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2019 Annual Exporter Guide

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Exporter Guide

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Report Highlights:
The exporter guide provides an economic and market overview, demographic trends and practical tips to U.S. exporters on how to conduct business in Belgium. The report also identifies the three market sectors (food retail, food service and food processing), describes the best market entry approach, and identifies the best high-value product prospects.

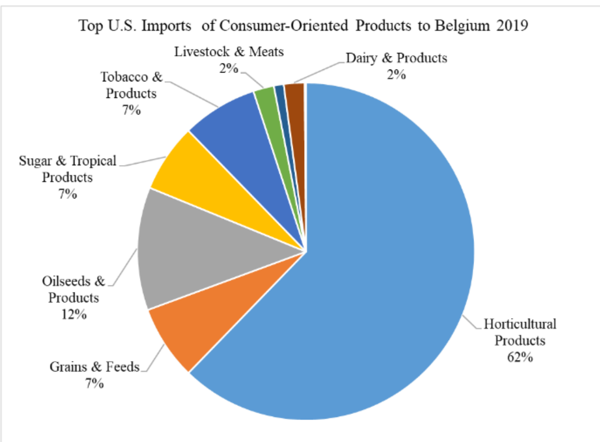
Market Fact Sheet - Belgium

Executive Summary

Belgium, officially the Kingdom of Belgium, is a sovereign state in central Western Europe bordered by France, the Netherlands, Germany, Luxembourg, and the North Sea. It enjoys one of the highest per capita incomes in Europe, with a relatively balanced income distribution, resulting in widely distributed purchasing power. In 2018, Belgium's GDP was recorded at nearly $531 billion, with a projected growth rate of 1.5% in 2019. Belgium is a country known for its gourmet food products, including beer, chocolate, waffles, and cheese – all of which they are proud to export to the global market.

Food Processing Industry

Belgium's food process industry employees 91,000 employees (with another 141,000 indirect employees) and generates a turnover of 64.7 billion USD from exports. Most of this profit is from exports (30.44 billion USD), which are mainly sent to neighboring EU countries.



Only a small fraction of Belgium's total imports come from the U.S. (~1%), however Belgium's middle-class market has decent spending power, which allows for consistent new market opportunities in products such as horticultural products

Food Retail Industry

Based on the most recent data, Belgium food retail sales reached 32 billion USD in 2017. The growth forecast for 2017 followed a predicted 2.13% growth rate. A large contributor to the Food Service Market are *'horeca'* – approximately 58,000 hotel-restaurant-café establishments. If their other locations/activities are included (e.g. food trucks, etc.), the total number is nearly 80,000. In Belgium there are 4.4 horeca-businesses for every 1,000 inhabitants compare this to the value of 3.3 and 2.8 in the Netherlands and Germany respectively).

QUICK FACTS

GDP/Population (circa 2019)[1]
Population *(millions)*: 11.413
GDP *(billions USD)*: 531.767
GDP per capita *(USD)*: 46,593

Imports of Consumer-Oriented Products[2]
In 2018, $907 million in food exports from the U.S. went to Belgium. The top five imports for goods from the U.S. include Tree Nuts (53%), Wine & Beer (9%), Prepared Food (6%), Dog & Cat Food (3%), and Non-Alcoholic Beverage (ex. Juices) (5%).

Top 10 high-value U.S. consumer-oriented products sold in Belgium

1) Pistachios	2) Almonds
3) Food preparations	4) Dog and cat food
5) Meat of bovine animals	6) Walnuts
7) Wine	8) Sauces
9) Nut mix	10) Sweet potatoes

Top 8 Host Country Retailers and Market Share[3]
Colruvt Group (26.6%)*, Carrefour (18.7%), Alhold Delhaize (18.6%), Aldi (11%), Lidl (7%). Louis Delhaize (4.7%), Metro Group (3.7%), Intermarche (1.8%)

Sources:
[1]*The World Bank Data Bank*

Advantages & Disadvantages for U.S. Exporters

Advantages	Disadvantages
• Population with high disposable income • Growing demand for organics and sustainable products • Strategic location with Antwerp Port and proximity to other European ports • Belgium used by many food companies as a test market • Good transportation	• Negative image of U.S. agriculture • Certain products not EU approved • 3 official language in EU • Trends in favor of local and/or EU products • Difficult EU trade situation with tariffs and EU member states having competitive advantage • Fierce competition on price, quality, innovation

SECTION I. MARKET OVERVIEW

Belgium and its Gourmet Food Experiences

Belgium, officially the Kingdom of Belgium, is a sovereign state in central Western Europe bordered by France, the Netherlands, Germany, Luxembourg, and the North Sea. It is a small, densely populated country with 11.4 million people, which covers an area of 11,787 square miles (30,528 square kilometers; comparable in size to the state of Maryland). It enjoys one of the highest per capita incomes in Europe, with a relatively balanced income distribution, resulting in widely distributed purchasing power. It has a complex federal political structure with a division of competences at the federal and regional level. Political divisions between Dutch-speaking Flanders in the north and French-speaking Wallonia in the south have led to constitutional amendments granting these regions formal recognition and autonomy. The Brussels-Capital Region is an officially bilingual (French and Dutch) enclave within the Flemish Region. A German-speaking Community exists in eastern Wallonia.

The Belgian economy is heavily service oriented and shows a dual nature with a large economic gap between the Dutch speaking Flanders region in the north, and the francophone Wallonia in the South. The ports of Antwerp and Zeebrugge share more than 80 percent of Belgian maritime traffic, Antwerp being the second largest European harbor.

Belgium is a country with numerous breweries and different beers. Nowhere else in the world can you encounter so many local, authentic and colorful beers with such an enormous range of tastes and flavors. While there are only 12 Trappist beers in the world, 6 of them have a Belgian origin and are brewed by the monks in abbeys. Another Belgian specialty is chocolate, which has built up a global name for itself with its unbeatable quality and taste. Alongside this, there are two other sweet treats that are linked with Belgium: waffles and speculoos. Belgians French fries are a national institute and are sold at the country's many shops (friteries/frituren). Belgium is proud of its reputation as a cheese-making country with over 300 varieties. (Source: www.Belgium.be). For more information, see also: 'Belgium at a glance'
https://www.abh-ace.be/sites/default/files/downloads/Belgium_At_A_Glance_EN_LowRes.pdf

The Port of Antwerp for U.S. Agricultural and Food Imports in Belgium

The port of Antwerp offers the fastest and most sustainable connection with the surrounding area, because of its location 49.7 miles (80 kilometers) inland within Europe. The volume of freight loaded or unloaded in Antwerp has doubled over the past 20 years to more than 208 million tons. This makes Antwerp by far the largest port in Belgium and the second-largest port in Europe, after Rotterdam in the Netherlands. Antwerp is the European market leader for handling of steel, fruit and the largest port in the world for storage of coffee.

Belgium is in the top ten of exporters in agricultural products, but typically imports raw crops, processes them, and then exports them as prepared foods. The main export products are potatoes, beer, chocolate and pastries. Belgium also re-exports a number of fruits, especially bananas are imported into Belgium from the Caribbean and then exported throughout Europe. Belgium has a significant dairy industry and is self-sufficient in eggs, butter and milk. Belgium also produces a variety of specialty cheeses.

Table 2. Belgian imports of selected agricultural and related products, million USD.
Source: World Trade Atlas

	2014	2015	2016	2017	2018
Total imports	45,743	38,738	40,788	42,763	44,651
U.S. Imports	890	838	805	849	808

In 2018, Belgium's agricultural imports were valued at 44.6 billion USD. The main import markets are the Netherlands, France and Germany. Imports from the United States are 0.8 billion USD and the main import products are wood pellets, pistachios and animal feed preparations. Belgium is the sixth largest EU importer of U.S. agriculture and related products.

Table 3. Belgian imports of consumer-oriented and fishery products, million USD.
Source: World Trade Atlas

		2014	2015	2016	2017	2018
Consumer Oriented Agricultural Products	*Total imports*	24,158	20,073	21,237	22,871	23,607
	U.S. Imports	462	356	341	323	297
Fish and Seafood Products	*Total imports*	2,322	1,932	2,086	2,260	2,193
	U.S. Imports	32	27	27	29	18

The trade of consumer-oriented and fishery products is the primary focus of the exporter guide. The main import product for Belgium from the United States are pistachios, almonds, food preparations, dog and cat food, and beef. The majority of imported seafood products from the United States into Belgium are lobster and salmon.

Table 4. Advantages and challenges for U.S. exporters interested in the Belgian market.
Source: FAS The Hague/FAS Brussels

Sector strengths and market opportunities	Sector weaknesses and competitive threats
• Population with a high disposable income • Belgium is often used by large companies as a test market for food products.	• Image of U.S. products is not always favorable. • Certain products are not EU approved and exports to Belgium are not possible. • There are three official languages in Belgium.
• Growing demand for organic food products, sustainable production methods and food products with clean ingredients. • Growing demand for convenience and single portion packaged food products • Growing demand for fresh and processed food products that contribute to a healthier lifestyle	• The EU has several Free Trade Agreements that may advantage other third country competitors. • Trend in favor of locally produced products
• Strategic location • Excellent transport network • The ports of Rotterdam and Antwerp are important gateways for U.S. consumer oriented and seafood products to the EU.	• Suppliers from other EU Member States have a competitive advantage on tariffs and non-tariff trade barriers, transportation costs and transportation time.
• Growing demand for new products, innovative food concepts and international cuisine	• Fierce competition on price, quality, unique-ness and innovation

SECTION II. EXPORTER BUSINESS TIPS

Agricultural Food policy and Food Safety

In Belgium, agriculture and its policy are under the jurisdiction of the regions since 2001, while food safety is still a federal responsibility. About 80 percent of all food processing takes place in Flanders. While Flanders is very trade-minded, Wallonia tends to mimic France's and Luxembourg's positions on agricultural policy issues and depends heavily on agricultural subsidies. These two regions have differing views on several, often controversial, issues, such as agricultural biotechnology and innovation. Flanders cares about finding new markets for their high-value processed food products and is generally pro-science, pro-GE while Wallonia is anti-GE.

Consumer Taste and Preferences

- The most important criteria for the Belgian consumer when buying fresh food are the outside characteristics of the products (color, shape and smell), price/quality, and the expiration date of the products.
- The freshness of the product is important with regard to buying fresh produce. The packaging could also a determinant factor for buying the product.
- Price is important, but only if quality and trust come together with it.
- The expiration date is one of the most important assets. This equals certainty and security. This date is extremely important especially while buying fresh products, such as meat and fish, and also with regard to food waste. For fresh fruit, this date is only available for packaged produce.
- Belgian consumers consider labels to be a safeguard for both certainty and quality, but are also synonymous for a higher price, especially organic and 'premium quality' labels. The country of origin is becoming more important as well. Belgian consumers consider local products to be fresher, because of the short transport time. These products are considered to be more environmentally friendly because of the short transportation and therefore have less ecological impact, since they are only produced when the climate conditions are optimal and not year- round. They also buy local products to stimulate the local economy and farmers.

Local Business Customs

- Most business people speak and write in English and have a high level of education (Master's or Bachelor's degree). They are open-minded and well-traveled.
- Food retailers, foodservice companies and wholesalers are mostly buying directly from the United States. They work with dedicated and highly specialized importers in some cased. These importers look for long-term partnerships rather than a one-off business transaction.

SECTION III. Food Standards and Import Regulations

- Food and Agricultural Import Regulations and Standards (FAIRS) provides the Belgian import regulations and standards.
- Facility Registration: The EU approves establishments to ship products of animal origin based on submissions from U.S. government agencies. Only products processed in approved establishments may enter the EU. Detailed information on approved U.S. establishments is available on our website at https://www.usda-eu.org/trade-with-the-eu/eu-import-rules/certification/
- Third country lists per sector and per country are available on the European Commission's website https://webgate.ec.europa.eu/sanco/traces/output/non_eu_listsPerCountry_en.htm Inspections: In

Belgium, the Federal Agency for the Safety of the Food Chain (FAVV/AFSCA) is responsible for the inspections. Criteria for laboratories conducting food controls have been harmonized but it is the Member States' responsibility to designate laboratories that are allowed to perform analyses. There is a list of authorized laboratories on FAVV's website at http://www.favv-afsca.be/laboratoria/.

- Import Procedures: Information on Belgium's customs authorities can be found at https://financien.belgium.be/nl/douane_accijnzen. It is possible to obtain Binding Tariff Information (BTI) from a member state's customs authority to get the proper product classification. Through this system, traders know in advance the tariff classification of the goods they intend to import. BTI is legally binding in all the member states. There is more information on how to obtain a BTI on the European Commission's Taxation & Custom's website.
- The Import Process:
  - Pre-Announcement: by Common (Veterinary) Entry Document, issued by agent. Commission Decision 2009/821/EC establishes a list of border inspection posts approved to carry out veterinary checks;
  - Documentary Check: examination of the original required documents that accompany the consignment based on model certificate according to EU legislation, carried out by Customs based on an agreement between Ministry of Agriculture and Ministry of Finance;
  - Identity Check: to ascertain that the products correspond to the information given in the accompanying certificates or documents;
  - Physical Check: check on the product itself to verify compliance with food or feed law.

SECTION IV. MARKET SECTOR STRUCTURE AND TRENDS

Food Service Market

Consumption of food products in Belgium mostly happens at home, but the food service market in Belgium features a very high number of independent outlets in all of the main categories, such as full-service restaurants, fast food, café and bars, also known as "Horeca" (hotel–restaurant-cafes) in Belgium and home delivery and takeaway. It has been difficult for independent foodservice operators, as they face both tightening fiscal legislation and increasing competition from more modern and dynamic concepts, especially in fast food, full-service restaurants and cafés/bars. However, there is also dynamism and innovation among independents, as demonstrated by the several new openings in independent Latin American fast food establishments, and in specialist coffee shops.

The "Horeca" is a sector that evolves and changes quickly. Many of these businesses have other locations/activities (cf. food trucks) and if all of these are included, the total number of establishments is about 80,000. About half of the new businesses, mostly bars, go bankrupt within five years. More than 21 percent of all bankruptcies in Belgium is in the horeca-sector. In 2018, there are about 58,391 horeca-businesses in Belgium, of which 34,102 in Flanders. About 54 percent of these in Flanders are restaurants. The sector had a turnover of 14.1 billion euro, of which 57 percent was in Flanders. In Belgium, there is a tendency to serve both drinks and food, compared to neighboring countries where there is usually more interest for solely drinks in these establishments based on consumer demand or preferences.

Food Processing Industry

In 2018, the Belgian food industry was the most important industrial sector in terms of employment, with 93,000 employees (and another 173,000 indirectly), and in terms of turnover, with $57.4 billion

USD, of which $30.6 billion USD was from exports mostly to other Member States within the EU: France, the Netherlands and Germany represented 56 percent of the export market. Belgian food companies exported almost $800 million USD to the United States in 2018. The most valued export products were beer and chocolate, but dairy products as well as frozen vegetables were also very popular. Despite the economic growth, the Belgian food sector is facing additional financial hurdles compared to other Member States in the EU. The most important issues are the cost of labor and the cost of energy that has increased a lot over the last couple of years, as electricity is about 45 percent more expensive than in other Member States.

FEVIA is the federation of the Belgian food industry and represents 28 subsectors and 637 companies that produce food and drinks in Belgium. Their brand "Food.be – Small Country. Great Food" (www.food.be) highlights quality, diversity and innovation within the Belgian food sector. FEVIA covers 27 sub federations that are active in diverse food sectors.

Belgian Food Retail Market

The average annual revenue of the Belgian food retail sector amounts to $32 billion USD. The expectation for according to Nielsen, was a further increase of the turnover due to the good health of the Belgian economy and the increasing inflation rate (2.13 percent). In terms of market share, large supermarkets represent 49.5 percent of annual revenue of the Belgian food retail sector, medium-sized supermarkets represent 30.4 percent, small retailers/convenience stores represent 4.7 percent, and hard discounters represent 15.4 percent.

The number of medium-sized and neighborhood supermarkets has been growing over the years to answer the need of Belgian consumers to have grocery stores closer to their homes. While the number of hard discount stores increased sharply over the beginning of the 2000, their growth rate has slowed down since 2010. Discount supermarkets are not as popular in Belgium as in other EU countries as Belgians see higher prices as indicative of quality.
The Belgian retail market is fairly consolidated. Eight different international groups dominate the Belgian retail market - Alhold Delhaize Group, Carrefour Group, Colruyt Group, Louis Delhaize Group, Lidl, Aldi, Intermarché, Metro Group - and represent 92.1 percent of the market share. For more information, see the Food Retail Report - Belgium 2018 and Gondola.be.

SECTION V. AGRICULTURAL AND FOOD IMPORTS

Table 5 provides an overview of the top 15 products that could offer an opportunity for U.S. exporters on the Belgian market. The table gives a brief overview of the size of the market, key constraints and market attractiveness for U.S. exporters.

Table 5. Top 10 High-value U.S. consumer-oriented products sold in Belgium.
Source: World Trade Atlas

	Commodity/HS	U.S. imports (1000 USD)		Growth %	Key constraints for market development	Market attractiveness for the U.S.
		2013	2018	2013-2018		
	Total	397,262	297,158	-25		
1	Pistachios 080251 (In shell)	50,134 2,643	77,564 4,811	55 82	Competition from Southern Mediterranean	Strong demand from food manufacturers

	080252 (shelled)				EU countries	
2	Almonds 080212	60,390	53,019	-12	Competition from Turkey and Iran	Strong demand from food manufacturers, snack industry
3	Food preparations 210690	40,498	30,708	-24	Competition from neighboring countries, U.K., Germany, the Netherlands and France	Strong demand for convenience food products
4	Dog and Cat Food 230910	19,331	11,294	-42	Strong competition since there are lot of brands on the market	The market is well developed and offers opportunities
5	Meat of bovine animals 020130	12,987	17,995	39	Bad image of US beef. Competition from Belgian blue	Belgium consumers appreciate high quality beef
6	Walnuts 080232 (shelled) 080231 (in shell)	3,091 2,556	9,735 2,347	215 -8	Competition from France	Strong demand from food manufacturers, snack and confectionary industry
7	Wine 220421 220429	7,096 94	9,264 14,962	31 158	Competition from France and other wine producing countries (Latin-America)	No production in Belgium
8	Sauces 210390	4,524	7,135	58	The new trend for healthy food	Convenience food and prepared meals are popular
9	Nuts mix 080290	1,189	4,487	277	Competition from other nut producing countries	Trendy food product with growing demand
10	Sweet potatoes 071420	663	4,302	549	Competition from Honduras, China and Egypt.	Demand is growing since it is becoming more popular, and trendy

*U.S. imports of total Belgian imports in %

SECTION VI. KEY CONTACTS AND FURTHER INFORMATION

If you have questions or comments regarding this report, or need assistance exporting to Belgium, please contact the Office of Agricultural Affairs (OAA) in Brussels:

U.S. Mission to the EU
Foreign Agricultural Service
Boulevard du Regent, 40
1000 Brussels
Tel: (32-2) 811 5793
Fax: (32-2) 811 5560
http://www.usda-eu.org/contact-fas/

Federal Agency of the Safety of the Food Chain:
http://www.favv-afsca.be/home-en/

Federal Public Service

Health, Food Chain Safety and Environment
http://www.health.belgium.be/en

Trade Associations:
Federatie Voedingsindustrie - FEVIA – Belgian Food Industry: www.fevia.be
Comeos - The Belgian Federation for Commerce and Services: www.comeos.be
The Belgian federation of food distribution BELGAFOOD (Member of Comeos): www.belgafood.be

Sources:
https://www.nationsencyclopedia.com/economies/Europe/Belgium-AGRICULTURE.html
https://www.belgium.be/en
https://statbel.fgov.be/en
https://www.euromonitor.com/consumer-foodservice-in-belgium/report

Appendix A. Trade Shows in Europe

	When	Contact
ANUGA, Cologne, Germany Europe’s largest food & beverages show *	October 5-9, 2019	Contact: Hanna Khan +49 3083 05 1152 Hanna.Khan@fas.usda.gov
Horeca Expo, Ghent, Belgium More than 3000 brands and 650 exhibitors for foodservice outlets and institutional caterers: http://www.horecaexpo.be/en	November 18 – 22, 2019	Contact: Tania De Belder (+32 2 811 55 62) or Sophie Bolla (+32 2 811 48 96) Tania.Debelder@fas.usda.gov Sophie.Bolla@fas.usda.gov
International Confectionary Fair (ISM), Cologne, Germany (ism-cologne.com)	February 2 - 5, 2020	Contact: Hanna Khan Hanna.Khan@fas.usda.gov
Fruit Logistica, Berlin, Germany European fruit, vegetable and nuts show (fruitlogistica.com) *	February 5 - 7, 2020	Contact: Hanna Khan Hanna.Khan@fas.usda.gov
BioFach, Nuremberg, Germany European organic show (biofach.de) *	February 12-15, 2020	Contact: Hanna Khan Hanna.Khan@fas.usda.gov
ProWein, Dusseldorf, Germany Europe’s largest wine trade show in 2017 (prowein.com)	March 15 – 17, 2020 Annually	Contact: Hanna Khan Hanna.Khan@fas.usda.gov
Seafood Exhibition Global (SEG), Brussels, Belgium (euroseafood.com) *	April 21 - 23, 2020	Contact: Marcel Pinckaers +31 70 3102 305; marcel.pinckaers@fas.usda.gov
SIAL, Paris, France Europe’s largest food & beverages show (sial.fr) *	October 18 - 22, 2020 Bi-Annual	Contact: Laurent Journo +33 14312 2245 laurent.journo@fas.usda.gov
TUTTOFOOD Milano World Food Exhibition Fruit & Veg Innovation (tuttofood.it) *	May 17- 20, 2021 Biennial	Contact: Dana Biasetti +39 06 4674 2866; Dana.Biasetti@fas.usda.gov

**USDA Endorsed*

Appendix B. Belgian imports of consumer-oriented products, thousand USD

	2014	2015	2016	2017	2018	Jan - Jun 2018	Jan - Jun 2019	Period % Change (Value)

Consumer Oriented Total	412,874	431,681	422,925	403,387	377,249	214,775	217,475	1
Tree Nuts	236,489	282,228	231,233	194,935	201,652	118,435	123,009	4
Wine & Beer	30,070	27,658	42,311	47,205	34,366	19,552	21,792	11
Prepared Food	13,348	11,171	24,932	31,971	23,251	11,076	13,271	20
Dog & Cat Food	29,041	34,353	37,323	27,821	17,243	10,363	11,348	10
Non-Alcoholic Bev. (ex. juices)	4,453	10,993	21,160	17,924	17,189	9,308	7,904	-15
Processed Vegetables	3,524	3,320	6,819	13,953	12,810	8,895	2,140	-76
Fresh Vegetables	1,873	4,066	9,208	12,465	11,342	4,887	5,494	12
Fresh Fruit	9,512	6,094	8,281	9,082	10,991	4,962	5,283	6
Dairy Products	9,253	2,795	3,753	8,747	10,828	5,754	5,499	-4
Beef & Beef Products	4,352	4,182	3,752	7,800	7,378	5,298	8,539	61
Condiments & Sauces	5,767	5,891	6,668	7,624	5,875	3,432	2,792	-19
Processed Fruit	7,383	4,514	7,517	7,620	5,760	2,902	2,524	-13
Fruit & Vegetable Juices	38,070	23,312	10,064	6,371	5,170	4,031	4,336	8
Snack Foods NESOI	6,898	3,740	3,935	4,542	5,063	2,535	1,872	-26
Chocolate & Cocoa Products	503	613	791	1,268	4,094	294	650	121
Pork & Pork Products	823	1,002	1,462	1,262	1,335	1,331	86	-94

Source: FAS Global Agricultural Trade System (GATS)

Appendix C. Belgian imports of fishery products, thousand USD

	2014	2015	2016	2017	2018	Jan - Jun 2018	Jan – Jun 2019	Period % Change (Value)
Fish Products	37,998	30,693	24,147	30,649	19,059	8,187	5,120	-37
030722 - Scallops	0	0	0	12,883	6,169	3,259	1,931	-41
030481 - Salmon Pacific Filets	0	97	0	1,846	651	0	150	-
030311 - Sockeye Salmon	212	1,496	38	1,534	103	103	96	-8
030382 - Rays and Skates	1,543	774	243	1,190	682	192	60	-69
030389 - Monkfish	1,707	1,657	1,008	1,064	492	156	0	-
030489 - Fish Filets	0	0	0	986	888	389	36	-91

030729 - Scallops (processed)	0	0	0	972	494	375	607	62
030274 - Eels	0	0	0	901	1,156	565	372	-34
030312 - Pacific Salmon	167	35	315	771	437	0	0	-
030721 - Scallops (fresh)	0	41	0	674	0	0	0	-
030381 - Dogfish	0	0	0	572	324	138	115	-17
030541 - Salmon (smoked)	0	0	361	506	5	5	0	-
030692 - Lobsters	0	0	0	499	0	0	0	-
030743 - Squid Fillets	0	0	0	483	283	85	54	-36
030389 – Sablefish	295	514	979	411	545	225	547	144

Source: FAS Global Agricultural Trade System (GATS)