



BRIEFING PAPER

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Statistics on UK-EU trade

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Contents:

1. Overview
2. Trade between EU & Scotland, Wales, Northern Ireland & English regions
3. Tariffs
4. Appendix 1: UK trade with EU and non-EU countries 1999-2016



Contents

Summary	3
1. Overview	4
2. Trade between EU & Scotland, Wales, Northern Ireland & English regions	6
3. Tariffs	8
4. Appendix 1: UK trade with EU and non-EU countries, 1999-2016	9

Summary

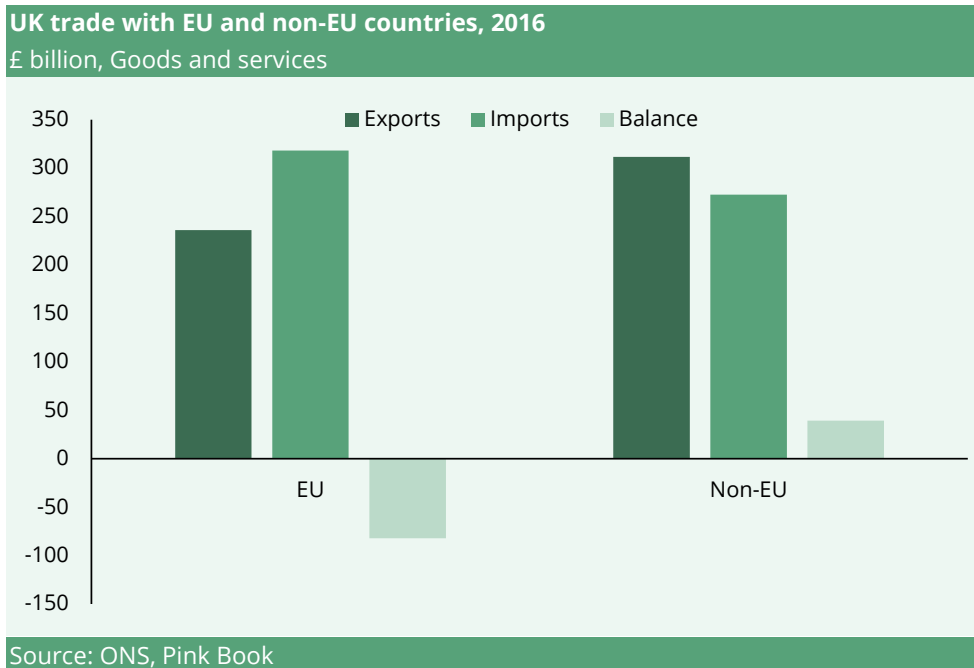
This note provides basic figures on UK trade with the EU.

Main points:

- The EU, taken as a whole is the UK's largest trading partner. In 2016, UK exports to the EU were £236 billion (43% of all UK exports). UK imports from the EU were £318 billion (54% of all UK imports).
- The share of UK exports accounted for by the EU has fallen over time from 54% in 2006 to 43% in 2016. The share of UK imports accounted for by the EU fell from 58% in 2002 to 50% in 2011 before increasing to 54% in 2016.
- The UK had an overall trade deficit of £82 billion with the EU in 2016. A surplus of £14 billion on trade in services was outweighed by a deficit of £96 billion on trade in goods.
- The UK had a trade surplus of £39 billion with non-EU countries. A surplus of £78 billion on trade in services outweighed a deficit of £39 billion on trade in goods.
- Services accounted for 38% of the UK's exports to the EU in 2016. Financial services and other business services are important categories of services exports to the EU.
- Wales and the North East of England had the joint highest percentage of goods exports going to the EU of all the countries and regions in the UK in 2016. The East of England had the 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 2016, the UK exported £236 billion of goods and services to other EU member states. This is equivalent to 43.1% of total UK exports. Goods and services imports from the EU were worth £312 billion (53.9% of the total) in 2016. The UK had a trade deficit of £82 billion with the EU in 2016 but a surplus of £39 billion with non-EU countries.¹



UK trade with EU and non-EU countries 2016
Goods and services

	Exports		Imports		Balance
	£ billion	%	£ billion	%	£ billion
EU	236	43.1%	318	53.9%	-82
Non-EU	312	56.9%	272	46.1%	+39
Total	547	100.0%	590	100.0%	-43

Source: ONS Pink Book 2017, Table 9.3

The share of UK exports going to the EU has declined gradually over recent years. In 2006, the EU accounted for 54% of UK exports. By 2016, this had fallen to 43%. The picture on imports is slightly less clear. In 2002, 58% of UK imports were from the EU. By 2011, this had fallen to 50% but has increased slightly to 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

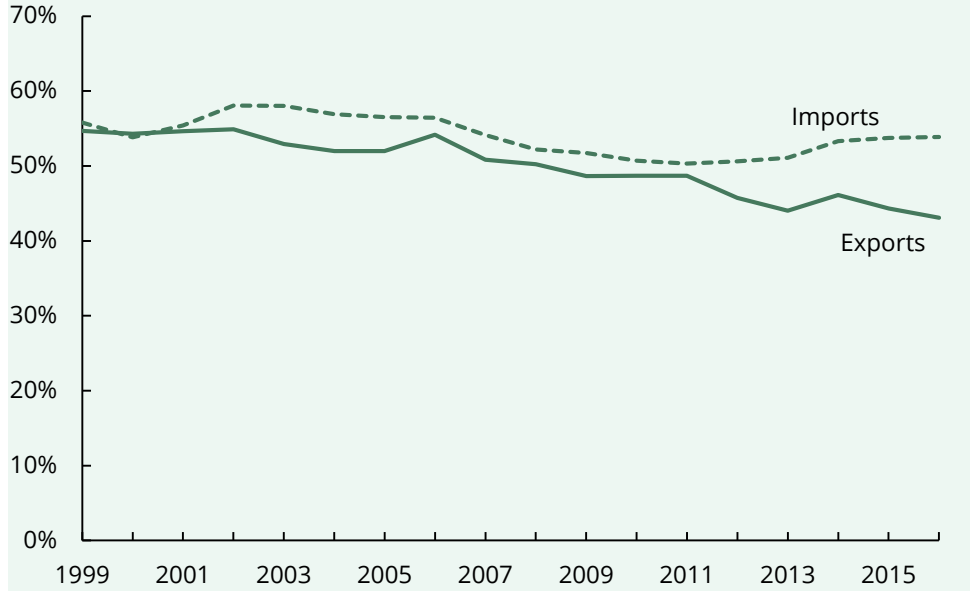
¹ ONS, [Pink Book 2017](#), section 9, Geographical breakdown of the current account, Table 9.3, October 2017

² The figures are for trade with the EU as it is now (ie 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.

Share of UK trade with EU, 1999-2016

% of Goods and services

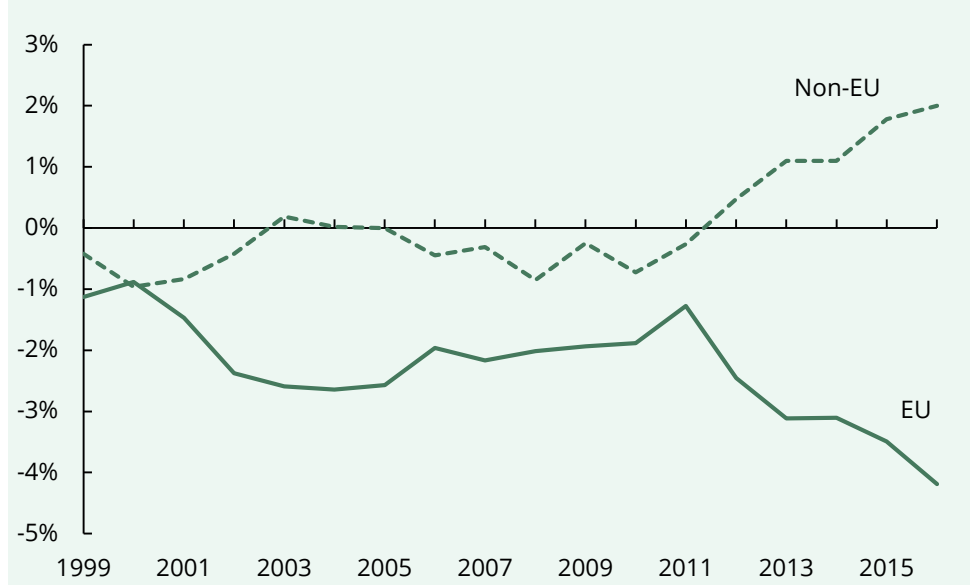


Source: ONS

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.

Balance of trade with EU and non-EU countries, 1999-2016

% of GDP, Goods and services



Source: ONS, House of Commons Library

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

61% of exports of goods from both Wales and the North East go to the EU - this is the joint highest proportion of any country or region in the UK.

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, 2016			
	EU	Total	% EU
North East	7.3	12.0	61%
North West	13.3	27.8	48%
Yorkshire and The Humber	8.3	14.8	56%
East Midlands	9.1	17.7	51%
West Midlands	12.9	29.7	43%
East	14.1	26.7	53%
London	13.5	31.7	43%
South East	20.3	40.8	50%
South West	8.0	18.2	44%
England	106.7	219.4	49%
Wales	8.9	14.6	61%
Scotland	11.4	24.2	47%
Northern Ireland	4.2	7.8	53%
Unallocated - Known	11.9	17.1	70%
Unallocated - Unknown	0.0	7.9	1%
UK	143.1	291.0	49%

Source: HMRC, UK Trade Info

³ HMRC, [Regional Trade Statistics](#)

The East of England has the highest share of goods imports coming from the EU (66%). The South East, North East, West Midlands and Northern Ireland also have relatively high levels of imports from the EU.

UK goods imports by country and region			
£ billion, 2016			
	EU	Total	% EU
North East	7.7	12.4	62%
North West	19.5	34.3	57%
Yorkshire and The Humber	14.1	28.0	50%
East Midlands	13.5	23.6	57%
West Midlands	20.8	33.5	62%
East	29.6	45.1	66%
London	28.1	59.2	48%
South East	53.2	83.5	64%
South West	10.7	23.1	46%
England	197.2	342.7	58%
Wales	6.8	14.9	45%
Scotland	8.5	21.6	39%
Northern Ireland	4.3	6.9	62%
Unallocated - Known	18.3	29.6	62%
Unallocated - Unknown	0.5	9.3	6%
UK	235.5	425.2	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: UK trade with EU and non-EU countries 1999-2016

UK trade with the EU, 1999 - 2016					
Goods and services					
	Exports		Imports		Balance £ billion
	£ billion	% of total	£ billion	% of total	
1999	132.9	54.7%	144.6	55.8%	-11.6
2000	146.9	54.3%	156.5	53.8%	-9.6
2001	152.3	54.7%	168.9	55.4%	-16.5
2002	154.0	54.9%	182.1	58.1%	-28.0
2003	155.6	52.9%	187.9	58.0%	-32.3
2004	159.7	52.0%	194.3	56.9%	-34.6
2005	178.0	52.0%	213.6	56.5%	-35.6
2006	211.7	54.2%	240.4	56.4%	-28.7
2007	194.2	50.8%	227.5	54.1%	-33.3
2008	211.8	50.2%	243.5	52.2%	-31.7
2009	194.5	48.7%	224.1	51.8%	-29.6
2010	217.1	48.7%	246.8	50.7%	-29.7
2011	242.8	48.7%	263.7	50.3%	-20.8
2012	229.1	45.7%	270.5	50.6%	-41.4
2013	229.0	44.0%	283.6	51.1%	-54.6
2014	239.4	46.1%	296.4	53.3%	-57.0
2015	229.4	44.3%	295.3	53.7%	-66.0
2016	235.8	43.1%	318.0	53.9%	-82.2

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

UK trade with non-EU countries, 1999 - 2016					
Goods and services					
	Exports		Imports		Balance £ billion
	£ billion	% of total	£ billion	% of total	
1999	110.1	45.3%	114.5	44.2%	-4.4
2000	123.7	45.7%	134.2	46.2%	-10.5
2001	126.3	45.3%	135.8	44.6%	-9.4
2002	126.5	45.1%	131.4	41.9%	-4.9
2003	138.3	47.1%	135.9	42.0%	2.4
2004	147.4	48.0%	147.2	43.1%	0.2
2005	164.3	48.0%	164.3	43.5%	0.0
2006	179.1	45.8%	185.7	43.6%	-6.6
2007	187.9	49.2%	192.6	45.9%	-4.8
2008	209.7	49.8%	223.0	47.8%	-13.4
2009	205.2	51.3%	209.0	48.2%	-3.8
2010	228.7	51.3%	240.1	49.3%	-11.4
2011	256.0	51.3%	260.4	49.7%	-4.4
2012	272.0	54.3%	264.0	49.4%	8.0
2013	290.9	56.0%	271.7	48.9%	19.3
2014	279.6	53.9%	259.4	46.7%	20.2
2015	287.8	55.7%	254.2	46.3%	33.6
2016	311.6	56.9%	272.5	46.1%	39.2

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

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