

HM Revenue & Customs

About this release

This release provides a summary of the UK's trade in goods exports and imports in 2021, with a focus on the largest trading partners and commodities, and comparisons with 2020 trade. Supporting tables, visuals and data can be found at uktradeinfo.

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Supplement to the UK Overseas
Trade in Goods Statistics
December 2021 publication

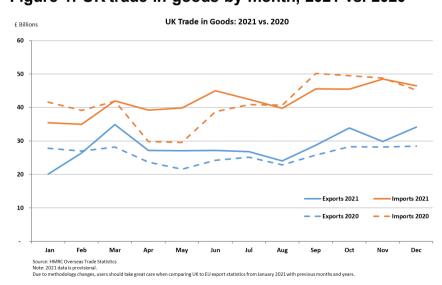
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UK Overseas Trade in Goods Statistics Summary of 2021 Trade in Goods

Summary of Trade in Goods - 2021

- Total **exports** of goods in 2021 were £340 billion. This was an increase of £29.2 billion (9.4%) compared with 2020.
- Total **imports** of goods in 2021 were £505 billion. This was an increase of £8.6 billion (1.7%) compared with 2020.
- The UK was a net importer in 2021, with imports exceeding exports by £165 billion. This was a narrowing of the trade in goods gap by £20.5 billion on 2020.
- The combined effects of coronavirus (COVID-19) national and international lockdown restrictions, EU Exit (including previously announced timings of the UK leaving the EU and the subsequent transition period), global recession and supply chain disruption have all caused higher levels of volatility in trade statistics in the past three years. Any conclusions must still be interpreted with caution.
- There have also been changes in data collection processes since the end of the transition period. Up to 31 December 2020, UK to EU export statistics were collected via the Intrastat statistical survey, this remains in place for goods exported from Northern Ireland to the EU. For goods moving from 1 January 2021, GB to EU export statistics were compiled direct from customs export declarations. These are more complex than the single monthly aggregated Intrastat return, and can result in differences between dates of declaration and actual movement of goods out of the country. (See full explanation in Notes).

Figure 1: UK trade in goods by month, 2021 vs. 2020



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2021 Exports: Country Analysis

- The USA remained the UK's largest export partner in 2021. It experienced increases in Mineral fuels and Motor vehicles on 2020, up £1.1 billion (more than doubling in value) and £0.5 billion (8.5%) respectively. This was offset by decreases in Precious metals and Organic chemicals, down £0.9 billion (28%) and £0.9 billion (24%) respectively.
- Switzerland experienced the largest value increase on 2020, up £14.6 billion (doubling in value). This was dominated by an increase in Precious metals, up £14.4 billion (up to almost 2.5 times the value).
- The Netherlands experienced the 2nd largest value increase on 2020, up £5.3 billion (26%). This was driven by an increase in Mechanical appliances, up £1.4 billion (83%).
- Belgium experienced the 3rd largest value increase on 2020, up £3.7 billion (34%). This was driven by increases in Mineral fuels, up £1.3 billion (more than doubling in value).
- Germany experienced the largest value decrease on 2020, down £3.4 billion (10%). This was driven by decreases in Mineral fuels, Organic chemicals, and Pharmaceutical products, down £1.1 billion (52%), £1.0 billion (69%), and £0.9 billion (37%) respectively.
- ↑ Exports of
 Precious metals
 to Switzerland
 up to almost 2.5
 times the value
 on 2020
- ↑ Exports of Mechanical appliances to the Netherlands up 83% on 2020

Table 1: UK exports of goods to the top 10 partner countries, 2021

Partner Country	2021 Total (£ billions)	2020 Total (£ billions)	Change on 2020 (%)
USA	43.5	43.2	0.7
Germany	29.6	33.0	-10.4
Switzerland	28.8	14.2	102.8
Netherlands	25.4	20.1	26.3
Ireland	21.2	22.1	-4.4
France	19.0	19.1	-0.3
China	15.2	14.4	5.5
Belgium	14.6	10.9	33.8
Italy	8.9	8.8	0.9
Spain	8.1	8.9	-8.3
Others	126.0	116.4	8.3
Total Non-EU	185.0	162.1	14.2
Total EU	155.1	148.9	4.2
Total Exports	340.2	311.0	9.4

Source: HM Revenue & Customs Overseas Trade in Goods Statistics

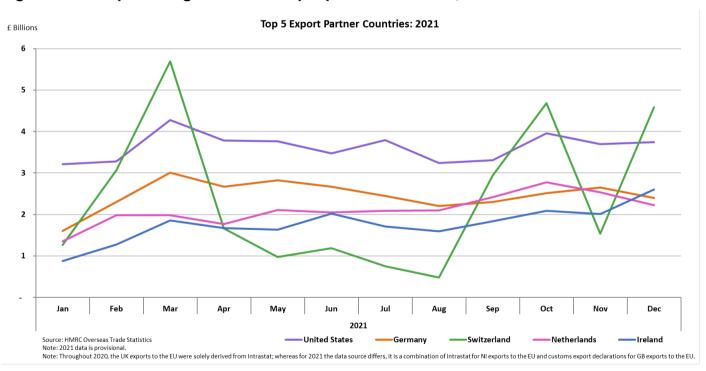
Note: 2021 data is provisional

Due to methodology changes, users should take great care when comparing UK to EU export statistics from January 2021 with previous months and years.

2021 Exports: Country Analysis

- The top 5 export partner countries accounted for 44% of total exports of goods in 2021, this was a decrease of less than one percentage point compared with 2020.
- The USA remained the largest export partner country throughout most of 2021, except for March, October, and December when it was surpassed by Switzerland.
- In 2021, the USA accounted for 13% of the total value of UK exports, down from 14% in 2020.
- The order of top 10 export partners (ranked by value) changed compared with 2020. Most notably, Switzerland rose to 3rd place from 7th, while Ireland fell to 5th place from 3rd.
- The top 5 export partners accounted for 44% of total exports in 2021
- The USA accounted for 13% of total exports in 2021

Figure 2: UK exports of goods to the top 5 partner countries, 2021



2021 Exports: Commodity Analysis

- Mechanical appliances remained the UK's largest export commodity in 2021, experiencing the 3rd largest value increase on 2020, up £2.6 billion (5.4%). This was driven by the Netherlands and Germany, up £1.4 billion (83%) and £0.7 billion (16%) respectively.
- Precious metals experienced the largest value increase on 2020, up £14.3 billion (43%). This was dominated by Switzerland, Singapore, and the UAE, up £14.4 billion (more than doubling in value), £1.2 billion (to more than 6 times the value), and £1.1 billion (doubling in value) respectively.
- Mineral fuels experienced the 2nd largest value increase on 2020, up £4.4 billion (21%). This was driven by Ireland, Belgium, and the USA, up £1.5 billion (89%), £1.3 billion (doubling in value), and £1.1 billion (more than doubling in value) respectively.
- Organic chemicals experienced the largest value decrease on 2020, down £1.6 billion (16%). This was dominated by Germany and the USA, down £1.0 billion (69%) and £0.9 billion (24%) respectively.
- Knitwear experienced the 2nd largest value decrease on 2020, down £1.2 billion (42%). This was driven by Germany and Ireland, down £0.5 billion (69%) and £0.3 billion (56%) respectively.

- ↑ Exports of Mineral fuels to Ireland up 89% on 2020
- ↓ Exports of Organic chemicals to Germany down 69%

Table 2: UK exports of goods by the top 10 commodities, 2021

Commodity Description	2021 Total (£ billions)	2020 Total (£ billions)	Change on 2020 (%)
Mechanical appliances	50.1	47.5	5.4
Precious metals	47.8	33.5	42.8
Motor vehicles	29.5	28.5	3.5
Mineral fuels	25.1	20.7	21.1
Electronic equipment	19.4	19.7	-1.5
Pharmaceutical products	19.0	19.5	-2.7
Measuring devices and gauges	15.0	13.9	7.9
Aircraft	10.1	10.1	-0.2
Plastics and plastic products	9.4	8.6	9.7
Organic chemicals	8.6	10.2	-16.0
Others	106.3	98.8	7.6
Total Exports	340.2	311.0	9.4

Source: HM Revenue & Customs Overseas Trade in Goods Statistics

Note: 2021 data is provisional

Note: Throughout 2020, the UK exports to the EU were solely derived from Intrastat; whereas for 2021 the data source differs, it is a combination of Intrastat for NI exports to the EU and customs export declarations for GB exports to the EU.

2021 Imports: Country Analysis

- China replaced Germany as the UK's largest import partner in 2021, experiencing the 2nd largest value increase on 2020, up £9.3 billion (17%). This was driven by Miscellaneous chemical products and Mechanical appliances, up £3.2 billion (to nearly 5.5 times the value) and £2.3 billion (24%) respectively.
- Norway experienced the largest value increase on 2020, up £15.8 billion (more than doubling in value). This was dominated by Mineral fuels, up £15.0 billion (up to more than 2.5 times the value).
- Hong Kong experienced the largest value decrease on 2020, down £8.9 billion (54%). This was dominated by Precious metals, down £8.8 billion (87%).
- Australia experienced the 2nd largest value decrease on 2020, down £5.2 billion (65%). This was dominated by Precious metals, down £5.5 billion (86%).
- The Netherlands experienced the 3rd largest value decrease on 2020, down £4.5 billion (12%). This was driven by Pharmaceutical products and Electronic equipment, down £2.8 billion (61%) and £1.5 billion (29%) respectively.
- ↑ Imports of
 Miscellaneous
 chemical
 products from
 China up to
 nearly 5.5 times
 the value on
 2020
- ↑ Imports of Mineral fuels from Norway up to more than 2.5 times the value on 2020

Table 3: UK Imports of goods from the top 10 partner countries, 2020

Partner Country	2021 Totals (£ billion)	2020 Total (£ billion)	Change on 2020 (%)
China	62.8	53.4	17.5
Germany	54.3	57.7	-5.9
USA	43.8	45.2	-3.1
Netherlands	31.8	36.3	-12.4
Norway	26.8	11.0	144.1
Belgium	22.6	22.5	0.5
France	21.7	22.9	-5.0
Russia	18.1	19.0	-5.0
Italy	17.8	18.1	-1.5
Spain	14.5	14.5	0.3
Others	190.5	195.5	-2.6
Total Non-EU	282.2	264.3	6.8
Total EU	222.5	231.8	-4.0
Total	504.7	496.0	1.7

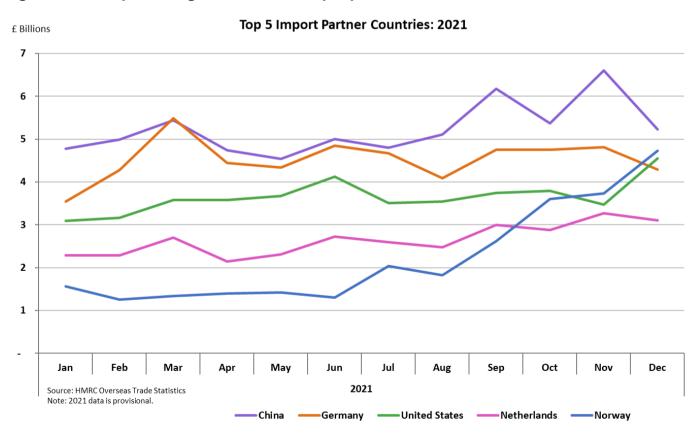
Source: HM Revenue & Customs Overseas Trade in Goods Statistics

Note: 2021 data is provisional

2021 Imports: Country Analysis

- The top 5 import partner countries accounted for 43% of total imports of goods in 2021, an increase of less than one percentage point on 2020.
- China accounted for 12% of the total value of UK imports in 2021, an increase from an 11% share in 2020.
- China remained the largest import partner country throughout most of 2021, except for March, when it was surpassed by Germany.
- The top 10 import partners (ranked by value) changed compared with 2020. Most notably, Norway rose to 5th place from 13th, while France fell to 7th place from 5th and Hong Kong fell to 18th place from 9th.
- ↓ The top 5 import partners accounted for 43% of total imports in 2021
- ↑ China accounted for 12% of total imports in 2021

Figure 3: UK Imports of goods from the top 5 partner countries, 2021



2021 Imports: Commodity Analysis

- Precious metals remained the UK's largest import commodity in 2021, despite experiencing the largest value decrease on 2020, down £24.4 billion (29%). This was driven by Hong Kong, Australia, and Uzbekistan, down £8.8 billion (87%), £5.5 billion (86%), and £3.2 billion (68%) respectively.
- Mineral fuels experienced the largest value increase on 2020, up £24.9 billion (95%). This was dominated by Norway, up £15.0 billion (up to more than 2.5 times the value).
- Miscellaneous chemical products experienced the 2nd largest value increase on 2020, up £3.7 billion (63%). This was driven by China, up £3.2 billion (up to nearly 5.5 times the value).
- Other textile goods experienced the 2nd largest value decrease on 2020, down £3.3 billion (59%). This was dominated by China, down £3.1 billion (76%).
- Clothes, not knitted experienced the 3rd largest value decrease on 2020, down £2.8 billion (30%). This was dominated by China, down £1.6 billion (54%).

- ↓ Imports of Precious metals from Hong Kong down 87% on 2020
- ↓ Imports of Other textile goods from China down 76% on 2020

Table 4: UK imports of goods by the top 10 commodities, 2021

Commodity Description	2021 Total (£ billions)	2020 Total (£ billions)	Change on 2020 (%)
Precious metals	59.9	84.3	-28.9
Mechanical appliances	58.1	55.4	4.8
Mineral fuels	51.1	26.2	95.1
Motor vehicles	46.6	45.3	2.9
Electronic equipment	45.1	43.9	2.7
Pharmaceutical products	19.6	20.4	-3.7
Plastics and plastic products	15.5	14.5	6.6
Measuring devices and gauges	13.6	14.9	-8.7
Furniture and light fittings	10.4	8.3	25.5
Miscellaneous chemical products	9.6	5.9	63.4
Others	175.3	177.1	-1.0
Total	504.7	496.0	1.7

Source: HM Revenue & Customs Overseas Trade in Goods Statistics

Note: 2021 data is provisional

Methodology Notes

Metadata

Data behind this bulletin is available through our uktradeinfo web site:

- Detailed Trade Statistics data at 8-digit commodity code level is available in our interactive database.
- Aggregate OTS data is available in <u>pre-prepared Excel tables</u>.

Data sources

UK to EU exports

Up to 31 December 2020, UK to EU export statistics were collected via the Intrastat statistical survey, which required traders to declare the value and volume of commodities exported to EU Member States within the relevant month of physical goods movement.

For goods moving from 1 January 2021, GB to EU export statistics are compiled direct from customs export declarations made according to the requirements of the Taxation (Cross Border Trade) Act. The customs declaration requirements are more complex than the single monthly aggregated Intrastat return, and can result in differences between dates of declaration and actual movement of the goods out of the country.

The Trade in Goods Statistics (TIGS) compilation methodology relies upon the acceptance date of the customs export declaration for its inclusion within the relevant month of account, rather than the declared physical movement date used from the Intrastat survey.

Intrastat survey returns continue to be collected for goods exported from Northern Ireland to the EU, under the terms of the Northern Ireland Protocol.

Both the GB to EU customs export declaration data and NI Intrastat export (dispatch) data are incorporated into the overall UK to EU export dataset.

As a result of the changes and differences outlined above, there is a break in the timeseries for published UK to EU export statistics from January 2021. These will not be directly comparable to UK to EU export statistics published for previous months and years.

UK imports from EU

UK imports from EU statistics is not impacted by any change in 2021. The Intrastat survey continues to operate for all UK (GB and NI) imports (arrivals) from the EU, to mitigate the effects of staging customs controls, and to comply with the Northern Ireland Protocol.

Figures derived from Intrastat include:

- Estimates for businesses who have yet to submit detailed data on the trade they had with other EU Member States this month.
- Estimates for businesses who do not have to submit detailed data on the trade they have with other EU Member States.
- An adjustment for trade associated with Missing Trader Intra Community fraud. More details of this can be found in the OTS methodology paper here.

Estimates are included in all high-level totals including commodity (HS2) and country totals.

The **Non-EU figures** provided in this publication are presented by customs declarations and collected by the CHIEF (Customs Handling of Import and Export Freight) system. Declarations collected via the Customs Declarations Service (CDS) are included: for imports from August 2020 month of account; and for exports from December 2020 month of account onwards.

Detailed trade information is presented according to the Harmonised System (HS) nomenclature.

Methodology

The Overseas Trade Statistics Methodology paper (March 2021) is available here. It covers all aspects of the Overseas Trade Statistics methodology – data sources, classifications and definitions, quality assurance, publications and governance. It is a useful companion to the trade data, providing the definitions and methodologies on which the data are based.

From 31 December 2020, the free movement of people and goods and services between the UK and the EU ended. This changed the way HMRC collects trade in goods statistics. The overall UK to EU export dataset will incorporate both GB to EU customs export declaration data and NI Intrastat export (dispatch) data. As a result, there will be a break in the timeseries for published UK to EU export statistics from January 2021. Users should take care when comparing previous months and years.

From the May 2016 month of account, there was a methodological change to the way our trade-in-goods statistics are compiled. Following a change in legislation, trade-in-goods statistics switched from the 'general trade' system of compilation to the 'special trade' system.

Non-Monetary Gold (NMG) can form a substantial part of the non-EU Overseas Trade Statistics (OTS). For further information, see <u>Inclusion of Non-Monetary Gold in OTS</u>. Data relating to monthly non-EU and EU import and export totals for January 2008 onwards with a breakdown of non-monetary gold and other trade is available in an <u>OTS</u> time series spreadsheet.

Relationship with other statistical publications

The aggregate estimates here will differ slightly from those that are published by the Office for National Statistics (ONS) as part of the Balance of Payments (BoP), as the 2 sets of data are compiled to different sets of rules. The ONS web site provides an overview of BoP, where you can find their detailed monthly UK Trade Releases. The BoP publication shows a high-level picture of UK trade-in-goods, whereas the OTS publication shows a detailed picture of the UK's trade-in-goods by commodity and partner country.

National Statistics Publication

HM Revenue & Customs released these latest statistics on Overseas Trade with countries on 11 February 2022 under arrangements set out in the <u>Code of Practice for Official Statistics</u>.

This release includes the 1st provisional estimates of trade-in-goods between the UK and both countries of the EU and those outside the EU for December 2021. At the same time revisions for all previously published non-EU and EU data for 2021 are also being released in line with the HM Revenue & Customs Policy on Revisions.

Please note, the 2021 figures in this release are provisional and subject to monthly updates until closure in June 2022. For the most up to date figures, please access the interactive database on UK Trade Info.

The OTS has been reviewed as part of an assessment made of Overseas Trade in Goods Statistics by the <u>UK Statistics Authority</u>. The report of that assessment can be found <u>here</u>.

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics. Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- · are well explained and readily accessible;
- · are produced according to sound methods; and
- Are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

Now that the UK has left the EU, it is important that our statistics continue to be of high quality and are internationally comparable. All releases continue to be produced in accordance with the UK Statistics Authority's Code of Practice for Statistics as well as internationally agreed statistical guidance and standards.