

21 May 2020

Northern Ireland Broad Economy Sales and Exports Statistics: Purchases and Imports Results 2018

Geographical Area: Northern Ireland

Theme: Economy

Frequency: Annual

NISRA published its Broad Economy Sales and Exports Statistics (BESES) results relating to local businesses' sales in 2018 to markets outside Northern Ireland (NI) in December 2019. This release provides information on the value of goods and services purchased by NI businesses in 2018. These releases remain designated as 'experimental' to reflect the fact that they are under development.

Key points

- Total purchases by companies in Northern Ireland (NI) were estimated to be worth £45.9 billion in 2018, an increase of 4.5% (£2.0 billion) over the year.
- Total purchases of goods were estimated to be worth £35.3 billion in 2018, an increase of 5.0% (£1.7 billion) over the year.
- Total purchases of services represented 23.2% of total purchases in 2018 and were estimated to be worth £10.6 billion. Purchases of services increased by 3.0% over the year (£0.3 billion).
- Imports were estimated to be worth £7.9 billion in 2018, an increase of 11.6% (£0.8 billion) over the year.
- Imports of goods were estimated to be worth £6.9 billion in 2018, an increase of 10.2% (£0.6 billion). Imports of goods represented 87.1% of all imports.
- Imports of services represented 12.9% of total imports in 2018 and were estimated to be worth £1.0 billion. Imports of services increased by 21.5% (£0.2 billion) over the year.
- Imports from Ireland (IE) were estimated to be worth £2.8 billion in 2018, an increase of 6.2% (£0.2 billion) over the year.
- Imports from Rest of EU (REU) were estimated to be worth £2.6 billion in 2018, an increase of 17.8% (£0.4 billion) over the year.
- Imports from Rest of World (ROW) were estimated to be worth £2.4 billion in 2018, an increase of 11.8% (£0.3 billion) over the year.
- Purchases from Great Britain (GB) were estimated to be worth £13.4 billion in 2018, an increase of 1.4% (£0.2 billion) over the year. Purchases of goods represented 77.7% (£10.4 billion) of these purchases, with services representing 22.3% (£3.0 billion) of GB purchases.

2 Results Tables: 2018

Table 1: Purchases and Imports from Trade Partners Split by Goods and Services: 2018 (£ millions)

| Trade Partner | Total Purchases | Total Purchases of Goods | Total Purchases of Services |
|-----------------|-----------------|--------------------------|-----------------------------|
| Total Purchases | £45,886 | £35,259 | £10,627 |
| NI Purchases | £24,607 | £17,981 | £6,626 |
| GB Purchases | £13,379 | £10,400 | £2,979 |
| IE Imports | £2,825 | £2,383 | £442 |
| REU Imports | £2,628 | £2,382 | £245 |
| ROW Imports | £2,447 | £2,113 | £334 |
| Total Imports | £7,900 | £6,879 | £1,021 |

*Figures may not sum due to rounding.

[Download in Excel](#)

Points to note:

The questionnaire used to collect this data captures the value of a transaction and the location (country) of the seller. In interpreting the results readers should be aware that BESES captures no information relating to:

- the business making the sale;
- the product or service purchased;
- whether any goods purchased are final products or are intermediate goods to be used in a further production process;
- transport/shipping routes; and
- the country of origin of any goods purchased. For example, a business might report that they have purchased goods from a business in GB and this is recorded as a GB purchase. However we do not know where the product was actually produced. Even if the GB seller originally bought the good from outside of the UK (IE, REU or ROW) BESES still captures this as a GB purchase. Therefore, goods purchased from GB could have been produced outside of the UK and so supply of certain goods purchased from GB could be impacted post-BREXIT – research is currently underway to gain a better understanding of the situation.

For example:

- NI business A purchases £50m of goods from company B in Germany - BESES data will show £50m purchases from REU (no matter the shipping route).
- NI business A purchases £100m of goods from company C in England who originally bought the goods from company B in Germany for £50m – BESES data will show £100m purchases from GB (the £100m from transaction C-A is the only money flowing from the NI economy).

Reference Tables

To support this release a set of reference tables with further sectoral breakdowns are available on the [NISRA website](#).

3 Further Information

Background Notes

Coverage: Following a decision in 2013 by the Office for National Statistics to discontinue the publication of figures covering Insurance & Re-insurance industries (within Sector K) due to ongoing volatility of the estimates, the NIABI and BESES publications also exclude estimates for this sector.

The other main areas that are excluded are: Public Administration and Defence (section O) while Agriculture, Forestry and Fishing (section A) excludes farming (groups 01.1, 01.2, 01.3, 01.4 and 01.5). Local authority and central Government bodies in Education (section P) and Human Health and Social Work Activities (section Q) have also been excluded from this publication, as has 86.2 (Medical and Dental Practice Activities) within section Q.

Further information regarding survey methodology, coverage and definitions can be found on the [NISRA website](#).

Given the limitations in coverage, the BESES does not provide a complete picture of trade. However a more complete description of the sales and purchases of goods and services can be found in the [Supply and Use Tables \(SUTs\) for NI](#) for 2016.

Other Sources: While directly comparable UK data for the BESES do not exist (the BESES covers goods and services produced in NI), HM Revenue & Customs (HMRC) are responsible for collecting the UK's international trade in goods data, which are published as two National Statistics series - the 'Overseas Trade Statistics (OTS) of the UK' and the 'UK Regional Trade Statistics (RTS)'. These UK regional statistics can be accessed at: <https://www.uktradeinfo.com/Statistics/RTS/Pages/default.aspx>.

HMRC's primary source data is collected from the EU-wide Intrastat survey and from Customs import and export entries, both administered by HMRC. The BESES is an experimental measure, based on an annual survey of local businesses' trade with markets outside Northern Ireland (NI). BESES data is gathered through the Northern Ireland Annual Business Inquiry.

Interactive mapping tool

NISRA has developed an interactive trade in goods map to allow users to explore official trade in goods data by country and world region using data from HMRC's Regional Trade Statistics. The tool was developed by NISRA based on the existing [UN Comtrade](#) tool developed by [DIT \(Department for International Trade\)](#) and [BEIS \(Department for Business, Energy and Industrial Strategy\)](#) and can be found below.

- [UK Regions Imports and Exports of Goods by Country and World Region](#)

Experimental statistics

These statistics are experimental statistics which are still undergoing evaluation and are subject to revision.

It should be noted that plans are in place to have the statistics assessed by the Office for Statistics Regulation (OSR) in 2021 with a view to having them accredited as National Statistics.

Office for Statistics Regulation guidance

In August 2019 the OSR released [regulatory guidance](#) to inform the development of experimental statistics – official statistics in development.

The [Code of Practice for Statistics](#) encourages innovation and improvement and highlights the need for National Statistics and other official statistics to remain relevant for use, to provide a dynamic public service. Practices that are considered particularly relevant to producing experimental statistics are highlighted under the below themes.

- Sound methods;
- Relevance to users; and
- Innovation and improvement

We have highlighted below how the development of the BESES is aligned to these principles.

Sound methods

The statistics, data and metadata are compiled using recognised standards, classifications and definitions aligned to standard practice for producing business surveys.

They are harmonised to be consistent and coherent with related statistics and data where possible. For example the figures are collected via the Annual Business Inquiry (ABI) which is a National Statistic. The turnover values reported in the BESES publications are consistent with the ABI as are the statistical methods used to produce the figures.

The guidance notes that users should be provided with reasons for deviations from existing figures or methods and so we have stated within this publication why there are differences between our trade figures and other figures published by HMRC. Essentially, differences arise because the BESES and HMRC Regional Trade Statistics (RTS) use different methodologies and are not directly comparable. HMRC estimates are based on customs declarations and cover the import of goods only. HMRC is also unable to allocate a significant amount of UK Trade to the countries and regions of the UK. BESES is a survey based measure and covers both goods and services.

Relevance to users

Statistics producers should maintain and refresh their understanding of the use and potential use of the statistics and data. They should consider the ways in which the statistics might be used and the nature of the decisions that are or could be informed by them.

Over the last three years we have worked closely with known users to ensure that the statistics are meeting their needs. The Department for Economy (DfE) along with other NI Departments and Departments in GB have been using the outputs from the BESES to inform the debate around EU Exit (see below).

Stakeholders

NISRA is making these experimental statistics available so that users and stakeholders can be involved in their development. NISRA has engaged extensively throughout the project with expert users of NI economic statistics whose views have helped shape the development of the BESES. Users include:

- Department for the Economy (DfE);
- Department of Finance (DoF);
- Department of Agriculture, Environment and Rural Affairs (DAERA);
- The Executive Office (TEO);
- NISRA Economic Accounts;
- InterTradeIreland (ITI);
- Economic and Social Research institute (ESRI);
- Office for National Statistics (ONS);
- HM Revenue and Customs (HMRC);
- Department for Exiting the EU (DExEU);
- HM Treasury (HMT);
- The Department for Business, Energy and Industrial Strategy (BEIS);
- Cabinet Office;
- Home Office;
- Medicines and Healthcare Products Regulatory Agency (MHRA);
- Food Standards Agency (FSA);
- UK Trade Policy Observatory (UKTPO);
- The Ulster University Economic Policy Centre (UUEPC);
- The Economic Statistics Centre of Excellence (ESCOE) in the University of Strathclyde; and
- NI economic commentators and private sector consultants.

Uses

BESES data has formed the input to numerous trade/EU Exit related reports and papers over recent years, a sample is highlighted below.

- [HM Government: Northern Ireland and Ireland Position Paper \(August 2017\);](#)
- [HM Government: Additional Data Paper: Northern Ireland Trade Data and Statistics \(August 2017\);](#)
- [ESRI: Export Participation and Performance of Firms on the Island of Ireland \(September 2018\);](#)
- [DFE: The Annual Purchases Survey in Northern Ireland - Modelling the Origin of Products \(November 2018\);](#)
- [DFE: Northern Ireland International Trade in Services - New Perspectives \(November 2018\);](#)
- [DFE: Northern Ireland Retail Study: Value, Volume and Proportion of Goods Sourced from GB or transported via GB from other parts of the world \(March 2019\);](#)
- [ESRI: Shock absorption capacity of firms in Ireland and Northern Ireland;](#)
- [DFE: Irish land border - existing and potential customs facilitations in a no-deal scenario \(June 2019\);](#)
- [DfE: Northern Ireland Trade Data - an update \(July 2019\);](#)
- DExEU: [European Union \(Withdrawal Agreement\) Bill Impact Assessment](#) (October 2019);
- NISRA: [EU Exit trade analysis; and](#)
- NISRA: [2015 & 2016 Supply-Use Tables](#) (December 2019).

- NISRA: [2016 Input-Output Table and Multipliers](#) (March 2020)

Methodological improvements

The guidance states that statistics producers should keep up to date with developments that can improve statistics and data. They should also seek to collaborate with other producers, including within the UK and internationally, when developing their statistics, overcoming practical obstacles, and sharing best practice.

Over the three last years the BESES Team has held membership of a number of EU Exit related analytical groups that have had a focus on NI trade.

- DExEU Economic & Trade data through EU Exit;
- DExEU NI Trade data group;
- DExEU Alternative Arrangements Working Group;
- NI Trade Analysis Working Group (Cross-Whitehall);
- Department for International Trade (DIT) analysts roundtable;
- ONS Subnational Imports of Services Steering Group;
- ONS BREXIT Intelligence Group; and
- ONS Trade Survey of Hauliers Working Group.

Membership of these groups has allowed us to gain feedback from users as well as maintain an understanding of what our data is being used for whilst at the same time ensuring users are fully aware of the strengths and limitations of our data.

In addition, NISRA are currently engaged in a project with the Central Statistics Office (CSO) Ireland whereby we are investigating reasons and possible solutions to trade asymmetries arising from the trade figures reported by NISRA and CSO.

We are also working with HMRC to support a range of internal HMRC projects aimed at improving the understanding of NI-GB trade to inform planning as part of the NI Protocol withdrawal preparations. This is being facilitated through sharing of BESES data with HMRC and participating on working groups.

NISRA is keen to engage and receive informed feedback from users which will improve the quality and value of the statistics. If you wish to join our BESES mailing list to keep informed of developments or provide any feedback on these statistics please email economicstats@nisra.gov.uk.

Improved data presentation

The guidance also states that Producers should commit to improve data presentation, enhance insight, and better meet the needs of different types of users and potential users in the dissemination of their statistics and data.

We have made even more detailed tables available to a number other Government Departments where legislation allows us to do so. This data has been used to inform EU Exit discussions over recent years.

In due course NISRA plans to have these statistics assessed against the Code of Practice for Official Statistics which is required to gain National Statistics status.

Further Information

Further information on the BESES can be accessed on the [NISRA website](#).

Further analysis of Trade data (from various sources) can be found on the NISRA [EU-Exit web page](#).

Issued by:

Economic and Labour Market Statistics Branch,
Northern Ireland Statistics & Research Agency
Department of Finance
Email: economicstats@nisra.gov.uk

Statistics Contact:

Damian Buchanan
Email: damian.buchanan@nisra.gov.uk
Tel: 028 9052 9648