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EXPLANATORY NOTE

As of November 2009, the National Bank of Belgium publishes via Belgostat on a quarterly basis statistics on net direct investment flows between Belgium and foreign countries, along with a geographical breakdown limited on the one hand to the major geographical zones, and on the other hand to a selection of ten countries, including Belgium's main trading partners and nations with which direct investment flows are the most frequent.

Statistics published in this form correspond to the components of direct investment appearing in the balance of payments and come from the same sources of information, namely the surveys arranged in the context of the procedures for collecting the basic data necessary for establishing the balance of payments.

These statistics are compiled according to the methodology laid down by the 5th edition of the Balance of Payments Manual of the International Monetary Fund (IMF) and the 3rd edition of the OECD's Benchmark Definition of Foreign Direct Investment. According to this methodology, direct investment exists when a resident (direct) investor holds at least 10% of the voting rights or ordinary shares in a foreign enterprise or vice versa when a (direct) investor abroad holds 10% of the voting rights or ordinary shares in a resident company. It also refers to the direction of the original direct investment relationship in order to distinguish an economy's investment abroad from foreign investment in this same economy.

Since the direct investment statistics for Belgium follow these principles and not only cover equity capital transactions, but also transactions on any other financial instrument between affiliated companies, such as loans, they comprise the following elements:

- Belgian direct investments abroad:
 - equity capital: the acquisition or sale by a Belgian resident of securities representing the registered capital of an enterprise abroad;
 - other capital transactions: the creation or decrease of claims on an affiliated enterprise abroad (e.g. subsidiary or branch) and the creation or decrease of liabilities to an affiliated enterprise abroad.

- foreign direct investments in Belgium:
 - equity capital: the acquisition or sale by a non-resident of securities representing the registered capital of an enterprise in Belgium;
 - other capital transactions: the creation or decrease of claims on a direct investor abroad and the creation or decrease of liabilities to a direct investor abroad.