

CBI MARKET SURVEY

THE DOMESTIC FURNITURE MARKET IN BELGIUM

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Report summary

This CBI market survey discusses, amongst others, the following highlights for the domestic furniture market in Belgium:

- Belgium's consumption of domestic furniture was valued at € 2,231 million in 2005, down by 1.5% since 2001, as was production which was valued at € 1,892 million.
- Imports were up by 13% since 2001, and were valued at € 2,001 million. Furniture parts were the largest product group.
- Developing countries account for 17% of all imports, up from approximately 13% in 2001. Over 90% of this is from Asia. The main supplier is China, followed by Indonesia. Supplies from Africa are in decline.

This survey provides exporters of domestic furniture with sector-specific market information related to gaining access to Belgium. By focusing on a specific country, this survey provides additional information, complementary to the more general information and data provided in the CBI market survey 'The domestic furniture market in the EU', which covers the EU in general. That survey also contains an overview and explanation of the selected products dealt with, some general remarks on the statistics used as well as information on other available documents for this sector. It can be downloaded from <http://www.cbi.nl/marketinfo>

1. Market description: consumption and production**Consumption****Total market size**

The domestic furniture market was valued at € 2,231 million in 2005, an increase of just 1% compared to 2003. This was one of the poorest performing EU markets of 2005, although it showed an improvement over the previous year.

Table 1.1 Consumption of domestic furniture in Belgium, 2001-2005, € million

	2001 €m	2003 €m	2005 €m	Population (million)	Consumption per capita €	Households (000's)	Occupants per h/h
Belgium	2,265	2,223	2,231	10.4	214	4,402	2.4

Source: National Trade Associations, Euromonitor, Eurostat (2006)

Belgium accounts for 2.9% of sales and is the seventh largest market in the EU25, after Germany, Italy, the UK, France, Spain, The Netherlands and Poland. It is similar in size to Austria. Belgium is a mature market for furniture and Belgians invest heavily in their home which partly explains the high per capita figure of € 214. Consumer confidence is returning again so a modest increase in retail sales is forecast for 2006, higher than 2005.

Product groups

Upholstered furniture is the largest product group in Belgium, valued at € 669 million and representing 30% of the market. This sector is broadly holding its position. Much traditional seating is included in this figure, but the nature of upholstered products is changing as more contemporary items come to the market.

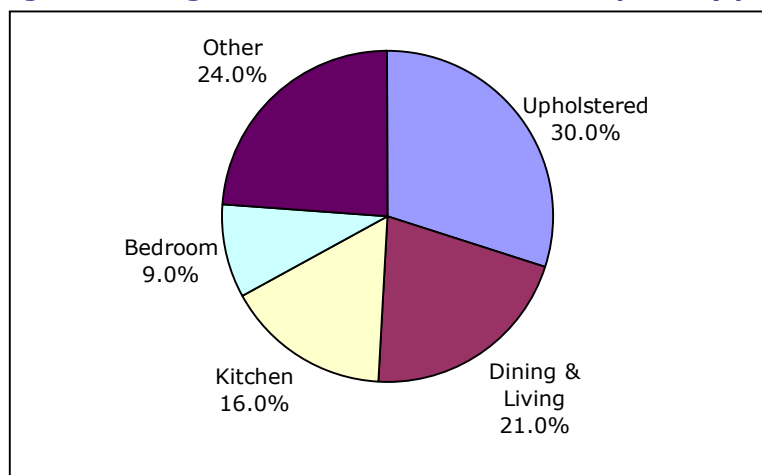
Dining and living room furniture is valued at € 468 million. Like other EU countries, traditional dining room furniture is declining and the rise in single person households in Belgium is

affecting the composition of this product group. This is also changing the demand for different styles of living room furniture.

Kitchen furniture is now valued at € 357 million. Like other major EU markets, this sector is starting to increase, indicating changes in the broader housing market. Increases in expenditure on kitchen furniture quite often lead to purchases of furniture in other parts of the home.

Bedroom furniture is valued at € 201 million, broadly the same as the previous year.

Figure 1.1 Belgian domestic furniture consumption by product group, % value, 2005



Source: Febelbois, Euromonitor (2006)

Market segmentation

- **Segmentation by region:** The principle basis of market segmentation in Belgium is geographic. In the north of Belgium, known as Flanders, Dutch is the principle language. This is the wealthiest and most densely populated part of the country. In the south of the country, known as Wallonia, French is the principle language. This is also the most conservative part of the country.

In this respect, behaviour patterns in the north of the country more closely reflect lifestyles in The Netherlands, whereas in the south consumer behaviour is similar to that in France. In fact there is a third region around the capital Brussels that is more internationally focussed.

- **Segmentation by lifestyle:** The other major emerging segment in the Belgian market is the number of people living alone. The growth in the number of people living alone has resulted in a 7% increase in the number of households in Belgium over the last ten years. This has particular implications for marketing to young people and marketing to the elderly.

Exporters from developing countries should be sensitive to the regional differences in Belgium. However, lifestyle changes and the new singles market transcend these regional differences. Lifestyle segmentation will ultimately prove to be a more meaningful basis upon which to look at the market. Young single people tend to have a higher than average disposable income, whereas the picture is more mixed for elderly people who live alone. Single person households tend to have less space, so furniture needs to be flexible in its usage. Young single people are interested in furniture with technological advantages, particularly for sound and vision systems. Older people living alone either are not interested in new furniture purchases or they are interested in furniture design which can assist people with restricted mobility.

Trends in consumption

- Belgians are not taking to the Internet as rapidly as some other EU consumers. They still prefer to physically see what they are buying first.
- However there is a growing trend towards working from home which has resulted in increased sales of home office products.
- Although the Belgians are fairly formal, there are changes in society that are being reflected in more informal living arrangements and an increase in demand for more flexible and multi-purpose furniture.
- Consumers in Belgium are now looking to buy furniture as part of an overall concept – for their living room or bedroom – and are purchasing on this basis, rather than just buying individual products. This is also part of a trend towards greater personalisation that affects how people design and arrange their homes, amongst other things.
- Environmental considerations are climbing in importance in Belgium. Although not as important in some Northern European countries, this trend will ultimately have long-term implications on future furniture purchasing.
- Changes in distribution, including the decline of independent specialist outlets and the growth of large international chain stores, have resulted in more price competition. Price is a very important part of furniture marketing. Previously product quality was the dominant marketing communication.

Production

Total production

The value of domestic furniture production was estimated at € 1,892 million, down 2% since 2001, but a small increase over the low point of 2003. According to Eurostat, the volume of Belgian production was 33.5 million items in 2003. Prospects for the future are uncertain but in the short term small increases are predicted. The industry is currently being sustained by domestic demand as exports have been falling. Production capacity is running at 80% utilisation.

Table 1.2 Production of domestic furniture by Belgium, 2001- 2005, € million

	2001 value	2003 value	2005 value*	Average % change in value	Number of companies 2004	Number of employees 2004
Belgium	1,925	1,855	1,892	-1.7	1,250	11,690

Source: UAE

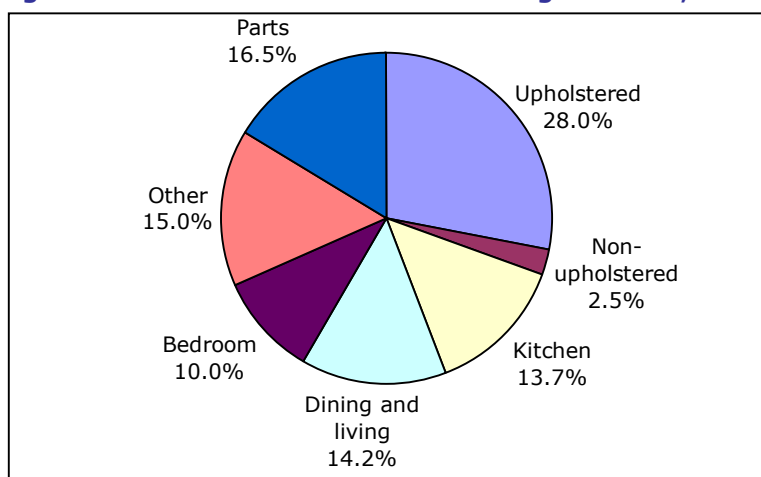
*estimated

Furniture production in Belgium accounts for 2.6% of the EU total. It is the ninth largest in the EU, after the top five of Germany, Italy, France, Spain and the UK, followed by Poland, The Netherlands and Denmark. It is also close in size or slightly larger than Austria and Sweden.

Belgium is particularly oriented to foreign trade, importing around 80% of domestic consumption, but exporting 75% of domestic production. The leading 20 companies account for approximately 30% of output. Most production is concentrated in the Flanders region. Nearly 11,690 people are employed in 1,250 companies. The average firm sizes are fairly small.

As shown in figure 1.2, upholstered seating is the largest product group, followed by furniture parts. Production of kitchen furniture is increasing. Production of other furniture and non-upholstered seating is in decline.

Figure 1.2 Production of furniture in Belgium 2005, % value



Source: Eurostat 2006

Major players

Leading manufacturers of domestic furniture in Belgium are:

- Confortluxe are manufacturers of upholstered furniture (<http://www.confortluxe.be>), as are Recor (<http://www.recor.be>).
- Karel Mintjens specialise in oak furniture (<http://www.kasten.be>) and Gaston Bauwens produce a range of domestic furniture items (<http://www.bauwens.be>).
- Other manufacturers include Van Pelt, Rom and Veldeman.

Trends in production

- The Belgian furniture industry is basing its future strategy on "qualitative competition", implying that it will not be trying to compete on price with low cost manufacturers in other parts of the world.
- Emphasis is being placed on co-operation between companies, developing new talent, and improving the image of the industry. International competitiveness is essential for an industry that is so reliant on exports.
- Collective promotion campaigns and joint efforts in exporting, together with emphasising the positive aspects of wooden furniture on the environment and energy usage, are the fundamental points which the industry hopes will make it competitive in future years.

Opportunities and threats

- Although domestic production has been in somewhat of a decline and there has been a focus on exporting, Belgian consumers are quite loyal to their own products. Consequently, market opportunities emerging as a result of changing lifestyles are being taken up by domestic producers as well as importers. Belgian consumers are quality conscious and will accept new products, but they are quite discerning.
- Opportunities exist for flexible and ready to assemble bedroom furniture, as well as multi-functional living room furniture. Opportunities also exist for new kinds of upholstered seating, but exporters will require significant technical competence and expertise to supply the required products.
- A further opportunity may lie in looking for partnerships with respected Belgian producers who are looking for suppliers who can meet quality standards and manufacture at lower costs than in Belgium.

Useful sources

- The Belgian Furniture Industry is represented by FEBELBOIS (<http://www.febelbois.be>).
- The Belgian Furniture Export Directory, representing some of the best Belgian furniture production, can be found at <http://www.belgofurn.com>.
- The European Confederation of Woodworking Industries (CEI-Bois) is based in Belgium

and can be found at <http://www.cei-bois.org>.

- Production figures are from Eurostat but can also be accessed at the Belgian Statistical office (<http://statbel.fgov.be>).
- Market information can sometimes be found at <http://www.bouwenwonen.net> and at <http://www.wood-it.be>.
- The Dutch Chamber of Commerce for Belgium and Luxembourg has published a report on the Belgian furniture market – http://www.nkvk.be/3marktinformatie/3b_marktrapporten.asp.

2. Trade: imports and exports

Imports

Total imports

In 2005, Belgium imported furniture valued at € 2,001 million, or 639,000 tonnes. This accounted for 6.7% of all EU imports by value, or 6% by volume. This represented an increase of 13% in value (32% in volume) since 2001. Belgium is the fourth largest importer of domestic furniture in the EU after Germany, the UK and France. Countries with similar levels of imports include Spain, The Netherlands and Italy.

This growth in imports contrasts with an equivalent reduction in exports. Belgium's furniture imports have been greater than exports for almost a decade. Currently imports exceed exports by 50% in value and by over 80% in volume. Production is down and consumption has been static. Nevertheless the role of imports in the market continues to grow.

Germany and The Netherlands are the most important suppliers, accounting for over a third of all supplies. A good proportion of this will be re-exports. 80% of all imports are intra-EU. Imports from Sweden and Poland, two large suppliers, are decreasing.

- Developing countries account for 17% of all imports, almost half of which come from China. Imports from developing countries are increasing year on year.
- Although China and Indonesia are the dominant developing country suppliers, there is a mixed picture from other developing countries.
- Supplies from North Africa are not increasing, while supplies from Mexico and Brazil, the two main Latin American supplying countries are increasing. Imports from most Asian countries are increasing, although volumes from the Philippines are down.

Imports by product group

Furniture parts are the largest product group of imports to Belgium. Valued at € 619 million in 2005, this group represented 31% of all imports in 2005 (22% by volume), a larger share than in 2001. This highlights the importance both of re-exports and the separation of production and assembly. Intra-EU trade dominates the supply of furniture parts. Two thirds of all furniture parts come from Germany, the Czech Republic and Poland. While imports from Spain have increased considerably, imports from Sweden and Slovenia are down.

Developing country suppliers play a minimal role in supplying parts to Belgium. In fact the contribution from developing countries is reducing. Supplies from African countries have reduced considerably, as have most Asian country suppliers with the exception of Vietnam. The other developing country with increasing supplies is Turkey.

Other furniture is the next largest product group, valued at € 345 million in 2005, representing 17% of imports by value (25% by volume), a similar proportion as in 2001. This group is much more important for suppliers from developing countries, compared to furniture parts. 32% of all imports came from developing countries, up from less than 20% in 2001.

China is the largest supplier, ahead of the largest EU suppliers (Netherlands and Germany).

China's imports have more than doubled since 2003 to € 60 million. Other Asian suppliers have also seen increased imports to Belgium, with the exception of Thailand. In Africa, supplies from South Africa, Morocco and Tunisia are down but imports from Egypt have increased. Brazil is the main Latin American supplier, but a new provider of other furniture is Bolivia with imports valued at € 0.3 million in 2005.

Upholstered seating is the third largest product group, valued at € 312 million in 2005. This is probably the fastest growing group of imports for developing country suppliers, although they still represent just 11% of all imports. Italy dominates but is being caught up by Poland.

China and Malaysia are the leading developing country suppliers, with imports increasing sevenfold over the period in the case of China. Asian suppliers dominate, but Tunisia, Brazil and Mexico are also growing providers of upholstered furniture to Belgium.

Table 2.1 Imports by and leading suppliers to Belgium, 2001-2005, % value

Product	2001 (€ mln)	2005 (€ mln)	Leading suppliers in 2005 (share in %)	Share
Total domestic furniture	1,766	2,001	Intra-EU : Germany (23%), Netherlands (12%), Italy (9%) Ext EU excl DC*: Romania (1.4%), USA (0.4%), Taiwan (0.3%) DC* : China (8%), Indonesia (4%), Vietnam (1.2%) Malaysia (0.6%), Thailand (0.5%), India (0.3%)	80% 3% 17%
Upholstered seating	282	312	Intra-EU : Italy (30%), Poland (17%), Netherlands (14%) Ext EU excl DC*: Romania (1.4%), Canada, Hong Kong DC* : China (7%), Malaysia (1.6%), Tunisia, Indonesia, Vietnam, Brazil	87% 2% 11%
Dining/living room	217	216	Intra-EU : Netherlands (25%), Italy (10%), Poland (10%) Ext EU excl DC*: Romania (3.2%), Bulgaria (0.4%), USA DC* : Indonesia (10%), China (5.7%), India (1.5%), Vietnam, Thailand, Mexico	74% 5% 21%
Non-upholstered seating	165	200	Intra-EU : Netherlands (16%), Italy (8%), Germany (6%) Ext EU excl DC*: Romania (1.3%), Bulgaria (1%), USA DC* : China (24%), Indonesia (11%), Vietnam (5%), Thailand (3%), Malaysia (2%), Philippines (1%)	49% 3% 47%
Bedroom	136	135	Intra-EU : Germany (30%), Netherlands (16%), France (11%) Ext EU excl DC*: Romania (3.5%), Switzerland, USA DC* : China (8%), Brazil (2%), Turkey (1%), Malaysia, Indonesia, Mexico	84% 4% 12%
Kitchen	116	140	Intra-EU : Germany (73%), France (9%), UK (4%), Ext EU excl DC*: Taiwan, Switzerland, Romania DC* : China, Vietnam, Turkey, Thailand, Indonesia, Malaysia	98% 0% 2%
Rattan	36	34	Intra-EU : Netherlands (17%), Italy (8%), France (5%) Ext EU excl DC*: Taiwan (2.9%), Switzerland, Hong Kong DC* : Indonesia (29%), China (11%), Vietnam (8%), Philippines (5%), Malaysia, Thailand	41% 4% 55%
Other	294	345	Intra-EU : Netherlands (16%), Germany (14%), France (9%) Ext EU excl DC*: Romania (2%), Taiwan (1%), USA DC* : China (17%), Indonesia (7%), Vietnam (3%), Turkey (1.5%), India, Myanmar	61% 7% 32%
Parts	520	619	Intra-EU : Germany (32%), Czech Rep (19%), Poland (11%) Ext EU excl DC*: USA, Japan, Romania DC* : China (1.6%), Turkey (0.5%), Thailand, Indonesia, Malaysia, India	95% 2% 3%

Source: Eurostat (2006), *Developing Countries

Imports of *non-upholstered seating* were valued at € 200 million in 2005 (10% by value and 9% by volume of all furniture imports). This represents an increasing proportion of all imports

since 2001. This group has the greatest proportion of supplies (47%) from developing countries, with the exception of rattan furniture.

Asia supplies 95% of all developing country imports of non-upholstered furniture. China and Indonesia are the two main developing country suppliers, although supplies from Indonesia are declining. Other countries also increased their supplies, with the exception of Malaysia, Tunisia and Turkey.

Dining and living room furniture had imports worth € 216 million in 2005, 21% of which came from developing countries. Although imports are unchanged in this category over the period, the share from developing countries has grown since 2001. The major supplier is The Netherlands, although re-exports will play a part of this. Indonesia is the largest supplier, although their supplies are not increasing. China is the next largest and their supplies are growing rapidly. Other Asian suppliers are also increasing. Supplies from Brazil are decreasing.

Bedroom furniture imports are unchanged over the period. Developing country suppliers account for 12% of this, the majority of which is from China. China's and other Asian suppliers are not increasing significantly, but supplies from Brazil are higher.

Rattan furniture is the smallest category, and although developing countries account for 55% of all supplies this is valued at € 18 million in total. Only 2% of *kitchen furniture* comes from developing countries.

Exports

In 2005, Belgium exported domestic furniture worth € 1,268 million, or 366,000 tonnes. This represents a decrease of 13% in value since 2001. Volumes were down by 2%. Over the period under review, only the UK registered a higher fall in exports.

Belgium is the seventh largest EU exporter, perhaps higher than you might expect in relation to its size. Much of this figure is accounted for by re-exports to other EU countries, particularly to France and The Netherlands who were the main recipients of Belgian exports. Germany and the UK were also important destinations. Almost 79% of exports were intra-EU. Outside the EU, Belgium's major export markets are South Africa and the USA.

Other countries with similar levels of exports include Spain, Austria, Sweden and the Czech Republic. Only Italy, Germany, Poland, France and Denmark have significantly higher exports.

Upholstered furniture accounted for 21% of exports by value (€ 263 million) but 7% by volume. Other furniture and furniture parts each represented 19% of exports, but between them represented almost half of all exports by volume. The main destinations for these products outside of the EU were South Africa, Russia, Brazil and China.

Dining and living room furniture exports were also a sizeable product group. Kitchen furniture and rattan furniture were the smallest groups. Exports of other furniture and non-upholstered furniture were up over the period. Exports of furniture parts, upholstered furniture and bedroom furniture were down.

Opportunities and threats

- Belgium is an interesting market for exporters from developing countries. Although it has a strong domestic furniture production industry, it exports a large proportion of this. Imports are an important element of domestic consumption.
- Because of its location at the hub of Europe, re-exporting is also significant. This provides opportunities. Historically most trading and importing has been to or from neighbouring countries but this position is changing.
- Although Belgium currently imports less from developing countries than other leading EU countries, some sectors are offering opportunities. Developing countries already supply

significant volumes of non-upholstered seating and dining and living room furniture. However, more recent areas of opportunity can be found in upholstered seating and other furniture.

- The largest sector, furniture parts, is growing fast but is still dominated by Germany, Poland and the Czech Republic. Opportunities however may be found by identifying the suppliers of these furniture parts in the supplying countries. It may then be possible to develop partnership arrangements with them.

Useful sources

- EU Expanding Exports Helpdesk - <http://export-help.cec.eu.int/>
Go to: trade statistics.
- Eurostat – official statistical office of the EU - <http://epp.eurostat.cec.eu.int>
Go to: 'themes' on the left side of the home page - 'external trade' - 'data – full view' - 'external trade - detailed data'.
- Statistics Belgium – <http://www.statbel.fgov.be>

3. Trade structure

A detailed explanation of the trade channels in this sector can be found in the CBI Market Survey "The Domestic furniture market in the EU".

Trade channels

Belgium is an interesting market for exporters from developing countries. Although it has a well-established domestic furniture industry, over 75% of domestic production is exported. Conversely, over 80% of domestic furniture consumption is imported.

The majority of major furniture operators in Belgium are foreign-owned, especially from The Netherlands. Nevertheless, the market is becoming more concentrated. The nature of Belgium, with the Flemish influence in the north, and the Walloons in the south also impacts on the way the trade works. Importers, agents and distributors will have similar links and relationships.

The Belgian Furniture Export Association (<http://www.belgofurn.com>) may provide assistance to importers. They primarily represent manufacturers from Flanders but some will import items as well. It may be worth looking at the Belgian online furniture trade mart (<http://www.furniturecenter.be>). The major Belgian company that imports and sells furniture is Heylen (<http://www.heylen.com> or <http://www.meubles.be>).

Retail trade

Belgians are very house proud. Their home is very important. Consequently there is a mature market in home furniture. The retail environment in Belgium is more like France than The Netherlands. Well over 1,000 outlets sell furniture in Belgium. Although independents are the biggest sector, the market is reasonably concentrated. IKEA (<http://www.ikea.be>) is the leading furniture retailer with 6 outlets in 2005.

Table 3.1 Share of Retail Distribution in Belgium, 2005, % value

Outlet Type	% share
Specialists	80%
Independents	38%
Buying groups	17%
Large specialists	25%
Non-specialists	20%
Department stores	5%
Direct sales	8%
Mail order	5%
DIY outlets	2%
Total	100%

Source: ITC Review (2005)

The Dutch retail chain Leen Bakker (part of Blokker) with 56 outlets, Home Market (part of Saint Maclou, France) with 45 outlets and Heytens Décor with 54 outlets are other leading furniture retail chains in Belgium.

The department stores are French owned operations. Their presence is gradually diminishing. The main buying groups are either Dutch or German. Euretco (<http://www.euretco.nl>) and Intres (<http://www.intres.nl>) are two of the biggest. Intres manage the Sleepy chain. DIY chains are strong in Belgium but their share of home furniture sales is low.

Trends

- Retailers have been under pressure in recent years because of the poor economic conditions. This has forced retailers to focus on how they best attract and retain their customers. The main trend in the trade has been the increased amount of branding activity, and the number of loyalty programmes that the big chains are introducing.
- As a consequence, the smaller independent retailers who are not able to compete at this level are either being forced to close, or they have to specialise more narrowly to maintain their point of difference with the larger operators.

For exporters from developing countries, this could restrict the number of options as the market concentrates further. However, there are still opportunities as Belgian consumers continue to be very interested in furniture and will always be interested in new products or unusual items from new sources.

Useful sources

Information on the structure of distribution channels in Belgium can be found from:

- The Belgian Retail Federation (<http://www.fedis.be>) and the National Association of Furniture Retailers (<mailto:denis.heylen@heylen.com>).
- Euromonitor (<http://www.euromonitor.com>) publish country-specific reports on retailing, and also focus on the home furniture sector.
- Mintel (<http://www.mintel.com>) has information on the structure of Belgian trade in its European Retail Directory.
- The Furniture Industry Research Institute (<http://www.csilmilano.com>) publishes reports on the furniture distribution channels in Belgium.
- NAMEV (Union Professionnelle des Agents Commerciaux en Meubles) Tel +32 2 478 4758.
- NAVEM (Association Professionnelle des Négociants en Meubles) – contact via NAMEV.

4. Prices and margins

Prices and margins

Price is not the most important reason why Belgian consumers buy furniture, but nevertheless prices have not been increasing much in recent years. Belgium's central location means that prices are also comparable with their major neighbours such as France and Germany. This factor keeps a check on prices. In addition, most major retailers are either from France or The Netherlands and prices to a large extent will be set by the head office in the parent country.

The Internet has been an important factor in keeping prices under control. As well as buying online, which is usually less expensive than purchasing in a retail outlet, Belgian consumers are using the Internet to compare furniture prices. A good portal for this is <http://www.netshopping.be>.

Examples of retail prices from three leading retailers are given below:

Table 4.1 Examples of retail prices of furniture items in Belgium, 2006

Habitat		Roche Bobois		IKEA	
Dorma Sofa ¹	€ 1,995	Victorine Bed ³	€ 2,153	Agen Rattan Chair ²	€ 24.95
Utah Sofa ¹	€ 2,500	Victorine Bureau ³	€ 1,790	Jokkmokk Table/4 Chairs ¹	€ 99
Utah Armchair ²	€ 1,495	Victorine Bedside Table ³	€ 693	Kloffsta Dining Table ¹	€ 149
Dub Stool ¹	€ 350	Honfleur Bed ³	€ 2,628	Jussi Folding Table ¹	€ 99

Note: ¹ = Modern style ² = Contemporary style ³ = Provincial style

Source: European Consumer Centre, IKEA Belgian website 2006

Useful sources

The European Consumer Centre that regularly produces price checks and comparisons on a wide range of products can be reached at <http://www.evz.de>. The IKEA price list for each country can be found at <http://www.ikea.com>. The monthly Eurostat bulletin "Statistics in Focus" published a comparative furniture price index in November 2003. A new report is due in November 2006 (<http://epp.eurostat.cec.eu>). Also check the websites of the major furniture retailers, listed above in Chapter 3.

5. Market access requirements

As a manufacturer in a developing country preparing to access Belgium, you should be aware of the market access requirements of your trading partners and the Belgian government. Requirements are demanded through legislation and through labels, codes and management systems. These requirements are based on environmental, consumer health and safety and social concerns.

Legislative requirements

National legislation in EU countries is compulsory for all products traded within the country concerned. Therefore, as an exporter in a developing country you have to comply with the legislative requirements that are applicable to your products. For information on legislation for domestic furniture go to 'Search CBI database' at <http://www.cbi.nl/marketinfo>, select your market sector, and the EU country of your interest in the category search, click on the search button and click on legislative requirements for an overview of all documents on legislation in your country of interest.

Non-legislative requirements

Social, environmental and quality related market requirements are of growing importance in international trade and are often requested by European buyers through labels, codes of conduct and management systems. For information on non-legislative requirements applicable to domestic furniture go to 'Search CBI database' at <http://www.cbi.nl/marketinfo>, select your market sector and the EU in the category search, click on the search button and click on your subject of interest under non-legislative requirements for an overview of all documents on the subject concerned.

Quality requirements in Belgium are almost completely according to the European Norms (EN) that have replaced national standards. There are standards for furniture made of glued woods and of recycled wood. You can check at the Belgian Institute of Wood Technology (CTIB) or at Febelbois, the Federation of the Wood and Furniture Industry which standards are relevant.

In general, buyers expect woods of an excellent quality e.g. kiln dried, free from pest, cracking, splitting and from full grown trees from well-managed forests. In the case of

self-assembly, the material used in the fittings should be of good quality and be correctly made so that all components match and fit well. In Belgium, the FSC label is well recognised, as well as the PEFC label (Pan European Forest Certification scheme), especially in DIY stores.

Packaging, marking and labelling

Apart from the safety aspects and protection against damage, the focus of packaging is on environmentally friendly transport. You can download information on requirements on packaging, marking and labelling in specific EU markets from the CBI website. Go to 'Search CBI database' at <http://www.cbi.nl/marketinfo>. You can also find here a packaging checklist for export.

Tariffs and quota

The global furniture trade is rather liberal and therefore most items are free from duties. Import duties in Belgium are only payable on parts, seats/furniture of cane, osier, bamboo and kitchen furniture. Further details can be found in the CBI Market Survey 'The Domestic furniture market in the EU'.

The Value Added Tax (VAT) for all furniture in Belgium is 21% (standard rate).

There are no quantitative restrictions for imports of furniture in Belgium.

Useful sources

- Febelbois, The Federation of the Wood and Furniture Industry – <http://www.febelbois.be>
- Belgian Institute of Wood Technology (CTIB) – <http://www.ctib-tchn.be>
- European Furniture Manufacturers Federation – <http://www.ueanet.com>
- Belgian Customs – <http://www.minfin.fgov.be> or http://ec.europa.eu/taxation_customs/dds/en/tarhome.htm

6. Business practices

General information on business practices can be found in the CBI Market Survey "The Domestic furniture Market in the EU. There are two distinct cultural groups in Belgium, the Dutch speaking Flemings in the north, and the French speaking Walloons in the south. Strong family networks are important.

Selecting a suitable trading partner

- Be aware of business etiquette when exporting furniture to Belgium. You can get in trouble if you select the wrong language. If in doubt, try English. Mutual trust is highly regarded.
- Distributors and agents are the most common form of representation on the Belgian market. Both enjoy a strong degree of legal protection. Many cover more than Belgium; it can be the Benelux (Belgium, The Netherlands and Luxembourg) and parts of France and Germany.
- Contacts can be found at the Brussels trade fair that takes place each November. The furniture trade association will also advise of approaching contacts.
- Belgian businessmen like a meeting to be well focused and will appreciate your initiative in providing an agenda. They are conceptual thinkers and receptive to new ideas. It is important to have planned a presentation thoroughly in advance, but decisions can be taken as much on personal feelings as logical argument.

Reaching an agreement with your trade partner

Decision-making can be slow and is usually arrived at by consensus in Flanders whereas the Walloon business culture is more hierarchical and left to the most senior person. It is advisable to make a written contract before accepting a new order. Be sure that all details are covered before proceeding.

Much business is conducted by email but formal contracts are usually sent by post.

Common practices of drawing up an offer

You should provide as much detail as possible. Samples are preferred when dealing with an organisation for the first time, but once you have established trust and reliability, good photographs are sufficient.

Usual methods of payment

The most common method of payment from Belgium is by open account. Standard payment terms are generally between 30 and 90 days. According to research by Eurofactor, the average agreed payment term was 42 days, but bills were paid 16 days late. Credit insurance or factoring will protect the exporter against defaulting customer.

Usual terms of delivery

Any request from a Belgian office expects a prompt reply and it is essential to assure Belgian clients, both during negotiations and subsequently, that you will meet all deadlines and be available to offer assistance when necessary. Belgium is at the centre of a distribution hub in Europe and as such is often a first point of arrival by air (Brussels) and by sea (Zeebrugge).

More information on payment and delivery terms can be found in CBI's *Export Planner*.

Sales promotion

Belgians prefer stylish to aggressive advertising. As it is a relatively small country, international furniture trade publications are read as much as locally produced ones. Literature should be produced in the local regional language for the final trade customer. Email marketing is becoming increasingly popular. Mail order is almost non-existent.

Trade fairs are important. The Brussels fair can be reached via <http://www.salondumeuble.be> or <http://www.febelux.be>.

The Federation of Wood and Furniture Manufacturers can be reached at <http://www.febelhout.be> or <http://www.febelbois.be>. The Association of Furniture Retailers can be contacted via <mailto:denis.heylen@heylen.com>.

The Belgian furniture export association can be reached via <http://www.belgofurn.com> and promotional platform of Belgian furniture manufacturers and importers via <http://www.meubelpunt.be>.

The main Belgian furniture trade publication is Meubihome and can be contacted via <mailto:patrick.ledoux@pi.be> or <http://www.meubihome.be>.

More information can also be found in CBI's *Export Planner* and *Your Image Builder*.

This survey was compiled for CBI by *Searce* in collaboration with Mr. Johan Jonkers

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