



Northern Ireland Economic Trade Statistics: Summary of Usage

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1 Introduction

The Northern Ireland Economy Trade Statistics (formerly known as the Broad Economy Sales and Exports Statistics (BESES)) data is captured through the Northern Ireland Annual Business Inquiry (NIABI). NIABI is an integrated survey that provides information on the value of the economic activity that businesses generate and associated expenditure across the main industrial sectors in Northern Ireland. The NIABI provides a number of high level indicators of economic activity such as the total value of sales and work completed by businesses (Turnover), the value of exports as well as the value of the purchase of goods, materials and services. The UK Annual Business Survey, carried out by the office for National Statistics (ONS), collects similar data on GB economic activity. However the NIABI is unique in that it captures the value of trade.

While the uses of the Annual Business Inquiry are diffuse, the central structure and periodicity of the ABI publication are driven by the legal requirement to provide data for the UK Annual Business Survey, UK National Accounts and the European Structural Business Statistics (SBS). Data from the ABI feed into the UK ABS which is in turn the primary source of data used in the compilation of the Input-Output Annual Supply and Use tables for National Accounts. ABS also provides a major contribution to the Blue Book which is produced by National Accounts.

National statistics

National Statistics status means that our statistics meet the highest standards of trustworthiness, quality, and public value, and it is our responsibility to maintain compliance with these standards.

The NIABI is designated as a <u>National Statistic</u>. In survey year 2011, questions relating to the value of trade were added to the NIABI questionnaire. This trade data (NIETS) was treated as a stand-alone dataset. This ensured that NIABI business-as-usual data production was unaffected while the new trade data was investigated and validated with a view to publishing.

The NIETS were <u>designated as National Statistics</u> in March 2022 following a full assessment of the Broad Economy Sales and Exports Statistics against the Code of Practice for statistics.

Sound methods

The statistics, data and metadata are compiled using recognised standards, classifications and definitions aligned to standard practice for producing business surveys.

They are harmonised to be consistent and coherent with related statistics and data where possible. For example the figures are collected via the Annual Business Inquiry (ABI) which is a National Statistic. The turnover values reported in the NIETS publications are consistent with the ABI as are the statistical methods used to produce the figures.

The guidance notes that users should be provided with reasons for deviations from exiting figures or methods and so we have stated within this publication why there are differences between our trade figures and other figures published by HMRC. Essentially, differences arise because the NIETS and HMRC Regional Trade Statistics (RTS) use different methodologies and are not directly comparable. HMRC estimates are based on customs declarations and cover the export of goods only. HMRC is also unable to allocate a significant amount of UK Trade to the countries and regions of the UK. NIETS is a survey-based measure and covers both goods and services.

Relevance to users

Statistics producers should maintain and refresh their understanding of the use and potential use of the statistics and data. They should consider the ways in which the statistics might be used and the nature of the decisions that are or could be informed by them.

Over the recent years we have worked closely with known users to ensure that the statistics are meeting their needs. The Department for Economy (DfE) along with other NI Departments and Departments in GB have been using the outputs from the NIETS to inform the debate around EU Exit (see below).

Stakeholders

NISRA is making these national statistics available so that users and stakeholders can be involved in their development. NISRA has engaged extensively throughout the project with expert users of NI economic statistics whose views have helped shape the development of the NIETS. Users include:

- Department for the Economy (DfE);
- Department of Finance (DoF);
- Department of Agriculture, Environment and
 Rural Affairs (DAERA);
- The Executive Office (TEO);
- NISRA Economic Accounts;
- InterTradeIreland (ITI);
- Economic and Social Research institute (ESRI);
- Office for National Statistics (ONS);
- HM Revenue and Customs (HMRC);
- Department for Exiting the EU (DExEU);
- HM Treasury (HMT);
- The Department for Business, Energy and Industrial Strategy (BEIS);

- Cabinet Office;
- Home Office;
- Medicines and Healthcare Products Regulatory Agency (MHRA);
- Food Standards Agency (FSA);
- UK Trade Policy Observatory (UKTPO);
- The Ulster University Economic Policy Centre (UUEPC);
- The Economic Statistics Centre of Excellence (ESCOE) in the University of Strathclyde; and
- NI economic commentators and private sector consultants.

Uses

NIETS data has formed the input to numerous trade/EU Exit related reports and papers over recent years, a sample is highlighted below.

- HM Government: Northern Ireland and Ireland Position Paper (August 2017);
- HM Government: Additional Data Paper: Northern Ireland Trade Data and Statistics (August 2017);
- ESRI: Export Participation and Performance of Firms on the Island of Ireland (September 2018);
- DFE: The Annual Purchases Survey in Northern Ireland Modelling the Origin of Products (November 2018);
- DFE: Northern Ireland International Trade in Services New Perspectives (November 2018);
- DFE: Northern Ireland Retail Study: Value, Volume and Proportion of Goods Sourced from GB or transported via GB from other parts of the world (March 2019);
- ESRI: Shock absorption capacity of firms in Ireland and Northern Ireland;
- DFE: Irish land border existing and potential customs facilitations in a no-deal scenario (June 2019);
- DfE: Northern Ireland Trade Data an update (July 2019);
- DExEU: European Union (Withdrawal Agreement) Bill Impact Assessment (October 2019);
- NISRA: EU Exit trade analysis;
- NISRA: 2015 & 2016 Supply-Use Tables (December 2019); and
- Cabinet Office: The UK's approach to the Northern Ireland Protocol (May 2020).

Methodological improvements

The guidance states that statistics producers should keep up to date with developments that can improve statistics and data. They should also seek to collaborate with other producers, including within the UK and internationally, when developing their statistics, overcoming practical obstacles, and sharing best practice.

Over the last four years the NIETS Team has held membership of a number of EU Exit and Trade related analytical groups that have had a focus on NI trade.

- UK Trade Analytical Group;
- DExEU Economic & Trade data through EU Exit;
- DExEU NI Trade data group;
- DExEU Alternative Arrangements Working Group;
- NI Trade Analysis Working Group (Cross-Whitehall);
- Department for International Trade (DIT) analysts roundtable;
- ONS Subnational Imports of Services Steering Group;
- ONS BREXIT Intelligence Group; and
- ONS Trade Survey of Hauliers Working Group.

Membership of these groups has allowed us to gain feedback from users as well as maintain an understanding of what our data is being used for whilst at the same time ensuring users are fully aware of the strengths and limitations of our data.

In addition, NISRA are currently engaged in a project with the Central Statistics Office (CSO) Ireland whereby we are investigating reasons and possible solutions to trade asymmetries arising from the trade figures reported by NISRA and CSO.

We are also working with HMRC to support a range of internal HMRC projects aimed at improving the understanding of NI-GB trade to inform planning as part of the NI Protocol withdrawal preparations. This is being facilitated through sharing of NIETS data with HMRC and participating on working groups.

NISRA is keen to engage and receive informed feedback from users which will improve the quality and value of the statistics. If you wish to join our NIETS mailing list to keep informed of developments or provide any feedback on these statistics please email <u>economicstats@nisra.gov.uk</u>.

Improved data presentation

The guidance also states that Producers should commit to improve data presentation, enhance insight, and better meet the needs of different types of users and potential users in the dissemination of their statistics and data.

A significant improvement with this release is the revised associated webpage which is published in HTML format facilitating more user friendly navigation of the results.

Furthermore, we have made even more detailed tables available to a number other Government Departments where legislation allows us to do so. This data has been used to inform EU Exit discussions over recent years.