



ATLAS  
BY BNP PARIBAS

## CASH MANAGEMENT

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Belgium is a small open economy, underpinned by its diversification, high income per capita, a still sizeable net positive foreign asset position (45% of GDP in 2020), and the lack of big balance sheet adjustment pressures on the private sector.

One point of economic weakness in Belgium remains its high public debt ratio, which was 105% of GDP at the end of 2023, making it an outlier compared with countries with a similar credit rating. However, fiscal credibility is sound, and the country has proved in the past its ability to rein in this imbalance. In the early 1990s, the public debt ratio was as high as 135% but it steadily diminished and fell back to 87% in 2007. Its rise from that date to 2014 is a consequence of the global financial crisis followed by the European sovereign debt crisis. It has been back on a downtrend since 2015. Regarding fiscal deficit trends, Belgium managed to exit the excessive deficit procedure in 2014. The improvement since then is impressive as the fiscal deficit narrowed to under 1% of GDP in 2018.

Still, the reduction of the public debt burden continues to represent one of the country's main policy challenges in the medium to long term, with the Belgian Federal Planning Bureau expecting the ratio to go on rising until 2026 as a continued result of the budgetary impact of the Covid pandemic.

Other challenges include the impact of rising private debt burdens, an ageing population, slowing productivity growth and climate change.

Overall, economic growth in Belgium is expected to remain broadly stable through 2025.

## Summary

## BNP Paribas presence

BNP Paribas Fortis is the market leader in Belgium through a multi-channel network and extensive retail branch network. Corporate customers have access to 14 business centres in Belgium, and the bank's cash management competence centre is based in Brussels. Customers benefit from direct local clearing access, comprehensive services, including domestic instant payments, and dedicated local support. BNP Paribas' Global Trade Solutions (GTS) team operates from 6 trade centres in Belgium's major cities, supported by the bank's global trade finance competence centre which is also based in Brussels.

## Currency

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- Belgium uses the euro (EUR).

## Exchange rates

	2019	2020	2021	2022	2023	2024
Exchange rate: EUR per USD	1.14	1.12	1.23	1.13	1.05	1.10

Source: IMF, International Financial Statistics, July 2024.

## Central Bank

- The Belgian central bank is De Nationale Bank van België (NBB)/La Banque Nationale de Belgique (BNB) ([www.nbb.be](http://www.nbb.be)).
- The NBB/BNB is a member of the European System of Central Banks (ESCB) and operates certain activities, such as issuing currency, under the authority of the European Central Bank (ECB – [www.ecb.europa.eu](http://www.ecb.europa.eu)).

### Bank supervision

- In November 2014, the ECB, via the Single Supervisory Mechanism (SSM), assumed responsibility for supervising the financial stability of banks operating within the euro zone. However, while the ECB has final supervisory authority over all banks operating within the euro zone, it will only directly supervise those banks classified as ‘significant’ under the terms of the SSM (115 significant banking groups have been recognized to date). ‘Less significant’ banks will continue to be supervised by the national supervisory authority, i.e. the NBB/BNB.
- The Financial Services and Markets Authority (FSMA – [www.fsma.be](http://www.fsma.be)) supervises the country’s financial markets, financial products and intermediaries operating in the financial sector.

### Bank accounts

## Resident / non-resident status



- A company is generally considered resident in Belgium if its place of effective management is located there.

## Bank accounts for resident entities

	Within BELGIUM	Outside BELGIUM
Local Currency	Permitted without restriction, fully convertible.	Permitted without restriction, fully convertible.
Foreign Currency	Permitted without restriction, fully convertible.	Permitted without restriction, fully convertible.

## Bank accounts for non-resident entities

	Within BELGIUM	Outside BELGIUM
Local Currency	Permitted without restriction, fully convertible.	Permitted without restriction, fully convertible.
Foreign Currency	Permitted without restriction, fully convertible.	Not applicable.

## Lifting fees

- [Lifting fees](#) are rarely applied on payments between resident and non-resident bank accounts.

## Factoring

## Legal framework

- Legal base for factoring: assignment with transfer of legal ownership.
- Assignment of the invoices to a factor has priority on a pledge taken by the bank.
- Construction sector: collectability issues when contractors do not pay social security or taxes

## Product specifics

- **RECOURSE / NON-RECOURSE**

Both solutions are offered.

- **STRUCTURED PRODUCTS**

Distribution finance is a specific product offering longer payment terms for invoices relative to goods that are still with the debtor (mostly used for invoices on car dealers for cars in showroom). Reverse factoring is to be investigated case by case for well-rated companies. Stock financing can be offered in combination with receivables financing. Pan-European facilities are also proposed (centralised approach in most European countries and US).

- **CONCENTRATION REQUIREMENTS**

Standard concentration level is 15% in a recourse programme and 20% in a non-recourse programme. Concentration in the portfolio can be a constraint for financing a sales ledger. There may be exceptions.

- **MAX. PREPAYMENT %**

The prepayment percentage can go up to 80% for a recourse and 90% for a non-recourse factoring.

- **CREDIT COVER %**

Possible up to 100% (VAT included). BNP Paribas Fortis Factor is also a credit insurance broker and can act accordingly for its clients.

- **USUAL FUNDING PERIOD**

Generally 90 days after due date in a recourse programme and until payment under guarantee in a non-recourse programme.

- **OFF-BALANCE SHEET SOLUTIONS**

Off-balance sheet solutions are possible and common practice with listed companies.

- **INVOICE TRANSFER**

Preferably electronically exchanged by ASCII, Excel or with the support of d-basics.

- **ON-LINE APPLICATIONS**

IT-systems to consult the portfolio and the financing possibilities are Aquarius (core system) with Client Manager (on-line tool).

- **LOCAL RETAIL OFFER**

Easy2Cash: non-recourse contract especially for SME with turnover up to 2.5M. Onboarding is fully digital and relationship is managed remotely.

- **DISCLOSED / UNDISCLOSED**

Both options are available, undisclosed solutions are offered to well-rated companies only.

- **DELAYED DUNNING**

Delayed dunning is possible but only for strong administrative and well-organised companies.

- **DATA FACTORING**

Shadow Ledger (data factoring) is possible as an alternative for line-by-line factoring but only for administratively strong organisations.

- **CURRENCIES FOR FINANCING**

Common currencies are EUR, USD and GBP. Others are possible on request.

## BNP Paribas Cash Management Capabilities

### Collections

Cash collections	✓
Cheque collections	✓
Direct debit collections	✓
Domestic incoming transfers	✓
Virtual IBAN	✓
Virtual accounts	✓
International incoming transfers	✓
Card acquiring	✓

### Payments



Cash withdrawals	✓
Cheque payments	✓
Direct debit payments	✓
Domestic outgoing transfers	✓
Commercial cards	✓
Virtual cards	●
International outgoing transfers	✓
SWIFT gpi	✓
Real-time international payments through BNP Paribas' network	●
Card issuing	✓

## Channels

Local e-Banking	✓
Global e-Banking - Connexis	✓
SWIFT/ host to host	✓

Payments & collections

## Market overview

The use of contactless payments has more than doubled because of the pandemic. About 82% of people use contactless payment methods, up from less than half in 2020 (47%). Contactless is the preferred payment option of 39% of consumers. While online purchases of less than €25 euro are mostly done with a debit card, higher ticket purchases are mostly done via local payment apps like Payconiq. QR-code payments is no novelty for 42% of consumers. Buy-Now-Pay-Later (BNPL) adoption is expected to grow steadily recording a CAGR of 12.2% during 2023-2028. In this area, BNP Paribas is present with its own brand, called Floa.

While BNP Paribas Fortis offer its own channel solutions ([Easy Banking Business \(web and mobile\)](#)), and the BNP Paribas Group solution (API, Connexis), the local multibank application (21 banks) is called Isabel 6. The latest version, ISABEL6, is a web-based standard. Electronic invoicing is also available via this partner provider. Larger companies have access to SWIFT for Corporates.

## Payment Systems

<a href="#">TARGET2-BE</a>	Type	<ul style="list-style-type: none"> <li>• Real-time gross settlement.</li> <li>• Belgian component of the pan-European <a href="#">TARGET2</a> system.</li> </ul>
	Participants	<ul style="list-style-type: none"> <li>• 18 direct, 58 indirect.</li> </ul>
	Transaction types processed	<ul style="list-style-type: none"> <li>• High-value and urgent EUR-denominated domestic and cross-border credit transfers.</li> </ul>
	Operating hours	<ul style="list-style-type: none"> <li>• 07:00 -18:00 CET, Monday to Friday.</li> </ul>
	Clearing cycle details (e.g. cut-off times)	<ul style="list-style-type: none"> <li>• Payments cleared and settled in real-time.</li> <li>• Interbank payment cut-off time = 18:00 CET.</li> </ul>
	System holidays	<ul style="list-style-type: none"> <li>• <a href="#">TARGET2</a> is closed at weekends and on 1 Jan, Good Friday, Easter Monday, 1 May and 25 and 26 December.</li> </ul>
CEC CSM	Type	<ul style="list-style-type: none"> <li>• Multilateral <a href="#">net settlement system</a>.</li> </ul>
	Participants	<ul style="list-style-type: none"> <li>• 13 direct, 36 indirect.</li> </ul>
	Transaction types processed	<ul style="list-style-type: none"> <li>• <a href="#">SEPA</a> payments (credit transfers and direct debits).</li> <li>• Payment card and <a href="#">electronic wallet</a> transactions.</li> <li>• Paper-based payments (cheques, bills of exchange) which must be truncated into electronic items before processing.</li> </ul>

	Operating hours	<ul style="list-style-type: none"> <li>• 24 hours a day, Monday to Friday.</li> <li>• 09:00 to 14:00 CET, Saturday.</li> </ul>
	Clearing cycle details (e.g. cut-off times)	<ul style="list-style-type: none"> <li>• CEC CSM operates a number of same-day clearing cycles for different payment types:</li> <li>• Direct debits. Cut-off time = 10:30 CET.</li> <li>• Credit transfers. Cut-off time = 13:30 CET.</li> <li>• Bills of exchange = 13:30 CET.</li> <li>• Cheques. Cut-off time = 14:15 CET.</li> <li>•</li> </ul>
	System holidays	<ul style="list-style-type: none"> <li>• CEC CSM holidays are in accordance with those set by the French Banking Federation.</li> </ul>

## Credit transfers

- Credit transfers are used by companies to pay salaries and suppliers, and to make tax and treasury payments.
- SEPA credit transfers can be settled via CEC CSM, SEPA.EU CSM, STEP2 or via correspondent banking networks.
- Approximately 45 banks in Belgium participate in the SEPA credit transfer scheme, 23 in the SEPA Instant scheme and 33 in the SEPA SDD scheme.
- High-value and urgent EUR-denominated domestic and cross-border (within the euro zone) credit transfers can be settled in real time via TARGET2-BE.
- High-value and urgent cross-border credit transfers can also be settled with end-of-day value via the Euro Banking Association's EURO1 system. Three banks – [BNP Paribas, ING Belgium and KBC Bank – participate directly in EURO1\[GV1\]](#) .
- High-value, cross-border credit transfers in domestic and other currencies can be processed via SWIFT and settled through correspondent banking and bank branch networks.
- The European Payment Council's SCT Inst scheme (a pan-European 24/7 instant payment scheme for SEPA credit transfers) enables the transfer of funds (the maximum threshold value is EUR 100,000) to another account in less than ten seconds.
- EBA Clearing and Italy's SIA Group have developed and implemented a pan-European platform for instant EUR payments called RT1. It is fully compliant with the SCT Insts scheme and is in line with the ISO 20022 global messaging standards for instant payments.
- TIPS is a pan-European service for the settlement of instant payments in central bank money. The service enables payment service providers and ACHs with access to TARGET2 to offer fund transfers 24/7, 365 days a year. TIPS is aligned with SCT Insts. It is primarily focused on EUR payments but is technically capable of settling payments denominated in other currencies.

## Direct debits

- Direct debits are used for regular payments, such as utility bills.
- SEPA direct debits can be settled on a same-day basis via CEC CSM, the SEPA.EU CSM or STEP2.
- Some high-value direct debits with a value above EUR 500,000 are settled via TARGET2.

## Cheques

- The cheque is not a common cashless payment instrument. It is used for very specific niche use cases by consumers.
- Belgian banks typically charge fees for cheque services.
- Cheques with a value of EUR 25 million or below are truncated into electronic items before being settled via the CEC CSM.
- Domestic currency cheques with a value greater than EUR 25 million, and foreign currency cheques, are processed manually. Clearing takes place bilaterally between banks via SEDUS, an application operated by Certipost (a Belgian Post and Belgacom joint venture). Once processed, these irregular cheques are cleared as credit transfers via TARGET2-BE or the CEC CSM.
- Cheque dropped from 60 million to just 0.6 mio cheques processed between 2000 and 2023, with a value of just EUR 1 billion (2000 = EUR 100 bln).

## Card payments

- Card payments, particularly debit cards, are increasingly popular, especially for retail transactions.
- There were 37.7 million debit cards and 2.7 million credit and charge cards in circulation at the end of 2019. Bancontact debit cards are the most popular payment method in Belgium, accounting for 86% of all card payments.
- Bancontact combined to Visa Debit or Mastercard Debit are the most widely issued debit cards.
- Visa and MasterCard-branded credit cards are the most widely issued. American Express and Diners Club credit cards are also available.
- Most card payments are processed by Worldline.
- American Express and Diners Club credit card transactions are processed by the card issuing companies.
- Contactless card technology is available in Belgium.
- All cards issued are SEPA-compliant with EMV chips. As for all EEA, e-commerce payments are 3DS enforced.
- Debit card payments increased 12.3% in 2019, to 2,227.8 million. Value increased 8.5% to EUR 97.2 billion. Credit volume and value fell 2.4% and 7.3% respectively to 116.4 million, with a value of EUR

7.6 billion.

- BNP Paribas Fortis offers a de-dicated mobile app for the business card holders (e.g. employees that have been granted a credit card by their organisation) in order to consult and search for their transaction on the go, along with other features (such as Apple Pay,...).

## ATM/POS

- The major Belgian banks mutualised their public ATM service via a separate enterprise called Batopin, which aims to have 970 cash points by end 2025.
- All ATMs and POS terminals are EMV-compliant.

## Electronic wallet

- Mobile wallet schemes, including Payconiq, Apple Pay, Google Pay and Paypal are available and widely used and offered by BNP Paribas through Axepta.
- A consortium of BNP Paribas and various European banks (EPI) launched a new pan-European wallet service called Wero. The first use cases, centered on peer-to-peer payments start by end-2025 and will gradually expand to use digital payment use cases online and at the point-of-sale.

### Short term investments

## Market overview

### Interest payable on credit balances

- Interest-bearing current accounts are permitted for resident and non-resident companies.

### Demand deposits

- Demand deposits are available for both residents and non-residents.

### Time deposits

- Time deposits are available in EUR and major foreign currencies for terms ranging from one week to one year.
- Some banks impose minimum investment limits.

### **Certificates of deposit**

- Domestic commercial banks issue certificates of deposit with terms ranging from one week to 12 months. They are typically issued paying fixed interest.
- The minimum investment is EUR 250,000.

### **Treasury (government) bills**

- The Belgian Debt Office issues Treasury bills in [OECD](#) currencies, which have maturities of up to three months.
- The Belgian Debt Office also issues EUR-denominated treasury certificates at a discount with maturities of three, six or 12 months. [Withholding tax](#) is not applied to interest.

### **[Commercial paper](#)**

- Domestic [commercial paper](#) is issued by companies and public authorities with maturities ranging from seven days to 12 months.
- The minimum investment amount is EUR 250,000.
- Belgium's central bank, the NBB/BNB, has an electronic trading capability for [commercial paper](#) .
- Euro [commercial paper](#) (ECP) is issued by larger companies with a published credit rating. ECP can be issued in a range of currencies.

### **Money market funds**

- Money market funds are not a popular short-term investment instrument in Belgium.
- Open-ended investment funds, SICAVs (sociétés d'investissement à capital variable), are available.
- International money market funds are also available to Belgian investors.

### **Repurchase agreements.**

- Repurchase agreements with maturities ranging from overnight to one week are commonly available in Belgium.

### **Bankers' acceptances**

- Bankers' acceptances are occasionally used in Belgium.

## BNP Paribas Trade Finance Capabilities

### Trade payments

Documentary credits	✓
Documentary collections	✓

### Guarantees

Bank guarantees	✓
Standby letters of credit	✓

### Supply chain management

Receivables	✓
Payables	✓
Inventory	✓

### Trade channels

Connexis Trade	✓
Connexis Supply Chain	●
SWIFTNet Trade for Corporates	✓
Connexis Connect	●



Connexis Guarantee	●
SWIFTnet Supply Chain	●

- As a market leader for bank guarantees with a market share of 28% for documentary credits (in 2022), BNP Paribas Fortis Global Trade Solutions (GTS) offers a full range of products and services to optimise, secure and finance international trade transactions and to support Belgium corporates in their international development ambitions. The local GTS team includes 13 senior trade finance managers and advisors, supported by 78 qualified staff in the bank's service centre.

## International trade

### General trade rules

- As a member of the EU, Belgium follows the EU customs code and applies all associated regulations and commercial policies.
- Trade with other countries in the European Economic Area (EEA) and Switzerland is exempt from tariffs and other controls.

### Trade agreements

- The EU has trade agreements in place with over 30 countries.
- The EU is currently in free trade negotiations with a number of countries, including the Association of Southeast Asian Nations (ASEAN), Australia, Indonesia, Mercosur (the Southern Common Market), Uruguay, and the USA. The EU-UK Trade and Cooperation Agreement came into force on 1 May 2021.

### Imports / exports

Imports	Cars	Refined petroleum	Diamonds	Packaged medicines	Natural gas	Medical cultures/ vaccines
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Primary Import sources	Netherlands (16%)	Germany (13%)	France (10%)	USA (8%)	Ireland (5%)	China (5%)
Exports	Cars and vehicle parts	Refined petroleum	Diamonds	Packaged medicines	Natural gas	Medical cultures/ vaccines
Export markets	Germany (17%)	France (14%)	Netherlands (13%)	UK (8%)	USA (6%)	Italy (5%)

## Import / export volumes

		2015	2016	2017	2018	2019	2020
Exports	- goods USD m	253,403	274,786	297,440	327,156	314,369	298,743
	- services USD m	112,596	113,789	117,564	124,094	121,928	116,045
Imports	- goods USD m	251,880	274,780	293,792	327,659	310,515	297,457
	- services USD m	106,653	108,660	114,139	124,874	122,530	115,388
Current account as % GDP		- 0.2	- 0.6	1.2	- 0.8	0.4	• - 0.2

Source: IMF, International Financial Statistics, June 2021.



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