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PRESS RELEASE

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Economic activity grew by 6.1 % in 2021 and returned to its pre-pandemic level.

Economic growth in the fourth quarter came to 0.5 %

Gross domestic product (GDP) in volume adjusted for seasonal and calendar effects increased by 0.5 % in the **fourth quarter of 2021** compared to the previous quarter. In comparison with a year earlier, the fourth quarter of 2020, growth came to 5.6 %.

Compared to the previous quarter, value added in industry was up by 3.0 % and in services by 0.3 % but in construction it was down by 0.2 %.

All components of domestic demand recorded negative growth in the fourth quarter. Household consumption expenditure declined by 0.7 % and household investments were also lower (-0.3 %). The government similarly recorded a fall in consumption expenditure (-1.3 %) and investment (-4.5 %). Business investment was down by 2.9 %.

Exports of goods and services expanded by 1.5 % while imports were up by 0.4 %. The positive contribution of net exports to economic growth came to 0.9 percentage point.

Economic growth over 2021 as a whole amounted to 6.1 %

GDP in volume, which had fallen by 5.7 % in 2020, grew by 6.1% in **2021**. Compared to the 2019 figure, growth was slightly positive (+0.1 %).

In services, value added was up by 5.2 % in 2021, whereas in 2020 activity in that sector had declined by 5.9 %. The increase was attributable partly to the sector "Wholesale and retail trade; transport; accommodation and food service activities" which revived after the easing of the government measures due to COVID-19 and consequently achieved 8.2 % growth (1.3 percentage point contribution to GDP growth). There was also a strong rise within the sector "Professional and scientific and technical activities; administrative and support service activities" where value added expanded by 9.8 % (1.4 percentage point contribution to GDP growth).

In industry, an increase of 9.9 % was posted in 2021, following negative growth of 2.5 % in 2020. The construction industry also produced 6.8 % growth over the year as a whole, compared to a 4.9 % contraction in 2020.

In services, the pre-crisis level of economic activity has not yet been regained whereas that has been achieved in industry and construction. That is due in particular to the changes in the health situation and the health measures which had a greater impact on the various service sectors such as hospitality, health care, culture, recreation and tourism.

There was likewise a clear recovery in the various components of demand in 2021 after the unprecedented fall recorded in 2020. Household consumption expenditure surged by 5.9 % and household investment expenditure also rose strongly (10.1 %) Government consumption posted a rise of 4.0 % in 2021 mainly as a result of the resumption of non-urgent activities in health care. Government investment expanded by 12.6 %. Business investment was up by 8.4 %.

The improved health situation was also evident in international trade and consequently in Belgium's import and export flows. Over the year 2021, the volume of exports was up by 9.2 % while the volume of imports also recorded an 8.5 % rise. Consequently, net exports of goods and services made a positive contribution (0.7 percentage point) to economic growth.

Employment continues to expand

During the **fourth quarter of 2021**, domestic employment grew by 0.4 % on a quarterly basis, an increase of 21 500 persons. The rise concerned both employees and self-employed workers (+0.4 % and +0.7 % respectively). Compared with the corresponding period of 2020, the number of workers increased by 2.2 % (a rise of 108 300 persons).

In **2021**, domestic employment was up by an average of 84 600 persons (+1.7 %) following stagnation in 2020. That growth is attributable to an increase in both the number of employees (+64 800) and the number of self-employed workers (+19 800).

Compared with the flash estimate of 28 January 2022, the newly published growth figures are a lot more accurate. The main administrative data (namely, VAT data, industrial production statistics, etc.) were equally available, as is customary with the 60-day estimate of GDP for a given quarter. The main uncertainties stemming from the pandemic in this estimate are currently in the area of non-market production and the components of the expenditure approach, for which the available information was still fairly limited and for which traditional estimation models were not always applicable. It is here that wider revisions are possible in the future and, therefore, also at the overall GDP level.

As far as seasonal adjustment of the data series is concerned, the recent [Eurostat guidance](#) on the subject has been closely followed in order to estimate the impact of COVID-19 as accurately as possible.

GDP, QUARTERLY GROWTH IN VOLUME

(data adjusted for seasonal and calendar effects)

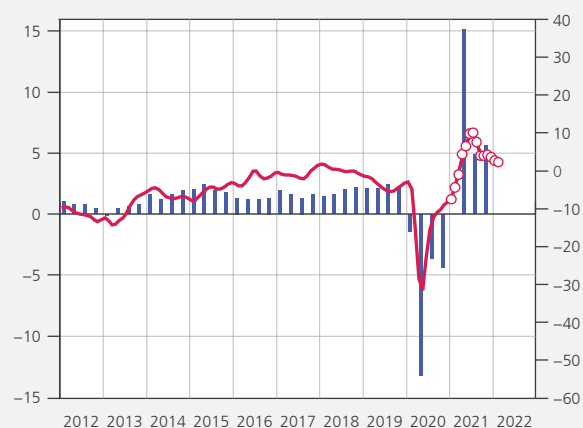
	Percentage change compared to	
	Corresponding quarter of the previous year	previous quarter
2019 I	2.1	0.3
II	2.1	0.4
III	2.4	0.7
IV	2.1	0.7
2020 I	-1.4	-3.1
II	-13.3	-11.6
III	-3.6	11.9
IV	-4.4	-0.1
2021 I	0.0	1.2
II	15.1	1.7
III	4.9	2.0
IV	5.6	0.5

GDP, ANNUAL GROWTH IN VOLUME

(percentage changes, data adjusted for seasonal and calendar effects)

2020	-5.7
2021	6.1

GDP AND THE ECONOMIC CYCLE



■ GDP growth in volume
(percentage change compared to the corresponding quarter of the previous year)

— Business survey
(smoothed data, right-hand scale)

○ Business survey
(gross data, right-hand scale)

MAIN COMPONENTS

(percentage change in volume compared to the preceding period data adjusted for seasonal and calendar effects)

	2020					2021				
	I	II	III	IV	year	I	II	III	IV	year
1. Value added										
Industry	-1.1	-12.5	11.6	5.0	-2.5	2.3	1.1	-0.4	3.0	9.9
Construction	-3.4	-14.0	17.1	2.2	-4.9	1.4	0.3	-0.9	-0.2	6.8
Services	-3.0	-11.2	10.8	-0.5	-5.9	0.8	1.6	2.5	0.3	5.2
P.m. GDP	-3.1	-11.6	11.9	-0.1	-5.7	1.2	1.7	2.0	0.5	6.1
2. Expenditure										
Private consumption expenditure (1)	-5.6	-12.7	17.2	-6.9	-8.2	1.3	3.5	6.1	-0.7	5.9
Final consumption expenditure of general government	-0.5	-3.0	4.2	-1.3	0.2	0.5	1.0	5.5	-1.3	4.0
Total gross fixed capital formation	-2.3	-17.8	18.7	3.4	-6.2	2.7	1.3	-0.3	-2.6	9.1
Business	-2.6	-20.7	21.4	4.4	-7.0	2.4	1.5	-2.7	-2.9	8.4
Housing	-4.5	-14.2	18.4	0.3	-6.8	3.9	0.8	1.3	-0.3	10.1
Public administration	3.8	-6.4	5.5	3.7	0.6	3.5	1.9	9.3	-4.5	12.6
Domestic demand (excl. changes in stocks)	-3.6	-11.6	14.1	-3.1	-5.7	1.5	2.3	4.3	-1.3	6.2
Changes in stocks (2)	0.4	-0.1	-1.4	1.9	-0.3	-0.6	-0.3	-1.3	0.9	-0.7
Exports of goods and services	-1.4	-13.2	8.4	4.3	-5.5	1.3	5.5	-0.8	1.5	9.2
Imports of goods and services	-1.5	-13.2	9.2	2.9	-5.9	0.7	5.9	0.3	0.4	8.5
Net exports of goods and services (2)	0.1	-0.1	-0.5	1.1	0.4	0.5	-0.2	-0.8	1.0	0.7
3. Labour market										
Total number of workers	-0.3	-0.7	0.2	0.6	0.0	0.3	0.8	0.6	0.4	1.7

(1) Including non-profit institutions serving households.

(2) Contribution to the change in GDP.