



Welsh exports, 2018

21 March 2018
SB 10/2019

Key points

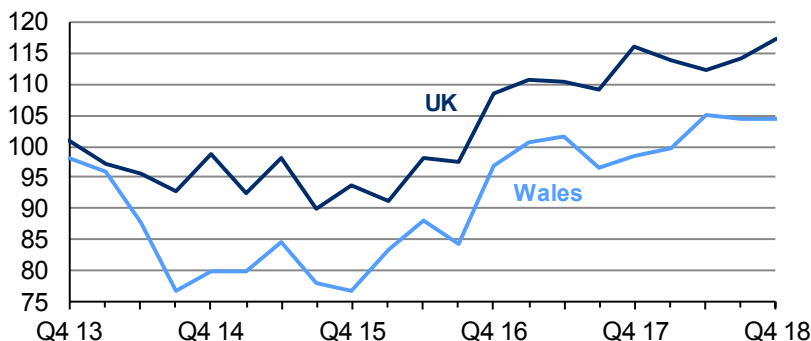
- The value of Welsh exports was £17.2 billion in 2018, an increase of £0.7 billion (4.2 per cent) from 2017. Exports to EU countries increased by £0.56 billion (5.6 per cent) and to non-EU countries by £0.14 billion (2.1 per cent). Exports to the EU accounted for 61.2 per cent of Welsh exports, compared with 49.9 per cent of UK exports.
- Germany was the top export destination, accounting for 18.2 per cent of exports, though the proportion fell from 19.6 per cent in the previous year.
- Exports from Wales are dominated by the *Other Transport Equipment* (transport equipment other than road vehicles) category which made up 24.3 per cent of total exports.

Table 1: Value of Welsh and UK exports by destination

	Destination	Amounts (£ billions)		Percentage Change
		2017	2018	
Wales:	EU	10.0	10.5	5.6%
	Non-EU	6.5	6.7	2.1%
	Total	16.5	17.2	4.2%
UK:	EU	162.3	168.0	3.5%
	Non-EU	166.1	168.9	1.7%
	Total	328.4	336.9	2.6%

Source: WG analysis of Regional Trade Statistics, HMRC

Index of exports by quarter, Wales and UK (2013 = 100)



Source: WG analysis of Regional Trade Statistics, HMRC

About this bulletin

This bulletin summarises HM Revenue and Customs estimates of goods exports from Wales for 2018, providing comparisons with the UK.

The figures are modelled estimates. Exports are allocated to UK countries and regions based on the proportion of employees in that area.

Figures relate to goods exported to destinations outside the UK. They do not include service exports.

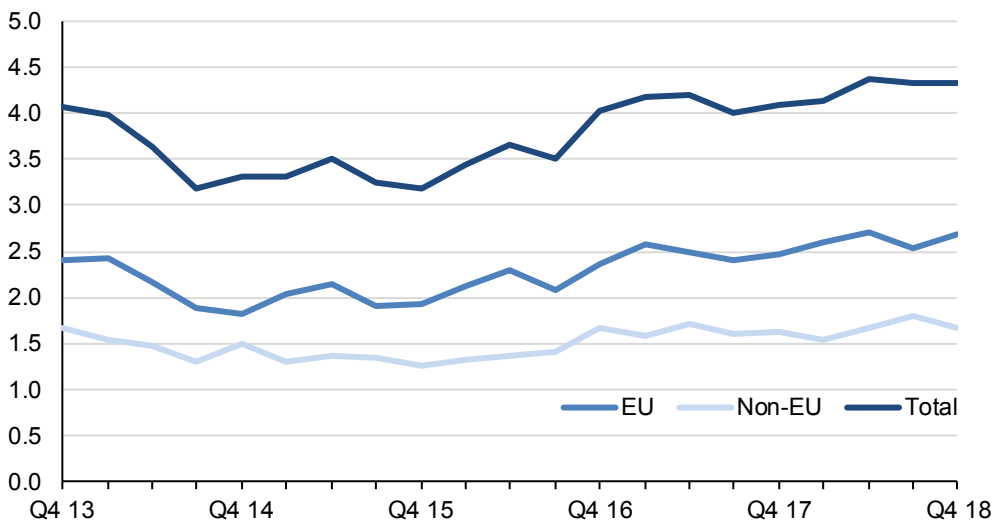
In this bulletin

Exports by destination	2
Exports by product	3
Exports by destination and product	4
Key quality information	6

1. Welsh exports by destination

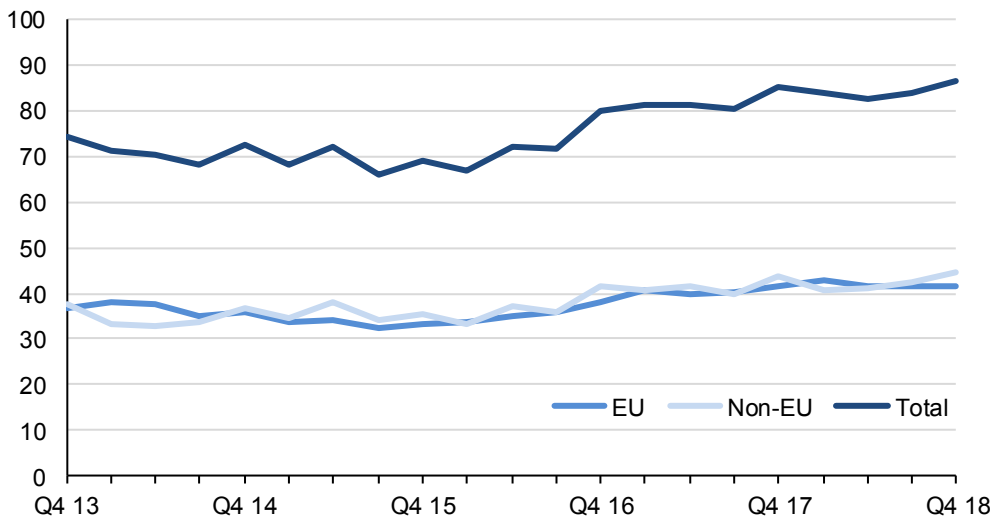
The value of exports from Wales increased by £0.7 billion (4.2 per cent) to £17.2 billion in 2018. Exports to EU countries were up £0.56 billion (5.6 per cent) and exports to non-EU countries up by £0.14 billion (2.1 per cent). The value of exports for the UK also increased over this period, up 2.6 per cent, with exports to EU countries up by 3.5 per cent and exports to non-EU countries up by 1.7 per cent.

Chart 1.1: Exports by quarter and destination, Wales (£b)



Source: WG analysis of Regional Trade Statistics, HMRC

Chart 1.2: Exports quarter and destination, UK (£b)



Source: WG analysis of Regional Trade Statistics, HMRC

In 2018, Germany was the largest export market for Welsh products followed by France, USA (including Puerto Rico), Ireland and the Netherlands. Compared with the previous year, exports to three of the top five countries increased. Exports to Ireland showed the largest absolute increase, up £519 million (52.3) per cent. The increase in exports to Ireland was driven by exports of *Petroleum, Petroleum Products & Related Materials*. Germany showed the largest decrease, down £116 million (3.6 per cent).

Outside the top five destinations, exports to the United Arab Emirates had the largest fall, down £59 million (10.6 per cent). Exports to Belgium increased by £95 million (20.1 per cent).

Table 1.1: Top 10 destinations for Welsh exports (£m)

Country	2017	2018	Change	
			Level	Percentage
Germany	3,235	3,118	-116	-3.6%
France	2,755	2,680	-74	-2.7%
USA (including Puerto Rico)	2,289	2,445	157	6.8%
Ireland	992	1,511	519	52.3%
Netherlands	696	746	50	7.2%
Belgium	474	569	95	20.1%
United Arab Emirates	558	498	-59	-10.6%
Spain	482	492	9	2.0%
China	313	379	66	21.0%
Canada	359	346	-13	-3.5%

Source: WG analysis of Regional Trade Statistics, HMRC

2. Welsh exports by product

Other Transport Equipment (transport equipment other than road vehicles) was the Welsh export category with the highest value in 2018, followed by *Petroleum, Petroleum Products & Related Materials*. Four of the top ten products declined over this year compared with 2017. The overall increase in exports from Wales was mainly due to increases in *Petroleum, Petroleum Products & Related Materials* (up £670 million, 43.1 per cent), *Iron and Steel* (up £131 million, 15.4 per cent) and *Chemical Materials & Products N.E.S* (up £122 million, 46.2 per cent).

The *Other Transport Equipment* product saw the largest absolute decrease, down £232 million (5.3 per cent).

Table 2.1: Top 10 products for Welsh exports (£m)

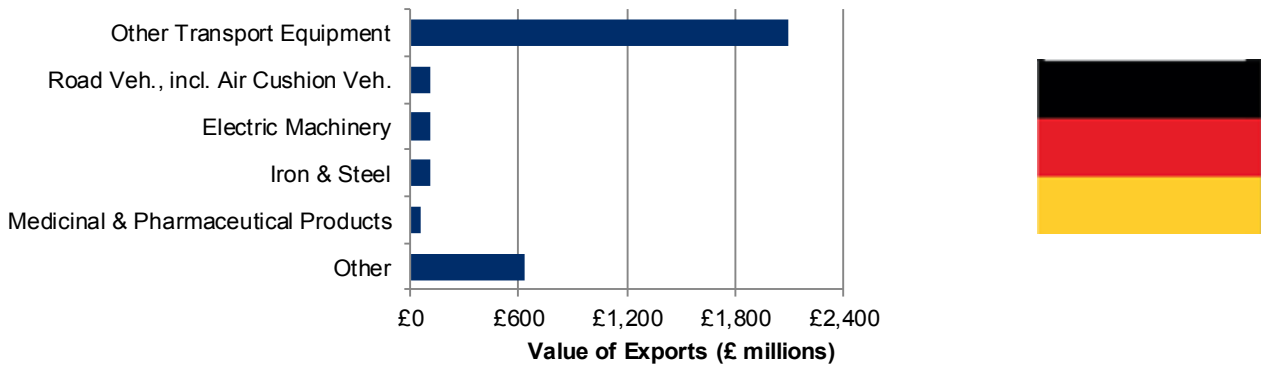
Product sector	2017	2018	Change	
			Level	Percentage
Other Transport Equipment	4,398	4,166	-232	-5.3%
Petroleum, Petroleum Products & Related Materials	1,556	2,226	670	43.1%
Power Generating Machinery & Equipment	2,051	1,916	-135	-6.6%
Iron & Steel	853	984	131	15.4%
Electric Machinery, Apparatus & Appliances & Electric Parts Thereof N.E.S	786	759	-27	-3.4%
Medicinal & Pharmaceutical Products	733	628	-105	-14.4%
Road Vehicles, incl. Air Cushion Vehicles	572	593	22	3.8%
Miscellaneous Manufactured Articles N.E.S.	439	476	37	8.5%
Professional, Scientific & Controlling Ins & Apparatus N.E.S.	393	424	31	7.9%
Machinery Specialized For Particular Industries	314	410	96	30.5%

WG analysis of Regional Trade Statistics, HMRC

3. Welsh exports by destination and product¹

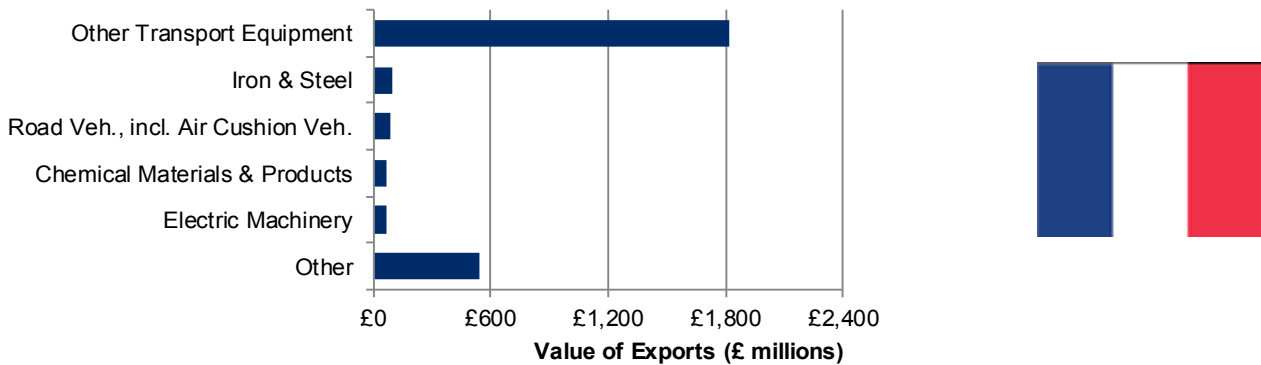
The three largest export countries for Wales are Germany, France and USA (including Puerto Rico). The total value of exports to Germany was £3.1 billion (18.2 per cent of Welsh total), for France it was £2.7 billion (15.6 per cent of Welsh total) and for the USA it was £2.4 billion (14.2 per cent of Welsh total). The largest export product to Germany and France is *Other Transport Equipment* and the largest product to the USA is *Petroleum, Petroleum Products & Related Materials*. (Charts 3.1 - 3.3)

Chart 3.1: Welsh exports to Germany by product



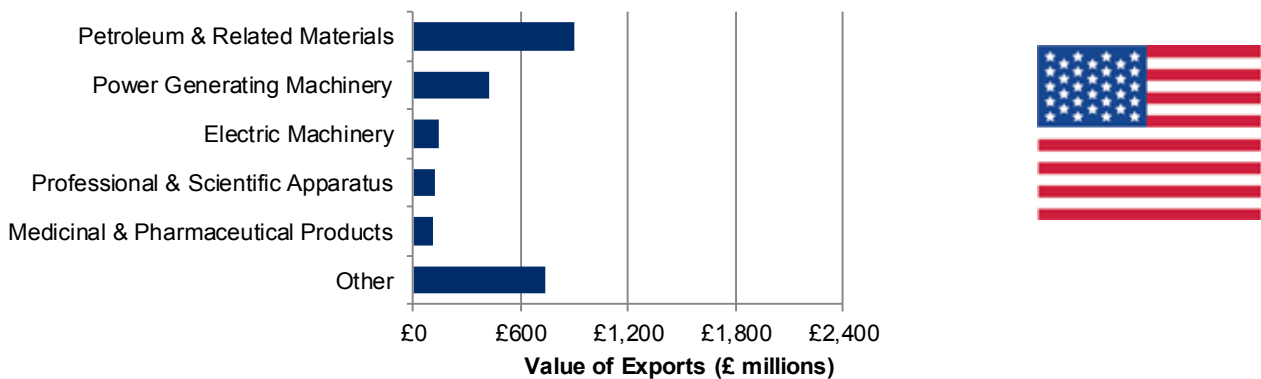
Source: WG analysis of Regional Trade Statistics, HMRC

Chart 3.2: Welsh exports to France by product



Source: WG analysis of Regional Trade Statistics, HMRC

Chart 3.3: Welsh exports to the USA (including Puerto Rico) by product

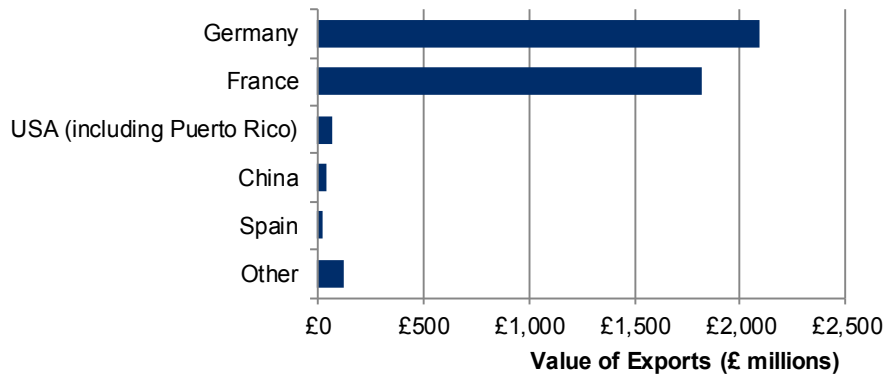


Source: WG analysis of Regional Trade Statistics, HMRC

¹ Category names have been shortened on charts. *Petroleum & Related Materials* is *Petroleum, Petroleum Products and Related Materials*; *Electric Machinery* is *Electric Machinery, Apparatus and Appliances and Electric Parts Thereof NES*; *Professional & Scientific Apparatus* is *Professional, Scientific and Controlling Ins and Apparatus NES*.

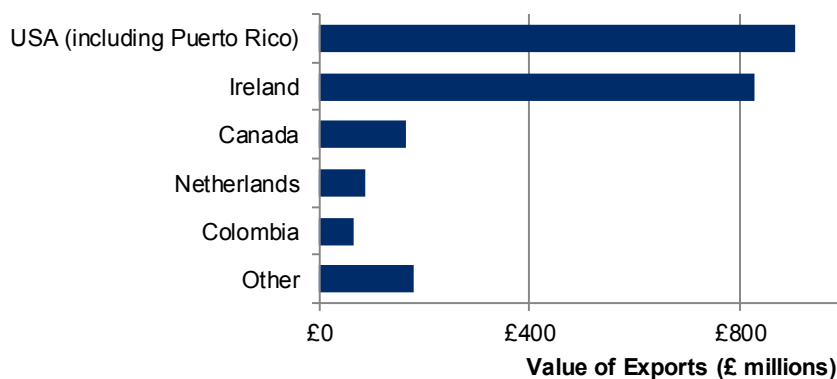
The three largest export products for Wales are *Other Transport Equipment* (transport equipment other than road vehicles), *Petroleum, Petroleum Products & Related Materials* and *Power Generating Machinery & Equipment*. Germany receives 50 per cent of Welsh exports of *Other Transport Equipment* and the USA receives 41 per cent of Welsh exports in *Petroleum, Petroleum Products & Related Materials*. The USA receives 22 per cent of Welsh exports of *Power Generating Machinery & Equipment*. (Charts 3.4 - 3.6)

Chart 3.4: Destinations for Welsh exports in other transport equipment



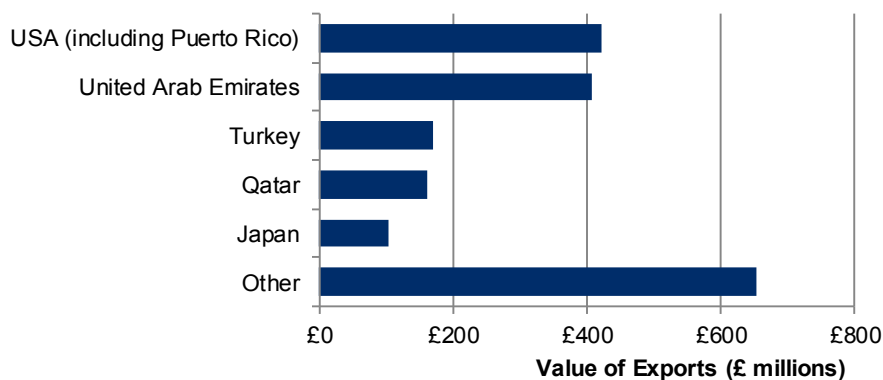
Source: WG analysis of Regional Trade Statistics, HMRC

Chart 3.5: Destinations for Welsh exports in petroleum, petroleum products & related materials



Source: WG analysis of Regional Trade Statistics, HMRC

Chart 3.6: Destinations for Welsh exports in power generating machinery & equipment



Source: WG analysis of Regional Trade Statistics, HMRC

Key quality information

Relevance

This bulletin contains analysis of [HMRC](#) Regional Trade in Goods Statistics (RTS) data for 2017 and 2018. These statistics are used by the Welsh Government to monitor the performance in goods exports for Wales, as well as providing comparisons to the UK and other regions. This bulletin is also used by other public sector organisations, businesses, academia and private individuals.

Accuracy

The data in this bulletin are the Regional Trade in Goods Statistics (RTS) published by HMRC. These statistics refer to goods that have crossed the UK frontier. This means that exports from Wales to other parts of the UK are not included and there is no element included for components produced in Wales when the final product is completed in and then exported from another part of the UK. HMRC does not receive information in respect of goods that move wholly within the UK. Further, these figures do not contain any information on the export of services such as banking or tourism.

Timeliness and punctuality

Regional Trade Statistics are published quarterly by HMRC in March, June, September and December. Headline exports statistics are published by the Welsh Government at the same time.

Accessibility and clarity

Exports data are published on [StatsWales](#). The Headline Statistics and Statistical Bulletin are available on the [Welsh Government website](#). The latest HMRC quarterly Regional Trade in Goods Statistics (RTS) release is available from the [HM Revenue & Customs website](#).

Comparability and coherence

1. Comparable measures for other UK countries are published on StatsWales.
2. Data shown for the European Union (EU) are based on the 28 member states which comprised the EU (that is the 28 states less the UK, as only exports to destinations outside the UK are covered). This includes Croatia which joined the EU on 1 July 2013.
3. The quarterly totals of the value for RTS do not equate to the totals already published as the UK-wide Overseas Trade Statistics. Certain goods, such as North Sea crude oil, ships and aircraft stores, and those not in free circulation, that are shipped to EU countries using traditional Customs declarations, are not allocated to a UK region. Exports relating to overseas companies, registered for VAT in the UK, but with no place of business in the UK, have been excluded. Channel Islands and Isle of Man trade is also excluded. In addition, some exports to countries outside the EU cannot be allocated to a region because the VAT registration numbers have not been properly declared. These exclusions mean that it is not possible to reconcile total figures for regional trade against figures for UK trade.
4. Data are collated using the [Standard International Trade Classification \(SITC\)](#) system.

Methodology

From 1 May 2016, there was a methodological change to the way the Non-EU trade-in-goods statistics are compiled. Following a change in legislation, the Non-EU trade-in-goods statistics have changed from the 'General Trade' system of compilation to the 'Special Trade' system. For further information on the differences between General and Special Trade, please see the [HMRC Methodology Paper for Overseas Trade Statistics](#). Special Trade data is only available for 2012 Q1 onwards. All data in this bulletin is Special Trade.

HMRC has revised the methodology used to calculate Regional Trade Statistics. Business trade is now allocated to a region based on the proportion of employees in that region rather than where the location of the Head Office of the business is. Under the old methodology Welsh EU exports accounted for 39.2 per cent reported for the four quarters ending in June 2016. The new methodology stands at 60.9 per cent for the four quarters ending in June 2016. Data are available under the new methodology from 2013Q1. It is inappropriate to compare current data with data prior to 2013 and it has been excluded from this bulletin. Further information on the quality, revisions and methodology of the data can be found on the [HMRC website](#).

Revisions

Following the identification of an error in the calculation of these statistics, HMRC revised its data for 2013 quarter 1 to 2017 quarter 1 on the 12 October.

Data for previous quarters have been revised in accordance with the HMRC revision policy where data on exports for the current calendar year may be validated and revised at any time, while data on exports for the previous calendar may be validated and revised until just after the second quarter figures for the current calendar year are published.

Any figures which are currently provisional are marked with '(p)' and are subject to revision. Revisions to the data arise as a result of including trade amendments and late submissions received by HM Revenue and Customs. Figures are provisional for up to 18 months.

For data from our own outputs, we follow Welsh Government [revisions policy](#).

National Statistics status

The [United Kingdom Statistics Authority](#) has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the [Code of Practice for Statistics](#).

National Statistics status means that official statistics meet the highest standards of trustworthiness, quality and public value.

All official statistics should comply with all aspects of the Code of Practice for Statistics. They are awarded National Statistics status following an assessment by the UK Statistics Authority's regulatory arm. The Authority considers whether the statistics meet the highest standards of Code compliance, including the value they add to public decisions and debate.

It is Welsh Government's responsibility to maintain compliance with the standards expected of National Statistics. If we become concerned about whether these statistics are still meeting the appropriate standards, we will discuss any concerns with the Authority promptly. National Statistics status can be removed at any point when the highest standards are not maintained, and reinstated when standards are restored.

Well-being of Future Generations Act (WFG)

The Well-being of Future Generations Act 2015 is about improving the social, economic, environmental and cultural well-being of Wales. The Act puts in place seven well-being goals for Wales. These are for a more equal, prosperous, resilient, healthier and globally responsible Wales, with cohesive communities and a vibrant culture and thriving Welsh language. Under section (10)(1) of the Act, the Welsh Ministers must (a) publish indicators ("national indicators") that must be applied for the purpose of measuring progress towards the achievement of the Well-being goals, and (b) lay a copy of the national indicators before the National Assembly. The 46 national indicators were laid in March 2016.

Information on the indicators, along with narratives for each of the well-being goals and associated technical information is available in the [Well-being of Wales report](#).

Further information on the [Well-being of Future Generations \(Wales\) Act 2015](#).

The statistics included in this release could also provide supporting narrative to the national indicators and be used by public services boards in relation to their local well-being assessments and local well-being plans.

Further details

The document is available at: <https://gov.wales/welsh-exports-2018>

A comprehensive data sources guide which provides a summary of the main official [data sources used by the Economic and Labour Market Statistics branch as well as useful links](#) has been published online.

Next update

March 2020

We want your feedback

We welcome any feedback on any aspect of these statistics which can be provided by email to economic.stats@gov.wales

Open Government Licence

All content is available under the [Open Government Licence v3.0](#), except where otherwise stated.

