

BELGIUMTax Deduction for Environment-Friendly Investments (Royal Decree 10.04.1992 on Company tax)

A percentage of the investment costs for energy efficiency or renewable energy projects can be deducted from taxable income. The policy covers projects dealing with solar, wind, hydro energy, biomass (including biofuels) and geothermal energy technologies as well as RD&D activities. The precise rate is set every year by the Ministry of Finance; in 2002 it was 13.5%. Tax payers are allowed to spread the deductions out over several years. The policy also offers grants totalling 20.5% of the investment and 25.5% for especially innovative companies.

Effective date: 1992

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More information: www.fiscus.fgov.be

As with Austria, Belgium has several regionally-administered incentives.

Flanders: Electricity Distribution

Grid managers (low voltage) are obliged to offer free distribution of electricity from renewables sources. Additionally, grid access for suppliers of electricity from renewable sources is fixed at a certain minimum level.

Effective date: February 2004

Contact:

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Wallonia: Investment Subsidy

The Walloon Region provides capital grants for up to 15% of the investments of any company aiming to increase either renewable energy production or energy efficiency.

Contact: Walloon Energy Ministry, General Directorate for Technologies, Research and Energy

Wallonia: Support for pre-feasibility studies

The Walloon Region supports part of the costs of pre-feasibility studies to evaluate potential energy efficiency or renewable energy investments within a company. This incentive also applies to costs related to technical certification. The maximum available allowance amounts to 75% of total feasibility study costs (calculated on the basis of quotes provided by ministry-approved independent companies), or 60% of total certification costs.

Contact: Walloon Energy Ministry, General Directorate for Technologies, Research and Energy
