

# Dutch Developments

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## OF INTEREST

### Faster and Faster Trains

High-speed train service between Amsterdam and Rotterdam began this fall, shaving 20 minutes off the average trip time. Next-generation trains capable of 155 miles-per-hour will come into service late next year, offering service between Amsterdam and Brussels.

### New Ambassador to The Hague

Over the summer, the US Senate confirmed the appointment of Fay Hartog-Levin as ambassador to The Hague. She is a graduate of Northwestern University, where she earned a degree in Russian language and literature. She also holds a law degree from Loyola University. Her parents emigrated from the Netherlands after World War II.

### Lots of Wind

A Netherlands consortium has announced plans to build a massive wind park 47 miles off the Dutch coast. The project, costing 1.2 billion euros, calls for 60 turbines and would be the first wind park to be located that far offshore anywhere in the world. If the project is completed, it would power up to 300,000 homes.



Pioneers in international business

## Holland Gateway Business Center Now Welcomes Foreign Investors

Hospitality is a key factor in trade, investment and business location decisions. To further extend a warm welcome to foreign investors and skilled workers, the Netherlands recently opened the Holland Gateway business center. Located at the main entrance to the Netherlands, Amsterdam's Schiphol Airport, this business center provides information and services on establishing a business, as well as working and living in the Netherlands. It offers a lounge, meeting rooms and an auditorium.

Holland Gateway gives the international entrepreneur an easy start in the Netherlands at the moment of arrival. It's designed to enable international enterprises, investors and their knowledgeable employees to quickly get acquainted with the Netherlands, as well as to settle and expand their business. The center functions as a

national portal for foreign investors to get introduced and connected to public and private bodies. It aims to enable a smooth entry and effective settlement of a business.

Free of charge and confidential, Holland Gateway provides business visitors with crucial information, key contacts and practical help with procedures. This, in combination with a strong international orientation and a cooperative attitude, provides an attractive proposition for future business cooperation and development.

As noted by Pieter Verboom, CFO Schiphol Group, "Holland Gateway wonderfully complements the social role Schiphol Airport aims to fulfill. In its role as main port, Schiphol Airport, with connections to 262 destinations, offers a strategic, international and economic environment to ensure Holland Gateway's success."



Holland Gateway at Schiphol Airport

## INVASION OF AMERICAN COMPANIES:

**American Multinationals Consolidate European Distribution Centres in the Netherlands**

(Editor's Note: The following article is excerpted from the "Henry Hudson Special 2009" issue of the Dutch publication Supply Chain Magazine. It was written by Marieke Jansen.)

These days, many American companies are restructuring their European supply chains. The market has collapsed, leaving too much inventory lying around in too many locations.

In many cases these multinational companies concerned are consolidating their distribution centers (DCs) and choosing to serve the whole of Europe from the Netherlands. "Many American companies are restructuring their operations because of the economic recession," explains Stephan Satijn, Vice President of Logistics for Holland International Distribution

Council (HIDC). "They want to lower costs and free up working capital, so they consolidate their existing supply chains in Europe. At the moment, many contracts are being signed between American companies and Dutch logistics providers."

Indeed, the American company Terex announced in May that it was building its first European head office at the Borchwerf II industrial park in Halderberge, in the province of Brabant.

West Brabant is expecting to welcome many more American companies, as well. And Sjoerd Boomsma of the Limburg Development and Investment Company (LIOF) has noticed the same trend. Americans are interested in Venlo and the surrounding region, as well as the Roermond-Heerlen axis.

In the context of freeing up working capital, the Netherlands' offset provision for VAT does make it more attractive for importers. Under it, VAT does not have to be paid upon import. Few other countries, outside of the Netherlands and Belgium, have such an arrangement for transferring VAT liability.

Beyond this, the Netherlands has a specific tax ruling that applies to foreign distribution operations: the cost plus ruling. Under this ruling, distribution companies can make a contractual taxation arrangement with the Dutch tax authorities about how costs will be allocated.

Satijn of HIDC has noticed another shift in thinking as people reconsider supply chain dynamics. "Lead times have always been critical, and they still are," he says. "The difference is that American companies have set up DCs in different regions, so that they can deliver goods within 24 hours. You would never be able to supply the whole of Europe within 24 hours from the Netherlands. But is that 24-hour timeframe such a necessity - or would 48 hours suffice? It turns out that in most cases, 48 hours is perfectly acceptable. Anything else can be sent by rush order. That means they can still serve the market well if they consolidate their DCs in the Netherlands."



### VIEWPOINT

by Bas C.M. Pulles  
Commissioner  
NFIA Worldwide

## "ORANGE LANE" EASING BUSINESS TRAFFIC

The recent launch of the Holland Gateway (*see page one*) is part of a broader Dutch government effort to develop an "Orange Lane" for investors and business

executives worldwide, easing the process from the initial visit to when they have established operations in the Netherlands. Two other examples of the "Orange Lane" in action are streamlining the application process for business visas and setting up dedicated Expat Desks in several cities.

The choice of Schiphol Airport for the Holland Gateway is both symbolic and practical. Besides being one of the most central and easily accessible locations, it also echoes the hospitality we are trying to communicate to our business audience. It's a place where investors can meet with Dutch counterparts and talk business. And it's a place where we can provide investors with the right information, help with procedures and useful referrals.

Apart from its practical value, the Holland Gateway also reflects the ability of the Dutch government and business community to join hands. This meeting place shows we can share information, align our agendas, and focus on common goals.

The Netherlands continues to be one of Europe's prime business destinations. And the Holland Gateway is yet another pro-active catalyst that allows companies to grow in a competitive, global economy.

## NEW NFIA SOUTHEAST AREA DIRECTOR



In September, Ard Crebas joined the Netherlands Foreign Investment Agency (NFIA) in its Atlanta office, as an area director assisting companies located mainly in Georgia, the Carolinas, Virginia, Washington D.C. and in Maryland.

He brings with him a strong background in economic development and foreign direct investment. Prior to this appointment, he temporarily headed the NFIA offices in New York and London where he was involved in assisting companies from a wide variety

of industry sectors, including aerospace, food & nutrition, life sciences and creative industries. Previously he was a project manager for the Development Agency East Netherlands, one of the regional economic development agencies in the Netherlands. He started his career at Bureau Bartels, a small consultant agency in the Netherlands.

Crebas earned a Master's Degree in Spatial Sciences from Groningen University with a specialty in developing countries.



*Dutch Minister for Foreign Trade Frank Heemskerk took “the pause that refreshes” as he presided over the opening of the new can production line at Coca-Cola’s Dongen facility. As a result of this expansion, local production capacity will increase by 30 percent. Coca-Cola has been in Dongen since 1953. Company officials stressed specific sustainability aspects of the site, such as further reduction of water and energy consumption, as well as environmentally friendly packaging. The cans produced there consist of 55% recyclable materials and are increasingly lighter due to new designs and technologies.*

## RECENT MOVE-INS

**Bombardier Inc.**, based in Montreal, Canada, a leading manufacturer of aerospace and rail transportation, will open its first wholly owned European aircraft service center at Schiphol Airport in Amsterdam. The service center is expected to begin operations early next year. Approximately 50 technicians will staff the center initially.

San Diego-based **Cibus LLC** has selected Breda for its first European location. The agricultural firm is a trait-development company that specializes in the production of environmentally friendly crop traits for the agricultural community.

**Modernista**, a Boston-based advertising agency, has launched a full-service European office in Amsterdam.

**Blackboard Inc.**, a Washington, DC provider of software and services to the education industry, has opened its second data center in Amsterdam. Both data centers now provide hosting services to more than 50 institutions across Europe.

**ITA Software** of Cambridge, Mass., the leader in developing innovative solutions for the travel industry, announced in August the establishment of its European regional office in Amsterdam. ITA’s QPX, the industry’s most comprehensive airfare shopping system, is used by leading airlines and travel distributors worldwide.

**ViewPlus Technologies Inc.** of Long Beach, CA, a developer and producer of Braille-producing printers and software, has established a new location in the LIOF Business Center in Venlo. The new location will establish a dealer network, a training center, and a research and development department.



FOCUS ON:

# *Sustainable Energy*

Millions of years ago, continuous cycles of plants living and dying laid down huge deposits of coal, oil, and natural gas, which have become our fossil fuels. During this time, plant life absorbed massive amounts of carbon dioxide from the atmosphere.

Now we're recovering and burning these fossil fuels as sources of energy, reintroducing carbon dioxide gas back into the air. Because of the greenhouse effect of this gas, many of us view the result, global warming, as a real and imminent threat. Our global goal now is to find alternative, sustainable sources of energy that do not release carbon dioxide.

The Dutch government has set up multiple ambitious programs to make the Netherlands one of the most energy-sustainable countries in Europe by 2020, and entirely sustainable by 2050. As part of its Innovation Agenda for Energy, the Dutch government is adding nearly half a billion euros to existing arrangements.

The funds will go toward innovative programs aimed at sustainable energy, a few of which are summarized throughout this article. Many of these programs fall under the categories of solar energy, biomass, and wind. The idea is to encourage businesses, the government, knowledge institutes, and civil-society organizations to work together to accelerate the pace of sustainable energy development.

Left: Windpark at Egmond aan Zee

Right: Solland Solar Cells production facility in Heerlen

## **Solar technology**

Dutch solar technology ranges from developing machinery for manufacturing solar cells to managing large solar farms. Clusters of Dutch knowledge institutes and companies are working on innovative, sometimes even revolutionary, technology.

The energy company Nuon, for instance, will soon introduce Helianthos, a new kind of solar cell laminate. The universities in Delft, Utrecht and Eindhoven have been working on this development since 1997. Helianthos consists of extremely thin solar cells. Being a lightweight, flexible foil, it can serve in places that are usually unsuitable for solar energy. For example, Helianthos might be used on large rooftops that can't support heavy solar panels.

Solland Solar, the largest solar cell producer in the Netherlands, achieved a breakthrough in 2008 with the Sunweb cell. By concentrating the generated



Biomethanol plant in Delfzijl



Photo: Pitt Fotografie © BiomCN

energy on the back of the cell, Sunweb offers a 2% higher output. When connected in solar panels, output can be as much as 9% higher.

Scientists at Radboud University Nijmegen have developed a simple solar cell that converts a record-breaking 26% of light into electricity. The crystal used, gallium arsenide, is the most efficient material for this purpose. The scientists created both a conventional cell and a flexible thin-film cell with this level of efficiency.

### **Harnessing the wind**

Wind turbines are sprouting up around the globe to help make a timely switch to sustainable energy sources. Many of these wind farms will be built far offshore to avoid taking up living space and to be out of sight. Taking advantage of this trend, the Dutch company Darwind is working on a wind turbine designed specifically for use offshore. The Darwind turbine functions without a gearbox, making it ideally suited for offshore wind conditions. It also makes the turbine lighter and less expensive with less need for maintenance.

Large Dutch construction companies that specialize in offshore technology install wind turbines. The consortium We@Sea has consolidated this expertise in an association of 30 partners that possess the knowledge to develop a sustainable offshore energy network.

### **Biomass**

The Netherlands is finding ways to recover energy from all kinds of waste.

Energy, for example, can be recovered from wood shavings, frying fat, sewage sludge, and cow manure. The trick is to find useful energy sources that neither endanger the food supply nor create environmental problems.

Solarix is working with the University of Amsterdam and Yellow Diesel BV to develop more efficient biofuels. The group is developing a catalytic converter that can process organic waste having a high fat content, such as frying fat and animal fat, into biodiesel fuel. The processed fuel burns better and reduces soot emissions.

BTG BioLiquids BV is building a factory that will convert waste wood, sludge, and corn stalks into oil on a large scale. The factory will heat biomass in a reactor. The resulting oil vapor is then cooled to produce oil. This facility will convert five tons of biomass per hour into 925 gallons of industrial-grade oil.

### **Another energy source**

Underground thermal energy storage has been implemented on a large scale in the Netherlands for over a decade. In these systems, a building complex will pump cold groundwater from a source at a depth of about 300 feet or more and pipe it through a heat exchanger throughout the facility. This cools the building and warms the water. The system can then pump the warm water back into the ground at another location, ready for heating the building in the winter.

Priva, a company active in climate management for greenhouses and buildings, is implementing the concept in the new Priva Campus. It uses no energy to heat or cool the campus. In addition, all the materials used for the floors, roofs and facades in the campus are recyclable and sustainable. The campus is one of the Netherlands' first CO<sub>2</sub>-neutral buildings.

# NANOSCALE LASERS FOR FASTER COMMUNICATIONS

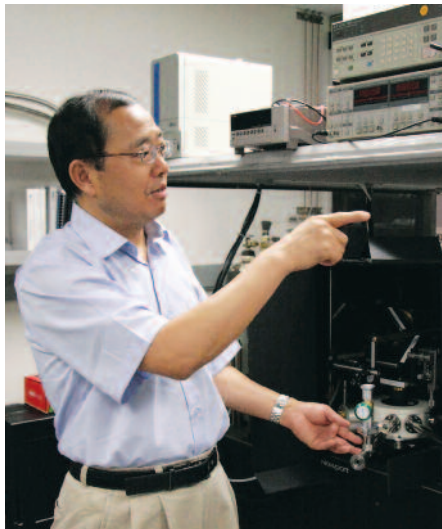
The University of Eindhoven has partnered with Arizona State University to find ways to make smaller lasers. The resulting “nanoscale” lasers could significantly improve computer performance and speed Internet access, as well as enhance communications, single molecule detection, and medical imaging. For example, the work promises to be an optical solution for communications within a computer and even within the CPU chip.

The collaborative research has demonstrated a technique for overcoming something called the diffraction limit, which current theory says defines the smallest laser possible of a certain wavelength. This limit is about 250 nanometers for a semiconductor laser used for communications.

Professors Martin Hill and Cun-Zheng Ning are leading the Eindhoven and ASU teams, respectively. Their work towards lasers smaller than the diffraction limit would facilitate integration of these lasers with small, fast electronics components.

The technique developed by the Eindhoven/ASU research teams involves using a combination of semiconductors and metals such as gold and silver. The teams found that electrons excited in metals can help confine laser light to sizes smaller than the diffraction limit.

Using this technique, an 80-nanometer thick semiconductor is sandwiched between 20-nanometer dielectric layers and topped with metal layers on each side. The Hill and Ning teams have demonstrat-



Professor Cun-Zheng Ning in his ASU lab.

ed that such a semiconductor/dielectric layer, “squeezed between metal layers,” can emit laser light of the smallest thickness ever produced.

Currently the technique works only at low-temperatures. The teams’ next step is to achieve the same results at room temperature.

This research is supported by the Netherlands Organization for Scientific Research (NWO) through the “NRC photonics” grant, and by the US Defense Advanced Research Project Agency’s (DARPA) NACHOS Program.

*(Editor’s Note: This article is based on “Nanoscale Lasers May Open Door To Faster Computers, More Reliable Internet Access,” Science Daily, August 5, 2009.)*



## Bits and Bytes

- The Netherlands is the world’s fourth-largest exporter of ICT services, after the US, UK and Germany.
- If you have ever listened to music, enjoyed wireless Internet or used a wireless headset with your mobile phone, chances are you have been using technology that was developed by the Dutch.
- The Compact Disc, which revolutionized the music industry, was developed in part by engineers from the Dutch company Philips.
- The hole in the middle of a CD is exactly the size of an old Dutch ten-cent coin (a “dubbeltje”).
- Wifi, the global standard for wireless Internet, has Dutch roots. It was developed in the Dutch town of Nieuwegein, at a subsidiary of NCR Corporation/AT&T.
- The Dutch engineer Jaap Hartsen developed Bluetooth.
- TomTom, based in Amsterdam, became the world market leader in GPS vehicle navigation systems in just four years. Since 2004, TomTom has launched more than 20 different models, each with new functionality. For example, a separate line for motorcyclists is called the TomTom Rider.
- According to a 2009 survey conducted by the Economic Intelligence Unit and IBM, the Dutch rank third in “e-readiness” out of the world’s 70 largest economies.
- The growth of the ICT industry in the Netherlands is projected to continue at a healthy rate of 4.5%, higher than the national economy.

Photo: Jessica Slater, Arizona State University

Photo: ©BYOF. NL



## *EU to Develop Indicators for Environmentally Conscious Economy*

The European Commission will develop a list of indicators to measure progress toward an eco-efficient economy, at the request of EU environmental ministers.

The list is intended to supplement Gross Domestic Product as a reflection of the EU's economic performance. It is also designed to address key points included in the revised Lisbon Strategy for Growth and Jobs, to be discussed in spring 2010.

The ministers also endorsed an idea for a sustainable development "scoreboard," which would monitor member states' progress in implementing shared sustain-

able development strategies.

The first index, to measure pollution and other environmental issues, will launch next year. It will gauge the effectiveness of EU environmental policies in areas such as energy use, water pollution, and waste generation.

The planned measures were praised by the World Wide Fund for Nature, a non-government organization, which cited the European Commission's "remarkably rapid progress" in making environmental concerns part of a mainstream political agenda.

Ulf Björnholm Ottosson, an environmental counselor at the Swedish Permanent Representation to the EU, said "a green economic transition" is needed to address both environmental concerns and economic recovery.

"It is about putting a price on carbon emissions and creating the prerequisites for businesses...so that they benefit financially from using less energy and fewer resources," Ottosson said, adding that the EU should also support the development of new technology to achieve this goal.

## DUTCH FINANCIAL DAY PROVIDES PERSPECTIVE ON CLIMATE CHANGE AND THE FINANCING OF SUSTAINABILITY

As part of the NY400 celebrations honoring 400 years of cooperation between the United States and the Netherlands, the Dutch government and APG (All Pensions Group) sponsored a "Sustainability and Finance" Conference and Lunch September 10 at the New York Academy of Sciences in the 7 World Trade Center. More than 100 Dutch and US fund managers and investment advisors attended the affair that brought together leading experts from both sides of the Atlantic.

Jonathan Lash, president of the Washington-based environmental think tank, the World Resources Institute, delivered the keynote address that provided background on the impact of global climate change and gave an update on the progress of the Waxman-Markey energy legislation working its way through Congress. He noted that investment risks and opportunities have served as one of the hallmarks of the long and successful partnership between the US and the Netherlands, dating back to Henry Hudson's 1609 voyage that founded Manhattan and including today's Dutch leadership in the area of carbon trading.

Two breakout sessions followed that focused on the European perspective on two issues: the financing of sustainability and emissions trading. Rob Lake, Head of Sustainability at Netherlands-based APG, conducted the former session with an overview of "green" investment opportunities over multiple asset classes in income and growth portfolios. Seb Walhain, Global Head of Energy, Carbon & Commodities at Fortis Bank in the Netherlands, described the European Union Emissions Trading Scheme and the nature of carbon finance for a typical emissions reduction project.

The lunch conference was one event during Dutch Financial Day, which also included a breakfast that explained the Dutch corporate governance model and a private dinner at the New York Stock Exchange.

Dutch leadership in the area of financing sustainability is well established. Twenty percent of all carbon "cap and trade" worldwide takes place in the Netherlands. A Dutch firm runs the largest investment fund for micro credits. The biggest carbon-based financing deal ever was arranged in Amsterdam. And Dutch investment firms and pension funds are at the forefront of developing the United Nations Principles for Responsible Investment.

Organizers of the lunch and conference included KPMG, ABN Amro Bank, Fortis Bank, SNS Reaal Bank, Holland Financial Center, the Netherlands Foreign Investment Agency, the City of Amsterdam and Consulate General of the Netherlands in New York.



Jonathan Lash

Photo: Monika Graf

# Dutch Royals Celebrate NY400 Week



Photo: Chantal Heijnen

NY400, a year-long celebration of the 400th anniversary of Henry Hudson's arrival to the shores of what is now New York City on a Dutch ship, recently culminated with a week's worth of special events that highlighted the special relationship between the cities of New York and Amsterdam.

Their Royal Highnesses Willem-Alexander, Prince of Orange, and Princess Máxima of the Netherlands visited New York for a whirlwind tour during NY400 Week, Sept. 8-13.

The Royals' visit began with an opening ceremony on board the Intrepid Sea, Air & Space Museum. US Secretary of State Hillary Rodham Clinton and New York Mayor Michael R. Bloomberg formally welcomed the Prince and Princess (*pictured above*) to New York during opening remarks. The ceremony also featured an 11-vessel flotilla, and a 21-gun salute.

Later in the week, the Royals accompanied Mayor Bloomberg and a host of US and Dutch dignitaries to the dedication of the New Amsterdam Pavilion at Peter Minuit Plaza at The Battery. The plaza,

a gift from the Dutch government to New York City, includes seating areas, sculptures and an LED system for nightly light shows.

During their stay in New York, the Prince and Princess made several appearances. They opened a Dutch exhibit at the South Street Seaport Museum, met with Dutch and American "job swappers" who traded places for a week, and lit the Empire State building in orange to celebrate New York's Dutch heritage.

The Royal couple wrapped up their visit to New York with a stop at the Dutch art and design festival (New Island Festival) on Governors Island.

"It is wonderful to still be able to see the Dutch influences across the city," said Prince Willem-Alexander. "This great city was built on the values of the early Dutch-American pioneers in New Amsterdam that we still share with you today: a passion for liberty, an entrepreneurial spirit, freedom of conscience and the unwavering belief that everyone has the right to the pursuit of happiness."

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