area where the federal legal bodies are falling short, in Landuyt’s view, concerns environmental violations. ‘In the last ten years almost 60% of the environmental offences have been dismissed’. In the short term, the Flemish justice minister must in particular exert pressure on his federal colleague to ensure that violations of Flemish legislation are prosecuted.

Landuyt: ‘Another priority for the new minister is to simplify the Flemish decrees and inspection services and have these geared to each other, so that the laws can be enforced more effectively’. In a second phase, Landuyt says that a Flemish public prosecutor’s office should be established with its own solicitors, assuming responsibility for the prosecution of violations of Flemish orders and decrees. Landuyt also argues in favour of Flemish judges: ‘The idea is not to dismantle or divide the Belgian legal apparatus. However, a court should be given one or more Flemish chambers which would be competent for Flemish law. The legal organisation of these federated-state chambers would lie with the Flemish government, including the appointment of the magistrates and court staff of those chambers’. Finally, the Flemish Socialists also want police services to be able to be run partially by the Flemish executive. ‘At the moment there is no demonstrable Flemish chief of police. A Flemish MP has no minister whom he can call to account for the action of the police concerning matters that are regulated at Flemish level’.

WWW.SP.BE

How the different parties want to spend the additional Flemish tax money

According to the Socio-Economic Council for Flanders the next Flemish Government will be able to spend an additional budget of 3.7 billion over the next 5 years. At the request of De Morgen, the parties worked out how they would fill this in

<table>
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<tr>
<th>VLD</th>
<th>SPA</th>
<th>SPIRIT</th>
<th>CD&amp;V</th>
<th>NVA</th>
<th>GROEN</th>
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<tr>
<td><strong>1. EASING OF TAX AND PREMIUM BURDEN</strong>&lt;br&gt; 1.05 billion euro&lt;br&gt; - abolition of inheritance tax between spouses (250 million)&lt;br&gt; - double holiday pay, for self-employed (800 million)&lt;br&gt; <strong>2. ‘SOCIAL NEEDS’</strong>&lt;br&gt; 750 million euro&lt;br&gt; - education&lt;br&gt; - housing&lt;br&gt; - welfare</td>
<td><strong>1. EASING OF TAX AND PREMIUM BURDEN</strong>&lt;br&gt; 1.5 billion euro&lt;br&gt; - abolition of inheritance tax between spouses</td>
<td><strong>1. EDUCATION</strong>&lt;br&gt; 1.5 billion euro&lt;br&gt; (free compulsory education)&lt;br&gt; <strong>2. HOUSING</strong>&lt;br&gt; 750 million euro&lt;br&gt; (social housing, ceiling for deductibility of mortgage interest charges)&lt;br&gt; <strong>3. CARE</strong>&lt;br&gt; (Flemish care insurance with maximum billing)&lt;br&gt; <strong>4. REGIONAL COMPETENCIES</strong>&lt;br&gt; (public works, environment and mobility)&lt;br&gt; <strong>5. FINANCING OF THE MUNICIPALITIES</strong></td>
<td><strong>1. MUNICIPALITIES</strong>&lt;br&gt; 500 million&lt;br&gt; <strong>2. EDUCATION</strong>&lt;br&gt; 350 million&lt;br&gt; <strong>3. CARE</strong>&lt;br&gt; 250 million (getting rid of waiting lists)&lt;br&gt; <strong>4. EASING OF TAX AND PREMIUM BURDEN</strong>&lt;br&gt; 275 million&lt;br&gt; <strong>5. HOUSING</strong>&lt;br&gt; 250 million building subsidies, rent allowances, social housing&lt;br&gt; <strong>6. ECONOMY</strong>&lt;br&gt; (innovation, support for people starting own businesses, industrial sites)</td>
<td><strong>1. EDUCATION</strong>&lt;br&gt; (free compulsory education)&lt;br&gt; <strong>2. ECONOMY</strong>&lt;br&gt; (selective easing of tax and premium burden, investments in infrastructure)</td>
<td><strong>1. CARE</strong>&lt;br&gt; 1.8 billion&lt;br&gt; <strong>2. HOUSING</strong>&lt;br&gt; 1 billion&lt;br&gt; <strong>3. EDUCATION</strong>&lt;br&gt; 600 billion&lt;br&gt; <strong>4. SUSTAINABLE DEVELOPMENT</strong>&lt;br&gt; 300 million</td>
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TOTAL: 1.8 billion euro<br> TOTAL: unknown<br> TOTAL: 3.7 billion euro<br> TOTAL: 1.8 billion euro<br> TOTAL: 1.3 billion euro<br> TOTAL: 3.7 billion euro

SOURCE: DE MORGEN
TAX POLICY

Limitation of fraud files annulled

SPA parliamentary party leader Dirk Vander Maelen rang the alarm bell last week, disclosing that the state was about to miss out on a billion Belgian francs’ worth of tax revenue. He had learnt from the tax departments that a large number of fraud files were about to become prescribed. Finance Minister Reynders was resigned in his reaction. He was forced to concede that ‘a small number’ of files could no longer be prevented from becoming statute-barred. But, urged on by the Socialists, Prime Minister Verhofstadt (VLD) felt that he would prefer to avoid any bad publicity so close to the elections, and announced that he would prevent the prescription by means of an amendment to the programme law. The adaptation has already been carried through at the council of ministers meeting of 14 May. The draft programme law will be submitted to parliament this week and contains the main socio-economic measures from the so-called ‘mega’ council of ministers meetings of Gem- bloers and Ravensijde (FF).

The commotion surrounding these fraud files came into being after the Court of Cassation had decided in two rulings that in many cases the sending of a final demand and notice (an order to pay before attachment, ed.) is not sufficient to counteract the fiscal limitation by lapse of time. Nevertheless, this was a technique much used by the tax authorities to interrupt the period of limitation. The programme law of last year already contained a provision providing a solution for a large number of current disputes. This measure prevented limitation taking effect for old files that at the time had not yet become statute-barred. These related to disputed assessments that were entered on the assessment list from November 1998 onwards and may relate to income going back as far as 1993. For a number of older files, the limitation would already have come into effect through application of this programme law jurisprudence. The government is now dusting these down again. If criminal proceedings are instituted before the entry into force of the limitation, the period of limitation is suspended as long as the criminal part is not wound up. ‘It is correct that on account of this a number of files that have lapsed due to the statute of limitation will be re-opened’, said a spokesman at Reynders’ department. It is not clear how many files are involved. According to the ministerial department, in total there are still some 9,000 old disputed tax files at the moment. But in a good deal of these the limitation no longer constitutes a problem, because this has been extended correctly.

Tax specialists do not have anything good to say about the decision. ‘Instead of providing for a smoothly operating tax authority, attempts are now being made to gloss over errors in an amae- turish manner’, says tax lawyer Victor Daugnet. ‘This immediately sounds the death knell for the tax amnesty’, adds his colleague Luc Vanheeswijk. ‘If the government cannot provide the certainty that prescribed files will remain prescribed, what certainty can I offer my clients about the tax amnesty?’ The two agree that the regulation can easily be challenged before the Court of Arbitration on account of violation of the principle of equality.

Agreement with Switzerland could breathe new life into fiscal amnesty law

The European Union has almost reached an agreement with Switzerland on the introduction of a levy at source on savings that citizens of EU Member States have deposited in Swiss banks. It is now expected that the other mini-states such as Liechtenstein, Monaco, Andorra and San Marino, and other tax paradises such as the Channel Islands, will no longer be able to resist the European pressure to do the same. Although Swiss banking secrecy is maintained, the agreement is quite simply a breakthrough for the European directive on savings. This obliges 22 European countries to pass on information, from 1 January 2005, on savings deposits held by citizens from other Member States to the tax authorities of the person’s country of residence. Belgium, Austria and Luxembourg are not taking part in the information exchange, but instead are also applying a levy at source: 15% in 2005 with a gradual increase to 35% in 2011. If savers no longer have anywhere to go with their money, not even the tax paradises, then there is a chance that the savings directive will have the desired effect. This is also good news for Finance Minister Reynders (MR). The tax amnesty, which was heading for failure with barely 140 files handled by banks thus far, could be given a fresh lease of life. After all, Belgians still have the rest of this year to transfer back their money to a Belgian account at a rate of 6% or 9%. But according to De Tijd, the amnesty law is still too much of a mess for savers to be persuaded. (FF).

The Belgian government jumped on the bandwagon at the time and is trying to get a piece of the pie via the tax amnesty. People have been given the chance to regularise their undeclared or semi-declared savings which are deposited abroad, by means of the payment of a relatively small fine. The threat of the uncertain savings directive acted as a spur. Now that the chances of the directive being introduced have increased, the government may be hoping that the tax amnesty will finally get off the ground. However, for this to happen it will have to win the trust of the non-declaring savers, who do not seem to view the messy amnesty law very favourably. Many savers have already opted to repatriate their savings without a regularisation - repen- tence without the penalty clause, in other words.

Opinion

Kris Van Hamme • De Tijd • 15 May

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New suppliers provide 6.8% of Flemish electricity

The VREG’s annual report now shows that the liberalisation of the electricity market in Flanders is going much faster in the start-up phase than has been the case in other European countries.

Since the liberalisation of the Flemish energy market on 1 July 2003, the Flemish consumer can himself decide who supplies his electricity. For large companies, this change had occurred on 1 January 2003. The other regions have opted for liberalisation at a later stage. The Walloon energy market will only be opened up for large-scale users at the end of 2004, and the Brussels market on 1 January 2005. Brussels private consumers will even have to wait until 1 January 2007 to be able to choose their electricity supplier.

Since 1 July 2003 a number of suppliers have been offering electricity supply services, in addition to the monopoly holder Electrabel. These are Nuon, Watt Plus (which changed its name last week to Essent Belgium), Luminus, Eboem and Ecopower. The suppliers act as intermediaries: they buy their electricity from a national (SPE or Electrabel) or foreign producer and sell it on.

The role of the inter-municipal distribution company has also diminished. The inter-municipal company now only takes care of the management of the low-tension network (and the gas pipelines) through which the energy is carried to houses. From now on it is also no longer the inter-municipal company that bills, but the supplier. In addition to the inter-municipal companies, there is also the distribution company Elia. This company manages the high-tension network, which carries the electricity coming from the power stations. The inter-municipal companies take off current from this network, in order then to distribute it via low tension, and large industrial companies are also connected to it.

In order to ensure that the liberalisation goes off smoothly, the government created two regulating bodies. The VREG (Flemish Regulating Body for the Electricity and Gas Market) regulates the Flemish electricity and gas market, issues permits to suppliers and monitors both the supplier and the network manager. The VREG also acts as an advisory body for the Flemish Government.

The CREG (Commission for the Regulation of the Electricity and Gas Market) has the same functions as the VREG at federal level.

The VREG’s annual report now shows that the liberalisation of the electricity market in Flanders is going much faster in the start-up phase than is or has been the case in other European countries. Almost 6.8% of Flemings have already opted for an alternative supplier. However, we will only be able to talk of real liberalisation when the main producer Electrabel becomes less dominant as an electricity producer, according to staff at the department of Government of Flanders Energy Minister Gilbert Bossuyt (SP.A). Here it was also announced that an appeal would be lodged against a European decision objecting to the favourable tariffs for the distribution of ‘green’ electricity.

DE STANDAARD • 15 MAY 2004

The VREG has worked out that as at 1 May, 26.5% of Flemish private electricity consumers had already opted for a new supply contract, whilst almost 6.8% had opted for a new supplier on the Flemish energy market. In Austria, which fully liberalised its electricity market in 2001, less than 1% of electricity consumers are with a new supplier. In Germany, which liberalised back in 1998, the newcomers account for 5% of the market. Of the newcomers in Flanders, at the moment it is Nuon that can point to the best result, with a share of 1.42% (compared to 0.92% for Essent Belgium, ed.) of all electricity supplied. Electrabel and Luminus, the two traditional suppliers, still carry very substantial weight on the market. But the Flemish regulator which presented its annual report for 2003 yesterday, maintains that a genuine competitive effect can only become possible when Electrabel becomes less dominant in the field of electricity production. Dirk Van Melkebeke, the principal private secretary to Government of Flanders Energy Minister Gilbert Bossuyt (SP.A), added that real competition between the producers will only be possible when a quarter of the electricity in the country is generated by other companies. At the moment Electrabel controls a good 90% of Belgian electricity production.

Van Melkebeke also announced that the Authorities of Flanders are appealing against a decision taken by the European authorities, which do not agree with the differentiated pricing of Flemish and imported ‘green’ electricity. The Flemish current is supplied via the distribution network free of charge, but the foreign electricity is not. Flanders states that the pricing has nothing to do with market protection, but is designed to get the production of renewable energy going in Flanders. But at the same time the appeal procedure is a way of gaining time. Together with the producers of green electricity and the electricity suppliers, the Government of Flanders Energy Minister Gilbert Bossuyt is looking for other ways of promoting the production of green electricity. A solution before the elections may no longer be possible. In order to avoid another rejection, alternative proposals are being carefully talked through in advance with the European authorities.

WWW.VREG.BE
WWW.CREG.BE

Koramic roofing tile division owned by Wienerberger

The Belgian building materials group Koramic is selling the remaining 50% of its roofing tile division Koramic Roofing Products to the Austrian company Wienerberger, the largest brick manufacturer in the world. Wienerberger already bought 50% of the division, which employs some 2,000 people, at the beginning of 2003, for EUR 211.5 million with an option on the purchase of the remaining 50%, possibly after three years. On 18 May Koramic and Wienerberger announced that Wienerberger was raising the call-option. The selling price is EUR 175 million in cash, and with this chairman and owner Christian Dumolin says he wants to reduce Koramic’s debts and pay out dividends. The dividends will mainly go to Koceram, the investment company in which Dumolin holds a 97.47% stake.

WWW.KORAMIC.BE
The Brussels-based chemicals and pharmaceuticals group UCB is making a friendly takeover bid of EUR 2.25 billion for Celltech, the largest British bio-technology company. The deal has not yet been completely finalised, and rivals have sixty days in which to make a hostile bid. However, UCB chief executive George Jacobs has, as he himself says, two vital advantages: licensing agreements for the most important products that Celltech has in the pipeline, and the unanimous support of Celltech’s board and management. With the acquisition, UCB, which has hitherto chiefly been active in the field of fine chemistry and pharmaceuticals, will now also be active in the faster-growing market of medicines based on bio-technology. UCB is mainly known for its successful Keppra and Zyrtec medicines. With the takeover of Celltech (turnover: EUR 510 million, 1,900 employees) they will again be landing a potential blockbuster, namely the CDP 870.

According to Jacobs, the products in the pipeline at Celltech are a nice complement for UCB. The Belgian group focused chiefly on disorders of the central nervous system, with the epilepsy drug Keppra and the allergy drug Zyrtec in the inflammation product group. Celltech is also active in inflammatory diseases with the flagship CDP 870 and several other products. In addition the British group also has products for the treatment of cancer and multiple sclerosis in the initial phase of development. ‘The takeover also means that UCB is gaining sufficient economy of scale, and does not need a partner for the new products’, says Meurgey. ‘Since we focus on medicines that are prescribed by specialists, a company such as UCB can develop a sales network itself. In the most important European markets, the USA and Japan, there are only 25,000 neurologists and 5,000 rheumatism specialists. Those are small numbers when compared to the 550,000 or so GPs.’

Jacobs is aware that a takeover of a biotechnology company sinks or swims on the commitment of the management and the researchers. ‘Celltech’s incorporation into UCB will be far less pronounced than in the case of a takeover by a much larger company. And perhaps the Belgian pragmatic approach plays a part here’. In addition, the Belgian group has offered attractive positions for the management. The group’s managing director, Göran Ando, has the prospect of a position on the UCB board. The Belgian group is also guaranteeing that Celltech’s research centre in Slough, near London, will become the group’s most important research centre, alongside the one in Braine-l’Alleud in Belgium. The acquisition of Celltech will see UCB doubling the size of its research and development department to 1,000 people.

www.ucb.be

Companies such as UCB and Solvay, which comprise both pharmaceutical and chemical activities, always have to convince the market of the use of the hybrid structure. Analysts prefer to see UCB focus on medicines that are prescribed by specialists, a company such as UCB can develop a sales network itself. In the most important European markets, the USA and Japan, there are only 25,000 neurologists and 5,000 rheumatism specialists. Those are small numbers when compared to the 550,000 or so GPs.’

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UCB makes EUR 2.25 billion bid for British Celltech

WITH THE TAKEOVER OF CELLTECH UCB WILL AGAIN BE LANDING A POTENTIAL BLOCKBUSTER, NAMELY THE CDP 870

ECONOMY

TECHNOLOGY

10 LARGEST TAKEOVERS BY BELGIAN COMPANIES SINCE 1998 (IN MILLION EURO)

<table>
<thead>
<tr>
<th>buyer</th>
<th>acquisition</th>
<th>price</th>
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<tr>
<td>1. FORTIS</td>
<td>GENERALE BANK [BELGIUM]</td>
<td>12.963</td>
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<tr>
<td>2. INTERBREWW</td>
<td>BASS [UK]</td>
<td>3.710</td>
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<tr>
<td>3. DEXIA</td>
<td>ARTESIA [BELGIUM]</td>
<td>3.316</td>
</tr>
<tr>
<td>4. INTERBREWW</td>
<td>BRACO [BRAZIL]</td>
<td>3.300</td>
</tr>
<tr>
<td>5. FORTIS</td>
<td>ASR [THE NETHERLANDS]</td>
<td>3.100</td>
</tr>
<tr>
<td>6. DEXIA</td>
<td>PSA [USA]</td>
<td>2.730</td>
</tr>
<tr>
<td>7. UCB</td>
<td>CELLTECH [UK]</td>
<td>2.350</td>
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<tr>
<td>8. INTERBREWW</td>
<td>BECK’S [GERMANY]</td>
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<tr>
<td>9. ELECTRABEL</td>
<td>EPON [THE NETHERLANDS]</td>
<td>1.700</td>
</tr>
<tr>
<td>10. INTERBREWW</td>
<td>FIBBL [GERMANY]</td>
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SOURCE: ZEPHYR - TIJD GRAPHICS

focus on flanders • 15 May - 22 May • Number 19
The invention of landscape painting

A DISPLAY OF EIGHTY PAINTINGS AND TWENTY PRINTS IN ANTWERP’S ROYAL MUSEUM FOR FINE ARTS GIVES AN OVERVIEW OF THE DEVELOPMENT

The first painted landscapes were not meant as landscapes. They were allegories, fantasised landscapes in which the painter offered a view looking down from on high on one or other Biblical story, mostly with the underlying message that people are an insignificant being in the midst of God’s creation and that people’s lives are a pilgrimage or a journey. Joachim Patinir, an Antwerp ‘immigrant’ from Dinant, was one of the first painters to develop this revolutionary genre around 1510. A display of eighty paintings and twenty prints in Antwerp’s Royal Museum for Fine Arts gives an overview of the development of this genre in the Southern Netherlands (FF).

ERIC RINCKHOUT • DE MORGEN • 18 MAY

Patinir’s landscapes amaze us in particular because they are not ‘ordinary’, ‘recognisable’ landscapes. With a lot of good will you can recognise in Patinir’s compositions the impressive precipitous cliffs of Freyr, which can still be seen near his city of birth of Dinant. And yet the rock masses that he painted are too whimsical to be realistic. They appear more like petrified flames in an otherwise equally bizarre environment.

Patinir’s landscapes are not ‘pure nature’ but manneristic allegories, or artistically minded rebus and symbolic stories. In a landscape that has been pieced together out of the imagination, tiny scenes from Biblical stories are played out, such as the flight to Egypt, which was much in vogue at the time. The paintings invariably feature tiny figures in an overwhelming landscape, so the onlooker has to look very carefully to see the story being told. According to the Dutch professor Reindert Falkenburg, this kind of landscape art is thus largely about learning how to look very carefully. The intellectual collectors and connoisseurs of the period 1500-1550 would love to gather around such a painting and would spend hours discussing what they saw. For painter and onlooker, it was a matter of having an eye for detail.

In Antwerp, it was decided not to go for any strict theme-based arrangement for ‘The Invention of Landscape. From Patinir to Rubens’ (in contrast to Vienna, where the bulk of the exhibition was previously on view). The structure of the exhibition is determined by the relationship between man and landscape, which leads to greater diversity and liveliness. It is a pleasant exhibition, with a surprise around almost every corner. Monotony can easily rear its head in the case of a fairly limited subject such as landscape, but this pitfall is avoided by the genre being given as wide an interpretation as possible: from allegory to document, from ‘nature as an enemy’ to ‘the earthly paradise’.

There are thus a number of curious paintings to be seen, such as ‘The Beginning of Civilisation’ (1565) by the virtually unknown Cornelis van Dalem. Some painters tried to bring movement and the force of nature onto the canvas: a storm at sea, a bolt of lightning and a burning city. In the case of Jacob Grimmer (circa 1577), the landscape is more realistic and peaceful. After a cabinet containing drawings and prints [breathtaking mountain landscapes and a view of Baasrode by Pieter Bruegel the Elder, but also superb work by Rubens, Paul Bril, Jan Brueghel and Joos de Momper], the exhibition closes with a varied selection of sumptuous landscapes by Rubens - odes to fertility.

The Invention of Landscape is a polished exhibition with a gentle rhythm and occasional attractive views through from one room to the next. This is a lively exhibition on a seemingly simple genre. Landscape has many manifestations and is being re-invented all the time.

INFORMATION: 070/233.799 AND WWW.RUBENS2004.BE

POLITICS AND CULTURE

ELECTIONS

Michel makes about-turn on contract with VLD

FF EDITOR

The French-speaking Liberals of MR are no longer throwing in their lot with the VLD. This was the conclusion drawn by a number of Flemish newspapers from statements made by MR figurehead Louis Michel in Le Soir, on the poor opinion poll results for the Flemish sister party VLD. The ‘out together/home together’ principle reportedly only holds for the federal elections, not for the regional ones. For if the MR wins the regional elections, it will not leave the government, said Michel. This created an opening for an asymmetrical government made up of SP.A/Spirit-CD&V (socialist/christian-democrats) and MR/PS (socialist/liberal). After an interview with Prime Minister Verhofstadt (VLD), Michel adopted a rather more qualified stance. Remaining in the government if the VLD decides to leave remains a possibility. But the MR would leave the federal government if the VLD were forced to leave the federal government, he clarified. In fringe meetings at the council of foreign affairs ministers on 17 May, Michel went a step further. There he told a Belgian reporter that the ‘out together/home together’ principle between MR and VLD remained fully in force. ‘I have never said anything else. If some people draw other conclusions, I can only label that manipulation’, says the minister (De Standaard, 18 May).
CULTURE

DIARY

MUSIC, DANCE, THEATRE

• 25 May: Czechomor (traditional music), Flagey, Brussels; info: www.flagey.be

• 26 May: Alban Berg Quartett and Tabea Zimmermann, string quartets by Mozart and Urbanner, Bozar, Brussels; info: www.bozar.be

• 26 May: Steven Houben and Emil Vick-licky, Jazz, Flagey, Brussels; info: www.flagey.be

• 27 May: Chick Corea Trio, Flagey, Brussels; info: 02/641.10.20 www.flagey.be

• 27 May: Defilharmonie conducted by Daniele Calegari with Cristina Ortiz (piano) with Legley, Rachmaninoff and Chostakovitsch, De Bijloke, Ghent; info: 09/269.92.92 www.debijloke.be

• 28 May: Orlando di Lasso, Il C anoniere (Petracca), Huelgas Ensemble, Kaaitheater, Brussels; info: www.kaaitheater.be

• 27 to 29 May: The Children of Herakles by Euripides, director: Peter Sellars, De Singel, Antwerp, info: 03/248.28.28 www.desingel.be

• 27 May: Trio Chae with Mendelssohn and Mozart, Flagey, Brussels; info: www.flagey.be

• 28 May: Philippe Pietlot and Dhruba Ghosh, Captaine Tobias Hume’s journey to India, De Singel, Antwerp, info: 03/248.28.28 www.desingel.be

• 28 and 29 May: Defilharmonie conducted by Daniele Calegari with Chirstina Ortiz (piano), compositions by Legley, Rachmaninoff, Chostakovitsch, Stravinsky (on 29 May), Koningin Elisabethzaal, Antwerp, info: www.defilharmonie.be

• 2 June: Night of Romanticism with defilharmonie, Koningin Elisabethzaal, Antwerp, info: www.defilharmonie.be

• 2 to 6 June: Once by Rosus, dance, Kaaitheater, Brussels; info: www.kaaitheater.be

• 4 and 5 June: Frak Pay o’ Poni, Project 1, Kaaitheaterstudio’s, Brussels; info: www.kaaitheater.be

• 27 May: Kane, De Vooruit, Ghent; info: 09/267.28.28 www.vooruit.be

• 27 to 29 May: Festival City Villages, Zuiderpershuis, Antwerp; info: www.zuiderpershuis.be

• 27 May: Fantômas, Ancienne Belgique, Brussels; info: www.abconcerts.be

• 28 May: Machine Head Ancienne Belgique, Brussels; info: www.abconcerts.be

• 28, 29 and 30 May: Klara in Mauzek, classical and traditional music in the Limburg town, info: www.klama.be

• 28 and 29 May: Edit Kaldor, New Game (dance), De Vooruit, Ghent; info: 09/267.28.28 www.vooruit.be

• 28 May: Oblada o’ Special Guests, De Vooruit, Ghent; info: 09/267.28.28 www.vooruit.be

• 29 May: Ivo Papasov, India Martinez and Besh O Drom, Handschelbeurs, Ghent; info: www.handschelbeurs.be

• 29 May: Tryo Ancienne Belgique, Brussels; info: www.abconcerts.be

• 3 June: Vegetal Beauty, Jazz, Flagey, Brussels; info: www.flagey.be

• 4 June: Deloveya, Handschelbeurs, Ghent; info: www.handschelbeurs.be

• Until 5 June: Arabella by Richard Strauss, director: Francisco Negrin, Flanders Opera House, Antwerp; info: www.vlaamseopera.be

EXPO

• Until 30 May: Human, all too human, photo exhibition on psychiatry, Museum Dr. Guislain, Ghent; info: www.museumdguslain.be

• Until 6 June: Hans Arp, the invention of the form, exhibition, PSK, Brussels; info: www.bozar.be


• Until 13 June: German silver after Bauhaus, Zilvermuseum Sterckshof, Antwerp-Deurne, www.zilvermuseum.be info: 03/360.52.50

• Until 30 May: Everything under the Sky, recent developments in Chinese art, MUHKA, Antwerp; info: www.muhka.be

• Until 31 May: Splendour and Clutter, 5 ages of European of goldsmith’s trade, ING-cultuurcentrum, Brussels; info: 02/547.22.92

• Until 31 May: Exhibitions in Newly renovated Museum of Photography, Antwerp; info: www.fotomuseum.be

• Until 31 May: International Photo Festival Knokke-Heist, CC Scharpoord, info: 050/63.04.30 www.knockke-heist.be

• Until 6 June: Tea & Coffee Towers, Design Museum, Ghent; Info: www.design.museum.gent.be

• Until 28 August: The Realm of the Dragon, exhibition, St Pietersabdij, Ghent

• Until 31 May: Christophe Moutré, Photo exhibition Scharpoord, Knokke-Heist; info: 050/63.04.30 www.fotofestival.be

• Until 31 May: Short stories, FotoMuseum, Antwerp; info: 03/242.93.00 www.fotomuseum.be

• 30 April to 20 June: Abalos & Herreros, architects from Madrid, exhibition, De Singel, Antwerp; info: 03/248.28.28 www.desingel.be

• Until 17 October: Animals in Architecture, Museum of Architecture, Brussels

• Until 26 June: The rest of the world, Colors magazine shows psychiatry, Museum Dr. Guislain, Ghent; www.guslain.be

• Until 5 September: Speaking Sculptures, the Songye, Museum of Africa, Tervuren; info: www.afrikamuseum.be

• Until 6 June: The Whitehouse project with the Raqs media collective (India), contemporary art, PSK, Brussels; info: www.bozar.be

• Until 3 October: Marcel Breuer, Design & Architecture, exhibition CITVA, Brussels; info: www.citva.be

• Until 22 August and 5 September: SMAK exhibitions: Joan Uslé, Open Rooms and Sam Durant with ‘12 Signs. Transposed and illuminated’, Ghent; info: www.smak.be

• Until 1 August: The invention of Landscape, exhibition, Royal Museum of Fine Arts, Antwerp; info: www.rubens2004.be

• Until 22 August: Fly from the War, historical exhibition, Flanders Fields Museum, Ypres

• Until 30 June: Models by Ludwig Van develde, Groeningemuseum, Bruges; info: www.brugge.belgium

• Until 31 July: the Bruegel track: exhibitions on locations in Bruegel’s paintings, Brussels