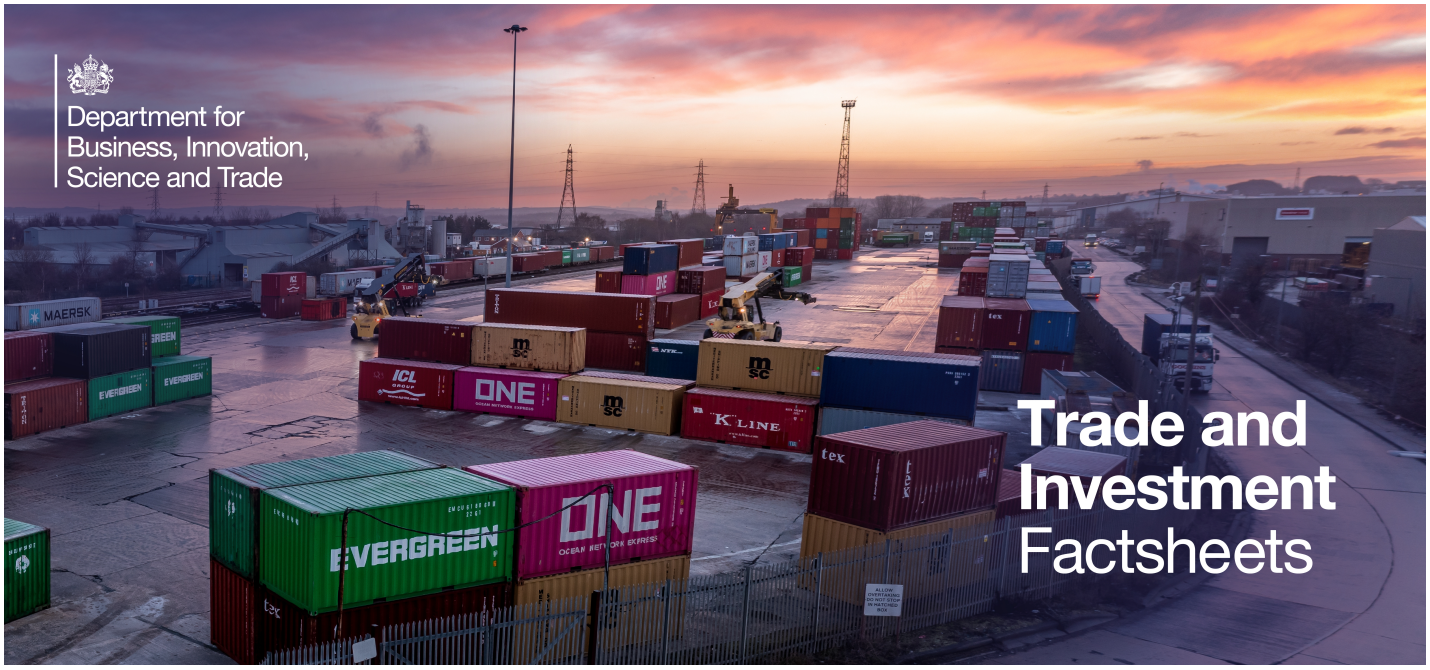

Iceland

This factsheet provides the latest statistics on trade and investment between the UK and Iceland.

Date of release: 6 November 2026; Date of next planned release: 21 December 2026

Total trade in goods and services (exports plus imports) between the UK and Iceland[1] was **£2.7 billion** in the four quarters to the end of Q2 2026, an increase of 15.7% or £360 million in current prices from the four quarters to the end of Q2 2025. Of this £2.7 billion:

- Total UK **exports** to Iceland amounted to £1.5 billion in the four quarters to the end of Q2 2026 (an increase of 26.7% or £309 million in current prices, compared to the four quarters to the end of Q2 2025);
- Total UK **imports** from Iceland amounted to £1.2 billion in the four quarters to the end of Q2 2026 (an increase of 4.5% or £51 million in current prices, compared to the four quarters to the end of Q2 2025).

Iceland was the UK's 63rd largest trading partner in the four quarters to the end of Q2 2026 accounting for 0.1% of total UK trade.[2]

At the end of 2024, the **stock of FDI from the UK in Iceland** was £149 million, £104 million higher than the end of 2023. At the end of 2024, Iceland accounted for less than 0.1% of the total UK outward FDI stock.

At the end of 2024, the **stock of FDI from Iceland in the UK** was £67 million, 3.1% or £2 million higher than the end of 2023. At the end of 2024, Iceland accounted for less than 0.1% of the total UK inward FDI stock.[3]

[1] 'the four quarters to the end of Q2 2026' refers to the 12 months to the end of June 2026

[2] Trade data sourced from the latest ONS publication of UK total trade: all countries seasonally adjusted data.

[3] Data for both inward and outward FDI between the UK and Iceland are not available in the main ONS release (Foreign Direct Investment involving UK companies). Therefore, an ONS FDI ad-hoc data release is used to provide the latest FDI data for Iceland where it is unavailable in the main ONS release.

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About these statistics

This factsheet presents the latest statistics on trade and investment between the UK and Iceland. It summarises a wide range of publicly available data, from data providers such as the Office for National Statistics (ONS) and HM Revenue and Customs (HMRC), as well as international data providers.

This factsheet is part of a wider range produced by the Department for Business, Innovation, Science and Trade which draws together many data sources into one single compendium document for each individual trade and investment partner. The full set of factsheets for different individual partners can be found on the Trade and Investment Factsheets website on GOV.UK.

Where data are available, these factsheets contain metrics on:

- Headline trade statistics between the UK and each trading partner for the latest four quarters.
- Trade statistics by commodity and service type.
- Trade in goods between the UK and each trading partner, broken down by UK country and English region.
- Trade in services between the UK and each trading partner, broken down by mode of supply.
- UK's market share as a total of all imports for each trading partner.
- Number of VAT-registered businesses trading goods.
- UK's Foreign Direct Investment (FDI) with each investment partner.
- Summary trade and investment data as reported by each trade and investment partner, as well as economic data and projections.

International statistics for goods traded with the world are published in the UN Comtrade database and services by ITC Trademap.

All statistics are correct at the time of publication, with upcoming release dates available on the Government update schedule for Official Statistics. The Department for Business, Innovation, Science and Trade strongly recommends users download the latest factsheet to ensure the most up-to-date statistics are used. Please do not use previous factsheets to analyse earlier time periods than those shown in the most recent factsheets, as the data will have been revised and previous factsheets will no longer be correct. For analysis of earlier time periods, please use the published source data.

For the most up to date snapshot of the UK's trade and investment position with all partners, please see the UK trade in numbers publication or the trade and investment core statistics book. These statistics are based on the same data sources as this factsheet and therefore are comparable. A list of all Official Statistics publications from the Department for Business, Innovation, Science and Trade can be found online.

Contact Details

statistics@businessandtrade.gov.uk

Summary trade and investment statistics for Iceland

UK trade with Iceland, in current prices (based on the latest four quarters)[4]

Trade	Value in the four quarters to the end of Q2 2026	Change from the four quarters to the end of Q2 2025
Total trade	£2.7 billion	an increase of 15.7% or £360 million
Ranking out of all the UK's trading partners	63rd	
Total goods trade (percentage of total trade with Iceland)	£1.6 billion (60.9%)	an increase of 29.1% or £365 million
Total services trade (percentage of total trade with Iceland)	£1.0 billion (39.1%)	a decrease of 0.5% or £5 million
Total UK exports	£1.5 billion	an increase of 26.7% or £309 million
Ranking out of all the UK's export partners	62nd	
UK exports of goods (percentage of total UK exports to Iceland)	£1.0 billion (70.4%)	an increase of 50.5% or £346 million
UK exports of services (percentage of total UK exports to Iceland)	£434 million (29.6%)	a decrease of 7.9% or £37 million
Total UK imports	£1.2 billion	an increase of 4.5% or £51 million
Ranking out of all the UK's import partners	67th	
UK imports of goods (percentage of total UK imports from Iceland)	£588 million (49.3%)	an increase of 3.3% or £19 million
UK imports of services (percentage of total UK imports from Iceland)	£604 million (50.7%)	an increase of 5.6% or £32 million

'the four quarters to the end of Q2 2026' refers to the 12 months to the end of June 2026

UK trade with Iceland, in current prices (based on the latest calendar year)[5]

Trade	Value in 2025	Change from 2024
Total trade	£2.5 billion	an increase of 29.2% or £573 million
Ranking out of all the UK's trading partners	63rd	
Total goods trade (percentage of total trade with Iceland)	£1.5 billion (58.3%)	an increase of 50.4% or £496 million
Total services trade (percentage of total trade with Iceland)	£1.1 billion (41.7%)	an increase of 7.9% or £77 million
Total UK exports	£1.4 billion	an increase of 72.3% or £582 million
Ranking out of all the UK's export partners	62nd	
UK exports of goods (percentage of total UK exports to Iceland)	£908 million (65.5%)	an increase of 129.9% or £513 million

[4]Trade data sourced from Office for National Statistics data on UK total trade (seasonally adjusted data).
[5]Trade data sourced from Office for National Statistics data on UK total trade (seasonally adjusted data).

Trade	Value in 2025	Change from 2024
UK exports of services (percentage of total UK exports to Iceland)	£479 million (34.5%)	an increase of 16.8% or £69 million
Total UK imports	£1.2 billion	a decrease of 0.8% or £9 million
Ranking out of all the UK's import partners	69th	
UK imports of goods (percentage of total UK imports from Iceland)	£572 million (49.7%)	a decrease of 2.9% or £17 million
UK imports of services (percentage of total UK imports from Iceland)	£578 million (50.3%)	an increase of 1.4% or £8 million

UK market share in Iceland[6]

UK market share for total trade	Value in 2025	Change from 2024
Total UK market share	11.2%	an increase of 4.1 percentage points
UK market share for goods only	11.5%	an increase of 6.1 percentage points
UK market share for services only	10.6%	an increase of 0.5 percentage points

UK Foreign Direct Investment (FDI) with Iceland[7]

UK FDI stock	Value at the end of 2024	Change from the end of 2023
Total UK outward FDI stock	£149 million	an increase of £104 million
Total UK inward FDI stock	£67 million	an increase of 3.1% or £2 million

Economic statistics and projections using gross domestic product (GDP) for Iceland[8]

Economic statistics	2024	2025	2026	2027
Economic growth, using GDP in real terms, compared to the previous year	-0.9%	*1.1%*	*1.4%*	*1.8%*
GDP per capita in $USD (in thousands)	86.5	*98.8*	*107.5*	*112.0*
GDP in current prices (billion $USD)	33.2	*38.5*	*42.8*	*45.5*
Global GDP Ranking	109th	*107th*	*107th*	*107th*

Figures for 2026 and 2027 are forecast projections.

[6] UK market share data calculated using the methodology outlined in the market share section in the factsheet, based on data from the Office for National Statistics and United Nations Conference on Trade and Development.

[7] Data for both inward and outward FDI between the UK and Iceland are not available in the main ONS release (Foreign Direct Investment involving UK companies). Therefore, an ONS FDI ad-hoc data release is used to provide the latest FDI data for Iceland where it is unavailable in the main ONS release.

[8] Economic data sourced from the International Monetary Fund World Economic Outlook data portal; Estimates and projections are given in italics; GDP rankings where provided are based on values in current prices (nominal terms) in $USD, where some partner values are based on estimates which may influence the rankings when revised.

Trade with Iceland, in current prices (ONS)[9] [10] [11]

Trade definitions

- **UK exports** - Goods and services that were produced or sourced in the UK, which were sold to Iceland.
- **UK imports** - Goods and services that were sold to the UK, which were produced or sourced by Iceland.
- **Total or 'bilateral' trade** - The value of total trade between the UK and Iceland (exports plus imports).
- **Trade balance** - The difference between exports and imports, calculated by UK exports minus UK imports.
- **Trade surplus** - This occurs when the value of UK exports to Iceland is greater than the value of UK imports from Iceland.
- **Trade deficit** - This occurs when the value of UK exports to Iceland is less than the value of UK imports from Iceland.

Headline trade statistics include trade in non-monetary gold (reported within the unspecified goods category), which can significantly affect trends for some partners. Please see the factsheet quality and methodology report for more information.

These statistics are given on a balance of payments (change of ownership) basis.

Note: *UK trade statistics experienced higher levels of volatility between 2019 and 2022, due to the pandemic, global recession, supply chain disruption, EU Exit, Russia's invasion of Ukraine, price inflation, conflict in the Middle East, and data collection changes. All figures are reported in current prices (not adjusted for inflation), unless otherwise stated. We recognise that some changes in UK trade values will be partly due to price changes.*

Total trade in goods and services (exports plus imports) between the UK and Iceland was £2.7 billion in the four quarters to the end of Q2 2026, an increase of 15.7% or £360 million in current prices from the four quarters to the end of Q2 2025.

In the four quarters to the end of Q2 2026, **total UK exports** to Iceland amounted to £1.5 billion (an increase of 26.7% or £309 million in current prices, compared to the four quarters to the end of Q2 2025).

Of all UK exports to Iceland in the four quarters to the end of Q2 2026, £1.0 billion (70.4%) were **goods** and £434 million (29.6%) were **services**. In the four quarters to the end of Q2 2026, UK **exports of goods** to Iceland increased by 50.5% or £346 million in current prices, compared to the four quarters to the end of Q2 2025. while UK **exports of services** to Iceland decreased by 7.9% or £37 million in current prices, compared to the four quarters to the end of Q2 2025..

In the four quarters to the end of Q2 2026, **total UK imports** from Iceland were £1.2 billion (an increase of 4.5% or £51 million in current prices, compared to the four quarters to the end of Q2 2025).

Of all UK imports from Iceland in the four quarters to the end of Q2 2026, £588 million (49.3%) were **goods** and £604 million (50.7%) were **services**. In the same period, UK **imports of goods** from Iceland increased by 3.3% or £19 million in current prices, compared to the four quarters to the end of Q2 2025. while UK **imports of services** from Iceland increased by 5.6% or £32 million in current prices, compared to the four quarters to the end of Q2 2025..

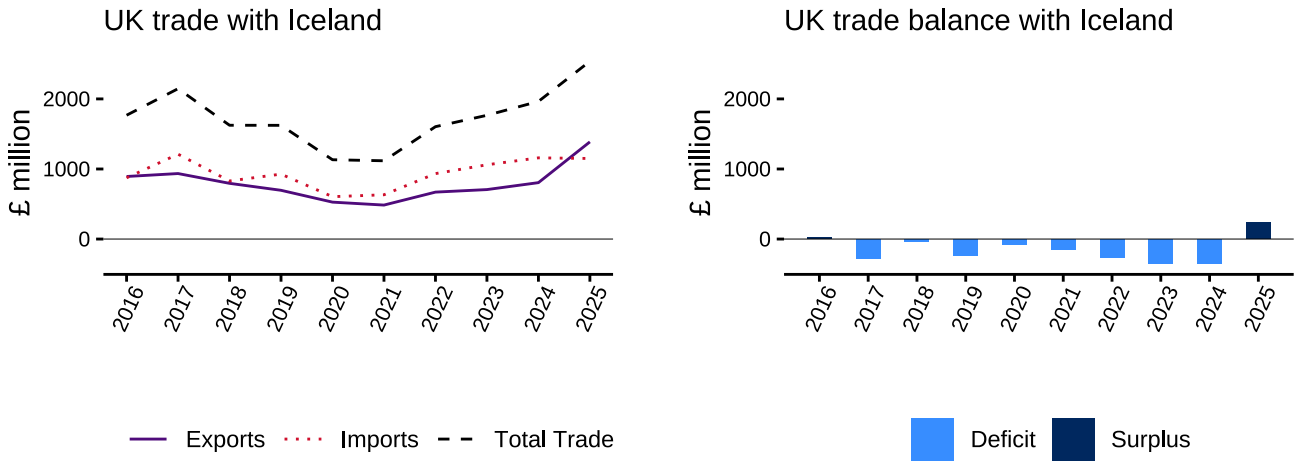
This means the UK reported a **total trade surplus** of £273 million with Iceland, compared to a trade surplus of £15 million in the four quarters to the end of Q2 2025. In the four quarters to the end of Q2 2026, the UK had a **trade in goods surplus** of £443 million with Iceland, compared to a trade in goods surplus of £116 million in the four quarters to the end of Q2 2025. Meanwhile, in the four quarters to the end of Q2 2026 the UK reported a **trade in services deficit** of £170 million with Iceland, compared to a trade in services deficit of £101 million in the four quarters to the end of Q2 2025.

[9] Office for National Statistics (ONS) data source for total trade: UK total trade data (seasonally adjusted).

[10] This factsheet contains data as reported by the UK, users are advised to use UK-reported data where possible for consistency between partners. These data are subject to asymmetries e.g. the value of UK exports to Iceland (reported by the UK) may not match the value of Iceland imports from the UK (reported by Iceland).

[11] Data are in current prices, meaning no adjustment has been made to account for changes in inflation or exchange rate. The totals may not exactly match the sum of their parts due to rounding.'

The charts below present a time series for trade between the UK and Iceland for each year between 2016 and 2025:



Source: ONS, UK trade in goods and services, Q2 2026

The data that are presented in the charts above are given in the table below in £ million:

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Value of total trade	1767	2146	1624	1623	1132	1117	1604	1766	1964	2537
Value of exports	893	935	795	696	527	485	670	706	805	1387
Value of imports	874	1211	829	927	605	632	934	1060	1159	1150
Trade balance	+19	-276	-34	-231	-78	-147	-264	-354	-354	+237

In the four quarters to the end of Q2 2026, Iceland was the UK's:[12]

- **63rd largest trading partner** (accounting for 0.1% of total UK trade).
  - 55th largest **goods** trading partner (0.2% of UK goods trade).
  - 68th largest **services** trading partner (0.1% of UK services trade).
- **62nd largest export market** (accounting for 0.2% of total UK exports).
  - 46th largest **goods** export market (0.3% of UK goods exports).
  - 76th largest **services** export market (0.1% of UK services exports).
- **67th largest import market** (accounting for 0.1% of total UK imports).
  - 68th largest **goods** import market (0.1% of UK goods imports).
  - 61st largest **services** import market (0.2% of UK services imports).

More timely data, for trade in goods only[13] is published by the ONS.

[12] Rankings are based on the ONS dataset which contains data for all individual partners: UK total trade data (seasonally adjusted).
[13] ONS data source for trade in the latest 12 months up to August 2026: UK Trade data (seasonally adjusted).

Trade in goods by commodity, in current prices (ONS)[14] [15]

Please note, these data are presented on a non-seasonally adjusted basis and are not directly comparable to seasonally adjusted data, including the headline trade statistics presented before.

The **top 5 goods exported from the UK to Iceland** in the four quarters to the end of Q2 2026 were as follows:[16]

Commodity	Exports in the four quarters to the end of Q2 2026	Percentage of total goods exports	Change from the four quarters to the end of Q2 2025
75K - Office machinery (capital)	£469.1 million	45.5%	an increase of > 100%
84 - Clothing	£92.6 million	9.0%	an increase of 87.3%
76K - Telecoms & sound equipment (capital)	£67.6 million	6.6%	an increase of > 100%
08 - Animal feeding stuffs	£43.6 million	4.2%	a decrease of 21.0%
71MI - Mechanical power generators (intermediate)	£31.3 million	3.0%	an increase of > 100%

** = Percentages removed where these may total over 100%, due to total exports being rounded to the nearest £million and commodity values at a greater level of accuracy;*

† = Comparison unavailable as commodity was not traded in the four quarters to the end of Q2 2025

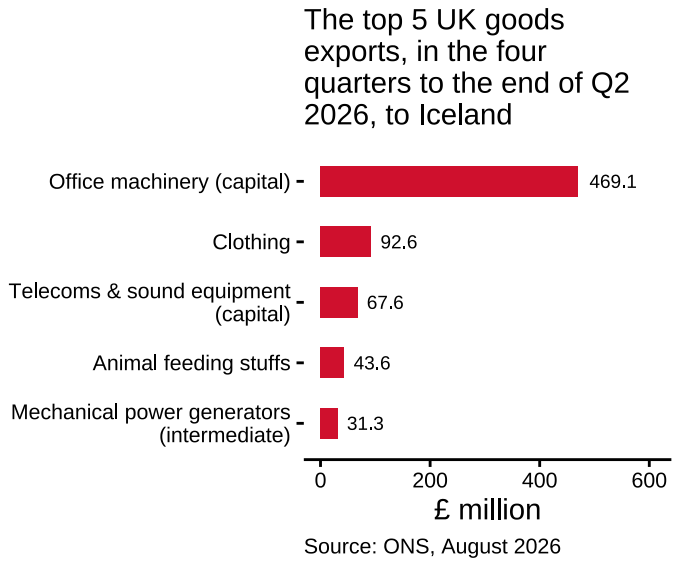
The **top 5 goods imported to the UK from Iceland** in the four quarters to the end of Q2 2026 were as follows:

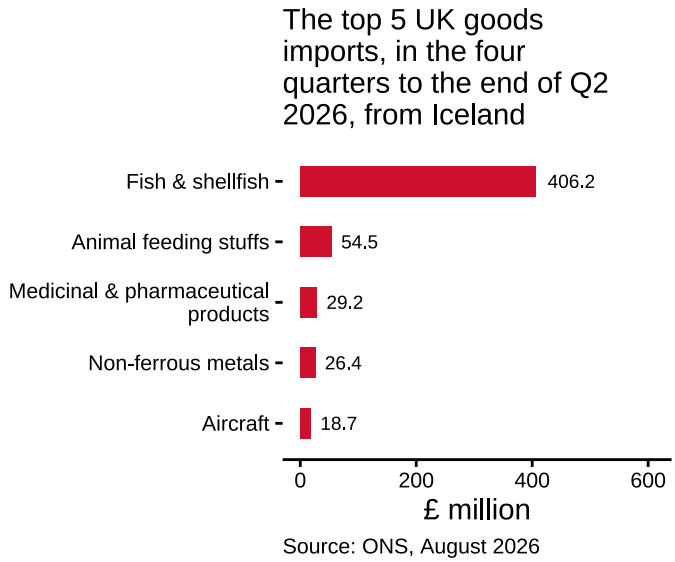
Commodity	Imports in the four quarters to the end of Q2 2026	Percentage of total goods imports	Change from the four quarters to the end of Q2 2025
03 - Fish & shellfish	£406.2 million	68.3%	an increase of 25.6%
08 - Animal feeding stuffs	£54.5 million	9.2%	an increase of 5.1%
54 - Medicinal & pharmaceutical products	£29.2 million	4.9%	a decrease of 42.7%
68 - Non-ferrous metals	£26.4 million	4.4%	a decrease of 51.8%
792 - Aircraft	£18.7 million	3.1%	an increase of > 100%

** = Percentages removed where these may total over 100%, due to total imports being rounded to the nearest £million and commodity values at a greater level of accuracy;*

† = Comparison unavailable as commodity was not traded in the four quarters to the end of Q2 2025

The chart below shows the top 5 goods exported from the UK to Iceland and the top 5 goods imported to the UK from Iceland, by value, in the four quarters to the end of Q2 2026. All data shown in the chart are provided in the text above.





[14] Data on trade in goods by commodity are sourced from data by the ONS: UK trade release (non-seasonally adjusted). These statistics for exports and imports present the latest data from the ONS publication which are given on a monthly basis.

[15] Commodity classifications as reported by the ONS, derived from Standard International Trade Classifications (SITC)

[16] 'the four quarters to the end of Q2 2026 refers to the 12 months to the end of June 2026'

Trade in services by service type, in current prices (ONS)[17] [18] [19]

Please note, these data are presented on a non-seasonally adjusted basis and are not directly comparable to seasonally adjusted data, including the headline trade statistics presented before.

The **top 3 service types exported from the UK to Iceland** in the four quarters to the end of Q2 2026 were as follows:[20]

Service type	Exports in the four quarters to the end of Q2 2026	Percentage of total services exports	Change from the four quarters to the end of Q2 2025
Transportation	£152 million	35.5%	*
Travel**	£81 million	18.9%	*
Other Business Services	£58 million	13.6%	an increase of 13.7%

** = Comparison unavailable due to data suppressions in either the four quarters to the end of Q2 2025, the four quarters to the end of Q2 2026, or both;*

*** = At least one of the last four quarters is suppressed so trade values and percentages may be underreported;*

† = Comparison unavailable as trade in the four quarters to the end of Q2 2025 was zero or below £500 thousand;

‡ = Not reported to prevent showing small value changes from a low base as fast growing

The **top 3 service types imported to the UK from Iceland** in the four quarters to the end of Q2 2026 were as follows: [21]

Service type	Imports in the four quarters to the end of Q2 2026	Percentage of total services imports	Change from the four quarters to the end of Q2 2025
Travel	£476 million	79.1%	an increase of 4.6%
Transportation**	£43 million	7.1%	*
Other Business Services**	£21 million	3.5%	*

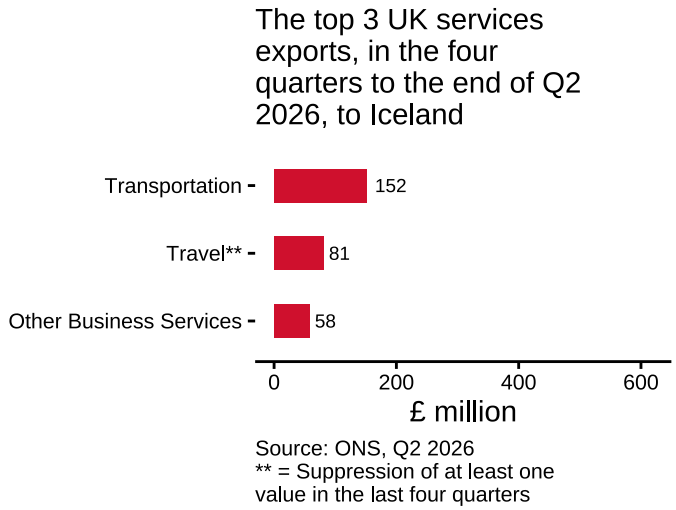
** = Comparison unavailable due to data suppressions in either the four quarters to the end of Q2 2025, the four quarters to the end of Q2 2026, or both;*

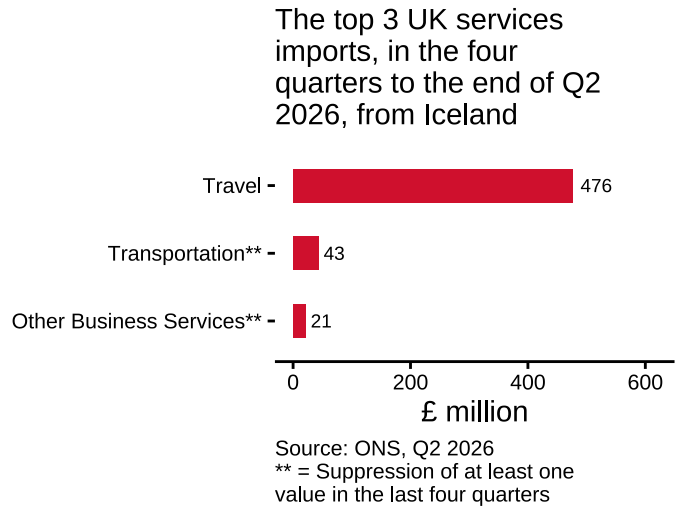
*** = At least one of the last four quarters is suppressed so trade values and percentages may be underreported;*

† = Comparison unavailable as trade in the four quarters to the end of Q2 2025 was zero or below £500 thousand;

‡ = Not reported to prevent showing small value changes from a low base as fast growing

The chart below shows the top 3 service types exported from the UK to Iceland and the top 3 service types imported to the UK from Iceland, by value, in the four quarters to the end of Q2 2026. All data shown in the chart are provided in the text above.





[17] Trade in services by service type is sourced from data by the ONS: UK trade in services by partner country (non-seasonally adjusted).

[18] Data are classified on the EBOPS 2010 basis. 'Other business services' include: Research and development, professional and management consulting services, technical services and trade related services. A full description of all service types can be found on the UN Statistics Division website.

[19] Service type data may be unavailable for some quarters, due to the suppression of figures for the confidentiality of individual traders.

[20] 'the four quarters to the end of Q2 2026 refers to the 12 months to the end of June 2026'

[21] There are some countries where three service types are not available for reporting, due to values of zero or less than £500,000, or ONS data suppressions.

Trade in goods by UK countries and English regions, in current prices (HMRC)[22] [23]

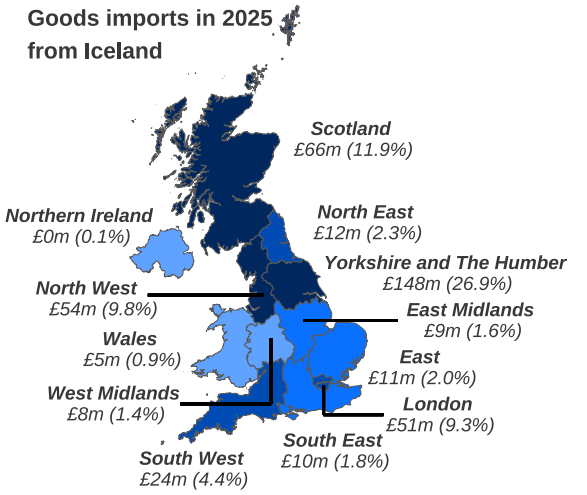
Regional trade definitions

- **UK regions** - The UK is categorised into 12 regions based on the International Territorial level 1 (ITL1). This level includes 9 regions in England, as well as Wales, Scotland and Northern Ireland.
- **Regional trade data** - The data are compiled by merging HM Revenues & Customs (HMRC) trade data with employment data from the Interdepartmental Business Register (IDBR) so a business' trade can be allocated to a UK region based on the proportion of its employees employed in that region. Where a trader is not matched with the IDBR, its trade is matched with ONS postcode data to obtain the UK region in which the Head Office of the VAT-registered business is based.

The maps below show the value of UK goods exports and imports between each UK region and Iceland in 2025. The maps are shaded with the 3 UK regions with the highest amount of trade as the darkest colour, and the 3 UK regions with the lowest amount of trade as the lightest colour.



Source: HMRC RTS, Q2 2026



Source: HMRC RTS, Q2 2026

The data that are presented in the maps above for 2025 in £ million are also given in the table below:

UK country or English region	North East	North West	Yorkshire and The Humber	East Midlands	West Midlands	East	London	South East	South West	Wales	Scotland	Northern Ireland
Value of goods exports to Iceland	19	118	74	57	53	54	83	183	37	19	85	31
Percentage of total goods exports to Iceland	2.2%	14.0%	8.7%	6.7%	6.3%	6.3%	9.8%	21.6%	4.4%	2.2%	10.0%	3.6%
Value of goods imports from Iceland	12	54	148	9	8	11	51	10	24	5	66	0
Percentage of total goods imports from Iceland	2.3%	9.8%	26.9%	1.6%	1.4%	2.0%	9.3%	1.8%	4.4%	0.9%	11.9%	0.1%

Note that these figures from HMRC are reported on a physical movement basis and are **not directly comparable** to trade data from ONS which are reported on a change of ownership basis. **Percentages will not total 100%** as data not allocated to a single UK country or English region are not presented.

[22] HMRC data source for regional UK trade data: HMRC Regional Trade Statistics (data extracted from the spreadsheet download using the HMRC interactive tables).

[23] Totals presented here will differ from overall HMRC trade figures due to the exclusion of trade in non-monetary gold and non-response estimates and the exclusion of data not allocated to a UK country or region. Figures for 2025 are provisional and subject to change.

Trade in services by mode of supply, in current prices (ONS)[24]

Trade in Services by Mode of Supply definitions

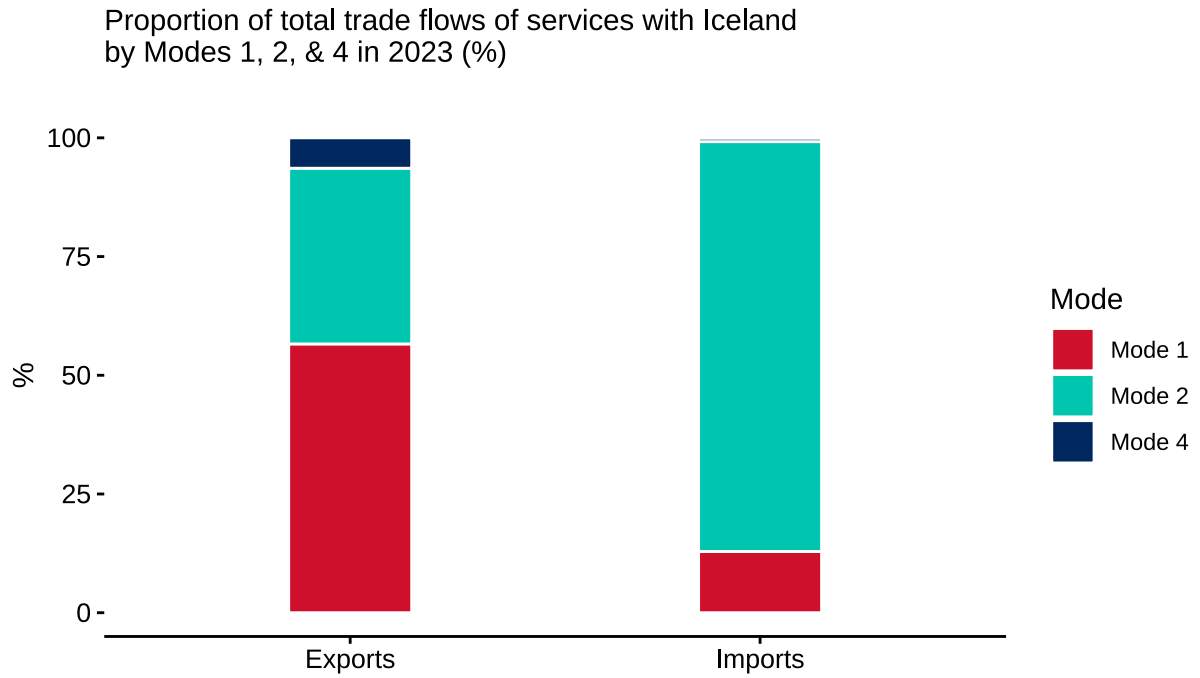
- **Modes of Supply** define the way services trade is conducted. The World Trade Organisation's General Agreement on Services categorises methods for trade in services into four different modes of supply, which depend upon on the territorial presence of the supplier and the consumer at the time of transaction.
- **Mode 1** - Remote trade (a supplier in one country sells a service to a customer in another, without the movement of people).
- **Mode 2** - Consumption abroad (the person receiving the service travels to the supplier's country).
- **Mode 3** - Commercial presence (e.g. a company subsidiary) - this mode is not counted as part of UK services trade on a balance of payments basis and is not reported in this release. This means that total figures are only the total of Modes 1, 2 and 4.
- **Mode 4** - Presence of natural persons (a supplier sends its personnel to the customer's country to provide service).

UK services exports to Iceland by mode of supply in 2023:

- £176 million of services exports to Iceland were delivered by Mode 1 (56.6%).
- £115 million of services exports were delivered by Mode 2 (37.0%).
- £20 million of services exports were delivered by Mode 4 (6.4%).

UK services imports from Iceland by mode of supply in 2023:

- £70 million of services imports from Iceland were delivered by Mode 1 (12.9%).
- £467 million of services imports were delivered by Mode 2 (86.3%).
- £4 million of services imports were delivered by Mode 4 (0.7%).



Source: ONS, 2023

[24] ONS data source for UK Trade in Services by Mode of Supply: ONS Imports and exports of services by country, by modes of supply, UK

UK Market Share (ONS and UNCTAD)[25] [26]

Market Share definitions

- **UK market share** – Imports from the UK as a percentage of all the goods and services imported by Iceland. Market share is provided for total imports from the UK, as well as for goods and services separately.

- **Market share methodology** – These UK market share statistics are derived by the Department for Business, Innovation, Science and Trade, using publicly available data from the Office for National Statistics (ONS) and the United Nations Conference on Trade and Development (UNCTAD). These new statistics allows users to estimate the importance of UK trade on imports to each trading partner. Market share is calculated as the value of imports from the UK using data from ONS, divided by the value of total imports using data from UNCTAD. Data from UNCTAD are converted from US dollars into pounds sterling by using the annual average spot exchange rate [27].

The UK's market share for Iceland in 2025 was as follows:

- **The total UK market share in Iceland was 11.2% in 2025 for goods and services**. This is an increase of 4.1 percentage points from 2024.
- The UK market share in Iceland was 11.5% in 2025 for **goods only**. This is an increase of 6.1 percentage points from 2024.
- The UK market share in Iceland was 10.6% in 2025 for **services only**. This is an increase of 0.5 percentage points from 2024.

The table below presents the UK's market share for Iceland between 2016 and 2025. Values presented in italics are based on UNCTAD estimates of imports.

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total goods and services	14.2%	11.8%	9.4%	9.2%	9.0%	6.6%	6.1%	6.4%	7.1%	*11.2%*
Goods only	14.6%	8.7%	6.4%	6.6%	7.8%	6.5%	5.8%	5.5%	5.4%	11.5%
Services only	13.6%	17.3%	14.5%	13.9%	12.1%	6.9%	6.8%	8.2%	10.1%	*10.6%*

[25] ONS data source for market share: UK total trade data (seasonally adjusted).

[26] UNCTAD data source for market share: Goods and Services (BPM6): Exports and imports of goods and services, annual. Some UNCTAD data may be based on estimates.

[27] Annual average spot exchange rates for $USD to £GBP are sourced from the Bank of England

Number of VAT-registered businesses trading goods (HMRC)[28] [29] [30]

Business counts definition (Regional Trade in Goods Statistics)

- Business counts report UK VAT-registered business exporting and importing goods. Data is collected primarily from customs declarations (using the Intrastat survey and VAT returns for Northern Ireland businesses trading with the EU).
- Counts exclude businesses trading below the statistical value thresholds for customs declarations and exclude trade in non-monetary gold.

Businesses trading goods with Iceland in 2025:

- In 2025, around 3,800 UK VAT-registered businesses exported goods to Iceland.
- In 2025, around 500 UK VAT-registered businesses imported goods from Iceland.

[28] HMRC data source for Regional Trade Statistics business counts data: UK trade in goods statistics.

[29] Data for UK businesses engaged in trade of services with Iceland are not available. A single business may trade with multiple trading partners abroad, so care should be taken when adding figures for multiple trading partners.

[30] HMRC does not receive partner country information for customs declarations with commodity line values that fall under the statistical value threshold of £873 (in value) and 1,000kg (in net mass). Therefore, these counts of exporting/importing businesses only capture those businesses with exports/imports (respectively) above the statistical value threshold. The number of businesses has been rounded to the nearest 100.

Trade in Value Added (OECD)[31]

Trade in Value Added definitions

- **Trade in Value Added (TiVA)** - TiVA is a statistical approach to examine supply chains, which is not possible with conventional ('gross') trade statistics. This is because TiVA treats international trade flows as flows of value added rather than gross flows of final goods and services.
- **Domestic and foreign value added** - In TiVA, gross exports are decomposed into domestic and foreign value added. Domestic value added measures the value added generated by the domestic economy in the production of its exports (e.g. the value added by UK car manufacturers and their UK supply chains in car exports). Foreign value added measures the value added contribution that foreign suppliers make to these exports (e.g. the import of foreign car parts).
- **TiVA statistics** - Although TiVA offers advantages over traditional ways of measuring trade, these statistics are not fully developed. These results are estimates which should be considered complementary to conventional trade statistics and not be over-interpreted. In addition, the geographical detail is limited for developing countries. More information on TiVA can be found in a research report by the former Department for Business and Trade and Cambridge Econometrics.
- **UK forward linkages for exports** - Measures the reliance of foreign exporters on UK value added (inputs).
- **UK backward linkages for exports** - Measures the reliance of UK exporters on foreign value added (inputs).
- **Employment supported by exports** - This provides an estimate of the number of employees in exporting industries, and their domestic supply chains that are supported by exporting activity.

UK forward linkages for exports:

- **In 2022, 1.7% of the total value added in gross exports from Iceland originated in the UK.**
- In 2022, 28.4% of the value added content in gross exports from Iceland reflected foreign imports from abroad. The largest sources of foreign value added for gross exports from Iceland were United States (3.1%), Norway (2.6%), and China (2.0%).

UK backward linkages for exports:

- **In 2022, less than 0.1% of the total value added in gross exports from the UK originated in Iceland.**
- In 2022, 19.6% of the value added content in gross exports from the UK reflected foreign imports from abroad. The largest sources of foreign value added for gross exports from the UK were United States (3.2%), Norway (2.4%), and China (1.5%).

Employment supported by exports:[32]

- Exporting activity in Iceland supported around 64,500 jobs in 2022 (30.8% of total Iceland employment). Exports to the UK supported around 4,900 jobs in Iceland in 2022.
- Exporting activity in the UK supported 7.9 million jobs in 2022 (24.0% of total UK employment). Exports to Iceland supported around 6,700 jobs in the UK in 2022.

[31] The estimates in this factsheet are based on Trade in Value Added statistics published by the Organisation for Economic Co-operation and Development (OECD): a) Trade in Value Added database (origin of value added in gross exports), January 2026; and b) Trade in employment (TiM) database, March 2026, indicators EXGR_DEM.

[32] These estimates measure employees directly and indirectly supported by exports i.e. workers employed in exporting businesses and in other domestic businesses supplying inputs to the exporting businesses. The estimates should be interpreted as employment *supported* by exports, rather than employment *created* by exports, as the jobs may have previously existed to serve the domestic market. Employees may also be supported by exports from a multiple number of trading partners. As with the core TiVA data, these estimates are based on a number of assumptions and modelling, so should be interpreted with caution.

Foreign Direct Investment with Iceland (ONS)[33] [34] [35]

Foreign direct investment definitions

- **Foreign direct investment (FDI)** - Investment made by a firm or individual in one economy ('direct investor') to acquire a 'lasting interest' in an enterprise operating in another economy. The lasting interest is deemed to exist if the direct investor acquires at least 10% of equity, or equivalently 10% of the voting rights, of the company.
- **FDI stock** - The accumulated value of all previous investments at the end of a reference period. Figures are net, that is the value of investment minus disinvestment. **UK outward FDI stock** provides the total value of FDI by UK investors in economies abroad (investment of a UK parent company in Iceland), while **UK inward FDI stock** provides the total value of FDI by non-UK investors in the UK (investment of a Iceland parent company in the UK).
- **Data disclosure** - It can happen that FDI is coming from only a few investors. In that case, figures are suppressed by the ONS to avoid disclosure of information relating to individual enterprises.

Note: *The FDI data for 2020 have been affected by changes in sampling methodology. Improvements have been made to the population which has been sampled and the way that businesses are sampled from the population, capturing a wider range of businesses. This means data from 2020 and onward are more representative of UK FDI with overseas partners and are comparable.*

More information about the methodology changes can be found on the ONS website.

UK outward FDI stock:

- At the end of 2024, the **stock of FDI from the UK in Iceland** was £149 million, £104 million higher than the end of 2023. At the end of 2024, Iceland accounted for less than 0.1% of the total UK outward FDI stock.

UK inward FDI stock:

- At the end of 2024, the **stock of FDI from Iceland in the UK** was £67 million, 3.1% or £2 million higher than the end of 2023. At the end of 2024, Iceland accounted for less than 0.1% of the total UK inward FDI stock.

[33] Data for both inward and outward FDI between the UK and Iceland are not available in the main ONS release (Foreign Direct Investment involving UK companies). Therefore, an ONS FDI ad-hoc data release is used to provide the latest FDI data for Iceland where it is unavailable in the main ONS release.

[34] Data are presented on a directional basis which means they are not directly comparable to the asset/liability report prepared by ONS as part of the Balance of Payments statistical release. Figures are on net basis (investments minus disinvestments) and are given in nominal terms. Negative FDI values occur when disinvestments are greater than investments. Data are on an immediate destination/source basis and not an ultimate destination/source, which is likely to overstate financial centres such as the Netherlands and Luxembourg.

[35] This factsheet contains data as reported by the UK and are subject to asymmetries e.g. UK outward FDI to Iceland (reported by the UK) may not match Iceland inward FDI from the UK (reported by Iceland). For consistency when comparing between partners, users are advised to use UK-reported data as far as possible.

Economic statistics (as reported by Iceland)

Trade and investment data for Iceland (UNCTAD)[36] [37] [38]

The following data are reported by Iceland and are for reference only. Whenever possible use data from UK sources for trade and investment. All data below are presented in $USD in billions.

Year	2018	2019	2020	2021	2022	2023	2024	2025
Nominal exports	12.3	10.8	7.2	9.6	13.6	13.9	14.1	*15.6*
Nominal imports	11.3	9.7	7.5	10.1	13.5	13.7	14.5	*16.3*
Nominal trade balance	1.0	1.1	-0.3	-0.4	0.1	0.2	-0.4	*-0.8*
Inward FDI stock	8.8	8.0	7.3	9.6	9.2	10.2	11.1	12.6
Outward FDI stock	5.2	5.0	5.1	6.7	4.7	5.5	5.4	5.2

[36] United Nations Conference on Trade and Development (UNCTAD) data sources for trade: Goods and Services (BPM6): Exports and imports of goods and services, annual; and for investment: Foreign direct investment: Inward and outward flows and stock, annual.

[37] Estimates are given in italics. Historic data pre-2018 can be found on the UNCTAD website.

[38] All trade data are on a Balance of Payments basis. The FDI data are on a directional and net (investment minus disinvestment) basis. These figures are given in current prices and are rounded to the nearest $0.1 billion, with missing data represented by dashes.

Economic data and projections for Iceland (IMF)[39] [40]

The following table presents economic statistics for Iceland. Figures from 2026 onwards are forecast projections.

Year	2023	2024	2025	2026	2027	2028	2029	2030	2031
Change in exports (%)	4.6	-1.6	1.5	*0.5*	*5.0*	*3.7*	*3.4*	*3.3*	*3.3*
Change in imports (%)	-1.9	4.2	7.3	*1.4*	*2.9*	*2.3*	*2.9*	*3.0*	*3.1*
Current account balance (% of GDP)	-1.4	-3.4	-4.0	*-2.5*	*-1.4*	*-0.6*	*-0.2*	*0.1*	*0.1*
Global GDP ranking (current prices)	109th	109th	*107th*	*107th*	*107th*	*106th*	*105th*	*105th*	*106th*
GDP in current prices (billion $USD)	31.7	33.2	*38.5*	*42.8*	*45.5*	*47.4*	*49.8*	*52.1*	*54.5*
Change in real GDP (%)	5.2	-0.9	*1.1*	*1.4*	*1.8*	*2.1*	*2.4*	*2.4*	*2.4*
GDP per capita (1,000 $USD)	84.4	86.5	*98.8*	*107.5*	*112.0*	*114.3*	*117.6*	*120.7*	*123.8*
GDP PPP (Int'l $billion)	29.9	30.4	31.5	33.0	34.7	36.2	37.7	39.4	41.0
Inflation, year average (CPI %)	8.7	5.9	4.1	*5.6*	*3.6*	*2.4*	*2.5*	*2.5*	*2.5*
Unemployment rate (% of total labour force)	3.4	3.4	4.3	*4.8*	*4.5*	*4.1*	*4.0*	*4.0*	*4.0*
Population (million)	0.4	0.4	0.4	*0.4*	*0.4*	*0.4*	*0.4*	*0.4*	*0.4*
Total investment (% of GDP)	25.4	26.2	*26.8*	*26.2*	*25.5*	*25.0*	*24.9*	*25.0*	*25.1*
Gross national savings (% of GDP)	23.9	22.8	*22.8*	*23.7*	*24.1*	*24.4*	*24.7*	*25.1*	*25.2*
General government net lending/borrowing (% of GDP)	-2.1	-4.1	-2.6	*-1.4*	*-0.5*	*-0.4*	*-0.2*	*-0.1*	*0.0*
General government gross debt (% of GDP)	61.6	60.5	56.7	*54.6*	*52.9*	*51.6*	*50.0*	*48.6*	*47.5*

[39] International Monetary Fund (IMF) provide economic commentary in their World Economic Outlook reports. The latest data presented here can be found in the IMF Data Portal.

[40] Projections and estimates are given in italics. More information for each metric and each partner, as well as historic data pre-2023, can be found on the IMF Data Portal.

Background Notes

This document is one of a wider set of factsheets between the UK and its individual trade and investment partners which can be found on the Trade and Investment Factsheets website. All of these factsheets are published as Official Statistics as defined by the UK Statistics Authority.

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As a requisite of publishing as Official Statistics, a quality and methodology report has been produced which outlines the quality of these factsheets, as well as providing more information on the methodology of the data sources presented here. This report contains hyperlinks to information on the strengths and weaknesses for each data source. Statistics contained in the factsheets from UK data providers all come from Official Statistics publications, with some sources also being from National Statistics publications.

Future updates of these factsheets can be found on the Government update schedule for Official Statistics. These scheduled updates are in line with significant updates from UK data providers when they release new data. Unscheduled releases of the factsheets may also be necessary to accommodate data updates where little or no advanced notice are given, such as in the case of international data updates. Please see the data update schedule and revisions policy in the quality and methodology report for more information. Please note that there may be occasions where more recent data than is provided here can be found directly from the data providers.

The Department for Business, Innovation, Science and Trade welcome any feedback or comments on these factsheets, please send these to statistics@businessandtrade.gov.uk.

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