

Article

Impact of trade in goods data collection changes on UK trade statistics: adjustments to 2022 EU imports estimates

Summary of adjustments to account for the impact of Staged Customs Controls on UK trade statistics.

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1 . Overview

Since the UK left the EU on 31 January 2020, 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 what steps we have taken to account for these impacts.

In our article, [Impact of trade in goods data collection changes on UK trade statistics: further update on Staged Customs Controls \(SCC\)](#) published in July 2023, we analysed the impact of SCC on trade in goods data for imports from the EU to Great Britain (GB) in the first half of 2022.

To account for the impact of SCC, which led to some double counting, we have now applied a downward adjustment of £6.0 billion to our estimates of goods imports from the EU for the period January to June 2022. This adjustment has been applied to our [UK trade release](#) in line with the [National Accounts Revisions Policy](#), with revised estimates incorporated into our [GDP quarterly national accounts, UK: April to June 2023](#) and [Balance of payments, UK: April to June 2023](#) releases published on 29 September 2023.

These revised estimates will also be included in our annual [UK National Accounts, The Blue Book: 2023](#) and [UK Balance of Payments, The Pink Book: 2023](#), which are due to be published on 31 October 2023.

This article summarises this adjustment to our estimates of goods imports from the EU in 2022, providing a breakdown by chapter type, country of dispatch and port of entry.

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 for importing goods from the EU to Great Britain 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. However, SCC can continue to be used for imports to GB from Ireland.

Because of the change in trade data collection methods from the Intrastat Survey in 2021 to full customs declarations in 2022, use of SCC caused some double counting in UK trade statistics during 2022. This is because some imports in the second half of 2021 recorded through the Intrastat Survey also appeared on customs declarations in the first half of 2022.

3 . Identifying use of Staged Customs Controls

Working with HM Revenue and Customs (HMRC), we developed a methodology to identify potential instances of the use of Staged Customs Controls (SCC) by traders when making customs declarations during 2022. This methodology analyses the length of time between the acceptance date and clearance date on the returned customs declarations to identify potential cases of traders who may have used SCC to report 2021 trade in 2022.

Authorised traders have an allowance of up to around 37 days to submit all required information regarding their imports. However, during the period of temporary SCC, traders had the option of taking up to 175 days from the date of acceptance to make the supplementary declaration.

To identify potential cases of traders who may have used SCC to report 2021 trade in 2022, HMRC and the Office for National Statistics (ONS) have examined imports from the EU to Great Britain (GB) with an acceptance date in 2021 and a clearance date in 2022, in which the difference in dates exceeded 40 days (the 37 days mentioned previously plus a short period of tolerance).

More detail on the method used to identify potential instances of the use of SCC by traders can be found in our article, [Impact of trade in goods data collection changes on UK trade statistics: further update on Staged Customs Controls](#).

We have worked with HMRC to collect evidence to check the robustness of the acceptance and clearance date analysis methodology. This work involved:

- contacting traders identified under the dates analysis method, to check if they did use SCC, for what value and whether they had also reported that trade through the Intrastat Survey in 2021
- analysing microdata to identify other traders displaying an unusual pattern of trade in 2022, and conducting investigations with them to check if this reflected use of SCC
- contacting traders that were neither flagged by the dates analysis nor displayed unusual trade patterns in 2022, to check whether they utilised SCC

HMRC trade statistics verification officers and customer relations teams contacted and received confirmation from traders accounting for the majority of these imports by value. Where responses from traders were not received, supplementary analysis including a review of longer-term trends and a comparison against responses of traders exhibiting similar characteristics was used to determine the likelihood of SCC as identified from the dates analysis.

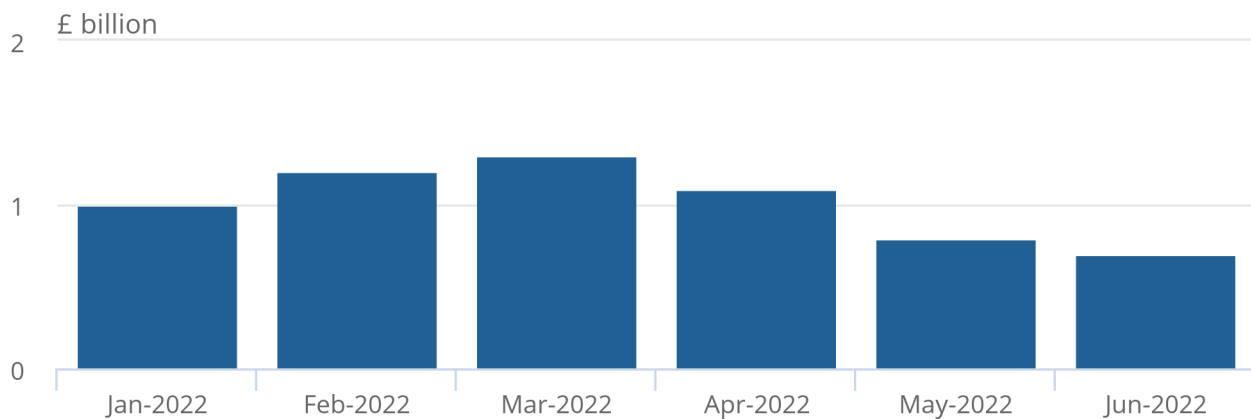
Our investigation flagged £6.5 billion of imports conducted in 2021 but submitted through customs declarations in 2022. Our methodology has concluded that £6.0 billion of imports were submitted using SCC; all of these delayed declarations were made in the first six months of 2022 (Figure 1), rather than later in the year. This represented 2% of total imports from the EU to GB in 2022, prior to the adjustments being implemented, or 4% during the first half of 2022.

Figure 1: £6.0 billion of imports from the EU in the first six months of 2022 were concluded as using Staged Customs Controls

Value of imports of goods from the EU concluded as using Staged Customs Controls, January to June 2022

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Value of imports of goods from the EU concluded as using Staged Customs Controls, January to June 2022



Source: UK trade statistics from the Office for National Statistics

4 . Impact of the adjustments on estimates of goods imports from the EU in 2022

After concluding the investigation into the impact of the use of Staged Customs Controls (SCC) on goods imports from the EU, we have now implemented adjustments to our estimates of goods imports from the EU for the period January to June 2022. These adjustments account for the £6.0 billion of imports concluded to have used SCC, which resulted in double counting in UK trade statistics during 2022.

The revised series for imports of goods from the EU can be seen in Figure 2 after the £6.0 billion downward adjustment to account for the use of SCC has been implemented.

As this adjustment has been implemented in line with the [National Accounts Revisions Policy](#), the data have been revised back to January 1997 and include other methodological improvements which have been made to the UK trade data (detailed in our [UK trade: August 2023 bulletin](#)).

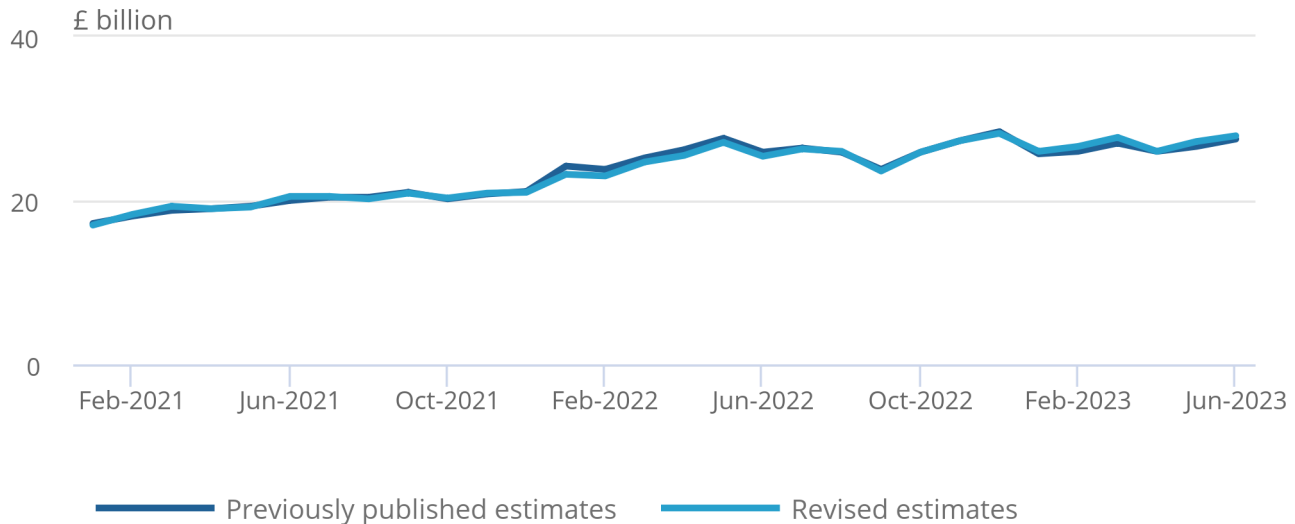
The final revised series for imports of goods from the EU including both the SCC adjustment and other methodological improvements results in an overall £5.0 billion downward revision applied over the first six months of 2022 in non-seasonally adjusted terms. After seasonal adjustment, there is a £3.9 billion downward adjustment for the first six months of 2022.

Figure 2: Goods imports from the EU have had a downward adjustment applied to each month from January to June 2022 to account for the impact of Staged Customs Controls

Imports of goods from the EU, excluding precious metals, current prices, seasonally adjusted, January 2021 to June 2023

Figure 2: Goods imports from the EU have had a downward adjustment applied to each month from January to June 2022 to account for the impact of Staged Customs Controls

Imports of goods from the EU, excluding precious metals, current prices, seasonally adjusted, January 2021 to June 2023



Source: UK trade statistics from the Office for National Statistics

Notes:

1. These data have been revised back to January 1997 in line with the [National Accounts Revisions Policy](#), and include other methodological improvements which have been made to the UK trade data and are detailed in our [UK trade: August 2023](#) bulletin.

Imports of machinery and transport equipment were most affected by the use of SCC, with £4.9 billion of imports of this commodity identified as using SCC (Table 1). In combination with other methodological improvements, this has resulted in an overall £4.0 billion downward revision in non-seasonally adjusted terms, which leads to a £3.2 billion downward adjustment after seasonal adjustment has been applied.

Table 1: Machinery and transport equipment was the commodity with the highest revisions in value terms Revisions to estimates by top level commodity (SITC) during the first six months of 2022, contribution to total revision from SCC and value of total revision

	Contribution to total revision from SCC (£ million), non-seasonally adjusted	Total revision (£ million), non-seasonally adjusted	Total revision (£ million), seasonally adjusted
SITC 0: Food and live animals	-491	-330	-217
SITC 1: Beverages and tobacco	-8	-428	-443
SITC 2: Crude materials	-12	26	53
SITC 3: Fuels	0	14	-358
SITC 4: Animal and vegetable oils and fats	-5	-32	-30
SITC 5: Chemicals	-299	-140	108
SITC 6: Material manufactures	-162	-41	31
SITC 7: Machinery and transport equipment	-4,861	-4,011	-3,156
SITC 8: Miscellaneous manufactures	-144	-49	128
SITC 9: Unspecified goods	0	33	33
Total	-5,982	-4,958	-3,884

Source: UK trade statistics from the Office for National Statistics

Notes

1. SITC is Standard International Trade Classification.
2. These data have been revised back to January 1997 in line with the National Accounts Revisions Policy, and include other methodological improvements which have been made to the UK trade data and are detailed in our UK trade: August 2023 bulletin.

5 . Characteristics of the adjustments

Chapter

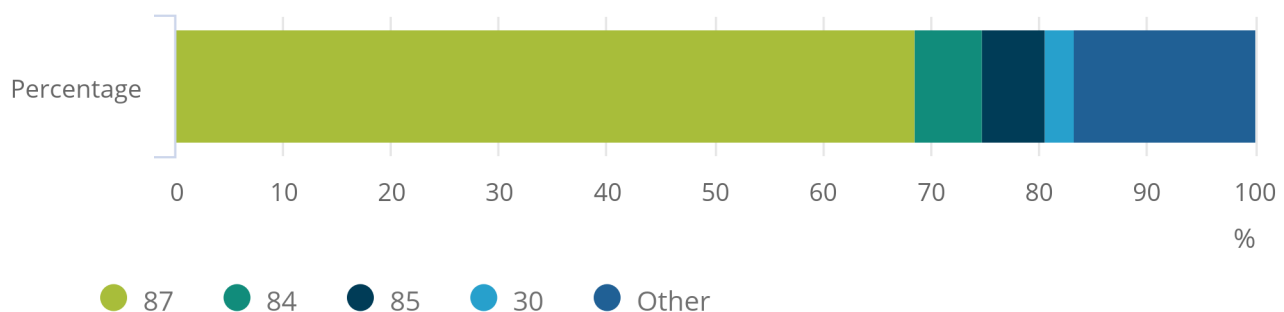
Chapter 87 (vehicles other than railway or tramway) accounts for the majority (68.6%) of the £6.0 billion of imports confirmed as using Staged Customs Controls (SCC) when broken down by commodity chapters (Figure 3). Chapter 87 mainly consists of imports of motor cars and vehicles for transport of fewer than 10 people, parts and accessories for large vehicles, and motor vehicles for the transport of goods.

Figure 3: Chapter 87 (vehicles other than railway or tramway) accounts for the majority of the £6.0 billion of trade in the SCC adjustment

Proportion of trade included in the Staged Customs Controls (SCC) adjustment in the first six months of 2022, by chapter

Figure 3: Chapter 87 (vehicles other than railway or tramway) accounts for the majority of the £6.0 billion of trade in the SCC adjustment

Proportion of trade included in the Staged Customs Controls (SCC) adjustment in the first six months of 2022, by chapter



Source: UK trade statistics from the Office for National Statistics

Notes:

- The commodity chapters include:
 - Chapter 30: Pharmaceutical products
 - Chapter 84: Nuclear reactors, boilers, machinery and mechanical appliances
 - Chapter 85: Electrical machinery and equipment; sound recorders and reproducers, television image and sound recorders and reproducers
 - Chapter 87: Vehicles other than railway or tramway stock
 - Other: all other chapters.

Our [accompanying dataset](#) provides the SCC adjustment by all chapters.

Country of dispatch

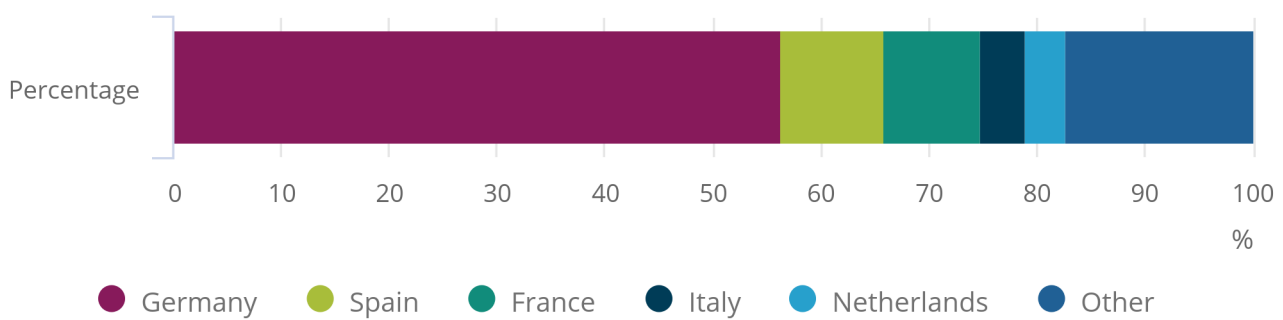
Imports of goods from Germany account for the majority (56.3%) of the £6.0 billion of imports confirmed as using SCC (Figure 4). Germany was the UK's largest EU import partner in 2022; it is the primary supplier of cars, accounting for almost half of all car imports in 2022. Imports from Spain and France represent 9.7% and 8.9% of the total SCC adjustment, respectively.

Figure 4: Germany accounts for the majority of the £6.0 billion of trade in the SCC adjustment

Proportion of trade included in the Staged Customs Controls (SCC) adjustment in the first six months of 2022, by country

Figure 4: Germany accounts for the majority of the £6.0 billion of trade in the SCC adjustment

Proportion of trade included in the Staged Customs Controls (SCC) adjustment in the first six months of 2022, by country



Source: UK trade statistics from the Office for National Statistics

Notes:

1. Other includes the 22 other EU member states.

Port of entry

English ports account for 99.5% of the £6.0 billion of trade in the SCC adjustment (Table 2). Dover, Grimsby, Medway, and London were the ports of entry within England which received the largest adjustments. As Northern Ireland imports from the EU continue to be collected through the Intrastat Survey, they were not affected by the use of SCC in customs declarations.

Table 2: English ports account for 99.5% of the £6.0 billion of trade in the SCC adjustment
Proportion of trade included in the Staged Customs Controls (SCC) adjustment in the first six months of 2022, by location of port of entry

Location of port of entry	Proportion of adjustment
England	99.5%
Wales	0.2%
Scotland	0.1%
Other	0.3%

Source: UK trade statistics from the Office for National Statistics

Notes

1. Other includes inland clearance (goods being moved from customs warehouses) and unknown.

6 . Future developments

Imports from the EU in 2022

After we have implemented adjustments to our estimates of goods imports from the EU, there continues to be a changed pattern relative to mirror statistics reported by Eurostat of EU exports to the UK throughout 2022 and into 2023. This is highlighted in our article, [Impact of trade in goods data collection changes on UK trade statistics: update on Staged Customs Controls](#). Historically, Eurostat and Office for National Statistics (ONS) trade data have never fully mirrored one another. So, although this continued observed difference is not definitive proof of a step change, it does require further investigation to understand if there are any other factors in data collection or trader behaviour that could be influencing this trend.

Imports from and exports to the EU pre-2021

[HM Revenue and Customs \(HMRC\) implemented a data collection change](#) affecting data on goods exports from Great Britain (GB) to the EU in January 2021, and data on goods imports from the EU to GB in January 2022. We have [applied adjustments to our estimates of goods imports from the EU for 2021](#) to reflect this data collection change, which brought imports and exports statistics onto a like for like basis in 2021.

Users should note that the full time series for goods imports from and exports to the EU contains a discontinuity from January 2021, resulting from the move from Intrastat to customs declarations, as detailed in our [Impact of trade in goods data collection changes on UK trade statistics: adjustments to 2021 EU imports estimates article](#). Caution should be taken when interpreting these statistics.

We are exploring available data sources to assess whether it is possible to make similar adjustments for the period prior to 2021.

7 . Related links

[UK trade: August 2023](#)

Bulletin | Released 12 October 2023

Total value of UK exports and imports of goods and services in current prices, chained volume measures and implied deflators.

[UK trade in goods, year in review: 2022](#)

Article | Released 17 February 2023

An analysis of UK trade in goods in 2022 in the context of rising price inflation and the Russian invasion of Ukraine.

[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.

[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.

[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.

8 . Cite this article

Office for National Statistics (ONS), released 12 October 2023, ONS website, article, [Impact of trade in goods data collection changes on UK trade statistics: adjustments to 2022 EU imports estimates](#)