Scotland Imports and Exports

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Scotland Imports and Exports (Overview)

1) The United Kingdom
2) The UK’s Imports and Exports
3) Scotland’s Imports and Exports
4) Scotland: The Case for Independence
5) Scotland’s Popular Exports
The United Kingdom
The UK and Scotland

- Scotland’s economy is closely tied with the UK (England, Wales, & Ireland)
- The UK second largest economy in Europe after Germany
- UK GDP per capita: $35,715
- Scotland GDP per capita: $41,198
- Currency: Pound Sterling (£)
  - 1 British Pound = 1.67 Dollars
United Kingdom Exports and Imports

**Imports**
$643.5 billion (2012)
- Manufacture goods
- Machinery
- Fuels
- Foodstuffs

**Exports**
$473 billion (2012)
- Manufactured goods
- Fuels
- Chemicals
- Food
- Beverages
- Tobacco

The UK is the World’s 7th leading Importer and the 12th leading exporter in the world
Scotland’s Imports and Exports
Scotland Export Markets

- **United Kingdom**
  - Northern Ireland
  - Great Britain
  - Wales

- **European Union (EU)**
  - 28 States
  - Austria, Bulgaria, Denmark, Finland, France, Italy, Malta, Spain, Sweden, etc.
  - Economic and political union
    - Created a central European bank, adoption of the Euro as a common currency

- **Non-EU Countries**

- **International Countries**
  - United States, China
Scotland’s Top 5 Export Destinations (excluding UK Trade)

- United States (£3.5 billion)
- Netherlands (£2.7 billion)
- France (£1.9 billion)
- Germany (£1.4 billion)
- Belgium (£1 billion)

These international markets are worth £9.5 billion
SCOTTISH EXPORTS

Source: Scottish Government, Global Connections Survey.

(£ Millions)

North America £3,845

Central & South America £1,065

RUK £45,500

European Union 27 £11,030

Rest of Europe £2,115

Middle East £1,005

Africa £1,130

Australasia £360

Asia £2,260

Other £1,105

The rest of the UK (RUK) is Scotland’s main trading partner 66% of all exports.
Scotland’s Export Industries

Top Five Export Industries (2009)

1. Food and Drink (Fish, whiskey, potatoes)
2. Chemicals (Petroleum, pharmaceuticals)
3. Business Services
4. Electrical and Instrument Engineering
5. Mechanical Engineering

Other Important Exports

- Textiles
- Oil, gas, and fuel-based equipment
- Renewable energies, equipment and technology
Scotland’s Food Exports Overseas (2010)

- 59%: Fish, Crustaceans, Molluscs & Aquatic Invertebrates
- 7% Meat
- 7% Cereals

Most foods are shipped to the European community (70.2%), with North America second (7%)
Origin of Imports of Food into Scotland, 2009

- **Western Europe**: Fish & Seafood
- **Sub-Saharan Africa**: Vegetables & Fruit
- **North America**: Vegetables & Fruit
- **Latin America and Caribbean**: Animal Feed
Agricultural Production in Scotland (£ million), 2009

- **Finished Livestock**: £838.5m (37%)
- **Store Livestock**: £84.5m (4%)
- **Livestock Products**: £323.8m (14%)
- **Capital Formation**: £58.1m (3%)
- **Other Agricultural Activities**: £94.2m (4%)
- **Non-Agricultural Activities**: £159.1m (7%)
- **Cereals**: £251.7m (11%)
- **Other crops**: £212.1m (9%)
- **Horticulture**: £239.4m (11%)
A Case for Independence
Scotland’s economy is closely connected with the UK

September 18th, 2014

Scots will be voting on whether Scotland’s economy will remain with the UK or become an independent state

Westminster Government (London)

Controls: Internet, postal service, economic policy, oversees oil and gas industry, pipelines, consumer and employment rights, industrial relations, distribution/supply of electricity
Reasons for Independence

• The system is generating inequality in the workplace

• The “one-size-fits-all” economic policy has not worked and is not ideal for the future
  • The policies reflect a larger economy and do not fit with Scotland’s smaller economy

• The UK is engaging in a “massive boom in credit and debt expansion” that can become very unstable
  • The household indebtedness rose from 103% to 176% from 1996-2007
A look at some of Scotland’s popular Exports…
Oil and Gas Exports

- Oil and gas is derived from beneath the North Sea which includes areas around the Norwegian Sea.
- Scottish oil, gas and refined product exports generate £30 billion:
  - £12.8 billion to the UK
  - £17.5 billion international
- Much of the production comes from Grangemouth, one of two petro-chemical plant in Scotland.
- The wealth Scotland’s oil and gas generate are a key factor in the Government switching for independence from the UK.
Oil and Natural Gas Fields in the North Sea

Map showing the distribution of oil and natural gas fields in the North Sea, with sectors labeled as Norwegianian, British, Danish, and Dutch sectors. The map includes fields such as Magnus, Snorre, and Troll. The map is sourced from http://www.freerepublic.com/focus/f-news/2764329/posts, by M. Shaars.
Scotland, the USDA and Beef

- The USDA is lifting the ban on European Union Beef as of November, 2013, opening new markets for revenue.

- In 1997, the US banned beef, sheep and goat, and their products produced by the European Union due to Bovine spongiform encephalopathy, aka “Mad Cow Disease”.
  - The UK was the country worst affected.
  - Disease transmitted to humans by eating contaminated meat.
    - Creutzfeldt-Jakob disease
    - Killed 166 people in the UK by 2009, 44 elsewhere.

- The ban lift does not include haggis.
Scottish Whiskey

- The national drink of Scotland
- World Wide Demand
  - USA = Largest importer; France 2nd
  - Brazil, Singapore, Taiwan
  - Prospective new markets: South Korea, India

- ~36 bottles of whiskey are produced every second

- Whiskey makes up ¼ of the UK’s food and drink revenue (£4.25 billion)

- To meet demand, distillers are investing in record amounts of production capacity
  - £1 billion in new facilities in four years
“Affluent young professionals in fast growing economies are increasingly developing a taste for Scotch, viewing the drink as a ‘status symbol’ and ‘trendy’.”

-Rosemary Gallager, Scotch Whisky Association
Thomas Tunnock Limited (Tunnocks)

- Located in Uddingston, Scotland
- Founded by Thomas Tunnock in 1890, a Scottish biscuit maker
- Products: Caramel Wafers, Snowballs, Caramel Logs and Teacakes
- Popular in Scotland, but also sold in the UK, the Middle East, Australia, South Africa
  - Generated £30.5 million in revenue (2012)
Salmon: Largest Food Export

- **Salmon is the largest food export from Scotland**
  - The only significant producer in the EU
- **Scottish salmon reaches to 60 countries worldwide**
  - USA, France, Belgium, Netherlands, Germany
  - Markets are increasing in the far east
- **3rd largest producer of salmon in the world**
  - Largest aquaculture producer in the EU
Salmon Cont’d

- 1 million fresh salmon are eaten daily in the UK
- Scottish farmed salmon holds the French Government’s top quality award “Label Rouge” for the past 21 years
  - 1st non-French food to receive this accolade
- European Union
  - Salmon is featured on 53% of European Restaurants, second to grilled chicken (60%)
- The US is the largest export market for Scottish salmon, France is 2nd
  - Consumption of salmon by western nations has been driven by the widely recognized health benefits (Omega-3 fatty acids)
Questions?
Sources

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