



## 2023 SME COUNTRY FACT SHEET

# BELGIUM

### Brief introduction

- In 2022, SMEs in Belgium continued their recovery, with SME value added growing by 10.6% and SME employment increasing by 2.4%. However, as value added growth is not adjusted for inflation, in the high-inflation environment of 2022, growth in real terms has been lower.
- Employment in the *Energy - Renewables* ecosystem increased by 3.4% in 2021 and 3.5% in 2022. SME value added in this industrial ecosystem also increased strongly over the last two years, by 15.5 % and 30.8%. Please note that value added growth is not adjusted for inflation.
- In 2023, it is expected that SME value added in Belgium will continue to grow by 4.7%, but SME employment is expected to decline by 0.1%. Please note that value added growth forecasts are not adjusted for inflation.

### SME DEVELOPMENT 2021-2022



SMEs in the 'non-financial business sector'. Estimates produced by JRC.

	ENTERPRISES		PERSONS EMPLOYED		VALUE ADDED	
	NUMBER	SHARE	NUMBER	SHARE	€ BILLION	SHARE
<b>SMEs</b> (0 -249 persons employed)	714 980	99.9%	2 025 933	66.3%	166.9	59.0%
<b>LARGE ENTERPRISES</b> (250+ persons employed)	995	0.1%	1 028 306	33.7%	116.0	41.0%

The data for 2022 are estimates produced by JRC, based on 2008-2020 figures from national and Eurostat databases

## SME-RELATED STRENGTHS AND CHALLENGES

### KEY STRENGTHS

- Digitalisation of SMEs:** The latest data of DESI 2022 show Belgian SMEs are above average in terms of basic level of digital intensity (65% vs 55% EU average). 45% of Belgian enterprises (against 29% in EU average) are present on social media, 30% sell online (against 18% in average in the EU).
- Innovation:** The performance of Belgium as an innovation leader has further increased in 2022 (EIS 2022). The Belgian SMEs perform well above EU average regarding innovative products (score of 134.5) and innovative processes (score of 157) as well regarding connection between each other (score of 223.6).
- Access to finance:** Belgium remains a leader concerning access to finance for SMEs (ESAF, index 2021). Belgian used mostly bank loans in 2022 compared to other sources of financing.

### KEY CHALLENGES

- Skills shortages:** Belgium had one of the highest vacancy rates in the EU (4.3% vs 2.4% for EU) and experiences also big skills shortages (Eurostat) notably in professional, scientific, technical activities and administrative and support activities. For SMEs this is the number one challenge according to the SAFE survey 2022.
- Inflation:** The year 2022 saw some of the biggest price increases since decades (Eurostat), such as in terms of energy. Subsequent wages' indexation at the beginning of 2023 has induced a substantial wage raise, which impacts SMEs' competitiveness.
- Greening of company cars:** Complying with the new legislation will be a challenge for SMEs. 60 % of company cars in 2021 were bought by SMEs. Electrification of Belgian car fleet will bring some significant investment challenges, among others concerning charging infrastructures. (Fleet 2021)

## OTHER KEY SME-RELATED BRIEF INSIGHTS



OTHER RELEVANT TOPICS

The number of people working in SMEs in Belgium has increased steadily in recent years, but it is in micro enterprises that the increase is most significant with about 40% increase compared to 2008. (JRC/Eurostat).



SCALE-UP ENVIRONMENT

The share of high-growth enterprises in population of enterprises with at least 10 employees active in the business sector in 2019 in Belgium was one of the lowest of the EU. (Eurostat).



ENVIRONMENTAL ASPECTS OF SUSTAINABILITY

43% of Belgian SMEs against 35% in the EU invested 1-10% of their annual turnover over the past year to be more resource efficient. (Flash Eurobarometer 498).



ACCESS TO FINANCE

In May 2022, EUR 1,490 billion financial support had been provided to Belgian companies under the temporary crisis transition framework to help them against the negative effects of the Russian war of aggression against Ukraine.



ACCESS TO MARKETS

Belgian SMEs are very open to international trade. More than 80% of the goods produced in Belgium are exported. This exposes SMEs more to world events be it positive or negative (Eurostat).