

14 December 2017

Northern Ireland Broad Economy Sales and Exports Statistics 2016

Geographical Area: Northern Ireland
Theme: Economy
Frequency: Annual

NISRA introduced a more comprehensive measure of local businesses' sales to markets outside Northern Ireland in 2015. The latest estimates remain designated as 'experimental' to reflect the fact that they are under development. All values are in current prices.

Key points

- Total sales by companies in Northern Ireland (NI) were estimated to be worth £68.9 billion in 2016, an increase of 2.7% (£1.8 billion) over the year.
- Sales within NI increased by £829 million to £44.7 billion, up 1.9% over the year and are at the highest level since the survey commenced in 2011.
- Sales to Great Britain (GB) increased by £281 million to £14.0 billion, up 2.0% over the year.
- External sales (sales to markets outside NI) rose by £967 million (4.2%) to £24.1 billion, and accounted for over a third of total sales in 2016 (35.0%).
- External sales and sales to GB are at their highest levels since 2011.
- Exports (sales outside the UK) increased by £686 million (7.3%) over the year, to £10.1 billion.
- Exports to the Republic of Ireland (RoI) increased by £73 million (2.2%) over the year, to £3.4 billion.
- Exports to the Rest of the EU (RoEU, excluding RoI) increased over the year by £200 million (9.4%) to £2.3 billion. Exports to the Rest of the World (RoW) increased by £414 million (10.4%) over the year, to £4.4 billion.
- Over the calendar year 2015 to 2016, the estimated number of businesses selling to destinations outside NI rose by 1.7% (201 businesses) while the number of businesses exporting (i.e. selling outside the UK) rose by 0.7% (57 businesses).
- BESES estimates are not directly comparable with HMRC Regional Trade Statistics due to methodological differences. See Appendix B for further details.

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1 Introduction and Context

Experimental Status

The Broad Economy Sales and Exports Statistics (BESES) is an experimental annual measure of local businesses' sales to markets outside Northern Ireland (NI). Estimates of the *number* of businesses selling to markets outside NI are also presented.

Ongoing development of the methodology (as outlined in the associated published [methodology paper](#) of March 2015) will be informed by user feedback, both in terms of the usefulness and reliability of the estimates and their comparability with other sources and the statistics will remain experimental until user feedback indicates that they are useful and credible. Any comments should be sent to economicstats@nisra.gov.uk.

NISRA has engaged extensively throughout the evolution of this output with expert users of NI economic statistics whose views have already helped to inform the current approach. Users include DfE, DoF, and DAERA economists, the Ulster University Economic Policy Centre and a number of NI economic commentators and ONS methodologists. NISRA will continue to consult on any further methodological changes which may improve the quality and value of the statistics.

Status of figures in current bulletin

- The most recent figures, 2016, are provisional and are subject to revision in the next reporting period.
- Sales and exports values are reported in £ million unless otherwise specified.
- All values are in current prices.
- Percentage changes are reported to one decimal place.
- The Broad Economy Sales and Exports series is classified as experimental (see above).

Definitions used in this publication

Total sales are defined as the sum of sales to Northern Ireland, Great Britain, the Republic of Ireland, the Rest of the European Union and the Rest of the World. Total sales include all taxes and duties on goods invoiced with the exception of VAT which is excluded from total sales.

External sales are comprised of those sales made outside Northern Ireland, that is, sales to Great Britain, the Republic of Ireland, the Rest of the European Union and the Rest of the World.

Exports consist of all sales made outside the United Kingdom.

Broad Economy: The information needed to produce BESES is collected via the NI Annual Business Inquiry (NIABI). Like NIABI, the BESES results are classified according to the Standard Industrial Classification of Economic Activities (SIC) system. The SIC 2007 sections covered by the NIABI defines the term 'Broad Economy' and are as follows:

- A. Agriculture (support activities), forestry and fishing
- B. Mining and quarrying
- C. Manufacturing
- D. Electricity, gas, steam and air conditioning supply
- E. Water supply, sewerage, waste management and remediation activities
- F. Construction
- G. Wholesale and retail trade; repair of motor vehicles and motor cycles (Distribution industries)
- H. Transport and storage
- I. Accommodation and food service activities
- J. Information and communication
- L. Real estate activities
- M. Professional, scientific and technical activities
- N. Administrative and support service activities
- P. Education (excludes local authority and central government bodies)
- Q. Human health and social work activities (excludes local authority and central government, and medical and dental practice activities (group 86.2))
- R. Arts, entertainment and recreation
- S. Other service activities

Reference Tables

To support this release a set of reference tables with further sectoral and geographic breakdowns are available at the following link:

<https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/BESES-internet-tables-2011-2016.xlsx>

Further Information

Further information on the BESES can be accessed at:

<https://www.nisra.gov.uk/statistics/business-statistics/broad-economy-sales-and-exports-statistics>

2 Summary and Commentary

2.1 Sales and Exports Performance

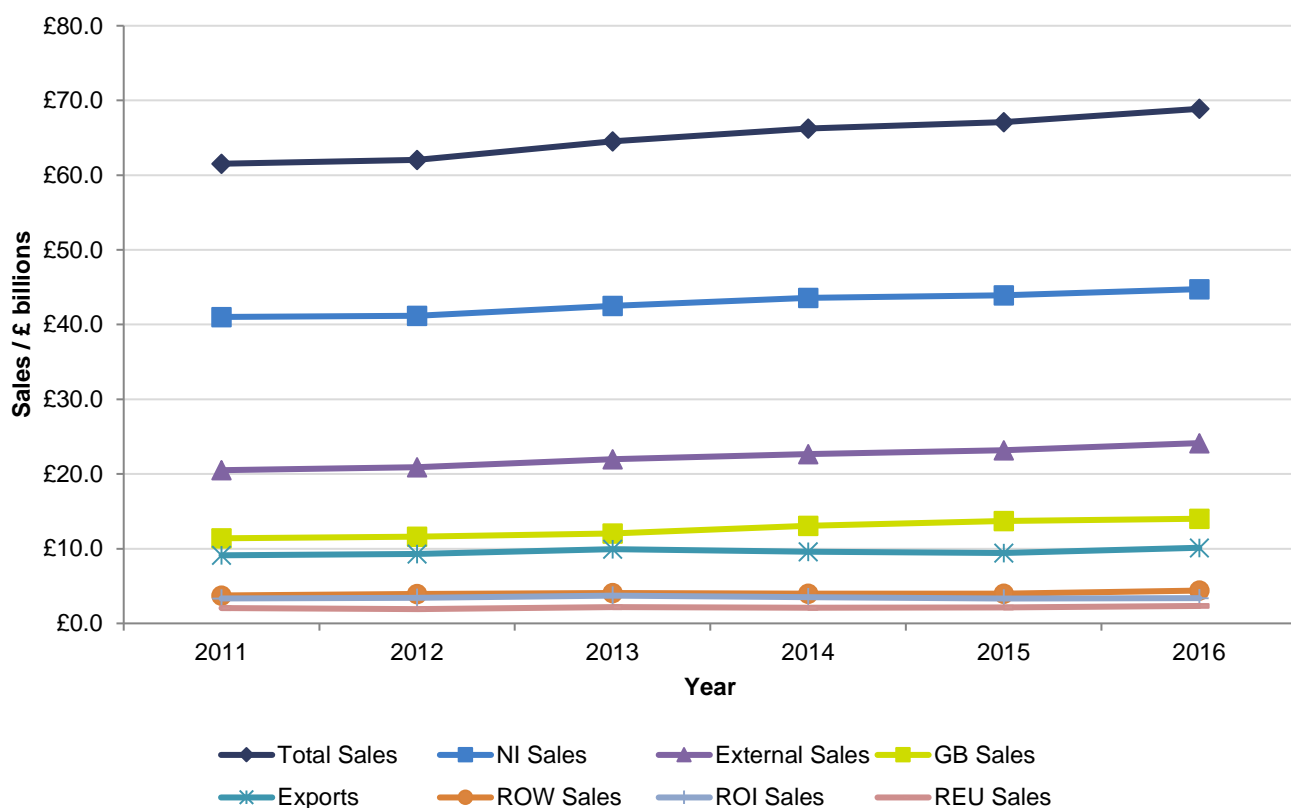
Total sales by companies in Northern Ireland (NI) were estimated to be worth £68.9 billion in 2016. This represents an increase of 2.7% (£1.8 billion) over the year and compares to an increase of 1.3% in 2015.

In 2016, 35.0% of total sales were made to customers outside NI (external sales). This equated to £24.1 billion, representing an increase of 4.2% (£967 million) over the year. This figure exceeds the previously recorded peak in 2015 (£23.2 billion), and external sales are therefore at their highest on survey record.

Sales outside the UK (exports) were estimated to be worth £10.1 billion in 2016. This represented an increase of 7.3% over the year, and follows a decrease in the previous period (2014 – 2015) of 1.6%.

Figure 1 shows the values of total sales, and their broad destinations over the 6 year period (2011 to 2016). Over the period 2011 – 2016, sales to all broad destinations increased. This is despite a fall in exports in 2014 and 2015.

Figure 1: Total Sales and their broad destinations: 2011 – 2016 (£ billions)

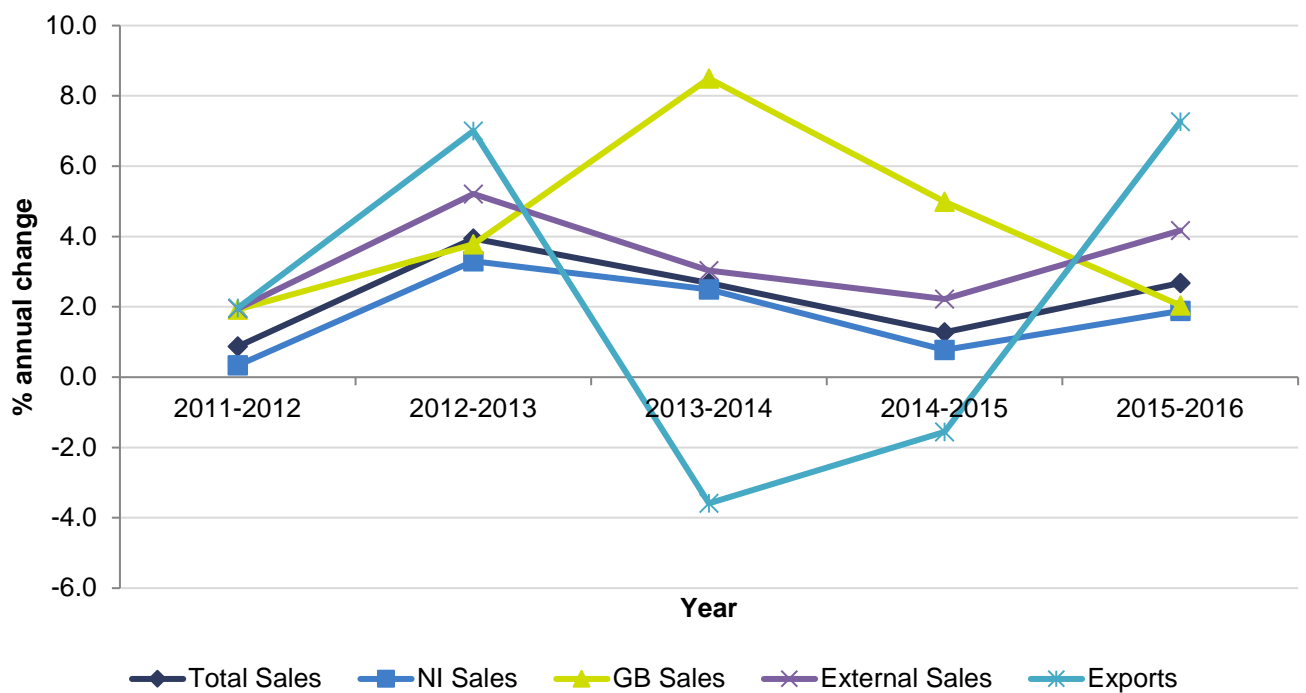


2.2 Annual Changes in Sales over Time

Figure 2 provides information on annual percentage changes in total sales to selected destinations.

The annual rate of growth of sales increased in the period 2011/12 – 2012/13 for all destinations. This was followed by a fall in growth across the board in the period 2013/14, with the exception of sales to GB, with a general pattern of declining rate of sales growth since then. However, the annual rate of growth of sales increased in the period 2014/15 – 2015/16 for all destinations, with the exception of GB sales which showed a declining growth rate.

Figure 2: Annual Rate of Growth of Sales to Selected Destinations: 2011 – 2016



2.3 Analysis by Destination

Over the last year, total sales increased by 2.7% (£1.8 billion). This was largely driven by increasing sales within NI (up 1.9% or £829 million), GB (up 2.0% or £281 million) and exports (up 7.3% or £686 million).

Over the last year, sales to RoI (£3.4 billion) have increased by 2.2% (£73 million). This follows a fall of 5.5% in 2015 and a fall of 5.3% in 2014. Sales to the RoEU increased by 9.4% over the year while sales to the RoW increased by 10.4%.

Sales to GB saw the smallest proportional increase over the year for external markets, rising by 2.0% or £281 million to £14.0 billion in 2016. Great Britain remains the most significant single market for external sales from Northern Ireland businesses, accounting for 20.3% of total sales. These are the highest level of sales to GB on survey record.

Sales destined for international customers (exports) accounted for 14.7% of total sales. Sales to the ROI increased over the year by 2.2% and account for 4.9% of total sales and over a third (33.6%) of exports.

Over the last year sales to the RoEU¹ increased by 9.4% (£200 million) to £2.3 billion. Sales to the rest of the EU account for 3.4% of total sales and over a fifth of exports (23.0%).

Exports to the RoW² increased by £414 million (10.4%) over the year, to £4.4 billion. RoW sales account for 6.4% of total sales, and 43.4% of all exports.

External sales to markets outside Northern Ireland are comprised of sales to GB plus the value of exports combined. These increased by £967 million to £24.1 billion, and accounted for over one third of total sales in 2016 (35.0%). This figure exceeds the previously recorded peak in 2015 (£23.2 billion), and external sales are therefore at their highest level since the survey began in 2011.

¹ A list of EU member countries is available at: http://europa.eu/about-eu/countries/index_en.htm

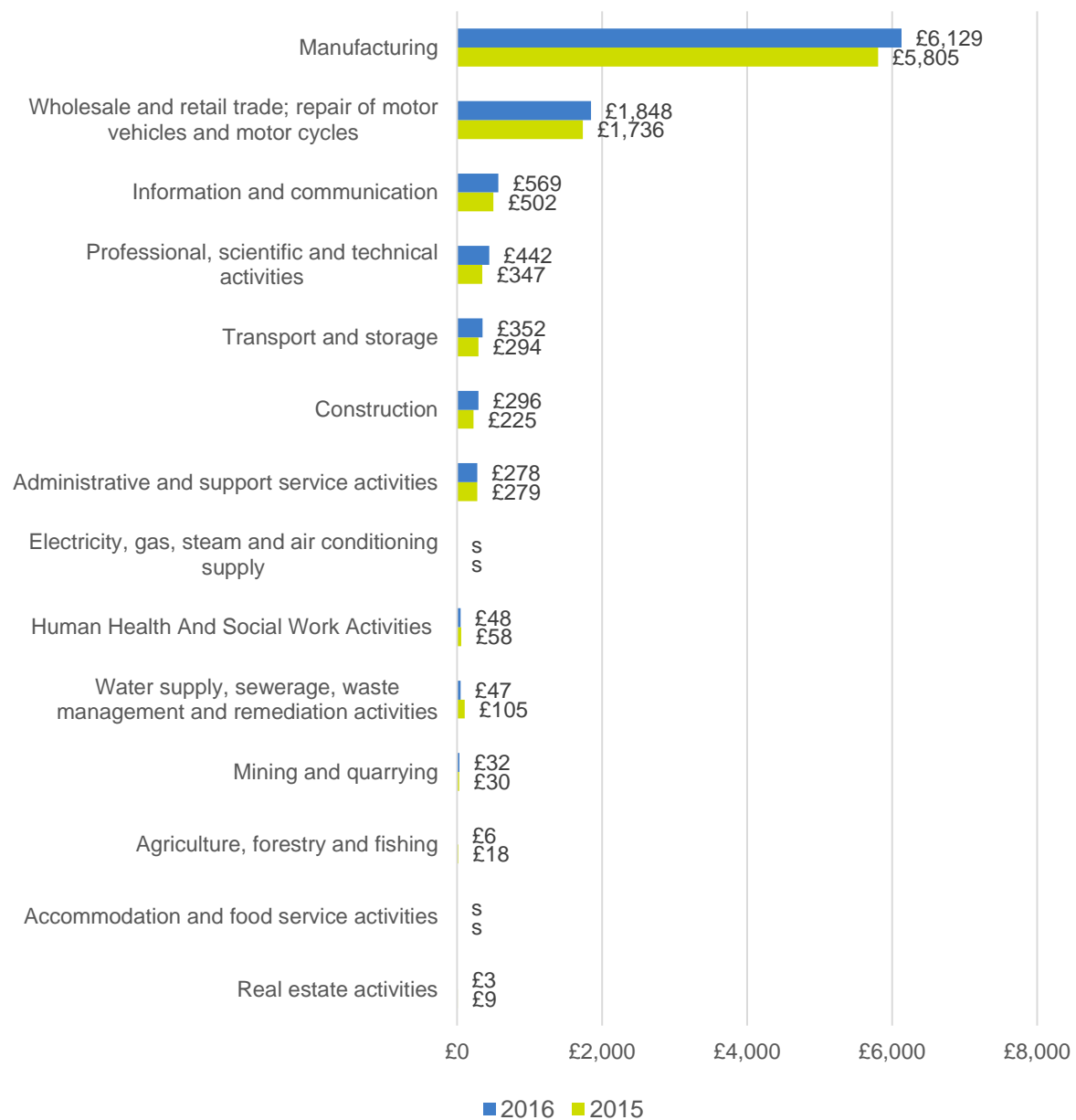
² The Rest of World refers to all destinations outside the European Union

2.4 Analysis by Industry Section

In 2016, the largest proportion of export sales was from the Manufacturing sector (Section C) which made up 60.5% (£6.1 billion) of all exports sales (£10.1 billion). Manufacturing exports increased by 5.6% over the year, and have increased by 10.6% between 2011 and 2016.

The next largest exporter was Section G (Wholesale and Retail Trade) with 18.2% (£1.8 billion) of all exports sales. Exports in this section increased by 6.4% over the year. This was followed by Section J (Information and Communication) which accounted for 5.6% of export sales (£569 million) and section M (Professional, scientific and technical activities) which accounted for 4.4% (£442) of export sales.

Figure 3: Trends in Export Sales by Industry Section: 2015 – 2016 (£ millions)



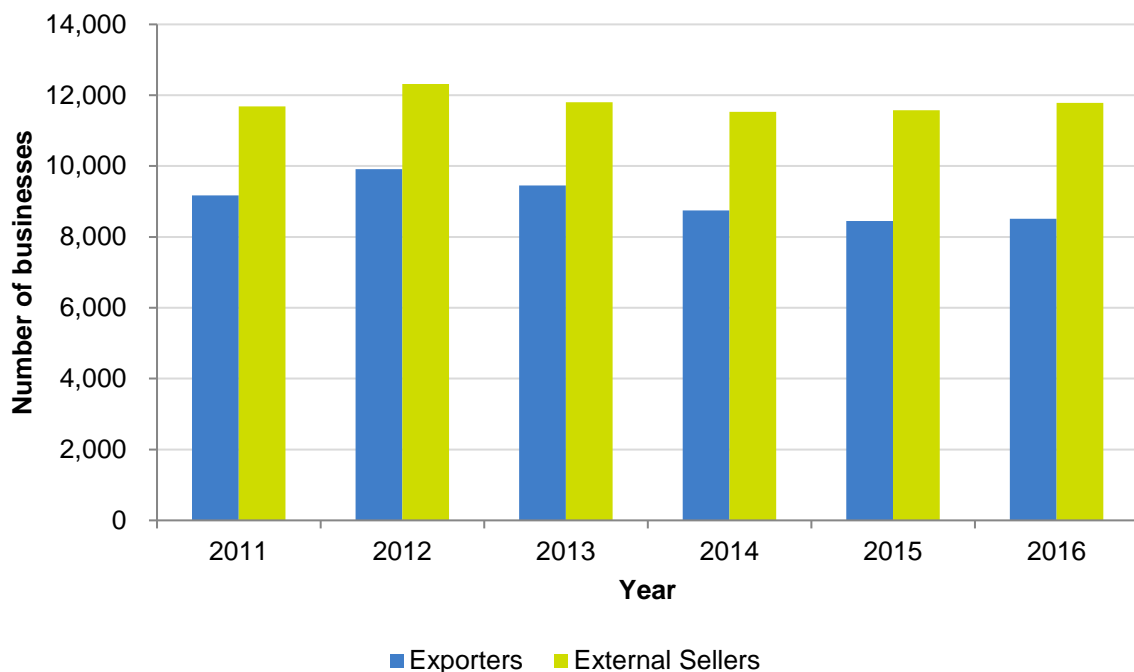
s = Data has been suppressed to protect confidentiality

2.5 Number of Businesses Selling Outside NI

Ongoing developments in the BESES series have allowed the inclusion of estimates of the number of businesses that trade to particular destinations. The methodology used to compute these counts is likely to evolve and, at this stage, the estimates should also be considered as experimental statistics. Users should pay particular note to the gaps in survey coverage when using these data.

The number of businesses that sell outside NI (external sellers) and the number of businesses that export (exporters) are presented in Figure 4 below (please note that these groups are not mutually exclusive. An individual business can sell to both GB and export and thus will appear in both counts).

Figure 4: Number of businesses selling outside NI: 2011 – 2016



Over the calendar year 2015 to 2016, the number of businesses selling to destinations outside NI increased by 1.7% (201 businesses) while the number of businesses exporting rose by 0.7% (57 businesses).

3 Results Tables: 2011 - 2016

Table 1: Total Sales, External Sales and Exports: 2011 – 2016 (£ millions)

Broad Destination	2011	2012	2013	2014	2015	2016
Total Sales	£61,530	£62,067	£64,514	£66,242	£67,085	£68,881
NI Sales	£41,022	£41,159	£42,517	£43,579	£43,918	£44,747
GB Sales	£11,392	£11,612	£12,051	£13,075	£13,728	£14,008
ROI Sales	£3,330	£3,428	£3,716	£3,520	£3,328	£3,401
REU Sales	£2,044	£1,911	£2,177	£2,090	£2,134	£2,334
ROW Sales	£3,741	£3,956	£4,053	£3,979	£3,977	£4,391
External Sales	£20,508	£20,907	£21,997	£22,664	£23,167	£24,134
Exports	£9,116	£9,295	£9,946	£9,589	£9,440	£10,126

Table 2 – Broad Destination by Industry Section: 2016 (£ millions)

Standard Industrial Classification	Description	Total Sales	NI Sales	GB Sales	ROI Sales	REU Sales	ROW Sales	External Sales	Export Sales
A – S	Agriculture, fishing, production, construction, distribution and services	£68,881	£44,747	£14,008	£3,401	£2,334	£4,391	£24,134	£10,126
A (part)	Agriculture, forestry and fishing	£110	£93	£11	£2	£3	£1	£16	£6
B	Mining and quarrying	£398	£271	£95	£31	*	*	£127	£32
C	Manufacturing	£18,246	£3,853	£8,264	£1,355	£1,669	£3,106	£14,393	£6,129
D	Electricity, gas, steam and air conditioning supply	£1,915	£1,823	*	*	*	*	£93	*
E	Water supply, sewerage, waste management and remediation activities	£849	£777	£26	£6	£19	£22	£73	£47
F	Construction	£6,716	£4,493	£1,927	£228	£58	£11	£2,223	£296
G	Wholesale and retail trade; repair of motor vehicles and motor cycles	£25,362	£21,667	£1,847	£1,114	£202	£532	£3,695	£1,848
H	Transport and storage	£3,353	£2,279	£722	£200	£120	£32	£1,074	£352
I	Accommodation and food service activities	£1,735	£1,723	*	*	*	*	£13	*
J	Information and communication	£2,118	£1,280	£269	£150	£55	£364	£838	£569
L	Real estate activities	£867	£820	£45	£2	*	*	£48	£3
M	Professional, scientific and technical activities	£2,556	£1,603	£510	£139	£92	£211	£953	£442
N	Administrative and support service activities	£1,937	£1,462	£197	£113	£73	£92	£475	£278
P - S	Others	£2,719	£2,605	£66	£19	£11	£19	£114	£48

* = Cells have been suppressed to protect confidentiality

Table 3 – Exports by Industry Section: 2011 – 2016 (£ millions)

Standard Industrial Classification	Description	2011	2012	2013	2014	2015	2016
A – S	Agriculture, fishing, production, construction, distribution and services	£9,116	£9,295	£9,946	£9,589	£9,440	£10,126
A (part)	Agriculture, forestry and fishing	£25	£29	£33	£24	£18	£6
B	Mining and quarrying	£52	£56	£49	£37	£30	£32
C	Manufacturing	£5,543	£5,660	£6,109	£5,714	£5,805	£6,129
D	Electricity, gas, steam and air conditioning supply	£73	£44	£40	£26	*	*
E	Water supply, sewerage, waste management and remediation activities	£184	£141	£116	£136	£105	£47
F	Construction	£218	£297	£252	£310	£225	£296
G	Wholesale and retail trade; repair of motor vehicles and motor cycles	£2,017	£1,964	£2,045	£1,975	£1,736	£1,848
H	Transport and storage	£303	£307	£324	£306	£294	£352
I	Accommodation and food service activities	£10	£14	£17	£15	*	*
J	Information and communication	£248	£252	£475	£450	£502	£569
L	Real estate activities	£15	£24	£15	£17	£9	£3
M	Professional, scientific and technical activities	£237	£249	£205	£314	£347	£442
N	Administrative and support service activities	£170	£225	£227	£223	£279	£278
P - S	Others	£22	£33	£37	£41	£58	£48

* = Cells have been suppressed to protect confidentiality

Table 4 - Share of Total Sales by Broad Destination as %: 2011 - 2016

Broad Destination	2011	2012	2013	2014	2015	2016
Total Sales	100.0	100.0	100.0	100.0	100.0	100.0
NI Sales	66.7	66.3	65.9	65.8	65.5	65.0
GB Sales	18.5	18.7	18.7	19.7	20.5	20.3
ROI Sales	5.4	5.5	5.8	5.3	5.0	4.9
REU Sales	3.3	3.1	3.4	3.2	3.2	3.4
ROW Sales	6.1	6.4	6.3	6.0	5.9	6.4
External Sales	33.3	33.7	34.1	34.2	34.5	35.0
Exports	14.8	15.0	15.4	14.5	14.1	14.7

Table 5 – Exports to markets within the rest of the EU: 2011 – 2016 (£ millions)

Country	2011	2012	2013	2014	2015	2016
REU Sales	£2,044	£1,911	£2,177	£2,090	£2,134	£2,334
Germany Sales	£475	£510	£473	£492	£552	£569
France Sales	£375	£345	£486	£413	£384	£489
Belgium Sales	£136	£119	£113	£92	£118	£149
Luxembourg Sales	£3	£2	£3	£2	£2	£4
Netherlands Sales	£224	£222	£398	£416	£345	£336
Italy Sales	£138	£121	£118	£97	£108	£112
Denmark Sales	£71	£73	£64	£65	£48	£67
Portugal Sales	£54	£48	£44	£46	£34	£35
Spain Sales	£204	£156	£185	£172	£178	£164
Greece Sales	£18	£22	£19	£14	£15	£12
Austria Sales	£24	£33	£22	£18	£22	£47
Sweden Sales	£69	£49	£54	£41	£70	£67
Finland Sales	£50	£33	£31	£39	£30	£32
Cyprus Sales	£5	£7	£6	£7	£15	£7
Czech Republic Sales	£22	£25	£26	£39	£39	£37
Estonia Sales	£2	£7	£3	£7	£4	£4
Hungary Sales	£31	£44	£22	£33	£23	£31
Latvia Sales	£9	£7	£6	£4	£5	£5
Lithuania Sales	£4	£8	£8	£8	£9	£7
Malta Sales	£5	£3	£12	£8	£10	£8
Poland Sales	£95	£49	£46	£44	£85	£99
Slovakia Sales	£5	£5	£7	£5	£4	£14
Slovenia Sales	£3	£3	£3	£2	£2	£2
Bulgaria Sales	£4	£4	£5	£5	£6	£9
Romania Sales	£18	£17	£24	£17	£22	£21
Croatia Sales ¹	-	-	-	£1	£3	£6

¹ Croatia joined the EU in July 2013 and is included for the first time in the 2014 reporting period.

A list of EU member countries is available at:
http://europa.eu/about-eu/countries/index_en.htm

Table 6 – Exports to markets outside the EU: 2011 – 2016 (£ millions)

Country	2011	2012	2013	2014	2015	2016
ROW Sales	£3,741	£3,956	£4,053	£3,979	£3,977	£4,391
Switzerland Sales	£748	£865	£784	£884	£903	£736
Turkey Sales	£41	£32	£40	£18	£35	£50
Eastern Europe	£5	£9	£19	£8	£14	£11
Norway Sales	£42	£55	£93	£67	£33	£35
Russia Sales	£81	£104	£121	£93	£68	£50
Rest of Europe Other	£19	£23	£19	£24	£22	£12
Australia Sales	£225	£251	£189	£183	£128	£136
New Zealand Sales	£20	£16	£13	£15	£11	£18
Rest of World Other	£13	£19	£18	£44	£28	£64
North America Total	£1,323	£1,320	£1,548	£1,523	£1,605	£1,853
Central and South America Total	£110	£153	£94	£88	£80	£80
Middle East Total	£289	£273	£276	£265	£258	£297
Asia Total	£550	£566	£582	£549	£578	£857
Africa Total	£275	£272	£256	£219	£214	£191

Table 7 – Number of businesses selling to destinations outside NI (External sales) by industry section: 2011 - 2016

Standard Industrial Classification	Description	2011	2012	2013	2014	2015	2016
A – S	Agriculture, fishing, production, construction, distribution and services	11,689	12,320	11,798	11,534	11,579	11,780
A (part)	Agriculture, forestry and fishing	117	94	86	76	126	75
B	Mining and quarrying	32	24	39	54	72	59
C	Manufacturing	2,239	2,243	2,294	2,249	2,282	2,391
D	Electricity, gas, steam and air conditioning supply	12	21	23	23	34	60
E	Water supply, sewerage, waste management and remediation activities	101	68	60	59	64	79
F	Construction	1,244	1,338	1,282	1,405	1,352	1,574
G	Wholesale and retail trade; repair of motor vehicles and motor cycles	3,943	4,257	3,486	3,358	3,079	2,955
H	Transport and storage	683	731	684	522	538	593
I	Accommodation and food service activities	225	80	65	49	30	50
J	Information and communication	579	756	899	893	879	887
L	Real estate activities	223	234	292	280	231	260
M	Professional, scientific and technical activities	1,455	1,665	1,708	1,797	1,888	1,928
N	Administrative and support service activities	374	208	268	223	410	263
P	Education	112	311	270	167	271	179
Q	Human Health And Social Work Activities	80	45	62	71	45	103
R	Arts, Entertainment And Recreation	139	149	161	193	135	184
S	Other Service Activities	133	95	119	115	144	141

Table 8 – Number of businesses exporting from NI by industry section: 2011 - 2016

Standard Industrial Classification	Description	2011	2012	2013	2014	2015	2016
A – S	Agriculture, fishing, production, construction, distribution and services	9,170	9,917	9,457	8,749	8,452	8,509
A (part)	Agriculture, forestry and fishing	86	70	51	61	99	60
B	Mining and quarrying	32	24	39	54	71	58
C	Manufacturing	2,074	2,035	2,005	2,015	2,031	2,145
D	Electricity, gas, steam and air conditioning supply	9	12	18	12	16	57
E	Water supply, sewerage, waste management and remediation activities	82	63	45	48	54	54
F	Construction	766	959	796	941	721	901
G	Wholesale and retail trade; repair of motor vehicles and motor cycles	3,295	3,767	3,145	2,880	2,556	2,412
H	Transport and storage	458	446	443	446	344	420
I	Accommodation and food service activities	121	53	20	28	5	8
J	Information and communication	486	590	874	511	682	689
L	Real estate activities	69	61	50	60	49	30
M	Professional, scientific and technical activities	1,061	1,273	1,297	1,185	1,131	1,139
N	Administrative and support service activities	301	107	161	127	288	148
P	Education	106	222	201	102	140	104
Q	Human Health And Social Work Activities	72	44	58	69	42	63
R	Arts, Entertainment And Recreation	100	130	159	132	135	132
S	Other Service Activities	53	60	96	78	88	88

4 Background Notes

Background

The Northern Ireland Executive's [Economic Strategy](#) referred to the need to improve the measurement of Northern Ireland's exports beyond that of the manufacturing sector. NISRA subsequently published initial estimates of 'broad economy' sales and exports by industry sector in March 2015:

https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/broad-economy-exports-methodology-paper-2011-and-2012_0.pdf.

This release provides revised estimates for 2015 and provisional estimates for 2016. In addition, estimates of the number of businesses selling to markets outside Northern Ireland are presented.

The contents of this report will be of interest to government policy makers, Members of the Legislative Assembly (MLAs), the business community, economic commentators, academics and members of the general public with an interest in the NI economy.

The latest Department for the Economy Economic Commentary provides an overview of the state of the Northern Ireland economy, setting it in a global context. This can be found at:

<https://www.economy-ni.gov.uk/publications/df-e-economic-commentary>.

Other sources

Further information relating to Northern Ireland exports has historically been available from the Exporting Northern Ireland Services Study (ENIS). The Exporting Northern Ireland Services (ENIS) Study is a survey which was first introduced by the Department of Enterprise, Trade and Investment in 2003 to further understand and estimate the value to the Northern Ireland economy of exporting services. The study is based on information collected via the International Trade in Services Survey (ITIS), which additionally collects information on the nature of services. However, service sector sales outside Northern Ireland are now collected via the BESES. In light of developments on the production of the BESES NISRA have ceased publication of the ENIS series (last published in August 2015). The ITIS data will continue to be collected for UK level purposes and NISRA will consult with users on any future plans in relation to this.

The International Trade in Services (ITIS) survey is a UK wide survey which collects information on overseas transactions of consultants and companies offering business services. Information collected from the survey is fed into the UK balance of payments and published at the UK level. The full bulletin can be accessed at

<https://www.ons.gov.uk/businessindustryandtrade/internationaltrade/bulletins/internationaltradeinservices/2015>.

While directly comparable UK data for the BESES does not exist (the BESES covers goods and services produced in Northern Ireland), 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>.

A joint NISRA/HMRC statement referencing the differences between the methodologies and ongoing collaborative working is available in Appendix B.

Counts of Businesses Exporting

The Office for National Statistics (ONS) has recently begun to produce an experimental count of importers and exporters in GB. For conceptual reasons, ONS were not able to derive data for NI as part of this series. While the methodologies used by NISRA and ONS to produce their respective counts are broadly similar, users should be aware that differences still exist and caution should be exercised when comparing the two measures.

An information paper describing the methodology used by ONS can be found here:

<http://www.ons.gov.uk/ons/guide-method/method-quality/specific/business-and-energy/annual-business-survey/quality-and-methods/information-paper--annual-business-survey--abs---exporters-and-importers-in-great-britain--2014.pdf>

The Scottish Government also publish export statistics from the Exports Statistics Scotland series (formerly called the Global Connections Survey). These statistics can be accessed at:

<http://www.gov.scot/Topics/Statistics/Browse/Economy/Exports/ESSPublication>

The Government Statistical Service (GSS) has issued guidance on comparing official statistics produced by each nation of the UK. This guidance can be accessed here:

<https://gss.civilservice.gov.uk/wp-content/uploads/2014/02/Comparability-Report-Final.pdf>

NISRA's exports statistics are considered as "Partially Comparable at Level D" with the ONS's statistics on importers and exporters in GB (most recent publication at:

<https://www.ons.gov.uk/businessindustryandtrade/business/businessservices/articles/annualbusinesssurvey/greatbritainnonfinancialbusinesseconomy2016exportersandimporters>).

Level D comparability is described as:

"Figures which are produced from separate sources of data. Methods and standards are broadly comparable, but users should be made aware of the limitations."

User Engagement

We welcome any feedback you might have in relation to this report, and would be particularly interested in knowing how you make use of these data to inform your work. Please contact us at economicstats@nisra.gov.uk.

Next Publication

The next bulletin will be published in December 2018, and will be available at:

<https://www.nisra.gov.uk/statistics/business-statistics/broad-economy-sales-and-exports-statistics>

For Further Information

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5 Appendices

5.1 Appendix A: Overview of Methodology to Estimate the Number of Businesses Selling Outside NI

Ongoing advancements in the Broad Economy Sales and Exports Statistics series include the development of an estimate of the number of businesses that trade to particular destinations.

The method for creating the counts is an adaptation of the method used to derive population estimates for the destination variables. Full details of the BESES methodology can be found in Appendix B of the methodology paper on the Production of Northern Ireland Broad Economy Exports Estimates: https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/broad-economy-exports-methodology-paper-2011-and-2012_0.pdf.

Users should pay particular note to the gaps in survey coverage when using these data.

To derive the counts, only the design weight is used when weighting returned data. The design or 'a' weight is a simple expansion estimator (i.e. $\frac{N}{n}$) for similar groups in the population

An example of how the number of exporters in a particular stratum is found is shown below:

- In stratum x there are 6 returns (n_x) from a population of 12 businesses (N_x).
- The a weight for stratum x (a_x) is given by:

$$a_x = \frac{N_x}{n_x} = \frac{12}{6} = 2$$

- If, say, 3 of the 6 responders in stratum x are exporters, then the estimated number of exports in x is given by:

$$\text{exporters}_x = a_x \times \text{number of returned exporters in } x, \text{ so}$$

$$\text{exporters}_x = 2 \times 3 = 6$$

- The total number of exporters in the population is thus given by summing the number of exporters in each stratum.

The methodology used to compute these counts is in its infancy and, at this stage, the estimates should be considered as experimental statistics.

NISRA is constantly working to improve and develop BESES output and welcomes any feedback users might have. Ongoing development of the methodology will be informed by user feedback, both in terms of the usefulness and reliability of the estimates and their comparability with other sources. Any comments should be sent to economicstats@nisra.gov.uk.

5.2 Appendix B: NISRA/HMRC joint statement referencing the differences in methodological approaches between BESES and HMRC RTS

Due to methodological differences, the BESES (NISRA's Broad Economy Sales and Exports Statistics) and HMRC Regional Trade Statistics (RTS) are not directly comparable.

HMRC's primary source data is collected from the EU-wide Intrastat survey and from Customs import and export entries, both administered by HMRC. These record the movement - for trade purposes - of goods only between the UK and both EU and non-EU countries. There is a legal requirement for all VAT-registered businesses to supply this data, although for trade with the EU this only applies to businesses trading above the Intrastat threshold.

The RTS methodology allocates trade to a region based on the location of the business exporting or importing the goods. For multi-branch businesses, it allocates trade to a region, based on the proportional distribution of employees of that business across the regions of the UK. HMRC consider this to be a good proportionate reflection of trade at a regional basis. This methodology is in harmony with other regional statistical products from across the GSS, including the Annual Business Survey and the recently launched Regional Trade in Services from the ONS.

This main allocation method is used for all trade except for specific goods, the treatment of which are outlined in the published RTS methodology. https://www.uktradeinfo.com/Statistics/OverseasTradeStatistics/AboutOverseastradeStatistics/Documents/RTS_Methodology_Revision_2016.pdf

The BESES is an experimental measure, based on an annual survey of local businesses' sales to markets outside Northern Ireland (NI). BESES data is gathered through the Northern Ireland Annual Business Inquiry and has been running since 2011. The ABI surveys all businesses with 50 or more employees; all multi-site businesses with 20-49 employees; all manufacturing businesses with more than 5 employees; and a representative sample of other smaller businesses. In all, the ABI samples about 20% of the eligible business population each year.

Users should refer to Appendix C of the [2015 publication](#) for estimates of the size of the difference between HMRC and NISRA measures of trade.

Statisticians in NISRA and HMRC are working together to understand the differences. This will lead to the documentation of the differences which will assist users. In the long term it may lead to future methodological enhancements of the products.