

2014

BELGIAN FOREIGN TRADE



belgian
foreign trade agency



BELGIAN FOREIGN TRADE IN 2014

01 \\ EXPORTS 6

1.1 Geographical developments

1.2 Sectoral developments

02 \\ IMPORTS 14

2.1 Geographical developments

2.2 Sectoral developments

03 \\ GEOGRAPHICAL TRADE BALANCES 20



ANALYSIS OF THE FIGURES FOR 2014

(Source: Eurostat - community concept*)

GENERAL DEVELOPMENTS IN BELGIUM'S FOREIGN TRADE POSITION

In 2014, Belgian **exports** increased by **0.1%**, rising from EUR 353.0 billion to EUR 353.2 billion. Belgian imports were down last year. Between 2013 and 2014, Belgian purchases abroad dropped by **0.2%**, decreasing from EUR 340.1 billion to EUR 339.4 billion. Belgium's **balance of trade** is positive and has grown from EUR 12.9 billion in 2013 to **EUR 13.8 billion** in 2014.

The most recent statistics from the World Trade Organization confirm that Belgium is still among the world's top exporters and importers, holding **13th place** in both rankings in 2014. Belgium primarily owes this position to its neighbouring countries and to the EU as a whole.

Over the years, Belgium's international exports have grown strongly. The share of Europe in our foreign trade has gradually decreased in favour of the other continents. However, as a result of the current economic circumstances, this trend, where Europe's share declined in favour of emerging economies such as Brazil, Russia, India, China and South Africa, has recently come to an end and has even been somewhat reversed. In uncertain economic times, Belgian exports seem to be focused more on the European market.

* Community concept/national concept

The results are presented according to the community concept which, unlike the national concept, takes into account imports and exports carried out by non-residents subject to VAT in Belgium and for which no resident intervenes. Returned goods are also taken into account.

	Exports	Imports	Balance	Coverage
In million EUR				
01-12/2013	352,955.7	340,092.9	12,862.8	103.8
01-12/2014	353,214.6	339,391.1	13,823.4	104.1
Var. (in %)	0.1	-0.2		

Evolution of Belgian imports and exports in 2013 - 2014

POSITION OF BELGIUM COMPARED TO THAT OF OTHER EU COUNTRIES

In 2013, Belgium managed to perform better than the European average, but in 2014 it was lagging somewhat behind. This is illustrated by the figures below.

EXPORTS

Total exports of goods from the European Union (EU-28) amounted to EUR 4,636.4 million in 2014. **Belgium accounted for 7.6% of this figure, which makes it the 6th major exporter of goods within the EU.** Germany took first place with 24.5%, ahead of the Netherlands (10.9%) and France (9.5%).

While European exports (EU-28) were up by 1.3% in 2014, Belgium's sales only grew by 0.1% during this period. Exports from Germany and France rose by 3.8% and 0.3% respectively, while those from the Netherlands remained nearly unchanged [+0.0%].

From a percentage viewpoint, Belgium underperformed in comparison to the EU-average. As Belgian sales increased at a slower rate than the European average, our country lost market share.

IMPORTS

Total imports of goods by the European Union (EU-28) amounted to EUR 4,528.7 million in 2014. **Belgium was the 6th largest importer of goods within the EU with a share of 7.5%.** First place was again occupied by Germany, with a share of 20.2%, before the United Kingdom (11.4%) and France (11.3%).

While European imports (EU-28) grew by 1.6% in 2014, Belgium's purchases decreased by 0.2%. Imports of Germany and the United Kingdom were up by 2.0% and 4.1% respectively, while those of France fell by 0.6%.

Belgium's performance in 2014 was clearly less positive than the EU average. This has caused our market share to decrease.

	In million EUR	2013	2014	Variation (in %)	Share (in %)
1	Germany	1,093,160.4	1,134,808.8	3.8	24.5
2	Netherlands	505,651.5	505,755.6	0.0	10.9
3	France	437,439.2	438,624.6	0.3	9.5
	...				
6	Belgium	352,955.7	353,214.6	0.1	7.6
	...				
	Total EU-28	4,578,957.3	4,636,439.4	1.3	100.0

Evolution of Belgian exports in 2013 - 2014

	In million EUR	2013	2014	Variation (in %)	Share (in %)
1	Germany	897,187.3	915,057.6	2.0	20.2
2	United Kingdom	493,808.1	514,121.5	4.1	11.4
3	France	513,114.4	510,264.1	-0.6	11.3
	...				
6	Belgium	340,092.9	339,391.1	-0.2	7.5
	...				
	Total EU-28	4,456,528.4	4,528,749.9	1.6	100.0

Evolution of Belgian imports in 2013 - 2014

TOP 10 EXPORTS



01 \ EXPORTS

1.1

GEOGRAPHICAL DEVELOPMENTS EXPORTS

EUROPEAN EXPORTS

Two distinctions are made in the analysis of the evolution of Belgian exports to other European countries. A distinction is made between the European Union on the one hand and countries outside the European Union on the other. The European Union is then subdivided into:

- > countries that are part of the euro area, and
- > countries that are not part of the euro area.

In 2014, Belgian deliveries to the member states of the **European Union** grew by **0.8%**, whereas a year earlier they had increased by 1.9%.

While Belgian exports of goods to **euro area countries** were down last year, deliveries to **countries that do not belong to the euro area** rose sharply. The relevant changes were as follows:

- > -1.1% in 2014 compared with +0.9% in 2013 for the first group of countries, and
- > +8.9% in 2014 compared with +6.3% in 2013 for the second group of countries.

Figure 1: Percentage variation in exports to the European Union in 2014 [compared with 2013] (in %)

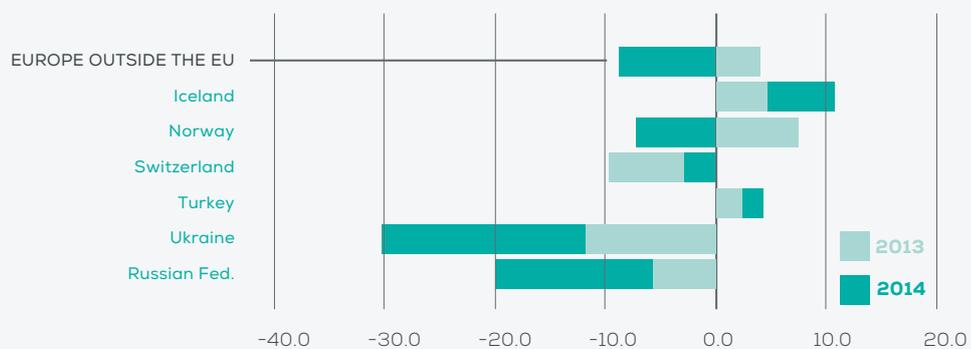
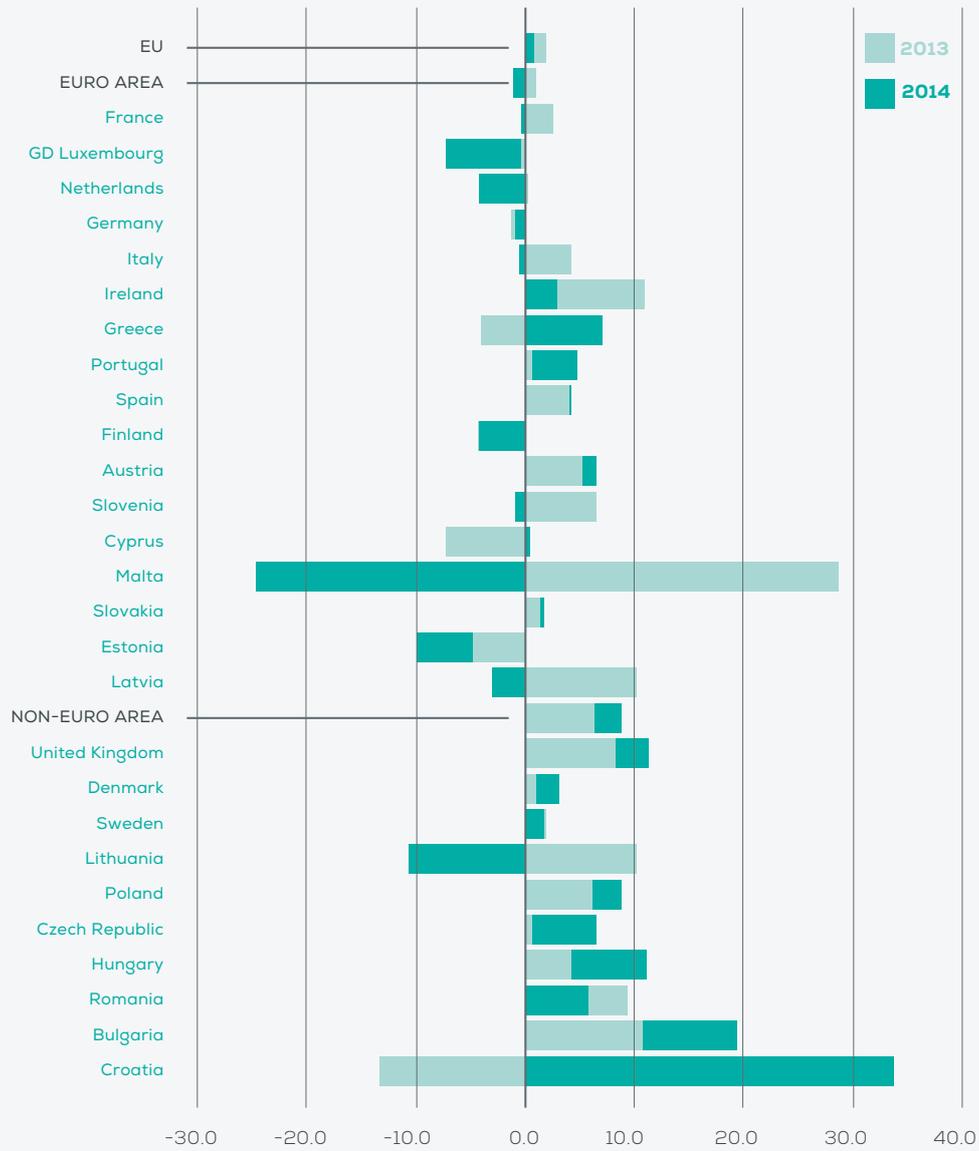


Figure 2: Percentage variation in exports to European countries outside the European Union in 2014 [compared with 2013] (in %)

EURO AREA COUNTRIES

In 2014, the best export performance within the eurozone was achieved by Greece [+7.1%], where the local economy has been hit hard by the crisis of recent years. Other countries where Belgian exports increased in 2014 were Austria [+6.6%], Portugal [+4.8%], Spain [+4.2%], Ireland [+2.9%], Slovakia [+1.8%] and Cyprus [+0.4%].

Despite the positive development of Belgian exports of goods to the aforementioned countries, total sales within the eurozone were still down by 1.1%. This was due to the drop in exports to Malta [-24.6%], Estonia [-9.9%], the GD of Luxembourg [-7.2%], the Netherlands [-4.1%], Finland [-4.1%], Latvia [-3.0%] and Germany [-0.9%].

COUNTRIES THAT DO NOT BELONG TO THE EURO AREA

Thanks to good results in, among others, Croatia [+33.6%], Bulgaria [+19.3%], the United Kingdom [+11.3%], Hungary [+11.2%] and Poland [+8.9%], total Belgian exports to countries that do not belong to the euro area rose by 8.9% in 2014, unaffected by the decline in exports to Lithuania [-10.6%].

Belgian exports to **other European countries outside the European Union** fell by 8.7% in 2014, after an increase of 4.0% during the previous year. The main reason for this negative evolution is the drop in exports to Russia. The well-known trade conflict between the West and Russia has caused Belgian exports to that country to plunge by 20.0%, from EUR 5.1 billion in 2013 to EUR 4.1 billion in 2014.

Other countries where Belgian exports lost ground were Ukraine [-30.3%], Norway [-7.2%] and Switzerland [-2.9%].

Growth in Belgian exports to, among others, Iceland [+10.7%] and Turkey [+4.3%] proved insufficient to offset these negative results.

INTERCONTINENTAL EXPORTS

Developments for **intercontinental exports** varied considerably. While exports to Asia and Africa rose in 2014, those to the Americas and Oceania fell. This is shown below:

Africa:	+1.7% in 2014	compared with	+13.2% in 2013
Americas:	-0.9% in 2014	compared with	-3.0% in 2013
Asia:	+2.7% in 2014	compared with	-0.1% in 2013
Oceania:	-9.1% in 2014	compared with	-0.2% in 2013

Where **Africa** is concerned, deliveries to, among others, Ghana [-24.9%], Libya [-23.7%], Nigeria [-16.8%], Cameroon [-11.7%], Tunisia [-11.0%], South Africa [-9.3%], Egypt [-7.6%] and the Dem. Rep. of Congo [-6.2%] were down. The cutback in exports to these countries was, however, less significant than the rise in sales to, among others, Ivory Coast [+8.8%], Algeria [+8.1%], Kenya [+3.8%], Angola [+2.8%] and Morocco [+2.1%].

As regards the **Americas**, however, Belgian exporters saw sales fall in 2014. The 0.9% drop in total exports to this continent was mainly due to lower sales in Argentina [-58.6%], Canada [-20.1%], Chile [-17.2%], Peru [-8.1%], Mexico [-7.6%], Venezuela [-1.2%] and Brazil [-1.1%]. Strong performances in, among others, Cuba [+15.4%], Colombia and the United States [both +6.0%] were unable to remedy this situation.

Exports from Belgium to **Asia** increased primarily in Jordan [+65.7%], Iran [+32.7%], South Korea [+16.0%], Singapore [+12.9%], the UAE [+10.9%], India [+8.0%], Israel [+6.3%], Hong Kong [+3.9%] and China [+3.6%]. Belgian exports fell in, among others, Sri Lanka [-51.5%], Syria [-16.0%], Malaysia [-14.3%], Japan [-12.1%], Thailand [-10.2%], Pakistan [-10.2%], Kuwait [-9.2%], Saudi Arabia [-7.3%], Vietnam [-5.8%] and Taiwan [-5.5%]. Asia remains Belgium's most important market outside Europe thanks to the fact that exports to this continent were up by 2.7% in 2014.

The general result for **Oceania** was negative. Total exports to this continent fell by 9.1% in 2014 [compared with -0.2% in 2013]. After a 0.6% decrease in 2013, sales to Australia dropped by 9.7% in 2014. Exports to New Zealand were down by 9.5% during this period.

MARKET SHARE

The **European Union** remains Belgium's **largest trading partner** by far. From 2013 to 2014, the EU share increased slightly, from 70.1% to **70.6%**. The trend of recent years, which saw a drop in the EU share in favour of emerging economies such as Brazil, Russia, India, China and South Africa, was thus somewhat reversed last year.

Euro area countries accounted for a share of 56.1% in 2014 compared with 56.7% in 2013. The share of **other EU countries** rose from 13.3% to 14.5%.

A few slight variations should be noted for Belgium's four largest export customers:

- > Germany's share fell from 16.9% to 16.7%;
- > France's share remained the same at 15.6%;
- > the Netherlands' share decreased from 12.3% to 11.8% and
- > the United Kingdom's share rose from 7.5% to 8.4%.

The share of **European countries outside the European Union** was reduced from 5.9% to 5.3%. As previously mentioned, this is largely attributable to the trade conflict with Russia.

The share of Belgian goods exports going to the different continents changed as follows in 2014 compared with a year earlier:

Africa:	share remained the same at 3.7%
Americas:	7.9% in 2014 compared with 8.0% in 2013
Asia:	10.8% in 2014 compared with 10.5% in 2013
Oceania:	0.5% in 2014 compared with 0.6% in 2013

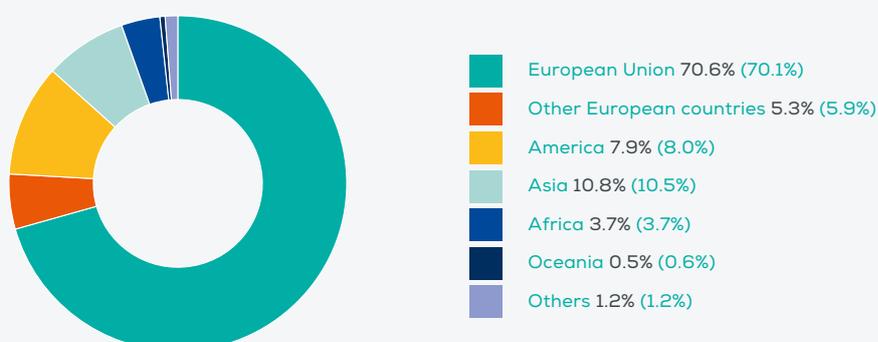


Figure 3: Percentage share in exports by continent in 2014 [compared with 2013]

Figure 4 below gives an overview of Belgium's top 20 customers across all continents in 2014.

With EUR 59,134.1 million, **Germany** remained our number-one customer in 2014. However, exports were down from EUR 59,699.1 million in 2013, a decrease of 0.9%.

France held on to second place. In 2014, exports to this country amounted to EUR 55,045.5 million. Compared with the previous year, exports fell by 0.4%, from EUR 55,255.0 million.

Finally, Belgian exports to the **Netherlands** decreased from EUR 43,466.4 million in 2013 to EUR 41,700.2 million in 2014.

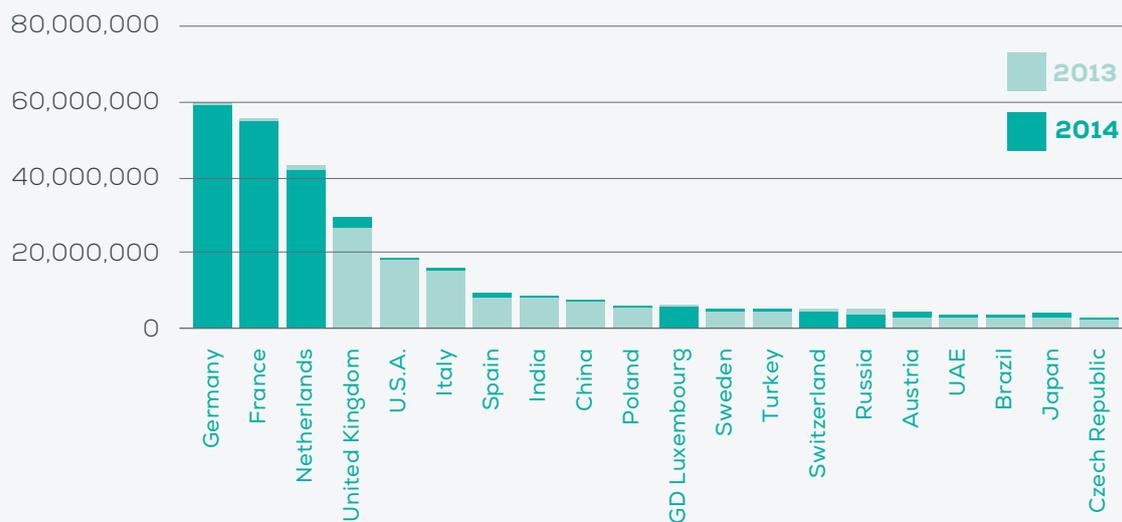


Figure 4: Belgium's top 20 customers in 2014 [compared with 2013] [x 1,000 EUR]

1.2 | SECTORAL DEVELOPMENTS EXPORTS

The **chemical products** sector was still responsible for the lion's share of total Belgian exports with 23.5%. Exports for this group of products rose by 0.5% from 2013 to 2014.

Mineral products took second place, accounting for 12.1% of total Belgian exports. Sales for this product group decreased by 9.7% as opposed to a surge of 13.1% the previous year. The cutback in exports for this sector can largely be attributed to the sub-shares for "petroleum oils and oils obtained from bituminous minerals" and "petroleum gases and other gaseous hydrocarbons".

Machinery and equipment was third with a share of 10.2%, despite a drop in exports of 1.1%.

Transport equipment came in fourth with a share of 10.1% [+2.1%] of total Belgian exports.

Plastics completed the top five of the most important export products. Despite a drop in sales of 1.9% this group of products represented a share of 8.0%.

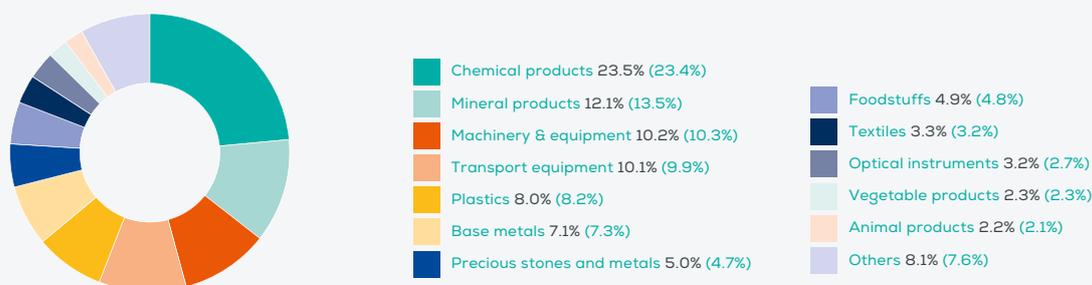


Figure 5: Percentage breakdown of exports by sector in 2014 [compared with 2013]

2024 IMPROVEMENTS



02 \ IMPORTS

2.1 | GEOGRAPHICAL DEVELOPMENTS IMPORTS

Belgian imports from **European Union** countries fell by **1.5%** in 2014, compared to a decrease of 2.6% the year before. Belgium's purchases within the euro area dropped by 1.5%. Imports from other EU countries outside the euro area were down by 1.6%, following a drop of 0.3% in 2013.

In the **euro area**, Belgium saw a decrease in imports from Cyprus [-33.6%], Latvia [-24.9%], Malta [-21.2%], Portugal [-12.8%], Spain [-6.2%], France [-3.5%], Slovakia [-3.3%], the Netherlands [-2.5%] and Germany [-2.4%]. Imports from Estonia [+23.5%], Slovenia [+18.6%], Greece [+14.1%], Italy [+12.0%], the GD of Luxembourg [+8.6%], Austria [+3.4%], Finland [+2.8%] and Ireland [+2.1%] were up in 2014. Nevertheless, the positive figures were unable to offset the negative results.

Why imports from **other EU countries outside the euro area** fell by 1.6% in 2014 is attributable to imports from Sweden [-7.7%] and the United Kingdom [-7.1%]. The decline in purchases from these countries outweighed increased imports from, among others, Croatia [+45.7%], Bulgaria [+41.4%], Denmark [+23.2%], Lithuania [+14.9%], Hungary [+10.8%] and Poland [+10.3%].

Imports from **other European countries outside the EU** decreased by 0.6% in 2014 due to a drop in imports from Norway [-23.2%] and Iceland [-5.2%]. The rise in purchases from, among others, Ukraine [+21.4%], Switzerland [+10.7%], Russia [+5.5%] and Turkey [+4.5%] had no effect on this situation.

Figure 6: Percentage variation in imports from the European Union in 2014 [compared with 2013] (in %)

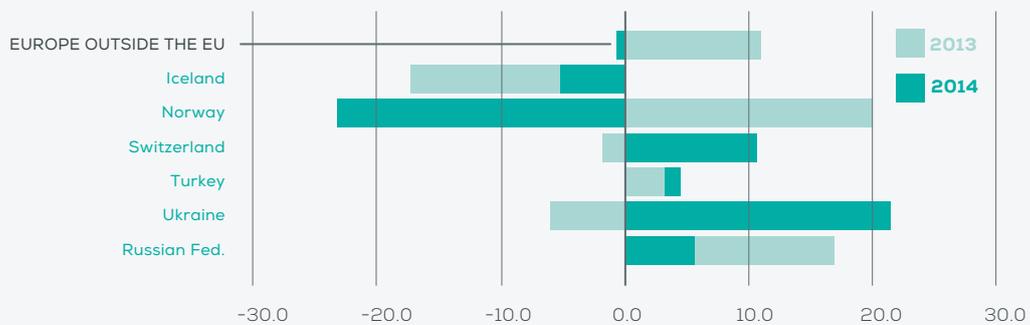
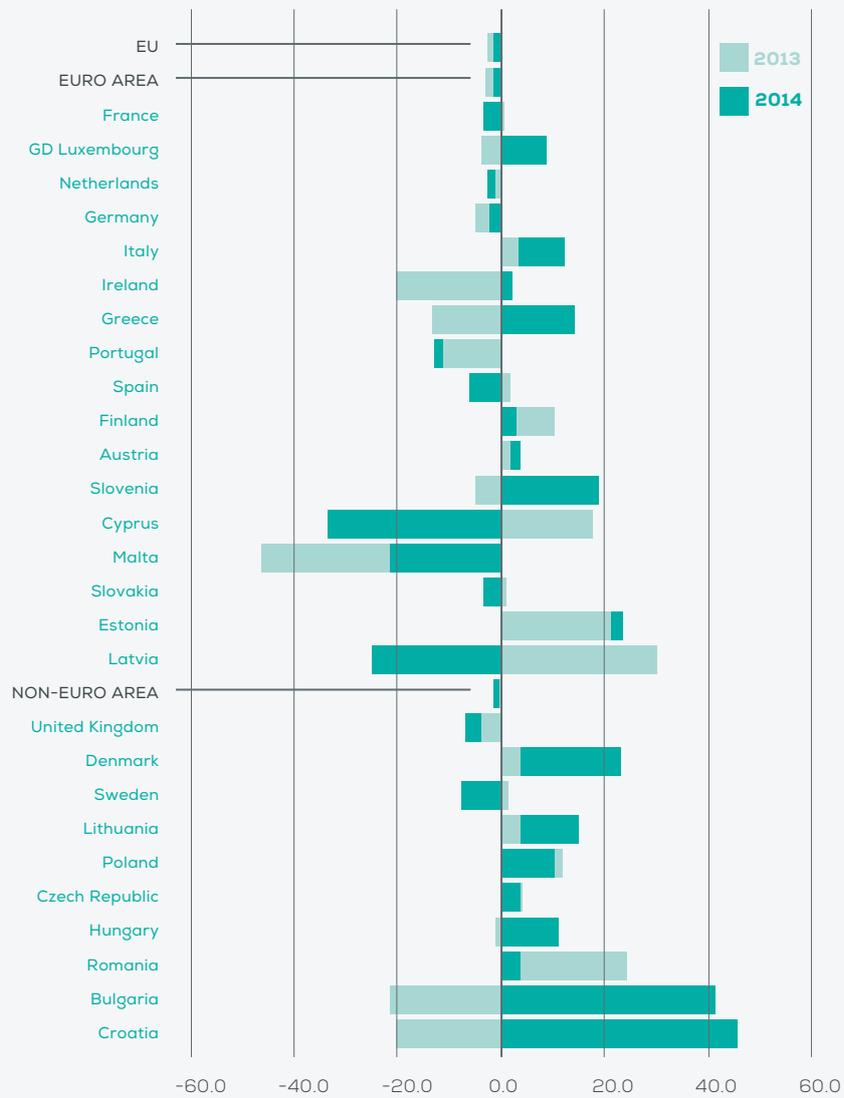


Figure 7: Percentage variation in imports from European countries outside the European Union in 2014 [compared with 2013] (in %)

Imports from the rest of the world developed differently depending on the continent. Imports from the Americas and Africa rose in 2014, while those from Asia and Oceania fell. This is shown below:

Africa:	+24.3% in 2014	compared with	-6.9% in 2013
Americas:	+6.1% in 2014	compared with	+6.5% in 2013
Asia:	-2.3% in 2014	compared with	-0.7% in 2013
Oceania:	-14.1% in 2014	compared with	-16.4% in 2013

Across all continents, the following countries were Belgium's top 20 suppliers in 2014:

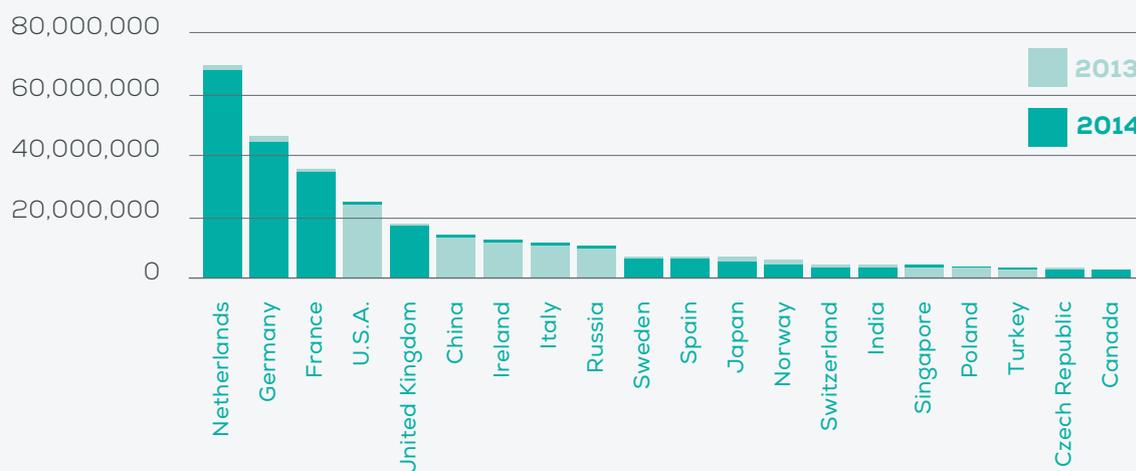


Figure 8: Belgium's top 20 suppliers in 2014 [compared with 2013] [x 1,000 EUR]



2.2 | SECTORAL DEVELOPMENTS IMPORTS

As was the case for exports, the largest share of imports was attributable to **chemical products**, which accounted for roughly a fifth of total imports [20.6%]. The share of this product group grew slightly in 2014 due to an increase in imports of 2.9%.

Mineral products occupied second place with a share of 17.7%, a drop of 9.9% when compared to the previous year.

The top five of the major import sectors was completed by **machinery and equipment, transport equipment** and **base metals**, with a share in total Belgian imports of 11.9%, 10.3% and 6.7% respectively.

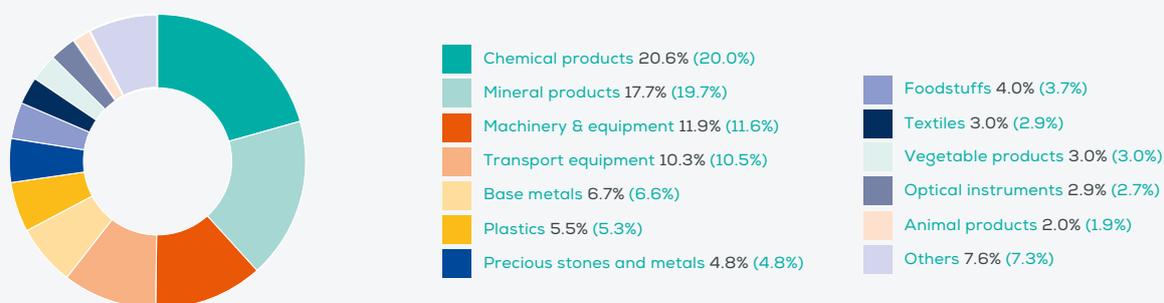


Figure 9: Percentage breakdown of imports by sector in 2014 [compared with 2013]

03 /

GEOGRAPHICAL TRADE BALANCES



03 \\ GEOGRAPHICAL TRADE BALANCES

Belgium announced a trade surplus with the **European Union**. In fact, the surplus even increased significantly from EUR 21.5 billion in 2013 to EUR 27.0 billion in 2014.

EURO AREA COUNTRIES

In 2014, the positive trade balance with France grew slightly to EUR 20.3 billion [compared with EUR 19.2 billion in 2013]. Significant, but lower surpluses were also recorded with, among others, Germany [EUR 14.3 billion], Italy [EUR 3.6 billion], the GD of Luxembourg [EUR 3.0 billion], Spain [EUR 2.7 billion] and Austria [EUR 1.6 billion].

The trade deficit with the Netherlands amounted to EUR 26.3 billion in 2014, just as it did a year earlier. The trade balance with Ireland also remained clearly negative [EUR -10.4 billion].

OTHER EUROPEAN COUNTRIES

With regard to the **EU countries outside the euro area**, the overall trade balance remained positive. It even increased from EUR 11.3 billion in 2013 to EUR 16.1 billion in 2014

Belgium's trade balance with **other European countries outside the EU** remained negative. In fact, the deficit increased from EUR -4.1 billion to EUR -5.7 billion. Belgium's negative balance with Russia increased to EUR -6.4 billion. Conversely, the deficit with Norway was reduced from EUR -4.4 billion in 2013 to EUR -3.1 billion in 2014.

OTHER CONTINENTS

With regard to the other continents, it should be noted that Belgium's trade balance with the **Americas** deteriorated considerably. The deficit of EUR -5.7 billion recorded in 2013 grew to EUR -8.1 billion in 2014.

The deficit with **Asia** fell from EUR -8.7 billion in 2013 to EUR -6.6 billion in 2014 due in part to the declining trade deficit with Japan.

Belgium's trade balance with **Africa** showed a surplus of EUR 2.9 billion in 2014, which is a considerable contraction over 2013, when the surplus still amounted to EUR 4.7 billion.

The trade balance with **Oceania** ended 2014 with a surplus of EUR 449.5 million, which is a rise of EUR 47.5 million compared to a year earlier.

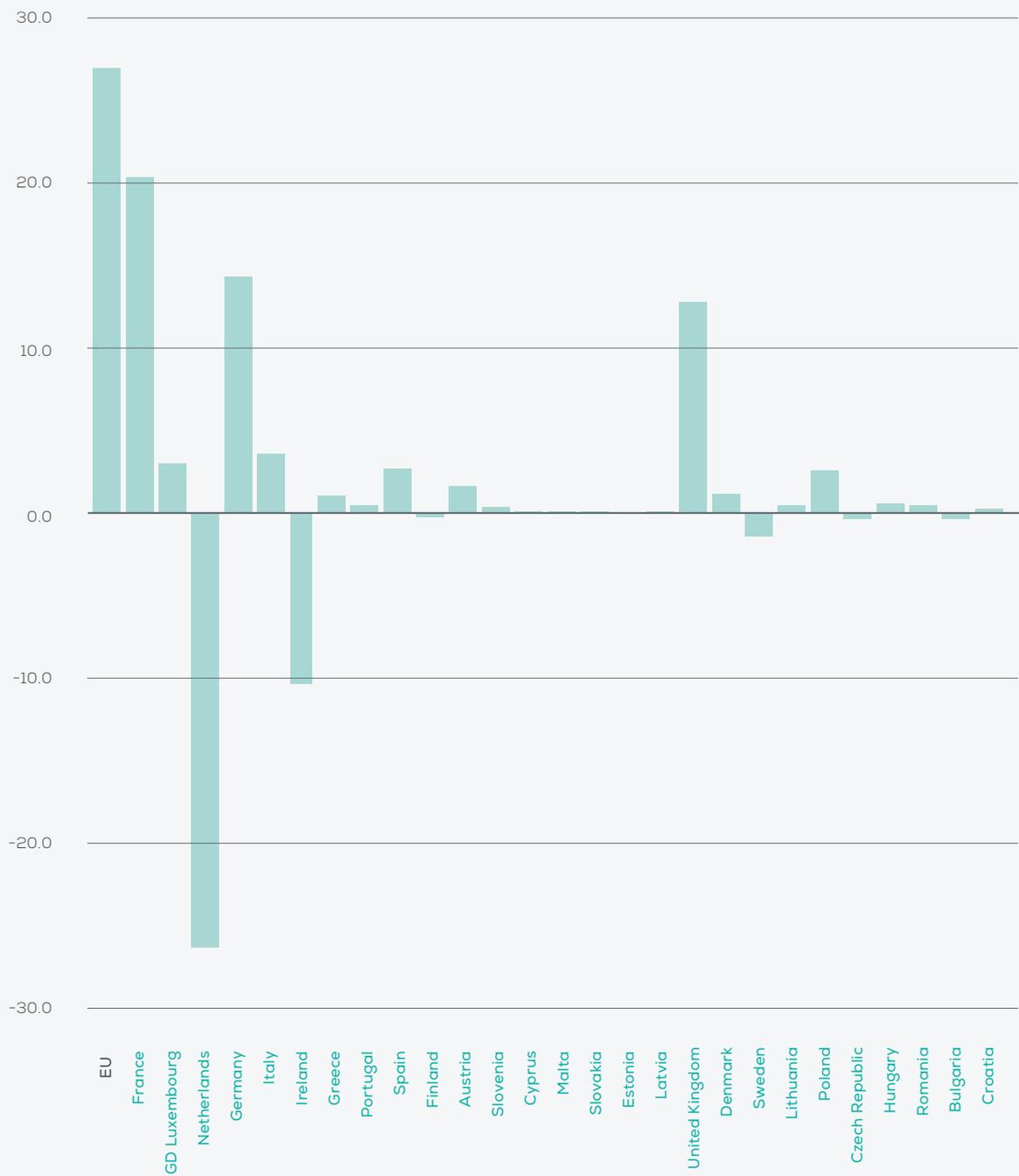


Figure 10: Trade balance Belgium - EU in 2014 (in billion EUR)



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PUBLICATION DATE: MAY 2015

PRINTED ON FSC-CERTIFIED PAPER

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