



Food & drink annual exports briefing 2018

Key points

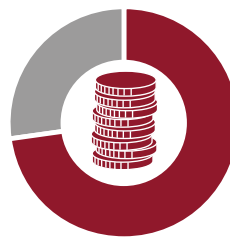


The value of Food & Drink Exports in Wales was

£539m in 2018.

This was up **2%** or **£10m** compared to 2017.

Since 2014, the value of food & drink exports in Wales has increased by **32%** [Table 5].



£395m of Welsh food & drink exports went to the European Union in 2018, which was **73%** of the total [Table 3] [Table 4].

Welsh food & drink exports to the EU fell by **£14m** in 2018...



... but exports to countries outside the EU increased by **£25m**, to a total of **£145m** [Chart 2].



The top product category for Welsh food & drink exports was meat and meat products, which was responsible for **over a quarter of food & drink exports** [Table 4].

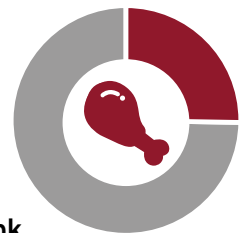
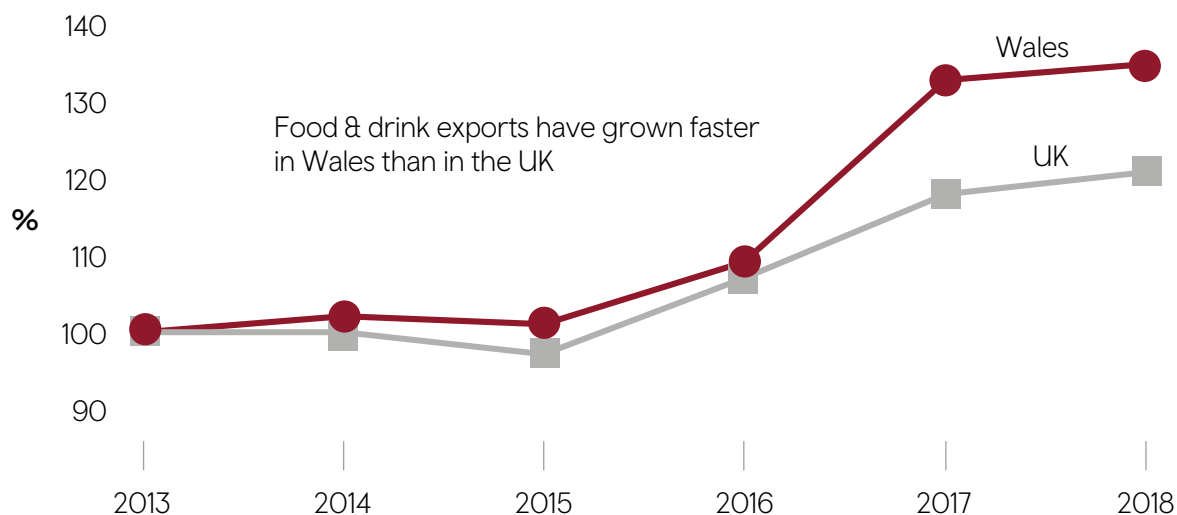


Chart 1:

Index of the value of food & drink exports (2013 = 100%)

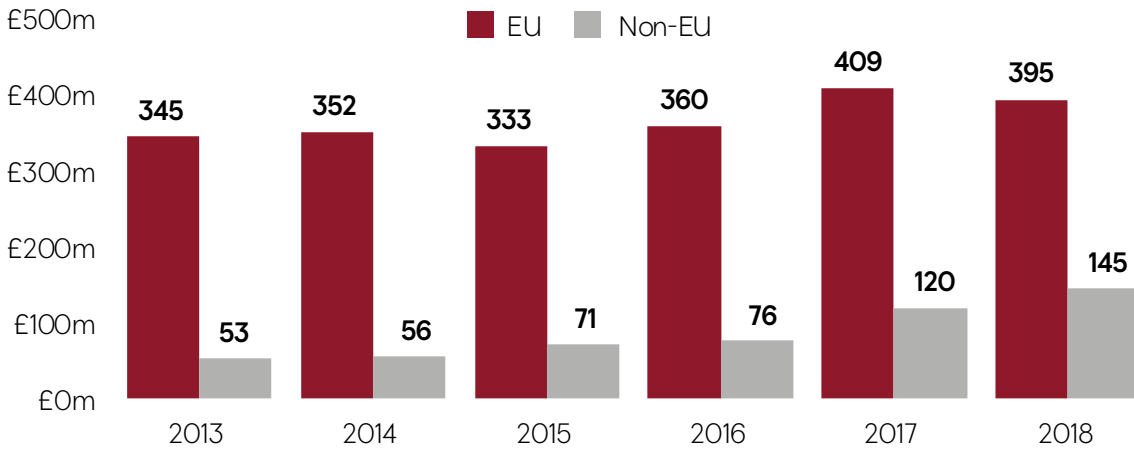


Source: Welsh Government analysis of HM Revenue & Customs Regional Trade in Goods statistics

Destination of exports

Chart 2:

Value of Welsh food & drink exports to the EU and rest of the world (£ millions)

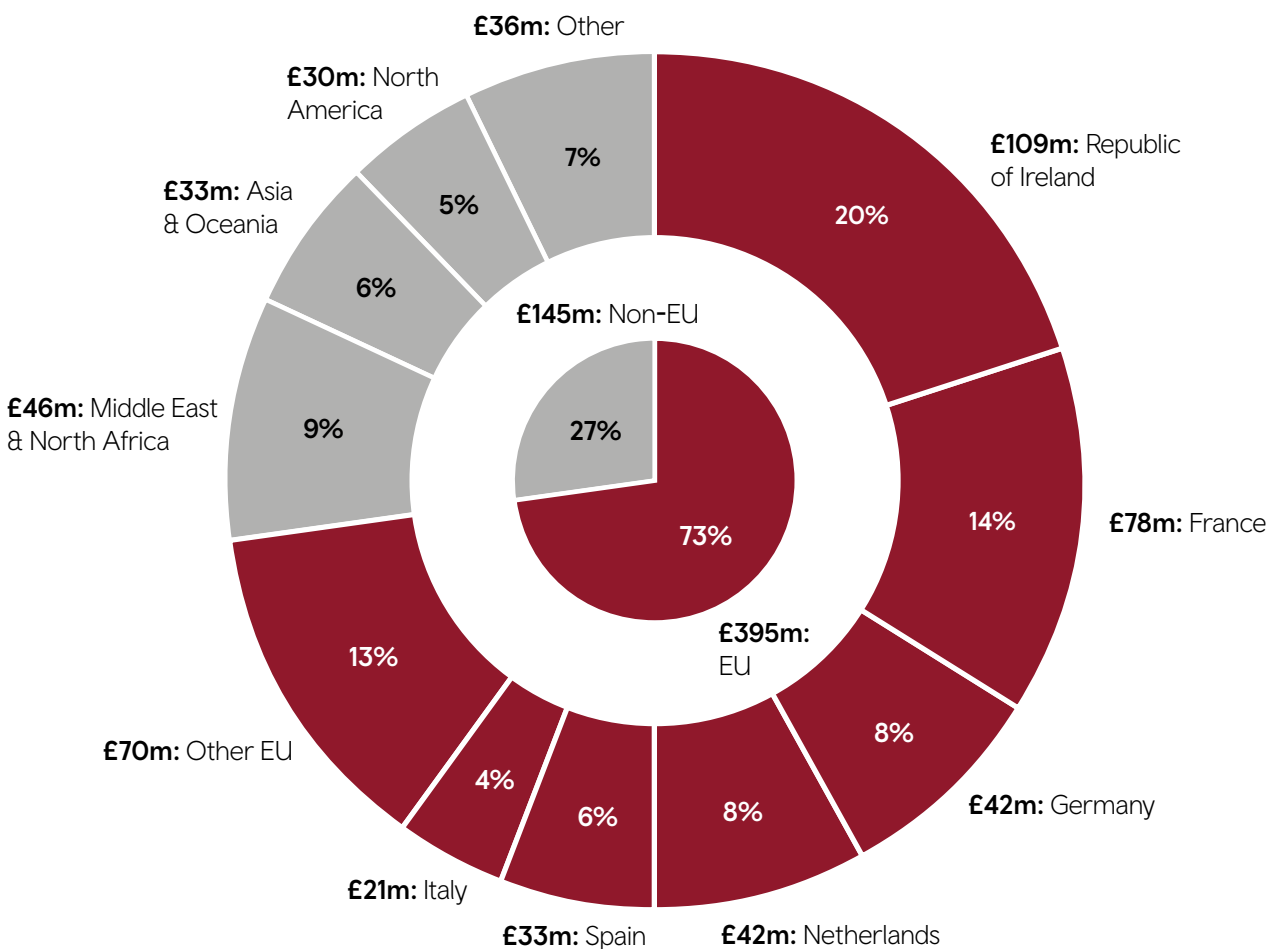


Source: Welsh Government analysis of HM Revenue & Customs Regional Trade in Goods statistics

The value of Welsh food & drink exports to the European Union retracted in 2018, but the total value of £395m was still higher than it was in 2016. At the same time, exports to the rest of the world grew by £25m. Exports outside the EU have been growing steadily and now make up 27% of Welsh food & drink exports.

Chart 3:

Top destinations for Welsh food & drink exports, 2018

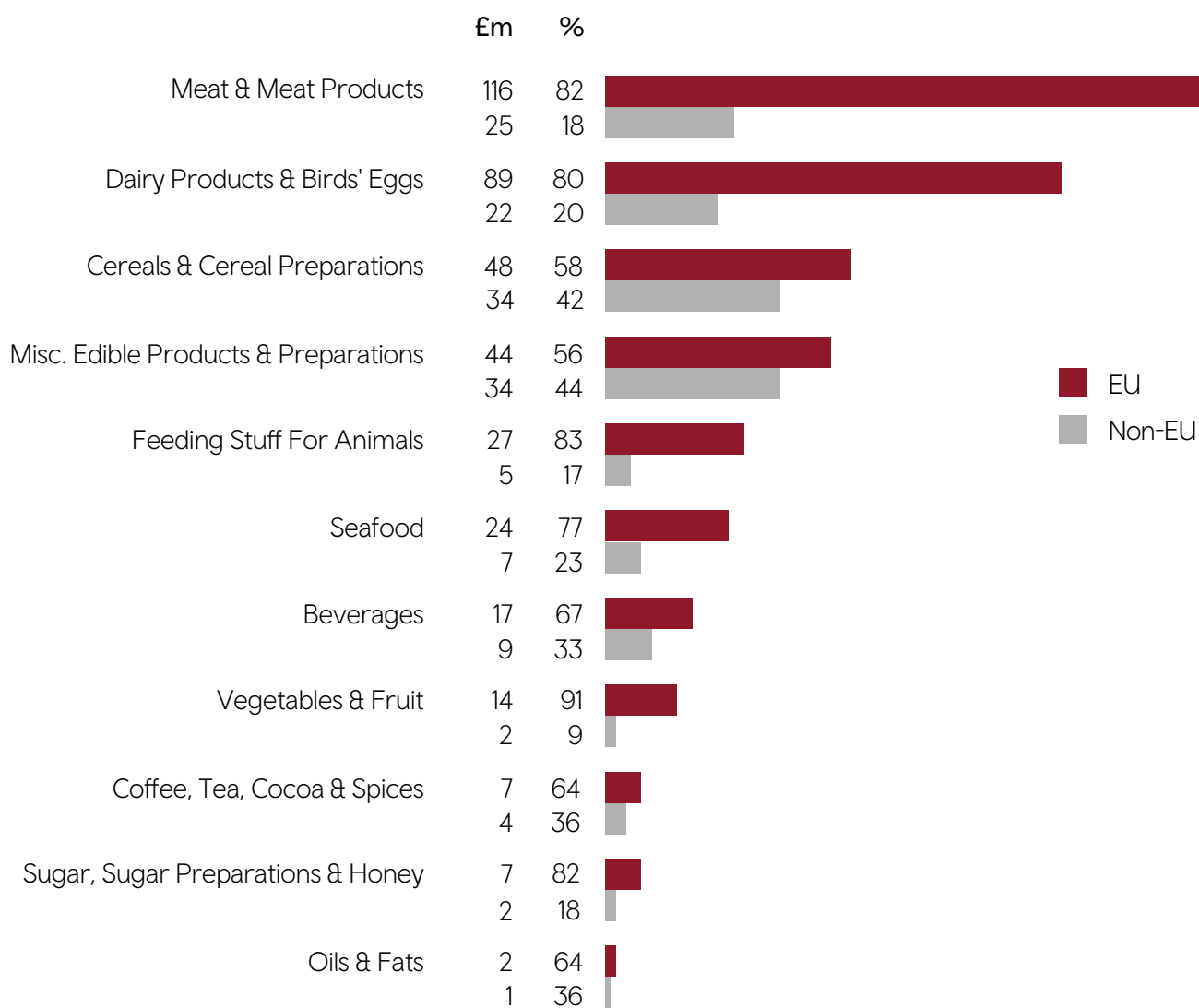


Source: Welsh Government analysis of HM Revenue & Customs Regional Trade in Goods statistics

The Republic of Ireland is the top destination for Welsh food & drink exports. It made up 20% of the Welsh food & drink export market. Ireland was the largest importer of dairy products and birds' eggs, cereals and cereal preparations, and feeding stuff for animals [Table 8]. The value of exports to Ireland is the same as the value of exports to the Middle East, North Africa, North America, Asia and Oceania combined.

Ireland, France, Germany, the Netherlands and Spain made up over half of the export market for Welsh food & drink.

Chart 4:
Value of Welsh food & drink exports to the EU and rest of the world,
by product, 2018



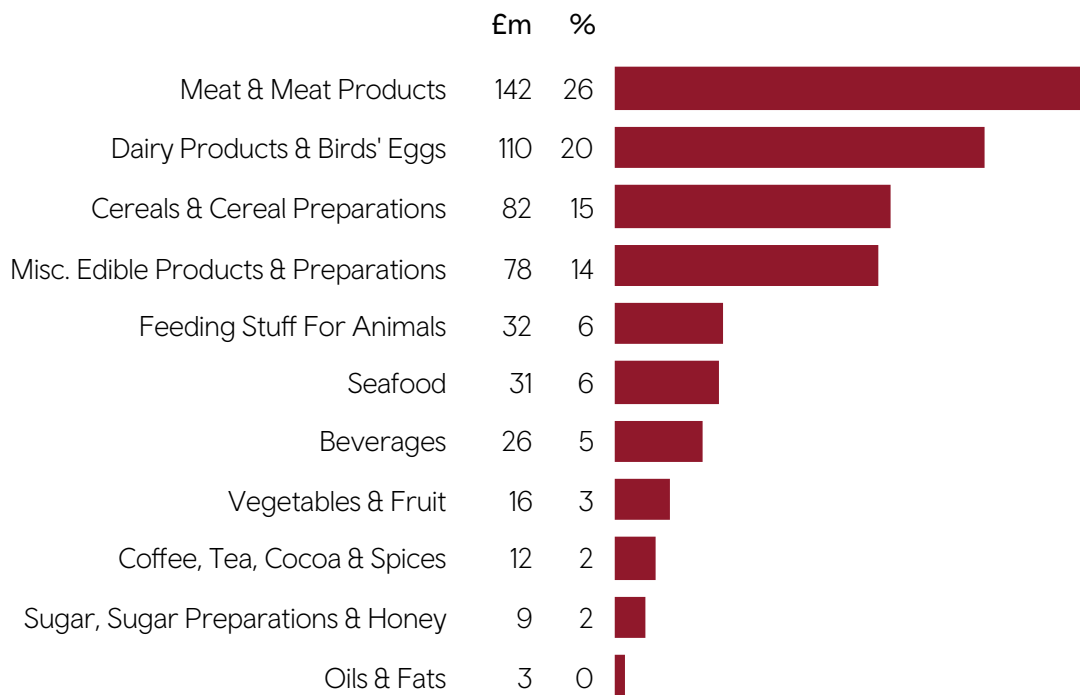
Source: Welsh Government analysis of HM Revenue & Customs Regional Trade in Goods statistics

There were differences in the types of product being exported to non-EU countries, compared to those exported to the EU. Less than 10% of vegetables and fruit were exported outside the EU, and less than 20% of meat products. On the other hand over 40% of cereals and miscellaneous edible products were exported to countries outside of the EU [Chart 3].

Products exported

Chart 5:

Value of Welsh food & drink exports by product, 2018



Source: Welsh Government analysis of HM Revenue & Customs Regional Trade in Goods statistics

The top product category for Welsh food & drink exports was meat and meat products, which was responsible for over a quarter of food & drink exports. Meat and meat product exports have increased 63% since 2014 [Table 5].

The value of fruit and vegetables exports doubled compared to the previous year [Table 5]. Part of the reason for the increases was a large rise in the volume of fruit and vegetables exported to the Netherlands and Republic of Ireland.

Exports of cereals and cereal preparations also saw a large increase in 2018, rising 22% [Table 5]. In this case, there was also a large rise in volume of goods exported to the Republic of Ireland and the Netherlands, but the increase in value was spread across many countries [Table 8].

In the longer-term there has been strong growth across all categories since 2014, except for dairy and eggs, beverages, and sugar preparations and honey [Table 5].

Beverage exports fell for the third year in a row [Table 5]. In particular, there were falls in value in Italy, France, Belgium and the USA.

Table 1:

Value of food & drink exports and total exports, Wales and the UK (£ millions), 2014–2018

Year	Wales			UK			Wales as a % of UK	
	Food & Drinks	All Exports	% of Wales Total	Food & Drinks	All Exports	% of UK Total	Food & Drinks	All Exports
2014	408	14,135	2.9%	18,979	283,060	6.7%	2.2%	5.0%
2015	404	13,253	3.0%	18,363	275,414	6.7%	2.2%	4.8%
2016	436	14,630	3.0%	20,342	290,999	7.0%	2.1%	5.0%
2017	529	16,479	3.2%	22,280	328,380	6.8%	2.4%	5.0%
2018	539	17,174	3.1%	22,856	336,910	6.8%	2.4%	5.1%

Source: Welsh Government analysis of HM Revenue & Customs Regional Trade in Goods statistics

Table 2:

Volume of food & drink exports and total exports, Wales and the UK (Tonnes), 2014–2018

Year	Wales			UK			Wales as a % of UK	
	Food & Drinks	All Exports	% of Wales Total	Food & Drinks	All Exports	% of UK Total	Food & Drinks	All Exports
2014	219,500	9,041,800	2.4%	13,123,100	153,087,200	8.6%	1.7%	5.9%
2015	223,600	8,525,600	2.6%	14,468,100	153,685,100	9.4%	1.5%	5.5%
2016	203,000	7,846,600	2.6%	15,668,200	154,477,400	10.1%	1.3%	5.1%
2017	201,400	7,515,100	2.7%	13,116,500	160,939,400	8.1%	1.5%	4.7%
2018	228,200	8,304,100	2.7%	13,375,600	155,607,400	8.6%	1.7%	5.3%

Source: Welsh Government analysis of HM Revenue & Customs Regional Trade in Goods statistics

Table 3:

Value of Welsh food & drink exports by destination (£ millions), 2014–2018

Year	2014	2015	2016	2017	2018	2018 compared to:	
						2014 % change	2017 % change
EU	352	333	360	409	395	↑ 12%	↓ 3%
Middle East and North Africa	5	10	14	35	46	↑ 821%	↑ 31%
Asia and Oceania	18	19	20	25	33	↑ 81%	↑ 31%
North America	18	28	20	26	30	↑ 63%	↑ 14%
Western Europe excluding the EU	8	8	8	19	19	↑ 146%	↓ 2%
Sub-Saharan Africa	3	3	7	6	9	↑ 213%	↑ 50%
Eastern Europe excluding the EU	4	2	6	7	6	↑ 54%	↓ 14%
Latin America and the Caribbean	1	1	1	1	2	↑ 200%	↑ 48%
Total	408	404	436	529	539	↑ 32	↑ 2

Source: Welsh Government analysis of HM Revenue & Customs Regional Trade in Goods Statistics

Table 4:












Percentage value of Welsh food & drink exports by destination, 2014–2018

Year	2014	2015	2016	2017	2018
EU	86%	82%	83%	77%	73%
Middle East and North Africa	1%	2%	3%	7%	9%
Asia and Oceania	4%	5%	5%	5%	6%
North America	4%	7%	5%	5%	6%
Western Europe excluding the EU	2%	2%	4%	4%	3%
Sub-Saharan Africa	1%	1%	1%	1%	2%
Eastern Europe excluding the EU	1%	–	1%	1%	1%
Latin America and the Caribbean	–	–	–	–	–
Total	100%	100%	100%	100%	100%

Source: Welsh Government analysis of HM Revenue & Customs Regional Trade in Goods Statistics

Table 5:












Value of Welsh food & drink exports by product (£ millions), 2014–2018

Year		2014	2015	2016	2017	2018	2018 compared to:	
							2014 % change	2017 % change
Meat & Meat Products		87	94	122	147	142	↑63%	↓4%
Dairy Products & Birds' Eggs		112	91	89	120	110	↓1%	↓9%
Cereals & Cereal Preparations		57	61	56	67	82	↑43%	↑22%
Miscellaneous Edible Products & Preparations		37	46	61	73	78	↑108%	↑6%
Feeding Stuff For Animals		28	22	21	28	32	↑14%	↑15%
Seafood		29	25	27	32	31	↑7%	↓2%
Beverages		33	39	32	29	26	↓22%	↓12%
Vegetables & Fruit		7	6	7	8	16	↑139%	↑103%
Coffee, Tea, Cocoa & Spices		8	10	9	13	12	↑45%	↑8%
Sugar, Sugar Preparations & Honey		9	10	9	8	9	↓4%	↑1%
Oils & Fats		1	1	2	2	3	↑196%	↑14%
Total		408	404	436	529	539	↑32%	↑2%

Source: Welsh Government analysis of HM Revenue & Custom Regional Trade Statistics

Table 6:











Percentage value of Welsh food & drink exports by product, 2014–2018

Year		2014	2015	2016	2017	2018
Meat & Meat Products		21%	23%	28%	28%	26%
Dairy Products & Birds' Eggs		27%	22%	20%	23%	20%
Cereals & Cereal Preparations		14%	15%	13%	13%	15%
Miscellaneous Edible Products & Preparations		9%	11%	14%	14%	14%
Feeding Stuff For Animals		7%	5%	5%	5%	6%
Seafood		7%	6%	6%	6%	6%
Beverages		8%	10%	7%	6%	5%
Vegetables & Fruit		2%	1%	2%	1%	3%
Coffee, Tea, Cocoa & Spices		2%	2%	2%	2%	2%
Sugar, Sugar Preparations & Honey		2%	2%	2%	2%	2%
Oils & Fats		–	–	–	–	–
Total		100%	100%	100%	100%	100%

Source: Welsh Government analysis of HM Revenue & Custom Regional Trade Statistics

Table 7:

Volume of Welsh food & drink exports by product (tonnes), 2014–2018

Year		2014	2015	2016	2017	2018	2018 compared to:	
							2014 % change	2017 % change
Cereals & Cereal Preparations		22,100	24,400	20,500	25,200	43,600	↑ 97%	↑ 73%
Meat & Meat Products		40,900	37,000	39,700	40,600	43,500	↑ 6%	↑ 7%
Dairy Products & Birds' Eggs		51,400	48,300	41,400	37,100	35,700	↓ 31%	↓ 4%
Beverages		37,000	41,900	39,100	36,500	34,500	↓ 7%	↓ 6%
Feeding Stuff For Animals		28,600	26,800	20,200	20,700	31,000	↑ 8%	↑ 50%
Miscellaneous Edible Products and Preparations		11,500	15,400	17,000	16,300	14,500	↑ 26%	↓ 11%
Sugar , Sugar Preparations & Honey		11,900	13,500	10,800	8,200	9,900	↓ 16%	↑ 21%
Vegetables & Fruit		4,400	4,700	3,900	3,900	6,700	↑ 54%	↑ 72%
Seafood		8,900	8,700	7,300	9,600	5,500	↓ 38%	↓ 43%
Coffee, Tea, Cocoa & Spices		2,400	2,200	1,800	2,300	2,400	↓ 1%	↑ 5%
Oils & Fats		400	700	1,200	1,000	900	↑ 117%	↓ 11%
Total		219,500	223,600	203,000	201,400	228,200	↑ 4%	↑ 13%

Source: Welsh Government analysis of HM Revenue & Custom Regional Trade Statistics

Table 8:

Top 5 Welsh food & drink products by top 5 destinations (value in £ millions, volume in tonnes), 2014–2018

Meat & Meat Products	2014		2015		2016		2017		2018	
	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume
France	28	7,500	26	7,400	31	8,500	32	7,600	33	8,400
Ireland	17	8,800	23	10,100	25	10,300	25	9,600	25	8,900
Germany	3	1,300	6	1,800	14	3,700	15	3,800	14	4,800
Netherlands	11	13,800	8	9,900	9	4,500	13	8,400	11	10,800
Italy	8	2,000	7	1,500	7	1,400	9	1,500	8	1,200

Dairy Products and Birds' Eggs	2014		2015		2016		2017		2018	
	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume
Republic of Ireland	17	7,600	17	10,100	18	8,600	20	7,700	25	10,400
France	16	7,200	16	7,400	14	7,400	15	4,700	17	5,300
Germany	12	5,000	9	4,200	6	3,200	8	2,700	11	3,000
Netherlands	15	12,800	10	10,700	9	6,300	13	6,500	10	5,400
Turkey	–	–	1	200	1	200	6	600	6	600

Cereals and Cereal Preparations	2014		2015		2016		2017		2018	
	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume
Republic of Ireland	21	10,100	21	9,400	21	9,300	20	10,500	23	16,500
France	10	3,200	12	4,800	10	3,000	10	2,700	10	2,700
United Arab Emirates	–	100	–	300	1	300	3	800	7	1,800
Saudi Arabia	–	–	–	100	–	100	3	900	5	1,800
Netherlands	2	1,100	3	1,700	3	1,700	3	1,700	5	8,400

Miscellaneous Edible Products and Preparations	2014		2015		2016		2017		2018	
	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume
USA (including Puerto Rico)	1	100	4	200	7	400	8	200	12	300
Republic of Ireland	5	2,200	5	2,000	8	3,000	10	3,500	8	2,800
Germany	5	900	5	900	8	1,600	9	1,500	8	1,400
France	7	2,500	6	3,100	5	2,300	7	2,300	7	1,700
Canada	2	1,000	5	4,100	1	3,200	3	1,700	5	1,100

Feeding Stuff for Animals	2014		2015		2016		2017		2018	
	Value	Volume	Value	Volume	Value	Volume	Value	Volume	Value	Volume
Republic of Ireland	6	7,300	7	8,300	6	6,800	10	10,300	12	15,100
Germany	7	6,400	6	4,400	6	2,300	6	1,700	5	1,300
Sweden	2	2,700	2	2,800	2	1,800	2	1,300	2	1,400
Norway	–	–	–	200	–	300	1	600	2	1,200
Italy	2	2,200	1	2,000	1	2,000	1	2,000	2	2,500

Table 9:

Value of Welsh food & drink exports by UK country / English region
(£ millions), 2014–2018

Year	2014	2015	2016	2017	2018	2018 compared to:	
						2014 % change	2017 % change
Wales	408	404	436	529	539	↑ 32%	↑ 2%
Scotland	4,962	4,747	5,235	5,726	5,890	↑ 19%	↑ 3%
Northern Ireland	1,558	1,426	1,436	1,721	1,899	↑ 22%	↑ 10%
North East	219	242	241	245	243	↑ 11%	↓ 1%
North West	1,546	1,508	1,736	1,923	1,841	↑ 19%	↓ 4%
Yorkshire and the Humber	993	932	1,010	1,125	1,166	↑ 17%	↑ 4%
East Midlands	809	855	927	951	993	↑ 23%	↑ 4%
West Midlands	665	643	694	771	816	↑ 23%	↑ 6%
East	1,671	1,690	1,844	1,989	1,988	↑ 19%	↑ 0%
London	2,598	2,333	2,625	2,882	2,984	↑ 15%	↑ 4%
South East	1,221	1,282	1,488	1,610	1,532	↑ 25%	↓ 5%
South West	644	635	729	809	814	↑ 26%	↑ 1%
Total	18,979	18,363	20,342	22,280	22,856	↑ 20%	↑ 3%

Source: Welsh Government analysis of HM Revenue & Customs Regional Trade in Goods Statistics

Key Quality Information

Relevance

This bulletin contains analysis of **HMRC** (HM Revenue & Customs) Regional Trade in Goods Statistics (RTS). All figures are in British pounds at current prices, they have not been adjusted for inflation or currency exchange rates.

All data used in this briefing are for the calendar years from 1st January to 31st December. Please note that data for the most recent year are provisional and subject to revision.

The following eleven SITC rev.4 (Standard International Trade Classification) divisions were used to give the best approximation of the whole Food & Drink Exports sector:

00

Live animals other than animals of division 03



01

Meat and meat preparations

(Divisions 00 and 01 were merged in a super-division: "Meat and meat products")



02

Dairy products and birds' eggs



03

Fish

(not marine mammals), crustaceans, molluscs and aquatic invertebrates and preparations thereof



04

Cereals and cereal preparations



05

Vegetables and fruit



06

Sugars, sugar preparations and honey



07

Coffee, tea, cocoa, spices, and manufactures thereof



08

Feeding stuff for animals (not including unmilled cereals)



09

Miscellaneous edible products and preparations



11

Beverages



41

Animals oils and fats

42

Fixed vegetable fats and oils, crude, refined or fractionated

(Divisions 41 and 42 were merged in a super-division: "Oils and fats")



NB: division 43 ("Animal or vegetable fats and oils, processed; waxes of animal or vegetable origin; inedible mixtures or preparations of animal or vegetable fats or oils, n.e.s.") was not included because it contains inedible food.

From these 13 divisions, 11 products categories were defined, as divisions 00 and 01 were gathered together in one *Meat and meat products* category, while divisions 41 and 42 were clustered in one *Oils and fats* category.

"Non European Stores and Provisions" were included among the destination export areas to maintain consistency with what published by HMRC at national level (www.uktradeinfo.com).

Accuracy

The data in this bulletin are the Regional Trade Statistics (RTS) published by HMRC. These statistics refer to goods that have crossed UK frontier. This means that exports from Wales to other parts of the UK are not included and there is no element included for components produced in Wales when the final product is completed in and then exported from another part of the UK. HMRC do not receive information in respect of goods that move wholly within the UK.

If a business has branches in more than one region, that business' trade is allocated to each region based on **the proportion of their total employees in that region**. This is regardless of what is being exported.

Revisions

From the 1st May 2016, there was a methodological change to the way the Non-EU trade-in-goods statistics are compiled. Following a change in legislation, the Non-EU trade-in-goods statistics have changed from the "General Trade" system of compilation to the "Special Trade" system. For further information on the differences between General and Special Trade, please see the HMRC's **Methodology Paper for Overseas Trade Statistics**. Special Trade data is only available for 2012 Q1 onwards. All data in this bulletin is Special Trade.

HMRC have revised the methodology used to calculate Regional Trade Statistics. Business trade is now allocated to a region based on the proportion of employees in that region rather than where the location of the Head Office of the business is. Data are available under the new methodology from 2013Q1. It is inappropriate to compare current data with data prior to 2013 and it has been excluded from this bulletin. Further information on the quality, revisions and methodology of the data can be found on the **HMRC website**.