Telenet’s IDTV in pole position for digital television

On 3 September Telenet will launch its digital television iD TV. Major competitor Belgacom TV launched its package at the end of June, but even though it is the undeniable leader as far as telecom services are concerned in this country, it starts off from the underdog position in the area of digital television. It does have a major trump card with the TV rights for the national football competition, but the offer lacks the very popular Flemish commercial channel VTM. Moreover, Belgacom TV only works with an ADSL line, which is now mainly used for surfing the Internet. On the other hand, Telenet’s IDTV is offered via the television cable, which is already available in most Flemish living rooms. An additional handicap is that the consumer affairs administration now started an investigation into the possible tied selling practices of Belgacom TV (FF).

RONALD MEEUS • DE MORGEN • 5 AUGUST

Belgacom is obliging consumers to take a one-year contract, while the price is not yet known and, besides, the digital television package is not sold separately, but only in combination with an ADSL connection and a landline. Consumer organisation Test-Achat has already written a critical letter to the Consumer Affairs Minister Freya Van den Bossche (SP.A), but she has already put her own administration to work to make sure the law on trading practices is being complied with. If you do not have an ADSL connection and you want to watch football with Belgacom TV, you have to install the ADSL line and if you do not have a conventional Belgacom landline at home, you also have to buy one to get ADSL. The result is that customers who want to watch television via Belgacom TV have to pay three subscriptions: the conventional telephone line (17.15 euros per month), an ADSL subscription with modem (39.95 euros per month for the subscription, 79 euros for the installation kit), and a television subscription. That is, besides the rent of a decoder (6 euros per month) and a one-off activation fee (59 euros) free until September, but customers do have to take a one-year subscription. He does not know yet how much he will have to pay after the first months of the contract. That is an obvious violation of the law on trading practices, says Test-Achat.

WWW.BELGACOM.BE
WWW.IDTV.BE

INTRODUCTION
This year’s 21 July national holiday was themed around the festivities of 175-25. The first figure refers to the 25th anniversary of the federal state structure. For De Tijd was an opportunity to write a series of articles on Belgian federalism. First conclusion: it was, historically speaking, not an actual political project. The federalisation took place via a number of ad hoc state reforms seeking a balance of attainable compromises. The final result does therefore not at all excel in simplicity and elegance. A typical example is the current situation with three regions and two communities, a merged region and community in Flanders, five regions and a community in Wallonia and two communities in Brussels. The financing of those regions and communities is not very transparent either. Part of the personal income tax levied at federal level and VAT is divided among the regions and communities, even though with each state reform the regions are getting more and more powers to levy their own taxes. In terms of the way in which the federalist state grew, Belgian federalism distinguishes itself in another two ways from a traditional federal model, according to De Tijd. It did not originate from a combination of independent states, but from a fragmenting tendency of the central authority. Especially in Flanders this ‘centrifugal’ trend is strongly present. Moreover, unlike other federal states, the federation of Belgium is twofold. Despite its three regions, Flemings and Walloons oppose each other like two blocks and each of the communities can use its veto against unwanted institutional reforms. This duality is so far-reaching that none of the political parties in the north and south are the same anymore. Not only the nationalists, but also ‘moderated’ Flemish and Walloon socialists, liberals and Christian democrats each have their own party. National parties that play a stabilising role in other federal states such as Germany, simply do not exist anymore.

25 years of federalism has also left its marks on the divided policies on both sides of the language border. It is probably most visible in the policy of the public broadcasting companies VRT and RTBF, according to De Tijd. Even though they are housed in the same building on the Boulevard Reyers, the corporate culture in both companies is completely different. In the harsh competition with the commercial channel VTM, the VRT developed into a well-oiled concern with the statute of a public limited company, which banished political interference, replaced civil servants and is managed by marketers and top executives found in the private sector. We all know the result. The VRT is market leader in Flanders again. The RTBF, on the other hand, is still a state enterprise, the Board of Directors still has a lot to say about programming and the management is made up of people who earned their spurs in the political cabinets. The result is that the market share of the RTBF fell under 20% due to the competition of the commercial channel RTL-Tvi and the French channels.

Frank Vandecaveye | editor in chief
Flemish Government policy

The Flemish Government ratifies a list of measures at the last cabinet meeting

TWO FUNDS SUPPORT RISKY INVESTMENTS, AN ANTI-FLOOD PLAN FOR THE SCHELDT BASIN, A WATER MANAGEMENT DECREES, A NEW MANURE ACTION PLAN AND A FLEMISH-EUROPEAN LINKING AGENCY WERE APPROVED

The Flemish Government held its last cabinet meeting on 22 July. At the end of August, Flemish Minister-President Leterme (CD&V) expects all his ministers back to discuss the budget for 2006 and to prepare the September statement. During the last meeting a whole series of measures was approved by the government. Two new funds, the FVI and the NRC have to support companies with large investment plans. Farmers will get a more flexible manure action plan, with which they have to try to meet the European environmental targets. To tackle to risk of flooding at the Scheldt basin, minister Kris Peeters (CD&V) drew up a Sigma Plan. Minister Bourgeois (N-VA), in charge of Flemish foreign policy, wants a more emphatic Flemish presence at the European decision-making level and has therefore set up a Flemish-European linking agency. Finally, Employment Minister Frank Vandenbroucke (SP.A) launched entry training for low-qualified personnel in companies (FF).

Katrien Verstraete • De Tijd • 23 July

Employment Minister Frank Vandenbroucke (SP.A), launched entry training, aimed at jobseekers after they attend full professional training and for low-qualified school-leavers. After such training the employer is obliged to give the jobseeker an open-ended employment contract. The measure should help 10,000 unemployed people to get a job. Employers also benefit from it: the first two months the employee’s wages are largely paid by the Rijksdienst voor Arbeidsvoorziening [national employment and placement service].

The Participatiemaatschappij Vlaanderen [PMV] [Flanders Participation Company] introduces the Fonds Vlaanderen-International [FVI] [Flemish-International Fund]. The fund is to promote the expansion of Flemish companies by participating in international investment projects. It allows for co-financing of projects with a minimum of 150,000 euros and a maximum of 1 million euros.

Flanders sets up a Fund for Innovation-related ‘non-recurring costs’, in short, the NRC fund. NRCs are single, high start-up and development costs incurred by companies, e.g., in the airline industry or machine engineering trade. These companies only know after a long time whether or not their investments will pay off and sometimes refrain from bidding for large contracts due to a lack of financial resources. The fund grants advances that have to be paid back by the companies.

Environment Minister Kris Peeters (CD&V) got the go ahead for an adjusted Sigma plan. The plan demarcates flood planes and dike improvements in and around the Scheldt basin. The protection of nature and compensation measures for farmers in the region are also included. The Sigma plan will be implemented gradually and has to be completed in 2030. The total cost is estimated at 880 million euros.

In the whole of Flanders watersheds, basins and sub basins are demarcated. Every level will also get a consultative committee. This is included in the first approved implementing decree of the Integral Water Management decree. This should provide structural solutions for flooding, drying up and water pollution.

The Flemish Government also backed the vision text for a third manure action plan (MAP). The main focal points had already been presented mid-May. MAP3 assigns more responsibility to the farmers to achieve the environmental targets. They are free to choose how to get rid of the manure surplus of their company. If farmers want to, they can expand their company by buying manure rights (‘nutrient emission rights’). If the environmental quality in a region declines, the manure standards will become stricter for that particular region. MAP3 should take effect early next year.

Several sectors can set up a soil remediation fund. This is made possible by an approved draft decree. The costs for expensive cleaning operations of polluted soil can be divided jointly between different companies of a certain industry.

As of 2006 new buildings need an energy performance certificate. It does not impose requirements, but informs the owners and users of buildings about the building’s energy performance. If you buy or rent a building, you will be able to estimate how much you will have to pay for energy consumption.

Upon suggestion of Urban Planning Minister Dirk Van Mechelen [VLD], the Flemish Government appointed the members of the Hoge Raad voor Herstelbeleid [High Council for Recovery Policy]. The board of seven magistrates and experts shall advise judges dealing with development offences. The judge is to follow the advice.

The Flemish Government supported the creation of a Flemish-European linking agency, an idea of Foreign Policy Minister Geert Bourgeois [N-VA]. The initiative should lead to a more emphatic Flemish presence at the European decision-making level and better promotion of Flemish interests. Former Flemish Prime Minister Luc Van den Brande [CD&V] will be in charge of further developing the concept. For the set-up the government puts aside about 75,000 euros. Next year the agency will be able to count on 250,000 euros.

Yesterday the government gave the final go-ahead for a Flemish media regulator. The new institution will monitor the compliance with media regulations and issue and recommend on broadcasting licenses and permits.
In the context of 25 years of federalism De Tijd published a series of articles exposing the differences in regional policy north and south of the language border. Due to the federalisation, the regions (Flanders, Wallonia, Brussels) and Communities (Flemish-speaking and French-speaking) can instate a tailor-made policy in lots of areas and shift emphasis where needed. In some areas, such as social housing or urban and regional transport, the differences are not very significant. In other areas, such as economic policy or employment policy, they are a lot clearer. For example, the Flemish employment service (VDAB) insists on guiding all the unemployed in their job search, while the Walloon employment service, Forem, mainly tackles the towering unemployment among youths. The Walloon region uses a large part of the budget to support companies and economic expansion and government initiatives play a larger role in the local economy than in Flanders. Flanders, on the other hand, privatises the GIMV (Flanders Regional Investment Company) and sells its shares in the steel giant Arcelor, while Wallonia is irrationally holding on to its Arcelor stake and its seat on the steel giant’s Board of Directors. These are clear indications for fundamental differences in policy options, according to De Tijd, which also formulates some critical notes to the figures of the Centre de Recherches sur l’Economie Wallonne (CREW) of the University of Namur (FF).

STEEFAN HUYSENTRUYT • De Tijd • 23 JULY

Does the relatively high input of government resources in the Walloon economy pay off? The most recent regional accounts of the Institute for National Accounts does not show that the Walloon economy is finally catching up with the Flemish economy. The focus of the Walloon Government on economy is partially explained by the separate existence of the Walloon Region and the French-speaking Community on the other side of the language border. The merger of the Region and Community in Flanders allows part of the regional resources to be used, without creating any problems, for the financing of Community matters. That is a lot more difficult on the French-language side, which also explains the permanent lack of money of the French-speaking Community until the Lambermont agreement of 2000. According to the calculations of the editorial staff of De Tijd, at least 2.1 billion euros (11% of the Flemish budget) will be transferred from the Region to the Community in Flanders. These are means intended for the ‘hard’ policy sectors such as economy, mobility and the environment, but which are used for the soft sectors such as education, culture and welfare. Critics say that Flanders is undermining its economic foundations by these methods.

Brussels, as appears from a Namur study, just like Wallonia spends less than Flanders on Community competences and relatively more on Regional competences. The focus, however, is not on economy and employment, but urban expenses such as the environment, planning and housing. It takes the lead in expenses for public transport.

The separate existence of the Walloon Region and the French-speaking Community leads to significant additional ‘institutional’ costs. The expenses for government, parliament and cabinets of regions and communities seem, proportionally, to be absorbing twice as many recourses than in Flanders.

In the nineties the French-speaking Community was in permanent financial trouble. The Flemish Community also substantially benefits financially from the Lambermont agreement. This year alone 875 million euros are involved. Next year Lambermont will already bring in an additional 1 billion euros for Flanders. Still, the Flemish Government is the one that appears to be in trouble since the end of the previous term of legislation. This has everything to do with the expanding budgetary policy of the Purple-Green coalition in the previous term. The standards were more than met and the debts were halved during the previous term of legislation. But implicit debts, i.e., debts originating from new commitments entered into by the Purple-Green coalition, increased enormously. The mounting invocations of those commitments are seriously affecting the Flemish budget of this and last year. The long-range budget of the Leterme government, has to make sure expenses and income keep pace in the years ahead.

This cannot be an insurmountable task. Since the nineties Flanders is not just benefiting – just like all federal states – of the relative growth of recourses for the states (to the detriment of the recourses available to the Federal Government), but it also sees its relative share, in relation to the other federal states, grow. Lambermont even reinforces that evolution. The greater growth of Flemish income and expenses does not keep Flanders from receiving fewer means per capita from the Federal Government than the other states. The Flemish Region would be treated equally as of 2007. The Flemish Community only as of 2020. But even then solidarity will still have an impact, because Flanders will still get fewer recourses than what it is entitled to on the basis of its share in tax income.
Federal Government determined to finish its term in office

Freddy Willockx, former minister and SPA mayor of the city of Sint-Niklaas caused a bit of a stir in the federal coalition of liberals and socialists by stating in an interview in De Standaard of 18 July that the chairman of the French-speaking sister party PS, Elio Di Rupo, is after the fall of the government. Willockx described a whole series of ominous signs. Di Rupo is overtly courting the Flemish Christian Democrats, who are in the federal opposition, Willockx finds. He suddenly pleads for discrete communal talks (which he had always ruled out before), praises the Christian trade union ACW, (which he had always ruled out before), praises the Christian trade union ACW, appears alongside Flemish Minister-President Yves Leterme (CD&V) and subtly remarks that the current Prime Minister, Guy Verhofstadt, cannot afford a third failure after the disasters of DHL and Brussel-Halle-Vilvoorde. At the same time he lets his Social Affairs Minister Rudy Demotte (PS) present a memo about the future of social security that is in direct opposition to the vision of coalition partner VLD. September will be the moment of truth, says Willockx, with the negotiations about the end of careers and the budget. After the last federal cabinet meeting on 20 July, fellow party member and Budget Minister Vande Lanotte denied all rumours about the government's pending fall. According to Vande Lanotte, Willockx was speaking on his own behalf and not on behalf of the party. The Federal Government will not only sign the 2006 budget in the autumn, but will also prepare the outlines for 2007, Vande Lanotte announced.

WOUTER VERSCHELDEN • DE STANDAARD • 22 JULY

Vice Prime Minister and Budget Minister Johan Vande Lanotte (SPA) wants to turn his last budget proposal - he will become SPA chairman in the autumn - into a substantial piece of work. ‘In autumn we will also draw up the outline for the 2007 budget,’ he announced on Wednesday after the last cabinet meeting before the political holiday. ‘The debate about the end of careers, the funding of social security, welfare adjustments of social benefits and tax reforms are crucial dossiers for the autumn. In order to reach a solid agreement, we should also define the outlines for 2007. Because the decisions we will make in the autumn, will definitely have a budgetary impact in the long run,’ said the socialist’s strong man. He pointed out that it is not the first time that the government looks a year ahead in budgetary terms, it also happened in 1999 and 2003. At the same time Vande Lanotte downplayed the strong rumours that have been going round for a while in the Rue de la Loi, as if the Verhofstadt II government is about to collapse: ‘We obviously have to repeat seven times that we are continuing before anyone listens. None of the four governing parties is preparing the government’s downfall. It is everyone’s intention to go on.’ ‘If I add things up, I can only conclude that PS Chairman Elio Di Rupo is out to see the government stumble,’ Freddy Willockx (SPA) said last week (DS 18 July). Vande Lanotte, flanked by Prime Minister Verhofstadt, commented that ‘Mr. Willockx was not speaking on behalf of the party.’

Www.belgium.be

The Federal Government releases 70 million euros to tackle youth unemployment

On the last federal cabinet meeting Employment Minister Freya Vanden Bossche (SPA) announced a series of measures to tackle youth unemployment. The measures have to reduce the number of unemployed youngsters. 21.5% of youngsters under 25 are currently unemployed, 70% of them low-skilled.

Youths of compulsory school age who go to school and work part-time, will from now on get a 500-euro bonus when they start their first and second work placement year. If they successfully complete their work placement, they get another 750 euros on top. Employers offering work placement jobs, enjoy tax relief and also get the 500-euro and 750-euro bonuses. This series of measures costs 35 million euros.

The government will from now on pay the medical check-up of all youths starting a work placement. In addition, the government imposes that the public sector doubles the number of starter jobs (jobs for young people under 26). Young self-employed entrepreneurs who want to set up their own business will also get more help. At the start they will get three to six months of practical and financial help. A young starter without other income gets an extra of 375 euros for 24 months, in addition to the waiting benefit and can get an interest free loan up to 4,500 euros (used to be 2,250 euros).
Flemish companies improve energy efficiency

The first energy and CO₂ report from the Flemish industry shows that the emissions increased by 7.7% between 2002 and 2004, but without the interventions of the industry the increase would have been 8.8%.

The Flemish Government has to reduce the production of CO₂ in the years ahead if it wants to comply with the agreements of the Kyoto protocol. This can be achieved by more efficient energy consumption in transport, domestic heating and industry. As far as the industry is concerned, the Flemish Government concluded a so-called Benchmarking Covenant with 178 energy-intensive companies, in which these promised to voluntarily reduce their energy use. In this covenant the Flemish energy-intensive companies promise that they will belong to the world top in the field of efficient energy consumption by 2012.

In exchange the Flemish Government will not impose measures to reduce CO₂ emissions. The first energy and CO₂ report from the Flemish industry shows that the emissions increased by 7.7% between 2002 and 2004, but without the interventions of the industry the increase would have been 8.8% (FF).

PASCAL SERTYN - DE STANDAARD - 23 JULY

The significant rise in energy consumption of the Flemish industry between 2002 and 2004, by 7.1%, can largely be ascribed to the investments of the chemical and steel industry to expand their production.

The emission of greenhouse gases rose by 7.7% in the same period. By a series of interventions in the last couple of years, the industry managed to level off the rise in CO₂ emissions. Without measures to reduce CO₂ emissions, there would have been an 8.8% increase.

The report affirms that as of 2006 an upper limit will apply to both energy consumption and CO₂ emissions. It seems inevitable that the energy consumption and the greenhouse gas emission will be higher in 2012 than in 2002.

However, the energy consumption of the Flemish industry is expected to be about 11% higher by 2012 than in 2002. Without the promised efforts to come to a more efficient energy use in the years ahead, the consumption will not be 11% but 19% higher in 2012, the report confirms. As far as the greenhouse gases are concerned, a rise of 10.2% is taken into account. Without measures to slow down the emissions, greenhouse gases could rise with 18% by 2012.

Finally, the report calculated how much energy will be saved in ten years time on installations that were already in operation in 2002. To run the same installations, the 178 industrial companies will together use 11 million megawatt hours or 1.1 billion litres of fuel oil less in 2002. That is a saving of 7.8%.

1.1 billion litres of fuel oil is enough to provide heating to 400,000 families. About 30% of the savings is achieved in companies that already belong to the world leaders in terms of energy efficiency.

In the coming years the energy and CO₂ performance of the Flemish industry will regularly be assessed. By means of these reports the Flemish Government aims to get an idea of the efforts made by the Flemish industry to consume energy more efficiently and reduce the emission of greenhouse gases.

Independent body to check noise pollution

The federal plan to spread flights from and to Zaventem airport has been protested for months by residents. To the extent where the court rulings are endangering the airport’s survival, according to Federal Mobility Minister Renaat Landuyt (SP.A). Therefore he prepared a bill that legally anchors flight procedures. Advice for the bill was sought from the Brussels and Flemish Governments. Flemish Environment Minister, Kris Peeters (CD&V) has a whole list of questions about the bill and reprehends the lack of previous consultation with the regions. A final Flemish recommendation about the famous ‘flight act’ is therefore not likely to occur in the near future.

The Flemish Government – and by now also the Brussels Government – does, on the other hand, agree with the set-up of an independent institute for the Supervision of Noise Pollution that will make cross-regional recommendations about noise limits, carry out noise measurements and fine perpetrators. At present this is the competence of the regional environmental administrations [Aimal and BIM], and therefore Flanders is handling other noise standards than Brussels. Minister Landuyt is quite happy with this new body. He hopes discussions will finally be held on the basis of objective data [De Tijd, 16 July].

According to Flemish Minister-President Leterme (CD&V) the federal and regional governments cannot afford other failures like DHL in the autumn of 2004. The CD&V politician says that a solution has to be found in the autumn for the spread flight plan to safeguard Zaventem airport’s economical strength.

Leterme is more specifically urging the Brussels Government to take into account the economic interests of employment instead of holding on to the strict noise limits announced by the Brussels region.
Suez takes over missing shares of Belgian electricity producer Electrabel

The French utility group Suez offers 11.4 billion euros for the 49.92% of Belgian electricity producer Electrabel. It already holds the other 50.08% of Electrabel shares. With it the Belgian market of electricity supply, which was still for 75% under Electrabel's control after the liberalisation, will largely end up in French hands. Because the takeover was to be quite a delicate matter in this country, Suez top executive Gerard Mestrallet informed Belgian Prime Minister Guy Verhofstadt of his plans a couple of months ago. The latter was able to get some guarantees. For example, Suez will not become a French, but a European company. Brussels will be the centre of Suez' energy branch and more Belgian managers will join Suez. However, Vice Prime Minister Vande Lanotte warns that a larger and stronger group makes competitive price setting more difficult. The takeover was supposed to take place in September, but after a price surge of the Electrabel share over the past two weeks, the Suez management decided not to wait any longer. The shares are held for 45.2% by stock investors and for 4.75% by the communes. After gas companies Fluxys and Distrigaz, the energy company Tractebel, engineering company Fabricom and the oil group Petrofina – which was absorbed by Total – the takeover of Electrabel now puts the entire Belgian energy sector in French hands (FF).

Opinion

BART STURTEWAGEN • DE STANDAARD • 10 AUGUST

The dominance of French holdings in our energy sector was not produced out of thin air. It was written in the stars since that January morning in 1988 when Italian financier Carlo De Benedetti, box of chocolates in hand, launched a takeover bid on the Generale Maatschappij. Electrabel, the merger of the Generale’s electricity interests, did not exist yet and in the end Suez and not De Benedetti won the takeover battle of ‘Belgium Inc.’. But the predictions of back then, symbolically came true yesterday. The conclusion is clear and not new. Belgium’s energy policy is defined in Paris, not in Brussels. The financial logic behind the transaction that was proposed at the Suez headquarters in Paris yesterday, is conclusive. Electrabel has loads of cash, Suez loads of debts. The Suez share is quoted with a large discount due to the group’s lack of transparency. Suez was put under more and more pressure by institutional investors to shed some light on the matter. By waiving a bit more than half of the Electrabel shares in the air, the holding put a stop to suspicions of conflicting interests and improper management. The entire value is now clearer. The speculation about the operation had been going on for months. It was just waiting for the right time. The one person sure to open a bottle of two of champagne is Albert Frère. The Walloon financier, who is very keen on his privacy, is finally settling his old battle with the Generale Maatschappij, after twenty years of patient waiting. The enemy has not been beaten, though, there is just nothing left of it. In the meantime, Frère (his holding GBL) has become main shareholder of Suez. By the merger with Electrabel that investment will finally pay off. Now, who wouldn’t make a bid for the Taittinger bubbles.

Scaling up is a by-product of the European unification and globalisation. That is not the problem. The question is what the long-term consequences will be of the disappearance of the levers of our economy towards foreign decision-making centres. Mainly in the industrial sector there have been some signs over the past months of family groups wondering why they would go on for another generation. Will the money inherited by all those cousins and nieces be invested productively or will it be spent on mansions and yachts? Do we still have the ambition to be a growth pool or are we going to participate in the economic dynamics as mere investors somewhere else in the world?

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**FIGURES SUEZ-ELECTRABEL (END 2004)**

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*Source: TIJD GRAPHICS*

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**BART STURTEWAGEN**

**DE STANDAARD**

**10 AUGUST**

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<th>CRÉDIT AGRICOLE</th>
<th>SOFINA</th>
<th>OTHER SHAREHOLDERS</th>
<th>STOCK EXCHANGE</th>
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<td>7.1%</td>
<td>4.2%</td>
<td>3.4%</td>
<td>1.2%</td>
<td>9.6%</td>
<td>74.5%</td>
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</table>

**STOCK EXCHANGE**

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<th>SUEZ</th>
<th>MUNICIPALITIES</th>
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<tbody>
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<td></td>
<td>45.27%</td>
<td>4.65%</td>
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Minister Bourgeois promotes Flemish art cities

Flemish Tourism Minister Geert Bourgeois (N-VA) is working on an ‘art city action plan’. His intention is to promote art cities such as Brussels, Bruges, Ghent, Antwerp, Mechelen and Leuven in new and faraway markets. The art cities have to become a tourism brand, according to Bourgeois (FF).

Katrrien Verstraete • De Tiid • 20 July

At the start of this year the Social-Economic Council of Flanders (SERV) insisted on the better promotion of Brussels and the Flemish art cities. ‘We have to elevate these cities to the same level as the Italian art cities,’ is what was said.

Following visits to some historic churches in Antwerp, Bourgeois announced his ‘art city action plan’ yesterday. The minister wants to promote the Flemish art cities in new and faraway markets and invest in the attraction of tourist products. Tourism accounts for the largest part of overnight stays in Flanders and provides direct employment to 110,000 people. The interest of foreign tourists for Flemish art cities was on the rise in the nineties, but has slackened over the past couple of years.

Bourgeois opts for a worldwide joint promotion of the art cities and expects cities to work together. He already met with the mayors and aldermen of tourism for the art cities. They were certainly quite enthusiastic about the plan, said Bourgeois.

Bourgeois is considering the development of a combined package, which would allow tourists to visit the Flemish art cities, via Brussels, in a few days on public transport.

www.ministergeertbourgeois.be

Aviapartner in British hands

The Belgian shareholders of Aviapartner, the airport service provider, sell their shares to the British investment group 3i and a management team of eight directors. The family shareholders around Alex Vertougstraete (75%) and Sofinim, a subsidiary of van Ackermans and Van Haaren (25%) are said to have received 160 million euros, according to the agency Bloomberg, for the company. Aviapartner is specialised in handling cargo and passengers and is the seventh largest company in the world in this segment. The company also takes care of onboard catering. Theo Dilissen will head Aviapartner as Managing Director, he previously was corporate leader of ISS and Real Software (FF).

Trends • 4 August

Aviapartner operates in 32 airports in Belgium, France, Germany, the Netherlands, Italy and Switzerland. Companies such as Thomas Cook, TUI and American Airlines trust Aviapartner with handling their planes. In 2004 the group’s turnover rose by 8%, thus reaching 268 million euros. It employs about 5,000 people. A consolidation wave is currently taking place in the sector. Twelve expansion projects are on the table at Aviapartner, four of which are to be completed this year. By choosing 3i the British investment group appears to become a major logistic player in Belgium. 3i is known in our country by the agreement it concluded with the NMBS about the takeover of the ABX logistics express delivery services.

www.aviapartner.be

InBev acquires Russian brewer Tinkoff

The Belgian brewer InBev took over the Russian beer group Tinkoff from Saint-Petersburg. InBev was mainly interested in Tinkoff’s wasted production capacity. It is currently producing 2.3 million hectolitres, but could easily be expanded to 4.8 million hectolitres.

The Russian plants of InBev, SUN Interbrew has a production capacity of 12.7 million hectolitres and thus occupies a market share of 16% on the Russian beer market. The number one is BBH, a joint venture of Scottisch & Newcastle and Carlsberg.

Tinkoff is the number 5 on the Russian market and produces the brands Tinkoff, Tequiza, Zoom and T. For the takeover InBev is said to have valued its industry peer at 167 million euros. Founder Oleg Tinkov will get a seat in InBev’s Board of Directors.

The fact that InBev was mainly interested in investing in the large beer markets such as Germany, Russia and China became clear a few weeks later, when the brewer announced it was selling its 12% stake in the Spanish Damm. InBev sold it for 176 million euros and thus achieves an attractive surplus value (De Tijd, 8 August).

InBev had previously sold its 62.4% share in the German involved a bottling activity, which is not one of the group’s core activities.
Diary

MUSIC, DANCE, THEATRE

• Until 11 September: The summer of Poetry, Watou, Nous le passage, Watou (near French border), info: www.poeziezerosmerswatou.be
• 27 August: Defilharmonie/Piet Van Baxtal (Oboe) with Richard Wagner and Richard Strauss; info: www.concertgebouw.be
• Until 28 August: 3 September: Hidden worlds, art from artists with various backgrounds; Museum Dr. Guislain, Ghent; info: www.museumdrguislain.be (09) 216 35 95
• Until 9 October: Congo: Nature and Culture, exhibition; KMFA, Tervuren, +32 (0)2 769 52 11 www.africamuseum.be
• Until 31 December: Master pieces from the Dutch treasure room, KMSK, Antwerp; info: www.kmsk.be
• Until 30 August: Renato Balesstro, Fashion museum, Hasselt
• Until 2008: Retrospective of portraits by Hans Memling, Groeningemuseum, Bruges; info: www.brugge.be/musea
• Until 11 September: Ensor to Bosch, exhibition by Vlaams kunstcollectie, an overview of the collections of the art museums of Bruges, Ghent and Antwerp; Bozar, Brussels; info: www.bozar.be
• Until 11 September: Christian Dotremont, Museum of Elsene [Ixelles], info: 02/515.64.22
• Until 2 October: The most beautiful paintings by Spilliaert, KMSKA, Antwerp; info: 03/204.78.09
• Until 23 December: The art nouveau front as a complete work of art, Museum for Architecture, Brussels; info: 02/642.24.75
• Until 18 September: Lois w/ Franziska Weinberger, SMAK, Ghent; info: www.smak.be
• Until 31 August: Exhibition Christopher Doyle, director of photography, Flagey, Brussels; info: www.flagey.be
• Until 25 August to 2 October: Exhibition: 35 square metre young architecture, De Singel, Antwerp; info: 03/248.28.28 www.desingel.be
• Until 18 September: Barrio–Beuys, exhibition, SMAK, Ghent; info: 09/221.17.03 www.smak.be
• Until 18 September: Belgian photographers 1840-2005, Photomuseum, Antwerp; info: 03/242.93.00
• Until 25 September: Idyl, Open air museum Middelheim, Antwerp; info: 03/827.15.34
• Until 18 September: Roy Liechtenstein, Samuel Vanhogaerden Gallery, Knokke; info: 050/62.28.33

EXPO

• From 5 February onwards: The memory of Congo, the colonial period, exhibition, Museum for Central Africa (Tervuren); info: www.175-25.be
• Until 4 September: Hidden worlds, art from artists with various backgrounds; Museum Dr. Guislain, Ghent; info: www.museumdrguislain.be (09) 216 35 95
• Until 9 October: Congo: Nature and Culture, exhibition; KMFA, Tervuren, +32 (0)2 769 52 11 www.africamuseum.be
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