

Article

Impact of trade in goods data collection changes on UK trade statistics: update on Staged Customs Controls

Analysis on recent trends to help understand possible impact of Staged Customs Controls on trade in goods data for imports from the EU in 2022.

Contact:
Hannah Donnarumma
trade@ons.gov.uk
+44 1329 447648

Release date:
17 February 2023

Next release:
To be announced

Table of contents

1. [Overview](#)
2. [Summary of Staged Customs Controls](#)
3. [Initial investigations on the impact of Staged Customs Controls](#)
4. [Categorising the impact of Staged Customs Controls](#)
5. [Case studies on the impact of Staged Customs Controls](#)
6. [Future developments for UK trade statistics](#)
7. [Related links](#)
8. [Cite this article](#)

1 . Overview

Since the UK left the European Union (EU), the arrangements for how the UK trades with the EU have changed. We are keen at the Office for National Statistics (ONS), working with colleagues in HM Revenue and Customs (HMRC) and elsewhere, to keep users updated on the impact of changes to trade data collection on our trade statistics and how we plan to account for these impacts.

In our previous articles on the [Impact of trade in goods data collection changes on UK trade statistics](#) we provided information on the data collection changes from Intrastat to HMRC customs declarations, as well as detail of the discontinuity between the two compilation methods. To bring imports and exports between Great Britain (GB) and the EU onto a like-for-like basis in 2021, we applied adjustments to our estimates of goods imports from the EU for the period January to December 2021, which were incorporated into our [UK trade: November 2022 release](#) in January 2023. Further work is planned to understand the pre-2021 discontinuity in trade in goods with the EU and consider any further adjustments that may be required.

Our recent blog post also outlined [how Staged Customs Controls \(SCC\) in 2022 might affect trade statistics](#). Work to understand the impact of SCC is the subject of ongoing investigation by ONS and HMRC, and this article provides initial analysis, with a focus on findings at chapter and country level.

The sections in this release compare ONS statistics of goods imports from the EU with mirror Eurostat statistics of EU exports to the UK, up to October 2022. The observed pattern is complex, and we have determined that most chapter-by-country data series fall into one of three scenarios, as outlined in [Section 4: Categorising the impact of Staged Customs Controls](#). This indicates that any adjustments to goods imports from the EU statistics cannot be applied without deeper exploration.

We will keep users informed of any further changes in continuing to provide our best estimates of trade. We aim to provide a further update on our investigations into the impact of SCC on goods imports from the EU in June 2023.

2 . Summary of Staged Customs Controls

In 2021, the use of Staged Customs Controls (SCC) allowed customs declarations to be reported up to 175 days after the date of import for imports of non-controlled goods from the EU to Great Britain (GB). [Full customs controls were introduced in January 2022](#), as such, July 2022 marked the first full month of data where delayed customs declarations submitted under SCC could not be included. Temporary arrangements still apply for imports of goods from Ireland to GB.

It is likely that there has been some double counting as a result of SCC, with imports in the second half of 2021 recorded via the Intrastat Survey, then some appearing again on customs declarations in the first half of 2022.

3 . Initial investigations on the impact of Staged Customs Controls

To start investigating the possible impact of Staged Customs Controls (SCC) on UK trade statistics, we have made asymmetry comparisons between Office for National Statistics (ONS) data on goods imports from the EU and Eurostat data on goods exports to the UK. These comparisons were drawn from the International Merchandise Trade Statistics (IMTS) basis at a chapter and country level, as opposed to the balance of payments basis. Chapter refers to a grouping of products that share the first two digits under the harmonised system of commodity codes.

Eurostat publishes detailed trade in goods data available up to October 2022 at time of writing, compiled from EU Member States, in Euros in their [Data Browser](#). To allow for comparisons to be made, we have converted these data to Sterling using the [average sterling exchange rate for the Euro, as shown in our time series](#).

ONS data in this article are taken from trade data delivered by HMRC. These data are inclusive of [adjustments made to 2021 EU imports estimates](#) but do not include non-HMRC data sources, which are used to report trade in goods on a balance of payments basis.

When analysing the asymmetries between ONS data on goods imports from the EU and Eurostat data on goods exports to the UK, ONS data have historically been lower than Eurostat data, although trends are similar with peaks and troughs in the data present in both series (Figure 1). However, there was a more marked divergence in the first half of 2022, with ONS figures exceeding those from Eurostat. As delayed 2021 customs declarations submitted under SCC could be included between January and June 2022, double counting as a result of SCC is likely to be a factor in driving this divergence.

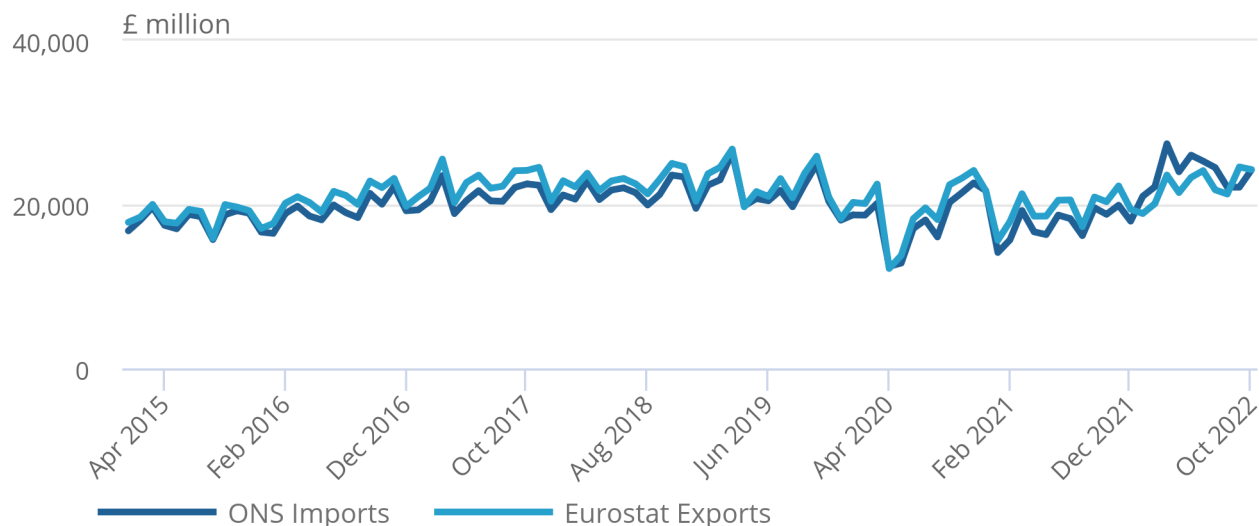
While evaluating the asymmetries between ONS and Eurostat is a useful first step in understanding the impact of SCC, Eurostat data should not be considered an authoritative depiction of trade with the EU. Even prior to the UK leaving the EU, Eurostat data never completely matched ONS data on trade between the UK and EU, making comparisons challenging. We and HMRC are working together to understand how differences in data collection and methods might help explain this lack of alignment.

Figure 1: Although ONS data have historically been lower than Eurostat data, they exceeded those from Eurostat in the first half of 2022

UK imports of goods from the EU and EU exports of goods to the UK, sum of Chapters 1 to 97, January 2015 to October 2022

Figure 1: Although ONS data have historically been lower than Eurostat data, they exceeded those from Eurostat in the first half of 2022

UK imports of goods from the EU and EU exports of goods to the UK, sum of Chapters 1 to 97, January 2015 to October 2022



Source: Office for National Statistics, Eurostat

Notes:

1. The values are the sum of all available chapters, excluding Chapters 71 and 99, which include precious metals and parcel post
2. ONS data in this chart are presented on an International Merchandise Trade Statistics (IMTS) basis and are not therefore directly comparable to ONS figures in the UK Trade publication.

To fully evaluate the impact of SCC, more detailed analysis is required and as such we have evaluated asymmetries between ONS and Eurostat data at a chapter and country level. This analysis includes the 96 chapters from Chapters 1 to 97.

When looking at the chapter level there was – in comparison with 2021 – an increased number of chapters in 2022 where ONS figures were either 5% or 10% above those published by Eurostat (Table 1).

In addition, there were also a larger than usual number of chapters, which were at least 5% above the EU figures during the subsequent time period of July to October 2022, when delays caused by SCC should not have been a factor.

Table 1: More chapters in both January to June and July to October 2022 were larger than Eurostat estimates than in 2021

Number of chapters that were 5% and 10% above Eurostat estimates, 2021 and 2022

	Chapter level		
	Count	Count: ONS > 5% above EU	Count: ONS > 10% above EU
January to June 2022	96	55	35
July to October 2022	96	33	19
January to June 2021	96	19	12
July to October 2021	96	22	16

Source: Office for National Statistics, Eurostat

From the 96 chapters, there are 2,592 combinations of country and chapters. Of those that accounted for more than £10 million of trade, there were several hundred cases with ONS figures in excess of 5% above Eurostat figures in 2022 (Table 2). This was spread around different countries and chapters, as highlighted in Section 5, highlighting the complexity of these trends.

Table 2: Compared with 2021, more chapter-by-country combinations were above Eurostat estimates in 2022
Number of chapter-by-country combinations that were 5% and 10% above Eurostat estimates, and greater than £10 million trade, 2021 and 2022

	Chapter level		
	Count	Count: ONS > 5% above EU	Count: ONS > 10% above EU
January to June 2022	765	349	287
July to October 2022	583	238	189
January to June 2021	688	186	143
July to October 2021	649	148	122

Source: Office for National Statistics, Eurostat

4 . Categorising the impact of Staged Customs Controls

After our early investigations into the impact of Staged Customs Controls (SCC), we have determined that most chapter-by-country data series fall into one of three scenarios.

The first scenario is where we are able to determine that there was likely to be an impact of SCC. This is where the asymmetry comparison between ONS and Eurostat figures pre-2022 was relatively stable, but the series diverged notably between January and June 2022 (the period when delayed 2021 customs declarations submitted under SCC could be included), and then converged again from July 2022 onwards. In cases such as this, double counting as a result of SCC is likely to be a key factor for the divergence between January and June 2022.

The second scenario involves cases for which the asymmetry between ONS and Eurostat figures pre-2022 was relatively stable, but the series diverged notably throughout 2022 and did not re-converge after June 2022. There are likely to be other factors driving this continued divergence throughout 2022.

The final scenario is where the asymmetry between ONS and Eurostat figures remained relatively stable over the course of the time series. In these cases, there is likely to have been no substantial impact from SCC.

5 . Case studies on the impact of Staged Customs Controls

Case study 1: Import statistics likely impacted by Staged Customs Controls (SCC)

It appears likely that Chapter 87 (vehicles other than railway or tramway rolling stock) has been affected by SCC in 2022. Imports of goods within Chapter 87 from the EU totalled £36.3 billion between January and October 2022 according to ONS figures, and £31.6 billion according to Eurostat figures. These mainly consisted of imports of motor cars and vehicles for transport of fewer than 10 people, parts and accessories for large vehicles and motor vehicles for the transport of goods.

When comparing the asymmetry between ONS and Eurostat data for Chapter 87, we can see that there was a notable divergence at the start of 2022 (Figure 2).

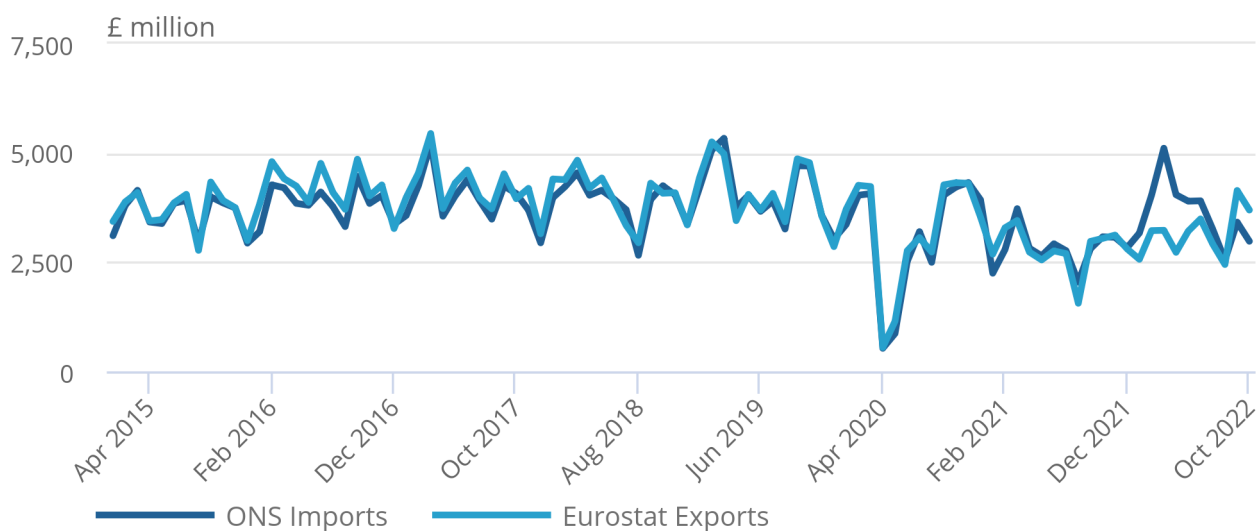
While the two data series have not precisely matched historically, values had remained broadly similar until early 2022, when delayed 2021 customs declarations were possible (and double counting may have occurred). For the period January to June 2022, ONS estimates of imports of Chapter 87 from the EU were £5.7 billion higher than Eurostat estimates of exports to the UK. From July 2022, the first full month of data that delayed customs declarations submitted under SCC could not be included, the series converge once again.

Figure 2: There appears to have been an impact of SCC on imports of Chapter 87 (vehicles other than railway or tramway) from the EU in 2022

UK imports of Chapter 87 (vehicles other than railway or tramway rolling stock) from the EU and EU exports of Chapter 87 to the UK, January 2015 to October 2022

Figure 2: There appears to have been an impact of SCC on imports of Chapter 87 (vehicles other than railway or tramway) from the EU in 2022

UK imports of Chapter 87 (vehicles other than railway or tramway rolling stock) from the EU and EU exports of Chapter 87 to the UK, January 2015 to October 2022



Source: Office for National Statistics, Eurostat

While it appears likely that SCC resulted in higher than usual imports of Chapter 87 from the EU between January and June 2022, when looking at our top four trading partners, we can see that the impact differs at country level (Figure 3). ONS statistics on UK imports of motor vehicles (other than railway or tramway) from Germany were consistently stronger than Eurostat estimates throughout 2022, with the largest difference between February and June 2022 when delayed customs declarations from 2021 could be returned under SCC. Of the £5.7 billion difference between ONS and Eurostat figures on imports of Chapter 87 from the EU, between January and June 2022, imports from Germany contributed around £5.2 billion to this divergence.

Although there are also some differences between ONS imports and Eurostat exports of Chapter 87 for Spain, France and Italy (among others) during the first six months of 2022, the impact on these estimates is not as large as is the case with imports from Germany.

Figure 3: The impact of Staged Customs Controls (SCC) varies at a country level, with imports of Chapter 87 (vehicles other than railway or tramway) from Germany most affected

UK imports of Chapter 87 (vehicles other than railway or tramway rolling stock) from the EU and EU exports of Chapter 87 to the UK, top four trading partners, January 2015 to October 2022

Download the data

[.xlsx](#)

Case study 2: Unlikely substantial SCC impact – 2022 values remain high compared with 2021

Chapter 38 (miscellaneous chemical products) appears unlikely to have been substantially affected by SCC in 2022. Imports of goods within Chapter 38 from the EU totalled £4.8 billion between January and October 2022 according to ONS figures, and £3.2 billion according to Eurostat figures.

The asymmetries between ONS and Eurostat for Chapter 38 have historically been broadly similar, with ONS figures typically slightly below the corresponding Eurostat estimates. There was a notable divergence between the series at the start of 2022 (Figure 4), however, there was no convergence of the data series in the latter part of 2022.

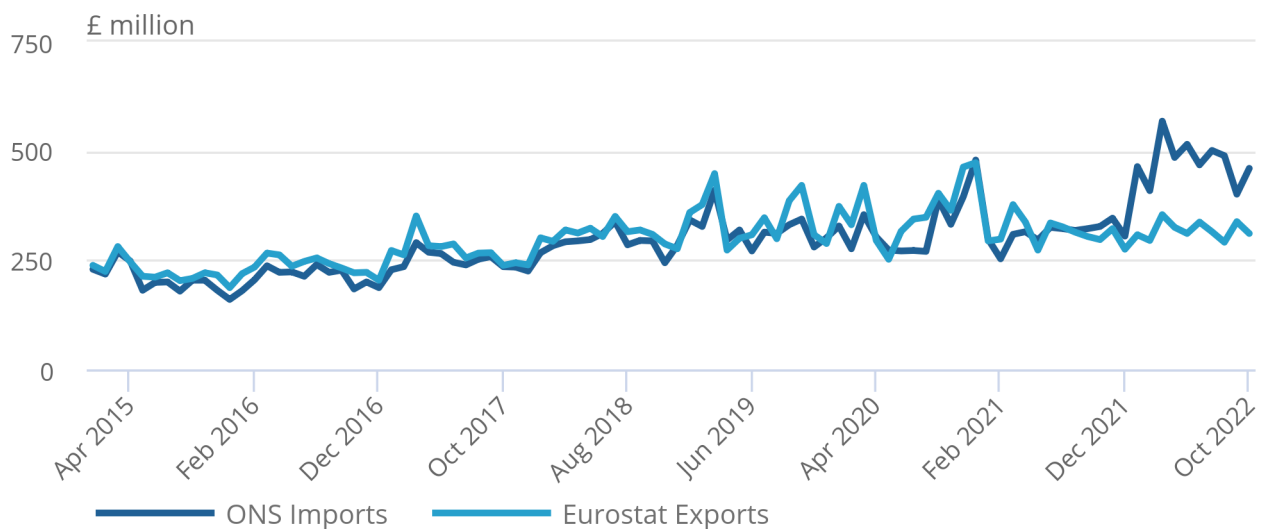
As this difference remained throughout 2022, it would appear the SCC was not the main driver of the divergence. Further investigations will be carried out to determine what factor or factors may be influencing this trend.

Figure 4: There does not appear to have been an impact solely from Staged Customs Controls (SCC) on imports of Chapter 38 (miscellaneous chemical products) from the EU in 2022

UK imports of Chapter 38 (miscellaneous chemical products) from the EU and EU exports of Chapter 38 to the UK, January 2015 to October 2022

Figure 4: There does not appear to have been an impact solely from Staged Customs Controls (SCC) on imports of Chapter 38 (miscellaneous chemical products) from the EU in 2022

UK imports of Chapter 38 (miscellaneous chemical products) from the EU and EU exports of Chapter 38 to the UK, January 2015 to October 2022



Source: Office for National Statistics, Eurostat

We can once again see a complex picture with differing trends at country level when looking at our top four trading partners (Figure 5).

ONS statistics on UK imports of miscellaneous chemical products from the Netherlands have been consistently stronger than Eurostat estimates throughout 2022. Most of the £1.6 billion difference is linked to imports from Netherlands, which contributed £1.5 billion to this divergence. As this difference remained throughout 2022, it is unlikely that SCC is the main driver of this divergence. [HM Revenue and Customs' \(HMRC's\) bulk datasets](#) indicate that, of imports with country of dispatch as the Netherlands for Chapter 38 in 2022, approximately 40% list China as the country of origin. This could be a factor in the divergence, as EU member states may not record the trade of goods that are received and re-exported with non-EU countries through customs warehouses.

There was also a £0.2 billion difference between ONS imports and Eurostat exports of chapter 38 for Belgium, however this divergence primarily affects the first six months of 2022, which would suggest that SCC was more likely to be a driver of the divergence.

Our other largest trading partners, Germany and France, show unchanged asymmetry patterns from previous years, with ONS values typically lower than the Eurostat figures, suggesting no impact of SCC.

Figure 5: ONS estimates of imports of Chapter 38 (miscellaneous chemical products) from the Netherlands diverge from Eurostat estimates in 2022

UK imports of Chapter 38 (miscellaneous chemical products) from the EU and EU exports of Chapter 38 to the UK, top four trading partners, January 2015 to October 2022

Download the data

[.xlsx](#)

Case study 3: Unlikely SCC impact – no change 2022 compared with 2021

A chapter that shows no sign of being substantially affected by SCC in 2022 is Chapter 72 (iron and steel). Imports of goods within Chapter 72 from the EU totalled £3.6 billion between January and October 2022 according to ONS figures, and £3.5 billion according to Eurostat figures. This mainly consisted of imports of flat-rolled products of iron or non-alloy steel and flat-rolled products of stainless steel.

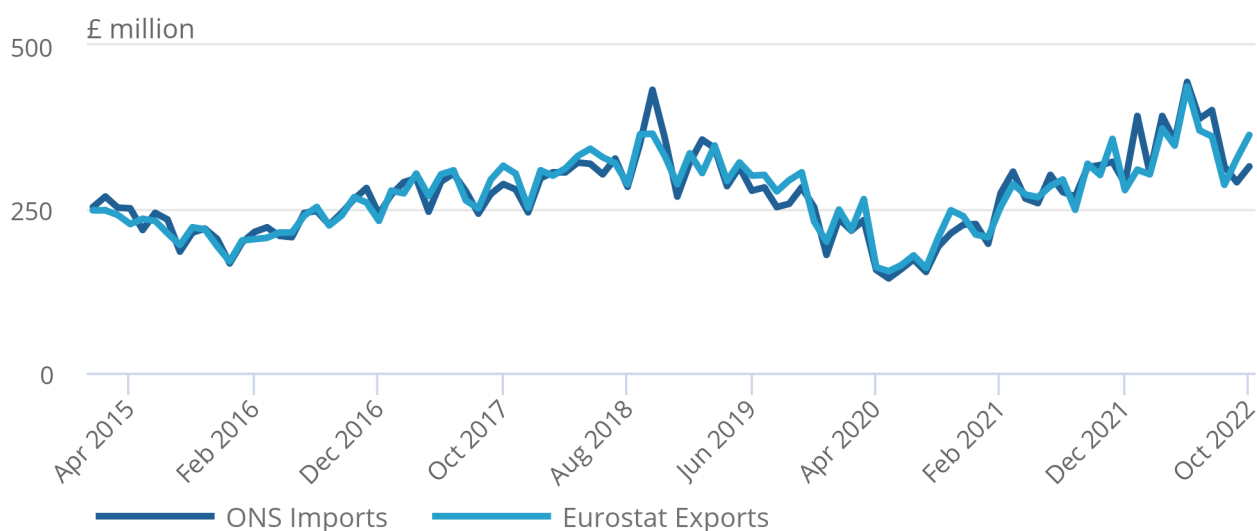
When comparing the asymmetry between ONS and Eurostat data for Chapter 72, we can see that the two data series have historically broadly been similar (Figure 6). This trend has continued throughout 2022, with SCC appearing not to have had a discernible impact on this chapter.

Figure 6: There does not appear to have been an impact of Staged Customs Controls (SCC) on imports of Chapter 72 (iron and steel) from the EU in 2022

UK imports of Chapter 72 (iron and steel) from the EU and EU exports of Chapter 72 to the UK, January 2015 to October 2022

Figure 6: There does not appear to have been an impact of Staged Customs Controls (SCC) on imports of Chapter 72 (iron and steel) from the EU in 2022

UK imports of Chapter 72 (iron and steel) from the EU and EU exports of Chapter 72 to the UK, January 2015 to October 2022



Source: Office for National Statistics, Eurostat

However, once again we can see variation in the trends at country level when looking at our top four trading partners (Figure 7).

Germany and Spain appear to follow the same trend observed at the chapter level, with ONS data on imports of iron and steel broadly matching Eurostat estimates through most 2022 months.

However, when looking at the trends for Belgium and the Netherlands there is evidence of some potential impact of SCC, albeit by a much lower amount than in other chapters, with ONS figures showing increased values of imports of iron and steel from these countries than the corresponding Eurostat export data between January and June 2022.

This highlights that even where there may not appear to be an impact of SCC at a chapter level, the country-level data can indicate that further investigations are needed to fully understand these patterns.

Figure 7: Asymmetries between ONS and Eurostat estimates of UK imports of Chapter 72 (iron and steel) from the EU in 2022 vary at country level

UK imports of Chapter 72 (iron and steel) from the EU and EU exports of Chapter 72 to the UK, top four trading partners, January 2015 to October 2022

Download the data

[.xlsx](#)

6 . Future developments for UK trade statistics

Staged Customs Controls

The analysis presented in this article provides our initial findings on the impact of Staged Customs Controls (SCC). The impact of SCC is complex, with variations at chapter and country level, and further investigations are needed to fully understand these patterns. We will continue to work with HM Revenue and Customs (HMRC) to review the impact of SCC on estimates of goods imports from the EU in 2022 and consider any adjustments that may be required. We aim to provide a further update on our investigations into the impact of SCC on goods imports from the EU in June 2023.

UK imports from the EU pre-2021

The [adjustments to 2021 EU imports estimates, as explained in our January 2023 article](#), have been applied for 2021 only and bring imports and exports statistics onto a like-for-like basis. The full time series for imports from the EU still contains a discontinuity, but now from January 2021 rather than January 2022. We will work with HMRC to consider possible options to account for this discontinuity.

UK exports to the EU pre-2021

In January 2021, [HM Revenue and Customs \(HMRC\) implemented a data collection change](#) affecting data on exports to the EU from Great Britain (GB). HMRC has investigated the change in data collection methods for UK exports to the EU, concluding that, when comparing the components that form the trade in goods data in 2020 and 2021, there is a discontinuity of around 5% by value between the two compilation methods.

This discontinuity is a combination of data not previously collected under the Intrastat survey, such as Parcel Post (0.3%) and non-Value Added Tax (VAT) registered traders (1.2%), along with a group of traders using a new or different identifier for their customs declarations (approximately 3.5%).

More detail on the findings of the investigation can be found in our [Impact of trade in goods data collection changes on UK trade statistics: 2020 to 2022](#) article.

Work is ongoing to review the discontinuity in goods exports to the EU and we are considering possible options to account for this discontinuity. We will keep users informed of any further changes in data collection.

7 . Related links

[UK trade: December 2022](#) Bulletin | Released 10 February 2023 Total value of UK exports and imports of goods and services in current prices, chained volume measures and implied deflators.

[Focus on UK trade](#) Article series | Released 26 January 2023 A series of articles taking a closer look at emerging themes in UK trade statistics.

[Trading places: How we are producing consistent estimates of trade figures following the UK's EU exit](#) Blog post | Released 10 February 2023 A blog summarising the changes to the way trade in goods is recorded following the UK's exit from the EU, and how the ONS is responding to their impact.

[Understanding the latest changes to the UK trade figures with the EU](#) Blog post | Released 11 March 2022 A blog detailing the latest changes to the way HM Revenue and Customs collect data for both imports from and exports to the EU.

[In the balance: Identifying differences between UK and EU trade figures](#) Blog post | Released 8 July 2021 A blog exploring the disparities between EU and UK trade statistics.

[Trade off: different ways of measuring imports and exports](#) Blog post | Released 14 May 2021 A blog detailing how imports and exports are measured.

[Impact of the coronavirus and EU exit on the collection and compilation of UK trade statistics](#) Article | Released 8 March 2021 How the global coronavirus (COVID-19) pandemic and the end of the EU exit transition period impacted on the compilation of UK trade.

8 . Cite this article

Office for National Statistics (ONS), released 17 February 2023, ONS website, article, [Impact of trade in goods data collection changes on UK trade statistics: update on Staged Customs Controls](#)