Companies pay 7.4 billion euros to shareholders

Over the next few months, Belgian companies quoted on the stock exchange will pay 7.4 billion euros to their shareholders, reports De Tijd. They are giving investors a full share in their record profits of the past year. The 97 companies concerned together recorded a net profit of 18 billion euros, an increased of 31% compared to 2004. On average Belgian companies increase their dividend by 21%. Highlights include gas tanker owner Exmar (+250%), airline group Sabca (+200%) and copper group Cumerio (+100%). There are even companies that struggled with disappointing results in 2005 yet still managed to keep their dividend payment up. For example, Tessenderlo Chemie is paying as much as 93% of its sharply reduced net profit and foam rubber manufacturer Recticel is even dipping into its reserves to pay its coupons. There is nothing wrong with letting shareholders share in profits. But with some companies the balance appears to be missing, conclude De Tijd’s editors (FF).

Opinion
KURT VANSTEENLANDT • DE TIJD • 7 APRIL

To also keep its dividend stable this year, Tessenderlo is paying almost all of its net profits to shareholders. A decision that is hard to take for the group’s Limburg staff, who have to be satisfied with restructuring and enforced wage restraint. The balance also appears to be missing elsewhere. The most extreme case is Arcelor. The European steel group is promising to pay its shareholders 6.2 billion euros by, among other things, tripling its dividend. This creates the impression that Arcelor is mortgaging its investments in the long term to convince shareholders in the short term not to accept the bid of rival Mittal. The fact that companies are bidding against each other with as high a coupon as possible has to do with the fragmented shareholdership. What interests shareholders is how much they can get out of the company in the short term. Nevertheless, the company manager must not lose sight of the fact that shareholders are not the only ‘stakeholder’: a good relationship with staff and customers is at least as important. Not by chance are the most successful companies those that are averse to stock-exchange hypes and build up a long-term strategy, such as KBC and Colruyt. Overloading shareholders with cash is not the same as creating shareholder value.

INTRODUCTION

For years the Flemish Government has had a healthy budgetary policy. In 2005 there was a budget surplus of 619 million euros, and this year there is already a surplus of 420 million euros at the first budgetary control. Budget Minister Van Mechelen (VLD) is satisfied. At this rate the government’s target of being debt-free by 2010 seems perfectly feasible. Obviously the budgetary control is also good news for Minister-President Leterme. But he wants this government not only to maintain its reputation as a sound and reliable administrator. His team would also become a government of investment, he announced in his September statement. Despite the surpluses, however, he cannot simply take out loans to finance his investments. Through an agreement with the Federal Government the Flemish Government is helping pay off the government debt. This ambiguity is acting as a brake on Flanders' expenditure, claims Knack (5 April). And yet schools, rest homes, social housing and hospitals urgently need building or renovating and new roads are needed to prevent traffic gridding to a halt in economic growth areas such as the port of Antwerp or the region around Zaventem.

Public-Private Partnerships (PPPs) could offer a solution, the previous government announced. It promptly drafted a decree and set up a Knowledge Centre. Leterme is now pushing PPPs into a higher gear. Instead of contracting the investment out via public procurement (with the terms set down in specifications) to a company with the best and cheapest offer - the classic procedure - for PPPs the government will select a private partner via negotiations that from the outset will contribute to the thought process, make its knowledge available and study price/quality ratios and returns.

A good and fairly simple example is the CultuurInvest project proposed this week by Culture Minister Bert Anciaux. The government pays 10 million euros as start-up capital into a fund to support the culture industry which must grow to 100 million euros through the contribution of banks and private investors (p. 7). There have already been a number of successful PPPs, mainly in a number of urban renewal projects, in which the lever effect of a government contribution of barely 6% achieved maximum effect. But in a number of large-scale projects the formula seems to be encountering more problems. In the case of START, a reconversion and mobility project in the region around Zaventem (cost: 800 million euros), the private sector is not exactly itching to get involved, so that the Flemish Government has had to stump up 220 million euros itself. Furthermore, PPPs are not always the best formula. In one project for the construction and renovation of schools (investment: 1 billion euros) a private company is responsible for financing, construction and maintenance and the government is subsidising the schools. The biggest risk may be of a political nature, says Knack. PPPs are complex, make use of long-term financing and make the results visible only in the long term. Which means it is often the next government that takes the credit.

Frank Vandecaveye | editor in chief
Budget for Flemish development cooperation rises

The Flemish budget remains small compared to the Federal budget

Yester md Flemish Development Cooperation Minister Bourgeois (N-VA) presented the first annual report on Flemish development cooperation. He proudly announced that this year the budget would increase by one million euros and would rise to 19.2 million euros from 2007. Of that budget, more than half currently goes to the two partner countries, South Africa and Mozambique, where projects involving job creation and healthcare are mainly financed. From next year they will be joined by a third partner country. Bourgeois also announced the setting up of the Flemish Agency for International Cooperation. That Agency should become the ‘central player’ in the Flemish Government’s North-South policy. The Flemish budget nevertheless remains small compared to the Federal budget (901 million euros) and in relation to the overall Flemish budget (0.1%). Federal Development Cooperation Minister Armand De Decker also presented the figures for Belgian development aid. He was equally proud. In 2005 it already came to 0.53% of GDP. This means Belgium is well on the way to achieving the agreed 0.7% of GDP in 2010. For development aid organisations such as 11.11.11 the Federal figure has to be put into perspective, since a large part of that amount comes from export credits (to Nigeria and Iraq) and debt reduction (FF).

FABIAN LEFEVERE • DE MORGÉN • 5 APRIL

Bourgeois’ wallet is to get thicker by 1 million, and it currently holds 17 million. As part of the multi-year budget it was agreed to reach 19.2 million euros in 2009. Add to that the expenditure of the other ministers for development cooperation and the total Flemish budget comes out at 32 million euros and 35 million euros in 2009. The North-South umbrella in this country says it is satisfied with the increase, but at the same time points out that the Flemish budget is rather limited. ‘We’re actually talking about one of the richest regions in the world,’ says Bogdan Vandenberghel 11.11.11. ‘By way of comparison: 11.11.11’s turnover is 13 million euros.’ Bourgeois is also aware of that: ‘I see that all ministers are perfectly happy to spend money on development cooperation, but it’s not always as easy to also bring money in during budget talks. [...] We are also responsible for development cooperation, but the Federal Government is blocking the transfer of people and resources, which should have already taken place as agreed.’ Bourgeois’ services estimate the budget for development cooperation at 0.1% of the Flemish budget, slightly less than the 0.7% taken as an international standard. The SPA said yesterday that it wanted to increase Flemish expenditure to 0.7% and in time to as much as 1%.

In the end the discussion on Flemish development cooperation is currently a rearguard action. The main debate will be in 2007, when the regionalisation (of development aid) comes up for discussion in the Federal Government’s negotiations. For Bourgeois, such regionalisation is obvious, but that is not the case for Vandenberghel and 11.11.11. ‘Regionalisation will fragment resources. Belgium, not Flanders, maintains multilateral contacts with institutions such as the IMF or the World Bank.’

www.11.11.11.be
www.ministergeertbourgeois.be

Flemish Office for entrepreneurs is launched

Minister Bourgeois calls on women to apply for leading positions in the Flemish administration

FF EDITOR

The Flemish authorities are to fill 32 vacancies for leading positions over the coming weeks. Minister of the Civil Service Geert Bourgeois (N-VA) has a problem, however. Currently only ten percent of top posts in the Flemish administration are occupied by women. For this reason, the minister this week launched a campaign inviting women to send in an application. He has sent a personal letter of encouragement to the 2,500 women within the Flemish administration who are eligible for the jobs. In addition, during his press conference of 3 April he launched an advertising campaign in the media, calling for women to apply for the jobs. The minister does not wish to term his campaign positive discrimination, even though in the event of two equally valuable candidates, preference will be given to the female one. The Flemish government has set a target for the filling of vacancies in the top ranks of the civil service. By 2015, one in three must be filled by a woman.

WWW.MINISTERGEERTBOURGEOIS.BE
WWW.JOBPUNT.BE

Entrepreneurship

De Tijd (3 April) has reported that as from yesterday, Flemish enterprises can call on the Flemish Entrepreneur Agency (VLAO), to find their way through the Flemish administration. This is a unique service that should lead enterprises in their quest through the labyrinth of public services. The VLAO has its headquarters in Brussels, holds provincial offices and some hundred local support points. The local support points are to be run by employer organisations like Voka (Flemish employers’ association) and Unizo (small and medium-sized enterprises) or by federal entrepreneurial offices. For extensive files, provincial VLAO-offices work together with account managers. These intermediaries manage all contacts between the company and the various levels of the public services. The large motor industry firms will be assisted by an intermediary such as this. The provincial offices will shortly be named Provincial development companies [POM’s].

WWW.VLAO.BE
Surplus in Flemish budget

The Flemish Government kept its promise to the federal government, recording a surplus of 417 million euros.

On 16 December last year the Flemish Government decided to provide an extra envelope of 150 million to shore up the Flemish economy. All that money has now been distributed. One third was earmarked for measures from the Government’s ‘multi-jobs plan’, such as the employment bonus for employers who hire unemployed over-50s.

One third is going towards investment support for businesses, specifically expansion and ecological support. The Flemish Economic Affairs Minister, Fientje Moerman (VLD), explained that the money would be used to grant applications for investment support that have already been made. This was hitherto impossible because the budget had been used up.

Finally, one third of the 150 million is going towards the further development of the airport region. This will give more shape to the Strategic Action Plan for Reconversion and Employment (Strategisch Actieplan voor de Reconversie en Tewerkstelling, START) around Zaventem.

The government confirmed a one-off injection of 150 million euros into the Flemish Care Fund. By the end of this year the Fund will contain 704 million euros, intended to help cope with the ageing population.

The subsidisation of community (state) schools and subsidised (Catholic) education are being brought further into line. At the end of the 1990s it was agreed that as far as possible the bar would be set at the same height. This operation will be accelerated by an extra budget of 12.61 million euros. This year the ratio will be 100/76 (State/Catholic education). Cheques are not going up. The pre-financing of Accor, the company that issues the cheques, is being tinkered with.

Katrien Verstraete • De Tijd • 1 April

EUR 50 million for area around the airport

The Flemish government-Leterme has reserved EUR 50 million for investments in the area around Zaventem airport. Seeing as parcel company DHL has decided to move its hub to Leipzig, the area around the airport is to be given priority by the government. Part of the sum goes to the clearing of old industrial sites and the building of new ones. In addition, the northern part of the Brussels Ring road (between Zellik and Vilvoorde), which provides access to the area, is to be broadened and new roads running parallel to the Ring road will connect the E19 from Antwerp to the airport. Minister of Mobility Kathleen Van Brempt (SP.A) has an ambitious plan ready to reach the target of 40% transport provision through public facilities. Currently use of public transport is limited to 18%. On top of this, the capacity of approach roads to and from Brussels is set to be increased.
More and more families no longer need a land line

8.8 million Belgians own a mobile phone. That is 84% of the Belgian population. This also has repercussions for land-based telephony. More than one quarter of Belgian families (28%) do not have a land line, reports De Tijd (6 April). 1.24 million of the 4.44 million families now only use mobile phones. The success of the mobile phone means many families are giving up their land lines or not taking them with them when they move into a new house. In four years, the number of households without a land line rose by 200,000. De Tijd obtained the information from the annual report of telecoms operator Belgacom, which is suffering the most from the gradual shift from land lines to mobile phones, because 72% of families still have a land line subscription with Belgacom. The imminent appearance of Internet telephony and the popularity of e-mail and chatrooms are also gnawing away at the market share of land lines (FF).

BERT BROENS • DE TIJD • 6 APRIL

Record number of Belgians in employment

Belgian employment is at its highest ever level, reports De Morgen (5 April). Recent National Bank figures indicate that 4.27 million people were employed at the end of 2005. Never before have so many had paid work in Belgium. Their number is 600,000 up as compared to 1985. The new record is no coincidence, given that Belgian employment levels have been on the rise for nine quarters in succession. Employment has increasingly shifted to the service sector. During the last 20 years no less than 800,000 jobs have been created in this field, whereas the number of jobs in industry has decreased by 220,000. Currently industry provides only one fifth of the gross domestic product. Belgium has therefore transformed into a service economy over the last couple of decades. Since the federal government of liberals and socialists under Guy Verhofstadt came into power in 1999, some 200,000 to 220,000 jobs have been created. That is more than in the era of the Roman Catholic red government under Jean-Luc Dehaene. Only 150,000 jobs were created during those seven years, De Morgen reports.

FF EDITOR

Alcatel Belgium awaits repercussions of merger with Lucent

Belgium is carefully following the merger of French telecom company Alcatel and its American rival Lucent Technologies. The announcement that the new merger company with estimated turnover of 21 billion euros aims to cut costs by 1.4 billion euros and reduce its workforce by ten percent (8,800 of 88,000 jobs) has caused particular concern amongst Belgian subsidiaries. Lucent employs around 100 people in a sales and service office in Brussels and Alcatel employs 2,800 people in Belgium. These employees work at the Antwerp-based competence and research centre for broadband technology, the testing and production factory in Geel (Electronic Manufacturing Services), specialising in the production of ADSL modems, the smaller branches in Charleroi and Namur and Alcatel Alenia Space, Hoboken (Antwerp), specialising in space technology. In Geel, employees and management are hoping that the strong strategic position of the competence centres will ensure Belgian subsidiaries hold a strong position within the group worldwide. A trade union spokesperson reported to De Standaard (4 April) that the research centre needed to have testing and production facilities nearby.

BELGIAN WORKING POPULATION

Number of unemployed Belgians

As the dominant player, Belgacom in particular is suffering from the growing number of families with only a mobile phone. Nonetheless the group, which is listed on the stock exchange, can recoup some of the traffic lost on its land-line network via its brand Proximus, the biggest operator on the mobile market. In addition competition intensifies in land-based telephony. Last year Belgacom’s opponents provided one tenth of families with a land line.

Bert Margot. The pressure on Belgacom’s land-line network, the group’s biggest source of income, explains why the company is setting up new activities such as digital TV or heading down the take-over path in growth segments such as services to businesses (Telindus). Belgacom also believes the number of families without a land line will at least stabilise. ‘There are signs that people are beginning to rediscover land lines for the use of Internet or digital TV. Also, people who switched to mobiles to save money often find they’d have been better off keeping their land line,’ says spokesperson Jan Margot.

Number of working Belgians (in employment and self-employed)

focus on Flanders • 1 April - 7 April 2006 • Number 14
The Luxembourg group Arcelor has made a number of further interventions to make the hostile bid of Mittal Steel less attractive to its shareholders. It is increasing its dividend from 1.20 to 1.85 euros and is promising to pay out a further 5 billion euros if they do not accept Mittal’s bid. As an extra means of defence Arcelor is classifying the newly acquired Canadian steel company Dofasco as a Dutch Foundation, so that it will be impossible for the new owner (Mittal) to sell Dofasco. Earlier Mittal announced that it would sell Dofasco if the take-over went through. The unions are not happy with Arcelor’s defence manoeuvres. The move is paid out to shareholders, the less will be invested, they warn. The minority shareholders see the Dofasco manoeuvre as a hidden poison pill. They refuse to accept a company classifying core activities as a foundation, thereby removing control of them from shareholders (FF).

Opinion

JEAN VAN EMPTEN • DE TIJD • 5 APRIL

The take-over battle between the Luxembourg steel company Arcelor and the Indian group Mittal is assuming sordid proportions. Arcelor’s line of defence is being extended with a Dutch foundation, the Strategic Steel Foundation. This Dutch foundation will house the recently acquired Canadian group Dofasco. The foundation has no say in the management of Dofasco, but would decide on any sale. The foundation is managed by people loyal to Arcelor. Legally the subsumption of Dofasco may well be in order, but it does thwart Mittal’s plans to sell Dofasco on to the German steel group ThyssenKrupp, as was planned in the take-over proposal. However, the move against Mittal has far-reaching implications. Dofasco will remain beyond Mittal’s grasp, but also beyond the grasp of Arcelor’s shareholders. Only the Board of Directors of the Luxembourg steel group can decide what is to happen with Dofasco. The poison pill shows that Arcelor is unable to construct a proper business plan in response to Mittal’s take-over bid, only contrived legal arguments. The question is what will be left once Mittal has gone and the shareholders are left with their Arcelor share. Thanks to the decisions of the Board of Directors the shareholder has not only lost any say over Dofasco, but has also been saddled with a serious mortgage on Arcelor’s future. After all, the payment of the super-dividend will cream off any available cash-flow over the next few years, making any ambitious investment plan impossible.

The other question is how the workers feel about all this financial generosity towards the shareholder. Arcelor is in the process of restructuring and the stainless steel division in Charleroi and Genk is under threat. With the handsome payments these subsidiaries appear to have no future whatsoever.

WWW.ARCELOR.COM
WWW.MITTALSTEEL.COM

SN Brussels Airlines and Virgin to merge

SN Brussels Airlines and Virgin will have merged into a single airline company by April next year. Currently they are sister companies, each with its own profile under the umbrella of SN Airholding, which have tuned their European destination networks to each other. The aim is to merge the two companies into a single body with a common brand, able to fully profit from the benefits of synergy. The new company will offer two products: cheap tickets - as Virgin did in the past - and higher priced tickets with increased service and flexibility. Business class will be scrapped. There will undoubtedly be difficult negotiations with the trade unions regarding reconciliation for pay and work conditions within the two companies. The headquarters of Virgin Express in Melsbroek will be vacated, with staff being moved to the SN Brussels headquarters in Zaventem (FF).

CHRISTOF VANSCHOUBROECK • DE STANDAARD • 1 APRIL

The combination is too small to play with the big network airlines like British Airways, Air France or Lufthansa. Competing with real low-cost airlines such as Ryanair is also not an option for an airline that flies from airports such as Zaventem. SNBA/Virgin Express has therefore opted for an interim solution. Staff need not be too concerned. The new combination has the ambition to become the reference airline for air traffic from Europe into Brussels. The new company wants to continue to offer forty destinations in Europe, but with a stronger focus on the main economic centres. But the long-haul network is also to be further developed. In that respect the company not only wants to continue to play a major role in Africa, it also wants to further develop its transatlantic network. ‘We’re sitting in a growth scenario. This can only benefit staff,’ says Davignon. And yet negotiations with unions promise to be tough. When two companies merge there are always one or two duplicate functions, especially in the support services. The trade unions have also been told that productivity has to increase. And finally there is the Herculean task of harmonising the pay and working conditions of the staff of two companies.

WWW.SNBRUSSELAIRLINES.BE
WWW.VIRGIN.BE
Sofindev finances growth of bag producer Hedgren

Bags & travelgear producer Hedgren, which last year recorded worldwide sales of 50 million euros, is joining forces with the investment fund Sofindev. Together with the investment fund Xavier Kegels, founder and driving force behind Hedgren, wants to develop a chain of stores and expand into North and South America. 45% of the new company, Hedgren Creations, will be held by Kegels and 45% by Sofindev. The remaining 10% will go to the management. Sofindev is a Belgian fund, mostly owned by the supermarket group Colruyt and the family holding company Sofina (FF).

STEPHANIE DE SMEDT • DE TIJD • 4 APRIL

‘In each of the recent years we have achieved a growth in sales of 7 to 10%,’ says Xavier Kegels, also the founder of the bag collections Laurent David and Kipling. ‘This growth in sales can be sped up. If we’re withdrawing from daily management to apply myself to designing collections,’ says Kegels. ‘However, as Chairman of the Board of Directors I’ll continue to monitor the future of the brand. I chose Sofindev because it’s a Belgian company,’ says Kegels. ‘I would not have liked to see Hedgren end up in foreign hands. I also believe in the experience of the fund.’ Sofindev focuses mainly on mature growth businesses. The fund is owned by Sofina (the holding company of the Boel family), the supermarket group Colruyt, Imocobel (De Clercq family company) and several private investors. Sofindev has two funds (Sofindev I and II), which jointly have a portfolio of twelve companies, good for a consolidated turnover of 400 million euros. www.hedgren.be

NedCar to cut 1,000 jobs

One out of three jobs are to be cut at the Dutch car manufacturing company NedCar in Born, near the Belgian border. 400 Belgians work at the factory. Nedcar was producing two models in Born: the Colt for Japanese car manufacturer Mitsubishi and the Smart ForFour for Daimler-Chrysler. Production of the ForFour has ceased, due to disappointing sales figures. Unions had hoped that Mitsubishi would provide a new production line to compensate for discontinuation of the ForFour, but following the consultation meeting on 3 April, this did not prove to be the case. Employees immediately went on an unofficial strike. According to De Tijd, for the 1,000 jobs that have been cut at the Nedcar factory, there will a further 1,000 job cuts at the suppliers’ plants. Furthermore, De Tijd suggests that it would come as no surprise if one of the car manufacturers with factories in Belgium (Ford, Volvo, General Motors and Volkswagen) were to follow Nedcar’s example. All four of these companies have been investing in production facilities in China (FF).

OPINION

JEROEN LISSENS • DE TIJD • 4 APRIL

The story of NedCar is the story of the car industry. In Western Europe this is saddled with ruinous over-capacity. Constructors have systematically estimated the market too positively and are now stuck with costly plants making too many cars. NedCar is not the only one in that situation. It has long been rumoured that the German Volkswagen does not actually need the cars from its Belgian plant in Vorst. And it was recently been written that the German Opel may have to close one Astra plant. The Astra also rolls off the production line in Antwerp.

Anyone who compares the story of NedCar with that of the Chinese car industry can only fear that the same is about to happen in this sector. Accidents will still happen. Pretty much all Western constructors, including the four that have a plant in Belgium (Ford, Volvo, General Motors and Volkswagen), are investing in extra production capacity in China. With wage costs of barely one tenth the level of those in the West, they are extremely competitive. What is more, the Chinese can build cars perfectly. We taught them how to do so ourselves, by providing the technology through joint ventures. It is nonsense to claim that transport costs for cars from China would be too expensive. The Japanese have successfully been exporting cars from Japan for thirty years. The relocation of the car industry is therefore not as hypothetical as some would have us believe.

Biotechnology firm Cropdesign wants to float on stock exchange

The Ghent biotechnology firm Cropdesign, which specialises in finding genes that can increase the yield of agricultural crops, is preparing to float on the stock exchange. Cropdesign wants to raise 30 to 45 million euros. The company wants to use that money to invest in tracing specific plant genes using its Traitmill technology or in field tests with genetically improved rice. Cropdesign also wants to carry out genetic research with bio-energy crops such as rape. Cropdesign evolved out of the research into plant biotechnology of Ghent University. A year ago two other biotechnology firms, Devgen, based in Ghent, and Galapagos, based in Mechelen, floated on the stock exchange. Since then both companies’ shares have recorded handsome profits. The whole European biotechnology sector has also had an excellent year. The sector raised 3.26 billion euros in fresh capital, 560 million euros of which was from stock exchange floatations.
KVS re-opens, Brussels cultural policy walks new path

Actors will soon be treading the boards again at the Royal Flemish Theatre (Koninklijke Vlaamse Schouwburg, KVS) in Brussels. After a renovation that lasted seven years and cost 56 million euros, the company, under artistic leader Jan Goossens, is returning to Lakensestraat in the heart of Brussels. In 1999 the KVS moved to an old bottling plant in a "difficult area" of Molenbeek. There Goossens made the switch from a classic monocultural repertory company to what it has become today: theatre that is no longer produced for the small Flemish middle class, but which ties into the multilingual and multicultural reality of Brussels, both on stage and among the public. Everyone who lives and works in Flanders is a Fleming, including Francophones and new Belgians from the Maghreb or Congo. Which is why plays are also to be put on in French, and shortly even in English. The KVS has not become less Flemish, just differently Flemish, according to Goossens. The Brussels cultural sector is an example for politics, says Knack (FF).

Opinion

KARL VANDEN BROECK • KNACK • 5 APRIL

The Brussels model may well be an institutional dragon, but the rights of the Flemings are enshrined in the constitution and in specific laws that can never be amended unilaterally by the Francophones. Flemings provide two ministers and a state secretary in the Brussels Government. The Flemish Community pumps many millions of euros into Brussels. On a cultural level the Flemish Community has become dominant in Brussels. The old federal institutions are burdened by years of mis-management and for a long time have not enjoyed the reputation their peerless collections deserve. With the Ancienne Belgique, the KVS, the Kaaitheater and the Beursschouwburg Flanders built up a whole range of dynamic institutions. For a long time these have not been aimed solely at middle-class Flemish residents of Brussels. A great deal of French is also spoken there.

According to Jan Goossens, Flemish cultural policy is multilingual and multicultural. His lesson is a lesson for both Flemings and Francophones. The attitude of politicians such as the Mayor of Molenbeek, Philippe Moureaux (PS) (who after three years still did not know that the KVS put on bilingual plays in his municipality, ed.) makes any cooperation all but impossible. And that while the KVS and the Théâtre National are putting on co-productions together and the Francophone public is finding its way back to Flemish theatres thanks to French supertitling.

Investment fund for market-oriented culture

Flemish Minister of Culture Bert Anciaux (the founder of Spirit) has announced that he wants to attract risk capital for the part of the cultural sector that is not eligible for public subsidies. The cultural production concerned is market-oriented and contains pop and rock music, musicals, the audiovisual sector, fashion and design, new media and books. The instrument he wants to use for this purpose is a cultural investment fund called CultuurInvest. The fund is part of the Participation company Flanders (PMV) and has an initial capital of 20 million euros at its disposal; 10 million coming from the state and 10 million from the Bank and Insurance sector. Gradually, this amount will be increased to 100 million euros a year. His colleague, Flemish minister of Economy, Fientje Moerman (VLD) supports the initiative. She states that Flemish culture is a growth sector, where the number of jobs created has increased much faster than global employment. Moerman is also glad that finally a number of public funds are open to investments in culture. Currently, the Flemish government subsidizes theatre, dance, visual arts and music to the tune of 120 million euros a year via the Arts Decree (FF).

TOM PEETERS • DE TIJD • 1 APRIL

Culture is a real growth sector. Flemish Economic Affairs Minister, Fientje Moerman (VLD): ‘In 2002 more than 100,000 Flemings worked in the cultural sector. That is as many as in the car industry and even more than in the textile sector. The number of jobs in the cultural sector rose by 25% between 1995 and 2002, while this figure was just 10% for employment as a whole.’

CultuurInvest is part of Flanders Investment Company (Participatiemaatschappij Vlaanderen, PMV), which is also responsible for management. The initial capital basis of the Fund is 20 million euros. With the help of existing PMV funds that amount will be increased to 50 million euros. According to PMV calculations, this investment will generate the same amount again in bank loans. Minister Anciaux is certain that he can invest a total of 100 million euros a year in cultural industries. Eligible are musical companies, rock groups, film companies and publishers. They have to submit their applications to a special management team made up of financial and cultural experts. CultuurInvest is also working together with existing funds, such as the Flemish Innovation Fund (Vlaams Innovatiefonds, Vinnof), the Guarantee Scheme (Waarborgregeling), the Federal Investment Fund (Federale Participatiefonds) and Flanders Investment and Trade (FIT). ‘These financing instruments will ultimately be made accessible to the cultural sector,’ says Moerman. CultuurInvest is a rolling fund via which the Flemish Government wants to employ 200 cultural entrepreneurs or 1,000 people in the long term. Profits will be ploughed back into the Fund to be reinvested in lucrative projects. The flow-back period is between 2 and 7 years. ‘We’re not there to make a loss,’ says Anciaux. ‘It is our intention to make a profit and strengthen entrepreneurial spirit within the cultural world.’
DIARY

MUSIC, DANCE, THEATRE

• 12 April: Septeto Nacional Ignacio Pineno (Cuba) Handelsbeurs, Ghent; info: www.handelsbeurs.be 09/265 91 65
• 13 April: Oscar Leader. Cream o’ Spices (USA), Handelsbeurs, Ghent; info: www.handelsbeurs.be 09/265 91 65
• 13 and 21 April: Sleen: In No One’s Interest, Vooruit, Ghent and De Velinix, Tongeren; info: www.vooruit.be
• 14 April: Maria José Franco o Al-Andalus (flamenco) Handelsbeurs, Ghent; info: www.handelsbeurs.be 09/265 91 65
• 18 April: Capilla Flamenca with works by B. Cordier, Th. Fabri, P. de Moulins, Kaaitheater, Brussels; info: www.kaaitheater.be
• 18 April: Gerardo Mc Geezy [Soprano] and Graham Jones (piano) with Schubert, Brahms and Wolf, De Singel, Antwerp; info: www.desingel.be 03/248.28.28
• 19 April: Jonathan Bliss, piano with Leos Janácek, Schumann, Schubert and van Beethoven, Conservatory, Brussels; info: www.bozar.be 02/507.82.00
• 19 April: Marrath/Savulas (USA), rhythm’n handel, Handelsbeurs, Ghent; info: www.handelsbeurs.be
• 20 April: The Planet Smashers/Savana Station (Canada), Handelsbeurs, Ghent; info: www.handelsbeurs.be
• 20 April: The saxophone player Trygve Seim and the accordionist Frode Halli [Norway], Jazz, Flagey, Brussels; info: www.flagey.be
• 20 April: Franz Danksgämmel, organ with works by Carl Philipp Emanuel Bach, Wolfgang Amadeus Mozart, St Michaels Cathedral, Brussels; info: www.bozar.be 02/507.82.00
• 20 April: Musiques Nouvelles and Luc Ferrari, conductor: Jean-Paul Dessy with Art Zoyd Studio Ensemble with works by Luc Ferrari, Bozar, Brussels; info: www.bozar.be 02/507.82.00
• 20 April: Radio Lupo (piano) with Schumann, De Singel, Antwerp; info: www.desingel.be 03/248.28.28
• 20 April: Yahudjije, Istanbul Ensemble, Bijloke, Ghent; info: www.bijloke.be
• 21 April: Roman hymns for Easter by Ensemble Organum, conducted by Marcel Péris, Bijloke, Ghent; info: www.bijloke.be
• 21 April: Orchestre Philharmonique de Liege et de la Communauté Wallonie-Bruxelles with Dora Garcia, conductor and James Ehnes, violin, works by Claude Ledoux, Samuel Barber and Ludwig van Beethoven, Bozar, Brussels; info: www.bozar.be 02/507.82.00
• 22 April: Hip hop in Flagey: break dance, rap, beat box and deejay sets, Flagey, Brussels; info: www.flagey.be
• 22 April: Belgian National Orchestra conducted by Hartmut Haenchen with Dmitry Shostakovich, Symphony no. 8, and Eric de Kuyper, Das Stahlwerk der Poldihiitte während des Weltkriegs (1916), Bozar, Brussels; info: www.bozar.be 02/507.82.00
• 22 April: Latvian Radio Chamber Choir o Arne Dotzef with Josquin des Pres, Phil Niblock, Martin Vilumns, Nikolas Gombert and Giacinto Scelsi, Handelsbeurs, Ghent; info: www.handelsbeurs.be
• 22 April: Monk Happening, What a difference Monk makes [about Jazz composer Thelonious Monk], with Roswell Rudd/Druck Baker Dun, Ran Blake solo, Johny Griffin Quartet, De Singel, Antwerp; info: www.desingel.be 03/248.28.28
• 23 April: Lord Byron, John Keats, Percy Shelley: Music and Poetry, evening in English with Milne Lisa, soprano and Ian Burnside, piano with works by Frank Bridge, Frederick Delius, Felix Mendelssohn-Bartholdy, Robert Schumann, Bozar, Brussels; info: www.bozar.be 02/507.82.00
• 24 April: Drift, Drift is the result of the collaboration between Leh Singer [filmmaker and graphic artist] and Lee Randaldo [guitarist, member of Sonic Youth], Bozar, Brussels; info: www.bozar.be
• 25 April: Praazak Quartet with Marie Hallynck, Cello with works by Haydn, Schonberg and Schubert, Bozar, Brussels; info: www.bozar.be 02/507.82.00
• 29 April: In No One’s Interest, Sieno, Arenbergschouwburg, Antwerp; info: www.arenberg.be www.vwspringonline.be 070/22.21.92

EXPO

• Until 2008: Art at the Frontline 1914-1918, Royal Army and Military History Museum, Brussels, info: 02.737 78 33 www.klm-mra.be
• Until 30 April: Pain, exhibition, Museum Ghislain, Ghent; www.museumghislain.be
• Until 23 April: Eugen Joos, In Flanders Fields Museum, Ypres 057/239.220
• Until 24 June: Jukkozen en denkmollen [Showcases and models of thought], Jan Fabre, exhibition, Flemish Parliament, Lokettenzaal, Brussels; info: www.vlaamsparlement.be
• Until 21 May: Theo Van Rysselberge, exhibition, Bozar, Brussels; info: www.bozar.be 02/507.82.00
• Until 23 April: The Collection XIV, exhibition, Muhka, Antwerp; info: www.muhka.be
• Until 30 April: Noli me tangere: Maria Magdalena in multiple, Library of theology, Louvain, www.theo.kuleuven.be
• Until 28 May: Yearning for Beauty, The Vienna Werkstätte, exhibition Bozar, Brussels; info: www.bozar.be
• Until 31 May: Antwerp-Frankfurt: Migration and innovation around 1600, exhibition, Hessenhuis, Antwerp; info: http://museum.antwerpen.be/etnografijs_museum
• 24 March to 2 April: Eurantica Brussels, Fine art & antiques fair, Brussels, expo hall 5; info: www.eurantica.be
• Until 19 April: Kristooff Boghaert, 35m² of young architecture, exhibition, De Singel, Antwerp; info: www.desingel.be 03/248.28.28
• 28 April: Folk & Beyond Festival, exhibition, Handschu, Ghent; info: www.handelsbeurs.be
• Until 28 May: Katlug Ataman (Turkey), De-Regulation, exhibition, Muhka, Antwerp; info: www.muhka.be (03) 260 99 99
• 26 April: Ludo Vandeveer and Bodixel, Handelsbeurs, Ghent; info: www.handelsbeurs.be
• Until 28 May: Katlug Ataman, Kuba, exhibition, Extra City, Antwerp; info: www.extracity.org
• 2 April to 28 May: International Festival of Photography, CC Scharpoord, Knokke, info: www.fotofestival.be
• Until 1 October: Beaufort Outside: open air exhibition along the Flemish coast; info: www.2006beaufort.be
• Until 3 September: Beaufort Inside, exhibition, PMMK, Oostend, info: www.2006beaufort.be www.pmmk.be 070/22.50.05

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