

# Belgium

## March 2023

### Executive Summary

This country fact sheet provides key trade and investment related statistics for Belgium. Specifically, it shows Belgium's trade and investment flows including an analysis of top markets and products with both South Africa and the Western Cape, while highlighting the largest and fastest growing products and sub-sectors. Key findings and trends are outlined below:

### Economy

- Belgium's post-pandemic recovery has slowed due to spill overs from the ongoing Ukraine-Russia conflict, high inflation, tighter financial conditions, and elevated uncertainty.
- As a result, growth is projected to slow to 0.4% in 2023, from 2.4% in 2022 and 6.3% in 2021.
- It is expected that inflation should decelerate from 10.3% in 2022 to 5.5% in 2023, as energy prices ease.

### Trade

- South Africa's export receipts with Belgium totalled ZAR64.34bn in 2022, a 24.55% y-o-y increase from the ZAR51.66bn earned in 2021. Associated import costs increased by 15.55% y-o-y to a value of ZAR23.39bn in 2022, up from ZAR20.24bn incurred in 2021.
- Motor vehicles was South Africa's leading export category to Belgium in 2022, at a value of ZAR18.39bn.
- Western Cape export receipts from its trade with Belgium stood at ZAR3.85bn in 2022, an increase of 48.48% y-o-y from the 2021 value of ZAR2.60bn. Import costs stood at ZAR6.52bn in 2022, 28.39% higher than the 2021 value of ZAR5.08bn.
- Flat-rolled products of iron were the Western Cape's leading export category to Belgium in 2022 at a value of at ZAR1, 417.35m.

### Investment

- According to FDI Intelligence's market statistics, a total of 14 FDI projects (with a capex value of ZAR11.89bn) were recorded from Belgium into South Africa over the period, January 2013 and December 2022. Five of these projects were invested into the Western Cape.
- South Africa invested 10 FDI projects (with a total capex of ZAR2.35bn) into Belgium over the same review period. A total of six of those projects were made by Western Cape-based companies.

### Tourism

- In 2022, South Africa received 34, 826 tourist arrivals from Belgium, reflecting a 282% y-o-y growth when compared to 2021, and a recovery of 64% over 2019.
- For the full year 2022, Belgium ranked as Cape Town's 10th largest source market for tourist arrivals via air.
- Cape Town welcomed over 12, 000 tourists from Belgium in 2022, reflecting a 262% y-o-y increase when compared to 2021 and recovering by 74% against the same period in 2019.

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## 1. Economic Overview

Belgium's post-pandemic recovery has slowed on the back of the ongoing Ukraine-Russia conflict, high inflation, tighter financial conditions, and increased uncertainty. While the government responded quickly through indexation of wages and benefits to support households and firms against the spike in energy prices seen in the course of 2022, this has come at a cost as reflected in the increased fiscal deficit in 2022 and forecast for 2023. On the other side, the labour market has remained resilient, with record-high job creation and low unemployment.

The International Monetary Fund (IMF) expects economic growth to slow from 2.4% in 2022 to 0.4% in 2023, before returning to potential of 1.4% over the medium term. It is expected that inflation should decelerate from 10.3% in 2022 to 5.5% in 2023, as energy prices ease. The structural fiscal deficit is expected to remain high over the medium term, as a result of social-benefit pressures and the absence of adjustment measures.

Sources: International Monetary Fund (IMF), 2023

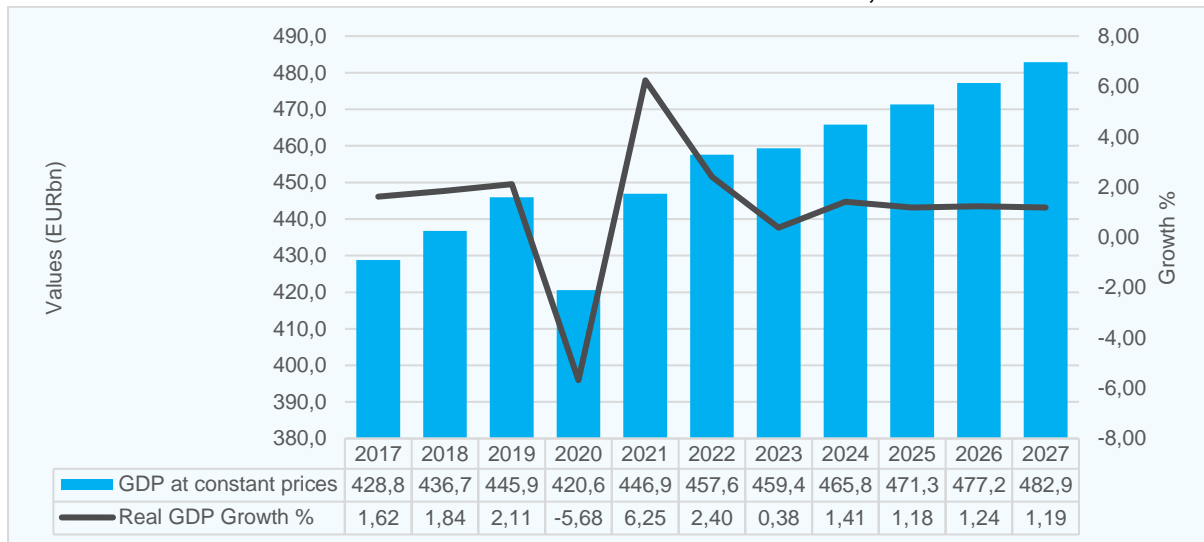
**TABLE 1: ECONOMIC INFORMATION - BELGIUM**

ECONOMIC INFORMATION - BELGIUM	
GDP (constant prices) (2022 est.)	EUR457.61bn
GDP growth (constant prices) (2022 est.)	2.40%
GDP per capita (constant prices) (2022 est.)	EUR39, 278.39
Inflation (average consumer prices) (2022 est.)	9.47%
ECB – marginal lending facility (8 February 2023)	3.00%
Unemployment rate (2022 est.)	5.45%
Total Exports (2021)	USD549.50bn
Total Imports (2021)	USD532.55bn

Sources: IMF, 2023; European Central Bank, 2023; Trademap, 2023

Belgium's past and future performance of real GDP is illustrated in figure 1 below. The IMF predicts a growth of 0.38% in 2023 and 1.41% in 2024.

**FIGURE 1: BELGIUM REAL GDP AND GDP GROWTH RATE, 2017 – 2027F**

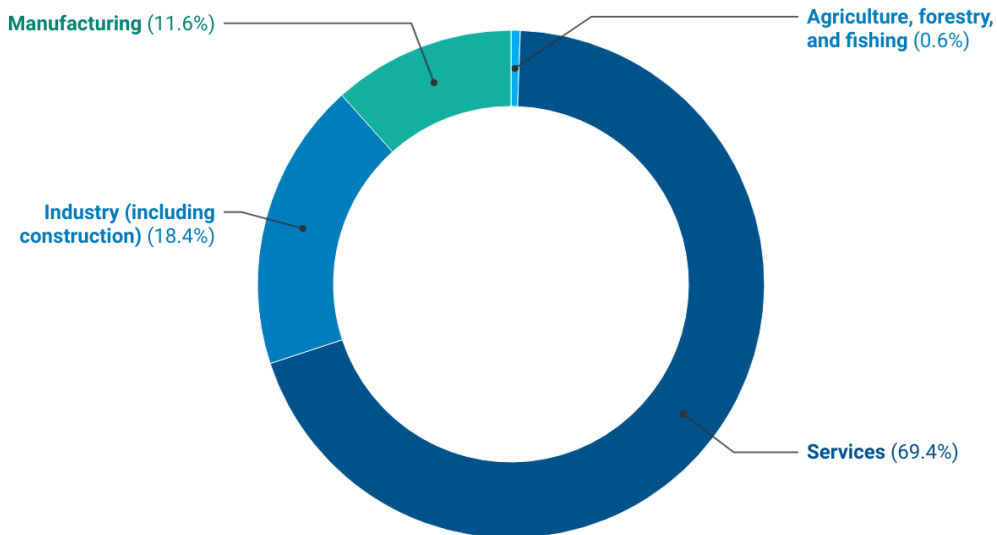


Source: IMF, 2023

## 1.1 Economic Structure

In terms of economic structure, the services sector, with a contribution of 69.4% to GDP (at factor cost) is the largest contributor to GDP in Belgium. It is followed by industry (18.4%), manufacturing (11.6%), and agriculture (0.6%).

**FIGURE 2: REAL GROSS VALUE ADDED PER INDUSTRY, BELGIUM, 2021**



Source: World Bank, 2023

## 1.2 Belgium's Sovereign Credit & Risk Ratings

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While a number of credit agencies exist, the three most recognised credit ratings agencies globally are Fitch Ratings, Moody's Investors Services (Moody's) and Standard & Poor's (S&P). Reasons for a country/sovereign to seek a credit rating from one of these three agencies include not only to access funding in international bond markets via the issuance of bonds in external debt markets, but it is a means to attract foreign direct investment. Obtaining a good sovereign credit rating instils confidence in investors seeking to invest in that country, with the credit rating a means for the country to demonstrate financial transparency and credit standing. Two key rating 'standards' exist, with the highest possible rating category being "AAA" according to S&P, which indicates that the rated country has extremely strong capacity to meet its financial commitments. A wide range of rating categories exists below this, with the categories ranging all the way down to SD (i.e., defaulted), which means the rated country has failed to pay one or more of its financial obligations when it came due.

On 16 September 2022 **Fitch Ratings** affirmed Belgium's sovereign credit rating at AA- with a stable outlook. The key rating drivers according to the agency were the following: (1) Belgium's strong credit fundamentals, supported by its diversified, high-value-added and wealthy economy helped to support its ratings. (2) The rating also reflected the downward revision to growth by Fitch as a result of the negative effect of soaring energy prices which will put pressure on the economy in 2023, especially in the energy-intensive pharmaceutical and manufacturing sectors that were driving the post-pandemic recovery. Fitch has revised down the real GDP forecast to 2.4% in 2022 and 0.4% in 2023, from 1.8% and 2.6%, respectively. (3) Moreover, inflation poses risks to Belgium's competitiveness. The rating agency mentioned that Belgium's automatic wage indexation represented a higher risk of inflation pressures becoming more persistent through a wage-price spiral. The higher inflation and nominal wage growth could erode the price competitiveness of the Belgian economy, especially if wage growth in the neighbouring countries is moderate. (40) Also, the requirements for additional spending have put significant pressure on the public finances, thus widening the fiscal deficit and increasing debt-financing costs.

Standard & Poor's credit rating for Belgium currently stands at AA with stable outlook. Moody's credit rating for Belgium was last set at Aa3 with stable outlook. The ratings for Belgium are shown in table 2 below.

**TABLE 2: BELGIUM SOVEREIGN CREDIT RATINGS, 2022**

CREDIT RATING AGENCY	STANDARD & POORS	MOODY'S INVESTOR SERVICES	FITCH RATINGS
CREDIT RATING	AA	Aa3	AA-
OUTLOOK	Stable	Stable	Stable
DATE OF LAST CHANGE	20-09-2021	26-11-2021	16-09-2022

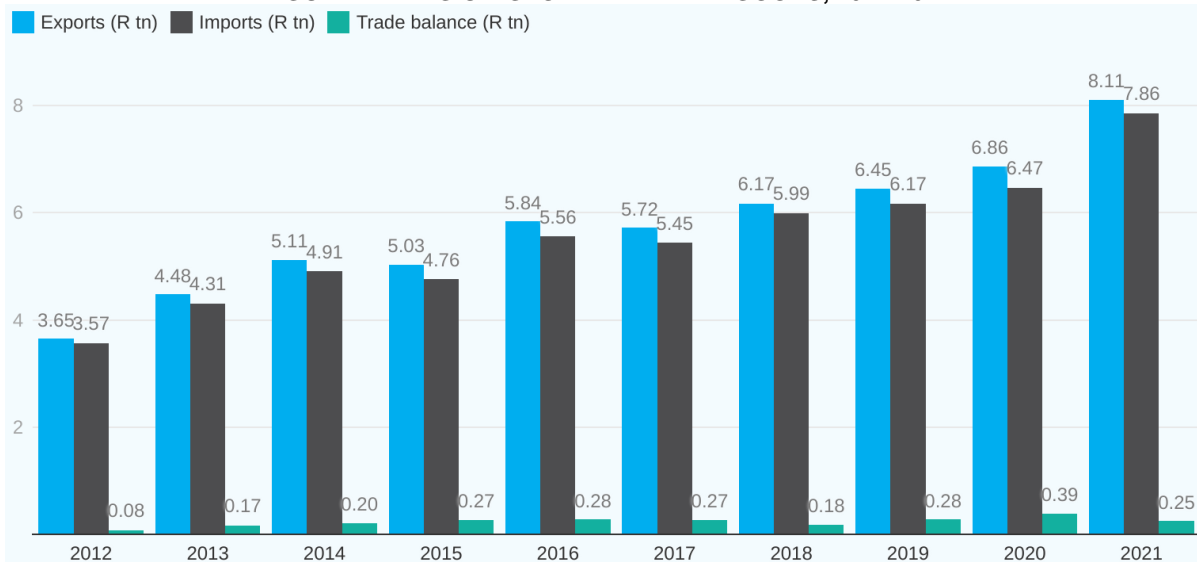
Sources: Standard & Poor's, 2021; Moody's Investors Services, 2021; & Fitch Ratings, 2022

## 2. Trade

### 2.1 Belgium's trade with the rest of the world

In 2021, Belgium was the 10th largest global exporter of goods, with a share of 2.5% of world exports. The country was also the 12th largest importer of goods in the same year, accounting for 2.5% of global imports. As can be seen in Figure 3, Belgium was a net exporter of goods between 2012 and 2021. The country's exports and imports increased by 18.22% and 26.41% respectively in 2021.

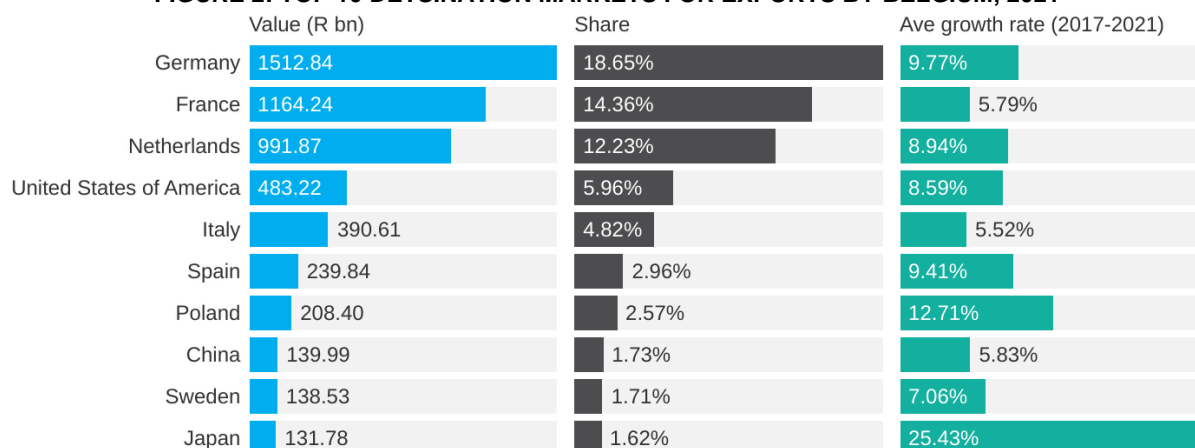
**FIGURE 1: BELGIUM GLOBAL TRADE IN GOODS, 2012-2021**



Source: International Trade Centre, 2022

Most of the top 10 destination markets for Belgium's exports are European Union (EU) member states. Germany (18.65%), France (14.36%) and the Netherlands (12.23%) were the top three largest export markets for Belgium in 2021. The United States, China and Japan were the only countries outside the EU in the top 10. Among the top 10 destination markets for Belgium's exports, Japan recorded the highest average growth rate between 2017 and 2021.

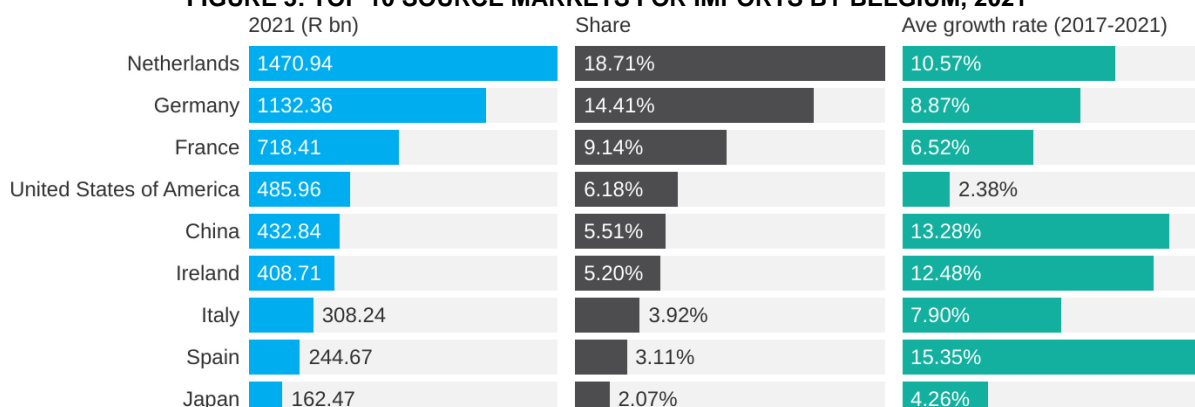
**FIGURE 2: TOP 10 DESTINATION MARKETS FOR EXPORTS BY BELGIUM, 2021**



Source: International Trade Centre, 2022

The Netherlands, with a share of 18.71%, was Belgium's top supplier of imported products in 2021, followed by Germany (14.41%) and France (9.14%). Outside the EU, 6.18% of Belgium's imports came from the United States, 5.51% from China and 2.07% from Japan. Between 2017 and 2021, Belgium's imports from Spain increased at an average annual rate of 15.35%, the highest among the top 10 source markets.

**FIGURE 3: TOP 10 SOURCE MARKETS FOR IMPORTS BY BELGIUM, 2021**



Source: International Trade Centre, 2022

As shown in Figure 6 below, human and animal blood prepared for therapeutic, prophylactic, or diagnostic uses, were Belgium's top exported product in 2021, accounting for 11.297% of its global exports. Medicaments (6.03%), and motor cars and other vehicles principally designed for the transport of person (5.79%) were, respectively, the second and third largest categories of the country's goods exports. With an average annual growth rate of 64.79% between 2017 and 2021, parts and accessories for tractors and motor vehicles for the transport of 10 or more persons, recorded the average highest increase over the past 5 years.

**FIGURE 4: TOP 10 PRODUCTS EXPORTED BY BELGIUM, 2021**

	Value (R bn)	Share	Ave growth rate (2017-2021)
Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses	915.92	11.29%	6.99%
Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic uses	488.77	6.03%	40.33%
Motor cars and other motor vehicles principally designed for the transport of persons	469.90	5.79%	5.45%
Petroleum oils and oils obtained from bituminous minerals (excluding crude)	466.19	5.75%	1.59%
Diamonds	183.97	2.27%	12.96%
Petroleum gas and other gaseous hydrocarbons	174.71	2.15%	-2.63%
Parts and accessories for tractors, motor vehicles for the transport of ten or more persons	122.06	1.51%	64.79%
Polymers of ethylene, in primary forms	106.64	1.31%	8.90%
Instruments and appliances used in medical, surgical, dental or veterinary sciences	87.61	1.08%	6.44%
Platinum, incl. palladium, rhodium, iridium, osmium and ruthenium	87.37	1.08%	-1.31%

Source: International Trade Centre, 2022

In turn, human blood, animal blood prepared for therapeutic, prophylactic, or diagnostic uses (7.93%); motor cars and other vehicles principally designed for the transport of person (6.00%); and medicaments (4.75%) were the top three products imported by Belgium in 2021 as shown in Figure 5 below.

**FIGURE 5: TOP 10 PRODUCT IMPORTED BY BELGIUM, 2021**

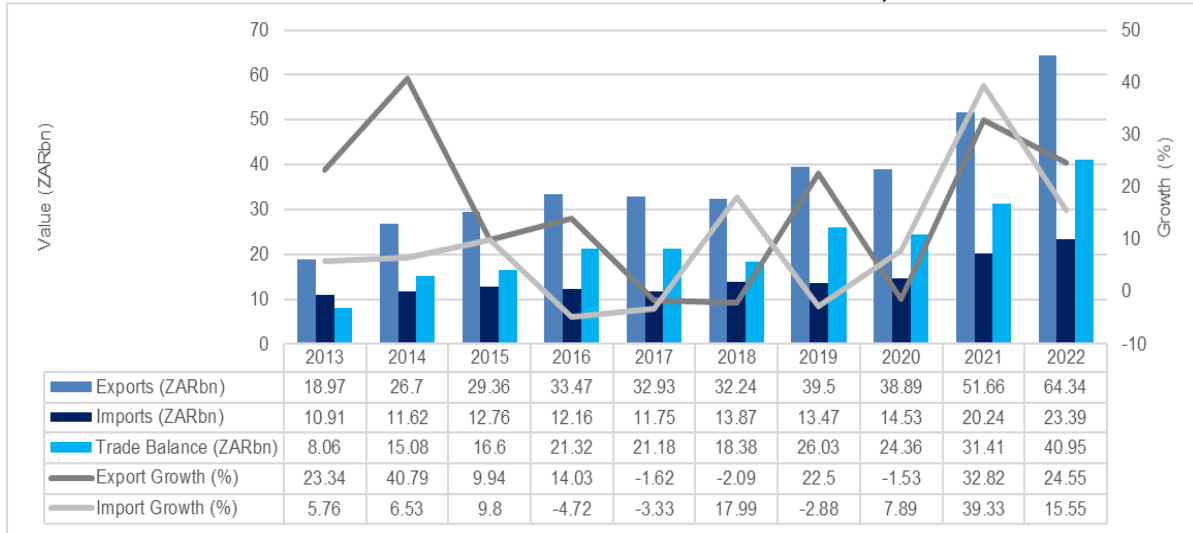
	Value (R bn)	Share	Ave growth rate (2017-2021)
Human blood; animal blood prepared for therapeutic, prophylactic or diagnostic uses	623.35	7.93%	31.52%
Motor cars and other motor vehicles principally designed for the transport of persons	471.44	6.00%	-0.15%
Medicaments consisting of mixed or unmixed products for therapeutic or prophylactic uses	373.23	4.75%	4.77%
Petroleum oils and oils obtained from bituminous minerals (excluding crude)	346.24	4.41%	10.34%
Petroleum gas and other gaseous hydrocarbons	302.29	3.85%	50.61%
Petroleum oils and oils obtained from bituminous minerals, crude	275.90	3.51%	16.33%
Nucleic acids and their salts; heterocyclic compounds	179.18	2.28%	178.68%
Diamonds	169.16	2.15%	-4.00%
Parts and accessories for tractors, motor vehicles for the transport of ten or more persons	150.59	1.92%	7.34%
Waste and scrap of precious metal or of metal clad with precious metal	94.22	1.20%	8226.28%

Source: International Trade Centre, 2022

## 2.2 Trade with South Africa

In 2022, Belgium ranked as South Africa's tenth largest global export market and its seventh largest export market in Europe. Figure 8 shows a 10-year trend of trade in goods between South Africa and Belgium, spanning the period 2013 to 2022. South Africa maintained a positive trade balance with Belgium, which increased exponentially from a value of ZAR8.06bn in 2013 to ZAR40.95bn in 2022. The widening of this trade surplus is mostly attributed to the steep rise in exports to Belgium, which increased by more than 3.5 times its value over the last decade from a value of ZAR18.97bn in 2013 to ZAR64.43bn in 2022, while imports increased at a slower rate.

**FIGURE 6: TRADE BETWEEN SOUTH AFRICA AND BELGIUM, 2013-2022**



Source: Quantec, 2023

South Africa's top exported products to Belgium in 2022 were motor vehicles for the transport of goods (R18.39bn); sulphates (R8.48bn) and diamonds (R6.57bn). These three product categories made up the bulk of exports, accounting for more than 50% of South African exports to Belgium.

Of interest is South Africa's exports of coal by-products (such as briquettes) to Belgium, which increased at an average annual rate of 161,199.58% over the period 2018 to 2022. This astronomical growth was mainly due to a surge in coal by-product exports in 2022, where exports of coal by-products to Belgium increased by 806,093%, from ZAR409,708 in 2021 to ZAR3.30bn in 2022.

**FIGURE 7: SOUTH AFRICA'S TOP 10 EXPORTS TO BELGIUM, 2022**

	Value (ZARbn), 2022	Share (%), 2022	Ave Growth (%), 2018-2022
Motor vehicles for the transport of goods	18.39	28.59	38.11
Sulphates; alums; peroxosulphates	8.48	13.18	27.94
Diamonds, whether or not worked, but not mounted or set	6.57	10.22	8.46
Unclassified	4.91	7.64	1,483.88
Waste and scrap of precious metal	3.33	5.17	23.65
Coal; briquettes	3.3	5.13	161,199.58
Motor vehicles for the transport of persons	2.59	4.03	-8.18
Acyclic alcohols and their halogenated, sulphonated, nitrated or nitrosated derivatives	1.99	3.09	17.7
Titanium ores and concentrates	1.96	3.04	20
Flat-rolled products of iron or non-alloy steel (width of 600 mm or more)	1.42	2.2	33.5

Source: Quantec, 2023



The import of refined petroleum oils dominated the South African import basket from Belgium, reaching a total import cost of ZAR5.61bn and accounted for 24.01% of Belgian imports in 2022. In addition, the import of plant care products such as insecticides and fungicides ranked in second at an import cost of ZAR1.93bn, while unclassified imports ranked in third at a value of ZAR1.69bn in 2022. Furthermore, most of the top 10 imports from Belgium reflected strong import growth, with unclassified products (686.73%); refined petroleum oils (286.41%); original equipment components (230.97%) and harvesting machinery (119.55%) all reaching triple-digit average annual growth rates from 2018 to 2022.

**FIGURE 10: SOUTH AFRICA'S TOP 10 IMPORTS FORM BELGIUM, 2022**

	Value (ZARm), 2022	Share (%), 2022	Ave Growth (%), 2018-2022
Refined petroleum oils	5,615.45	24.01	286.41
Insecticides, rodenticides, fungicides etc	1,927.6	8.24	33.89
Unclassified	1,689.76	7.22	686.73
Original equipment components	1,252.71	5.36	230.97
Copper wire	935.56	4	26.06
Anti-knock preparations, oxidation inhibitors, gum inhibitors etc	666.76	2.85	13.21
Malt	596.77	2.55	26.42
Harvesting or threshing machinery	426.41	1.82	119.55
Other preserved vegetables	401.91	1.72	42.79
Flat-rolled products of other alloy steel, of a width of 600 mm or more	341.22	1.46	30.06

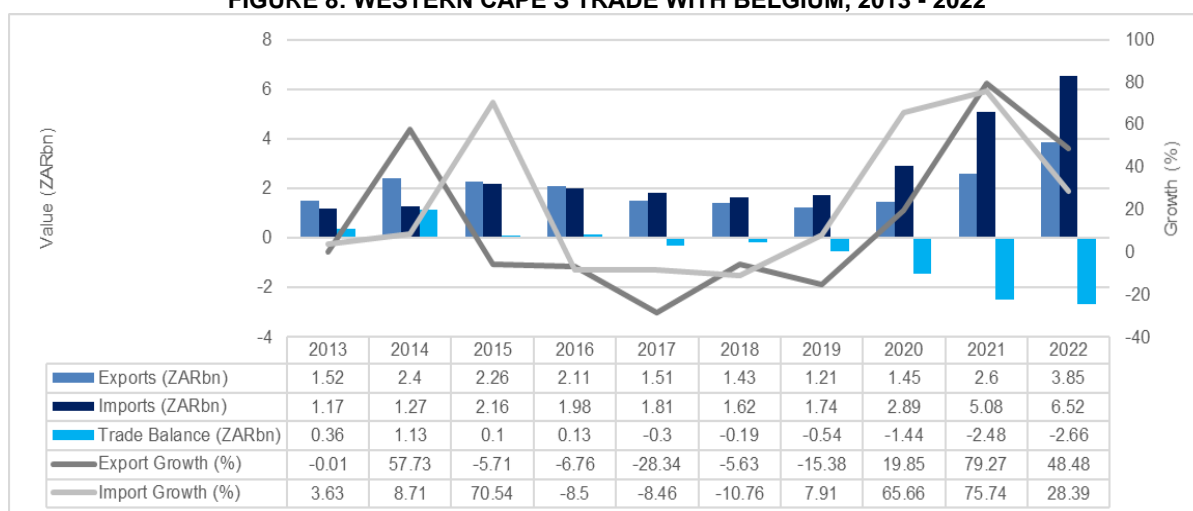
Source: Quantec, 2023

### 2.3 Western Cape Trade with Belgium

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Figure 11 highlights the Western Cape's trade with Belgium for the period, 2013-2022. Belgium was the Western Cape's fourth largest export market and third largest import market in 2022. Total trade with Belgium has increased exponentially since 2020, with the Western Cape's imports consistently reaching more than double that of its exports to Belgium – resulting in a significant trade deficit over the last three years. More recently, the rand value of the Western Cape's goods exports to Belgium reached a value of ZAR3.85 billion in 2022, while its imports weighed in at ZAR6.52 billion, resulting in a trade deficit of around ZAR2.66 billion as indicated in Figure 11.

**FIGURE 8: WESTERN CAPE'S TRADE WITH BELGIUM, 2013 - 2022**



Source: Quantec, 2023

Flat-rolled products of iron or non-alloy steel (clad, plated or coated) accounted for approximately 36.78% of the Western Cape's exports to Belgium in 2022. Coal and coal by-products (18.58%) and diamonds (17.71%), respectively, constituted the second and third largest exported products from the province to Belgium as shown in Figure 12. The province's export of cigar, cheroots, cigarillos, and cigarettes to Belgium rose sharply over the five-year period analysed.

**FIGURE 9: WESTERN CAPE'S TOP 10 EXPORTS TO BELGIUM, 2022**

	Value (ZARm), 2022	Share (%), 2022	Ave Growth (%), 2018-2022
Flat-rolled products of iron or non-alloy steel (width of 600 mm or more)	1,417.35	36.78	33.5
Coal; briquettes	715.87	18.58	20
Diamonds, whether or not worked, but not mounted or set	682.56	17.71	3
Wine	378.36	9.82	18.55
Flat-rolled products of iron or non-alloy steel, (cold-rolled or cold-reduced)	90.78	2.36	8.14
Ceramic wares for laboratory, chemical or other technical uses	68.32	1.77	-17.55
Beauty preparations for the care of the skin	54.92	1.43	10.03
Cigars, cheroots, cigarillos and cigarettes	32.12	0.83	3,855.39
Citrus fruit, fresh or dried	29.1	0.76	27.31
Waste and scrap of precious metal	29.04	0.75	97.16

Source: Quantec, 2023

Imports into the Western Cape from Belgium were highly concentrated, with 80% of products imported from Belgium into the Western Cape were refined petroleum oils and oils obtained from bituminous minerals. This was followed by various inhibitors (with a share of 2.6%) and other preserved vegetables at a share of 1.37% of Belgian imports. The import of uncoated paper and paperboards reached a high five-year average growth rate of 3,912,791.62%, which was largely due to a surge in imports of this product in 2020 – from virtually zero imported in 2019 to nearly ZAR2 million in 2020.

**FIGURE 10: WESTERN CAPE'S TOP 10 IMPORTS FROM BELGIUM, 2022**

	Value (ZARm), 2022	Share (%), 2022	Ave Growth (%), 2018-2022
Refined petroleum oils	5,013.88	76.92	232.01
Anti-knock preparations, oxidation inhibitors, gum inhibitors etc	169.67	2.6	122.92
Other preserved vegetables	89.28	1.37	80.07
Other printed matter, including printed pictures and photographs	64.87	1	14.7
Uncoated paper and paperboard	57.47	0.88	3,912,791.62
Chocolate and other food preparations containing cocoa	56.2	0.86	25.34
Primary cells and primary batteries	53.07	0.81	826.85
Unclassified	48.65	0.75	0.81
Air conditioning machines	43.78	0.67	-1.24
Polymers of propylene or of other olefins	43.66	0.67	16.28

Source: Quantec, 2023

## 2.4 Tariffs

The table below shows tariffs imposed by Belgium on South Africa's exports in 2023.

**TABLE 3: TARIFFS IMPOSED ON SOUTH AFRICAN EXPORTS BY BELGIUM, 2023**

HS CODE AND PRODUCT DESCRIPTION	TARIFF, %	HS CODE AND PRODUCT DESCRIPTION	TARIFF, %	HS CODE AND PRODUCT DESCRIPTION	TARIFF, %
H01: Live animals	9	H33: Essential oils, perfumes, cosmetics, toiletries	0	H65: Headgear and parts thereof	0
H02: Meat and edible meat offal	15	H34: Soaps, lubricants, waxes, candles, modelling pastes	0	H66: Umbrellas, walking-sticks, seat-sticks, whips	0
H03: Fish, crustaceans, molluscs, aquatic invertebrates	0	H35: Albs, uminoids, modified starches, glues, enzymes	2	H67: Bird skin, feathers, artificial flowers, human hair	0
H04: Dairy products, eggs, honey, edible animal product	5	H36: Explosives, pyrotechnics, matches, pyrophorics	0	H68: Stone, plaster, cement, asbestos, mica, articles	0
H05: Products of animal origin	0	H37: Photographic or cinematographic goods	0	H69: Ceramic products	0
H06: Live trees, plants, bulbs, roots, cut flowers	1	H38: Miscellaneous chemical products	0	H70: Glass and glassware	0
H07: Edible vegetables and certain roots and tubers	4	H39: Plastics and articles thereof	0	H71: Pearls, precious stones, metals, coin	0
H08: Edible fruit, nuts, peel of citrus fruit, melons	3	H40: Rubber and articles thereof	0	H72: Iron and steel	0
H09: Coffee, tea, mate, and spices	0	H41: Raw hides and skins (other than fur skins) and leather	0	H73: Articles of iron or steel	0
H10: Cereals	3	H42: Articles of leather, animal gut, harness, travel goods	0	H74: Copper and articles thereof	0
H11: Milling products, malt, starches, inulin, wheat gluten	10	H43: Fur skins and artificial fur, manufactures thereof	0	H75: Nickel and articles thereof	0
H12: Oil seed, oleagic fruits, grain, seed, fruit,	0	H44: Wood and articles of wood, wood charcoal	0	H76: Aluminium and articles thereof	2
H13: Lac, gums, resins, vegetable saps and extracts	1	H45: Cork and articles of cork	0	H78: Lead and articles thereof	0
H14: Vegetable plaiting materials, vegetable products	0	H46: Manufactures of plaiting material, basketwork, etc.	0	H79: Zinc and articles thereof	0
H15: Animal, vegetable fats and oils, cleavage products,	0	H47: Pulp of wood, fibrous cellulosic material, waste	0	H80: Tin and articles thereof	0
H16: Meat, fish, and seafood food preparations	4	H48: Paper & paperboard, articles of pulp, paper, and board	0	H81: Other base metals, cermet's, articles thereof	0
H17: Sugars and sugar confectionery	29	H49: Printed books, newspapers, pictures	0	H82: Tools, implements, cutlery, of base metal	0
H18: Cocoa and cocoa preparations	0	H50: Silk	0	H83: Miscellaneous articles of base metal	0
H19: Cereal, flour, starch, milk preparations and products	5	H51: Wool, animal hair, horsehair yarn and fabric thereof	0	H84: Nuclear reactors, boilers, machinery	0
H20: Vegetable, fruit, nut food preparations	6	H52: Cotton	0	H85: Electrical, electronic equipment	0

H21: Miscellaneous edible preparations	3	H53: Vegetable textile fibres paper yarn, woven fabric	0	H86: Railway, tramway locomotives, rolling stock, equipment	0
H22: Beverages, spirits, and vinegar	3	H54: Manmade filaments	0	H87: Vehicles other than railway, tramway	0
H23: Residues, wastes of food industry, animal fodder	0	H55: Manmade staple fibres	0	H88: Aircraft, spacecraft, and parts thereof	0
H24: Tobacco and manufactured tobacco substitutes	0	H56: Wadding, felt, nonwovens, yarns, twine, cordage	0	H89: Ships, boats, and other floating structures	0
H25: Salt, sulphur, earth, stone, plaster, lime, and cement	0	H57: Carpets and other textile floor coverings	0	H90: Optical, photo, technical, medical apparatus	0
H26: Ores, slag, and ash	0	H58: Special woven or tufted fabric, lace, tapestry	0	H91: Clocks and watches and parts thereof	0
H27: Mineral fuels, oils, distillation products,	0	H59: Impregnated, coated, or laminated textile fabric	0	H92: Musical instruments, parts, and accessories	0
HS28: Inorganic chemicals	0		0	H94: Furniture, lighting, signs, prefabricated buildings	
H29: Organic chemicals	0	H61: Articles of apparel, accessories, knit or crochet	0	H95: Toys, games, sports requisites	0
H30: Pharmaceutical products	0	H62: Articles of apparel, accessories, not knit or crochet	0	H96: Miscellaneous manufactured articles	0
H31: Fertilizers	0	H63: Other made textile articles, sets, worn clothing	0	H97: Works of art, collectors pieces and antiques	0
H32: Tanning, dyeing extracts, tannins, derivatives, pigments	0	H64: Footwear, gaiters and the like, parts thereof	0	H99: Commodities not elsewhere specified	0

Source: TradeMap, 2023

**NOTE:** Exporters should not take the HS2 tariff as conclusive and as the actual tariff that will be applied to the exported product. The tariffs indicated above are average tariffs and for products within the category it may be higher or lower than indicated. Where the tariff is zero it can be assumed that there is zero tariff applicable to all products within that HS code. Tariffs are determined according to the importing country's national tariff line from the HS6 level and upwards. Exporters are advised to visit [www.macmap.org](http://www.macmap.org) to determine the exact tariff applicable to the product at HS6.

## 2.5 Trade Agreements

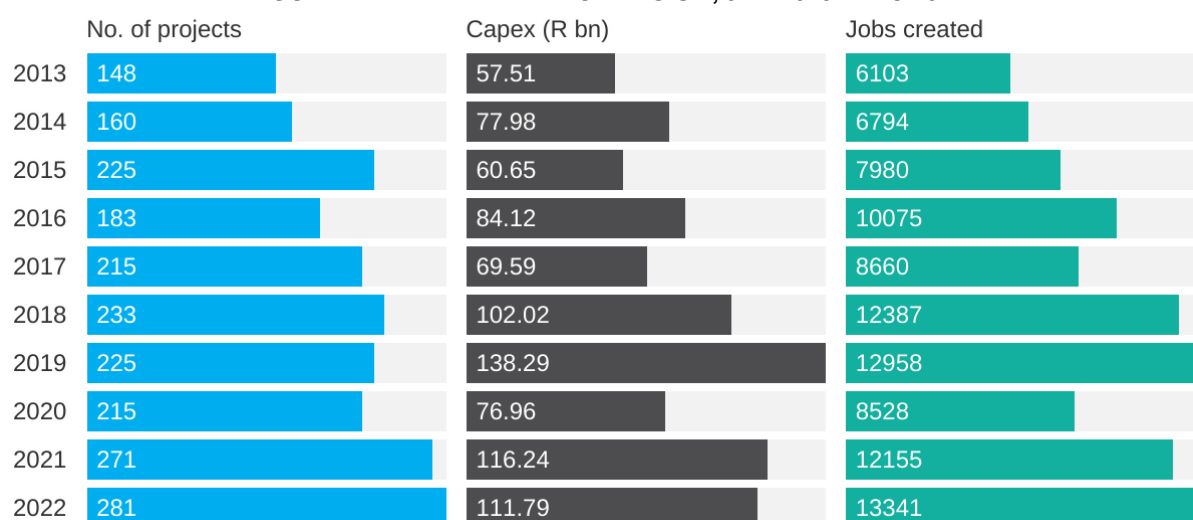
With Belgium being a member of the EU and South Africa being part of the Southern African Development Community (SADC), the two countries form part of the SADC-EU Economic Partnership Agreement (EPA). The SADC-EU EPA is a reciprocal trade agreement, meaning both the EU and the SADC EPA group offer preferential market access to each other. However, the EU provides greater preferential and duty-free access, while the SADC EPA group to maintain protection of sensitive sectors. The EPA provides preferential access to the EU market for 98.7% of South African goods (96.2% fully duty free and 2.5% partially). Goods that are partially duty free are subject to Tariff Rate Quotas (TRQs). To benefit from preferential access under the EPA TRQs, exporters need to apply for quota allocation. Certain products require application to the Department of Agriculture, Land Reforms and Rural Development (DALRRD). Other products only need an application to SARS for a EUR1 certificate, allocation is on a first-come-first-served basis. Quota allocation by DALRRD is based on their preferential market access allocation system and permits are valid 1 January to 31 December.

### 3. Foreign Direct Investment

#### 3.1 Inward FDI into Belgium

Between January 2013 and December 2022, a total of 2 156 FDI projects were recorded into Belgium. These projects represent a total capital investment of R895.16 billion, which is an average investment of R415.71 million per project. During this period, a total of 98 981 jobs were created. Figure 14 shows that capex into Belgium peaked at R138.29 billion in 2019, while the number of projects peaked in 2022, with a total of 281 projects.

**FIGURE 14: INWARD FDI INTO BELGIUM, JAN 2013 - DEC 2022**



Source: FDI Intelligence, 2023

Western Europe accounted for 62.11% of FDI projects and 53.99% of capex into Belgium between January 2013 and December 2022. As shown in Table 4 below, the United States (US) was the largest source market for inward FDI into Belgium in terms of both the number of projects and capex. The US accounted for 18.14% of total projects and 26.46% of capex during the period under consideration.

**TABLE 4: TOP 10 SOURCE MARKETS FOR INWARD FDI INTO BELGIUM, JAN 2013 - DEC 2022**

Projects				Capex			
Rank	Source Country	No. of projects	% Share of projects	Rank	Source Country	Capex (R bn)	% Share of capex
1	United States	391	18.14%	1	United States	236.90	26.46%
2	France	284	13.17%	2	Switzerland	90.71	10.13%
3	Netherlands	261	12.11%	3	Germany	90.25	10.08%
4	United Kingdom	204	9.46%	4	France	86.77	9.69%
5	Germany	173	8.02%	5	Netherlands	76.64	8.56%
6	Japan	100	4.64%	6	Japan	51.07	5.71%
7	Switzerland	96	4.45%	7	United Kingdom	46.15	5.16%
8	China	81	3.76%	8	UAE	31.86	3.56%
9	Spain	71	3.29%	9	China	27.54	3.08%
10	Sweden	53	2.46%	10	Luxembourg	21.49	2.40%

Source: FDI Intelligence, 2023

Accounting for 12.48% of Belgium’s inward FDI projects, business services was the top sector in terms of the number of projects, while the chemicals industry (with a share of 16.98%) recorded the largest capex between 2013 and 2022.

**FIGURE 15: TOP 10 SECTORS FOR INWARD FDI INTO BELGIUM, JAN 2013 - DEC 2022**

	No. of projects	% Share of projects		Capex (R bn)	% Share of capex
Business services	269	12.48%	Chemicals	152.01	16.98%
Transportation & Warehousing	239	11.09%	Transportation & Warehousing	113.68	12.70%
Software & IT services	185	8.58%	Food & Beverages	82.80	9.25%
Textiles	180	8.35%	Communications	62.81	7.02%
Food & Beverages	177	8.21%	Pharmaceuticals	51.96	5.80%
Industrial equipment	141	6.54%	Textiles	47.38	5.29%
Chemicals	106	4.92%	Software & IT services	46.78	5.23%
Consumer products	85	3.94%	Renewable energy	42.99	4.80%
Communications	81	3.76%	Coal, oil & gas	33.82	3.78%
Financial services	66	3.06%	Biotechnology	29.17	3.26%

Source: FDI Intelligence, 2023

The table below shows a list of the top ten companies investing in Belgium between January 2013 to December 2022. The leading company, in terms of the number of projects, was Spaces, while Ineos was the company with the largest capital investment.

**TABLE 5: TOP 10 COMPANIES INVESTING IN BELGIUM, JAN 2013 – DEC 2022**

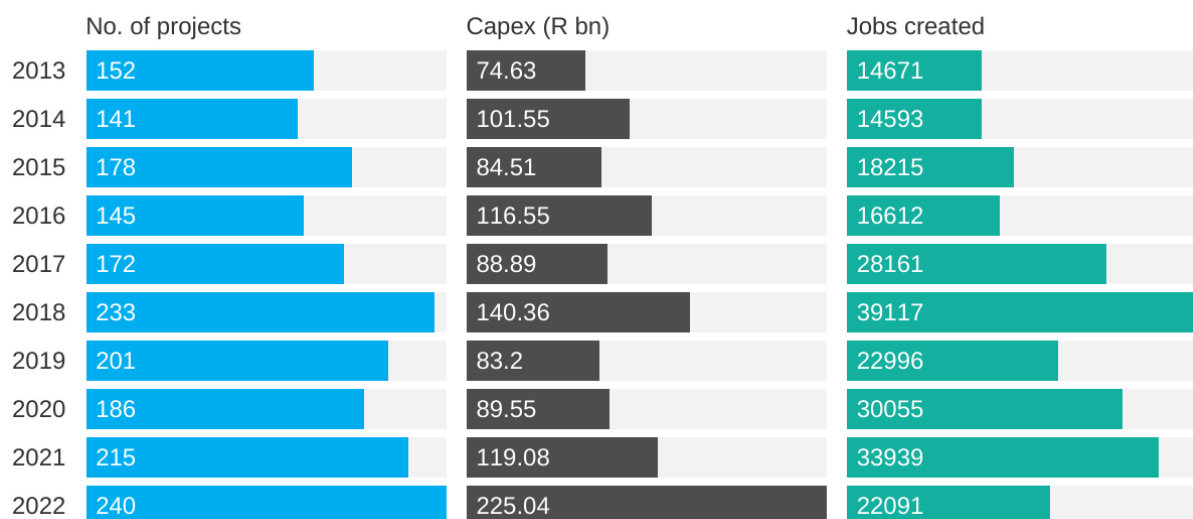
Projects				Capex			
Rank	Investing company	No. of projects	% Share of projects	Rank	Investing company	Capex (R bn)	% Share of capex
1	Spaces	14	0.65%	1	Ineos	52.15	5.83%
2	Lidl	11	0.51%	2	Google	32.42	3.62%
3	PostNL (TNT)	10	0.46%	3	Pfizer	29.07	3.25%
4	Atlas Copco	9	0.42%	4	Borealis	17.22	1.92%
5	Coolblue	9	0.42%	5	ExxonMobil Petroleum & Chemical	15.34	1.71%
6	Devoteam	9	0.42%	6	Unifiber	13.93	1.56%
7	Kuehne + Nagel International	9	0.42%	7	Electrabel	11.72	1.31%
8	Nike	9	0.42%	8	BASF Antwerpen	11.70	1.31%
9	Aldi	8	0.37%	9	Telenet NV	10.88	1.21%
10	Jumbo Belgie	8	0.37%	10	Nike	10.13	1.13%

Source: FDI Intelligence, 2023

### 3.2 Outward FDI from Belgium

Between January 2013 and December 2022, a total of 1 863 outward FDI projects were recorded from Belgium to the rest of the world. These projects represent a total capital investment of R1123.36 billion, which is an average investment of R602.86 million per project. During this period, a total of 240 450 jobs were created. Figure 16 shows that Belgium's outward FDI projects and capex both peaked in 2022.

**FIGURE 16: OUTWARD FDI FROM BELGIUM TO THE WORLD, JAN 2013 – DEC 2022**



Source: FDI Intelligence, 2023

Table 6 shows the destination markets for outward FDI from Belgium during the period under consideration. France was the largest destination market in terms of the number of projects, with 251 FDI projects, representing 13.47% of all projects. On the other hand, the United Kingdom was the largest destination market based on the value of outward FDI projects from Belgium, accounting for 11.78% of capex.

**TABLE 6: TOP 10 DESTINATION MARKETS FOR OUTWARD FDI BELGIUM, JAN 2013 – DEC 2022**

Projects				Capex			
Rank	Destination Country	No. of projects	% Share of projects	Rank	Destination Country	Capex (R bn)	% Share of capex
1	France	251	13.47%	1	United Kingdom	132.28	11.78%
2	United States	233	12.51%	2	United States	115.02	10.24%
3	Germany	140	7.51%	3	Iran	83.14	7.40%
4	United Kingdom	117	6.28%	4	France	78.64	7.00%
5	Spain	93	4.99%	5	Poland	69.28	6.17%
6	Netherlands	92	4.94%	6	Mozambique	61.46	5.47%
7	Poland	86	4.62%	7	Germany	48.53	4.32%
8	China	76	4.08%	8	Spain	46.80	4.17%
9	Romania	73	3.92%	9	Romania	46.43	4.13%
10	Turkey	41	2.20%	10	China	42.97	3.83%

Source: FDI Intelligence, 2023

As shown in Figure 17, software, and IT services (19.06%); food and beverages (11.33%); and business services (11.22%) were the top three sectors for outward FDI projects from Belgium. In terms of capex, renewable energy (20.74%); real estate (19.24%); and food and beverages (11.45%) were the top three sectors.

**FIGURE 17: TOP 10 SECTORS FOR OUTWARD FDI FROM BELGIUM, JAN 2013 – DEC 2022**

	No. of projects	% Share of projects		Capex (R bn)	% Share of capex
Software & IT services	355	19.06%	Renewable energy	232.99	20.74%
Food & Beverages	211	11.33%	Real estate	216.12	19.24%
Business services	209	11.22%	Food & Beverages	128.58	11.45%
Real estate	149	8.00%	Coal, oil & gas	86.81	7.73%
Chemicals	116	6.23%	Chemicals	65.94	5.87%
Plastics	99	5.31%	Transportation & Warehousing	61.49	5.47%
Transportation & Warehousing	82	4.40%	Software & IT services	36.56	3.25%
Industrial equipment	77	4.13%	Plastics	35.71	3.18%
Textiles	74	3.97%	Hotels & tourism	35.29	3.14%
Metals	53	2.84%	Metals	34.24	3.05%

Source: FDI Intelligence, 2023

The leading investing company from Belgium, in terms of the number of FDI projects, was Solvay (64 projects), followed by Azelis (29 projects) and VGP Group (24 projects). The largest capital investment was made by DEME (R132.76 billion), followed by Unit International (R82.84 billion) and Solvay (R63.45 billion).

**TABLE 7: TOP 10 BELGIAN COMPANIES INVESTING IN THE WORLD, JAN 2013 - DEC 2022**

Projects				Capex			
Rank	Investing company	No. of projects	% Share of projects	Rank	Investing company	Capex (R bn)	% Share of capex
1	Solvay	64	3.44%	1	DEME	132.76	11.82%
2	Azelis	29	1.56%	2	Unit International	82.84	7.37%
3	VGP Group	24	1.29%	3	Solvay	63.45	5.65%
4	Warehouses De Pauw (WDP)	23	1.23%	4	Pylos	58.70	5.23%
5	Anheuser-Busch InBev (AB InBev)	21	1.13%	5	VGP Group	40.05	3.57%
6	Odo	19	1.02%	6	Anheuser-Busch InBev (AB InBev)	27.45	2.44%
7	Puratos	19	1.02%	7	Besix	26.95	2.40%
8	Delaware Consulting France	18	0.97%	8	WindVision	25.67	2.28%
9	Delvaux Createur	18	0.97%	9	Grupo Modelo	20.45	1.82%
10	BDO Global Coordination	16	0.86%	10	Warehouses De Pauw (WDP)	19.35	1.72%

Source: FDI Intelligence, 2023



### 3.3 FDI Inflows from Belgium into South Africa

Between January 2013 and December 2022, a total of 14 FDI projects were recorded from Belgium to South Africa. These projects represented a total capital investment of ZAR11.89 billion, which is an average investment of ZAR849.84 million per project. During the period, a total of 988 jobs were created. Six of the 14 projects were in the food and beverages industry. The industry also accounted for approximately 92% of total capital investment.

**TABLE 8: COMPANIES FROM BELGIUM INVESTING IN SOUTH AFRICA, JAN 2013 – DEC 2022**

Project date	Investing company	Source state	Destination state	Sector	Jobs created	Capex
Oct, 2013	Belgacom International Carrier Services (BICS)	Brussels Capital Region	Not Specified	Communications	36	72.10
May, 2014	Helion Research	Flemish Region (Flanders)	Gauteng	Business services	76	171.81
Jun, 2014	Keestrack	Flemish Region (Flanders)	Mpumalanga	Industrial equipment	51	316.00
Jun, 2014	Ixerv	Flemish Region (Flanders)	KwaZulu-Natal	Software & IT services	231	78.23
Jul, 2017	South African Breweries	Flemish Region (Flanders)	Gauteng	Food & Beverages	35	1603.81
Jul, 2017	South African Breweries	Flemish Region (Flanders)	Gauteng	Food & Beverages	35	1603.81
Jun, 2019	Lotus Bakeries	Flemish Region (Flanders)	Western Cape	Food & Beverages	300	6919.87
Sep, 2019	South African Breweries	Flemish Region (Flanders)	Western Cape	Food & Beverages	16	80.38
Sep, 2019	TVH Parts South Africa	Flemish Region (Flanders)	KwaZulu-Natal	Industrial equipment	12	42.95
Feb, 2021	Lotus Bakeries	Flemish Region (Flanders)	Western Cape	Food & Beverages	100	538.43
Nov, 2021	Pluczenik	Flemish Region (Flanders)	Gauteng	Minerals	30	56.76
Apr, 2022	Lotus Bakeries	Flemish Region (Flanders)	Western Cape	Food & Beverages	9	201.11
May, 2022	InSites Consulting	Flemish Region (Flanders)	Gauteng	Business services	7	13.81
Jun, 2022	Sarens	Flemish Region (Flanders)	Western Cape	Industrial equipment	50	190.22

Source: FDI Intelligence, 2023

### 3.4 FDI outflows from South Africa to Belgium

Between January 2013 and December 2022, a total of 10 outward FDI projects were recorded from South Africa to Belgium. These projects represent a total capital investment of R2.35 billion, which is an average investment of R234.70 million per project. During the period, a total of 201 jobs were created. Nine of the 10 projects were undertaken in the Flanders region. Moreover, software and IT services (2 projects) and space and defence (2 projects) were the top two sectors in terms of the number of FDI projects.

**TABLE 9: SOUTH AFRICAN COMPANIES INVESTING IN BELGIUM, JAN 2013 – DEC 2022**

Project date	Investing company	Source state	Destination state	Sector	Jobs created	Capex
Aug, 2014	Bidvest Deli XL	Gauteng	Flemish Region (Flanders)	Food & Beverages	15	208.89
Oct, 2015	The Airplane Factory	Gauteng	Walloon Region (Wallonia)	Aerospace	3	54.00
Feb, 2017	Sappi	Gauteng	Flemish Region (Flanders)	Paper, printing & packaging	150	1952.78
May, 2017	Metacom	Western Cape	Flemish Region (Flanders)	Communications	7	30.68
Apr, 2018	Broekhuizen Metal Pressings	Western Cape	Flemish Region (Flanders)	Metals	5	15.34
Apr, 2020	GlueData	Western Cape	Flemish Region (Flanders)	Software & IT services	2	55.38
Dec, 2020	Simera Sense	Western Cape	Flemish Region (Flanders)	Space & defence	5	6.14
Mar, 2021	G Studio Branding Agency	Western Cape	Flemish Region (Flanders)	Business services	1	0.09
Jul, 2021	COMPRSA	Eastern Cape	Flemish Region (Flanders)	Software & IT services	3	1.71
Apr, 2022	Simera Sense	Western Cape	Flemish Region (Flanders)	Space & defence	10	24.54

Source: FDI Intelligence, 2023

### 3.5 FDI inflows from Belgium into the Western Cape

The Western Cape recorded a total of five FDI projects from Belgium between January 2013 and December 2022, with Lotus Bakeries being the top investor with three projects. These five projects generated a capital investment of R7.93 billion and created 475 jobs. The food and beverages industry accounted for 80% of projects and 98% of capex.

**TABLE 10: COMPANIES FROM BELGIUM INVESTING IN THE WESTERN CAPE, JAN 2013 – DEC 2022**

Project date	Investing company	Source state	Sector	Jobs created	Capex
Jun, 2019	Lotus Bakeries	Flemish Region (Flanders)	Food & Beverages	300	6919.87
Sep, 2019	South African Breweries	Flemish Region (Flanders)	Food & Beverages	16	80.38
Feb, 2021	Lotus Bakeries	Flemish Region (Flanders)	Food & Beverages	100	538.43
Apr, 2022	Lotus Bakeries	Flemish Region (Flanders)	Food & Beverages	9	201.11
Jun, 2022	Sarens	Flemish Region (Flanders)	Industrial equipment	50	190.22

Source: FDI Intelligence, 2023

### 3.6 FDI outflows from Belgium into the Western Cape

Five companies from the Western Cape invested in six FDI projects in Belgium from January 2013 to December 2022. These projects represent a capital outlay of R131.92 million, which is an average of R21.48 million per projects. Moreover, about 30 jobs were created as a result of these projects.

**TABLE 11: WESTERN CAPE COMPANIES INVESTING IN EBLGIUM, JAN 2013 – DEC 2022**

Project date	Investing company	Destination state	Sector	Jobs created	Capex
May, 2017	Metacom	Flemish Region (Flanders)	Communications	7	30.68
Apr, 2018	Broekhuizen Metal Pressings	Flemish Region (Flanders)	Metals	5	15.34
Apr, 2020	GlueData	Flemish Region (Flanders)	Software & IT services	2	55.38
Dec, 2020	Simera Sense	Flemish Region (Flanders)	Space & defence	5	6.14
Mar, 2021	G Studio Branding Agency	Flemish Region (Flanders)	Business services	1	0.09
Apr, 2022	Simera Sense	Flemish Region (Flanders)	Space & defence	10	24.54

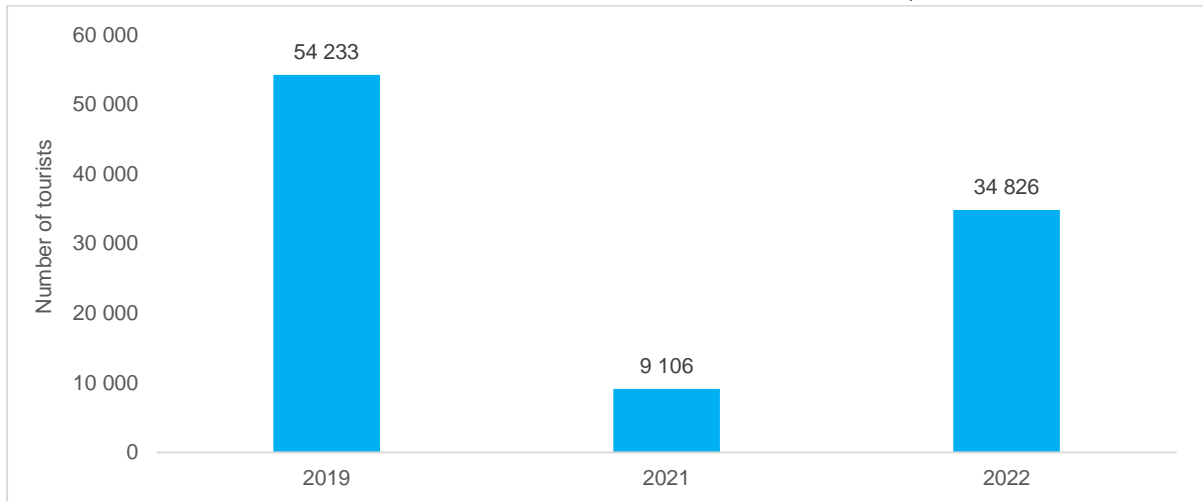
Source: FDI Intelligence, 2023

## 4. Tourism

### 4.1 Belgium's Tourist Arrivals into South Africa

The graph below shows total tourist arrivals from Belgium into South Africa from 2019 - 2022. In 2022, South Africa received 34,826 tourist arrivals from Belgium, reflecting a 282% y-o-y growth when compared to 2021, a recovery of 64% over 2019.

**FIGURE 18: BELGIAN TOURIST ARRIVALS INTO SOUTH AFRICA, 2019 - 2022**

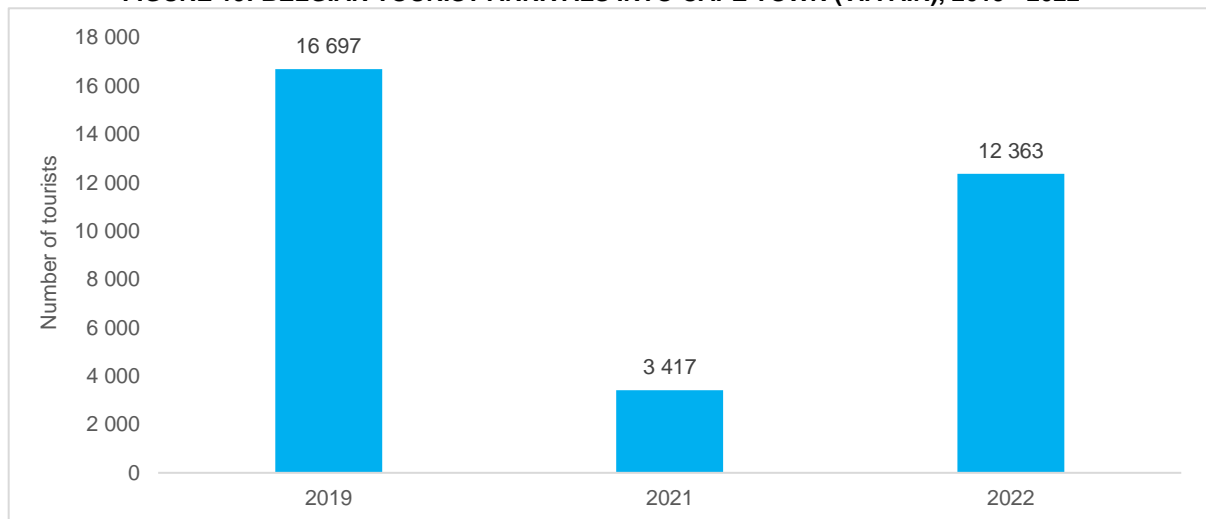


Source: StatsSA, 2023

### 4.2 Belgium's Tourist Arrivals into the Western Cape

For the full year 2022, Belgium ranked as Cape Town's 10th largest source market for tourist arrivals via air. Cape Town welcomed over 12,000 tourists from Belgium in 2022, reflecting a 262% year-on-year increase when compared to 2021 and recovering by 74% against the same period in 2019.

**FIGURE 19: BELGIAN TOURIST ARRIVALS INTO CAPE TOWN (VIA AIR), 2019 - 2022**



Source: StatsSA, 2023

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