

HOLLAND

YOUR CHEMICAL PORTAL TO EUROPE



Source: Dow

Reasons to invest

Holland offers...

- a strategic location in Europe
- a competitive fiscal climate
- a superior logistics and technology infrastructure
- a conducive innovation environment
- an international business environment
- a solid workforce
- an attractive quality of life

Key figures from the Dutch chemical industry...

- Turnover € 58 billion (3 percent GDP)
- Export € 71 billion (17.5 percent of total Dutch export)
- Contributes € 24 billion to trade balance
- Employs 63,000 people
- Hosts 19 of the world's top 25 leading chemical companies
- R&D investments € 1.2 billion
- World-class R&D infrastructure

Source: VNCI 2011

Introduction

Holland's location, logistical infrastructure, open innovation approach, and well-organized public-private partnerships offer a favorable environment for companies looking for business expansion or acceleration. Add to that a mindset of creativity, collaboration, and reliability, excellent financial conditions, and the presence of a top technology sector in chemistry, and Holland is able to guarantee the most important drivers in "innovation location" choices for foreign investors.

A major driver of the Dutch economy

The chemical industry plays a significant role within the Dutch economy. In 2011, it generated € 58 billion in revenues and 17.5 percent of total Dutch exports. It's an innovative industry, with roughly two-thirds of companies delivering product and process innovations. The chemical industry in the Netherlands spends around 2.5 percent of its turnover on research and development in-house. The Dutch government has qualified the chemical industry as a priority sector as part of its new economic policy. All public and private stakeholders will focus on these priority sectors with joint strategic planning aimed at ambitious societal, sustainable and economical goals.



Pioneers in international business



Source: Nuffic, Arenda Oomen



Source: AkzoNobel

Industry commitment: new earth, new chemistry

The Dutch government has qualified the chemical industry as a priority sector as part of its new economic policy. 'New earth, new chemistry' applies to the ambition of the whole chemical industry as a priority sector. This ambition means the chemical industry has agreed on a long-term strategy aimed at increasing productivity, doubling turnover and sustainability, and reducing the environmental footprint. Their goal is to be known as the Green Chemistry Country and to be ranked among the top three producers of high-tech materials worldwide by 2050.

Strong chemical community

The chemical industry is particularly strong due to trade and investment links to Europe and the rest of the world. However, there is more: one particularly competitive aspect of the Dutch chemical industry is its internal and inter-company integration. For example, chemical companies purchase from – and supply to – one another. Moreover, the whole chemical supply chain represented in the Netherlands through its internationally operating world-class companies in each segment. Chemical companies work together in public-private partnerships on innovation and production, and take advantage of regional clustering. As a whole, the clusters are more competitive than the individual companies put together. Because of its integrated nature, Holland now hosts 19 of the world's top 25 leading chemical companies, as well as a number of world-class R&D institutes for fundamental and applied research.

Holland excels in:

- Industrial Biotechnology
- Fine Chemicals
- High-Performance Materials

Technology: value through co-operation and innovation

In addition to the sense of community in the chemical industry, Holland has also formalized and structured the approach to co-operation. This is done with public-private partnerships, and through centers for open chemical innovation (COCIs). Public-private partnerships are formal, long-term agreements between government, commercial parties and research institutes about joint goals and strategies for the future.

Examples of topic-specific public-private partnerships are:

BE-Basic: Bio-Based, Ecologically Balanced Sustainable Industrial Chemistry; the Institute for Sustainable Process Technology; the Dutch Polymer Institute and the 'Technology Areas for Sustainable Chemistry' innovation program.

In a COCI, established companies – as well as start-ups and small businesses – develop innovative ideas and test their feasibility.

These companies use the infrastructure, services and expertise of the companies physically present at the site, with the aim of turning innovation into commercial success. The three COCIs are: Chemelot (www.chemelot.nl), Green Chemistry Campus (www.greenchemistrycampus.nl) and Plant One (www.plant-one.nl).

Sustainable technology areas

There are three areas in particular that excel in the Netherlands: fine chemicals, high-performance/advanced materials, and industrial biotechnology. The Dutch industrial biotechnology cluster combines world-class knowledge on agro-food and chemistry with cross-disciplinary co-operation and innovation. Dutch excellence in high-performance materials and fine chemistry benefit from a strong foundation in basic and petrochemicals. The Rotterdam area in particular, with its global port and many refineries, is a major petrochemical hub. Interesting examples of strong regional clusters in these technology areas are: a cluster focused on fine chemicals and industrial biotechnology in the west, a specialization in industrial biotechnology and materials in the north, and a focus on materials and fine chemicals in the south.



Holland is the Chemical Portal to Europe...

Holland enjoys an excellent geographical location, with an infrastructure which is second to none. Holland not only operates Europe's largest inland shipping fleet, but has also built an extensive network of roads, railways, pipelines. The Netherlands is also home to one of Europe's best airports for cargo and passenger transportation (Schiphol), and Europe's largest and most important sea port (Rotterdam). Finally, the Dutch are one of the world's foremost experts in logistics and supply chain management. Holland knows how to leverage location and infrastructure to ship chemicals quickly and economically to any destination in the world.

The Netherlands is an obvious choice to locate a pan-European operation - whether it's a European headquarters, a shared services center, a customer care center, a distribution and logistics operation, or an R&D facility. The country's pro-business environment creates a gateway to Europe that helps international companies succeed throughout the continent. An international outlook and openness to foreign investment is firmly ingrained in the Dutch culture, and this has yielded a wealth of world-class business partners who know how to deal with global business challenges in today's economy.

In addition, Holland is, in fact, one large chemical community that is focused on open innovation. Its culture of co-operation is complemented by more formal public-private partnerships and centers for open chemical innovation. Specifically, Holland has achieved excellence in fine chemicals, industrial biotechnology and high-performance materials. In each of these areas, superb research combines with innovative work performed by large and small companies. These elements combined together make Holland the Chemical Portal to Europe.

'In terms of developing sustainable solutions for products and processes, the Netherlands is very inspiring for us. [...] Moreover, when it comes to doing business, the Dutch are always keen to reach a consensus - and in that way, the Dutch and the Japanese are not so very different.'

Mr. Yoshihiro Ichii, President of Teijin Holdings Netherlands.
Source: Proud. Amsterdam, first edition 2009, amsterdam
inbusiness

'Nearly all of our European research, which focuses on both product and process innovation, takes place in the Netherlands. In addition, the research activities in Geleen and Bergen op Zoom make up a large part of our total research worldwide.'

Simona Maassen, Manager Public Affairs at SABIC in Europe

'Sustainability is central to our policy, and the Netherlands provides a good base for this.'

Peter Struik, President of Fujifilm Manufacturing Europe B.V

'Language makes business, and our Dutch multilingual employees have shown that they not only can speak several European languages, but have great empathy for different cultures and can therefore create business opportunities.'

David Robison, Financial director, Norkem

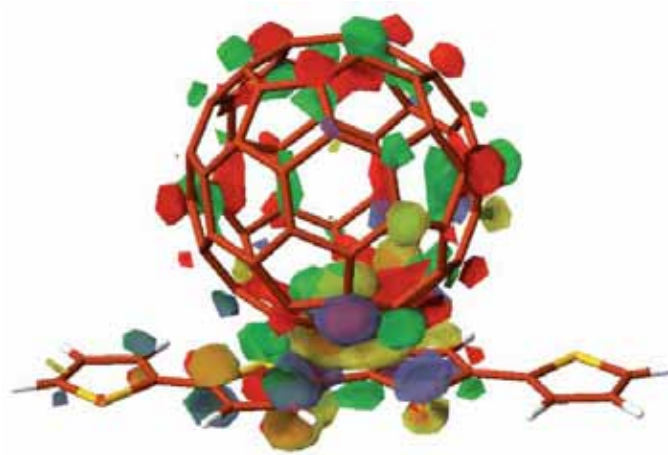


Holland is open for foreign companies and their part in the future development of the Dutch chemical Industry...

Holland is open for business, open for innovation, open for cross-disciplinary cooperation and development, which all leads to business acceleration. This makes it a win-win situation: new companies will find an unparalleled environment which supports their new innovative activities, while the Dutch chemical supply chain will grow stronger through their presence. In fact, the Netherlands offers a unique perspective for foreign chemical companies, including some very attractive location factors.

The Dutch tax system has a number of features that may be very beneficial in international tax planning. These include a corporate income tax rate of 20% on the first €200,000 and 25% for taxable profits exceeding €200,000. In addition, the Dutch ruling practice provides clarity and certainty – in advance – on future tax positions. And with regards to R&D, companies can benefit from the Innovation Box – resulting in an effective corporate tax rate of only 5% – as well as an R&D allowance (WBSO), which takes the form of wage tax and social security contribution deductions.

The Netherlands is proud to have a high standard of living, whilst maintaining an affordable life for its residents. The costs of living, housing, education and cultural activities are lower than in most western European countries. Furthermore, all sorts of cultural and leisure activities are open to both Dutch citizens and visitors alike. Whether it's spending a leisurely afternoon on the beach, enjoying culinary delights or going to one of the cities' acclaimed museums, theatres or opera houses, the new expatriate is soon made to feel that the Netherlands is a most welcoming country.



Source: Dr. Remco Havenith, FOM Focus Group, Next Generation Organic Photovoltaics

About the Netherlands Foreign Investment Agency

The NFIA (Netherlands Foreign Investment Agency) is an operational unit of the ministry of Economic Affairs, Agriculture and Innovation. The NFIA helps and advises foreign companies on the establishment, rolling out and/or expansion of their international activities in the Netherlands. The NFIA was established more than 30 years ago, and has since then supported more than 2,800 companies from nearly 50 countries in the establishment or expansion of their international activities in the Netherlands. Besides its headquarters in The Hague, the NFIA has its own offices in the United Kingdom, Turkey, North America, Asia, the Middle East and Brazil. Additionally, the NFIA works together with Dutch embassies, consulates-general, and other organizations representing the Dutch government abroad, as well as with a broad network of domestic partners. More information: www.nfia.nl.