

Article

# The impact of coronavirus (COVID-19) on exporting and importing by UK businesses: 20 April to 3 May 2020

Analysis of Wave 4 of the Business Impact of Coronavirus (COVID-19) Survey (BICS). This complements the BICS data by analysing the impact of coronavirus (COVID-19) on exporting and importing by responding UK businesses. The data refer to the period from 20 April to 3 May 2020.

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# 1 . Other pages related to this release

More detailed commentary on the impacts of the coronavirus (COVID-19) pandemic on the UK economy and society is available on the following pages:

- [Coronavirus and the economic impacts on the UK: 21 May 2020](#)
- [Coronavirus, the UK economy and society: faster indicators: 21 May 2020](#)
- [Coronavirus and the social impacts on Great Britain: 22 May 2020](#)

## 2 . Main points

- Of the UK businesses responding to the Business Impact of Coronavirus (COVID-19) Survey (BICS) Wave 4 who were continuing to trade and whose financial performance was outside normal expectations, the majority of exporting businesses (72%) reported that they are exporting less than normal, and 59% of importing businesses reported that they are importing less than normal.
- One in five (20%) of these businesses reported that exporting has not been affected by COVID-19, and 29% that importing has not been affected by COVID-19; and only a small proportion reported that they are exporting or importing more than normal, 3% in both cases.
- Businesses in the transportation and storage industry are most affected both in terms of reduced exporting and importing, at 81% and 80% respectively.
- Among responding businesses who were continuing to trade and whose financial performance was outside normal expectations, challenges identified to exporting and importing were, respectively: COVID-19 related transport restrictions (34% and 31%), increases in transportation costs (21% and 18%), destination countries changing their border restrictions (17% and 12%), and closure of infrastructure (14% and 11 %); three in ten (30%) businesses reported that they do not experience exporting challenges and 19% that they do not experience challenges in importing.

## 3 . Impact of coronavirus on UK businesses

The coronavirus (COVID-19) pandemic and the measures introduced by governments, including restrictions on travel, have inflicted an unprecedented shock to global trade ([WTO](#); [OECD](#); [IMF](#)).

The analysis in this release complements the data in the statistical bulletin Coronavirus and the impacts on the UK: 21 May 2020, to provide a picture of the impact that COVID-19, and some of the measures introduced by governments in response to the pandemic, are having on exporting and importing by UK businesses.

The article is based on responses to the fourth wave of the Business Impact of Coronavirus (COVID-19) Survey (BICS), and refers to the reference period, 20 April to 3 May 2020. The figures included in this article are comparable with those included in the statistical bulletin [Coronavirus and the economic impacts on the UK: 21 May 2020](#).

#### More about coronavirus

- Find the latest on [coronavirus \(COVID-19\) in the UK](#).
- All ONS analysis, summarised in our [coronavirus roundup](#).
- View [all coronavirus data](#).
  
- Find out how our studies and surveys are [serving public need](#).

## 4 . Exporting and importing by responding businesses in the last 12 months

The importing and exporting questions in the Business Impact of Coronavirus (COVID-19) Survey (BICS) are designed to capture economic-based information only from businesses who are trading and whose financial performance is outside of normal expectations. Of UK businesses continuing to trade that responded to the Business Impact of Coronavirus (COVID-19) Survey (BICS), 65% reported a turnover outside of normal range between 20 April and 3 May 2020. Economic information regarding businesses whose financial performance is within normal expectations (as well as those for whom performance is outside normal expectations) can be found in our usual business surveys and statistical releases, including the monthly publication, [UK Trade](#).

The extent to which different businesses are export and import intensive is likely to influence how impacted they have been by COVID-19 in relation to international trade. Therefore, the level of importing and exporting in the last 12 months provide a useful context for the analyses in this article.

Of responding businesses who were continuing to trade and whose financial performance was outside normal expectations, 33% reported that they have exported in the last twelve months, and 43% reported that they have imported in the last twelve months.

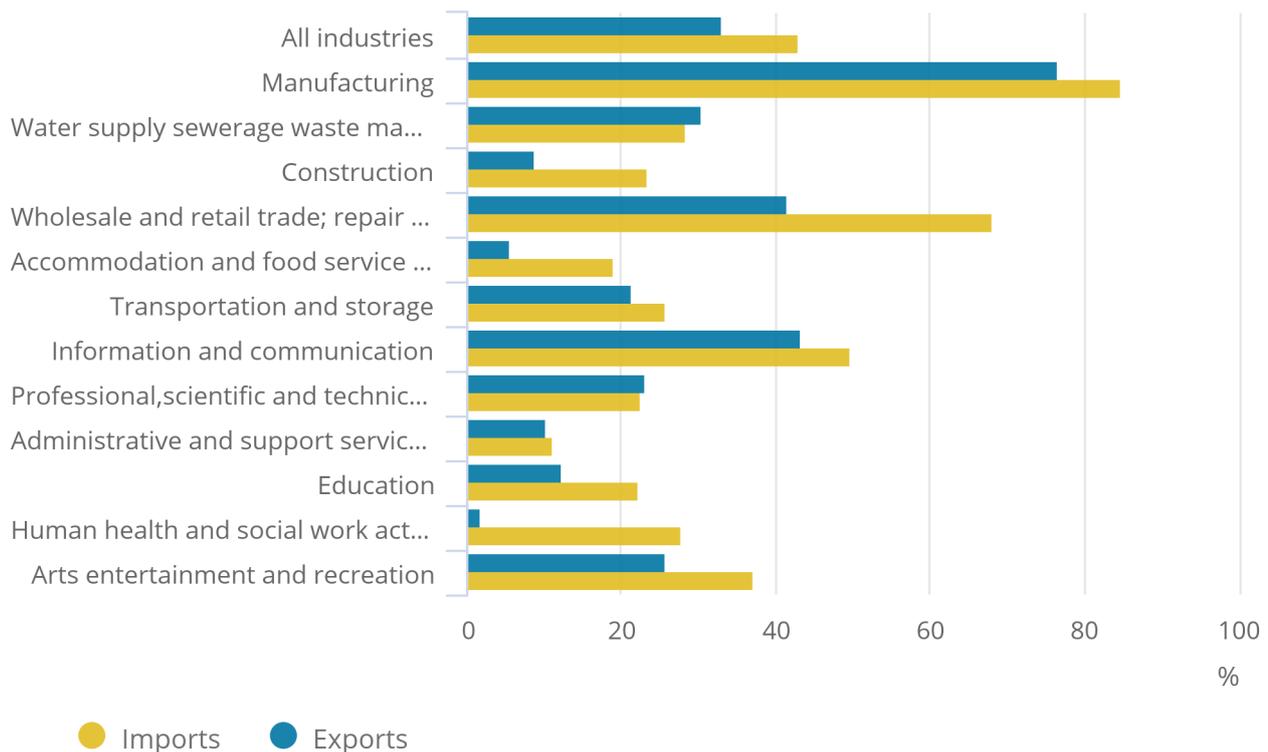
This varies considerably between industrial sectors, with the manufacturing industry being the most export and import intensive at 77% and 85% respectively.

**Figure 1: Across responding businesses, the manufacturing industry was the most export and import intensive in the last 12 months**

Percentage of businesses continuing to trade, and whose financial performance was outside normal expectations, reporting to have exported or imported in the past twelve months, broken down by industrial sector, UK, 20 April to 3 May 2020

Figure 1: Across responding businesses, the manufacturing industry was the most export and import intensive in the last 12 months

Percentage of businesses continuing to trade, and whose financial performance was outside normal expectations, reporting to have exported or imported in the past twelve months, broken down by industrial sector, UK, 20 April to 3 May 2020



Source: Office for National statistics

Notes:

1. Final results, Wave 4 of the ONS Business Impact of Coronavirus (COVID-19) Survey (BICS). UK businesses responding to the Business Impact of Coronavirus (COVID-19) Survey (BICS) who were continuing to trade domestically and internationally and whose financial performance was outside normal expectations (n=898 exp, n=1,174 imp).
2. Results are removed where percentage less than 1% or industry count less than 10.
3. An option for "not sure" was presented to the businesses. This is not reflected in the chart

Around a third (33%) of responding businesses with 250 employees or more, and the same proportion of businesses with fewer than 250 employees (33%) reported that they have exported in the last twelve months. Nearly half (47%) of responding businesses with 250 or more employees and of businesses with fewer than 250 employees 41% reported that they have imported in the last twelve months.

## 5 . Impact of coronavirus (COVID-19) on exporting and importing

Of the responding businesses that are continuing to trade and whose financial performance is outside normal expectations, the majority of exporting businesses (72%) reported that they are exporting less than normal, 18% that exporting has not been affected by coronavirus (COVID-19), and 3% reported that they are exporting more than normal. Under 2% of businesses reported that they have stopped exporting in the last two weeks.

Of responding businesses that are continuing to trade and whose financial performance is outside normal expectations, 60% reported importing less than normal, 28% reported that importing has not been affected by coronavirus (COVID-19), and 3% that they are importing more than normal. Fewer than 2% of businesses reported that they have stopped importing in the last two weeks.

The highest percentage of businesses reporting that they are exporting and importing less than normal was in the transportation and storage industry, at 81% and 80% respectively, followed by the wholesale and retail trade industry at 80% and 65% respectively.

Of responding businesses with 250 or more employees, 67% reported that they are exporting less than normal and 57% reported that they are importing less than normal.

Among businesses with less than 250 employees, 75% reported that they are exporting less than normal and 62% reported that they are importing less than normal. There was little difference between destination of export and origin of imports, with similar proportions of businesses (72% and 74%) reporting that they are exporting less than normal to the EU and outside the EU respectively, and identical proportions (62%) reporting that they are importing less than normal from the EU and from outside the EU.

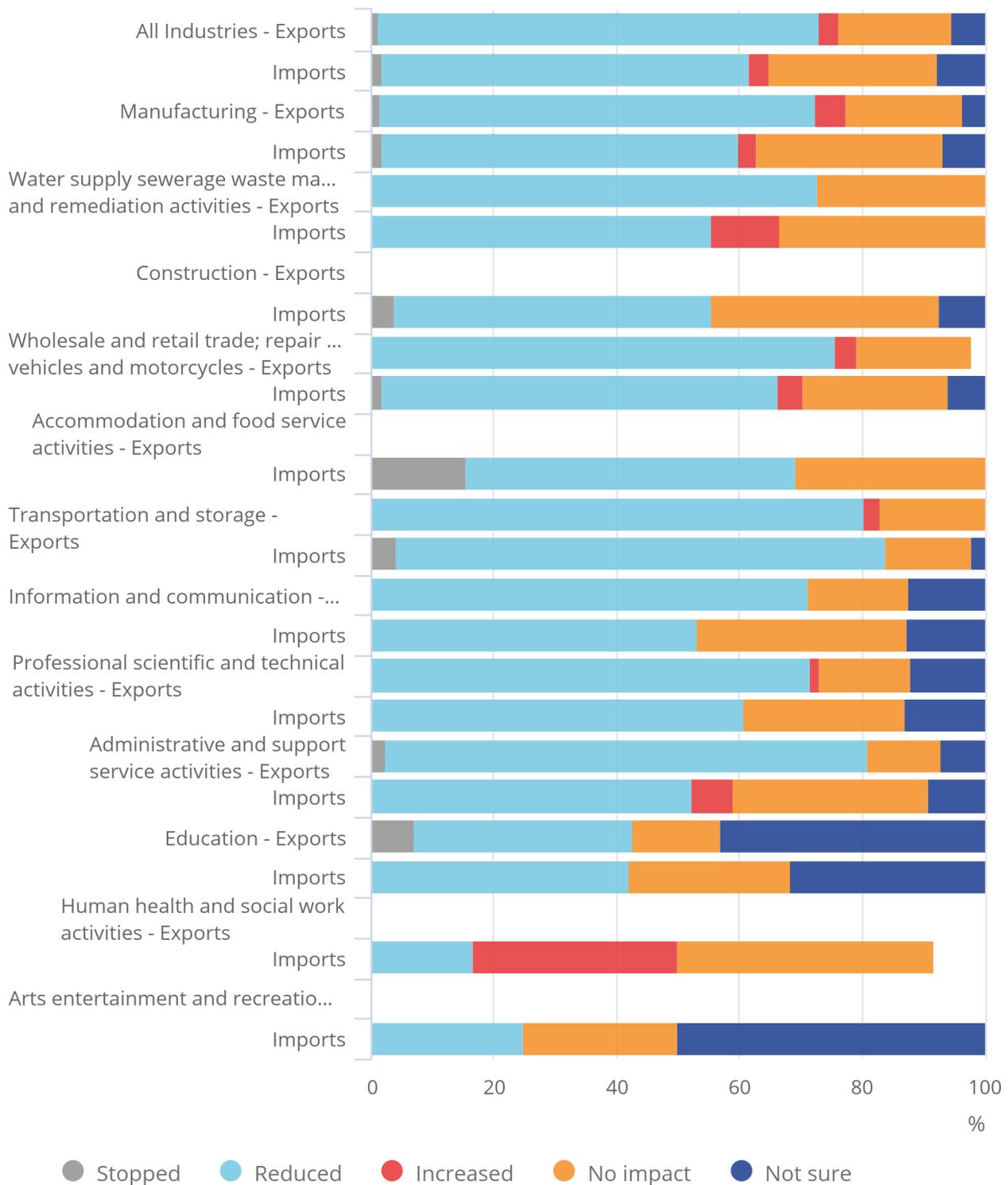


**Figure 2: Across all industries, exporting was less than usual for 72% of exporting businesses, and importing less than usual for 60% of importing businesses**

Effect on exporting and importing, businesses continuing to trade, whose financial performance was outside normal expectations, Traded during COVID-19, reporting effects of COVID-19 on trade, broken down by industry, UK, 20 April to 3 May 2020

## Figure 2: Across all industries, exporting was less than usual for 72% of exporting businesses, and importing less than usual for 60% of importing businesses

Effect on exporting and importing, businesses continuing to trade, whose financial performance was outside normal expectations, Traded during COVID-19, reporting effects of COVID-19 on trade, broken down by industry, UK, 20 April to 3 May 2020



Notes:

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2. Results are removed where percentage less than 1% or industry count less than 10.

## **6 . Challenges to exporting and importing and support options**

Of responding businesses that were continuing to trade and whose financial performance was outside normal expectations, over 34% reported that coronavirus (COVID-19) related transport restrictions are an exporting challenge and 31% reported that these are an importing challenge. Around a fifth (21%) reported that increases in transportation costs are an exporting challenge and 18% reported that increases in transportation costs are an importing challenge. Nearly a third (30%) of businesses reported that they do not experience exporting challenges and 19% reported that they do not experience importing challenges.

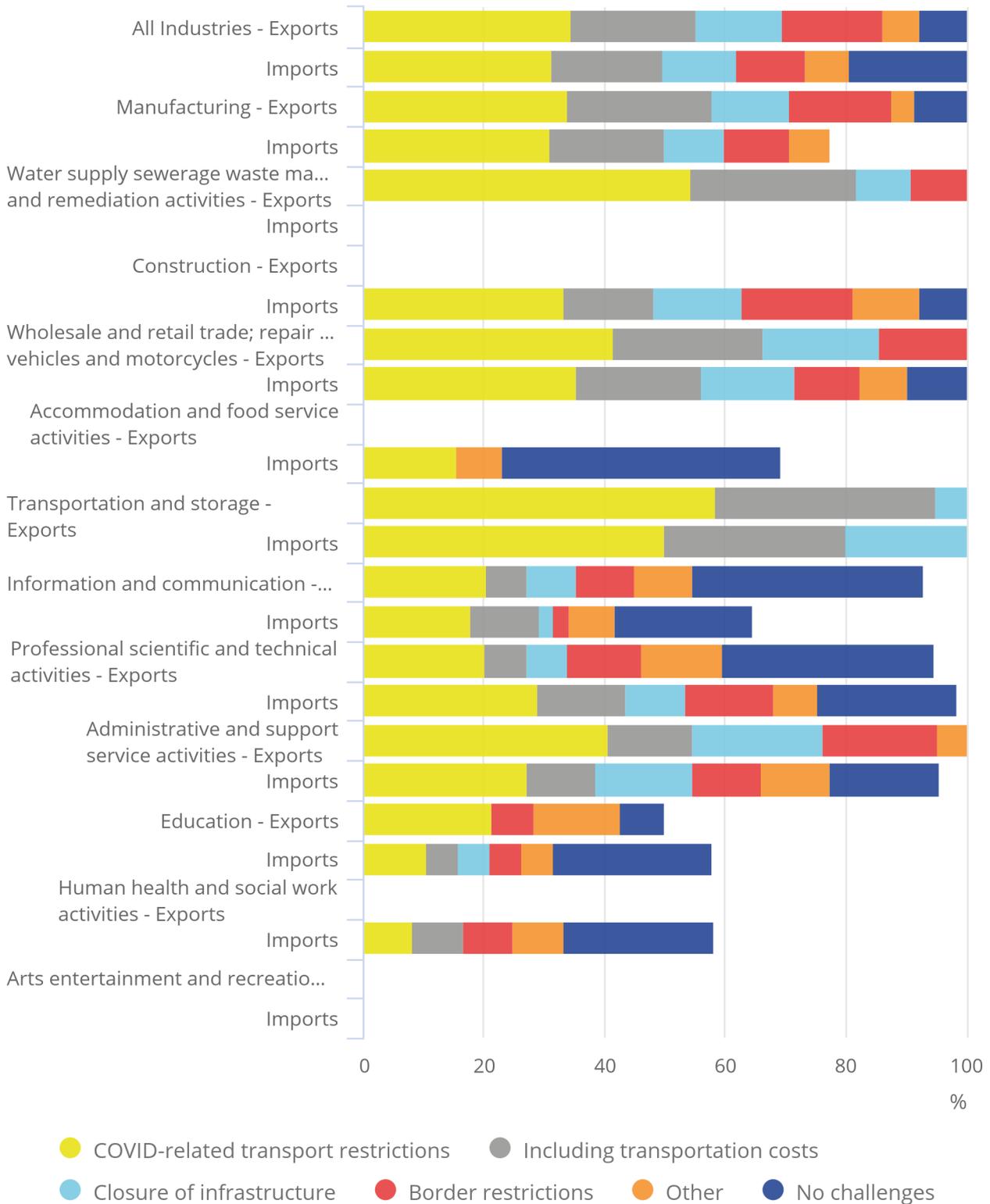


**Figure 3: COVID-19 related transport restrictions are the main exporting and importing challenges**

Percentage of businesses continuing to trade, whose financial performance was outside normal expectations, reporting to have traded in the past 12 months, traded during COVID-19, broken down by industry, UK, 20 April to 3 May 2020

### Figure 3: COVID-19 related transport restrictions are the main exporting and importing challenges

Percentage of businesses continuing to trade, whose financial performance was outside normal expectations, reporting to have traded in the past 12 months, traded during COVID-19, broken down by industry, UK, 20 April to 3 May 2020



**Source: Office for National Statistics**

**Notes:**

1. Final results, wave four of the ONS Business Impact of Coronavirus (COVID-19) Survey (BICS). UK businesses responding to the Business Impact of Coronavirus (COVID-19) Survey (BICS) who were continuing to trade domestically and internationally and whose financial performance was outside normal expectations (n=898 exp, n=1,174 imp)
2. Results are removed where percentage less than 1% or industry count less than 10.
3. Percentages do not sum to 100% because of firm's ability to select multiple options.

Of a range of potential support options that businesses might benefit from to help them meet exporting and importing challenges, 21% of businesses reported that financial support would help with exporting challenges, 16% and 13% respectively reported that support with customs and tariffs would help meet exporting and importing challenges, and 14% and 13% respectively reported that support with transport and distribution would help them meet exporting and importing challenges. This was consistent by business size. Overall, 27% and 30% respectively selected none of the exporting and importing support options that were presented. There was little difference by destination of exports or by origin of imports.

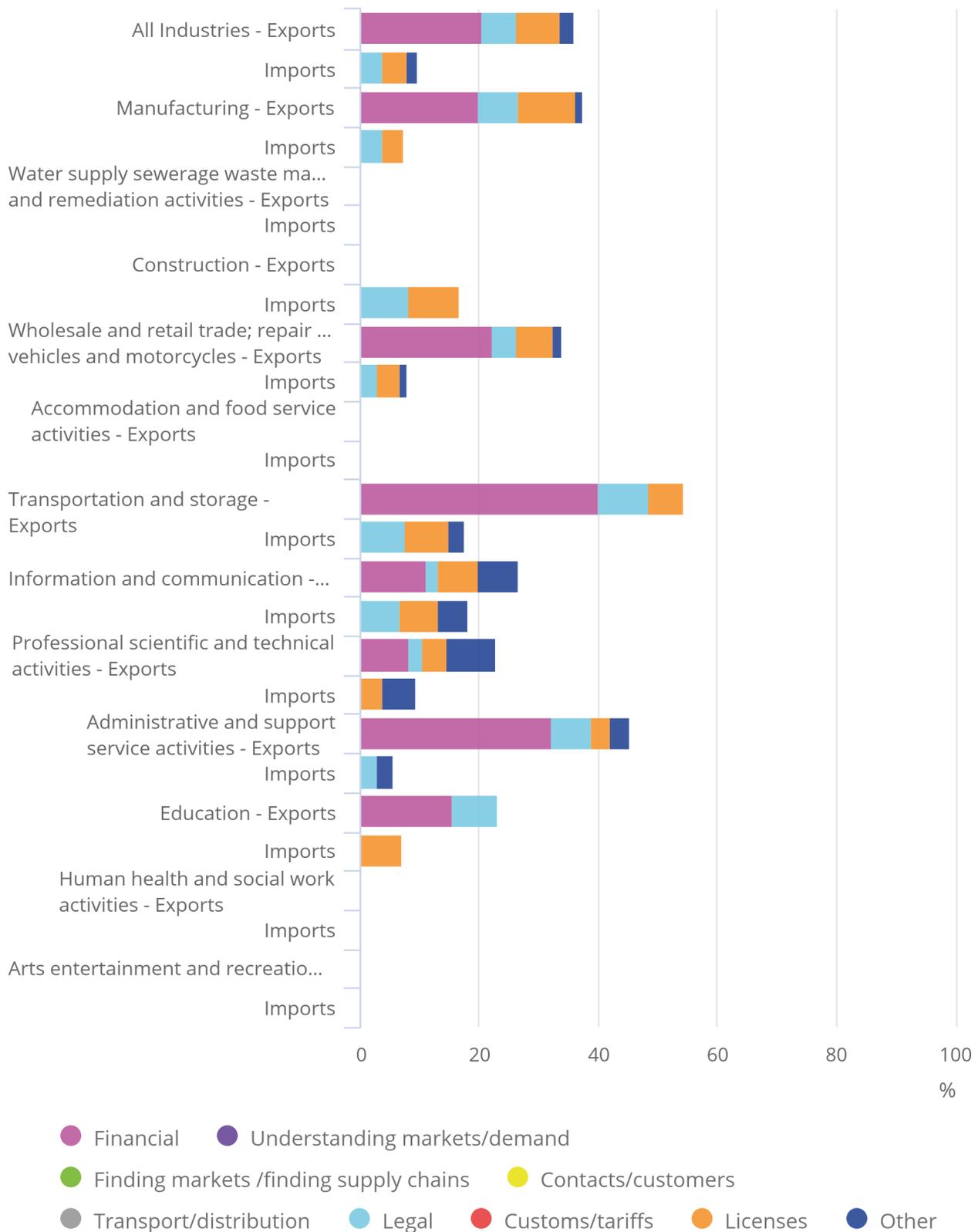


**Figure 4: Across all industries, businesses indicated that a variety of options would help meet exporting and importing challenges**

Percentage of businesses that are continuing to trade, whose financial performance is outside normal expectations, traded during COVID-19, experienced challenges, in the past two weeks, reporting potential support , broken down by industry, UK, 20 April to 3 May 2020

## Figure 4: Across all industries, businesses indicated that a variety of options would help meet exporting and importing challenges

Percentage of businesses that are continuing to trade, whose financial performance is outside normal expectations, traded during COVID-19, experienced challenges, in the past two weeks, reporting potential support, broken down by industry, UK, 20 April to 3 May 2020



Notes:

1. Final results, wave four of the ONS Business Impact of Coronavirus (COVID-19) Survey (BICS). UK businesses responding to the Business Impact of Coronavirus (COVID-19) Survey (BICS) who were continuing to trade domestically and internationally and whose financial performance was outside normal expectations (n=898 exp, n=1,174 imp)
2. Results are removed where percentage less than 1% or industry count less than 10.
3. Percentages do not sum to 100% because of firm's ability to select multiple option.
4. "None of the above" was also an option but is not reflected in the chart.

## 7 . Expectations for exporting and importing over the next two weeks

Of responding businesses who were continuing to trade and whose financial performance was outside normal expectations, an identical proportion (64%) reported that they expect exporting and importing to be the same, 11% reported that they expect exporting to become harder, 10% reported that they expect importing to become harder, 9% reported that they expect exporting to become easier, and 11% reported that they expect importing to become easier in the next two weeks.

Respectively 68% and 52% of businesses in the transport and storage industry reported that they expect exporting and importing to stay the same, and the same proportion (65%) of businesses in the manufacturing industry reported that they expect exporting and importing to remain the same. Respectively 17% and 14% of businesses in the transportation and storage industry reported that they expect exporting and importing to become more difficult, although a higher proportion of businesses in this industry compared with others, 22% and 26% respectively, reported that they expect exporting and importing to become easier in the next two weeks.

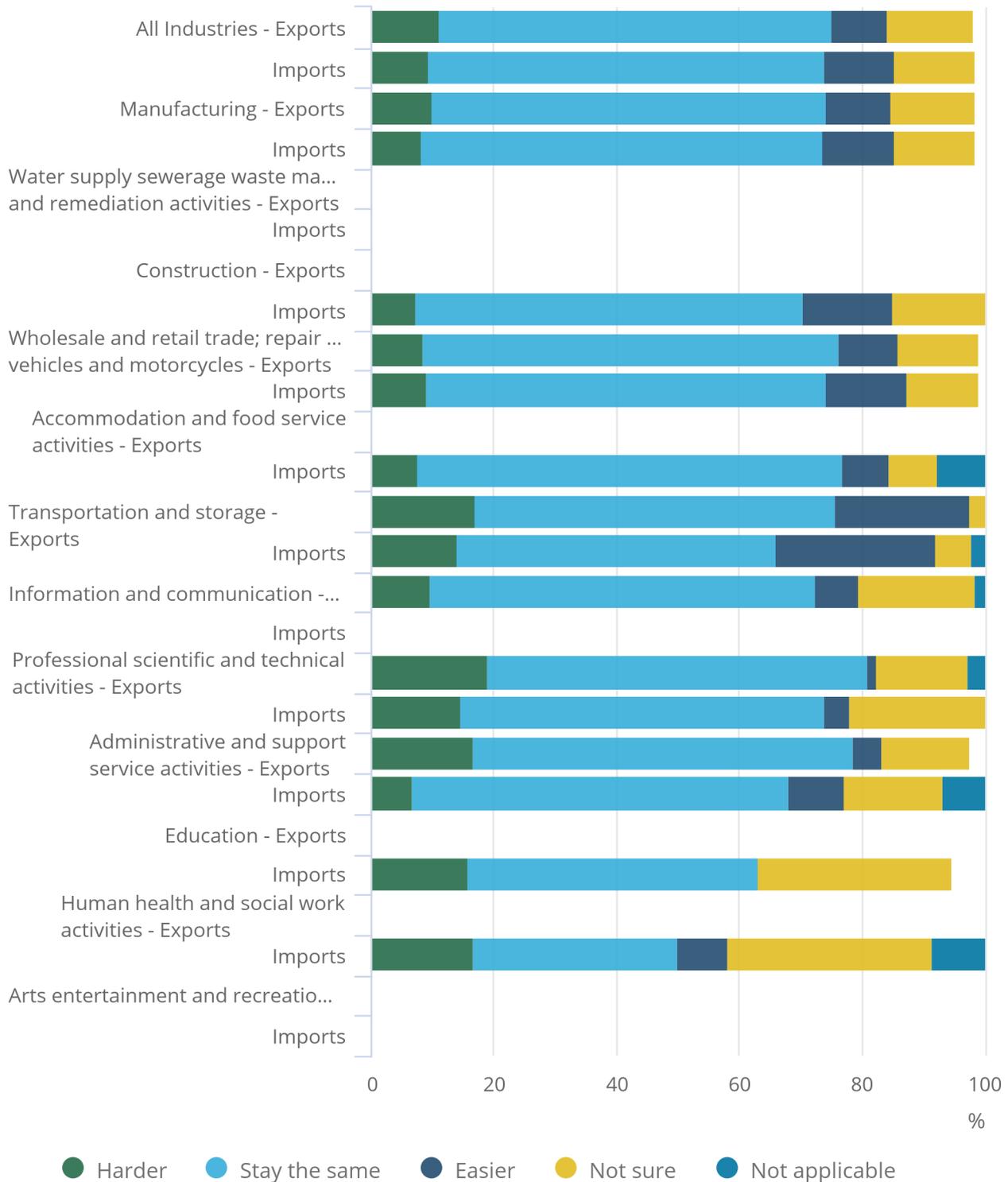


**Figure 5: The majority of businesses expect exporting and importing to remain the same over the next two weeks**

Percentage of businesses continuing to trade, whose financial performance was outside normal expectations, traded during COVID-19, reporting expectations of trading in the next 2 weeks, broken down by industry, UK, 20 April to 3 May 2020

## Figure 5: The majority of businesses expect exporting and importing to remain the same over the next two weeks

Percentage of businesses continuing to trade, whose financial performance was outside normal expectations, traded during COVID-19, reporting expectations of trading in the next 2 weeks, broken down by industry, UK, 20 April to 3 May 2020



Notes:

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2. Results are removed where percentage less than 1% or industry count less than 10 .
3. Business had the option not to answer the question, therefore total responses may not equal the total potential response.

There was very little difference in expectations for exporting by business size or destination of exports.

Four in five (80%) businesses with more than 250 employees reported that they expect importing to stay the same, 13% expect it to be easier and 13% expect it to be harder, compared with 56% of businesses with less than 250 employees who expect importing to stay the same, 11% expect it to be easier and 8% expect it to be harder. There was very little difference by origin of imports.

## 8 . Conclusions

As the UK adjusts to rapid changes in society, the economy and global trade, and experiences unprecedented challenges from the coronavirus (COVID-19) pandemic, the Office for National Statistics (ONS) has developed a range of new experimental indicators on the UK economy and society, including information related to COVID-19. Indicators are constructed from novel data sources and experimental methods.

From the business responses discussed in this article, we are already seeing the impact of COVID-19 on businesses' experiences of exporting and importing across a number of indicators. COVID-19 has had an impact on both exporting and importing among responding businesses, with 72% of exporting businesses reporting that they are exporting less than usual, and 59% of businesses reporting that they are importing less than usual.

Exporting and importing are particularly impacted in some industries, such as transportation and storage, retail and wholesale and manufacturing. Future Trade data will help provide additional insight into a number of areas, including:

- how the pandemic has impacted international trade volumes
- the long-term industrial impacts
- what the impact will be for UK trade in goods and services

We welcome feedback on these analysis priorities by emailing [economic.advice@ons.gov.uk](mailto:economic.advice@ons.gov.uk)