

Economic outlook: The end of stability

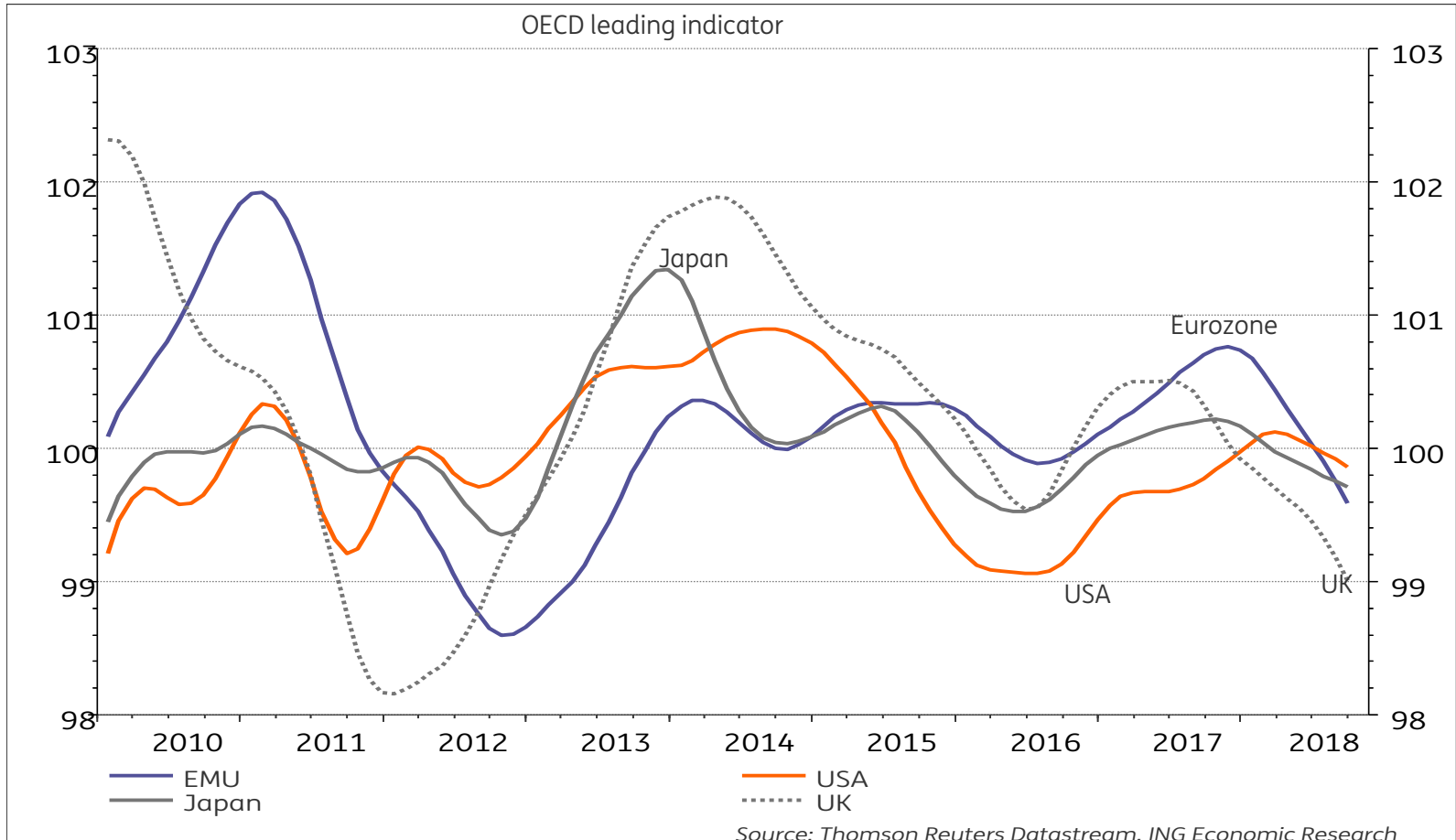
November 2018

Philippe Ledent
Expert Economist ING Belgium

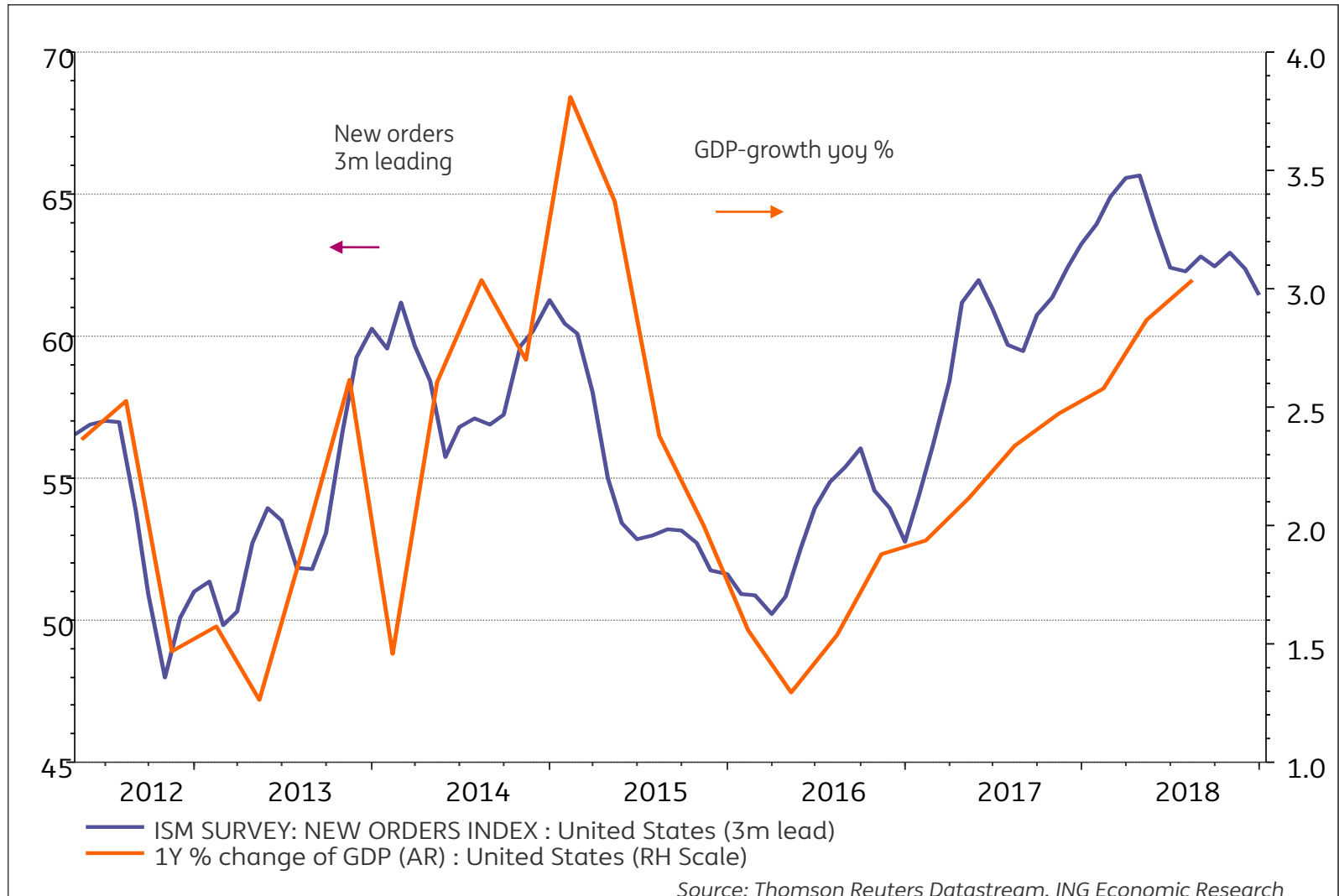


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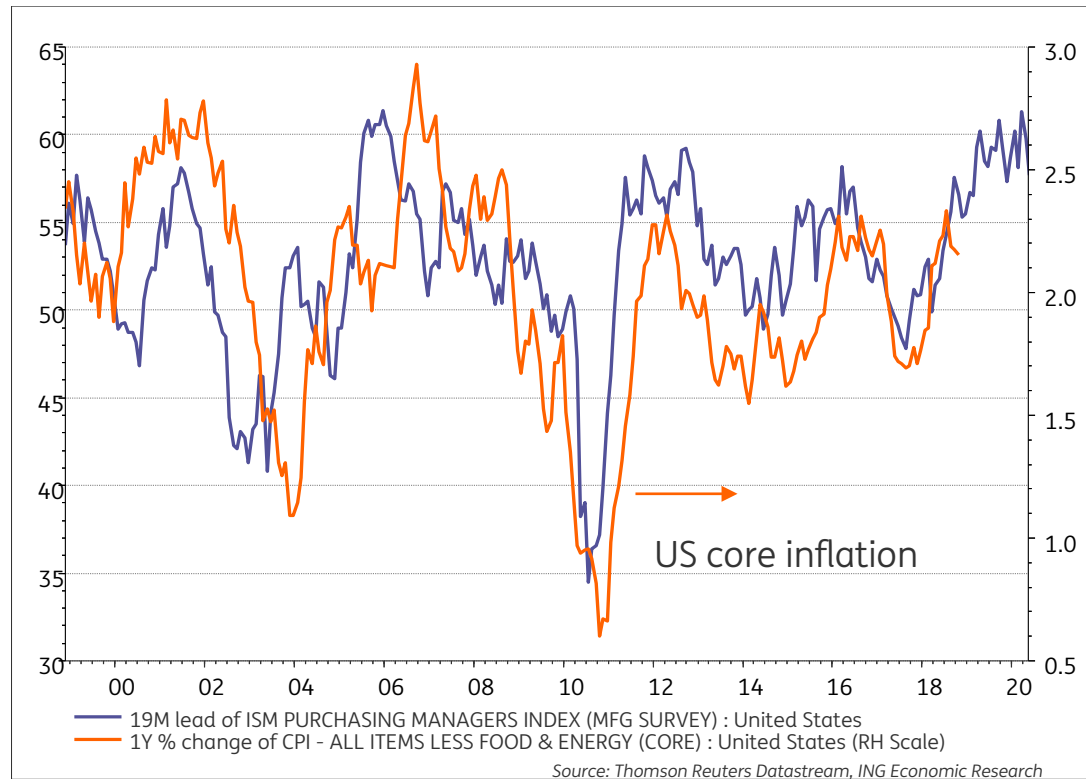
Leading indicators show some deceleration in OECD countries



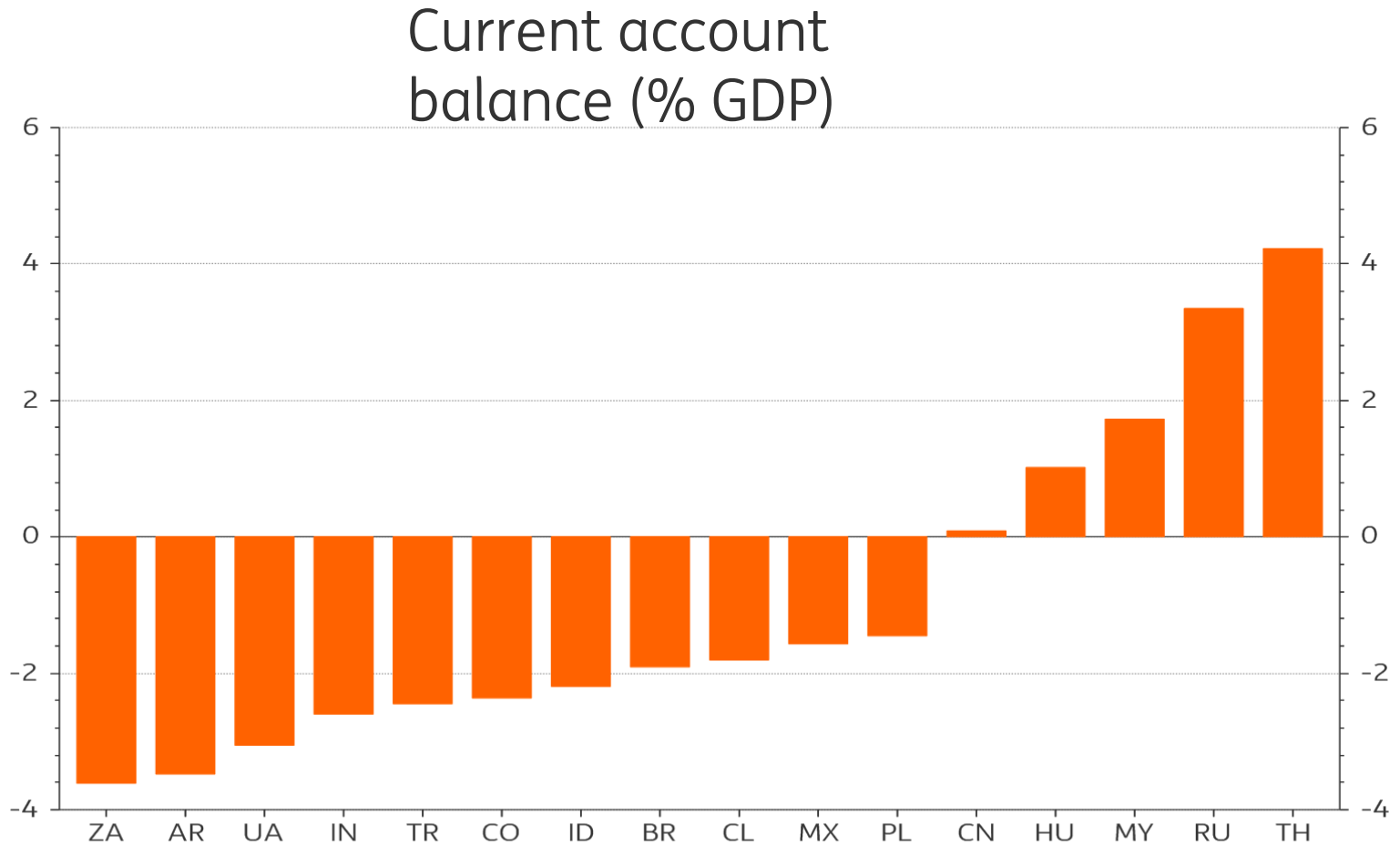
New orders point to continuing growth in the US



US core inflation likely to hit highest level since 2007

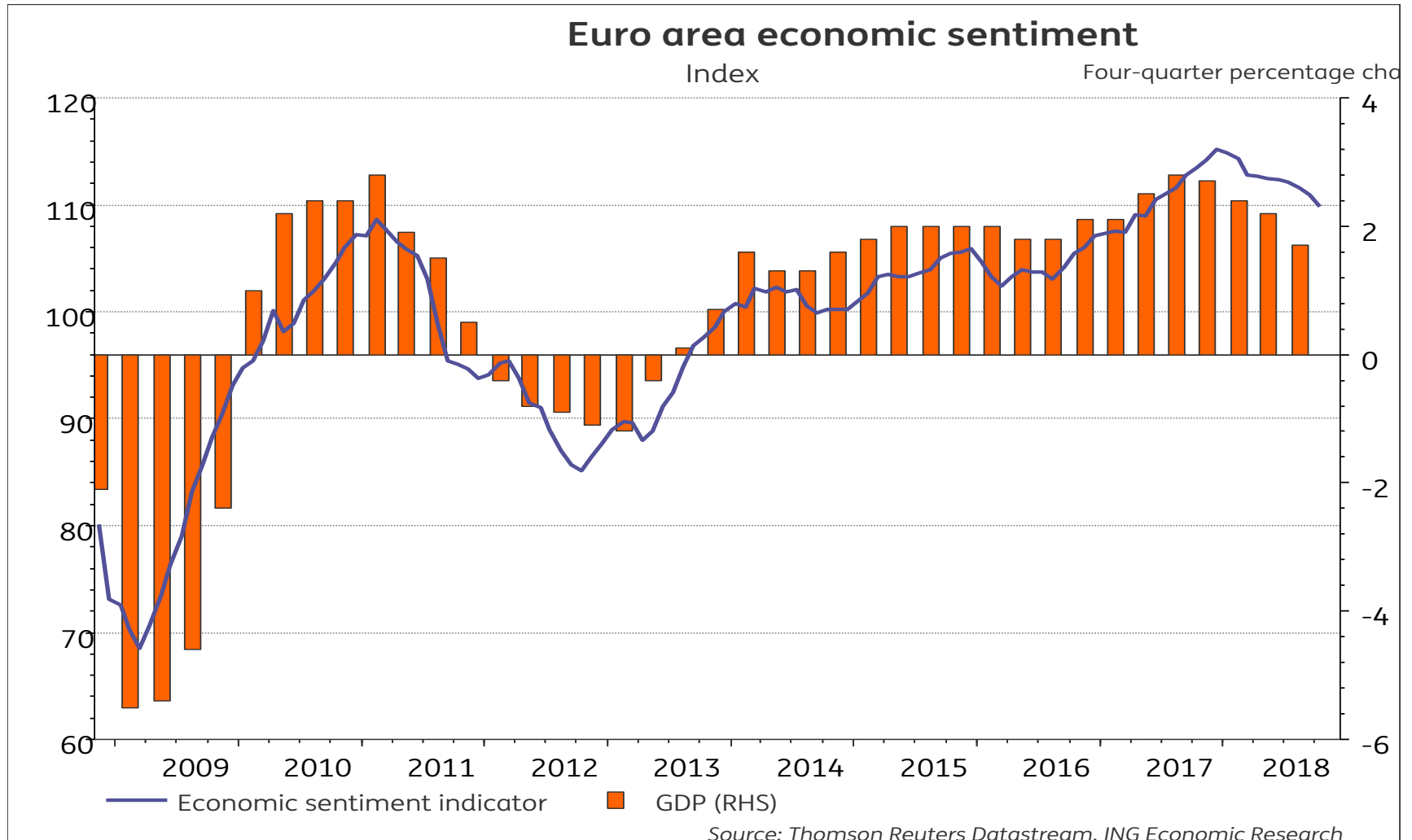


Emerging markets vulnerable to capital flight

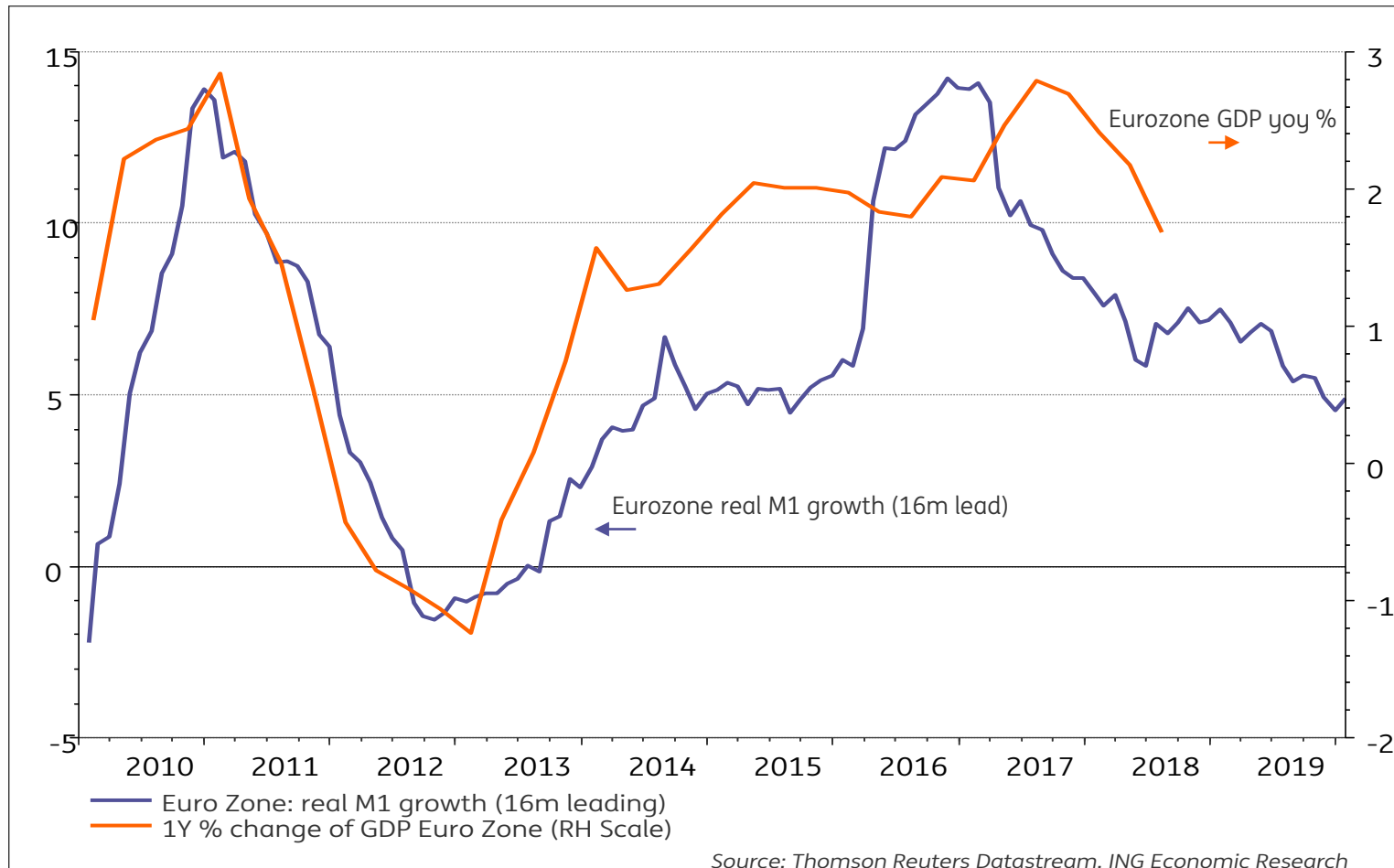


Source: Thomson Reuters Datastream, ING Economic research

EMU growth slows to cruising speed



Leading indicators suggest further growth deceleration



What to expect from the ECB?



- “We will continue to make net purchases under the asset purchase programme (APP) at the new monthly pace of €15 billion until the end of December 2018. We anticipate that, subject to incoming data confirming our medium-term inflation outlook, we will then end net purchases.”
- “we decided to keep the key ECB **interest rates** unchanged. We continue to expect them to **remain at their present levels at least through the summer of 2019.**”



Euribor 3M likely to remain around -0.30% until Q3 2019.
Then gradual increase to 0% by the end of Q1 2020.



An economic deceleration in the US will limit the ECB's room to increase rates

What is the economic interest of investing in sustainability?



Philippe Ledent

Senior Economist ING Belgium

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Investing in sustainability...

By conviction...



Even from a (cold) economic point of view,
there are also arguments...

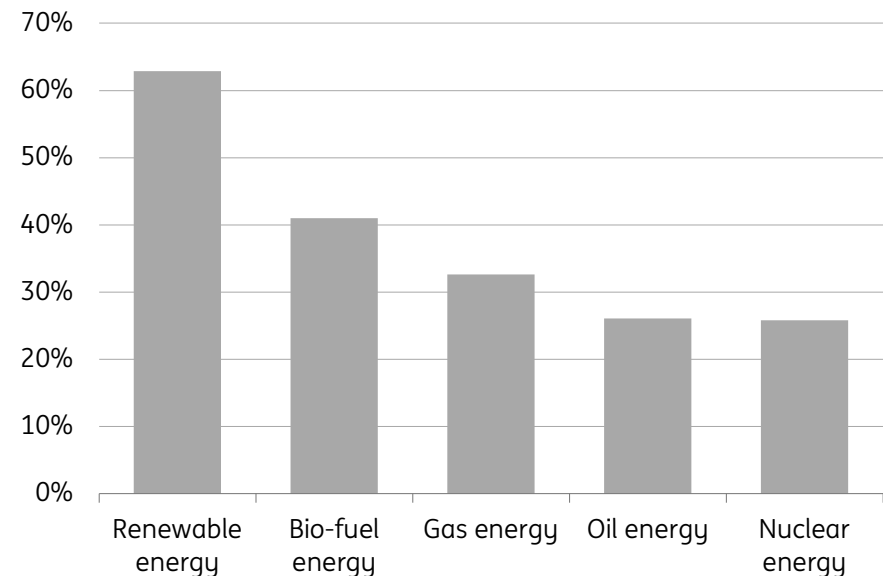
1. Consumers and authorities are changing their behaviour...and their mind!

OBJECTIFS DE DÉVELOPPEMENT DURABLE



Source: UN

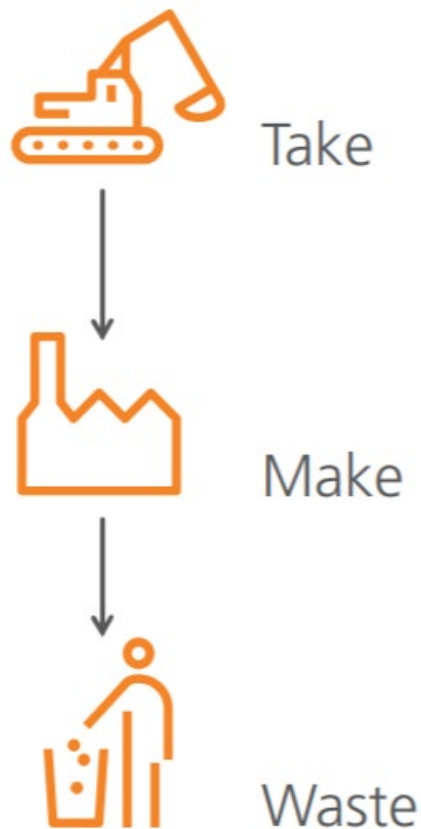
Would you be interested in investing in companies acting in: (strongly interested, interested)



Source: ING Investor's barometer, June 2018

- More interest for some sectors/companies, less interest for others.
- Risk approach: some sector could disappear more rapidly than expected.

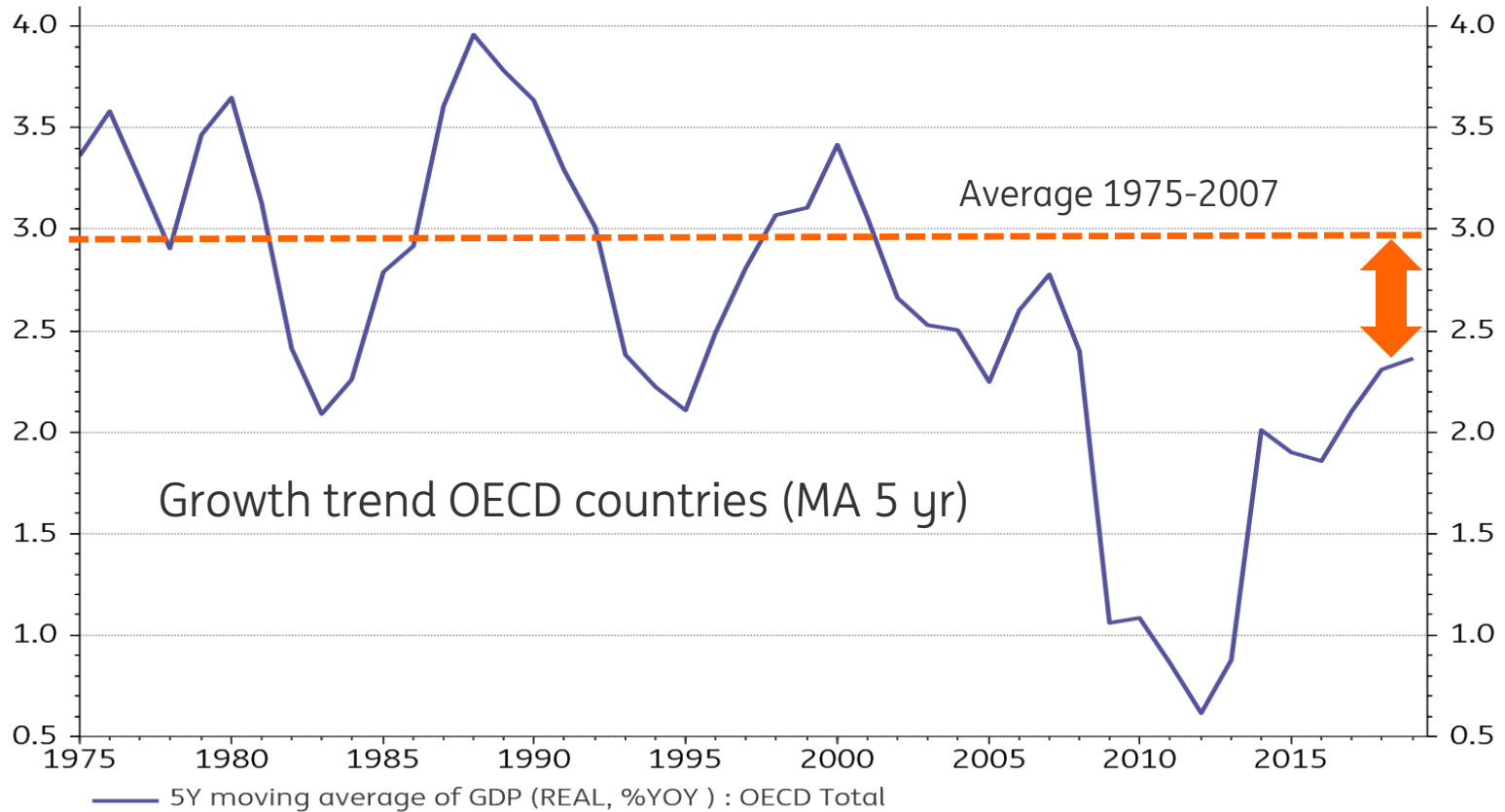
2. Impact of non-sustainable development will become reality



3. Sustainability could offer an opportunity of economic progress!

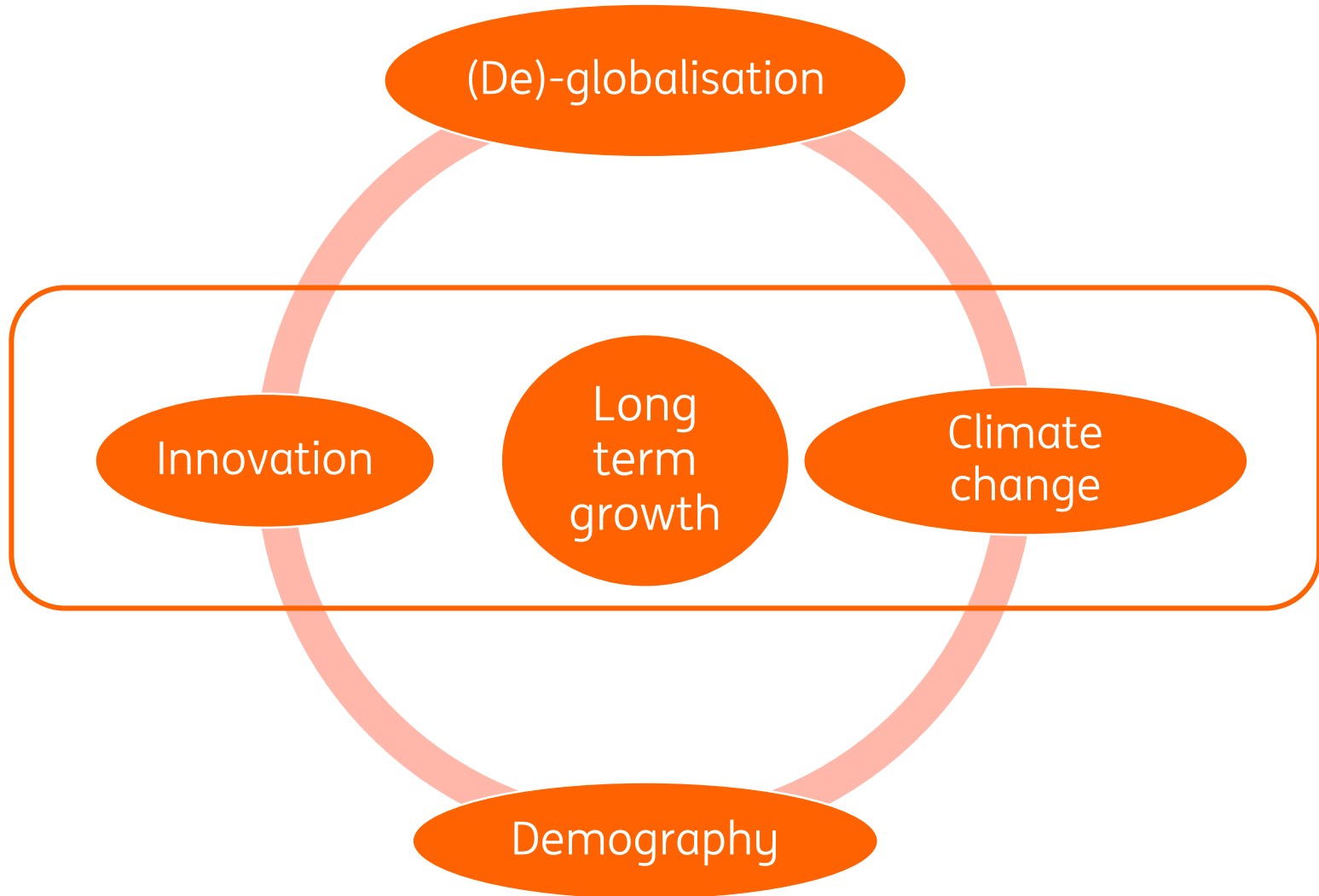


Innovation makes economic progress (yield) and sustainability (better world) compatible!

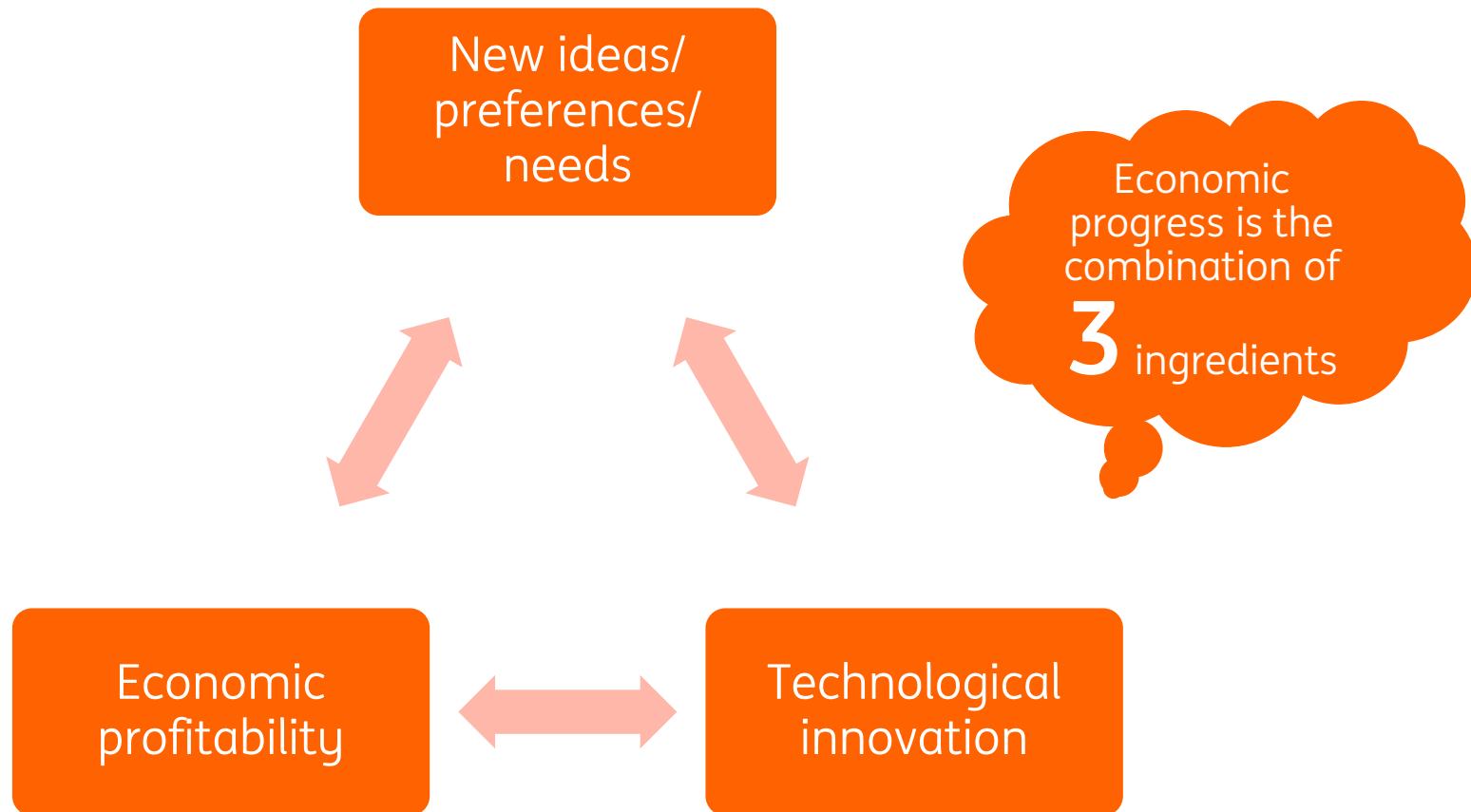


Source: Thomson Reuters Datastream, ING Economic Research

4 Trends will define futur growth



3. Sustainability could offer an opportunity of economic progress



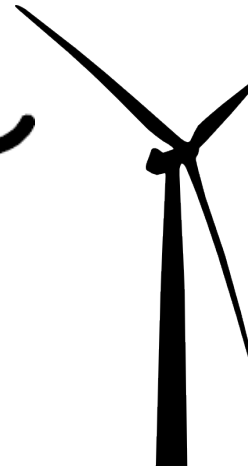
Electricity production (a touchy topic...)



New ideas/
preferences/
needs



Develop renewable energy



Problem: the low cost of fossil/nuclear energy makes that renewable needs subsidies (unsustainable in the long run)

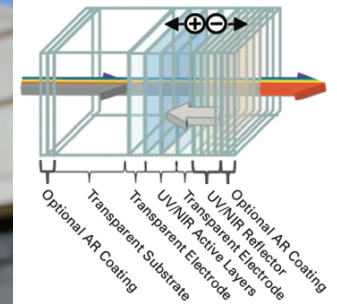
Electricity production

...But it's changing:

Technologie



Solar/wind/Sea
centralised/
decentralised



Viabilité
économique



Innovative technologies allow to decrease subsidies near 0!

It's not only a matter of products...but also of business models

LINEAR ECONOMY



RECYCLING ECONOMY



CIRCULAR ECONOMY



Conclusions

- There are a lot of innovations
- The increasing importance of sustainability leads to deep structural changes in the functioning of economies.
- These changes could ask for more frugality (post-growth theory) but, thanks to innovation, are also compatible with higher economic growth.
- See further:
 - Circular economy:
<https://www.ing.com/Newsroom/All-news/Features/Circular-economy-challenges-financial-business-models.htm>
 - Electric cars:
<https://www.ing.com/Newsroom/All-news/Electric-cars-will-take-over-threatening-European-car-industry.htm>

Disclaimer

Certain of the statements contained in this release are statements of future expectations and other forward-looking statements. These expectations are based on management's current views and assumptions and involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from those in such statements due to, among other things, (i) general economic conditions, in particular economic conditions in ING's core markets, (ii) changes in the availability of, and costs associated with, sources of liquidity such as interbank funding, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness, (iii) the frequency and severity of insured loss events, (iv) mortality and morbidity levels and trends, (v) persistency levels, (vi) interest rate levels, (vii) currency exchange rates, (viii) general competitive factors, (ix) changes in laws and regulations, and (x) changes in the policies of governments and/or regulatory authorities. ING assumes no obligation to update any forward-looking information contained in this document.

www.ing.com



**Federation of European & international
associations based in Belgium, asbl**

DEALING WITH YOUR BANK AND BANKING OBLIGATIONS

**FAIB GUIDANCE FOR INTERNATIONAL NON PROFIT
ASSOCIATIONS –INPA_s (AISBL/IVZW)**

**Adrian HARRIS
FAIB PRESIDENT**

- The FAIB was set up in 1949 and has some 300 members (essentially INPAs), as well as sponsors who support our work and our members
- Our membership includes mainly trade and professional associations and NGOs all of which categories are represented at Board level
- Our main objectives:
 - To encourage European & international associations to set up in Belgium
 - To defend the interests of our members towards the Belgian administration, regulators, etc., by working on the practical issues members face – this of course with a view to making life simpler for INPAs and their staff
 - To keep members up to date on regulatory / administrative changes through our publications (FAIB News and guides), events and mails
 - To assist members through carrying out and publishing surveys and joint studies on areas within our remit: salary studies, economic surveys...
 - To push for the legal recognition of associations and the association movement by Belgian, European and international authorities

Examples:

- VAT: convince Belgian tax authorities to clarify the status of INPAs on the issue of VAT. Outcome: a flexible system which answers the needs of our wide constituency
- European Joint Transparency Register: adoption of a common position on the issue in spite of our wide-ranging membership
- Actively working to shape the ongoing revision of the Belgian corporate law in areas specifically impacting INPAs
- Regular expert-led events on core issues such as taxation in Belgium, social security issues, employment law, GDPR, etc.
- Support to the European Association Summit (EAS)
- And now, publication for members of a new section of FAIB's guide for INPAs, dealing with banks and banking obligations

WHY A “BANKING GUIDE” ?

- Dealing with banks is part of the normal life of any CEO or COO, whether in a company or in an association
- For INPAs, with most if not all of their Board members living abroad, changes in President and Board members often impact the day to day management of accounts
- Moreover, with the EU and now national regulators joyfully regulating the banking sector, a mass of new regulation affecting banks and their customers has sprung up in recent years
- FAIB has therefore worked with ING to provide a compact guidance document for its members: this provides outline information on the legal requirements faced by associations and their bankers and gives some tips on how to ensure that relations are as smooth as possible

MAIN ISSUES IN THE GUIDE: TO START...

- Getting off to a good start: the statutes of your INPA
 - Are they clear?
 - Who is allowed to represent the INPA?
 - Are you properly represented in Belgium?
- What is the law's understanding of "daily management" (gestion journalière)?
- Opening a bank account:
 - What do banks require at the level of statutes and registration?
 - Account signatories?
- Banking operations: security in an era of phishing... and practical issues

MAIN ISSUES IN THE GUIDE: REGULATORY REQUIREMENTS

- Regulatory requirements are mushrooming and, with this, the mass of paperwork emanating from banks and authorities
- For once, it was the USA taking the regulatory lead with its “FATCA” - Foreign Account Tax Compliance Act requirements
- But Europe does not like to be left behind and deals with:
 - “Consumer protection”, including of associations, when investing: MIFID I and II and the requirement to have a “LEI” legal entity identifier code
 - “Transparency” with “UBO” – identification of the ultimate beneficial owner... (In an association???)
 - “Tax transparency” with “CRS” the common reporting standard
- And nor does Belgium, with added administrative requirements for the management of UBOs by associations

CONCLUSIONS

- Dealing with banks and financial regulations is not always easy for associations going about their daily business in Brussels



- But with a little help, forward planning and guidance from FAIB, it does not need to be an administrative hell...

Thank you
and thank you to our hosts ING

Visit our website for more info:
www:faib.org



FAIB

ing.be



ING VIP Expat Financial Services: All you need to know about banking & insurance in Belgium

- 1. Before arrival in Belgium**
- 2. During your stay**
- 3. Upon leaving Belgium again**
- 4. Contacts at ING Belgium**

www.ing.be/expat



1. Convenience Bank & Insurance services in Belgium

1.1. Before and on arrival

- Opening of the bank account even before arrival
- Setting up of the rental guarantee
- Preparing for home insurance (fully online)
- Ordering of debit and credit cards

1.2. During the stay in Belgium

- Account, rental guarantee & home insurance, debit and credit cards are **ready on arrival**
- Direct debits & automatic transfers
- International Internet Banking
- **Expat Contact Centre**
- Car financing and insurance
- **Free International Tax check + optimal financial services**
- **Free home purchase assistance**
- **Free pension check**
- Free insurance check: are you properly insured?

1.3. Before and on return

- Which services can you keep, which have to be stopped
- **International Mobility checklist**
- **Free International Tax check + adapted financial services**
- Non-resident financial services

1.1. Before and on arrival

- Opening of the current account even before arrival
 - Copy of the passport or ID (including legal address) and of the employment contract in Belgium (or a letter/e-mail from the Belgian employer). Plus CRS Self Certification document (www.ing.be/tin)
 - Via your ING local branch or the ING Expat Contact Centre: +32-2-464.66.64 or expat@ing.be
 - IBAN and BIC are immediately communicated to the Expat and the account is ready for funding
- Setting up of the rental guarantee
 - Copy of the signed rental agreement
- Preparing for home insurance
 - Content, civil liability as a renter, civil liability “family”, ...
- Ordering of debit and credit cards
 - ING-Bancontact/Mistercash-Proton + Maestro
 - ING Card (MasterCard: Anglo-Saxon) free for one year
- **Conclusion:** Upon arrival in Belgium a meeting in the chosen ING local branch is set up
 - All documents are signed
 - The PIN code is chosen, the cards are handed over
 - **The expat is fully operational on day one**

1.2. During the stay in Belgium (1)

- **Direct debits & automatic transfers**
 - Upon reception of the first bill of the utility or phone company, contact the ING local branch or call the ING Expat Contact Centre
- **International Internet Banking - ING Home'Bank**
 - Includes international transfers and foreign currency accounts
 - Tablet and SmartPhone app, but only for Euro transactions and only domestic or Euro payments (bank transfers in Euro in the EU)
- **Expat Contact Centre**
 - Open from 8 to 22:00 on weekdays in 4 languages and from 9 to 17:00 on Saturdays: +32-2-464.66.64, expat@ing.be
- **Car financing and insurance**

1.2. During the stay in Belgium (2)

- **Free International Tax check + financial services**
 - Resident or non resident in Belgium
 - Double taxation agreements
 - Common Reporting Standard – FATCA
 - www.ing.be/internationalregulations
 - Your investor profile + adapted financial products
- **Free home purchase assistance**
 - Free information on the buying process in Belgium
 - Mortgage loan, life assurance, fire ++ insurance
 - Real Estate Taxation
- **Free insurance check**
 - Are you properly insured?
- **Free pension check**
 - Are you well prepared?

1.3. Before and on return

- Which services can you keep, which have to be stopped
 - Keep
 - International Internet banking: ING Home'Bank
 - Savings & Financial products
 - Stop
 - Direct debits, automatic payments
 - Home, Car, Assistance insurance
 - Life assurance
- **International Mobility checklist**
 - Non-exhaustive list of things not to forget before leaving Belgium
- Free International tax check + financial services
 - Resident or non-resident in Belgium + Adapted financial products
- **Non-resident financial services**

2. Contacts @ ING VIP Expat Financial Services

- **ING local bank branch**
 - Close to the place of work of the Expat, or close to the place where the Expat lives
- **ING Expat Contact Centre**
 - <mailto:expat@ing.be>
 - EN: +32-2-464.66.64
 - FR: +32-2-464.66.62
 - DE: +32-2-464.66.63
 - NL: +32-2-464.66.61
 - Open from 8:00 to 22:00 on weekdays + 9:00 to 17:00 on Saturdays
- www.ing.be/expat (ING Expat website)
- www.expattime.be (ING Expat blog)
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Thank you for your attention
Q&A

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