The Belgian economy grew by 1% last year



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Belgium's economic growth in 2025 was 1% (on an annual basis).

This is a moderate, but stable, growth that was broadly in line with the rest of the eurozone (excluding exceptions such as Ireland).

The main drivers and underlying factors behind this 1% growth were first and foremost **household consumption.**

Household consumption remained the main driver of economic activity. Consumers continued to spend, particularly in the services sector.



The second factor was **business investment**.

Despite geopolitical and economic uncertainties, companies continued to invest, albeit cautiously, in particular in digitalization, sustainability (green energy) and productivity improvement.

Thirdly, **net exports (difference between our exports and imports)** held up well.

Foreign trade performed better than in previous years, the contraction in exports stabilized.





GROSS DOMESTIC PRODUCT

AN INTRODUCTION

On the basis of the national accounts, the government can calculate the **value of the (final) goods and services produced by the economy within the national borders during a year**.

This is called **Gross Domestic Product or GDP.**

It is the most important **indicator of the wealth** that a country achieves.

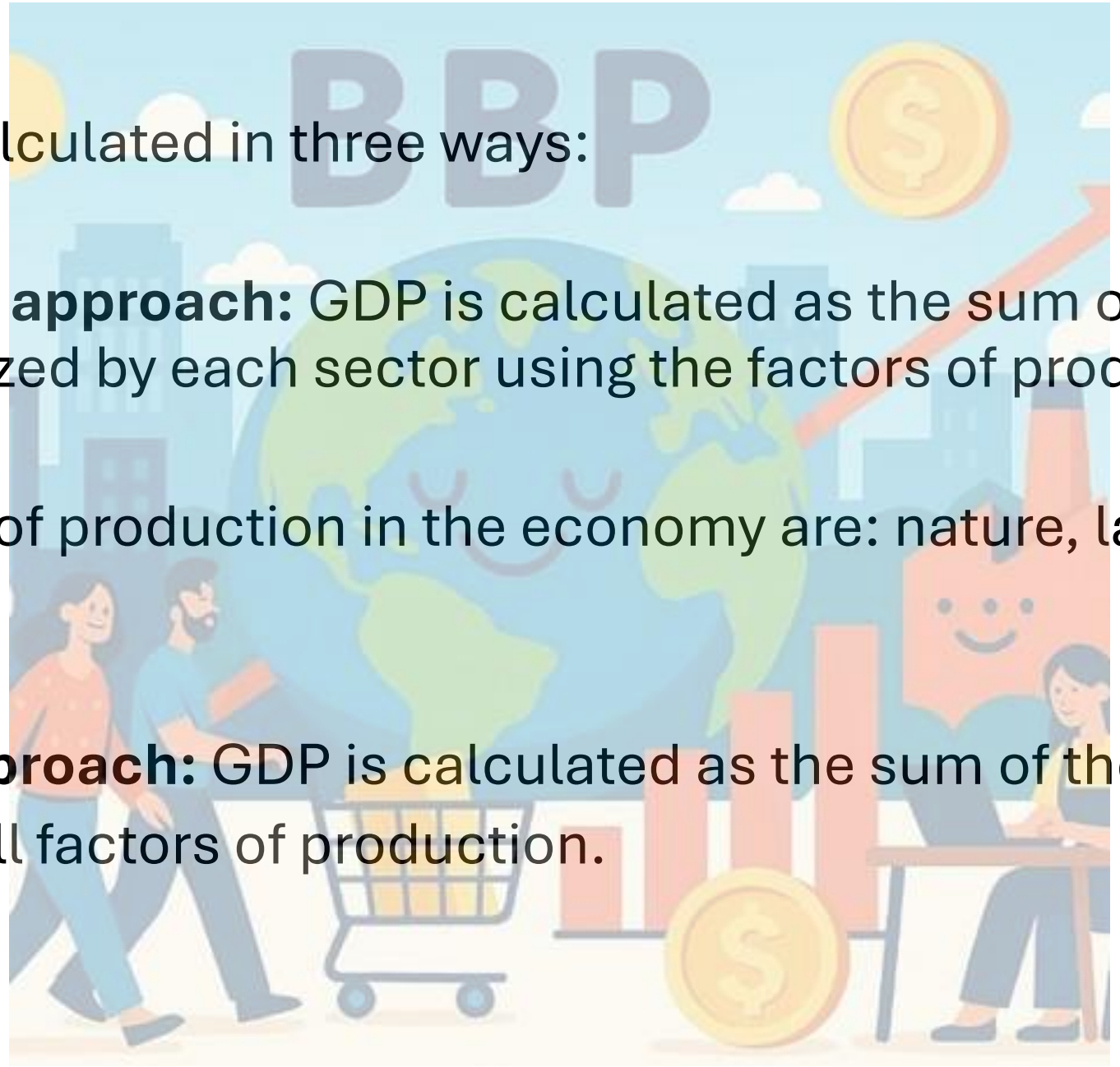


GDP can be calculated in three ways:

- **Production approach:** GDP is calculated as the sum of the added values realized by each sector using the factors of production.

  The factors of production in the economy are: nature, labour and capital.

- **Income approach:** GDP is calculated as the sum of the incomes earned by all factors of production.





- **Expenditure approach:** GDP is calculated as the sum of all income expenditures.

Every calculation approach produces the same result.

If the GDP calculation is based on current prices, you get **nominal GDP**.
If you work with constant prices, you get the **real GDP**.

In the latter concept, inflation is removed from the calculation, making it a more reliable measure of economic growth.

To compare wealth between countries, GDP is divided by the size of the population: that is **GDP per capita**.

Although GDP is still considered the main measure of wealth, there are **shortcomings** in the concept. For example, GDP does not measure well-being factors such as life expectancy or education level.

That is why alternative measures have emerged, such as the **Human Development Index (HDI)**.

