

## Belgium

# Your Partner in the Europe of 1992

*Prepared by the Canadian Embassy in Brussels*

Size can be deceptive.

Belgium is small, about half the size of Nova Scotia. But it is big — in terms of population (10 million people), commerce and industry.

The country's capital, Brussels, is the headquarters of the European Economic Community (EEC), a factor, but not the only one, that makes Belgium an important player in the international business world.

The country, centrally located, can be a door through which Canadian companies can gain access to the Single Market of 1992.

Data reveal that:

- Belgium exports 70 per cent of its Gross National Product, the highest ratio of all the industrialized countries;
- Three-quarters of the EEC's purchasing power lies within 350 km of Brussels;
- Belgium stands alongside France as Canada's fourth-largest market in Europe;
- The Belgian economy has experienced an average growth rate of 4 per cent over the past five years;
- It is one of the best situated countries to take advantage of the Single Market;
- It has the highest concentration of foreign investment in the world and, until quite recently, was Canada's third-ranking source of such investment, after the U.S. and England.

### Sales Channel to Europe

Belgium's position in international trade is also completely disproportionate to its population. With 0.21 per cent of the world's people, Belgium is responsible for 3.2 per cent of its trade. It is the EEC's sixth-largest importer despite having only 3.1 per cent of the population of the EEC.

Belgium's trading position exhibits two fundamental characteristics that make it a most inter-

esting market for Canadian companies wishing to penetrate the Single Market of 1992.

First, Belgium is a veritable **microcosm of the Single Market** and, as such, is an incomparable test market, making it an unparalleled port of entry to the EEC.

The country's population, like Europe's, is a highly diversified and cosmopolitan one. It combines in the same territory the Germanic and Latin cultures represented by its Dutch-speaking (55%), German-speaking (5%) and French-speaking (40%) people.

It also has a very large number of foreigners employed by the institutions of the EEC, NATO, and some 850 international organizations. Belgium is home to thousands of multinational companies, many of which have chosen the country as the centre from which to coordinate their European activities. Belgians are polyglots by nature. Their purchasing power is among Europe's highest.

Belgians are very sensitive to quality and service and have long been exposed to products of the most diverse origins. Unlike many of their neighbours, they do not exhibit the nationalistic reflex of automatically favouring a national or European product over a foreign one.

The second characteristic is that its geographic location and its infrastructures make Belgium a veritable pan-European centre of distribution.

The reason it exports 70 per cent of its GNP is not only because it specializes in the processing of raw materials and re-exports them as finished and semi-finished products to Europe and elsewhere, but also because it is at the head of a formidable distribution network, radiating out into the rich surrounding markets, where 75 per cent of the EEC's purchasing power lies.

As well as having the continent's second-largest port, Belgium has a tremendously effective commercial infrastructure based on one of the continent's most dense and most efficient transportation and communications networks.

### Assessing the Market

But selling to Belgium involves more than merely wishing to. The Belgian market is very sought after and is highly competitive; its buyers are generally loyal to their suppliers, many of whom have long been established there.

Success, nonetheless, is within the grasp of companies that market high-quality goods and services that have already given them a strong position on the North American market.

It is also within the grasp of companies that are willing and able to invest the time and money required to adapt their marketing approach to the requirements of the European market and to patiently demonstrate their seriousness and their determination.

It is possible to experience overnight success, but your approach to the Belgian market must be well-planned and sustained and will normally require a medium-term commitment.

### A Tailor-Made Partner

Belgium has long been one of the most open European countries, and its economic policy is based on free enterprise and competition. The Belgium-Luxembourg Union was formed back in 1921. The formation of the Benelux, after World War II, was a prelude to the formation of the European Communities.

Thus free trade and international business have been the customary way of doing things in the first country after England to be industrialized.

It is still one of Europe's most

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