



BRIEFING PAPER

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Statistics on UK-EU trade

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Summary

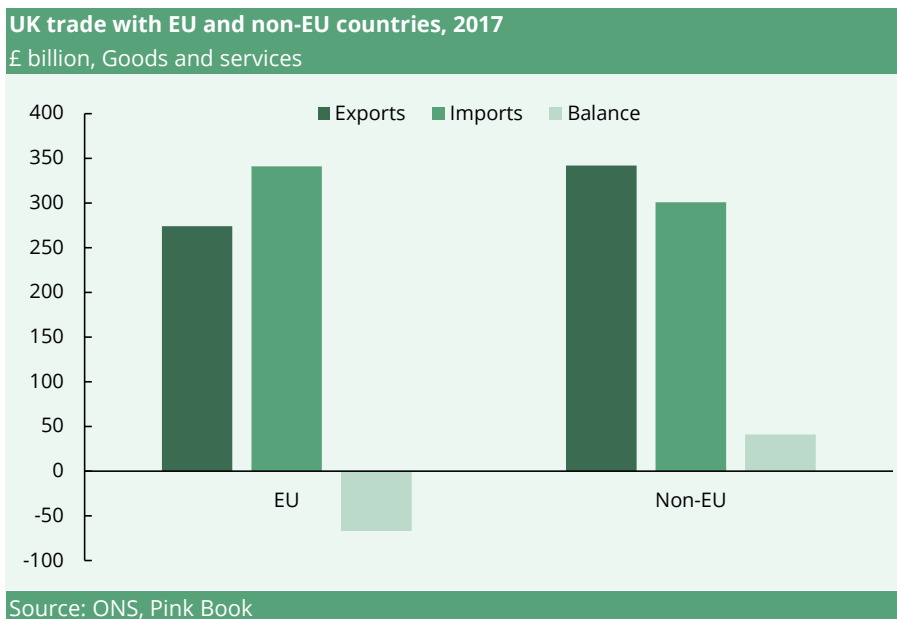
This note provides basic figures on UK trade with the EU.

Main points:

- The EU, taken as a whole is the UK's largest trading partner. In 2017, UK exports to the EU were £274 billion (44% of all UK exports). UK imports from the EU were £341 billion (53% of all UK imports).
- The share of UK exports accounted for by the EU has fallen over time from 55% in 2006 to 43% in 2016, increasing slightly to 44% in 2017.
- The share of UK imports accounted for by the EU fell from 58% in 2002 to 51% in 2011 before increasing to 53% in 2017.
- The UK had an overall trade deficit of -£67 billion with the EU in 2017. A surplus of £28 billion on trade in services was outweighed by a deficit of -£95 billion on trade in goods.
- The UK had a trade surplus of £41 billion with non-EU countries. A surplus of £83 billion on trade in services outweighed a deficit of -£42 billion on trade in goods.
- Services accounted for 40% of the UK's exports to the EU in 2017. Financial services and other business services (a category which includes legal, accounting, advertising, research and development, architectural, engineering and other professional and technical services) are important categories of services exports to the EU – in 2017 these two service categories made up 52% of UK service exports to the EU.
- Wales, followed by the North East of England had the highest percentage of goods exports going to the EU of all the countries and regions in the UK in 2017. The East of England followed by Northern Ireland had the joint highest proportion of goods imports from the EU.
- EU tariffs are generally low but are high on some goods, especially agricultural products.

1. Overview

In 2017, the UK exported £274 billion of goods and services to other EU member states. This is equivalent to 44.5% of total UK exports. Goods and services imports from the EU were worth £342 billion (55.5% of the total) in 2017. The UK had a trade deficit of -£67 billion with the EU in 2017 but a surplus of £41 billion with non-EU countries.¹



UK trade with EU and non-EU countries 2017
Goods and services

	Exports		Imports		Balance
	£ billion	%	£ billion	%	£ billion
EU	274	44.5%	341	53.1%	-67
Non-EU	342	55.5%	301	46.9%	41
Total	616	100.0%	642	100.0%	-26

Source: ONS

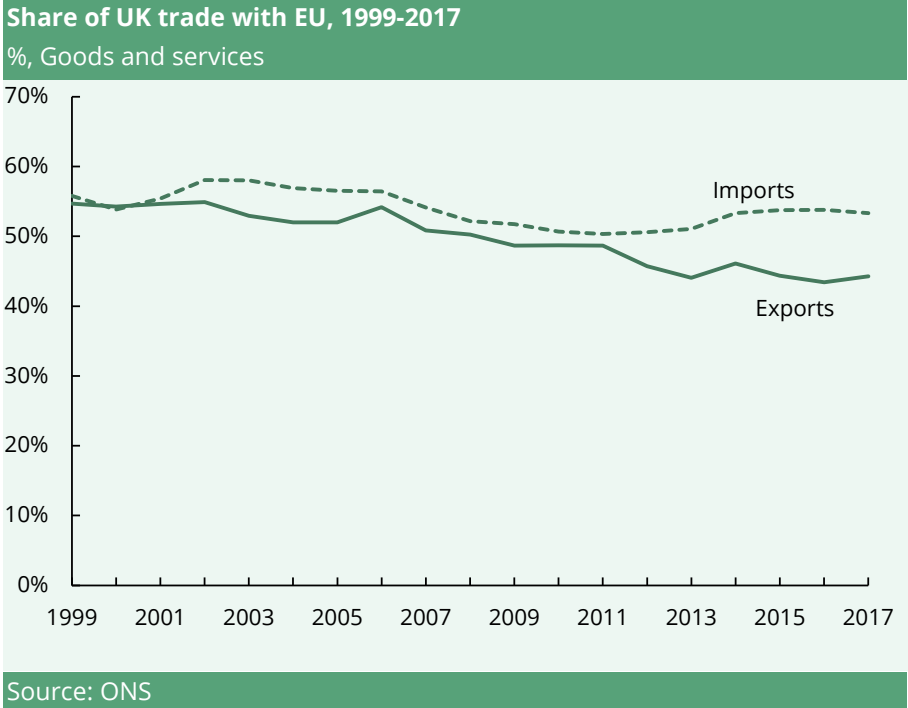
The share of UK exports going to the EU has declined gradually over recent years. In 2006, the EU accounted for 55% of UK exports. By 2017, this had fallen to 44%. The picture on imports is slightly less clear. In 2002, 58% of UK imports were from the EU. By 2010, this had fallen to 51% but has increased slightly more recently, reaching 54% in 2016. The Appendix at the end of this note shows a time series of data on UK trade with the EU.²

These figures take no account of the Rotterdam effect – the argument that trade with the EU is overstated as some trade recorded with the Netherlands may ultimately be with non-EU countries. The scale of this effect is not known. Even assuming a high proportion of recorded UK

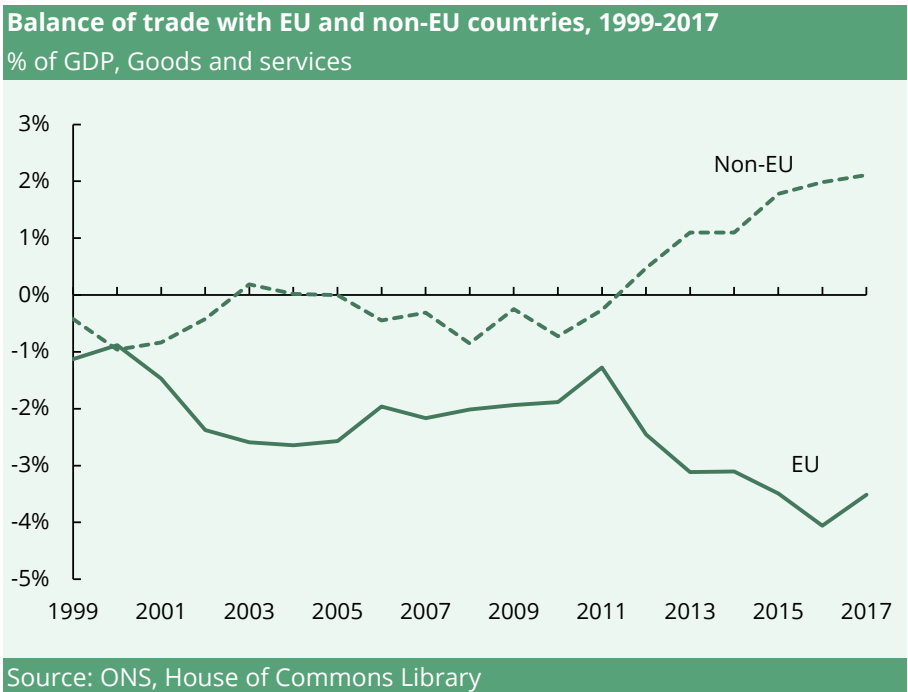
¹ ONS, [Pink Book 2017](#), section 9, Geographical breakdown of the current account, Table 9.3, October 2017

² The figures are for trade with the EU as it is now (i.e. 27 countries, plus the UK) for all years from 1999.

trade with the Netherlands is with non-EU countries, the EU remains the UK's largest trading partner by a considerable margin.



The UK has had a trade deficit with the EU in every year since 1999. By contrast, the UK has had a surplus with non-EU countries since 2012.



2. Trade between EU & Scotland, Wales, Northern Ireland & English regions

HMRC publish data on trade with the EU for Scotland, Wales, Northern Ireland and the English regions. These figures are for trade in goods only – they do not include services.³

60% of exports of goods from Wales go to the EU - this is the highest proportion of any country or region in the UK, followed by the North East at 59%.

Yorkshire and the Humber, Northern Ireland and the East of England also have relatively high shares of exports to the EU.

UK goods exports by country and region			
£ billion, 2017			
	EU	Total	% EU
North East	7.6	12.9	59%
North West	14.2	28.7	49%
Yorkshire and The Humber	9.7	16.8	58%
East Midlands	10.7	20.5	52%
West Midlands	14.7	33.5	44%
East	15.2	29.0	53%
London	15.2	36.2	42%
South East	22.4	45.3	49%
South West	9.3	20.5	45%
England	118.9	243.4	49%
Wales	10.0	16.5	60%
Scotland	14.0	28.7	49%
Northern Ireland	4.8	8.6	56%
Unallocated - Known	14.3	20.8	69%
Unallocated - Unknown	0.1	10.4	1%
UK	162.1	328.3	49%

Source: HMRC, UK Trade Info

³ HMRC, [Regional Trade Statistics](#)

66% of the East of England's goods imports are from the EU as are 65% of Northern Ireland's goods imports. The South East, West Midlands and North East also have relatively high levels of imports from the EU.

UK goods imports by country and region			
£ billion, 2017			
	EU	Total	% EU
North East	7.9	13.2	60%
North West	20.6	36.8	56%
Yorkshire and The Humber	16.8	33.1	51%
East Midlands	15.0	26.4	57%
West Midlands	22.7	36.7	62%
East	31.4	48.0	66%
London	29.5	62.3	47%
South East	58.2	92.4	63%
South West	11.0	24.8	44%
England	213.2	373.6	57%
Wales	7.4	34.3	22%
Scotland	9.1	17.6	52%
Northern Ireland	4.8	7.5	65%
Unallocated - Known	21.4	34.3	62%
Unallocated - Unknown	0.6	11.4	5%
UK	256.6	468.7	55%

Source: HMRC, UK Trade Info

3. Tariffs

While the UK is a member of the EU, there are no tariffs on trade with other EU member states. Goods imported into the EU from non-EU countries pay the EU's common external tariff, unless there is a free trade agreement or preferential trade agreement.

The tariff rate differs between different goods. While on average EU tariffs are low, they are high for some products, especially agricultural products. The trade-weighted average EU tariff for non-agricultural products was 2.3% in 2014 and 8.5% for agricultural products.⁴ The table below gives a breakdown by type of product.

Average EU tariff by product type (%)	
Animal products	15.7
Dairy products	35.4
Fruit, vegetables and plants	10.5
Coffee, tea	6.1
Cereals and preparations	12.8
Oilseeds, fats and oils	5.6
Sugars and confectionery	23.6
Beverages and tobacco	19.6
Cotton	0.0
Other agricultural products	3.6
Fish and fish products	12.0
Minerals and metals	2.0
Petroleum	2.5
Chemicals	4.5
Wood, paper etc	0.9
Textiles	6.5
Clothing	11.5
Leather, footwear etc	4.1
Non-electrical machinery	1.9
Electrical machinery	2.8
Transport equipment	4.3
Other manufactures	2.6

Source: WTO World Tariff Profiles 2017, p82

⁴ WTO, World Tariff Profiles 2017, pg. 82

4. Appendix: Trade with EU and non-EU countries, 1999-2017

UK trade with the EU, 1999 - 2017

Goods and services

	Exports		Imports		Balance £ billion
	£ billion	% of total	£ billion	% of total	
1999	133.3	54.6%	145.2	56.0%	-11.8
2000	146.6	54.0%	156.2	53.5%	-9.6
2001	151.1	54.3%	168.8	55.2%	-17.7
2002	153.1	54.6%	182.7	58.2%	-29.6
2003	154.8	52.7%	187.3	57.8%	-32.5
2004	159.2	51.8%	193.4	56.7%	-34.2
2005	176.9	51.6%	212.7	56.3%	-35.8
2006	213.4	54.5%	242.0	56.8%	-28.6
2007	194.5	50.7%	227.6	54.4%	-33.1
2008	212.4	50.3%	243.8	52.8%	-31.4
2009	196.2	48.8%	224.7	52.2%	-28.5
2010	218.5	48.9%	246.8	51.2%	-28.3
2011	243.4	48.6%	263.5	50.8%	-20.1
2012	235.4	46.6%	271.4	51.2%	-36.0
2013	232.2	44.3%	284.3	51.4%	-52.1
2014	237.5	45.6%	290.8	52.9%	-53.3
2015	225.1	43.3%	289.2	52.9%	-64.1
2016	240.4	43.2%	315.1	53.6%	-74.6
2017	274.0	44.5%	341.0	53.1%	-67.0

Source: ONS series L84Y, L864, IKBH, IKBI, L86I

UK trade with non-EU countries, 1999 - 2017

Goods and services

	Exports		Imports		Balance £ billion
	£ billion	% of total	£ billion	% of total	
1999	110.9	45.4%	113.9	44.0%	-3.0
2000	124.8	46.0%	135.9	46.5%	-11.1
2001	127.4	45.7%	136.9	44.8%	-9.4
2002	127.5	45.4%	131.2	41.8%	-3.7
2003	139.1	47.3%	136.6	42.2%	2.5
2004	148.2	48.2%	147.7	43.3%	0.5
2005	166.2	48.4%	165.4	43.7%	0.8
2006	178.3	45.5%	184.1	43.2%	-5.8
2007	188.9	49.3%	190.8	45.6%	-1.9
2008	210.1	49.7%	217.7	47.2%	-7.6
2009	205.9	51.2%	205.7	47.8%	0.2
2010	228.6	51.1%	235.4	48.8%	-6.8
2011	257.3	51.4%	255.6	49.2%	1.6
2012	269.3	53.4%	258.9	48.8%	10.4
2013	291.4	55.7%	268.3	48.6%	23.1
2014	282.8	54.4%	259.2	47.1%	23.6
2015	294.5	56.7%	257.4	47.1%	37.1
2016	316.5	56.8%	272.8	46.4%	43.7
2017	341.9	55.5%	300.8	46.9%	41.1

Source: ONS series L84Z, L865, IKBH, IKBI, L86J

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