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**Mark Pont, Assessment Programme Lead**

Roger Halliday  
Chief Statistician  
Scottish Government  
[by email]

18 December 2017

Dear Roger

### **Export Statistics Scotland (ESS)**

As you are aware, we recently completed a high-level short review of Scottish Government's *Exports Statistics Scotland (ESS)* against the Code of Practice for statistics and this letter confirms our findings. We found that the statistics are prepared impartially, produced to good standards and provide valuable insight to users. Strengths of the statistics and the statistical processes include:

- they present clear answers to users' questions about Scotland's exports
- the statisticians have been innovative in addressing concerns over falling survey response rates through making use of other available data
- opportunities to collaborate with others producing related statistics and with topic and methods experts have been identified and are rapidly being exploited

We welcome your proactive engagement with users and your understanding of their needs (which were articulated, for example, in the submissions to the Scottish Parliament Committee on the Economy, Jobs and Fair Work inquiry into Economic Data [Inquiry](#) and in the oral evidence sessions). We also welcome your plans to meet users' priority and longer-term needs, and commend you for committing to the development of the statistics to maintain and enhance their public value.

Export statistics in Scotland have a much higher profile now than when we first assessed them in 2010, exemplified by the importance of internationalisation to the Scottish Government's economic strategy and new Trade and Investment [strategy](#). Our analysis of the submissions to the recent Parliamentary inquiry on economic data and the deliberations of its predecessor Economy, Energy and Tourism Committee in the last Parliament points to user needs for:

- statistics that show the number of exporters and tracks changes over time. The Scottish Government's International Trade and Investment Strategy 2016-21 acknowledges the need for some improvements to export statistics, and suggested a range of further steps, including better use of non-official sources such as enterprise agency data and Chamber of Commerce export certification records, to "provide further insights into Scotland's export performance"
- full trade data in and out of Scotland. Import data are currently not available for the rest of the UK. At a detailed product level, they are obtained as residual component within GDP with a high degree of uncertainty around the estimates
- timelier trade data covering the whole economy. The statistics published in January 2017 report on exports cover a period up to 2015 which is not sufficiently timely for some users. We are aware that your Quarterly National Accounts provide more timely trade estimates however these figures are broad and high level, and do not provide the export details such as sectors or destinations covered in the annual *ESS* figures
- understanding the differences between Scotland's export statistics and those from other sources. Users need to understand better the choices made in respect to how exports are

defined in *ESS* compared with other export statistics for Scotland from other official sources. For example, the definitions of exports in *ESS* can differ from the definition of exports in National Accounts figures due to the use of different standards

- more reliable data. Users expressed concerns over falling response rates to the Global Connections Survey – in some sectors the response rate is very low, for example it was reported that only 15 per cent of financial and insurance exporters sampled made returns
- sub-Scotland trade data

In the meeting we held with your colleagues during this review, they assured us that work is ongoing to consider producing reliable figures on the numbers of exporters in Scotland, which will help to refresh the sample of companies you survey. We can see the tremendous opportunities from increased availability of HMRC administrative data that should help capture more accurate and detailed data about Scottish exports. We look forward to hearing about your progress in using these HMRC administrative data. We welcome the plans that are in train to improve the presentation of the statistics and the facilities for users to more easily manipulate the statistics for greater insight. Your colleagues also told us about your engagement with Scottish Local Authorities on the potential for trade data at sub-Scotland levels.

Our review focussed on the existing statistics but we acknowledge the calls for a fuller set of trade statistics and no doubt you will want to reflect on the longer term developments that may be necessary to meet the higher bar of full sets of directly measured trade (export and import) statistics. Developments to trade statistics will not just increase the available data but will also give rise to the need for greater analytical capability. To understand the context of international traders fully, analysts will need to spend more time reaching out to and engaging with that community. Given the importance of these developments, I would welcome updates from you as your work proceeds, and your assurance that the necessary resources (staff, systems and finance) are available to fulfil longer-term development plans around such statistics.

Please pass on our thanks to Daniel Harrison, Sandy Stewart and Dette Cowden who helped us during this short review. We will forward to them some of our more detailed thoughts around the topics that we discussed in our meeting.

Please let me know if there is any aspect of this letter that you wish to discuss.

Yours sincerely



Mark Pont  
Assessment Programme Lead