

2023-01-27

PRESS RELEASE

Links: [Infographic](#) [Publication](#) [NBB.Stat](#) [General information](#)

As part of its reporting obligations to Eurostat, the Bank is publishing today new regional results on economic activity and employment through 2021.

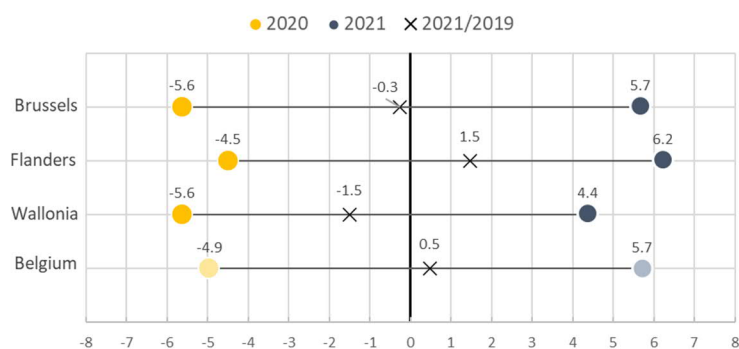
In 2021, economic activity and employment bounced back strongly in all three regions

- **Economic activity surpassed its pre-pandemic level in Flanders, almost reached this level in Brussels and fell short in Wallonia.**
- **Total employment grew faster in Flanders and Wallonia than in Brussels over the past year.**

Economic growth reached 6.2% in Flanders, 5.7% in Brussels and 4.4% in Wallonia

The economic recovery of the regions in 2021 was largely attributable to the improved public health situation, following historic setbacks in 2020. In particular, vaccination campaigns and the introduction of appropriate preventive measures (mask wearing, ventilation, etc.) enabled a gradual - but not full - lifting of restrictions for certain activities. However, at the end of two years marked by the pandemic, the three regions did not recover to the same extent. In Flanders, economic activity¹ was up by 1.5% in 2021 compared to its pre-pandemic level. Economic activity almost rebounded to its 2019 level in Brussels but fell 1.5% short of this level in Wallonia.

CHANGE IN ECONOMIC ACTIVITY BY REGION (%)



Source: NAI

Although there was a clear recovery, it was incomplete in certain industries and also varied depending on the region. This was particularly the case in industries more exposed to health-related restrictions, such as the hospitality industry and cultural and leisure activities.

In **Brussels**, economic growth in 2021 was most strongly supported by professional, technical and scientific activities (+0.8%). The retail (+0.6%), public administration (+0.6%), and coking and refining (+0.5%) industries also contributed significantly to the recovery. Despite a significant improvement in 2021, value added in the Brussels hospitality industry remained 47.3% below its pre-pandemic level.

¹ Measured on the basis of gross value added at basic prices, in volume terms.

In **Flanders** and **Wallonia**, the retail industry in particular suffered in 2020. In 2021, it regained some of its lost strength and is the industry that made the most significant contribution to growth in these two regions (+1.6% in Flanders and +1.4% in Wallonia). The economic recovery in the north and south of the country was mainly due to the dynamism of professional, technical and scientific activities (+0.8% and +0.5% respectively), administrative and support services (+0.5%) and real estate (+0.5%). Despite relatively symmetrical developments in these two regions, growth in Wallonia was severely hampered by the decline in value added in the pharmaceutical industry (-1.4%), largely due to the collapse of foreign sales of a major player's vaccine without a reduction in costs.

INDUSTRIES WITH THE GREATEST IMPACT ON THE CHANGE IN ECONOMIC ACTIVITY BY REGION IN 2021

(contribution to the 2021/2020 change, in percentage points)

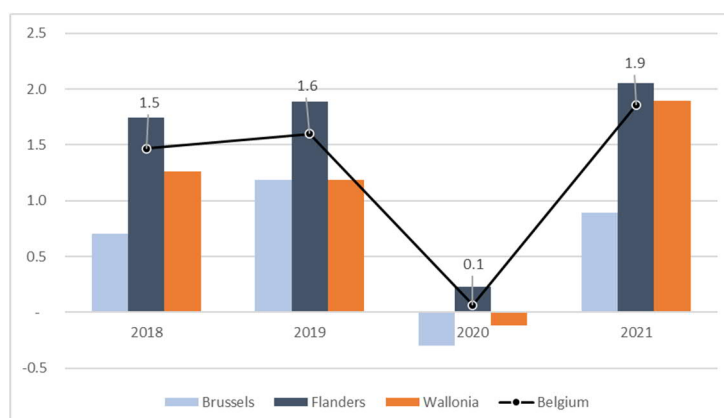
Branch of industry (A38)	Brussels	Flanders	Wallonia	Belgium
Wholesale and retail (GG)	0.6	1.6	1.4	1.4
Professional, scientific and technical activities (MA)	0.8	0.8	0.5	0.7
Administrative and support services (NN)	0.4	0.5	0.5	0.5
Real estate (LL)	0.2	0.5	0.5	0.4
Transportation and storage (HH)	0.3	0.4	0.3	0.4
Public administration (OO)	0.6	0.2	0.4	0.4
Accommodation and food services (II)	0.2	0.3	0.3	0.3
Coking and refinery (CD)	0.5	0.3	0.0	0.3
Construction (FF)	-0.1	0.0	0.3	0.1
Financial and insurance activities (KK)	0.2	0.0	-0.1	0.0
Metallurgy (CH)	0.0	-0.3	-0.2	-0.2
pharmaceutical industry (CF)	0.0	0.0	-1.4	-0.3
Total growth in volume (%)	5.7	6.2	4.4	5.7
<i>Of which: Contribution of the public sector (S13)</i>	0.8	0.3	0.5	0.4
<i>Contribution of the private sector (S1-S13)</i>	4.9	6.0	3.9	5.3

Source: NAI

The recovery boosted employment more in Flanders and Wallonia than in Brussels

After having more or less held steady in 2020 thanks to the support measures introduced by the government, total employment rose strongly in **Flanders** (+2.1% or + 59 300 people) and **Wallonia** (+1.9% or + 24 650 people) in 2021. Administrative and support services were the greatest contributors to employment growth in these two regions. Favourable trends in professional, scientific and technical activities, education, health-related activities, construction and (retail) trade also stimulated employment growth.

CHANGE IN TOTAL EMPLOYMENT BY REGION (%)



Source: NAI

In **Brussels**, employment growth was more muted (+0.9% or +6,350 people). Compared to the other two regions, growth dynamics were reined in by less vigorous headway in administrative and support services and by the decline in employment in the hospitality, retail and financial services industries.

In all three regions, self-employment again grew at a faster rate than salaried employment.

INDUSTRIES WITH THE GREATEST IMPACT ON TOTAL EMPLOYMENT BY REGION IN 2021

(contribution to the 2021/2020 change, in percentage points)

Branch of industry (A38)	Brussels	Flanders	Wallonia	Belgium
Administrative and support services (NN)	0.2	0.6	0.6	0.5
Professional, scientific and technical activities (MA)	0.2	0.2	0.1	0.2
Education (PP)	0.2	0.2	0.2	0.2
Human health services (QA)	0.2	0.2	0.2	0.2
Construction (FF)	0.0	0.2	0.2	0.2
Wholesale and retail (GG)	-0.2	0.2	0.2	0.1
Public administration (OO)	0.2	0.1	0.1	0.1
Financial and insurance activities (KK)	-0.1	0.0	0.0	0.0
Accommodation and food services (II)	-0.3	0.0	0.0	-0.1
Total growth (%)	0.9	2.1	1.9	1.9
<i>Of which: Contribution of the public sector (S13)</i>	0.4	0.2	0.3	0.3
<i>Contribution of the private sector (S1-S13)</i>	0.5	1.9	1.6	1.6

Source: NAI

The following table presents the regional account statistics on economic activity and employment for the last three years for which data are available. The figures for 2021 were estimated using the so-called "provisional" method. Figures for earlier years were estimated using the "definitive" or final method. All regional account variables broken down by place of work (including volume of work, hours worked by employees/the self-employed, compensation of employees and gross fixed capital formation) and by place of residence (household income accounts and final consumption expenditure by sector) can be consulted in the statistical database NBB.Stat.

KEY REGIONAL ACCOUNT VARIABLES BY PLACE OF WORK²

	In absolute figures (€ million or number of people)	Share of each region in the national total (%)	YoY change (%)			Average annual growth rate
			2020	2020	2019	
Gross value added in volume terms - economic growth						
Brussels	69 368.7	18.3	2.6	-5.6	5.7	0.8
Flanders	221 532.9	58.5	2.1	-4.5	6.2	1.7
Wallonia	87 784.8	23.2	2.7	-5.6	4.4	1.3
Belgium	378 942.8	100.0	2.3	-4.9	5.7	1.4
Gross value added in current prices						
Brussels	74 696.8	18.1	3.9	-4.3	7.9	2.7
Flanders	241 803.6	58.6	4.1	-3.1	9.1	3.3
Wallonia	95 912.4	23.2	4.6	-3.6	7.2	3.2
Belgium	412 663.2	100.0	4.2	-3.4	8.4	3.1
Total employment (number of persons)						
Brussels	711 419	14.5	1.2	-0.3	0.9	0.5
Flanders	2 885 506	58.9	1.9	0.2	2.1	1.1
Wallonia	1 298 799	26.5	1.2	-0.1	1.9	0.8
Belgium	4 898 327	100.0	1.6	0.1	1.9	0.9
Number of employees						
Brussels	626 410	15.4	1.1	-0.5	0.7	0,3
Flanders	2 369 230	58.3	1.8	-0.3	1.7	1,0
Wallonia	1 065 598	26.2	1.3	-0.3	1.9	0,8
Belgium	4 063 841	100.0	1.6	-0.3	1.6	0,8
Number of self-employed persons						
Brussels	85 009	10.2	1.7	0.9	2.3	2,2
Flanders	516 276	61.9	2.4	2.6	3.5	1,5
Wallonia	233 201	27.9	0.4	0.9	2.0	1,0
Belgium	834 486	100.0	1.8	1.9	3.0	1,5

Source: NAI

² The difference between the figures for Belgium and the total for all three regions is due to the existence of the extra-regional unit.