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# TRADE AND INVESTMENT



## ***Canada–Belgium***

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The Library of Parliament ***Trade and Investment*** series provides information on Canada's trade and investment relationship with selected countries. Particular attention is paid to bilateral merchandise trade, trade in services, and foreign investment. These publications are prepared by the Parliamentary Information and Research Service, which carries out research for and provides information and analysis to parliamentarians and Senate and House of Commons committees and parliamentary associations.

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## Merchandise Trade

In 2010, Canada's bilateral merchandise trade with Belgium totalled \$3.9 billion, comprised of \$2.2 billion in exports to, and \$1.7 billion in imports from, the country.

In 2010, Belgium was Canada's 12<sup>th</sup> largest export destination worldwide, and its fifth largest export destination in the European Union (EU), a region that includes 27 countries. It was also Canada's 25<sup>th</sup> largest source of imports in the world, and its seventh largest source of imports in the EU in that year.

The value of Canada's exports to Belgium as a share of the total value of Canadian exports has fallen over time, declining from 0.7% in 1995 to 0.5% in 2010. Over the same period, the value of Canadian imports from Belgium as a proportion of the total value of Canada's imports rose from 0.3% to 0.4%.

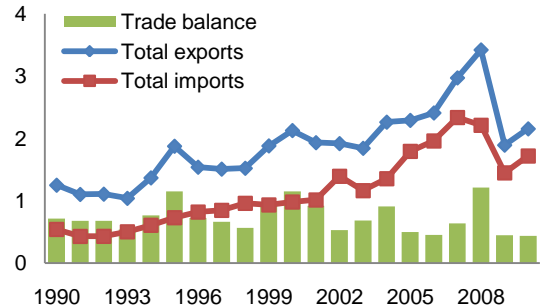
Over the 2005 to 2010 period, the average annual decline in the value of Canada's exports to Belgium was 1.2%, compared to an average annual rate of decrease of 1.8% in the value of Canada's exports to the rest of the world. The value of Canada's imports from Belgium decreased at an average annual rate of 0.8% over the period, while the value of Canada's imports worldwide grew at an average annual rate of 1.2%.

With a value of approximately \$699.5 million – comprised nearly entirely of diamonds – the Northwest Territories was the largest source of Canadian exports to Belgium in 2010. Quebec and Ontario were the second and third largest sources of exports to the country in that year, with exports valued at \$469.6 million and \$425.1 million respectively.

### Figure 1

#### Merchandise Trade

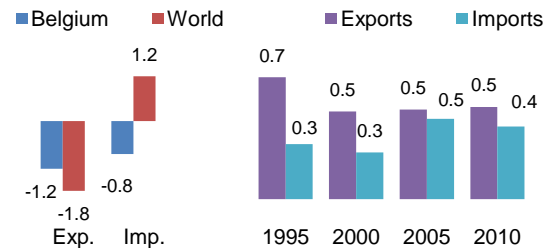
\$ billions



### Figure 2

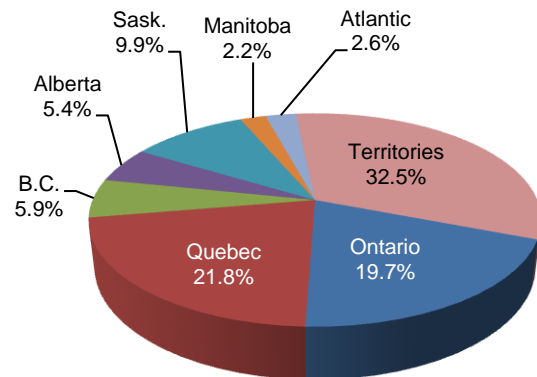
#### Importance to Canada

Average yearly growth (%): 2005–2010      Share of total trade (%):



### Figure 3

#### Exports by Province/Territory – 2010



All figures were prepared by the authors using Statistics Canada annual figures as of spring 2011.  
The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.

## Products

In 2010, resource-based products accounted for 57% of the value of Canada's exports to Belgium, while manufactured goods represented the remaining 43%. This composition is similar to 2005, when resource-based products and manufactured goods accounted for 55% and 45% respectively of the value of Canadian exports to the country.

Canada's highest-valued export products to Belgium in 2010 were diamonds, linseed and medication, valued at \$713.2 million, \$140.6 million and \$95.0 million respectively. Over the 2005 to 2010 period, the value of Canadian diamond and linseed exports to the country decreased by 19% and 9% respectively, while the value of medication exports increased by 179%.

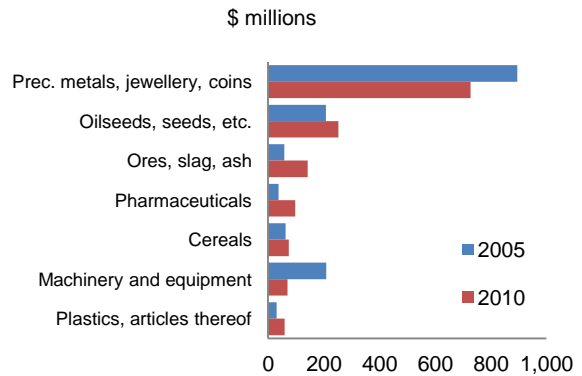
In 2010, manufactured goods accounted for 99% of the value of Canada's imports from Belgium, a proportion that is almost identical to the 2005 proportion of 98%. In 2005 and 2010, resource-based products accounted for 2% and 1% respectively of the value of Canadian imports from the country.

Canada's highest-valued import products from Belgium in 2010 were non-crude petroleum oils, motor vehicles for passenger transport, medication and blood preparations (such as antisera), valued at \$400.1 million, \$138.1 million, \$133.3 million and \$125.3 million respectively. Over the 2005 to 2010 period, the value of Canadian imports of non-crude petroleum oil, medication and blood preparations from Belgium increased by 35%, 11% and 108% respectively. Canadian imports of Belgian motor vehicles for passenger transport were the only major import category to experience a decrease in value over the period; the value of these imports declined by 15%.

In 2010, Canada had relatively small trade deficits with Belgium in the machinery and equipment, transportation equipment, and other manufactured goods product categories. In that year, Canada had a small trade surplus with the country in forest products, and a relatively large surplus in the metals, mines, energy, as well as the agriculture and food categories.

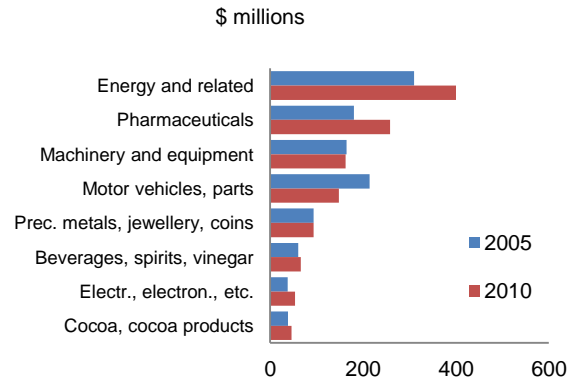
### Figure 4

#### Major Export Products



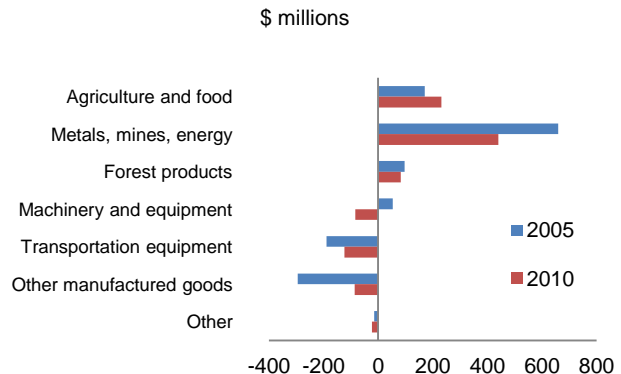
### Figure 5

#### Major Import Products



### Figure 6

#### Balance by Category



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## Services and Investment

In 2009, the most recent year for which data are available, Canada exported \$340.0 million in services to, and imported \$443.0 million in services from, Belgium and Luxembourg. (Data on Canada's services trade are available only for Belgium and Luxembourg collectively.) These values were 10% and 22% respectively lower than their 2008 levels.

Canada had a trade deficit in all three services categories with Belgium and Luxembourg in 2009. In 2009, Canada's deficit in commercial services was relatively larger. In that year, commercial services imports from Belgium and Luxembourg were valued at \$258.0 million, while commercial exports were valued at \$175.0 million. Still, from 2008 to 2009, Canada's deficit in services trade with Belgium and Luxembourg fell, as the value of imports of commercial services from these countries decreased.

The stock of Belgian direct investment in Canada was \$3.6 billion in 2010, a level that was 23% lower than its 2003 peak of \$4.7 billion. In 2010, Belgium was the 13<sup>th</sup> largest source of foreign investment in Canada worldwide, and its sixth largest foreign investment source in the EU.

The stock of Canadian direct investment in Belgium was \$1.1 billion in 2010, a level that was 77% lower than its 2004 peak of \$4.7 billion. In 2010, Belgium was the 34<sup>th</sup> largest foreign destination for Canadian direct investment, and its 11<sup>th</sup> largest destination in the EU.

Figure 7\*

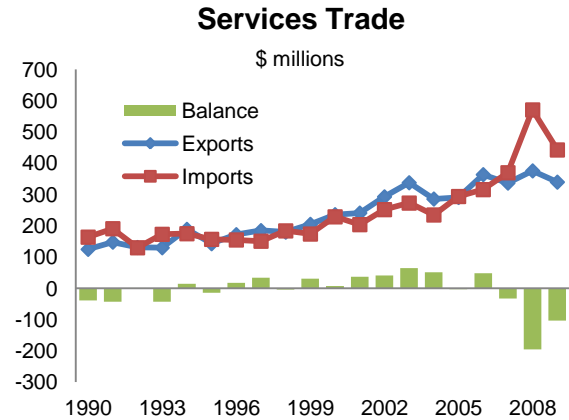


Figure 8\*

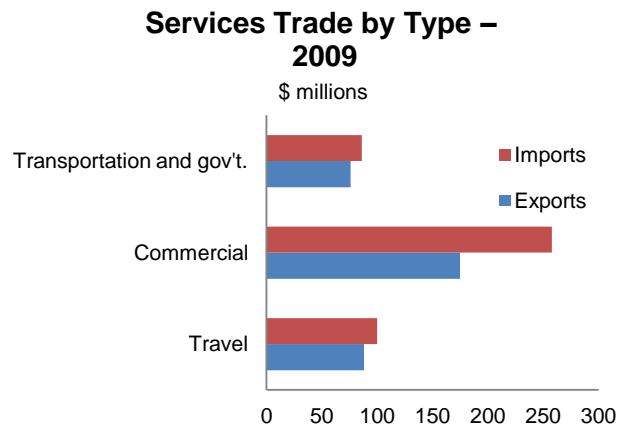
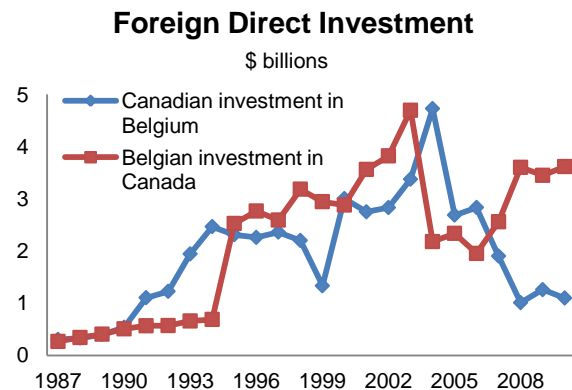


Figure 9



\*Data on Canada's services trade are available only for Belgium and Luxembourg collectively.

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