

## **French group Suez gets Belgian tax breaks until 2009**

*Making way for new Belgian nuclear capability one suspects.*

Business Report  
October 28, 2006

Brussels – French energy giant Suez has been granted a three-year period of tax breaks by the Belgian government in return for accepting concessions to open up the Belgian energy market to competition.

Suez's number two, Jean-Pierre Hansen, said in Saturday's edition of Belgian newspaper *Le Soir* that "the government has agreed not to change the fiscal system for us in the next three years".

"We want to see regulatory and legislative stability because when you are in a business with a strategic dimension, the logic is that you cannot develop without clarity and stability.

"The government has made a commitment to guarantee us that regulatory stability until 2009," said Hansen, who heads Suez's Belgian subsidiary, Electrabel.

Electrabel accounts for 90 percent of Belgium's electricity production and operates the seven nuclear reactors producing electricity in the country.

Gaz de France and private French energy group Suez are close to finalising a merger that would create the biggest gas group in Europe and the fifth-biggest electricity producer.

To get the green light from the European Commission, they must address competition issues in Belgium where both companies have activities.

Under an agreement signed with the Belgian government on October 6, Suez has agreed to open up the Belgian market to competition through measures such as allowing a rival energy provider to use its nuclear power stations.

The French Senate on Wednesday approved the key provision of a bill that paves the way for the Gaz de France-Suez merger.