



BRIEFING PAPER

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The aerospace industry: statistics and policy

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Summary

The UK aerospace sector had a turnover of £31 billion in 2016. It employs 95,000 people, with the greatest number of jobs in the South West and the East Midlands. Nearly 90% of what the sector produces is exported.

The UK has some major companies in the global aerospace sector, with both BAE Systems and Rolls-Royce featuring in the global top ten companies by revenue. Further afield, Boeing (United States) and Airbus (Europe) are the largest companies in the sector globally.

The outlook for the industry as a whole is generally positive, with recent growth in output expected to continue as demand for aircraft increases around the world. The UK industry has a strong pipeline of work, and trade bodies are reporting optimism in manufacturers.

However, some observers are predicting that Brexit will have a negative impact on the aerospace sector, with particular impact being felt in industry confidence and international cooperation. That said, some people have suggested that parts of the sector may benefit from less regulation.

Both imports and exports increased in 2016, relative to the previous year. The UK has run a small trade deficit in the aerospace sector for the past few years. Trade disputes have occurred recently, particularly with the USA placing tariffs on Bombardier jets which are manufactured in Northern Ireland.

Aerospace is part of the Government's industrial strategy, and a number of initiatives have been set up to boost research and investment, and to guarantee exports. The Aerospace Growth Partnership and the Aerospace Technology Institute have both been set up in recent years as a collaboration between Government and industry.

1. Overview

1.1 General official statistics

All official statistics covering the aerospace sector in the UK use the definition in the ONS Standard Industrial Classification, which is “Manufacture of air and spacecraft and related machinery”.

Aerospace industry statistics, 2012-2016

	Economic contribution ^a		Turnover		Number of enterprises		Total employment	
	£ millions	% of UK total	£ billions	% of UK total	Count	% of UK total	Thousands	% of UK total
2012	6,148	0.39%	24.9	0.85%	280	0.02%	*	*
2013	6,780	0.43%	24.3	0.79%	285	0.02%	90.1	0.31%
2014	6,189	0.38%	25.6	0.78%	325	0.03%	91.7	0.31%
2015	7,601	0.45%	29.4	0.85%	325	0.02%	91.6	0.30%
2016	8,665	0.50%	30.6	0.85%	310	0.02%	95.1	0.31%

Notes:

(a) Output gross value added (GVA), industry-specific equivalent to GDP

* = omitted from source data as it is potentially disclosing.

Economic contribution and turnover figures are not adjusted for inflation.

All figures are for SIC code 30.3, “manufacture of air and spacecraft and related machinery”.

Sources:

Economic contribution: ONS, UK GDP(O) low level aggregates, 29 September 2017

Turnover, number of enterprises: BEIS, Business population estimates 2012-2016, most recent 13 October 2016

Employment: ONS, UK business register and employment survey, 2 October 2017

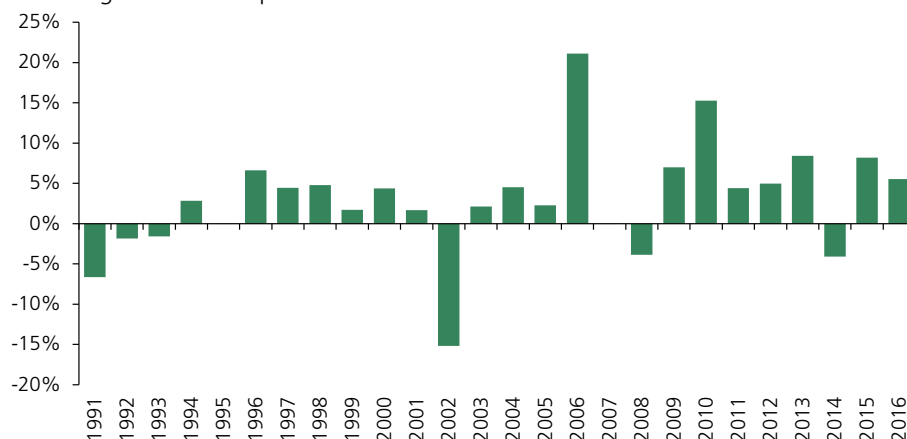
Despite making up only 0.02% of the businesses in the UK, the aerospace industry contributed 0.5% of the UK’s economic activity in 2016 (around £8.7 billion). It had a turnover of £31 billion in that year, and employed 95,000 people.

The industry has grown reasonably consistently over the past five years, with all the economic measures listed above having seen an increase. The industry’s economic contribution to the UK was 40% higher in 2016 than in 2014, and the number of enterprises 14% greater. This continues a pattern of growth in most of the past 25 years.

The aerospace industry contributed £8.7 billion to the UK economy in 2016, had a turnover of £31 billion and employed 95,000 people.

Year-on-year change in aerospace output, 1991-2016

% change in constant prices



Source: ONS, UK GDP(O) low level aggregates, 29 September 2017

1.2 Employment by region

Employment in the aerospace industry is not evenly distributed across the country. The largest proportion is found in South West England and the East Midlands, which between them account for 43% of employment across the whole of the UK.

South West England and the East Midlands account for 43% of employment in the UK aerospace industry.

Employment in the aerospace industry, by region, 2016

	Employment	% of aerospace employment	% of total employment in the region
North East	1,500	1.7%	0.1%
North West	15,000	16.9%	0.4%
Yorkshire and The Humber	1,000	1.1%	0.0%
East Midlands	18,000	20.3%	0.8%
West Midlands	6,000	6.8%	0.2%
East	7,000	7.9%	0.2%
London	800	0.9%	0.0%
South East	8,000	9.0%	0.2%
South West	20,000	22.5%	0.8%
Wales	9,000	10.1%	0.7%
Scotland	2,500	2.8%	0.1%

Notes: Aerospace industry represented by SIC code 30.3, "manufacture of air and spacecraft and related machinery".

Total employment percentages are relative to the non-financial business economy.

Source: ONS, Business Register and Employment Survey, via Nomis, retrieved 23 October 2017

Employment in the aerospace industry, by region, 2016



Source: ONS Business Register and Employment Survey, via Nomis, 20 October 2017

1.3 ADS statistics

ADS Group is a UK trade body representing the aerospace, defence, security and space sectors. It releases annual reports on the state of the industry and its short-term outlook; the 2017 edition lists the following statistics. (These may not match the official statistics given above, because ADS use slightly different definitions of the industry and gather their data in different ways.)

- In 2017, the aerospace sector employed 120,000 people directly (and a further 118,000 indirectly), with 68% of companies employing apprentices or trainees.
- The sector had a turnover of £31.8 billion in 2017, up 39% over the past five years.
- Nearly 90% of the demand for aerospace is from exports, coming to a total of £27.7 billion.
- The industry saw productivity growth of 19% from 2010 to 2016, compared to 3% in the general UK economy.¹

According to ADS Group, the sector directly employs 120,000 people and saw productivity growth of 19% between 2010 and 2016.

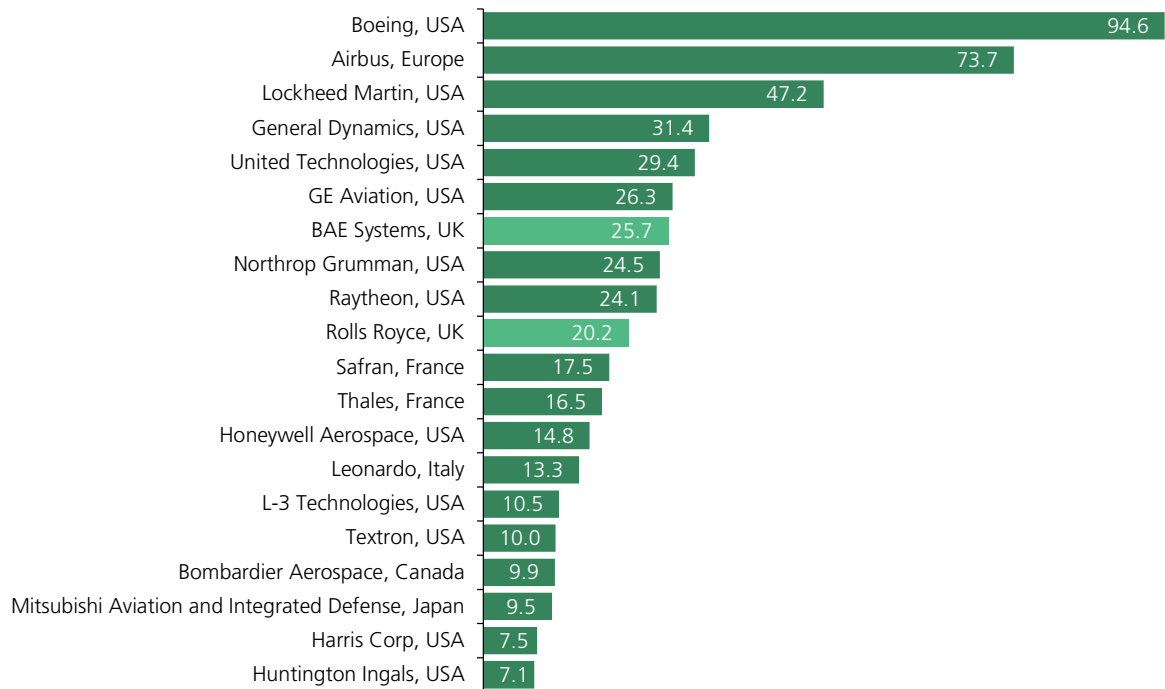
¹ [UK Aerospace Outlook 2017](#), ADS Group, 14 June 2017

2. Companies in the aerospace industry

The aerospace industry is dominated by major companies in the USA and Europe. Boeing and Airbus are by far the largest companies, with revenues in 2016 of \$95 billion and \$74 billion respectively. UK companies BAE Systems and Rolls Royce are seventh and tenth in the world in terms of total revenue.

Top 20 global aerospace companies by revenue, 2016

US\$, billions



Source: PwC, *Aerospace and defense 2016 year in review and 2017 forecast*, June 2017

2.1 Boeing

Boeing is the largest aerospace company in the world, and was founded by William Boeing in 1916.² It is headquartered in Chicago and does the bulk of its work in the USA, but also employs over 2,000 people in the UK and contributes substantially towards the UK economy, spending £2.1 billion with UK suppliers in 2016³ and contributing over £100 million to bail out struggling UK airline Monarch in 2016.⁴

Boeing has seen strong profits in recent months, raising its profit forecasts in October 2017 for the second time in six months.⁵

² [Boeing history chronology](#), Boeing, 14 December 2015

³ [About Boeing in the UK](#), Boeing UK, retrieved 3 November 2017

⁴ [Boeing helped finance bailout of Monarch Airlines](#), *Financial Times*, 8 October 2017

⁵ [Boeing raises profit forecasts after cutting costs](#), *Financial Times*, 25 October 2017

2.2 Airbus

The largest aerospace company in Europe, Airbus is headquartered in Toulouse, France. It operates throughout Europe, employing over 10,000 people in the UK in its plants at Filton near Bristol and Broughton in North Wales, and spends over £4 billion annually with UK suppliers.⁶

Airbus admitted in April 2016 that it had uncovered discrepancies in its disclosures about middlemen used to win commercial export deals; since then, it has come under formal investigation for bribery and corruption by both the UK's Serious Fraud Office and France's Parquet National Financier. It may yet also be investigated by US authorities.⁷

Both Airbus and Boeing have been involved in a dispute over state aid and trade tariffs that is affecting aircraft manufacture in Northern Ireland. For more details, see Box 1.

2.3 BAE Systems

Employing nearly 35,000 people in the UK, BAE Systems is the UK's largest aerospace company.⁸ Its predecessor, British Aerospace, was owned by the UK Government until changed to a public limited company by the British Aerospace Act 1980.

On 9 October 2017, BAE announced that it was cutting nearly 2,000 jobs from its aerospace and naval servicing operations, in order to "align our workforce capacity more closely with near-term demand and enhance our competitive position to secure new business."⁹ Demand for the company's Eurofighter jets has apparently been lower than expected, resulting in it cutting jobs in Warton and Samlesbury in Lancashire, where the jet is manufactured.¹⁰

When the job losses at BAE were brought up at Prime Minister's Questions on 11 October 2017, Prime Minister Theresa May said that "the Department for Work and Pensions will ensure that people have all the support they need to look for new jobs", and pointed out that Qatar had agreed to purchase "24 Typhoons and six Hawks from BAE" as evidence that the Government was keeping up demand for BAE's products. A similar question was asked at PMQs on 25 October 2017, when the Prime Minister said "I can assure the House that we will continue to promote our world-leading defence industry", and added that "the Ministry of Defence spent £3.7 billion with BAE and is working with it to maximise export opportunities for Typhoons and Hawks in the future to ensure that we can retain jobs here in the United Kingdom."

⁶ [Airbus in the UK](#), Airbus, retrieved 3 November 2017

⁷ [Airbus reveals violations over payments to middlemen](#), *Financial Times*, 31 October 2017

⁸ [A Global Company](#), BAE Systems, retrieved 2 November 2017

⁹ [BAE systems press release](#), 10 October 2017

¹⁰ [BAE set to cut almost 2,000 aerospace and dockyard jobs](#), *Financial Times*, 9 October 2017

2.4 Rolls-Royce

Founded by Henry Royce in 1884, Rolls-Royce has been making engines for aeroplanes since 1914.¹¹ The company employs over 22,000 people across the UK, and claims to account for 2% of all UK goods exports.¹² Its largest site is in Derby, where it manufactures Trent jet engines for Airbus aircraft.

The company has had some difficulties in recent years, with a series of bribery and corruption allegations ending in the largest British fine ever imposed on a company for criminal conduct, at almost £500 million.¹⁷ It then announced the largest pre-tax loss in its history in February 2017 (£4.6 billion), partly as a result of the drop in value of the pound following the EU referendum in 2016,¹⁸ although it has remained active in investment – in June 2017 it announced a £150 million investment in the East Midlands, securing 7,000 jobs.¹⁹

Box 1: US tariffs on Bombardier jets

Bombardier is a Canadian company which makes the wings for its C-Series passenger jets at its plant in east Belfast in Northern Ireland. On 27 September 2017, the US Department of Commerce announced that it was placing a tariff of 219% on these jets when imported to the United States, effectively tripling their price¹³; this was followed up on 6 October 2017 with an announcement of a further 80% tariff.¹⁴ This action was in response to a complaint by Boeing, claiming that the Quebec regional government had unfairly supported Bombardier, and that Boeing was therefore unable to effectively compete.

Theresa May has said that she is “bitterly disappointed” by the decision, and has personally lobbied US President Donald Trump to try to overturn it. Although the decision is not yet final (the Department of Commerce’s verdict will be announced in February 2018), Bombardier has taken steps to try and mitigate its effect. As part of this, on 17 October 2017 European aerospace manufacturer Airbus agreed to take a 50.01% stake in the Bombardier subsidiary that manufactures the C-Series, and will also start to manufacture them at its plant in Alabama.¹⁵

This agreement was welcomed by Arlene Foster, leader of the DUP, as it was expected that this deal would help preserve jobs in Belfast. However, Boeing claimed that “the announced deal has no impact or effect on the pending proceedings at all. Any duties...will have to be paid on any imported C Series aeroplane or part, or it will not be permitted into the country.”¹⁶

¹¹ [Rolls-Royce history timeline](#), Rolls-Royce, retrieved 3 November 2017

¹² [Worldwide presence](#), Rolls-Royce, retrieved 3 November 2017

¹³ [UK warns Boeing it could lose contracts over Bombardier dispute](#), *The Guardian*, 27 September 2017

¹⁴ [US orders new tariffs on Bombardier jets](#), *Financial Times*, 6 October 2017

¹⁵ [Airbus to take majority stake in Bombardier’s C-Series jet business](#), *Financial Times*, 16 October 2017

¹⁶ [Delta dismisses tariffs threat after Airbus-Bombardier deal](#), *Financial Times*, 18 October 2017

¹⁷ [Rolls-Royce shares climb on back of bribery settlement](#), *Financial Times*, 17 January 2017

¹⁸ [Rolls-Royce reports biggest loss with drop in every division](#), *Financial Times*, 14 February 2017

¹⁹ [Rolls-Royce safeguards 7,000 jobs in East Midlands](#), BBC News, 29 June 2017

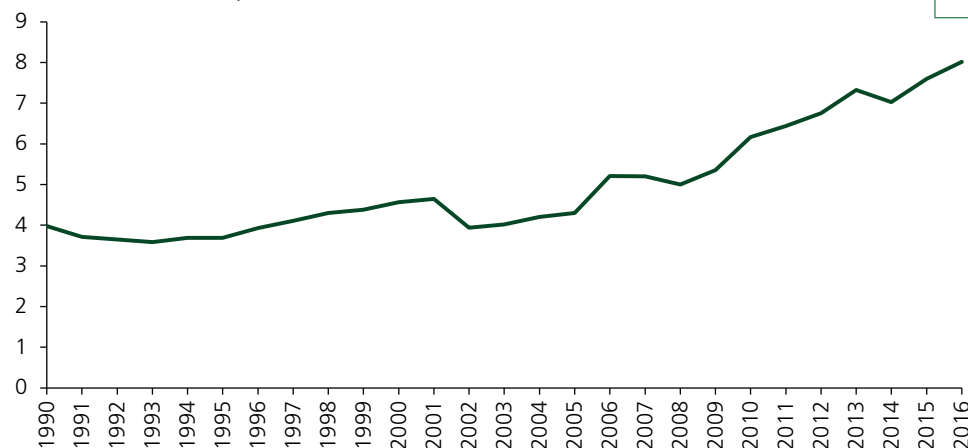
3. Industry outlook

The aerospace industry as a whole is in reasonably good health at present – indeed, since the 2008 financial crisis it has seen almost continuous growth:

The industry has been growing near-steadily since 2008 and has seen 23% growth since 2010.

Aerospace industry economic contribution, 1990-2016

£ billions, constant prices



Note: Prices use chained volume measure. Aerospace industry is SIC code 30.3.

Source: ONS, UK GDP(O) low level aggregates, 29 September 2017

According to ADS Group:²⁰

- The UK aerospace sector is “the largest in Europe and second globally to the USA”;
- It has seen 23% growth since 2010;
- The firms it surveys are optimistic about future growth, with 60% expecting growth of more than 10% within the next 12 months;
- 64% of these firms say that this growth is driven by new export opportunities.²¹

The UK sector has a strong pipeline of work for the near future, with nine years in hand as of July 2017.²²

EEF agrees with the general positive outlook, at least in the medium term. It reports that business will come from three main areas: increased passenger numbers (leading to increased demand for aircraft), technological innovation in the parts that go into aircraft, and greater demand for air travel within developing economies.²³

²⁰ [2017 Industry Facts & Figures](#), ADS Group, 12 June 2017

²¹ [UK Aerospace Outlook 2017](#), ADS Group, 14 June 2017

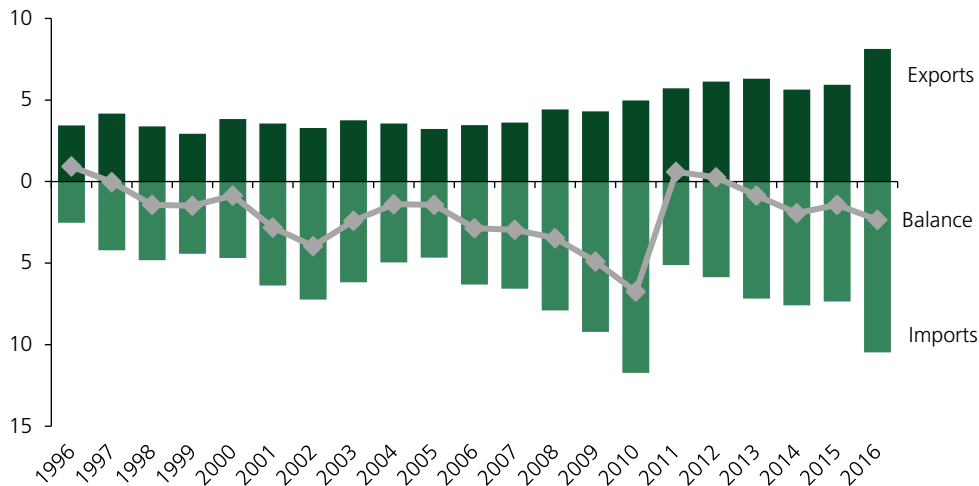
²² [UK aerospace on transformative flight path](#), *The Engineer*, 19 July 2017

²³ [Sector Bulletin: Aerospace](#), EEF, 10 April 2017

4. Aerospace trade

Aerospace trade, 1996-2016

£ billions



Note: Aerospace sector here is SITC code 792: Aircraft & associated eqp; spacecraft (including satellites) & spacecraft launch vehicles; parts thereof

Source: HMRC, UK Trade Info, Data by SITC code, retrieved 24 October 2017

UK aerospace imports have been higher than exports in all but three years since 1996, and this trade deficit has increased overall since 2013. The value of both imports and exports increased markedly in 2016, after being mostly flat for the previous three years. This may be partly due to the impact on the value of the pound of the 2016 EU referendum.

Much of the trade included in these data is in parts rather than whole aircraft. These are then assembled into other parts, which are in turn traded so that they can be assembled into larger parts and ultimately the whole aircraft. Value is added to the products traded at each stage of the production process.

The UK has a trade deficit in aerospace, and mainly trades in parts rather than whole aircraft.

4.1 Trade tariffs

Tariffs – taxes on imported goods – are applied by countries when they wish to protect their domestic industries by making it more expensive to import goods.

Because the European Union is a customs union, the UK does not apply tariffs on any aerospace products imported from the rest of the EU, and its products are not subject to tariffs when exported to other EU member states either.

However, exports outside the EU are subject to tariffs, set by the importing country. These vary widely, depending on the exact product being exported and the country it is going to – for example, the average most-favoured-nation tariff²⁴ on aircraft, spacecraft and their constituent parts when imported into Canada is 0.9%, with tariffs on different products ranging from 0% to 15.5%.²⁵

²⁴ [According to the WTO](#), this is the “normal non-discriminatory tariff charged on imports.”

²⁵ [WTO Tariff Download Facility](#), retrieved 8 November 2017

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Trade can be seriously affected if tariffs change. Such a change happened in September 2017 on jets that are partly manufactured in Belfast – see Box 1 in Chapter 2 for more details.

5. The impact of Brexit

5.1 Industry confidence

Shortly after the EU referendum, Paul Everitt, CEO of ADS Group, said that “Brexit was not the outcome we would have preferred. Today we are in a challenging environment.”²⁶ He echoed this view in a blog post in November 2016, saying that “The UK’s decision to leave the European Union has created significant uncertainty and this will continue until our new relationship with the EU has been determined.”

There has been no obvious financial impact so far on the aerospace industry (in published data) from the decision to leave the EU. Indeed, the ADS’s 2017 report said that 73% of companies in the industry currently plan to increase their investment. However, as the industry works on a long-term cycle, Everitt has also said that a hard Brexit would cause “an incremental effect felt in 10 to 15 years.”²⁷

Speaking at a Royal Aeronautical Society conference in October 2016, Paul Kahn, president of Airbus UK, said:

While there is some turbulence on the radar, I am expecting a strong tailwind. There is uncertainty while we wait to see what out looks like, and we can’t take future success for granted. But if Brexit is managed correctly, with an industrial policy to match, I truly believe this can be an exciting time of opportunity for British industry.²⁸

Brexit is predicted to hit the industry in several ways, although its impact has not yet been apparent and may only be long-term.

5.2 Future investment

Katherine Bennett, the head of Airbus UK, has said that “We can’t shy away from the fact that future investments made by Airbus will inevitably depend on the economic environment in which we operate. The company’s business model is based on our ability to move products, people and ideas around Europe free from restrictions.”²⁹

This suggests that for projects after the UK leaves the EU, Airbus may choose to carry out work in its facilities elsewhere in Europe rather than in the UK; this position was echoed by Fabrice Bregier, the CEO of Airbus, who said in June 2017 that Airbus would find it “very easy to have a new plant somewhere in the world for new projects. We would have plenty of offers”.³⁰

5.3 Access to skilled labour

A report from manufacturers’ association EEF highlights the fact that the UK could potentially lose access to the skilled labour it needs for

²⁶ [Farnborough: What does Brexit mean for the UK aerospace industry?](#), Royal Aeronautical Society, 8 July 2016

²⁷ [Aerospace industry warns against 'hard Brexit'](#), *The Telegraph*, 14 June 2017

²⁸ [Tailwind or turbulence? Brexit and UK aerospace](#), Royal Aeronautical Society, 6 December 2016

²⁹ [Britain’s aerospace sector could be priced out after Brexit](#), *The Guardian*, 3 September 2017

³⁰ [Aerospace industry warns against 'hard Brexit'](#), *The Telegraph*, 14 June 2017

aerospace manufacturing, and suggests that this may put other countries (notably Germany and Spain) in a stronger position when it comes to bidding for new work.³¹ Similarly, Rolls-Royce has a quarter of its workforce outside the UK, and has identified free movement as a big issue when it comes to their competitiveness.³²

5.4 The role of the EASA

The EEF's report also highlights the fact that the UK is currently a member of the European Aviation Safety Agency, which certifies the safety of aircraft and their components. It states that "If the UK opts to create its own regulatory regime, and UK suppliers still have to seek certification from EASA, costs would rise. This would act as a further disincentive to any future investment."³³

Tim Johnson, policy director of the Civil Aviation Authority, has said that "there is a strong case for UK to remain as close to EASA as it is today." He also suggested, however, that if the UK were not under EU aviation regulation it would be possible for it to set its own regulations, for example in the areas of foreign ownership of airlines or airport slot allocation.³⁴

As of October 2017, the Government had not stated whether it would seek to remain in the EASA or create a new regulatory body.³⁵

5.5 Innovation in the UAV sector

The relatively young and fast-moving UAV (unmanned aircraft, or drones) sector is one where Brexit could lead to further innovation, according to Dewar Donnithorne-Tait, director of Veitch Moir, a drone research and development consultancy. He has suggested that being freed from EU regulation would result in drone companies being more able to innovate and come up with new products.³⁶

5.6 Higher prices in the supply chain

Much of the UK's aerospace industry focuses on manufacturing parts for aircraft, which results in millions of components moving between countries each year; there are fears that if Brexit results in higher prices or more difficulty in moving these components across borders, the UK will become a less attractive place to carry out this manufacturing. Paul Everitt, CEO of ADS Group, has said that:

As an industry, we run a complex set of manufacturing processes in which millions of components need to pitch up from Toulouse at the right time and in the right order. [Brexit] implies significant

³¹ [Sector Bulletin: Aerospace](#), EEF, 10 April 2017

³² [UK aerospace industry fears loss of leading edge after Brexit](#), Financial Times, 4 January 2017

³³ Ibid.

³⁴ [Tailwind or turbulence? Brexit and UK aerospace](#), Royal Aeronautical Society, 6 December 2016

³⁵ PQ [106642](#) [on Aerospace Industry: Certification], 17 October 2017

³⁶ [Tailwind or turbulence? Brexit and UK aerospace](#), Royal Aeronautical Society, 6 December 2016

cost ... The concern is that the UK becomes less competitive because there are extra costs with moving people and components around.³⁷

³⁷ [Britain's aerospace sector could be priced out after Brexit](#), The Guardian, 3 September 2017

6. Government policy

6.1 Industrial strategy

In January 2017, the Government published the Green Paper [Building our Industrial Strategy](#). This contained several measures that the Government is putting in place to help particular sectors of the economy; it mentioned the following about aerospace.

The UK has one of most successful civil aerospace industries in the world, but competitive pressures are intense.

The Government is therefore working with the sector on a long term partnership, underpinned by a joint government-industry commitment to funding £3.9 billion of aerospace research and development projects between 2013 and 2026.

[...]

As part of the government-industry £3.9 billion commitment to the sector, we are jointly investing £14 million with Rolls-Royce and Loughborough University in a collaborative research and technology project to reduce engine emissions. The confidence provided by this type of support has helped Rolls-Royce to invest £75 million in a brand new facility in Solihull, to design and develop engine control systems. These systems are integral to the production of the company's latest aeroengines, for which they have an order book of over £70 billion supporting thousands of jobs across the breadth of the UK.

The £3.9 billion mentioned here was a commitment made by the Government in 2013, then extended by 6 years until 2025-26 in the 2015 Spending Review.

6.2 Aerospace Growth Partnership

The Aerospace Growth Partnership (AGP) is a strategic partnership between the Government and the UK aerospace industry. It has published several strategy papers, the most recent of which was [Means of ascent: the Aerospace Growth Partnership's industrial strategy for UK aerospace 2016](#). This lists a number of actions that the AGP has taken to help the industry – some of these are listed below.

- Launched the UK Aerospace Supply Chain Competitiveness Charter, under which the largest companies in aerospace share opportunities and technology with each other;
- Supported innovation in R&D via the National Aerospace Technology Exploitation Programme (NATEP), supporting 114 collaborative projects in over 250 companies;
- Jointly sponsored 500 Aerospace Engineering MSc bursaries;
- Inaugurated an Aerospace Research Centre within the Manufacturing Technology Centre (MTC) at Ansty Park which has expanded the UK's manufacturing innovation capacity.

Government is investing in aerospace R&D...

...has set up the AGP, a strategic growth partnership...

6.3 Aerospace Technology Institute

Established in May 2014, the Aerospace Technology Institute (ATI) is a collaboration between Government and industry, which aims to create and update an industrial strategy for the aerospace sector, and support it with targeted investment. It has released a number of reports and recommendations since its creation; in July 2016, it produced [Raising Ambition](#), an update to its long-term strategy.

...and has created the ATI to collaborate with industry on strategy and investment.

This document identifies both innovations in specific technologies and the general economic benefit of the aerospace industry as success stories from the sector, and reports on the general themes within the industry that it supports via its investments. These themes are:

- Aircraft of the future (supporting research and investment into technologies for new aircraft);
- Smart, connected and more electric aircraft (focusing on specific technologies, such as avionics and communications systems);
- Aerostructures of the future (improvements in the major structures that are currently produced in the UK, such as wings);
- Propulsion of the future (new and improved propulsion systems, such as ultra-efficient turbofan engines).

As of 10 June 2016, the ATI had distributed £632 million in grant funding to 188 organisations within the aerospace sector.

6.4 Supporting aerospace exports

The Government supports aerospace exports mainly through the Department for International Trade's Defence and Security Organisation (DSO) and UK Export Finance.

The DSO aims to help UK companies export by building relationships with overseas customers and working closely with UK industry and Government departments to promote the UK's security industry brand. The DSO operates two regional directorates.³⁸

UK Export Finance (UKEF) is the "UK's export credit agency".³⁹ The body provides insurance to exporters and guarantees to banks in order to share the risk of financing UK exporters. The body also provides loans to foreign companies seeking to buy goods and services from UK companies.

As an important exporting industry, aerospace has benefited from support from UKEF. This support has been "at a much reduced level" in 2016-17 relative to the previous year (UKEF took on a maximum liability of £7 million in the sector during this financial year, down from £497 million in 2015-16), due to Airbus making no applications for export

³⁸ [About us](#), Department For International Trade Defence and Security Organisation, retrieved 2 November 2017

³⁹ [About us](#), UK Export Finance, retrieved 2 November 2017

support while it is under investigation by the Serious Fraud Office regarding its historic use of overseas agents.⁴⁰

6.5 Devolved administrations

The Scottish Government published its [Aerospace, defence, marine and security strategy](#) in 2016. This document identified six themes that are common to the four industry sectors covered by the strategy:

- Supply chain capability;
- Internationalisation;
- Business environment;
- Skills;
- Operational excellence;
- Innovation, research and technology.

The strategy document made recommendations under each of these themes, and also made the broader point that the Scottish aerospace industry should seek to work closely with the AGP and with the UK Government in order to further develop the industry.

⁴⁰ [UK Export Finance Annual Report and Accounts 2016 to 2017](#), UK Export Finance, 18 July 2017

7. Further information

The House of Commons Library has produced a number of other related publications, in particular:

- [Manufacturing: statistics and policy](#)
- [Industrial strategy](#)
- [Industrial policy, 2010 to 2015](#)

In April 2017, EEF released their annual Aerospace Sector Bulletin – highlights are available [here](#), along with a link to download the full report.

In June 2017, ADS Group released their most recent overview of the aerospace sector, the [UK Aerospace Outlook Report 2017](#).

Finally, in June 2017, PwC released their [Aerospace and defense year in review and 2017 forecast](#), providing a global view of the aerospace sector.

The Parliamentary Office of Science and Technology has produced some notes that may be of interest: [Advanced Manufacturing](#) (September 2012) and [Civilian Drones](#) (October 2014).

The Aerospace Growth Partnership has released a series of documents about its strategy for the UK aerospace sector:

- [Reach for the Skies – A Strategic Vision for UK Aerospace](#) (July 2012)
- [Lifting Off – Implementing the strategic vision for UK aerospace](#) (March 2013)
- [Flying High – One year on from Lifting Off](#) (July 2014)
- [Means of Ascent – The Aerospace Growth Partnership’s Industrial Strategy for UK Aerospace 2016](#) (July 2016)

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