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PRESS RELEASE

Economic importance of the logistics sector in Belgium

With its central location and the existing infrastructure, Belgium has some significant advantages as a location for logistic activities. In 2008 the NBB published its first study on the economic importance of the logistics sector in Belgium. Since then, various developments such as the crisis of 2008-2009, increased pressure of competition from Central and Eastern Europe, and the rise of e-commerce, have had a major impact on the sector's market environment. At the sector's request, the NBB therefore conducted another study of the logistics sector. For this study, the logistics sector was defined in the strict sense and concerns more specifically the professional sector covering the transport of goods and supporting services.

The study estimates the economic importance of the logistics sector via two different channels, namely the direct and indirect effects. The direct effects concern the contribution made within the sector itself in terms of value added, employment and investment. The findings are also broken down by company size and by region. In the case of the indirect effects, the input-output table is used to examine the effects resulting upstream via the (domestic) supply chain, or in other words the impact generated in the other sectors of the Belgian economy as a result of the intermediate consumption of goods and services purchased from Belgian suppliers. These indirect effects are estimated for two variables: value added and employment. The calculations were carried out for the period 2010-2015, with the emphasis on 2015, and were based on microeconomic data obtained from the annual accounts filed at the NBB's Central Balance Sheet Office.

The study of the sector's economic importance is supplemented by an analysis from the social and financial angle, presenting the results of the social balance sheet, the financial ratios, the NBB's financial health indicator and the credit risk based on the NBB's In-House Credit Assessment System (ICAS).

The study's findings show that in the period 2010-2015 the logistics sector did not keep pace with the rest of the economy, so that the sector's relative importance diminished slightly in 2015 compared to 2010.

In 2015 the logistics sector generated value added totalling € 11.9 billion, corresponding to a contribution of 2.9% to GDP. The indirect value added for that same year is estimated at € 6.9 billion or 1.7% of GDP, so that the total impact – i.e. taking the direct and indirect effects together – is put at € 18.8 billion or 4.6% of GDP, compared to 4.9% in 2010. In 2015 the logistics sector employed roughly 134 000 full-time equivalents, corresponding to 3.3% of total domestic employment in FTE. The employment that the sector generated among Belgian suppliers is estimated at over 83 000 FTE, or around 2.1% of domestic employment. The sector's total importance in terms of employment can thus be estimated at almost 218 000 FTE or 5.4% of total domestic employment (2010: 5.7%).

A rough estimate of the logistics activities conducted outside the professional logistics sector illustrates how these findings are influenced by the definition of the sector. If the strict definition of the sector is extended to include in-house logistics and logistic (secondary) activities offered on the market by sectors other than the defined logistics sector, the economic importance in 2015 can be put at more than 50% higher. On the basis of that estimate, logistics in the broad sense accounted for roughly 7.6% of GDP and 8.0 % of domestic employment in 2015.