

# Flemish Resilience

Government of Flanders Recovery Plan



## Table of contents

<b>PREFACE</b>	<b>4</b>
<b>FLANDERS WILL BOUNCE BACK FROM CORONA</b>	<b>6</b>
<b>INVESTING, BUT ALSO REFORMING</b>	<b>8</b>
<b>BUDGETARY APPROACH</b>	<b>12</b>
<b>INVESTMENT PRIORITIES</b>	<b>14</b>
<b>INVESTMENT IN PEOPLE &amp; SOCIETY</b>	<b>22</b>
<b>BREXIT</b>	<b>26</b>

## PREFACE

Corona has also hit Flanders amidst. That is why it will be investing EUR 4.3 billion in the next few years to restore its economic and social fabric. **Flemish Resilience** is the most ambitious investment plan that a Flemish government has ever put in place. **It rests on seven pillars, seven ambitions, seven challenges.**

Our first ambition and challenge is to **keep our healthcare system top and world class.**

That is why we are tackling the weaknesses in our care and welfare system with an extra envelope that will amount to 525 million euros per year at cruising speed.

Our second challenge is to **make our government more effective and efficient.**

For example, businesses and citizens need to obtain permits more quickly. The appeal procedures must also be shorter. That is why we are going to invest in extra judges at the Council for Permit Disputes.

We will also tackle bureaucracy. You can expect a 'stop the rules' operation. Rules that contribute nothing must be changed. That should make it possible to pursue a sharper policy and make clearer choices.

The Government of Flanders pays out many subsidies. These are often necessary and useful. But we need to coordinate the various subsidy channels much more closely. We are going to screen spending more intensively. For every euro we spend, we first have to turn it over twice.

Our third ambition and challenge is to **transform Flanders digitally** in a smooth, safe and privacy-proof way.

During this corona crisis, technology has made our lives better and more bearable. We must seize this moment to be at the forefront of this digital revolution.

That is why it is our ambition during this term of office to set up a Flemish data utility company with that specific mission. We need to climb up to the world top of nations that use technologies such as artificial intelligence, robotics and Internet-of-things to make society better.

In order to get that data flow going, we want to get 5G up and running as soon as possible.

A fourth lever is the transition to greater sustainability, to **the decarbonisation of our economy and society.**

We will do that with forward-looking investments in innovation, digitisation and research and development. We are accelerating investment on the already decided € 250 million growth path for research and development, with a particular focus on business R&D projects.

I will pick out some notable projects. With our 'Blue Deal', we are tackling drought, water scarcity and flooding. We are going to invest almost half a billion euros in this. We are launching a large-scale programme to accelerate the sustainable renovation of homes and other buildings. We are pulling out all the stops on renewable energy, and we are investing in the capture and reuse of CO<sub>2</sub>. We want to make Flanders a hydrogen top region. We are going to invest more than ever in cycling infrastructure and other sustainable modes of transport. There will also be much more charging station infrastructure for electric cars. More than ever, Flanders will become a recycling hub, an example of a circular economy.

Apart from innovation, now is also the time to **invest in public works**. That is our fifth challenge.

We are going to invest in school buildings, hospitals, cultural and sports infrastructure and immovable heritage. We are building both a fibre-optic and a 5G network.

And then, of course, there are the major mobility works such as greener public transport, new locks and the raising of bridges.

Not to mention Oosterweel, the largest infrastructure project in Western Europe.

Meanwhile, we continue to struggle with corona. That is our sixth challenge: to ensure that we **learn to live with the virus**.

A difficult balance at times, between absolute freedom and a few restrictions.

That is what it is all about: How do we ensure that our schools remain as open as possible? How do we give our seniors in residential care centres a humane and safe old age? How do we keep our hospitality and events sector alive? What additional impulses do we give to the cultural world? What do we do for the benefit of the so rich Flemish club life? How are we going to continue to support our bleeding tourist and events sector?

With our investment vehicle Participatie Maatschappij Vlaanderen we will continue to help companies maintain their solvency. We provide 1 billion euros in capital for cheap subordinated loans and capital participations. As well as 3.4 billion euros in guarantee capacity.

We have a seventh ambition: **to strengthen our human capital** by investing even more than before in quality education, lifelong learning and activation policies for both the inactive and the unemployed.

If Flanders wants to fulfil its ambition of becoming a top European region, more people need to be employed.

It will not be easy, but we still have the ambition to raise the employment rate from 75% to 80%. That is 120,000 more jobs.

We will need everyone's cooperation more than ever in order to play our many trump cards and thus be able to connect with the top in Europe in many areas.

That will require a great deal of effort, a great deal of resilience from all of us.

I am convinced that, with the commitment of the whole of society, we will succeed in overcoming this crisis.

—

Jan Jambon  
Minister-president of the Government of Flanders

—

Flanders will bounce  
back from Corona

Flanders has gone through a few terrible months. Regrettably, we had to say goodbye much too soon to many loved ones who were infected by coronavirus. Hundreds of thousands of people became temporarily unemployed. Single people, and older people in particular, often suffered from loneliness. Human contact was reduced to a minimum, mass events were out of the question, classes and offices were closed, shops, the hospitality industry and other businesses saw their turnover plummet. This “game changer” was not a war, not an earthquake, not a nuclear disaster, but a nasty virus.

Fear and loneliness crept into our lives. But the people of Flanders are very resilient. They always bounce back! We will still have to deal with the virus for a while longer. But now is the time to show our strength. It goes without saying that we must diligently respect the safety rules. But we will and shall live again. After all, we are Burgundians.

Our Flemish resilience will help us to emerge even stronger from this crisis. Corona has only made the people of Flanders more resilient. We discovered the possibilities of digital applications. We learned to work and to take classes efficiently from home. We give more thought to how and when we move around. We learned to enjoy closeness, family, and friends again. Journeys and holidays in our own country became trendy. Our companies and education sector adapted as well, sometimes surprisingly quickly.

This crisis presents an enormous opportunity that we should seize. That is why today we are launching the Recovery Plan ‘Flemish Resilience’, an ambitious plan that aims to take Flanders to the top of Europe.

This is the ideal time to invest and thus safeguard our prosperity. This is also the time to shift up gears towards a more sustainable economy and to invest in innovation, education and training, in nature and the environment. We are aiming for state-of-the-art infrastructure in Flanders, not least in the field of (cycling) mobility. We are doing everything we can to digitally transform Flanders and resolutely take the road to the 5G motorway. With the right investments, we can boost the productivity and competitiveness of our economy in the years ahead. We are going to encourage our companies and our citizens to invest.

The Government of Flanders will also have to set a good example itself. We will use this momentum to raise Flanders’ ambitions, to boost our strengths and to rid ourselves of a number of afflictions that we have been carrying around with us for quite some time. We will make our administrations more effective, responsive and solution-driven. Governmental and private initiatives must reinforce rather than frustrate each other. Businesses, private individuals and public authorities should be able to obtain permits more quickly. We want fewer rules and greater efficiency. Decisiveness. Digitisation will help us in this process and make our lives more enjoyable. Grants are often both useful and necessary, but some grants may possibly be less effective.

We have been affected mentally and socially, but our resilience remains intact. That is why we are investing fully in people’s well-being, in healthcare and in care providers. We rightly applauded them during the corona crisis, but it would be too easy to leave it at that. We also intend to pay special attention to the most vulnerable among us, because everyone must be on board. We will leave no one behind.

All these plans cost money, a lot of money. It requires effort, but this effort is a stepping stone to better and higher things. We will, must and shall revive Flanders.

When drawing up our recovery plan, we were inspired by the recommendations of an economic recovery committee and a social recovery committee, and by the SERV recovery plan. The integral Flemish Coalition Agreement shall of course remain the guiding principle in the implementation of our plans. We will organise further involvement of the recovery committees and ensure maximum efficiency.

We will have to toil and sweat even more in the weeks and months ahead, just like our tough ‘Flandriens’, who fight to win the Tour. The people of Flanders have both the legs and brains for it. Together we can tackle the mountains. Six million of us here in Flanders, one team, with ambition and Flemish resilience.

Investing,  
but also reforming



Investment alone will not be enough. After all, we see that investment, even in a virus-free world, is often hampered or delayed for reasons other than a lack of budgetary resources. Every crisis therefore must be seized as an opportunity to implement reforms, to overcome dysfunctions, to simplify processes and to further improve the operation of the Flemish government. In this way we can maximise the return on investment of every euro we additionally invest.

That is why we will immediately start working on a number of important reform projects in 2021:

#### ■ Faster licensing and appeal procedures

- Optimisation of the integrated environment permit: faster, better, solution-oriented and decisions at the proper level + minimal file burden
- Environmental impact assessment reform
- Evaluation and optimisation of the Decree on Complex Projects (based on recent experiences)
- Faster appeal procedures and elimination of backlogs: extra judges for the Council for Permit Disputes, with a view to reducing the processing time of files to a maximum of 9 months
- Introduction of an amicable negotiation period in the Flemish Expropriation Decree
- Strengthening of the VIP Unit at the Department of Environment and Spatial Development, so that a larger number of infrastructure projects can be given VIP status with customised support.

#### ■ Administrative simplification

- As a collective government project, monitored by the KERN, i.e. the core decision-making body, in cooperation with our administrations, with external guidance and with an invitation to society to participate
- Large-scale operation against excessive regulations through "scrapping sessions".
- This operation ought to lead to a first package of measures by no later than the summer of 2021.

■ We will place our trust in local authorities, for example by conducting a structural decentralisation exercise. At the same time, we will continue to work on the cultural shift away from paternalism and nannying. Region building must be coherent and built from the bottom up in order to achieve a clear demarcation supported by the relevant local authorities. The Flemish government and the various sectors will coordinate their working areas as much as possible in this context.

#### ■ Investing in the Flemish knowledge administration

- Strengthening the Flanders Statistics Authority with a view to data collection and structural panel consultation.
- Strengthening the Government of Flanders Research Centre, partly within a network model, by clustering existing knowledge capacities throughout the Flemish administration.
- As data director, VDAB [Flemish Service for Employment and Vocational Training] will play a crucial role in the coming period in collecting the necessary data on new target groups on the labour market, in order to be able to play its proactive role, e.g. to reach temporarily unemployed and economically inactive people and also to act as an anonymised data platform at macro level. As data director, VDAB can use this data to better shape labour market policy and respond to trends, such as changing competence needs.

■ Rolling out spending reviews on a wider scale

- An envelope will be provided to organise a review of each major expenditure item, using both internal and external expertise. The suitability, efficiency and effectiveness of each of these items will be examined. At the same time, a list will be compiled for each of these items of possible reforms or savings, for example by working more efficiently, more effectively and digitally.
- The reviews will be carried out in close collaboration with the relevant departments, whereby the Finance & Budget Department will assume the role of secretariat for each review, with external support. The reviews will be completed no later than the end of June 2021.

These reforms will not only lead to a more efficient Flemish administration, but will also provide a more solid basis for making budgetary choices.



# Budgetary approach

## One-off investments only

- Outside the budgetary goal
- General recovery provision at the F&B Department with a rider, from which redistributions can take place according to the pace of realisation

We will make a limited number of exceptions here focusing on two specific domains:

- Welfare: A high-performance healthcare sector (a fortiori in times of health crises) is indispensable for both economic and societal recovery, and the need for an ambitious social agreement with the healthcare sector requires budgets that are largely recurrent by nature.
- Education: In addition to investments in infrastructure (such as school buildings, IT, etc.), a number of recovery measures in education also require recurring budgets.

It goes without saying that this recurrent expenditure, contrary to the one-off investments in the context of this recovery plan, will be included within the budgetary goals.

With regard to financing, we have to make maximum use of European funds (grants/loans), whereby Flanders must receive its rightful share of resources allocated to Belgium under the European Recovery Fund. We will also provide local authorities with the necessary flexibility so that they too can further increase their investments. With Flemish funds for strengthening capital in companies, we will also create a leverage effect on substantial private investments. The combination of local, Flemish, European and private investments should, as a whole, give an enormous boost to economic recovery and increase our macro-economic growth potential in the short and medium term.

## Path to a balanced budget

- Flanders' economy and society currently require strong investment impulses. Still, debts incurred as a result of the corona crisis will have to be repaid in time. Ideally, this will be partly achieved through future higher growth figures, so it is crucial that the right choices are made in our recovery plan.
- In 2021, we will focus on the fight against and the responsible coexistence with the coronavirus, on the one hand, and on the recovery of Flanders' economy and society, on the other. Brexit will also present us with major challenges that we will have to tackle.
- Once economic growth resumes and we gain a more reliable view of the structural budgetary effect of the corona crisis, the Government of Flanders will map out a path to a balanced budget and take measures for the structural reduction of the deficit.

# Investment priorities

## Strengthening the capital of companies and supporting exports (private investments)

In the short term, it is crucial that companies are able to strengthen their liquidity and solvency as effectively as possible. Shareholders and banks play the principal role in this, but as a government we can act in a complementary way in the event of market failure. The Government of Flanders has already taken a number of important decisions in this regard, which will now need to be further developed in the field.

Maximising the use of PMV [Flanders Holding Company] instruments for loans, equity participations and guarantees:

- A package of 500 million euros for very cheap subordinated loans to start-ups & scale-ups on the one hand and SMEs on the other
- Extra capacity for Gigarant (3 billion euros) and for PMV/Z guarantees (400 million euros): leverage for maximum bank financing
- Welfare Fund (managed by PMV) of 500 million euros (of which 240 million euros Flemish/public and the remainder private)
- Extension of the win-win loan and friend's share

As a result of all these new tasks, PMV as an organisation must also go through an enormous transition (including a doubling of the balance sheet in 1 year). This offers the opportunity to conduct a strategic exercise towards "PMV 2.0", an even more powerful organisation and a renewed cooperation agreement between PMV and the Flanders Region.

We will introduce the following support measures specifically for the recovery of the media and the audiovisual production sector:

- Creation of a guarantee fund for the Flemish audiovisual production sector, with a view to being able to take out production insurance.
- One-off extra budget for VAF [Flanders Audiovisual Fund] (media fund, film fund and game fund) to increase the production of Flemish content.
- Technological innovation projects in the media landscape (always in collaboration with all players).

We also encourage private investment by redeveloping/renovating obsolete and polluted industrial sites, as well as by offering grants to combat vacant and dilapidated business premises.

## Public investments

Accelerating/increasing investments in infrastructure. We will increase the investment portfolio for commitment appropriations set aside for the present term of office with a view to accelerating the realisation of key investment projects:

- Mobility & Public Works: including cycling infrastructure, inland navigation, locks, quay walls, raising of bridges, missing links & road accident blackspots, tram projects, etc. (where possible this can be done via PPP).
- Excellent cultural infrastructure, sport infrastructure and immovable heritage
- School construction: new PPP programme + further elimination of regular waiting lists
- Research infrastructure (at strategic research centres, spearhead clusters, Flemish research institutes and higher education institutions)
- Hospital and welfare infrastructure
- Conference, trade fair and tourism infrastructure (if possible with a shared cultural purpose): capacity and quality enhancement of existing infrastructure and new construction where necessary, where possible through PPP
- Youth infrastructure: structural approach to supra-local youth infrastructure
- Urban renewal projects & strengthening of commercial centres
- Flemish Community infrastructure in Brussels
- Social housing: both new construction and renovation

Oosterweel Link : ensure optimal implementation

- Largest infrastructure project in Western Europe: mobility project, but also liveability project and welfare project (e.g. employment in the building sector).
- Need for strong project governance, investment in modal shift as well as regulatory flexibility/versatility and application of procedures. In the context of recovery: project implementation as soon as possible.

In collaboration with intermunicipal associations and private companies, we will also invest in:

- Accelerated roll-out of digital meters (investment amounting to approximately 2 billion euros by Fluvius over 10 years, of which 80% by 2025)
- Accelerated roll-out of an optical fibre network and 5G in collaboration with Fluvius & mobile operators.

With the Blue Deal we will vigorously tackle the drought problem and water scarcity. We will focus on infiltration in order to turn Flanders back into a sponge so that we can make optimal use of water. We will give water space again.



## Digital transformation

We must use this crisis period to seize the opportunities presented by the digital revolution. We need a growth strategy that aims to stimulate Flanders to build a leading data economy and society (economic as well as health and welfare data) while simultaneously safeguarding public confidence in data use. Data has proved to be our lifeline during the crisis. It should also involve more than just the digitisation of paper processes.

It also concerns changes to the working methods and communication of companies and of the government. It is also about how we organise our service delivery and tackle societal issues. Finally, by focusing on the development of digital talents, we will ensure the success of this necessary digital transformation - the economic insurance for today and tomorrow.

This transformation should therefore be based on three horizontal basic pillars:

### 1. Digital transformation of the economy and society by valorising data as the raw material of the economy and society

Firstly, we will encourage our companies to integrate new data and digital applications and to intensify their R&D efforts in the digital field. To this end, stimulation and knowledge dissemination initiatives will be rolled out via VLAIO [Flanders Innovation & Entrepreneurship]. SMEs must also fully embrace digitisation. We will also ensure that R&D business projects for digitisation can count on innovation support.

In addition, we will establish a Flemish data utility company. A data utility company is an intelligent data interchange that ensures a level data playing field for all public and private players within connected ecosystems. Confidence in the data economy is created by establishing a neutral third party - a utility company - to set up data sharing within vertical sectors without companies, organisations and public authorities in this ecosystem losing control over access to their data. Data is the raw material of the new society and economy, but a raw material that must be processed, meet quality standards in order to have value, and flow like other utilities. A digital safe deposit box system, consent mechanisms and a data usage fee are the cornerstones of this. Examples of such digital safe deposit box systems can be found in the health sector, with VITALink as the perfect example and where agreements are also made on international standards.

In concrete terms, we will facilitate the further success of "Mobility as a Service" by focusing on data exchange between the various parties. This will ensure that every transporter and MaaS provider is able to connect and that no party is excluded. In this way, national, regional and local mobility services can come together on a single platform, involving both public and private partners.

We also want to further support increased mobility in Flanders' real estate market. Citizens and businesses are increasingly acquiring and selling immovable property and expect the various authorities to be able to provide relevant and accurate information on that property more quickly and easily than today. In order to bring the benefits within reach for all actors, a data highway should be constructed in the area of real estate information.

We will develop Flanders into a smart region as laid down in the Government of Flanders' action plan, which is based on the study of the smart cities ecosystem. We will continue to focus on thematic calls that accelerate digitisation in municipalities and strengthen service delivery to citizens and businesses.

In the context of the smart cities project, we would also like to set up a data platform for sensor data so that this data can be used across other applications as well. In these and other cases relating to smart cities, a link will be made to Flanders' governance structure for the development of the Flanders Smart Region. The development of this and other smart city platforms will also continue to conform to the principles of the Flanders Open City Architecture.

We will invest in an innovative digital transformation programme for Flemish and regional media, which mainly builds on a shared media and data infrastructure in two domains: reliable data, algorithms and media content combined with high-performance digital production, storage and distribution.

We will also start up a water monitoring network that offers all relevant open data in one place via public-private data sharing. In the move towards a more circular economy, we will map the data linked to the waste flows, in order to bring these potential raw materials together in a transparent manner, through supply and demand.

In addition to the economic aspect, attention must also be paid to the citizen as a care seeker, who takes centre stage in the care system. That is why we must be able to tailor care to the personal needs, wishes and preferences of each citizen, and why there should also be multidisciplinary cooperation between healthcare providers. To this end we will realise a digital care and support plan and an electronic patient record for primary care. In this way, we will ensure that shared digital information can be used to determine and evaluate health policy, for purposes of scientific research and in order to support care and services. We will develop a 'blended care' solution in the care sector, in the form of a secure electronic support platform, with opportunities for online and physical meetings, building on the experiences with online care during the first corona wave. Ideally, this would be integrated into an electronic support file. In this way we can also contribute to administrative simplification. We will provide support to facilities in the implementation thereof.

In addition, we also want to work to strengthen the (e-inclusive) confidence of citizens in the data economy by giving them control over data so that they can share it more easily and more securely and thus create a self-managed digital identity. We will invest in knowledge building around solid technology at our universities. Flanders is emerging as a pioneer in this respect and will, within this context, launch a personalised career platform and a learning and career account to help people find work, receive training and retrain and to further increase the employment rate.

## 2. Digital transformation of public service delivery

The starting point of digital service delivery is designing them from the perspective of people and companies. The approach to life events is entirely in line with this. This requires cooperation, agreements and standardisation, and therefore central management and coordination. It also requires significant support from local authorities. After all, many service delivery processes are inter-administrative in nature. In order to achieve a more coherent digital transformation of the government, we will set up a support structure for the Flemish and local authorities (with local shareholdership) in close cooperation with the data utility company (including with regard to smart cities) and the local authorities. We will also launch an association desk and accelerate the roll-out of citizen profiles and an e-desk for businesses 'as a service' plugged into the websites of local authorities so that these become fully-fledged, unique digital gateways for the service delivery of local, Flemish and federal authorities alike. By means of an integrated link between my Citizen Profile and the ICT systems of the local authorities, we will accelerate and strengthen the digital transformation locally as a first step within the framework of the project 'Municipality without a Town Hall'. At the same time, we will also invest in the underlying systems and processes within the Flemish administration as a crucial building block, to facilitate this joint service delivery.

In addition, we will work to accelerate and improve the digital processing and opening up of the integrated environment permit throughout the procedure from submission to legal protection, including the full digitisation of the Flemish Administrative Courts Service and enhanced digital public access to the Environment and Spatial Planning Desk in times of corona.

Investment in digitisation within the administration should also serve as a lever for our local technology industry. To this end, we will support local authorities in the development and scaling up of their smart city projects.

A reservation and ticketing platform will be developed in cooperation with the private market across all cultural operators.

We will build applications for Flemish social protection and the growth package of each citizen, whereby the citizen (or their representative) can, among other things, submit an application for a healthcare budget and monitor the status of their file (requested, decided, etc.).

We will also turn the Flemish social protection digital platform into an efficient and facilitating system. Based on the available digital data flows, we will strive for a maximum, automatic allocation of rights, with minimal intervention by the citizen, using the data sharing platform MAGDA where possible.

The phased implementation of BelRAI, i.e. the Belgian implementation of the interRAI assessment tools, in various sectors should further accelerate the automatic allocation process.

### 3. Development of digital talents

The corona crisis has highlighted the importance of digitisation in schools, the labour market and society even more in several ways. Initially, digital resources were the first helpline to enable distance learning. The corona crisis also accelerated the need for increased customisation as one of the answers to unqualified drop-out rates, declining quality figures in education and participation in lifelong learning. Digitisation enables educational customisation. More customisation in education, training and civic integration means that things are organised around the learner and that education and learning innovation is thus set up across educational networks, (private) training providers and apprenticeships and that a connectivity model is rolled out that focuses on economies of scale. To this end, we wish to make digital distance learning as qualitatively sustainable as possible in education and civic integration, as well as to facilitate training within the framework of lifelong learning digitally to a maximum extent. To make the digital transformation an economic and societal success, we will strengthen the digital skills of all the people of Flanders. To this end, an ambitious programme will be developed to put an end to "digital illiteracy" and to strengthen media literacy. To achieve this, we will support local partnerships in which education and training providers, local authorities and recycling centres, etc., take on the initiative to involve vulnerable groups in the digitisation wave. These partnerships will make equipment available and provide training sessions and maintenance through digital banks.

Through the 'UitPAS' programme we will guarantee Internet access to everyone who needs it. With digi-buddies we will support the effectiveness of the action plan "Everyone Digital" in the field.

### Climate, sustainability & innovation

At the same time, economic recovery should contribute maximally to decarbonising our economy and society, in line with the ambitions and objectives in the Flemish Energy and Climate Plan 2030 (VR 09/12/2019), the long-term Climate strategy 2050 (VR 20/12/2019) and the long-term Renovation strategy 2050 (VR 29/05/2020).

#### Further increasing investment in innovation

- Acceleration of the R&D growth path, with particular attention to R&D projects in companies
- PMV also manages the Flanders Future Tech Fund, which was established in 2019 with an available capital of 75 million euros, to be used for innovative research in the field of (high-risk) platform technology
- Flanders, chiplab of the world: extra ESA-8 capital to increase the clean room capacity of IMEC [Interuniversity Micro-Electronics Centre], as well as to invest in promising nanotech spin-offs via the imec.xpand fund
- Investments in flagship projects of Flanders' ports regarding CO<sup>2</sup> capture & reuse
- One-off investment incentives to respond to potential European subsidy envelopes
- Bio-economy: sustainable production of biogas and biomass, used for bio-based products; residual flows from agriculture can also be reused as raw materials in the bio-economy instead of fossil fuels
- Agriculture: strengthening of VLIF [Flemish Agricultural Investment Fund] investments for drought problems, climate investments, innovative techniques at agricultural and horticultural farms and in the agri-food sector (focusing on circularity, food economy, short supply chain and bio-economy).

- Transition to a hydrogen economy : we want to make Flanders a leading hydrogen region by, among other things, allocating support to concrete projects that can be realised in the short term (cf. projects in Zeebrugge, Ostend, Antwerp, Ghent etc.). At the same time, in Flanders we are already making every effort to prepare for a possible European IPCEI for hydrogen.
- Blue Deal against drought and flooding and for water research: with the Blue Deal we will vigorously tackle the problem of drought and water scarcity. We will focus on infiltration in order to turn Flanders back into a sponge so that we can make optimal use of water. We will give water space again.
- Increasing renovation activity of the building stock
  - Large-scale programme for energy renovation of private homes: by providing a label grant and an interest-free renovation credit (where the interest burden is borne via advance payments from the Energy Fund and the Climate Fund, cf. previous agreements) in order to entice as many new owners as possible to carry out a thorough energy renovation of their home
  - Asbestos subsidy for private individuals and elimination of asbestos in schools and the healthcare sector
  - Extension/reinforcement of the demolition and reconstruction subsidy (pending a (federal) VAT reduction to 6%)
  - Integrated home renovation subsidy from 2022
  - Distress purchase fund
  - Accompanying policy for phasing out electric storage heating
  - Government of Flanders energy efficiency action plan via VEB [Flemish Agency for Public Sector Energy Saving] and supported through research via EnergyVille
- Greening of transport and a modal shift
  - We will increase our investments in all sustainable traffic modes. This will include greening the fleet of De Lijn, devoting special attention to cycling infrastructure and accelerating investments (see above) in inland navigation (e.g. bridges on the Albert Canal, Seine-Scheldt connection, Dender and quay walls).
  - We will provide an envelope for co-financing via drawing rights per municipality (per number of inhabitants), whereby we supplement by 1 euro every 2 euros that local authorities use for investments in cycling infrastructure.
  - We will accelerate the roll-out of charging station infrastructure for electric cars.
  - We will invest in LED lighting along regional roads.
- Increasing investments in renewable energy, for PV (private and medium-sized PV), as well as calls for small and medium-sized wind turbines and for heat networks, giving priority to the most cost-efficient projects (with the exception of the call for innovative projects)
- Accelerating the transition to a maximum circular economy
  - Development of Flanders as a recycling hub, including the collection of precious materials, support to companies for research projects in view of “design to recycle”, etc.
  - Support for innovation in the construction sector aimed at circular construction
  - Research and support of companies making the switch to a circular economy

# Investment in people & society

## Health and welfare sector

We will release an additional recurrent budget of 525 million euros on top of the already planned expansion budget for welfare; a total of 1.1 billion euros for welfare and care.

- Better remuneration of care personnel and raising the attractiveness of the profession (e.g. through positive perception, working on lateral entry, extra retraining to become nurses, etc.).
- Capacity: additional expansion of healthcare provision in all kinds of sectors
- Qualitative improvements, workload relief, etc.
- Reforms: IFIC, decompartmentalisation, etc.

All this will be negotiated this autumn with a view to reaching a social agreement with the sectors concerned for the entire term of office.

Concurrently, with the conclusion of a new social agreement, the framework for care innovation has been elaborated, focusing on low-regulation frameworks, living labs, social entrepreneurship, personal financing and financial accountability of facilities in the field of outcome and innovation.

We will accelerate the planned investments in Flemish residential care and residential care centres, so that we can provide a powerful response to the sharply increased intensity of care required by the residents and thus help overcome a historical backlog. We will make sure that this also has a positive effect on the affordability of residential care centres.

## Education & work: training and lifelong learning

- Collaboration between Work and Education  
2021 as “Year of Training”: a major campaign in the field of training, for job seekers, temporarily unemployed and economically inactive people, and for people who have a job but would like (or are forced) to retrain. Focus extra spending as much as possible on 2021, so that we enable people to seize future job opportunities as quickly as possible; specifically:
  - In order to stimulate adult competencies, we will strengthen and promote the (online) training offer with a wide range of training providers, ranging from adult education centres, adult basic education centres, university colleges, universities, VDAB, entrepreneurial training providers, sectors, to private training providers.
  - We will stimulate demand and guidance for training and upskilling among potential learners through enhanced information, (career) guidance, demand-oriented tools, recognition of prior learning and NARIC, through VDAB and, for newcomers, through the Agency for Integration and Civic Integration.
  - We will respond to competence needs with, among other things, competence checks, screening of training needs and a tailor-made provision.
  - We will strengthen workplace learning in companies and organisations, also in the context of dual learning.

## Education

- We will pay extra attention to the most vulnerable children and students
  - We will invest in extra remedial measures to eliminate as quickly as possible the learning disadvantages that have arisen as a result of the corona crisis. To this end, we will embed summer schools in cooperation with the local authorities and will also extend the concept to include so-called "refresher courses" in other holiday periods and school-free periods (which for more advanced pupils can also serve as in-depth courses, e.g. in preparation for higher education).
  - We will also try to get as many pupils as possible who left education prematurely during the corona crisis back on board, including through youth welfare work.
  - We will strengthen student facilities in higher education so that vulnerable students with learning disadvantages are able to receive extra guidance.
- We will make lateral entry even more attractive by increasingly recognising seniority acquired elsewhere, with a view to eliminating the shortage of teachers. We will also provide short but powerful pedagogical training for lateral entrants.
- We will set up a (one-off) strategic fund for the innovation of training and training infrastructure in higher education.

## Work

- The labour market is facing enormous challenges, such as rising unemployment as well as shortages and mismatches, changing training needs, digitisation, etc. We will therefore conclude a VESOC [Flemish Economic and Social Consultative Committee] agreement "All hands on deck" with a view to quickly increasing the employment rate back to 80%. As a labour market director, VDAB is ready to take on these challenges. We intend to achieve this by:
  - Activating those losing their job as a result of the corona crisis as soon as possible, as well as activating people on benefits and civic integration programme participants
  - Filling as many vacancies as possible and facilitating transitions
  - Launching a training and career campaign (see above)
  - Strengthening careers of vulnerable job seekers and workers
  - Supporting workable work even more and making teleworking a sustainable component of the business organisation. We will thereby focus on psychological well-being in the workplace.
- We will take the initiative to make work pay. To this end, we will implement the Flemish job bonus in accordance with the terms and conditions determined in the Flemish coalition agreement.



## Strengthening the mental well-being of the people of Flanders and social cohesion in society

There is no doubt that the corona crisis is having an impact on the psychosocial well-being of the population. A lot of people are experiencing insecurity, fear and stress. This can have serious consequences, certainly in combination with (social) isolation, loss of support resources and activities. These consequences can manifest themselves in different ways: increase in (mental) health problems, distressing social and societal and even unsafe situations in households, for young people and children.

The corona crisis has stressed even more than before the importance of the psychosocial well-being of people, in particular of our young people, the importance of connecting with the neighbourhood and society and of maintaining social contacts.

In April 2020, as part of the fight against COVID-19, the Government of Flanders anticipated these consequences with a Mental Welfare Action Plan. In the light of the second corona wave and the fact that psychological complaints often only manifest themselves months after the crisis, these efforts will be continued in the context of the recovery plan. Economic recovery will only succeed if sufficient attention can be paid to the mental well-being of the population in general and of a few target groups in particular, such as care and welfare workers, children and young people, people experiencing loneliness, informal carers and volunteers, etc.

In the same context, we will also invest in the following projects:

- Increase in quality nature, more forests (4,000 ha) and more access to green areas, as well as ecological defragmentation projects around existing transport infrastructures, which contribute to road safety, pavement reduction and high-quality greening
- Strengthening of mental well-being in children, young people and older people
- More space for children and young people
- We will facilitate volunteer and association life by means of a digital “association desk”
- We will give a one-off shot of oxygen to individual creative talent/mastery in 2021
- Strengthening of preventive mental health promotion at the local level in the context of caring neighbourhoods, OverKop houses (drop-in and activities centres for and by young people) and “one family, one plan” partnerships
- Strengthening of the approach to intra-family violence
- Increased use of extracurricular activities in collaboration with local authorities for children (“learning through play”), community work and local poverty initiatives
- By means of neighbourhood improvement contracts, the various policy areas of the Flemish administration and the local authority involved will commit themselves to break the vicious circle in these neighbourhoods by focusing, for example, on housing, education, and employment. They will do so by means of a combination of resolute and soft measures, whereby, in accordance with the Governance Decree, it will be possible to deviate from existing regulations.

# Brexit

Many companies and a number of specific sectors will also need to be supported in order to help absorb the consequences in the event of a hard Brexit at the end of this year. The UK is, after all, the fourth most important trading partner for Flanders. More generally, we must encourage our companies in Flanders to export more and help existing export companies further diversify their products, services and markets (e.g. through participation in international fairs and events).

- We will extend the Flanders Investment & Trade export promotion plan and the VLAM [Flanders' Agricultural Marketing Board] initiatives in 2021 and 2022 and expand them with additional support measures for companies that would be severely affected by a hard Brexit (e.g. for compliance with customs and regulatory obligations).
- We will also strengthen our efforts to attract investments, for example by promoting Flanders to investors as an innovative knowledge region with the help of specialised consultants in 15 top countries and through virtual site visits using improved technology. Brexit is also an opportunity to attract certain logistics activities (Flanders as "gateway to Europe").
- Brexit will require many companies to make significant changes to their business model. We will provide targeted support through VLAIO.
- As soon as the EU sheds light on the Brexit Fund allocated in the MFF, we should take maximum advantage of it. Given the almost exclusive impact which Brexit will have on Flanders' economy, it should be self-evident that, within Belgium, these resources should almost entirely be allocated to Flanders.



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