



Northern Ireland International Trade and Investment Patterns.

**An Evidence Paper to Inform Stakeholder Responses to the
Department For International Trade's Consultations On:**

**Prospective UK Trade Agreements with Australia, New Zealand and
the United States of America;**

and,

**Potential Accession to the Comprehensive and Progressive
Agreement for Trans-Pacific Partnership.**

Contents

1.	Introduction	1
1.1	Purpose	1
1.2	Background	1
2.	Strategic Context	6
3.	Northern Ireland Trade and Investment Patterns	8
3.1	Purchases and Imports of Goods and Services	8
3.2	Sales of NI Goods and Services	9
3.3	Inward Investment	10
3.4	Northern Ireland Trade in Goods	11
4.	Trade and Investment with Australia.....	15
4.1	Background	15
4.2	Trade in Goods	16
4.3	Trade in Goods by Sector (SITC1)	18
4.4	Trade in Goods by Sub Sector (SITC2)	19
4.6	Trade in Services	20
4.7	Foreign Direct Investment	20
5.	Trade and Investment with New Zealand.....	21
5.1	Background	21
5.2	Trade in Goods	22
5.3	Trade in Goods by Sector (SITC1)	24
5.4	Trade in Goods by Sub Sector (SITC2)	25
5.5	Trade in Services	26
5.6	Foreign Direct Investment	26
6.	Trade and Investment with the USA	27
6.1	Background	27
6.2	Trade in Goods	28

6.3	Trade in Goods by Sector (SITC1)	30
6.4	Trade in Goods by Sub-sector (SITC2)	31
6.5	Trade in Services	32
6.6	Foreign Direct Investment	32
7.	Trade with Comprehensive and Progressive Agreement for Trans-Pacific Partnership Countries	33
7.1	Background	33
7.2	Trade in Goods	33
7.3	Trade in Goods by Sector (SITC1)	35
7.4	Trade in Goods by Sub-sector (SITC2)	36
7.5	Trade in Services	37
7.6	Foreign Direct Investment	38
8.	How to Respond to the Consultation	39
	Annex A – Free Trade Agreement Provisions	41
	Annex B – Data Sources	42

1. Introduction

1.1 Purpose

The Department for International Trade (DIT) has launched public consultations into possible future UK free trade agreements (FTAs) with Australia, New Zealand and the United States of America (USA) together with potential accession of the UK to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The consultations were launched on the 20th July 2018 with a closing date for responses of the **26th October 2018**. The Department for the Economy (DfE) would encourage local stakeholders to respond to these consultations and in particular highlight issues pertaining to Northern Ireland.

The purpose of this document is to assist local stakeholders who are considering responding to the DIT consultations by presenting the wider trade and investment context and providing statistical information on Northern Ireland's global trade and investment. In particular, the paper provides specific information on Northern Ireland trade and investment with Australia, New Zealand, the USA and CPTPP countries. It also draws attention to the questions being asked by DIT as part of its consultation.

1.2 Background

EU withdrawal negotiations are ongoing and the nature of the UK's future relationship with the EU is still to be determined. The UK Government has set out its ambitions in a White Paper entitled "The Future Relationship Between the United Kingdom and the European Union"¹. It indicates that the future relationship with the European Union should be consistent with the UK's ambitions to have its own independent trade policy including the potential for agreements with other trading partners. It also reiterates UK Government commitments in relation to the land border between Northern Ireland and Ireland.

¹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/725288/The_future_relationship_between_the_United_Kingdom_and_the_European_Union.pdf

The Department for Exiting the European Union (DExEU) is responsible for overseeing negotiations to leave the EU and establishing the future relationship between the UK and the EU.

DIT is the lead UK Government department in negotiating future free trade agreements with all countries and trading blocs outside the EU. In July 2018 DIT launched the pre negotiation phase for possible future free trade agreements with Australia², New Zealand³ and the USA⁴ alongside potential accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership⁵ (CPTPP). CPTPP is made up eleven countries – Australia, New Zealand, Japan, Singapore, Malaysia, Vietnam, Brunei, Canada, Mexico, Chile and Peru.

Any potential free trade agreements may have differing impacts across the regions of the UK. On the 10th August 2016 the First and deputy First Ministers highlighted in a letter to Theresa May their desire for involvement and representation of Northern Ireland in negotiations on the future relationships with the EU and other countries.⁶

The UK Government has committed that Parliament, the devolved administrations and legislatures, local government, business, trade unions, civil society, and the public from every part of the UK will have the opportunity to engage with and contribute to the shape of UK trade policy going forward. DIT's White Paper – Preparing for Our Future UK Trade Policy⁷ sets out an overarching objective for a new UK trade policy to deliver:

² <https://www.gov.uk/government/consultations/trade-with-australia>

³ <https://www.gov.uk/government/consultations/trade-with-new-zealand>

⁴ <https://www.gov.uk/government/consultations/trade-with-the-us>

⁵ <https://www.gov.uk/government/consultations/trade-with-the-comprehensive-and-progressive-agreement-for-trans-pacific-partnership-cptpp>

⁶ <https://www.executiveoffice-ni.gov.uk/sites/default/files/publications/execoffice/Letter%20to%20PM%20from%20FM%20%26%20dFM.pdf>

⁷ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/654714/Preparing_for_our_future_UK_trade_policy_Report_Web_Accessible.pdf

“enhanced economic prosperity for the UK, through the development and delivery of a UK trade policy that delivers benefits for business, workers and consumers across the whole of the UK”.

In order to provide a robust evidence base to inform stakeholders, the Northern Ireland Civil Service has been working to develop a deeper understanding of Northern Ireland including:

- the structure of the Northern Ireland economy;
- the trading relationships Northern Ireland has with key markets including GB, the Republic of Ireland (RoI), the rest of the EU (RoEU) and also other countries around the globe;
- the interrelationships that exist across these markets, via what are often complex supply chains; and,
- the unique circumstances in relation to the land border with Ireland.

Overall this work illustrates the intricacies associated with the global nature of Northern Ireland’s trading relationships and that success in one market often relies on access to other markets for raw material and components, creating complex supply chains.

Full details of the range of publications can be accessed on the Northern Ireland Statistics and Research Agency (NISRA) website⁸.

Free Trade Agreements

Whilst Free trade agreements ultimately aim to liberalise trade between signatories, the extent of their coverage can vary significantly. Some trade agreements will include only basic obligations for trade in specific goods, whereas others are more comprehensive and include rules for trade in goods, services, investment, procurement, labour, state-owned enterprises (SOEs), intellectual property rights and the environment. In other words, trade agreements have the potential to impact on many aspects of the economy and society more generally.

⁸ <https://www.nisra.gov.uk/publications/eu-exit-analysis-publications>

Chapters or subject areas which may make up a Free Trade Agreement (FTA) are included in **Annex A** however this list is not exhaustive.

Examples of recent, more comprehensive FTAs, include the EU-Canada Comprehensive Economic Trade Agreement (CETA) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

The balance of costs and benefits of FTAs vary significantly with their scope and commitments. There may also be specific issues particularly relevant to regions, sectors and businesses. **It is important therefore that stakeholders, including those in regions such as Northern Ireland that have an interest in these trading relationships, engage at an early stage to ensure government is aware of their aspirations and concerns surrounding any future trade agreements.**

It is anticipated that a wide range of NI stakeholders may wish to respond to these consultations and that there may be a diverse range of views to express. The following provides details on Northern Ireland's trading and investment relationships around the globe with a particular focus on the countries and trading bloc included in DIT's consultations, with the intention that this factual evidence can support local stakeholders in building their responses.

Evidence Base

There is no one data resource to provide a robust analysis of Northern Ireland trade and investment patterns. Therefore, the evidence in this paper is drawn from a number of different data sources including:

- HMRC Regional Trade Statistics - covering the import and export of goods only;
- Broad Economy Sales and Exports Statistics (BESES) – covering purchases, imports and sales of goods and services (excluding some agricultural sectors); and
- Financial Times Ltd FDI intelligence.

The data from each of the sources is not directly comparable due to the different methodologies used to produce them. They do however provide an overview of

Northern Ireland trade and investment. Please note that figures may not add due to rounding.

There are also five trade data reports prepared by DfE Analysts. These reports cover the period 2015 – 2017. They include both import and export trade data for goods and are solely drawn from the HMRC RTS. These reports can be found at:

- <https://www.economy-ni.gov.uk/publications/analysis-ni-trade-goods>
- [RTS Trade in Goods Data Analysis – Northern Ireland 2018](#)
- [RTS Trade in Goods Data Analysis – Australia 2018](#)
- [RTS Trade in Goods Data Analysis – New Zealand 2018](#)
- [RTS Trade in Goods Data Analysis – USA 2018](#)
- [RTS Trade in Goods Data Analysis – CPTPP Countries 2018](#)

Further details on these sources are attached at **Annex B**

2. Strategic Context

In March 2012 the Northern Ireland Economic Strategy identified export led economic growth as a key driver, recognising the need to increase the focus on exports whilst noting the challenge of both growing exports and diversifying into new markets.

In 2016, the NI Executive adopted an outcomes-based approach to its Programme for Government⁹ which included as one of its essential outcomes that “we prosper through a strong, regionally balanced economy”, and selling outside of Northern Ireland has a key role to play in efforts to achieve this outcome. It set a target of increasing the value of manufacturing exports by 20% and a target for investment from foreign direct investment (FDI) of £375m.

Subsequent strategic plans have continued to recognise the importance of trade and investment to the Northern Ireland economy. In March 2016 the Department for Enterprise, Trade and Investment (now the Department for the Economy) published its Export Matters Action Plan¹⁰. It noted that exporting companies generally are more productive than their non-exporting counterparts thus contributing to improving Northern Ireland’s productivity. The vision of Export Matters is:

“a Northern Ireland economy characterised by a sustainable and growing private sector, where a greater number of companies compete in more global markets, creating growing prosperity and employment for all”

Key targets contained in Export Matters are to increase sales by 33% at 2020 and 80% by 2025 against a baseline year of 2014; and, to increase the number of companies selling outside Northern Ireland to 14,000 by 2020, and 16,000 by 2025.

⁹<https://www.northernireland.gov.uk/sites/default/files/consultations/newnigov/draft-pfg-framework-2016-21.pdf>

¹⁰ <https://www.economy-ni.gov.uk/sites/default/files/publications/deti/Export%20Matters.pdf>

In addition, the latest draft of the Industrial Strategy¹¹, which includes “Succeeding in Global Markets” as one of its five priority pillars, recognises that economic success for Northern Ireland means embracing an outward facing approach, with externally focussed businesses thriving in international markets being crucial for generating strong economic outcomes in small economies. It also recognises the vital role that foreign direct investment (FDI) plays in small open economies, driving international expansion as well as contributing significantly to raising productivity and innovation activity.

¹¹<https://www.economy-ni.gov.uk/sites/default/files/consultations/economy/industrial-strategy-ni-consultation-document.pdf>

3. Northern Ireland Trade and Investment Patterns

3.1 Purchases and Imports of Goods and Services

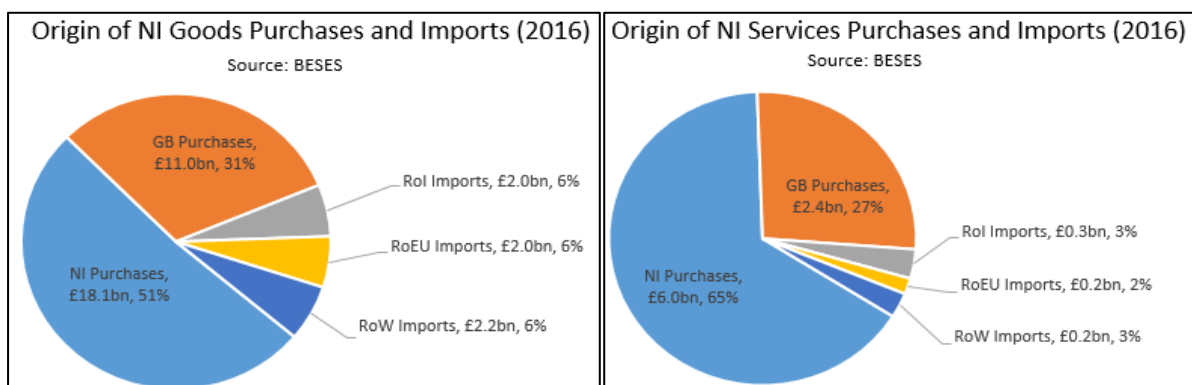
The Northern Ireland Statistics and Research Agency (NISRA) introduced the Broad Economy Sales and Exports Statistics¹² (BESES) in 2015 as a more comprehensive measure of local businesses' purchases and imports from markets outside Northern Ireland.

Total purchases by companies in Northern Ireland (NI) were estimated to be worth £44.3bn in 2016¹³, which is split into goods and services as shown in Figure 3.1.

In terms of purchase of **goods**, outside the domestic market of Northern Ireland, the origin for the majority of NI purchases and imports in 2016 was Great Britain (GB) at £11bn, followed by Rest of World (RoW) at £2.2bn, the Republic of Ireland (ROI) at £2.0bn and Rest of EU (RoEU) at £2bn.

Similarly for purchases and imports of **services**, outside the domestic market of Northern Ireland, the origin of the majority of NI purchases in 2016 was again GB at £2.4bn with ROI at £0.3bn and, RoW and RoEU at £0.2bn each.

Figure 3.1 - Broad Origin of Northern Ireland Goods and Services



¹²https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/BESES%20Background%20Information%20-%20May%202018_0.pdf

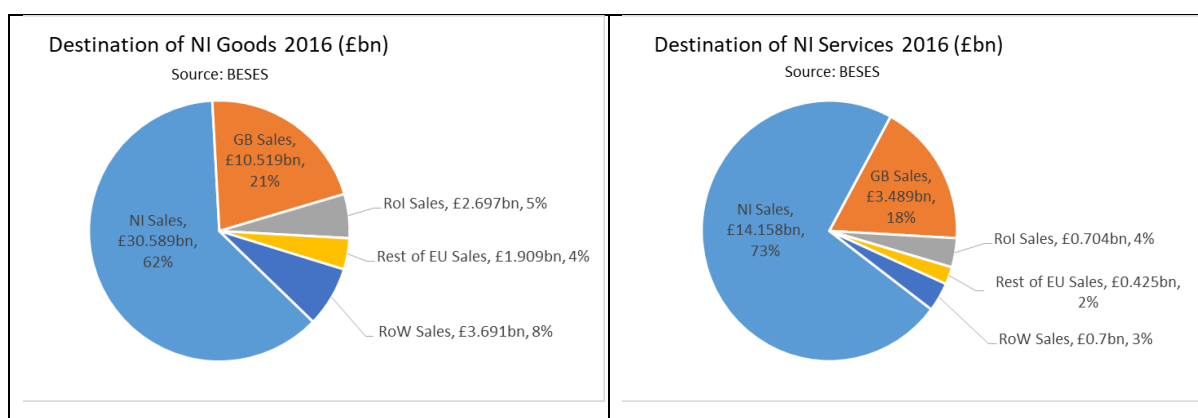
¹³<https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/BESES%20Purchases%20and%20imports%20Publication%202016%20-%20Headline%20results.pdf>

3.2 Sales of NI Goods and Services

BESES¹⁴ details that total sales by companies in Northern Ireland were estimated to be worth £68.9bn in 2016, which is split into goods and services as shown in Figure 3.2. In terms of sales of **goods**, outside the domestic market of Northern Ireland, the destination for the majority of NI sales in 2016 was GB at £10.5bn, followed by RoW at £3.7bn, RoI at £2.7bn and RoEU at £1.9bn.

By comparison for sales of **services** outside the domestic market of Northern Ireland, the destination of the majority of NI sales in 2016 was GB at £3.5bn followed by RoI at £0.7bn, RoW at £0.7bn and then RoEU sales at £0.43bn.

Figure 3.2 Broad Destination of NI Goods and Services



At a sectoral level, the following made up the majority of sales of goods and services in 2016:

- agriculture, fishing, production, construction, distribution and services;
- wholesale and retail trade; repair of motor vehicles and motorcycles; and,
- manufacturing.

Additionally by value, larger companies dominate exports but some 8,000 micro and small businesses engaged in export activity in 2016.

¹⁴<https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/BESES-Publication-2016-Headline-results-pdf.pdf>

3.3 Inward Investment

Invest Northern Ireland's International Strategy 2017 – 2021¹⁵ provides details of inward investment activity between 2012/13 and 2016/17 based on its key performance indicator data. The split of inward investment by country and sector is shown in Figures 3.3 and 3.4.

**Figure 3.3 – Inward Investment by Country into Northern Ireland:
2012-13 to 2016-17**

Country	Number of Companies	Investment £m	% Share
United States of America	34	£175.3	58%
Great Britain	37	£95.3	31%
Ireland	13	£26.5	9%
Canada	2	£2.7	1%
Other	1	£1.9	1%

Source Invest NI

**Figure 3.4 – Inward Investment by Sector into Northern Ireland:
2012-13 – 2016-17**

Sector	Number of Companies	Investment £m	% Share
Financial, Professional & Business Services	38	£187.9	62%
Digital & Creative Technologies	36	£98.3	32%
Life & Health Sciences	3	£11.5	4%
Construction	5	£2.2	1%
Advanced Engineering & Manufacturing	5	£1.9	1%

Source Invest NI

¹⁵ <https://secure.investni.com/static/library/invest-ni/documents/international-business-strategy-2017-2021.pdf>

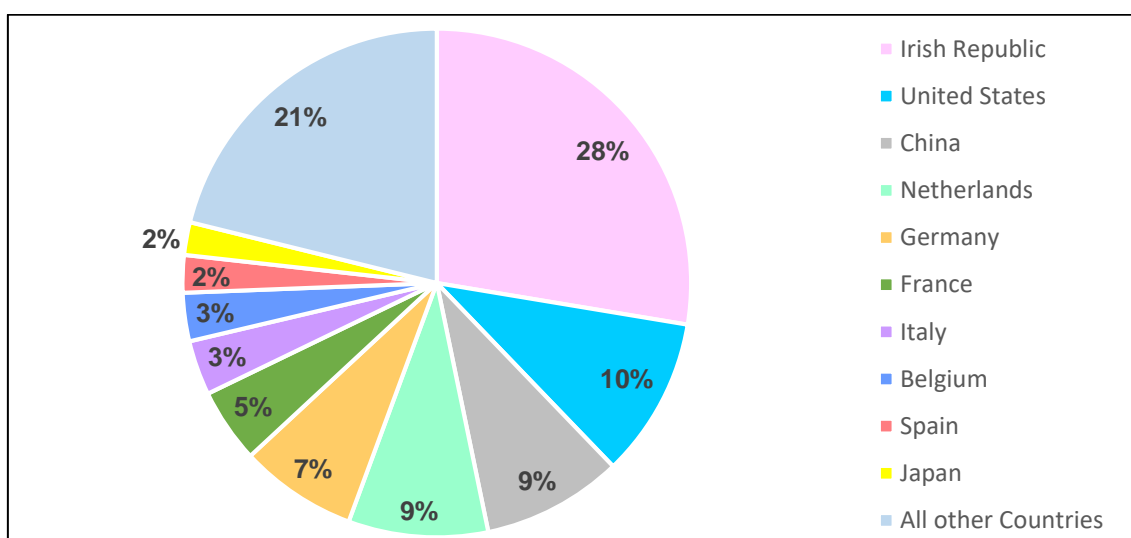
3.4 Northern Ireland Trade in Goods

It should be noted that HMRC statistics do not include purchases or sales between the UK regions and relate solely to imports and exports to and from countries outside the UK.

HMRC Regional Trade Statistics¹⁶ report that the import of goods into Northern Ireland increased by 13% in the period 2015 – 2017 to £7.4bn. The export of goods increased at a slightly faster rate of 19% to £8.5bn over the same period resulting in a trade surplus in goods of 15%.

With regards to imports, in 2017, 63% of imports into NI came from 5 countries: RoI (28%), United States (10%), China (9%), Netherlands (9%) and Germany (7%).

Figure 3.5 – Northern Ireland Imports of Goods by Origin in 2017

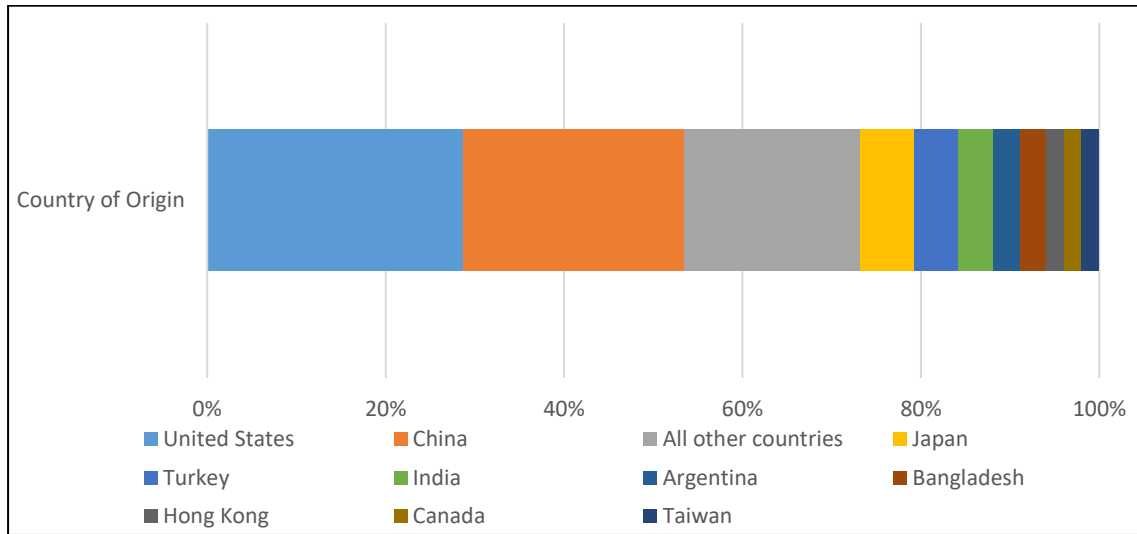


Source HMRC RTS

As a whole, the EU represents the largest source of the majority of imports of 65% with ROW at 35%. The split of imports from RoW countries is shown in Figure 3.6 with Figure 3.7 showing the split of RoW imports by sector (SITC1).

¹⁶ <https://www.uktradeinfo.com/Statistics/RTS/Pages/RTSArchive.aspx>

Figure 3.6 – Northern Ireland Imports by Origin from RoW Countries 2017

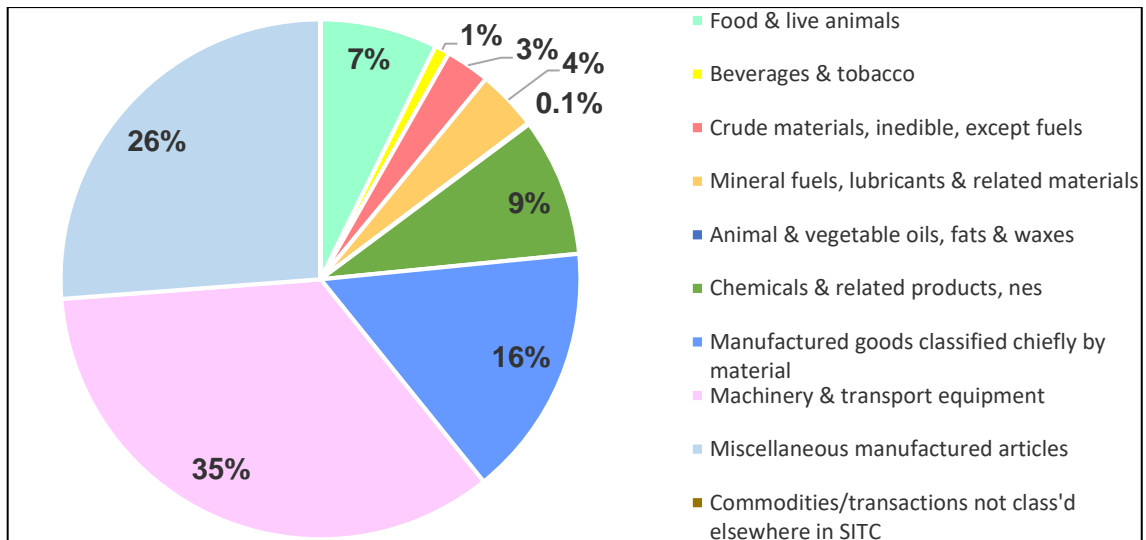


Source HMRC RTS

At a sectoral level (SITC1), 4 sectors accounted for 86% of NI imports from the RoW, namely:

- machinery and transport equipment (35%);
- miscellaneous manufactured articles (26%);
- manufactured goods classified chiefly by material (16%); and,
- chemicals (9%).

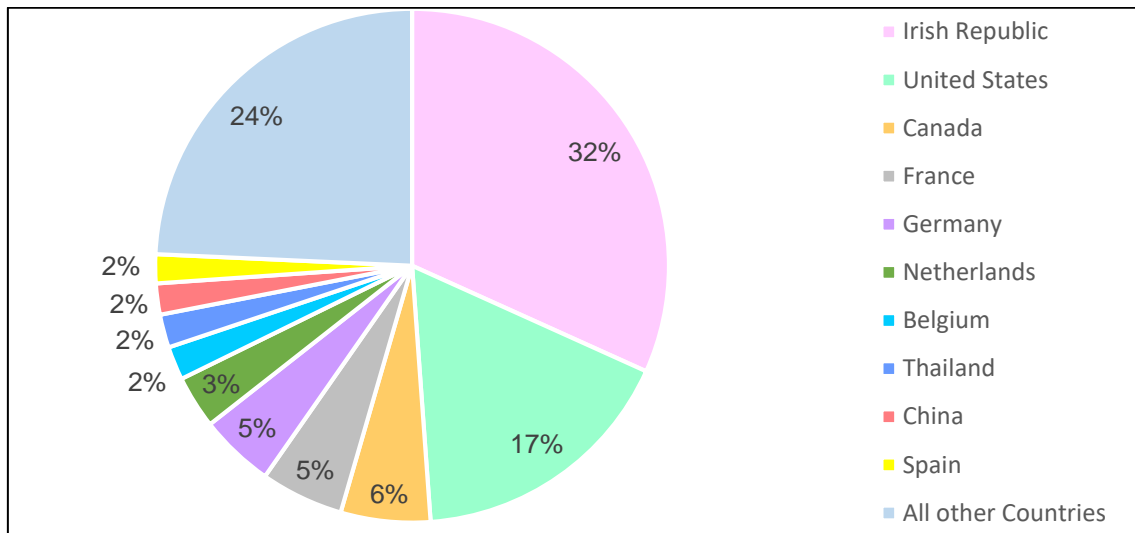
Figure 3.7 – Northern Ireland Imports by Sector (SITC1) from RoW 2017



Source HMRC RTS

In terms of export of goods 56% of goods went to the EU and 44% to the RoW. As shown in Figure 3.8, 65% of NI exports went to 5 countries: RoI (32%), United States (17%), Canada (6%), France (5%) and Germany (5%).

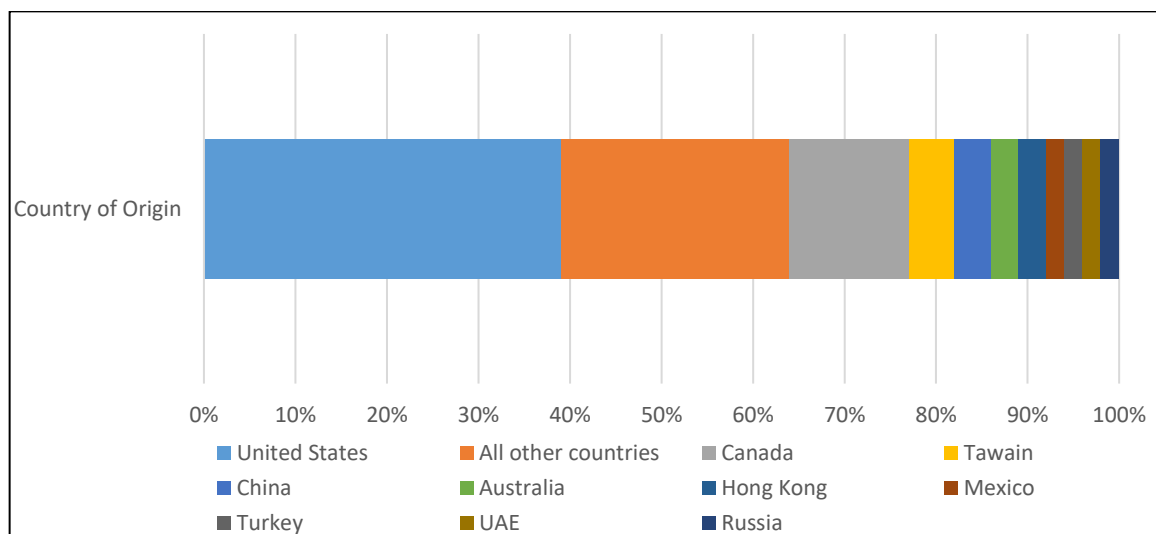
Figure 3.8 – Northern Ireland Exports of Goods by Destination in 2017



Source HMRC RTS

NI exports to RoW countries increased by 15% from £3.3bn in 2015 to £3.7bn in 2017. Five countries accounted for 64% of RoW exports in 2017 – USA (39%), Canada (13%), Thailand (5%), China (4%) and Australia (3%).

Figure 3.9 – Northern Ireland Exports by Destination to RoW Countries in 2017

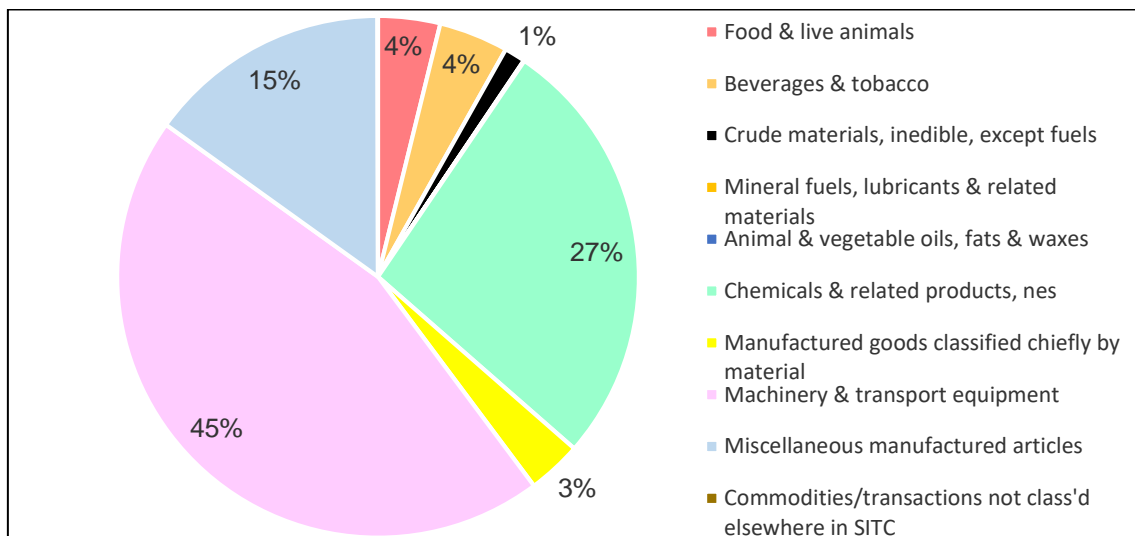


Source HMRC RTS

At a sectoral level (SITC1), 3 sectors accounted for 87% of NI exports to RoW countries:

- machinery and transport equipment (45%);
- chemicals (27%); and,
- miscellaneous manufactured articles (15%).

Figure 3.10 – Northern Ireland Exports by Sector (SITC1) to RoW in 2017



Source HMRC RTS

4. Trade and Investment with Australia

4.1 Background

DIT has established a UK-Australia Trade working group with the Australian Government's Department for Foreign Affairs and Trade (DFAT). There have been a number of meetings to date¹⁷ as the potential for a future FTA is explored.

Australia has recently opened up negotiations regarding a FTA with the EU. Consequently the EU has published a number of documents including an *inception impact assessment*¹⁸ and *impact assessment*¹⁹.

The UK Government's consultation document details DIT's position on the benefits of FTAs, the type of provisions likely to be negotiated and agreed as part of a FTA and also some statistical evidence of UK/Australia trade flows.

DIT is seeking stakeholder feedback on a potential FTA with Australia.

The Australian market

Australian goods industry value added GDP makes up 24.3% of total value added GDP, greater than UK's 20.2%. The agriculture value added GDP is also proportionally greater than UK (0.6%) at 2.6%.

The World Bank ranks countries on their ease of doing business from 1 to 190. Australia is ranked at 14, compared to the UK at 7 and New Zealand at 1²⁰. As set out in the DIT consultation document, restrictiveness may arise for a number of reasons including sanitary and phytosanitary measures, technical barriers to trade and quantitative restrictions.

¹⁷ <https://www.gov.uk/government/news/uk-australia-trade-working-group-joint-statement>

¹⁸ http://ec.europa.eu/smart-regulation/roadmaps/docs/2015_trade_040_aus_nz_trade_agreement_en.pdf

¹⁹ <http://ec.europa.eu/transparency/regdoc/rep/10102/2017/EN/SWD-2017-293-F1-EN-MAIN-PART-1.PDF>

²⁰ <http://www.doingbusiness.org/rankings>

The Australian Services sector accounts for approximately 73% of value added GDP, in comparison to the UK's at 79%. The OECD Services Trade Restrictiveness Index²¹ (STRI), measures countries' restrictiveness to services trade at rates between 0 (open market) to 1 (closed market). According the STRI Australia is rated as 0.24, compared to 0.18 for the UK. The OECD average is 0.22. Barriers to services trade predominantly arise from higher regulatory requirements. The greatest OECD STRI values in Australia occur in courier services, air transport, and logistics (cargo).

According to DFAT, Australia has a number of free trade agreements in force or being ratified including with New Zealand, Chile, China, Japan Republic of Korea, Malaysia, Singapore, Thailand, US and CPTPP.²²

4.2 Trade in Goods

As set out in the DIT consultation document Australia has a historic trading relationship with the UK. The goods trade surplus has remained constant over the last 10 years with the UK continuing to export a higher quantity of goods than it imports. Total UK trade in goods with Australia amounted to £7.3bn in 2017.²³

Northern Ireland has well-established economic links with Australia with total goods trade equating to £154m in 2017, a rise of 59% since 2015.

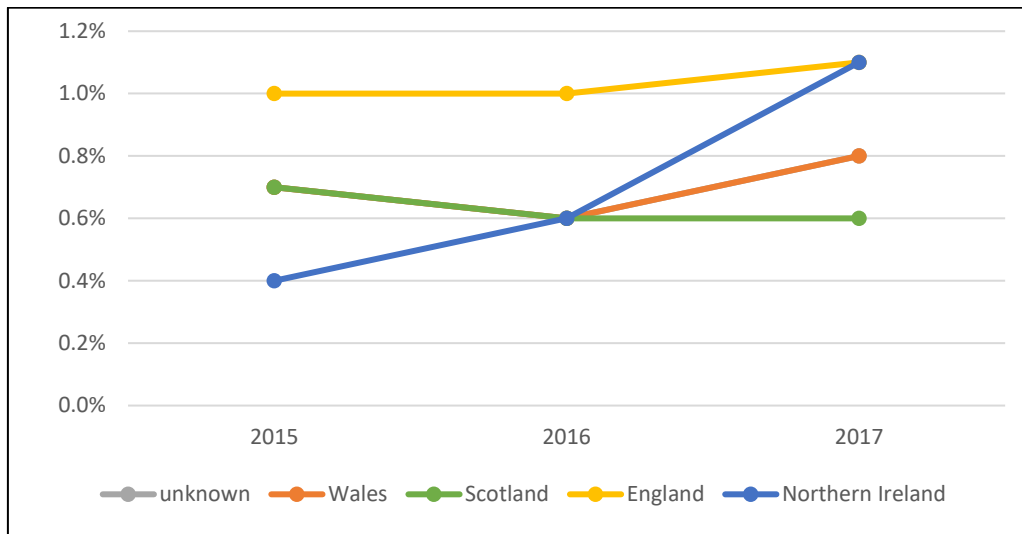
NI imports from Australia have more than trebled from 2015 to £29 million in 2017. As a result the share of NI RoW imports from Australia has grown from 0.4% in 2015 to 1.1% in 2017, whereas England, Scotland and Wales have remained relatively constant, as shown in Figure 4.1.

²¹ <https://stats.oecd.org/Index.aspx?DataSetCode=STRI>

²² <https://dfat.gov.au/trade/agreements/Pages/trade-agreements.aspx>

²³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727815/PDF_Information_note_on_Australia.pdf

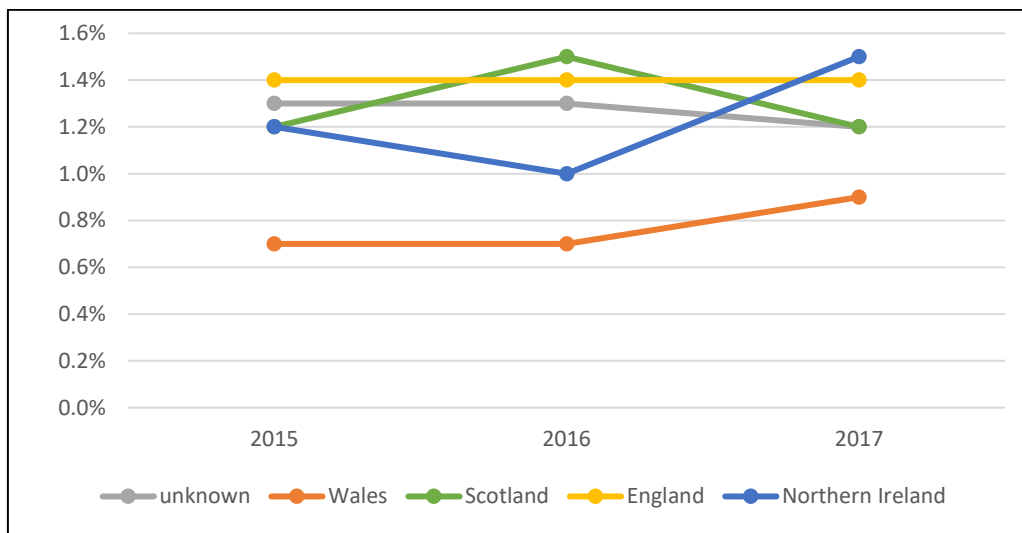
Figure 4.1 – Share of UK RoW imports from Australia by region 2015-2017 (%)



Source HMRC RTS

Northern Ireland had also the highest percentage share of UK RoW exports to Australia in the UK in 2017 (3.3%) compared to England (2.8%), Scotland (2.4%) and Wales (2.4%).

Figure 4.2 – Share of UK RoW exports to Australia by region 2015-2017 (%)



Source HMRC RTS

4.3 Trade in Goods by Sector (SITC1)

As shown in figures 4.3 and 4.4, NI trade with Australia covers a number of sectors. Mineral fuels and beverages and tobacco sectors accounted for 65% of NI imports from Australia in 2017. Whilst mineral fuels accounted for 46% of NI imports from Australia, which was broadly similar to Wales, this sector represented just 6% for England and 3% for Scotland with manufactured goods classified chiefly by material, machinery and transport equipment and beverages and tobacco being the greater sectors.

Figure 4.3 – Total NI Import of Goods from Australia by Sector (SITC1) in 2017

SITC1 Code	2017 (£M)	%
Mineral fuels, lubricants & related materials	£13.5	45.8%
Beverages & tobacco	£5.7	19.6%
Crude materials, inedible, except fuels	£4.3	14.7%
Machinery & transport equipment	£2.7	9.3%
Miscellaneous manufactured articles	£1.2	4.2%
Food & live animals	£0.9	3.0%
Manufactured goods classified chiefly by material	£0.8	2.6%
Chemicals & related products, nes	£0.2	0.7%
Commodities/transactions not class'd elsewhere in SITC	£0.0	0.2%
Total	£29.4	100%

Source HMRC RTS

Whilst key export sectors across all regions were machinery and transport equipment, chemicals and related products and miscellaneous manufactured articles, machinery and transport accounted for 61% of NI exports to Australia, which was a higher proportion than England (52%), Scotland (25%) and Wales (49%).

Figure 4.4 – Total NI Export of Goods to Australia by Sector (SITC1) in 2017

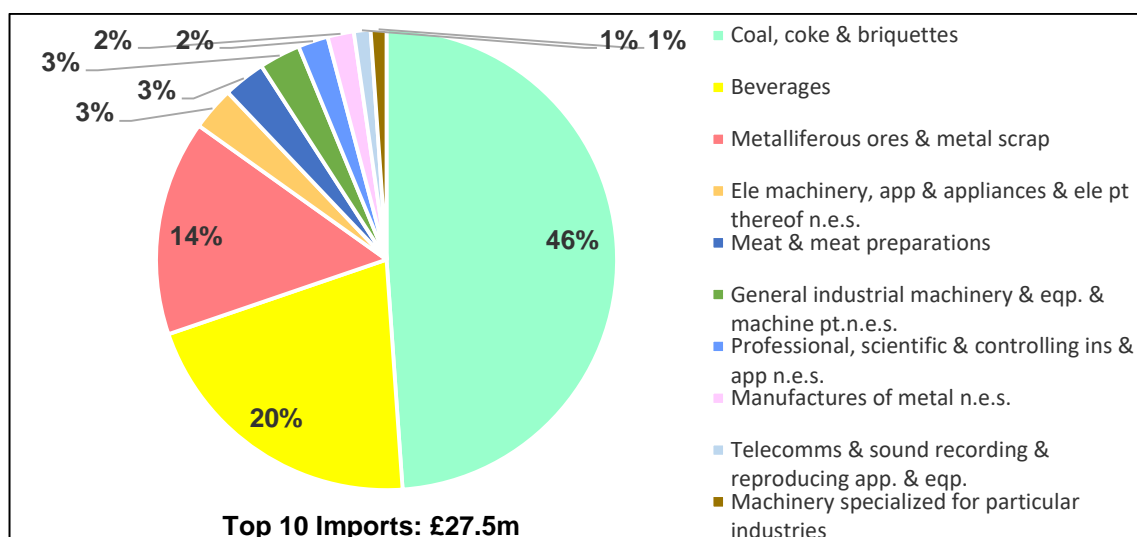
SITC1 Code	2017 (£M)	%
Machinery & transport equipment	£75.7	60.5%
Chemicals & related products, nes	£27.4	21.9%
Food & live animals	£7.3	5.9%
Miscellaneous manufactured articles	£7.3	5.8%
Beverages & tobacco	£4.5	3.6%
Manufactured goods classified chiefly by material	£2.6	2.0%
Crude materials, inedible, except fuels	£0.2	0.2%
Mineral fuels, lubricants & related materials	£0.1	0.1%
Total	£125.0	100%

Source HMRC RTS

4.4 Trade in Goods by Sub Sector (SITC2)

At a subsector level, Figure 4.5 shows, that coal, oil and briquettes and beverages sectors accounted for 66% of NI imports from Australia in 2017. The top 10 sub sectors accounted for 94% of NI goods imports from Australia.

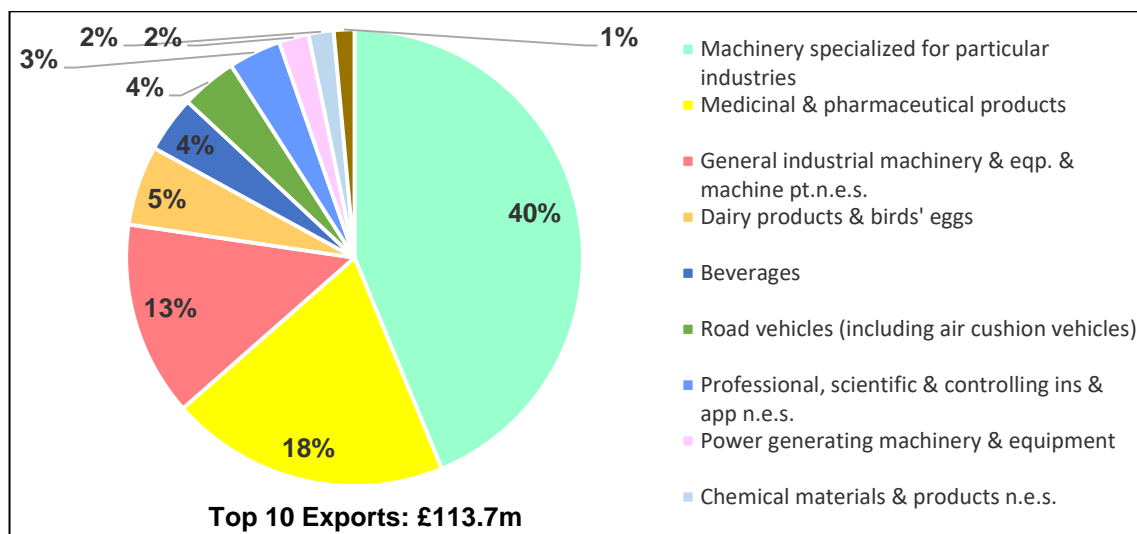
Figure 4.5 – Top 10 NI Imports from Australia by Sub-sector (SITC2) in 2017



Source HMRC RTS

On the other hand machinery and medicinal & pharmaceutical products sectors accounted for 58% of NI goods exports to Australia in 2017. The top 10 sub sectors accounted for 91% of NI goods exports to Australia.

Figure 4.6 – Top 10 NI Exports to Australia by Sub-sector (SITC2) in 2017



Source HMRC RTS

4.6 Trade in Services

The UK total service trade with Australia in 2017 was £7.7bn with a historic trade surplus. As detailed in the consultation document, the UK and Australia have some similarities in services trade. The top 3 UK service imports from Australia are travel, other business services and transport and the top 3 UK service exports to Australia are travel, transport, other business services.²⁴

In terms of Northern Ireland, there is limited data detailing services trade with Australia, however sources indicate around £28m of NI services were exported to Australia in 2016.

4.7 Foreign Direct Investment

Beyond the picture for trade, Australia has invested £4.9m in Northern Ireland in the last 10 years most of which can be attributed to investments of £4.7m in 2015.²⁵

²⁴ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727815/PDF_Information_note_on_Australia.pdf

²⁵ <http://report.fdiintelligence.com/>

5. Trade and Investment with New Zealand

5.1 Background

DIT has established a UK-NZ Trade working group with New Zealand's Ministry for Foreign Affairs and Trade (MFAT). There have been a number of meetings to date²⁶ with a UK and New Zealand as the potential for a future free trade agreement is explored.

New Zealand has recently opened up negotiations regarding a FTA with the EU. Consequently the EU has published a number of documents including an *inception impact assessment*²⁷ and *impact assessment*²⁸.

The UK government's consultation document details DIT's position on the benefits of free trade agreements, the type of provisions likely to be negotiated and agreed as part of an FTA and also some statistical evidence of UK trade flows with New Zealand.

DIT is seeking stakeholder feedback on a potential free trade agreement with New Zealand.

The New Zealand market

New Zealand industry value added GDP makes up 21.8% total value added GDP, greater than UK's 20.2%. The agriculture value added GDP is also proportionally greater than UK (0.6 %) at 6.8%.

The World Bank ranks countries on their ease of doing business from 1 -190. New Zealand is ranked as 1 compared to the UK at 7 and Australia at 14²⁹. As set out in the DIT consultation document, restrictiveness may arise for a number of reasons

²⁶ <https://www.gov.uk/government/news/joint-statement-on-the-uk-new-zealand-trade-policy-dialogue>

²⁷ http://ec.europa.eu/smart-regulation/roadmaps/docs/2015_trade_040_aus_nz_trade_agreement_en.pdf

²⁸ <http://ec.europa.eu/transparency/regdoc/rep/10102/2017/EN/SWD-2017-293-F1-EN-MAIN-PART-1.PDF>

²⁹ <http://www.doingbusiness.org/rankings>

including technical barriers to trade, sanitary and phytosanitary, measures and quantitative restrictions.

The New Zealand Services sector accounts for approx. 71.4% of value added GDP, in comparison to the UK at 79%. The OECD Services Trade Restrictiveness Index³⁰ (STRI), measures countries' restrictiveness to services trade at rates between 0 (open market) to 1 (closed market). According to STRI, New Zealand is rated as 0.3, compared to 0.18 for the UK. The OECD average of 0.22. Barriers to services trade predominantly arise from higher regulatory requirements. The greatest OECD STRI values in New Zealand occur in courier services, air transport, logistics (cargo, customs, storage, freight) and courier services.

According to MFAT, New Zealand has a number of free trade agreements in force or being ratified including with China, Australia, Philippines, Thailand, Singapore, Laos, Vietnam, Myanmar, Hong Kong Malaysia Korea, P4 (Brunei, Chile), CPTPP and Gulf Cooperation Council³¹.

5.2 Trade in Goods

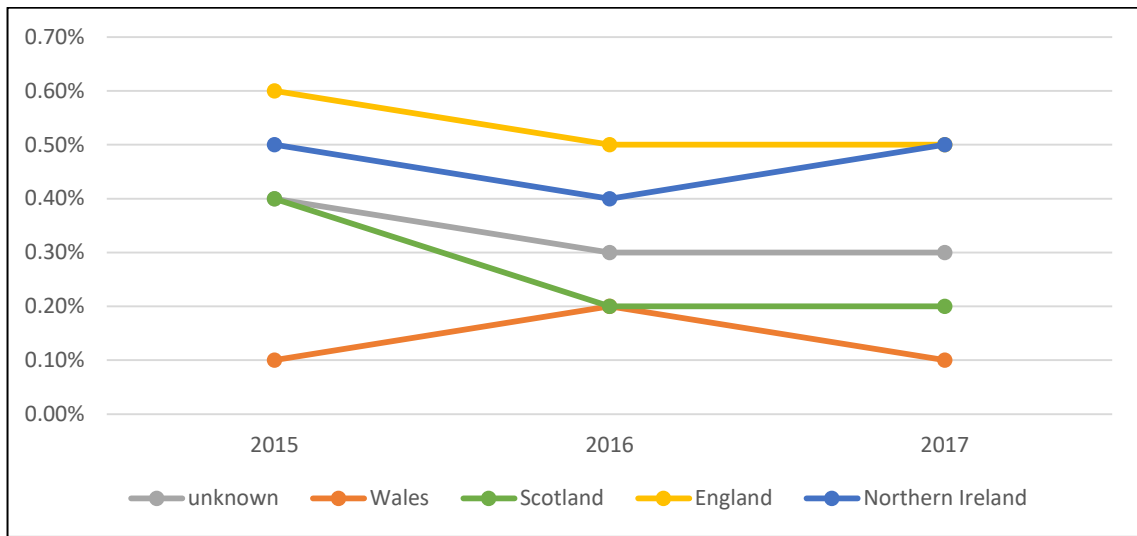
As set out in the DIT consultation document New Zealand has a historic trading relationship with the UK. The UK goods trade deficit has gradually declined over the last 10 years with the growth of UK exports to New Zealand. Northern Ireland has well-established economic links with New Zealand with goods trade equating to £37m, a rise of 18% since 2015.

NI and England had the highest share of UK RoW imports from New Zealand in 2017, at 0.5%, which was greater than Scotland (0.2%) and Wales (0.1%).

³⁰ <https://stats.oecd.org/Index.aspx?DataSetCode=STRI>

³¹ <https://www.mfat.govt.nz/en/trade/free-trade-agreements/free-trade-agreements-in-force/>

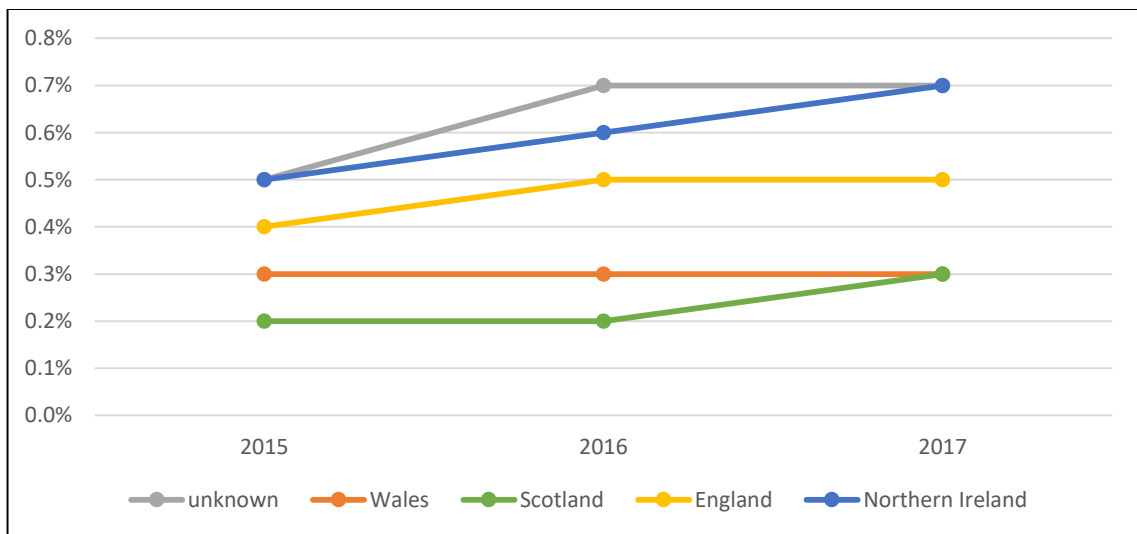
Figure 5.1 – Share of UK RoW Imports from New Zealand by Region 2015-2017 (%)



Source HMRC RTS

NI had also the highest percentage share of UK RoW exports to New Zealand in 2017 (0.7%) compared to England (0.5%), Scotland (0.3%) and Wales (0.3%).

Figure 5.2 – Share of UK RoW Exports to New Zealand by Region 2015-2017



Source HMRC RTS

5.3 Trade in Goods by Sector (SITC1)

As shown in Figures 5.3 and 5.4, the NI trade with New Zealand covers a number of sectors. Food and live animals and beverages and tobacco sectors accounted for 78% of NI imports from New Zealand in 2017. Of this food and live animals accounted for 44% of NI imports from New Zealand, the same as England, but greater than Scotland (3%) and Wales (24%).

Figure 5.3 – Total NI Import of Goods from New Zealand by Sector (SITC1) in 2017

SITC1 Code	2017 (£M)	%
Food & live animals	£5.5	44.4%
Beverages & tobacco	£4.2	34.0%
Miscellaneous manufactured articles	£0.9	7.6%
Crude materials, inedible, except fuels	£0.9	7.4%
Machinery & transport equipment	£0.6	5.1%
Chemicals & related products, nes	£0.1	0.8%
Manufactured goods classified chiefly by material	£0.1	0.7%
Total	£12.3	100%

Source HMRC RTS

In terms of exports, 84% of NI exports to New Zealand were made up of machinery and transport equipment and chemicals sectors. Machinery and transport accounted for 62% of NI exports to New Zealand, the same as England however greater than Scotland (47 %) and Wales (38%).

Figure 5.4 – Total NI Export of Goods to New Zealand by Sector (SITC1) in 2017

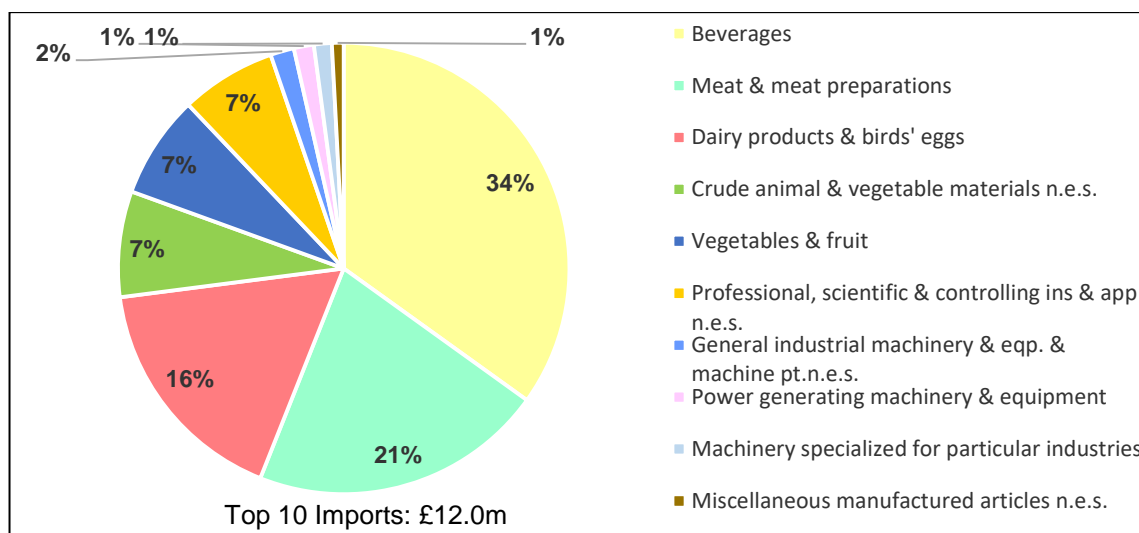
SITC1 Code	2017 (£M)	%
Machinery & transport equipment	£15.5	62.2%
Chemicals & related products, nes	£5.3	21.4%
Miscellaneous manufactured articles	£2.8	11.2%
Manufactured goods classified chiefly by material	£0.6	2.4%
Beverages & tobacco	£0.3	1.3%
Crude materials, inedible, except fuels	£0.3	1.1%
Mineral fuels, lubricants & related materials	£0.1	0.3%
Food & live animals	£0.1	0.2%
Total	£24.9	100%

Source HMRC RTS

5.4 Trade in Goods by Sub Sector (SITC2)

For New Zealand imports at a subsector level, as Figure 5.4 shows, the meat and beverages sector accounted for 55% of NI imports from New Zealand in 2017. The top 10 sub sectors accounted for 97% of NI imports from New Zealand.

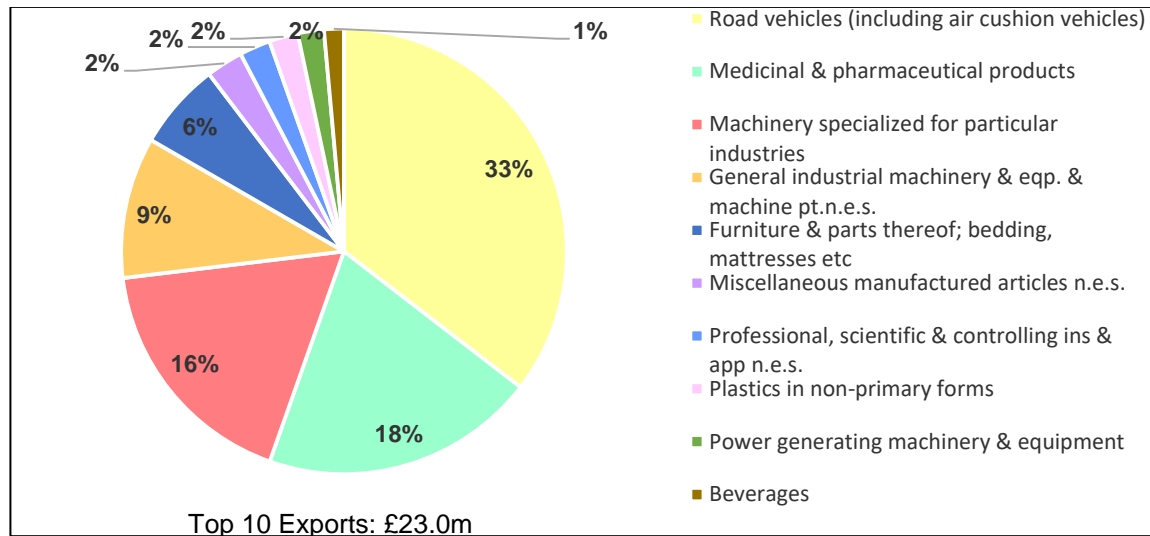
Figure 5.5 – Top 10 NI Import of Goods from New Zealand by Sub-sector (SITC2) in 2017



Source HMRC RTS

Road vehicles and medicinal and pharmaceutical products sectors accounted for just over half of NI exports in 2017. The top 10 sub sectors accounted for 92% of NI exports to New Zealand.

Figure 5.6 – Top 10 NI Export of Goods to New Zealand by Sub-sector (SITC2) in 2017



Source HMRC RTS

5.5 Trade in Services

The UK total service trade with New Zealand in 2017 was just under a £1bn with a continuing trade surplus. As detailed in the DIT consultation document, the UK and New Zealand have some similarities in services trade. The top 3 UK service imports from New Zealand are travel, other business services and transport and the top 3 UK service exports to Australia are travel, transport and telecoms, computers and IT.³²

In terms of Northern Ireland, there is limited data detailing services trade with New Zealand, however sources indicate around £4m of NI service exports went to New Zealand in 2016.

5.6 Foreign Direct Investment

There is no recorded investment in Northern Ireland from New Zealand over the last 10 years.³³

³² https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727812/PDF_Information_note_on_New_Zealand.pdf

³³ <http://report.fdiintelligence.com/>

6. Trade and Investment with the USA

6.1 Background

DIT has established a UK-US Trade working group with the US Trade Representative (USTR). There have been a number of meetings to date with a focus on continuity of existing arrangements post EU Exit and exploring the potential for a future FTA³⁴. In addition to trade in goods and services discussion topics have included a variety of areas such investment, digital trade, environment, labour, sustainable development and small and medium enterprises.

The UK Government's consultation document details DIT's position on the benefits of FTAs, the type of provisions likely to be negotiated and agreed as part of a FTA and also some statistical evidence of UK/US trade flows.

DIT is seeking stakeholder feedback on a potential free trade agreement with the US.

The US market

US industry value added GDP makes up 20% of total value added GDP, broadly equivalent to UK.³⁵

The World Bank ranks countries on their ease of doing business from 1 - 190. The USA is ranked at 6, which compares to the UK at 7 and New Zealand at 1.³⁶ As set out in the DIT consultation document, restrictiveness may arise for a number of reasons including technical barriers to trade, tariff rate quotas, sanitary and phytosanitary measures and quantitative restrictions.

The US Services sector accounts for approximately 79% of value added GDP, generally analogous with the UK. The OECD Services Trade Restrictiveness Index³⁷

³⁴ <https://www.gov.uk/government/news/us-uk-trade-working-group-lays-groundwork-for-potential-future-free-trade-agreement>

³⁵ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727810/PDF_Information_note_on_United_States.pdf

³⁶ <http://www.doingbusiness.org/rankings>

³⁷ <https://stats.oecd.org/Index.aspx?DataSetCode=STRI>

(STRI), measures countries' restrictiveness to services trade at rates between 0 (open market) to 1 (closed market). According to STRI, the USA is rated as 0.24, compared to 0.18 for the UK. The OECD average is 0.22. Barriers to services trade predominantly arise from higher regulatory requirements. The greatest OECD STRI values in the US occur in air transport, courier services and maritime transport.

According to USTR, the USA has established free trade agreements with the following countries: Australia, Bahrain, Canada, Chile, Columbia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, Korea, Mexico, Morocco, Nicaragua, Oman, Panama, Peru and Singapore.³⁸

6.2 Trade in Goods

As set out in the DIT consultation document the USA is a significant trading partner for the UK. The goods trade surplus has remained constant over the last 10 years with the UK continuing to export a higher quantity of goods to the US than it imports. Total UK trade in goods with US amounted to £90bn in 2017.³⁹

Northern Ireland has well-established economic links with the USA with 10% of NI's total imports coming from the US, which is higher than the UK average of 8%.

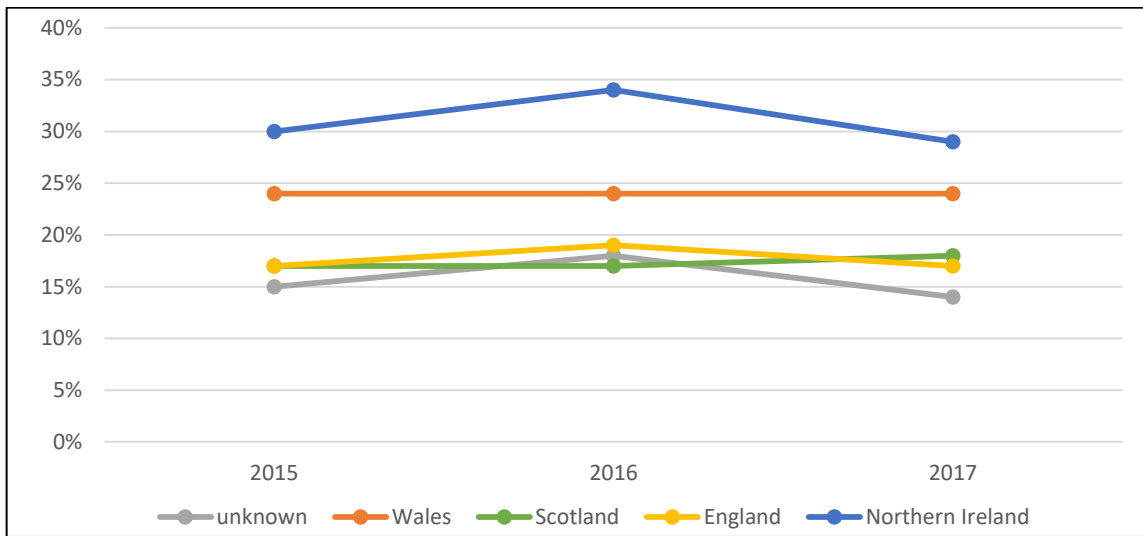
In terms of exports the USA is NI's second largest goods export market (after RoI), accounting for £1.4bn of sales in 2017. Exports to the USA equates to 17% of total NI manufacturing exports, in comparison to the UK average of 14%.

In 2017 the share of NI RoW imports from the USA were 29%, proportionally greater than England (17%), Scotland (18%) and Wales (24%).

³⁸ <https://ustr.gov/trade-agreements/free-trade-agreements>

³⁹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727810/PDF_Information_note_on_United_States.pdf

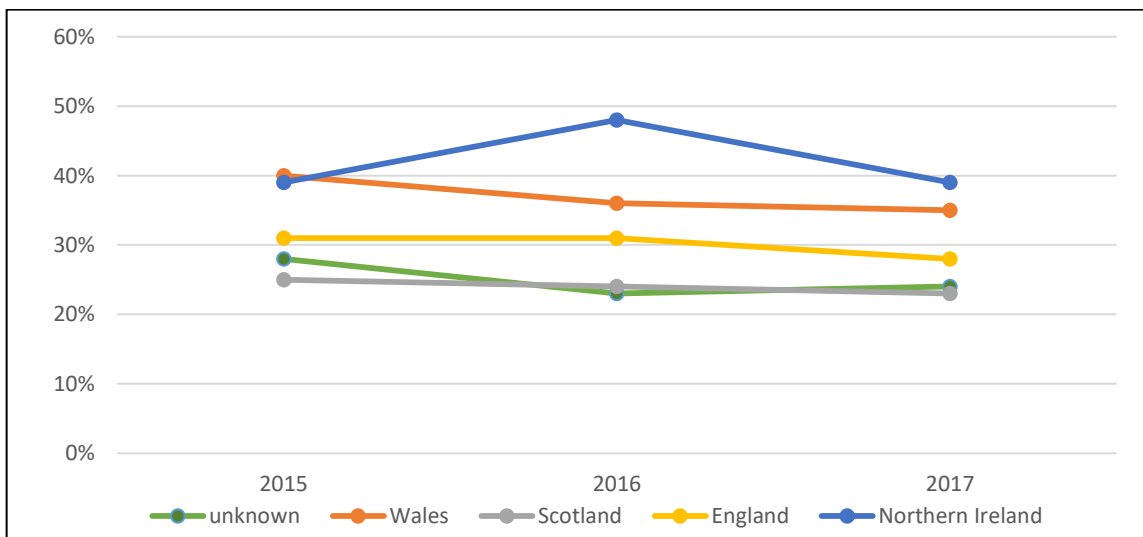
Figure 6.1 – Share of UK RoW Imports from USA by Region 2015-2017 (%)



Source HMRC RTS

NI also had the highest share of UK RoW exports to the USA in 2017 (39%) compared to England (28%), Scotland (23%) and Wales (35%).

Figure 6.2 – Share of UK RoW Exports to USA by Region 2015-2017 (%)



Source HMRC RTS

6.3 Trade in Goods by Sector (SITC1)

Figures 6.3 and 6.4 set out the sectoral composition of NI imports from and exports to the USA. The top 3 sectors of trade are machinery and transport equipment; chemicals and related products; and miscellaneous manufactured articles which cumulatively account for 87% and 91% of NI imports and exports respectively.

Machinery and transport equipment made up 58% of NI goods imports from the USA in 2017, which was less than Scotland (64%) but greater than England (51%) and Wales (49%).

Figure 6.3 – NI Imports from the USA by Sector (SITC1) in 2017

	2017 (£M)	%
Machinery & transport equipment	£436.9	57.6%
Chemicals & related products, nes	£118.3	15.6%
Miscellaneous manufactured articles	£101.6	13.4%
Manufactured goods classified chiefly by material	£58.8	7.8%
Food & live animals	£20.4	2.7%
Mineral fuels, lubricants & related materials	£10.7	1.4%
Crude materials, inedible, except fuels	£9.0	1.2%
Beverages & tobacco	£2.8	0.4%
Animal & vegetable oils, fats & waxes	£0.1	0.0%
Total	£758.4	100%

Source HMRC RTS

For exports, chemicals & related products accounted for 46% of NI goods exports to the USA in 2017, however for England, Scotland and Wales, this sector made up 17.4%, 10.5% and 13.1% of exports to the USA respectively.

Figure 6.4 – NI Exports to the USA by Sector (SITC1) in 2017

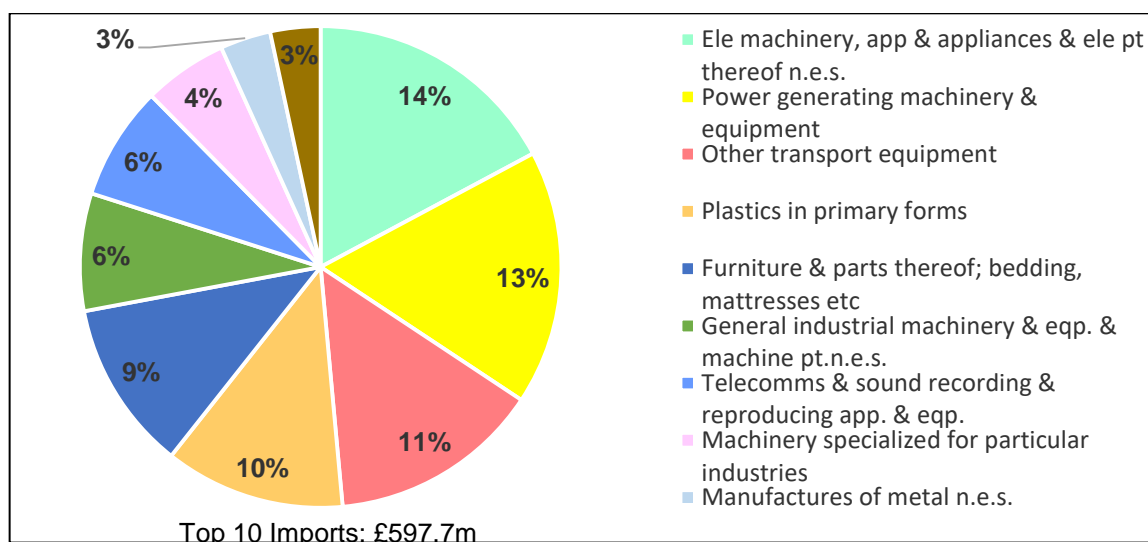
NI exports to US by sector (SITC1)	2017 (£M)	%
Chemicals & related products, nes	£679.0	46.0%
Machinery & transport equipment	£362.9	25.0%
Miscellaneous manufactured articles	£290.5	20.0%
Beverages & tobacco	£70.5	5.0%
Manufactured goods classified chiefly by material	£51.1	3.0%
Food & live animals	£8.1	1.0%
Commodities/transactions not class'd elsewhere in SITC	£0.4	0.0%
Crude materials, inedible, except fuels	£0.3	0.0%
Total	£1,462.9	100%

Source HMRC RTS

6.4 Trade in Goods by Sub-sector (SITC2)

At a subsector level, as Figure 6.5 shows, power generating machinery and appliances accounted for 27% of NI goods imports from the USA in 2017. Overall, the top 10 sub-sectors accounted for 79% of NI imports from the USA.

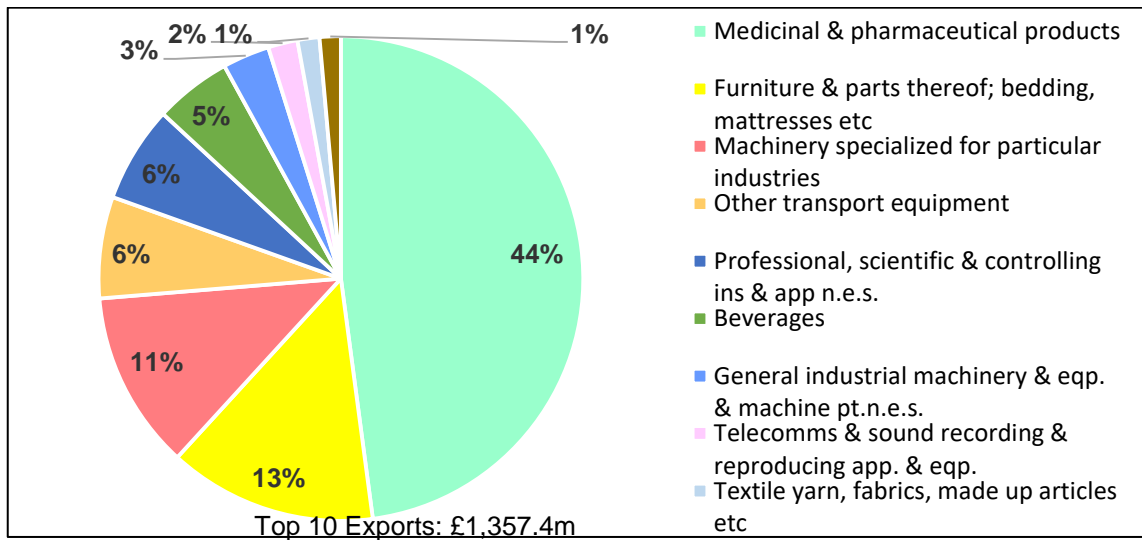
Figure 6.5 – Top 10 NI Imports from the USA by Sub-sector (SITC2) in 2017



Source HMRC RTS

For exports, medicinal and pharmaceutical products sector attributed to 44% of NI goods exports to the USA in 2017. The top 10 sub sectors provided 93% of exports to the USA.

Figure 6.6 – Top 10 NI Exports to the USA by Sub-sector (SITC2) in 2017



Source HMRC RTS

6.5 Trade in Services

The UK total service trade with the USA has doubled in the last decade from £49bn to £94bn and the UK is in a trade surplus. As detailed in the consultation document, the UK and USA have some similarities in services trade. The top 3 UK service imports from the USA are other business services, financial services and transport services and the top 3 UK service exports to the USA are other business services, travel and financial services⁴⁰.

Sources indicate that NI exported around £574m of services to the USA in 2016.

6.6 Foreign Direct Investment

Beyond the picture for trade, sustained levels of inward investment into Northern Ireland by US companies has been a driver of economic growth here for many years. Over the last 10 years investment from the US totals approximately £1.8bn⁴¹.

⁴⁰https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727810/PDF_Information_note_on_United_States.pdf

⁴¹<http://report.fdiintelligence.com/>

7. Trade with Comprehensive and Progressive Agreement for Trans-Pacific Partnership Countries

7.1 Background

DIT is consulting on potential accession to the CPTPP. CPTPP is a trading bloc comprising 11 countries Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam. It represents around 500 million people with a combined GDP of \$12.5tr.

The UK Government's consultation document details DIT's position on the benefits of free trade agreements, the type of provisions likely to be negotiated and agreed as part of accession to CPTPP and also some statistical evidence of UK trade flows with the CPTPP trading bloc⁴².

UK Government is seeking stakeholder feedback on potential accession to the CPTPP.

CPTPP market

The CPTPP bloc industry total GDP amounted to £12.5tr, approximately 13% of global GDP. The World Bank ranks countries on their ease of doing business from 1 - 190. New Zealand was ranked at 1, close to Singapore at 2. Australia and Canada were ranked at 14 and 18 respectively. The remaining countries ranked lower - Malaysia (24), Japan (34), Mexico (49), Chile (55), Brunei (56), Peru (58) and Vietnam 68.⁴³

7.2 Trade in Goods

As set out in the DIT consultation document the members of the CPTPP bloc have a historic trading relationship with the UK. The goods trade deficit has gradually

⁴²https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727814/PDF_Information_note_on_CPTPP.pdf

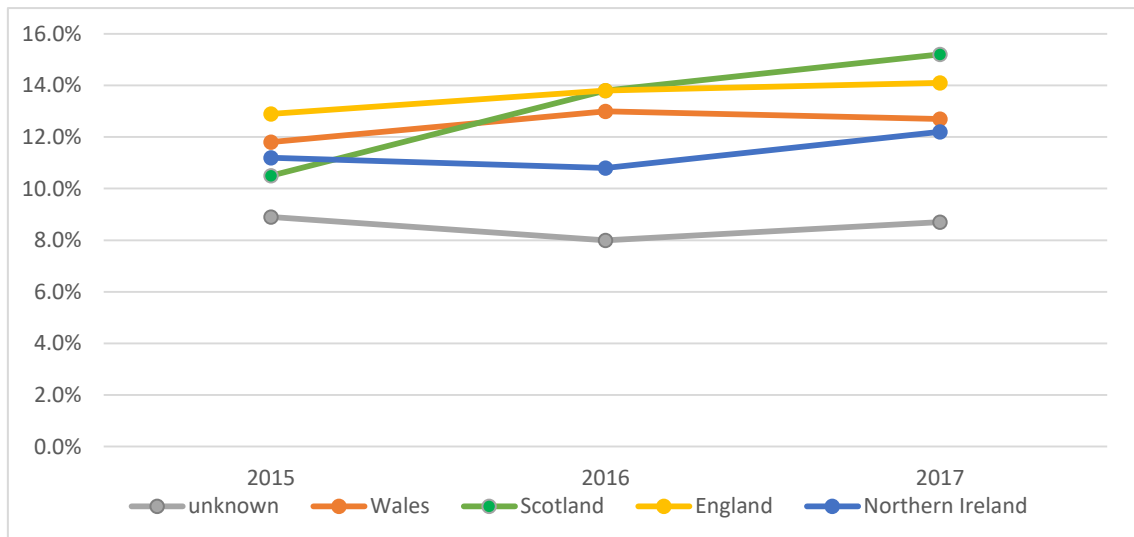
⁴³ <http://www.doingbusiness.org/rankings>

declined over the last 10 years with UK exports to CPTPP countries increasing by 42% over the same period.⁴⁴

NI imported goods from CPTPP countries totaled £322m in 2017, an increase of 16.5% since 2015. This was 4.3% of NI total goods imports in 2017. NI goods exports to CPTPP countries increased by 23% to £886m between 2015 and 2017. This represented 10.4% of NI total exports in 2017.

As shown in Figure 7.1, the share of NI RoW imports from the CPTPP bloc from 2015 to 2017 has been generally lower than England, Scotland and Wales.

Figure 7.1 Share of UK RoW Imports from CPTPP Countries by Region 2015-2017

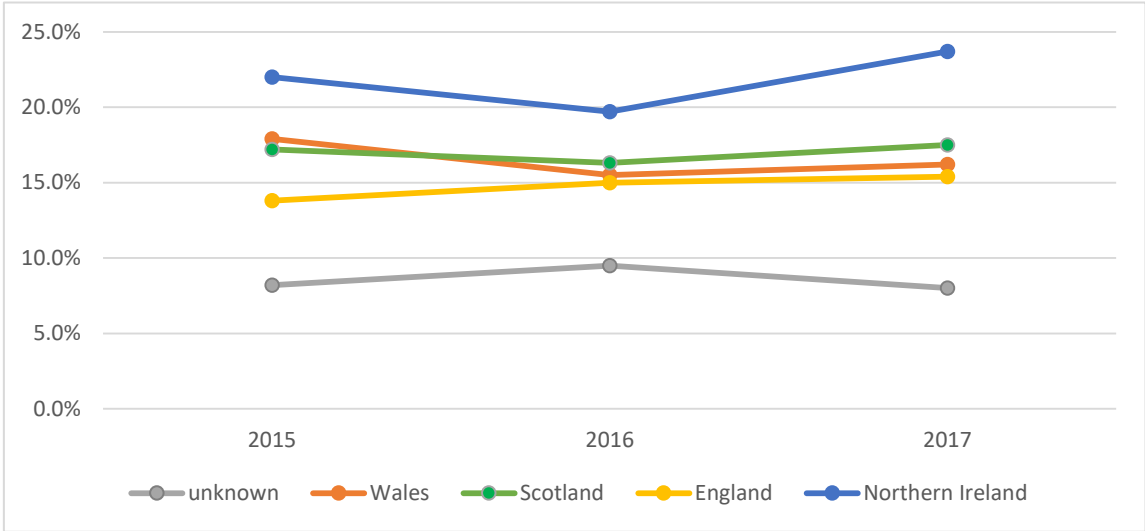


Source HMRC RTS

By comparison, Figure 7.2 shows that from 2015-2017 NI had the highest percentage share of RoW exports to CPTPP countries in 2017 (23.7%) compared to England (15.4%), Scotland (17.5%) and Wales (16.2%).

⁴⁴https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727814/PDF_Information_note_on_CPTPP.pdf

Figure 7.2 Share of UK RoW Exports from CPTPP Countries by Region 2015-2017



Source HMRC RTS

7.3 Trade in Goods by Sector (SITC1)

As shown in Figures 7.3 and 7.4, NI trade with the CPTPP bloc covers a range of sectors. Machinery and transport equipment, miscellaneous manufactures goods and manufactured goods classified chiefly by material accounted for 75% of NI imports from CPTPP countries in 2017.

Machinery and transport equipment accounted for the greatest value of NI imports from CPTPP countries in 2017, which was similar to the pattern for England, Scotland and Wales.

Figure 7.3 NI Imports from CPTPP Countries by Sector (SITC1) in 2017

SITC1 Code	2017 (£M)	%
Machinery & transport equipment	£168.8	52.5%
Miscellaneous manufactured articles	£43.4	13.5%
Manufactured goods classified chiefly by material	£24.5	8.6%
Chemicals & related products, nes	£18.9	5.9%
Mineral fuels, lubricants & related materials	£18.6	5.8%
Beverages & tobacco	£17.3	5.4%
Crude materials, inedible, except fuels	£16.1	5.0%
Food & live animals	£12.9	4.0%
Animal & vegetable oils, fats & waxes	£1.3	0.4%
Commodities/transactions not class'd elsewhere in SITC	£0.1	0.0%
Total	£321.7	100%

Source HMRC RTS

Similarly machinery and transport accounted for 72% of NI exports to CPTPP countries at 72%, this was greater than for England (56%), Scotland (38%) and Wales (43%).

Figure 7.4 NI Exports from CPTPP Countries by Sector (SITC1) in 2017

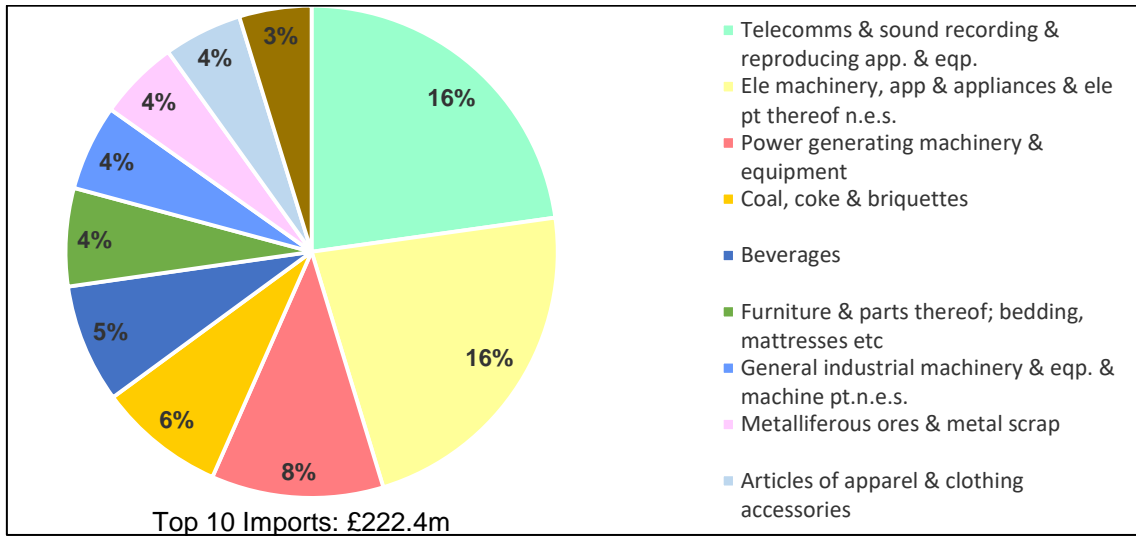
SITC1 Code	2017 (£M)	%
Machinery & transport equipment	£637.6	72.0%
Chemicals & related products, nes	£120.3	13.6%
Miscellaneous manufactured articles	£51.9	5.9%
Beverages & tobacco	£33.4	3.8%
Manufactured goods classified chiefly by material	£25.6	2.4%
Food & live animals	£15.6	2.9%
Crude materials, inedible, except fuels	£0.8	1.0 %
Mineral fuels, lubricants & related materials	£0.6	0.1%
Total	£885.6	100%

Source HMRC RTS

7.4 Trade in Goods by Sub-sector (SITC2)

At a sub sector level, as Figure 7.5 shows telecommunications and machinery made up almost half (44%) of NI imports from the CPTPP countries in 2017. The top 10 sub sectors accounted for 69% of imports from the CPTPP bloc.

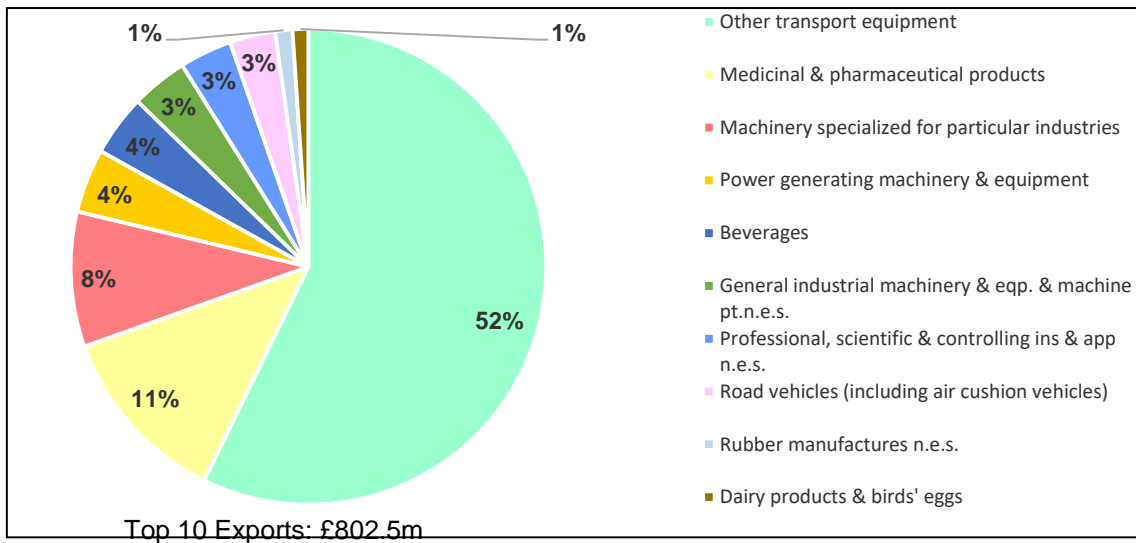
Figure 7.5 Top 10 NI Imports from CPTPP Countries by Sub-sector (SITC2) in 2017



Source HMRC RTS

By comparison other transport accounts for over half (52%) of NI exports to the CPTPP bloc in 2017. The top 10 sub sectors accounted for 91% of exports to the CPTPP bloc.

Figure 7.6 Top 10 NI Exports to CPTPP Countries by Sub-sector (SITC2) in 2017



Source HMRC RTS

7.5 Trade in Services

The UK total service trade with CPTPP in 2017 around £30bn with a continuing trade surplus. The top 3 UK service imports from the CPTPP bloc are financial, intellectual

property, other business services and the top 3 UK service exports to the CPTPP bloc are transport, travel and construction.⁴⁵

With regard to Northern Ireland, there is limited data detailing services trade with the CPTPP countries, however BESES indicates around £192m of NI services exports went to CPTPP member countries in 2016.

7.6 Foreign Direct Investment

Beyond the picture for trade, NI has attracted around £1.3bn in investment from CPTPP member countries over the course of the last 10 years.⁴⁶

⁴⁵https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/727814/PDF_Information_note_on_CPTPP.pdf

⁴⁶ <http://report.fdiintelligence.com/>

8. How to Respond to the Consultation

The four consultations close at **23:59 on 26th October 2018**. DIT have set out 3 ways in which you can formally respond to the consultations and these are set out in the following links:

Australia

<https://www.gov.uk/government/consultations/trade-with-australia>

New Zealand

<https://www.gov.uk/government/consultations/trade-with-new-zealand>

USA

<https://www.gov.uk/government/consultations/trade-with-the-us>

Comprehensive and Progressive Agreement for Trans-Pacific Partnership

<https://www.gov.uk/government/consultations/trade-with-the-comprehensive-and-progressive-agreement-for-trans-pacific-partnership-cptpp>

The online survey is seeking views primarily in the following areas:

- What would you/your business want the UK Government to achieve through a free trade agreement? Options are structured around the typical content of a FTA with information requested on the importance of trade issues to your business. Key areas are:
 - Tariffs
 - Rules of Origin
 - Customs Procedures
 - Product standards, regulation and certification
 - Sanitary and phytosanitary measures
 - Services trade
 - Digital information
 - Competition

- Public procurement
- Intellectual property
- Investment
- Social, labour and environment
- Trade remedies and dispute settlement
- SME policy
- Other information

The online survey may ask which of the above areas is your top priority.

- What would your business concerns be about a free trade agreement? Options are again structured around the typical content of a FTA with information requested on the importance of trade issues to your business. The online survey may ask which area is your top concern.
- Is there anything else that you would want to say about the future trade relationship under consideration?

Annex A – Free Trade Agreement Provisions

The following provisions may form part of a FTA (and this list is not exhaustive):

- Tariffs on industrial goods
- Tariffs on agricultural goods
- Customs Administration
- Export Taxes
- General Agreement on Trade in Services
- Sanitary and Phytosanitary (SPS) Measures
- State-Trading Enterprises
- Technical Barriers to Trade (TBT)
- Trade Related Aspects of Intellectual Property rights (TRIPS)
- Anti-corruption
- Environmental Laws
- Labour market regulation
- Consumer protection
- Data Protection
- Agriculture
- Political dialogue
- Small- and Medium-Sized Enterprises
- Social Matters
- Visa and Asylum
- Approximation of legislation
- Audiovisual
- Civil Protection
- Innovation Policies
- Cultural cooperation
- Economic Policy dialogue
- Public Administration
- Countervailing measures
- Anti-dumping
- State Aid/subsidies
- Public Procurement
- Trade Related Investment Measures (TRIMS)
- Intellectual Property Rights (IPR)
- Competition Policy
- Investment
- Movement of capital
- Statistics
- Education and training
- Energy
- Financial assistance
- Health
- Human rights
- Illegal immigration
- Regional cooperation
- Taxation
- Illicit drugs
- Industrial Cooperation
- Information society
- Mining
- Money laundering
- Nuclear Safety
- Research and technology
- Terrorism

Annex B – Data Sources

HMRC Regional Trade Statistics

The information used in this analysis is from HMRC's Regional Trade Statistics (RTS). The analysis is for the trade in goods only. Trade in services is not included in this analysis.

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 threshold⁴⁷.

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 Government Statistical Service (GSS), including the Annual Business Survey and the recently launched Regional Trade in Services from the ONS.

Northern Ireland Broad Economy Sales and Exports Statistics⁴⁸

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 (ABI) 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.

⁴⁷ You must register for Intrastat if, in the last calendar year, your business either moved more than £250,000 worth of goods to other EU countries or received more than £1.5 million worth of goods from other EU countries. Full details [here](#).

⁴⁸ https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/BESES%20Background%20Information%20-%20May%202018_0.pdf

It is important to note that due to methodological differences, BESES and HMRC RTS are not directly comparable. Further details on the differences are available from NISRA.⁴⁹

Foreign Direct Investment data

The foreign direct investment data is sourced from the fDI Intelligence database,⁵⁰ which is a service from the Financial Times Ltd. The information and analysis in this section is solely based on this data. fDI has noted that the capital expenditure and jobs figures reported in the fDI Intelligence database include some estimated values, which they take no responsibility for the accuracy or otherwise of this data. DfE applies the waiver to this data. This data covers a 10 year period.

Inward Investment

Inward Investment data includes investment into Northern Ireland from GB and all markets outside the UK. Whereas foreign direct investment data relates to investment into Northern Ireland from outside the UK only. This data covers a 5 year period.

Annex – Trade in Goods Analysis Slide Packs

There are currently five trade data reports prepared by DfE Analysts. The reports cover the period 2015 – 2017. They include both import and export trade data for goods and are solely drawn from the HMRC RTS.

There are two types of reports, which are outlined below:

A report looking at Total Northern Ireland Trade in Goods – This provides a breakdown of NI's total imports and exports, including analysis of NI's share of UK imports and exports.

Country specific reports – These reports provide NI imports from and exports to individual countries, which includes comparisons with the trade flows for the other UK regions. The reports have been produced for the following countries or trading blocs:

⁴⁹<https://www.nisra.gov.uk/sites/nisra.gov.uk/files/publications/NISRA-HMRC-joint-statement-re-methodological-differences-for-website.pdf>

- All CPTPP Countries as a composite grouping (Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam)
- USA
- Australia
- New Zealand