



BP's impact on the  
economy in



A report by Oxford Economics  
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€760  
million

Gross value added  
contribution supported  
by BP in Belgium

BP supported  
7,800  
jobs

One in every  
600 in Belgium

BP's activity supported  
0.18%  
of Belgian GDP

1,200

Belgian suppliers of  
goods and services

BP promotes  
road safety  
initiatives

in Belgium

€900  
million

spent with Belgian  
businesses

# Executive summary

This section of the report highlights BP's impact on Belgium's economy in the 2016 calendar year. The company's impact arises from the operations of BP itself and its subsidiaries.<sup>1</sup> The impact is measured in terms of BP's direct contribution to GDP and jobs, as well as those supported by buying goods and services from local businesses.

For the purposes of this report, the EU27 is defined as the 28 European Union countries less the United Kingdom.

## 2016 economic impact highlights

- Considering BP's impact across all EU27 countries, BP's total impact on Belgian GDP ranks 4th and BP's total impact on jobs ranks 7th.
- Counting direct and supply chain impacts, BP supported an estimated **€760 million gross value added** contribution to Belgian GDP and **7,800 jobs** in 2016.<sup>2</sup> That is equivalent to **1% of all gross value added** created in Brussels in 2016, and **1.1%** of all employment in Brussels that year.
- BP's direct activities and its spending with Belgian suppliers are estimated to have supported one in every **600 jobs** in Belgium in 2016, **0.17%** of all employment in the country.
- An estimated **0.18%** of Belgian GDP in 2016 was in some way reliant on BP's activities – whether directly or through BP's purchases from suppliers. That is **€1 in every €560** of GDP created in Belgium during the year.
- Of the total, BP's direct operations – including refineries, lubrication manufacturing plants, offices, and retail outlets – created a **€170 million gross value added** contribution to the Belgian economy (22% of BP's total contribution in the country) and employed **691 people** (9% of all employment BP supported in the country).
- BP spent nearly **€900 million** with **1,200 Belgian suppliers**<sup>3</sup>:
  - **€860 million** on non-capital goods and services, which, combined with BP's worldwide spending, supported an estimated **€550 million gross value added** contribution to Belgian GDP and **6,500 jobs**.
  - **€35 million** on capital goods, which, combined with BP's worldwide spending, supported an estimated **€44 million gross value added** contribution to Belgian GDP and **600 jobs**.
- For every **€100,000 gross value added** contribution to GDP that BP generated in Belgium at its own operational sites, the company supported another **€350,000 gross value added** elsewhere in the country through its supply chain spending.
- And for every person BP itself employed in Belgium, the company supported another **10 jobs** elsewhere in the country by spending money with local businesses.

<sup>1</sup>Unless otherwise stated, all references to BP include BP itself and the company's subsidiaries.

<sup>2</sup>Totals in this report may not always be equal to the sum of component parts due to rounding.

<sup>3</sup>This is the number of unique supplier names in BP's procurement database, with an adjustment for duplicates based on a visual examination of a sample of 200 suppliers (e.g., 'ABC Inc' and 'ABC Incorporated' would be considered one firm).

## BP's direct impact

In Belgium, BP operates a chemical manufacturing plant at Geel and a lubricant manufacturing plant at Ghent. By doing so, the company directly created a €170 million gross value added contribution to Belgian GDP in 2016 and employed 691 people including contractors.

## BP's support for local suppliers

BP supported businesses in every region in Belgium in 2016. The company spent nearly €900 million on capital and non-capital goods and services from about 1,200 Belgian suppliers that year. This spending bolstered a wide range of businesses in the country.

Nearly half – 47% – of BP's spending in Belgium was with suppliers located in Brussels, while 27% was spent with companies in Antwerp, and 15% with companies in Flemish Brabant (Fig. 1).<sup>4</sup>

As it rippled through the Belgian economy, this spending, as well as BP's worldwide spending, is estimated to have supported a €590 million gross value added contribution to the country's economy and 7,100 jobs.<sup>5</sup>

The chemical and chemical products sector was the largest beneficiary of BP's procurement spend. The company supported an estimated €122 million gross value added contribution in that sector in 2016, or 21% of the total supply chain impact (Fig. 2). BP supported another €109 million gross value added contribution in the wholesale and resale trade sector (18% of the total), and €99 million in the business services sector (17% of the total).

<sup>4</sup>The map and percentages refer to the expenditure in BP's procurement data that is associated with postcodes.

<sup>5</sup>This jobs estimate includes people who may work on-site at BP but who are ultimately employed by one of the companies BP buys services from.

<sup>6</sup>We have used BP's procurement database to map the company's spending across the country. The map includes over 80% of BP's total spending in the country; the procurement database does not include postcode or location data for all spending, and that spending cannot be mapped.

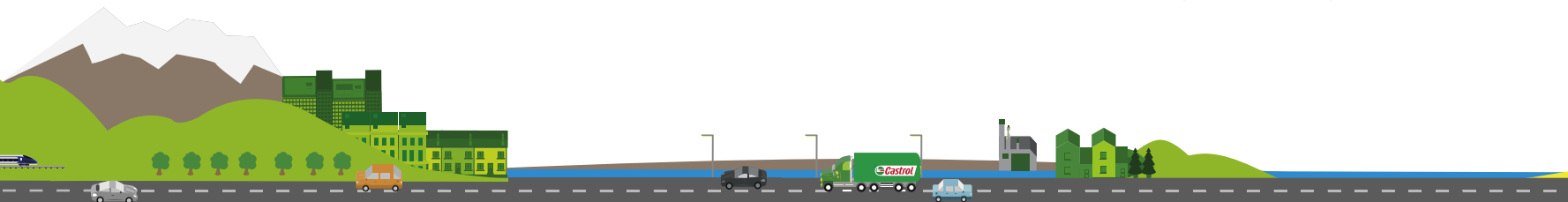
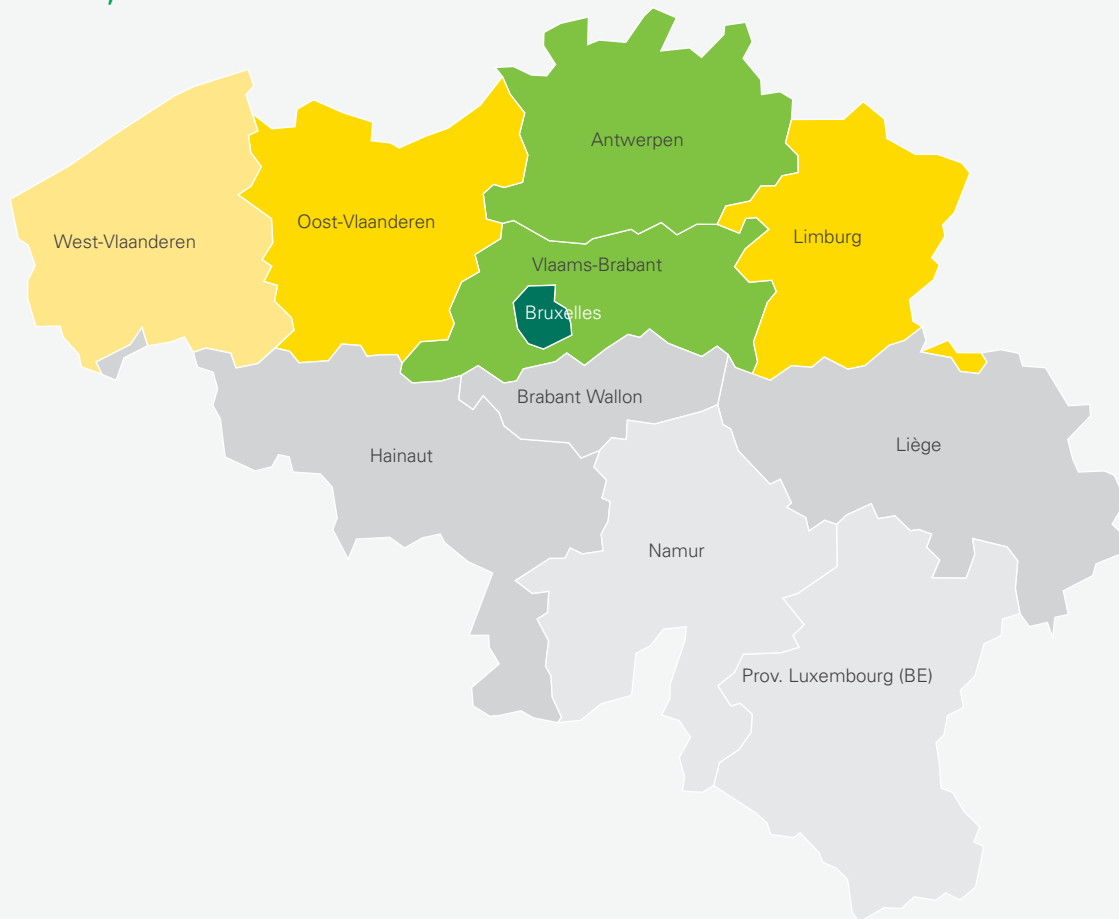
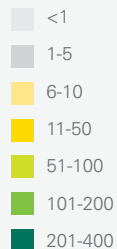


Fig. 1

## BP's spending with suppliers in Belgium by province, 2016<sup>6</sup>

BP Spending (€ Million)



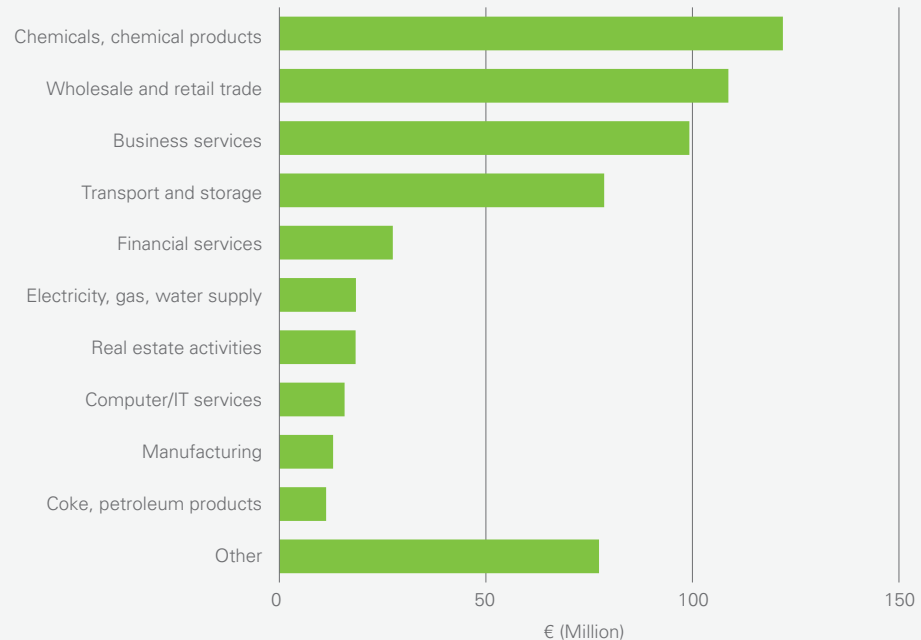
Source: BP

## Summary

Including BP's direct impact and supply chain impact, the company supported an estimated €760 million gross value added contribution to Belgian GDP and 7,800 jobs (Fig. 3). Ranked against BP's impact across the EU27 countries, BP's total impact on Belgian GDP ranks 4th and BP's total impact on jobs ranks 7th. Some 7% of all gross value added and 4% of all employment that BP supported in the EU27 was in Belgium.

## Gross value added by industry stimulated by BP's supply chain spending, 2016

Fig. 2



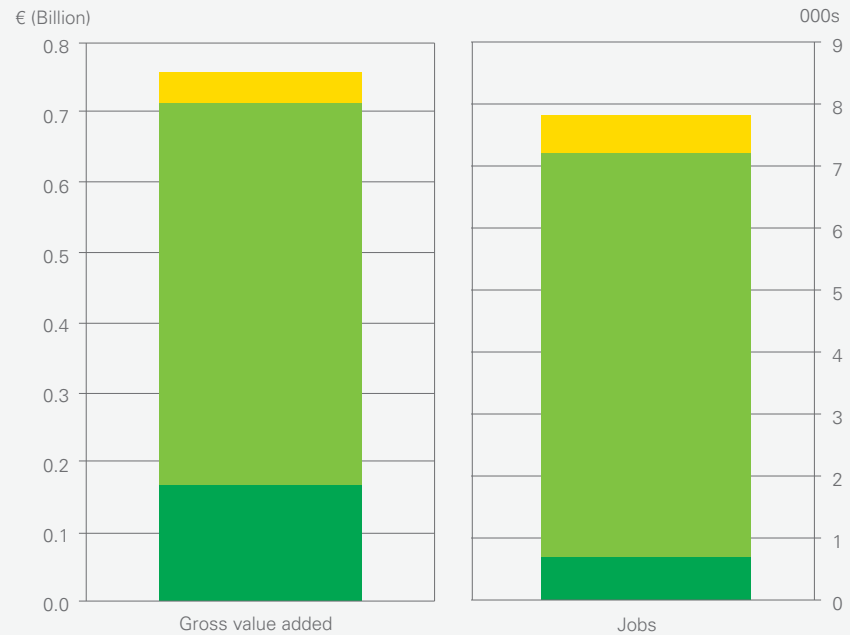
Source: Oxford Economics

BP has an important multiplier impact in Belgium. For every €100,000 gross value added contribution to GDP that BP generated in Belgium at its own operational sites, the company supported another €350,000 gross value added elsewhere in the country through its supply chain spending. And for every person BP itself employed in Belgium, the company supported another 10 jobs elsewhere in the country by spending money with local businesses.

## BP's total impact in Belgium, 2016

Fig. 3

■ Supply chain capital expenditure  
■ Supply chain operational expenditure  
■ Direct



Source: Oxford Economics

## Contacts, links and further information

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