

2014-06-25

PRESS RELEASE

Economic importance of the Belgian ports: Flemish maritime ports, Liège port complex and port of Brussels - Report 2012

by Claude Mathys

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 2007 - 2012. The three principal variables considered are value added, employment and investment. This study also highlights the indirect effects on value added and employment, as well as the main data from the social balance sheet. Analysis of the financial results involves a study of the return on equity, liquidity and solvency ratios and the financial health model developed by the Bank.

The decline in direct **value added** in the six Belgian ports that had begun back in 2011 continued in the year 2012, albeit at a more moderate pace (-0.5 %). Value added generated directly by the maritime cluster was up 8.2 %, thanks mainly to cargo handling and port construction and dredging activities. In the non-maritime cluster, on the other hand, value added fell in both trade and industry, with the biggest reductions concentrated in the energy and chemicals industry segments. Individual port results were nevertheless quite divergent. The value added generated by the ports of Antwerp and Ostend enjoyed growth rates above 3 % in 2012. Over the same period, the port of Brussels' value added remained stable. Conversely, it fell back by 1.5 % in the port of Zeebrugge. Lastly, value added produced by the port of Ghent and the Liège port complex slumped by 4.8 and 16.1 % respectively. Indirect value added grew by 0.4 %. The share of total value added in Belgium's GDP was down by 0.2 of a percentage point to 7.9 %.

After two consecutive years of decline in the six Belgian ports considered as a whole, the trend has been reversed and direct **employment** went up by 1.6 % in 2012. This rise was solely attributable to the non-maritime cluster, since the maritime cluster has been stagnating. Employment grew in five ports. Ostend enjoyed the most spectacular expansion, posting an increase in the number of full-time equivalents of almost 8 %, largely on the back of the construction, port construction and dredging segments. The port of Brussels also made good progress, with a rise of 3.8 %. The rate of growth in the number of full-time equivalents in the ports of Antwerp and Ghent came to 1.5 and 1.9 % respectively, while the growth rate for the port of Zeebrugge was slightly below the one percent mark. The Liège port complex was the only port to have recorded negative growth (-2.1 %), with job losses running particularly high in the metalworking industry. The ports' share of direct employment in total Belgian domestic employment remained stable at 2.9 % in 2012. Taking indirect effects into consideration, total employment by the ports still accounted for 6.4 % of the country's domestic employment in 2012.

For the fourth year running, **investment** fell back in the Belgian ports (-3 %). Both clusters suffered a decline, but industry wiped out its previous losses and even saw investment pick up slightly in 2012, one of the main drivers behind this trend being the metalworking industry. Since investment picked up in industry and land transport, the decline in the amount of money invested in the non-maritime cluster was fairly limited, despite a very big contraction in the trade sector. After the collapse of 2010 and the turnaround in 2011, investment in the Liège port complex continued to expand in 2012, with industry and the maritime cluster the driving forces behind this development. Apart from the Liège port complex, Ostend was the only other port to see its investment grow, under the impetus of the maritime cluster. The ports of Brussels, Antwerp and Ghent recorded declines ranging from -2.4 % to -4.1 %. In the two latter ports, both clusters fell back, while in Brussels it was only the maritime cluster that was hit. The port of Zeebrugge suffered the sharpest drop in investment, mainly as a result of the contraction in the public sector and cargo handling.

After the slowdown in 2011, all the Flemish ports saw their cargo **traffic** decline during the course of 2012, ranging from a slight contraction of 1.6 % in Antwerp's case to a sharp drop of 16.8 % at the port of Ostend. As a direct result of the closure of several metal industry production lines in the Liège steel-making area, the Liège port complex lost 15.3 % of its inland waterway traffic. Lastly, the port of Brussels posted a 5.1 % drop in traffic volumes. For all the ports taken together, the decline in traffic came to 3.9 % in 2012.