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PRESS RELEASE

Economic importance of the Belgian ports: Flemish maritime ports, Liège port complex and port of Brussels - Report 2009

by Claude Mathys

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The National Bank of Belgium publishes an annual update of the study on the economic importance of the Flemish maritime ports (Antwerp, Ghent, Ostend and Zeebrugge), the Liège port complex and the port of Brussels.

The contribution of each port to the national economy is estimated on the basis of the analysis of their economic, social and financial situation over the period 2004 - 2009. The three principal variables considered are value added, employment and investment. This study also highlights the indirect effects on value added and employment. An overall social balance sheet is presented for all the ports covered in this publication. Analysis of the financial results involves a study of the return on equity, liquidity and solvency ratios.

After seven years of continuous growth, total maritime traffic handled by the Flemish ports declined by 14.3 % in 2009 to a transshipment volume of 229 million tonnes. Container traffic was down by 8.5 % in one year, Zeebrugge being the only port to see growth in this area. Dry bulk handling recorded a dramatic 31.9 % decline, and conventional general cargo traffic fell by 34.6 %. Ro-ro traffic was down by 27.1 %. As in the case of dry bulk, the decline applied to all the Flemish ports. Conversely, liquid bulk traffic expanded by 3.8 %. It was mainly Zeebrugge that saw steady growth in this type of traffic. Antwerp's share of traffic in the Hamburg-Le Havre range was down slightly against 2008. The same goes for the ports of Ghent and Ostend, whereas Zeebrugge recorded an increase. Traffic at the ports of Brussels and Liège was also reduced in 2009. The port of Liège suffered from the decline in the steel industry in the Liège basin. At the port of Brussels, traffic was maintained at just over 4 million tonnes of cargo transhipped.

Direct value added in the Belgian ports was 11 % down in 2009. At the port of Antwerp, direct value added dropped by 14.8 %, with the slump in its maritime activities by almost a third largely accounting for the loss recorded for the port's overall business. In the case of shipping companies, value added was down by two-thirds, but other activities such as those of shipping agents and forwarders or cargo handling, also declined sharply. Port construction and dredging also lost a third of their value added. In contrast, at the port of Ghent, it was the decline in value added in industrial and commercial activities that had the biggest influence on the port's overall result (-5.1 %). In Ostend's case, the reduction in industrial activity and land transport dragged down the value added of the port (-4.2 %). These last two activities also declined at the port of Zeebrugge, but it was mainly maritime activities that had a negative impact on the port's figures (-7.3 %). The outcome was the same at the Liège port complex, where all the main sectors of activity declined, though it was industry – and more particularly the metalworking industry and chemicals - that recorded the sharpest falls. The port of Brussels managed to maintain its value added (+0.3 %), essentially thanks to industrial activities, whereas maritime transport-related business declined.

With the reduction in value added both nationally and in the ports, indirect value added was down by 2.3 %. Total value added fell by 7 %. The share of total value added in Belgium's GDP declined by 0.5 percentage point to 8.5 %.

Direct employment in the Belgian ports contracted by 3 % in 2009. There was a particularly sharp fall at Liège (-7.9 %) where the main sectors of activity again recorded a decline. However, it was the metalworking industry that suffered the largest number of job losses. In the port of Antwerp, employment in cargo handling regained a level close to the 2007 figure, but shipping agents and forwarders cut a proportionately larger number of staff. Conversely, growth was maintained in the other maritime activities. Car manufacturing, chemicals and metalworking also suffered as a result of the economic crisis in 2009. Overall, employment at the port of Antwerp contracted by 2.3 %. That is 1 % less than at the port of Ghent (-3.3 %). Here, maritime activities performed well but industry, and more specifically car manufacturing and metalworking, recorded a sharp fall. In the port of Zeebrugge, maritime activities and land transport were the decisive factors in the

reduction in employment (-3.8 %). In the port of Brussels, employment was down by 2.2 %. In cargo handling and among shipping agents and forwarders, the volume of employment dropped below the 2005 level. Chemicals also suffered, hitting the lowest level for six years. Thanks to industry and other logistic services, employment at the port of Ostend was not seriously affected by the reductions in maritime activities, and managed to achieve a 1.1 % growth rate.

In terms of its share in Belgian domestic employment, direct employment at the ports was unchanged at 3.1 %. Combined with the indirect effects, total employment at the ports was down by 5 %. In 2009, it represented 6.8 % of Belgian domestic employment.

Investment in the Belgian ports fell by 15 % to €4.5 billion during the year 2009. Investment in the port of Antwerp dropped by 18.4 %. Shipping companies and chemicals made significant cuts in the amounts invested in that year. In many cases, sea freight rates came under pressure in 2009. Moreover, that had repercussions on the market in second-hand ships. In the port of Ghent, investment declined in all the main non-maritime sectors of activity. In Ostend, apart from other logistic services, all sectors of activity recorded a steep fall. Investment expanded in the port of Zeebrugge's maritime activities and in trade, but slumped in the other sectors. Investment in the port of Liège was very low in maritime activities, but other services generated substantial growth for the port, so that the Liège port complex achieved a new record figure. In Brussels, investment was down by more than a quarter, mainly because of the completion of some major infrastructure projects. Only trade recorded stable investment.

Overall, the Belgian ports were no exception and exhibited the same trends as the Belgian economy (contraction in value added, employment and investment).