

BELGIUM'S FOREIGN TRADE 2011



BELGIAN FOREIGN TRADE IN 2011

Analysis of the figures for 2011

(Source: nbb – community concept*)

The following results demonstrate that Belgian foreign trade did not suffer the negative effects of the crisis in 2011. The reason for this is that in terms of foreign trade Belgium is heavily dependent on its large neighbour Germany, which rebounded after the crisis. Belgian exports and imports increased at rates approaching 10% in 2011; Belgian foreign trade is therefore doing better than before the 2008-2009 crisis.

In 2011 Belgian **exports** increased by **11.4%**, rising from EUR 308.3 billion to EUR 343.4 billion.

Belgian **imports** grew at an even faster rate. Between 2010 and 2011 Belgian purchases abroad increased by **12.7%**, rising from EUR 296.7 billion to EUR 334.3 billion.

Belgium's **balance of trade** is positive but decreased from EUR 11.7 billion in 2010 to **EUR 9.1 billion** in 2011.

EVOLUTION IN BELGIAN EXPORTS AND IMPORTS BETWEEN 2010 AND 2011

In billion EUR	Exports	Imports	Balance	Coverage rate (%)
2010	308.3	296.7	11.7	103.9
2011	343.4	334.3	9.1	102.7
% var. 2011/2010	11.4	12.7		

* **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 in which no resident intervenes. Returned goods are also taken into account.



1. EXPORTS

1.1. Geographical evolution of exports

Europe

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 also subdivided into:

- countries that are part of the eurozone and
- countries that are not part of the eurozone.

The rate of growth for exports to **European Union** member countries amounted to **10.0%** in 2011 compared with 12.0% in 2010.

Both the rate of growth in Belgian sales to countries belonging to the eurozone and the rate of growth in sales to countries outside the eurozone have slightly decreased:

- the former decreased from +11.4% in 2010 to **+9.8%** in 2011, while
- the latter decreased from +15.0% in 2010 to **+11.4%** in 2011.

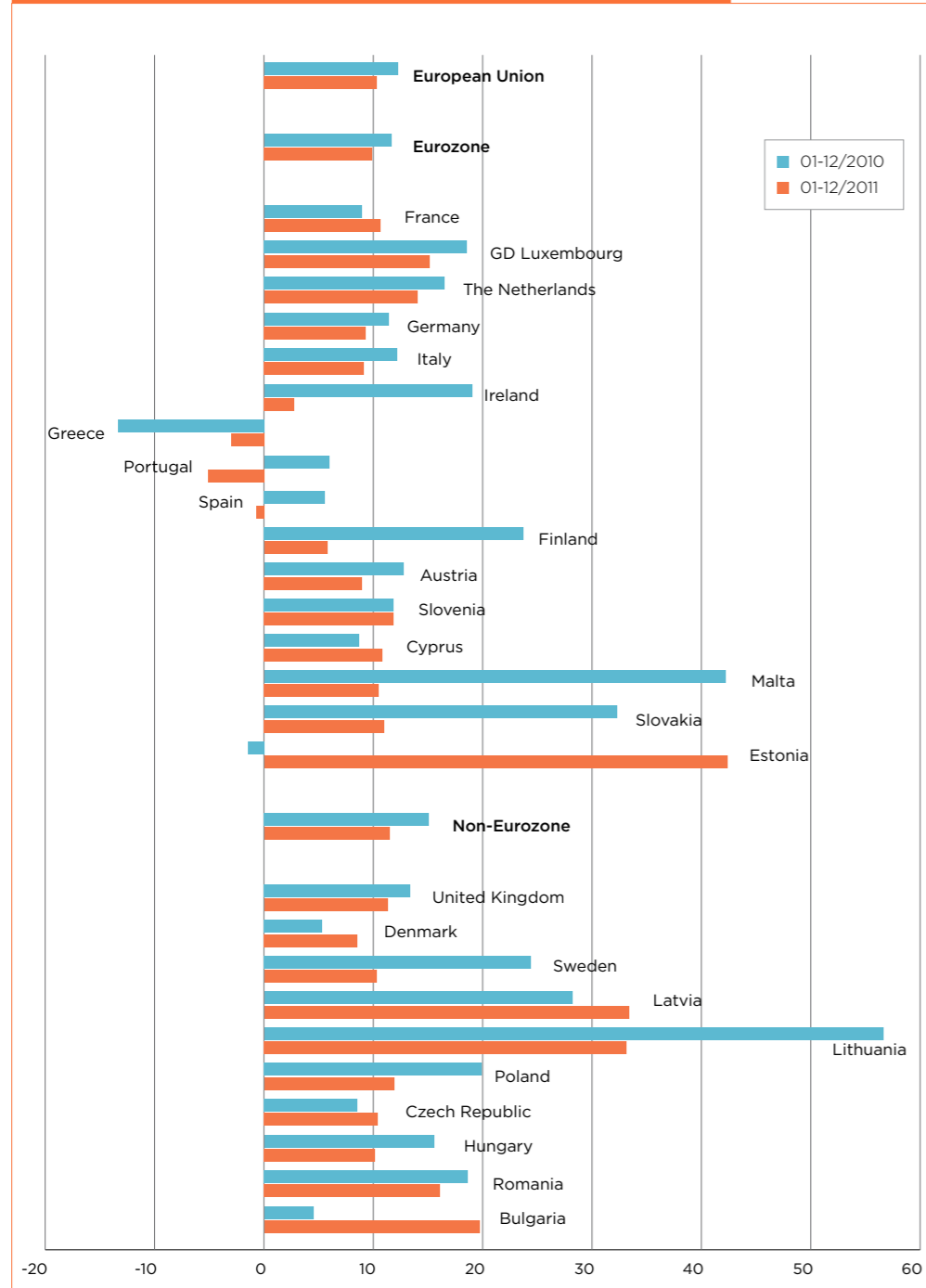
Countries in the Eurozone

Apart from Spain (-0.5%), Greece (-2.7%) and Portugal (-4.9%), where the decline in Belgian sales reflects the economic problems those countries are experiencing, Belgium has seen exports increase to all countries in the eurozone. The highest increase in Belgian exports was to Estonia (+42.1%), the Grand Duchy of Luxembourg (+15.0%), the Netherlands (+13.8%) and Slovenia (+11.7%). The sudden rise in exports to Estonia can largely be explained by the fact that on 1 January 2011 the euro replaced the Estonian kroon, which contrasts sharply with the decline in exports to this country recorded in 2010 (-1.4%).

Countries outside the Eurozone

Belgium managed to increase sales to all markets. The most impressive performance was achieved in Latvia (+33.2%), Lithuania (+32.9%) and Bulgaria (+19.7%). With the exception of Denmark (+8.4%) all growth rates were higher than 10%.

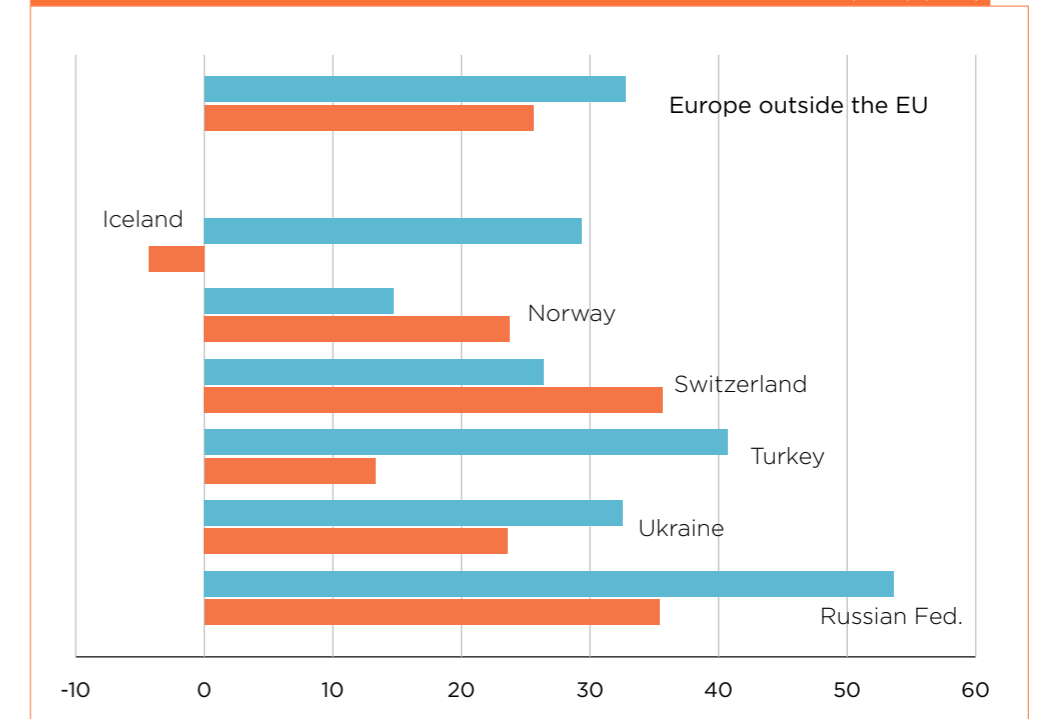
VARIATIONS IN EXPORTS TO THE EUROPEAN UNION IN 2011 (2010) (IN %)



Belgian exports to **other European countries outside the EU** also flourished despite the fact that their growth in 2011 (+25.4%) was lower than that recorded in 2010 (+32.6%).

Growth was recorded in all markets except in Iceland where Belgian sales fell by 4.3% compared with 2010. We should highlight Belgium's performance in Switzerland (+35.5%) and in Russia (+35.2%) in particular.

VARIATIONS IN EXPORTS TO EUROPEAN COUNTRIES OUTSIDE THE EU IN 2011 (2010) (IN %)



Intercontinental exports

Developments recorded in **intercontinental exports** vary considerably. Nonetheless, Belgian sales to all continents increased in 2011.

This is shown below:

- ➔ **Africa:** +24.4% in 2011 compared with +13.2% in 2010;
- ➔ **America:** +1.0% in 2011 compared with +24.4% in 2010;
- ➔ **Asia:** +19.4% in 2011 compared with +31.0% in 2010 and
- ➔ **Oceania:** +5.2% in 2011 compared with +33.6% in 2010.

In **Africa** exports particularly decreased to Libya (-61.0%), the Ivory Coast (-28.2%), Algeria (-9.3%), Angola (-8.7%) and Tunisia (-8.3%). Despite these considerable decreases the rate of growth for Belgian exports to the African continent as a whole increased from +13.2% in 2010 to +24.4% in 2011, as a result of the impressive performance of our exporters to Nigeria (+109.7%), Kenya (+45.3%), Egypt (+33.4%) and South Africa (+29.7%).

In **America** Belgian exporters saw their sales slightly increase overall despite falling Belgian sales to Canada (-8.7%) and the United States (-1.6%). However great success was achieved in Argentina (+40.0%), Colombia (+29.6%), Peru (+27.9%), Cuba (+27.8%), Venezuela (+19.5%), Chile (+14.1%) and Mexico (+11.5%). The substantial increase in exports to these countries compensated for the decline in exports to the United States and Canada. Consequently Belgian sales to the American market as a whole grew by +1.0% (compared with an increase of +24.4% in 2010).

In **Asia** Belgian sales increased to Saudi Arabia (+50.0%), China (+35.6%), the United Arab Emirates (+35.6%), Singapore (+35.0%), Taiwan (+28.3%), South Korea (+25.5%) and Jordan (+23.6%). With regard to other countries Belgian exports fell to Kuwait (-19.0%), Syria (-9.5%) and Pakistan (-6.5%). Although Asia continues to be the driving force the overall rate of growth in exports to the Asian continent slumped from +31.0% in 2010 to +19.4% in 2011.

In **Oceania** results were positive but not as good as in 2010. Sales to this continent saw their rate of growth recede from +33.6% in 2010 to +5.2% in 2011. After an increase of 31.5% in 2010 sales to Australia 'only' grew by 5.2% in 2011. Exports to New Zealand increased by 6.7%.

1.2. Market shares

The European Union still represents the largest share of Belgium's customers. However from 2010 to 2011 the EU share of Belgian exports has fallen slightly from 73.0% to 72.2%. This downward trend, which already began a few years ago, is growing to the benefit of the other continents.

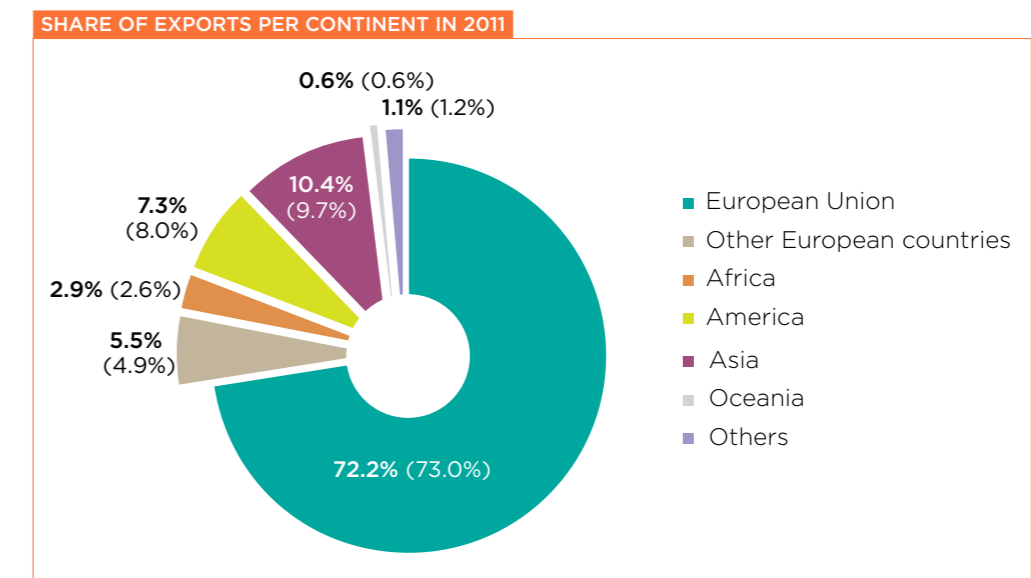
Eurozone countries currently account for 59.4% compared with 60.2% in 2010 and the share of other EU countries remained stable at 12.8%.

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

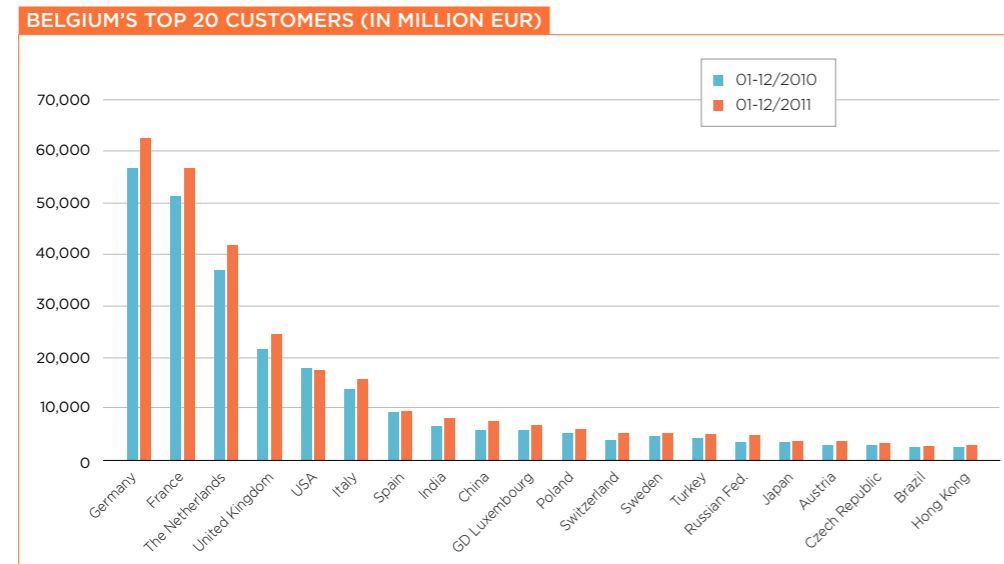
- Germany's share fell from 18.6% to 18.2%;
- France's share fell from 16.6% to 16.4%;
- the Netherlands showed an increase with its share rising from 11.9% to 12.2%;
- The United Kingdom's share stagnated at 7.0%.

The share of European countries **outside the European Union** rose from 4.9% in 2010 to 5.5% in 2011.

From 2010 to 2011 Belgian foreign trade shares for the different continents evolved as follows:



Across all continents Belgium's top 20 customers were:



With EUR 62,515.7 million **Germany** remains our number one customer thanks to an increase in Belgian exports amounting to 9.1%. In 2010 exports reached EUR 57,302.4 million.

France holds on to second place. In 2011 Belgian exports to The Hexagon amounted to EUR 56,419.9 million. Compared to 2010 exports to this country increased by 10.4% while they had already grown in 2010 and totalled 51,126.4 million.

Finally Belgian exports to **the Netherlands** also grew from EUR 36,705.3 million in 2010 to EUR 41,765.9 million in 2011.



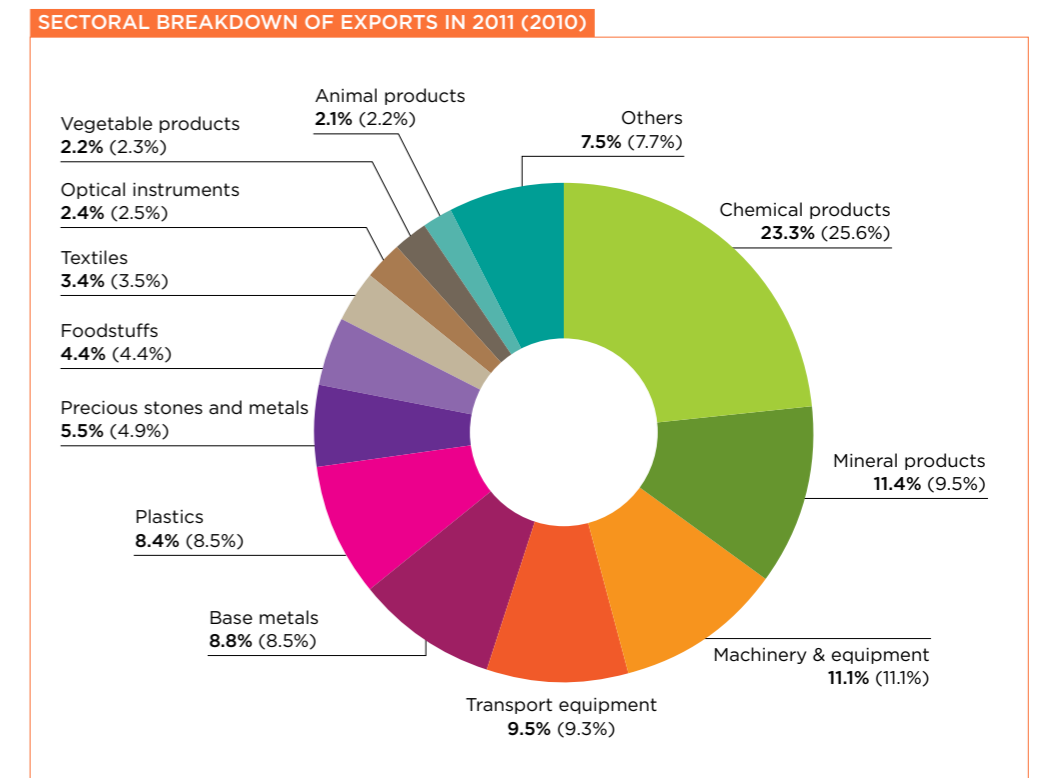
1.2. The sectoral evolution of exports

The share of **chemical products** climbs to first place accounting for 23.3% of total exports. From 2010 to 2011 these exports grew by 13%.

Accounting for 11.4% of total Belgian exports **mineral products** take second place. Sales for this product group increased by 34.0%. They already grew by 43.9% in 2010. These dramatic increases are largely due to the sub-shares for 'Petroleum oils or bituminous minerals', 'Petroleum gas and other gaseous hydrocarbons' and 'Crude petroleum oils or bituminous minerals'.

Thanks to an 11.1% increase in sales **machinery and equipment** takes third place with a share of 11.1%.

Transport equipment takes fourth place with a 9.5% share and exports up by 13.9%.



2. IMPORTS

2.1. Geographical evolution of imports

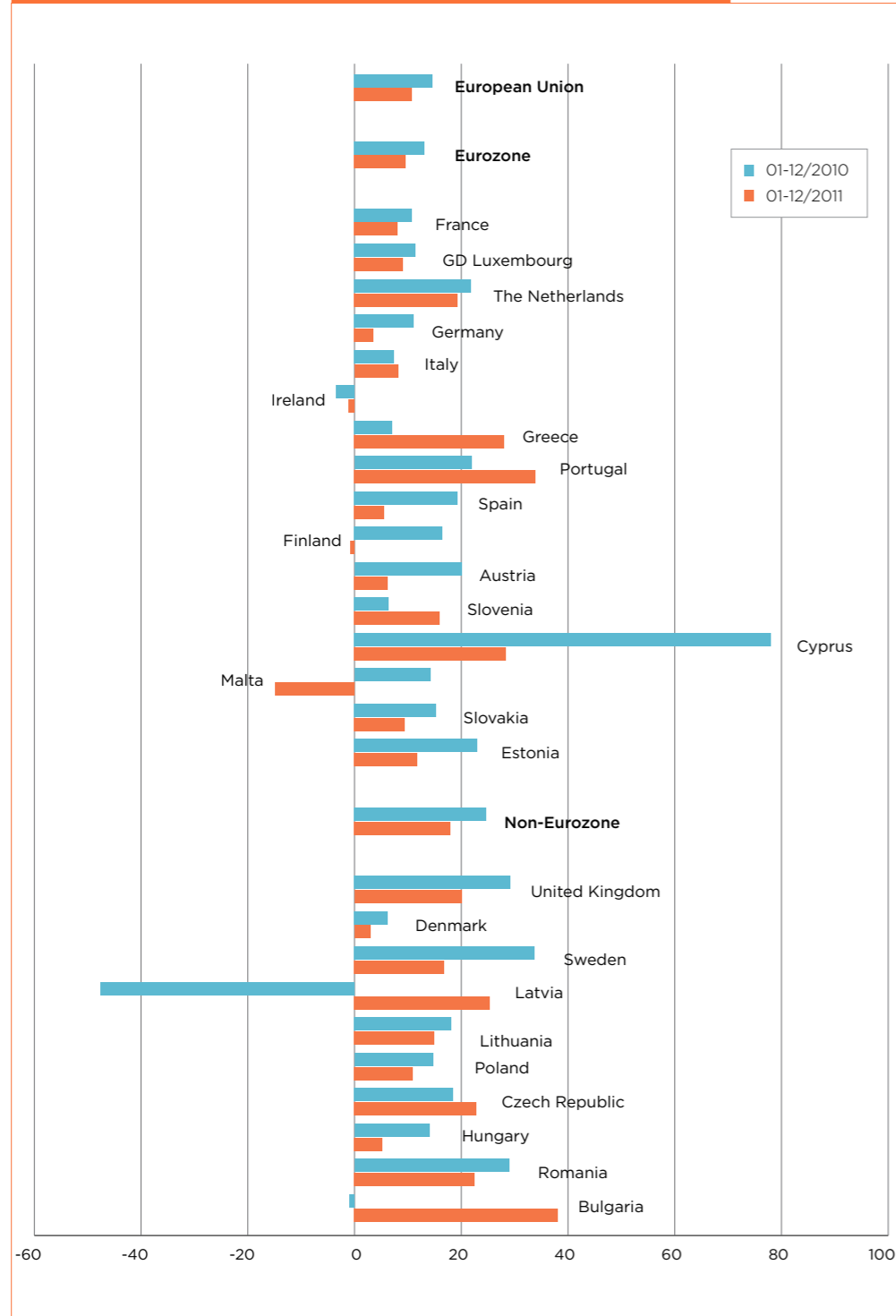
Belgian imports from **European Union** countries showed an increase of 10.9% in 2011 compared with an increase of 14.6% in 2010. The rate of growth for purchases made by Belgium in the eurozone decreased from +13.0% to +9.6%. Similarly the growth rate for Belgian imports from other EU countries not belonging to the eurozone fell from +24.7% in 2010 to +18.0% in 2011.

In the **Eurozone** Belgium saw among others an increase in imports from Portugal (+33.9%), Cyprus (+28.5%), Greece (+28.0%) and the Netherlands (+19.2%). Only imports from Malta (-14.6%), Ireland (-1.2%) and Finland (-0.6%) decreased in 2011.

Imports from each of **the EU countries that have not adopted the euro** increased in 2011. We should point out the increase in imports from Bulgaria (+38.0%), Latvia (+25.1%), the Czech Republic (+22.5%), Romania (+22.2%), the United Kingdom (+19.9%) and Sweden (+16.5%).

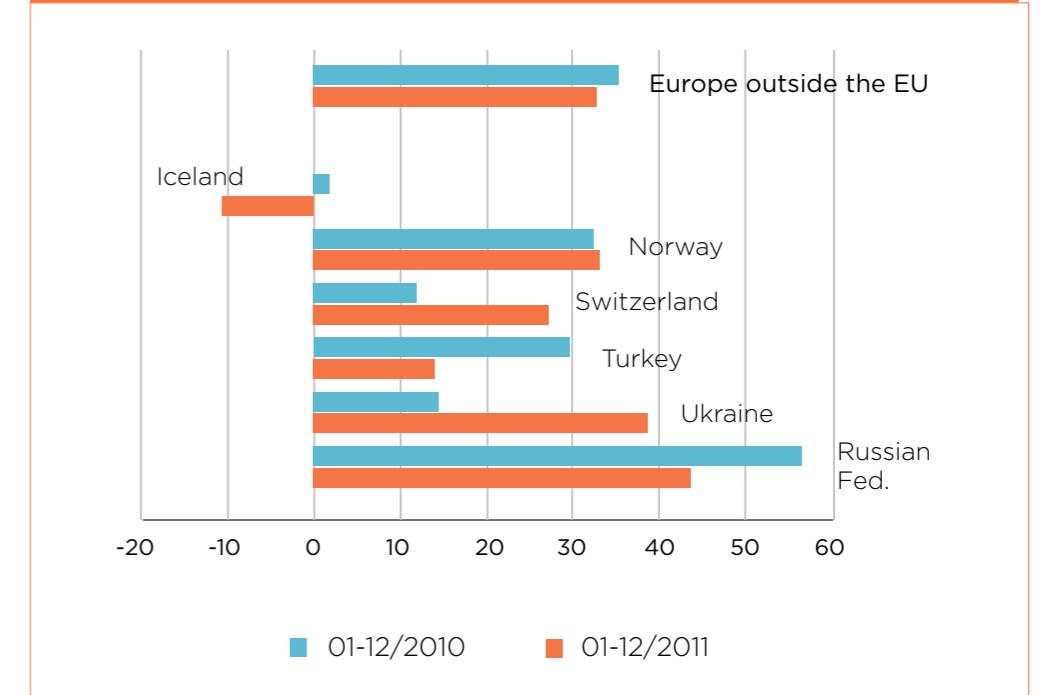


VARIATIONS IN IMPORTS FROM THE EUROPEAN UNION IN 2011 (2010) (IN %)



Purchases made from other European countries outside the EU increased by 32.7% due to an increase in imports from Russia (+43.6%), Ukraine (+38.6%), Norway (+33.2%), Switzerland (+27.0%) and Turkey (+13.9%). Only imports from Iceland (-10.6%) fell in 2011.

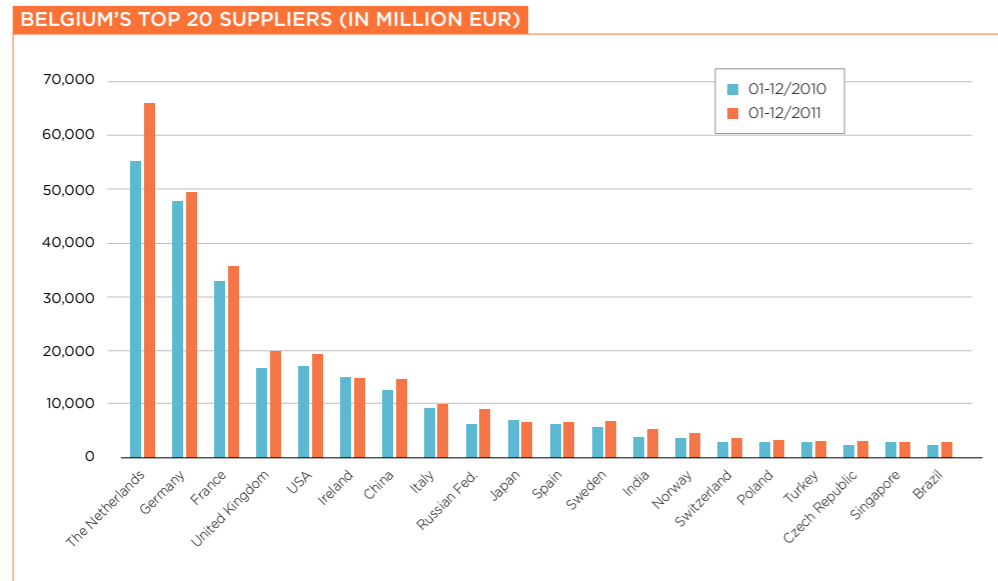
VARIATIONS IN IMPORTS FROM EUROPEAN COUNTRIES OUTSIDE THE EU IN 2011 (2010) (IN %)



Imports from the **rest of the world** evolved differently from one country to another. Those from Oceania increased more sharply than in 2010 while those from Africa, Asia and America increased but at a lower rate than in 2010.

- ← **Africa**: +12.7% in 2011 compared with +27.6% in 2010;
- ← **America**: +14.2% in 2011 compared with +17.3% in 2010;
- ← **Asia**: +12.6% in 2011 compared with +21.6% in 2010 and
- ← **Oceania**: +29.7% in 2011 compared with +27.9% in 2010.

Across all continents the following countries were Belgium's **top 20 suppliers** in 2011:

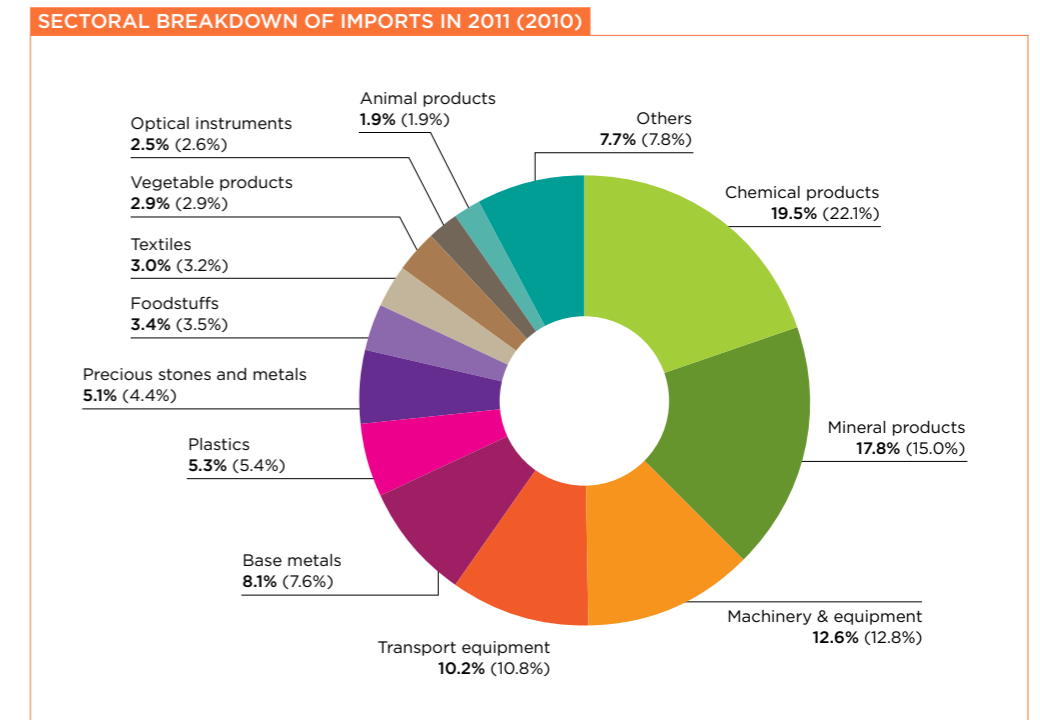


2.2. The sectoral evolution of imports

Just as for exports the largest share of imports also belongs to **chemical products**, which accounts for almost a fifth of our total imports (19.5%). Due to a 0.2% decrease in purchases this share decreased in 2011 compared with 2010.

The other three main shares in 2011 were related to **mineral products, machinery and equipment** and **transport equipment**, which account for 17.8%, 12.6% and 10.2% of Belgium's total imports respectively. Imports for these three shares increased by 33.6%, 11.2% and 6.7% respectively.

These are followed by imports of **base metals**, which grew by 19.6% accounting in turn for 8.1% of Belgium's total imports.





3. GEOGRAPHICAL TRADE BALANCES

Belgium announced a trade surplus with the **European Union**. It increased slightly in 2011 and the positive balance rose from EUR 19.6 billion in 2010 to EUR 19.9 billion in 2011.

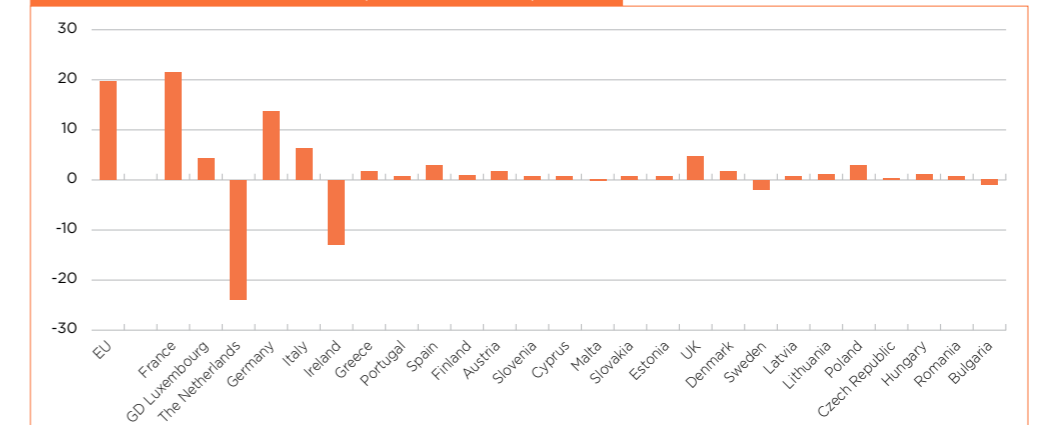
Eurozone countries

In 2011 the positive trade balance with France expanded (EUR 20.9 billion). Other significant surpluses, although smaller, were recorded with Germany (EUR 13.2 billion), Italy (EUR 5.7 billion), the Grand Duchy of Luxembourg (EUR 3.9 billion) and Spain (EUR 2.6 billion).

With the Netherlands the trade balance deteriorated further; the deficit increased from EUR -18.5 billion in 2010 to EUR -24.1 billion in 2011. The trade balance deficit with Ireland also remained (EUR -13.1 billion).

With regard to countries outside the eurozone the overall trade balance remains positive even if it has decreased from EUR 8.1 billion in 2010 to EUR 6.9 billion in 2011.

BELGIUM-EU TRADE BALANCE (IN BILLION EUR) IN 2011



GEOGRAPHICAL TRADE BALANCES

The trade balance deteriorated with **other European countries outside the EU**. The trade deficit in fact increased from EUR -1,015.1 million to EUR -2,429.4 million. Belgium's negative balance with Russia increased to EUR -4,227.1 million and with Norway it also deteriorated increasing to EUR -2,656.2 million.

With regard to the other continents it should be noted that Belgium's trade balance with **America** worsened. A trade deficit amounting to EUR -1,177.1 million recorded in 2010 increased and ran to EUR -4,632.6 million in 2011.

With **Asia** the deficit amounting to EUR -10,745.3 million in 2010 reduced to EUR -10,072.4 million in 2011.

Belgium's trade balance with **Africa** showed a surplus of EUR 1,782.3 million in 2011 which is more than double the surplus for 2010 (EUR 765.7 million).

With regard to **Oceania** the trade balance was closed in 2011 with a surplus of EUR 185.1 million while the surplus amounted to EUR 498.9 million in 2010.





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