



Northern Ireland  
Chamber of Commerce  
and Industry

IN PARTNERSHIP  
WITH



NI CHAMBER & INVEST NI

# Trade Survey

DECEMBER 2023

[WWW.NORTHERNIRELANDCHAMBER.COM](http://WWW.NORTHERNIRELANDCHAMBER.COM)



## Summary

There has been a largely positive trading environment, with more businesses reporting increasing sales to Great Britain, the Republic of Ireland and further afield than those reporting a decline. In fact, more than twice as many businesses have seen sales to the rest of the UK grow compared to those experiencing any fall; 49% have seen sales to the Republic of Ireland grow compared to 18% where sales have fallen and a considerable 48% have seen sales outside the UK & Ireland grow compared to 16% experiencing falling sales. What is more, only 13% see lack of demand as a barrier, suggesting again the potential to drive growth through external sales.

In terms of the greatest barriers to exports, more than half of respondents believe

that the political, social, economic or environmental uncertainty is a barrier to export. Transportation costs are impacting 40% of members. Skilled labour, a persistent concern for NI Chamber members, is considered a key barrier for 1 in 5 respondents.

Around 1 in 4 respondents believe some form of support is required to help them trade overseas, with the top three supports suggested including a dedicated SME UK Export Fund (45%), finding a business partner or distributor overseas (43%) and trade shows (36%).

The Windsor Framework, agreed in February 2023 between the European Union and the UK government in respect of post-Brexit

trade arrangements, has only seen one material implementation phase in 2023, with implementation continuing through autumn 2024, through to July 2025. For the purposes of this report, the existing arrangements are therefore described as the “NI Protocol/Windsor Framework, to reflect the state of the arrangements throughout 2023”

Notably, over half of respondents felt guidance on the Windsor Framework needed to be clearer and 45% felt more efficient systems and processes to access and use existing schemes (such as the UK Internal Market Scheme, the Retail Movement Scheme or the Duty Reimbursement Scheme) were needed. Just over a third felt mechanisms to address/manage regulatory divergence were needed as a priority.

Dual market access to the EU and UK markets for goods, as maintained through the Windsor Framework agreement, is strongly supported (71%) as a means of enabling businesses to grow and increase sales. Nearly 1 in 2 respondents see it as “very positive”, with 1 in 10 strongly disagreeing.



## Key findings include:

# 1.

### **Strong Sales and Exports**

A largely positive trading environment in terms of sales and exports. More than twice as many businesses have seen sales to the rest of the UK grow compared to those experiencing any fall and a considerable 48% have seen sales outside the UK & Ireland grow compared to 16% experiencing falling sales.

# 2.

### **Support is Key**

One in four believe some kind of support is required to help them trade internationally with top 3 suggested supports suggested including a dedicated SME UK Export Fund, finding a business partner or distributor overseas and trade shows.

# 3.

### **Dual Market Access**

Dual market access to the EU and the UK markets for goods is strongly supported as a means of enabling businesses to grow and increase sales.

# 4.

### **Barriers to Exporting**

More than half of respondents believe that the political, social, economic or environmental uncertainty is a barrier to export.

# 5.

### **Windsor Framework**

Nearly half of respondents say clearer guidance is needed.

# Background to survey respondents

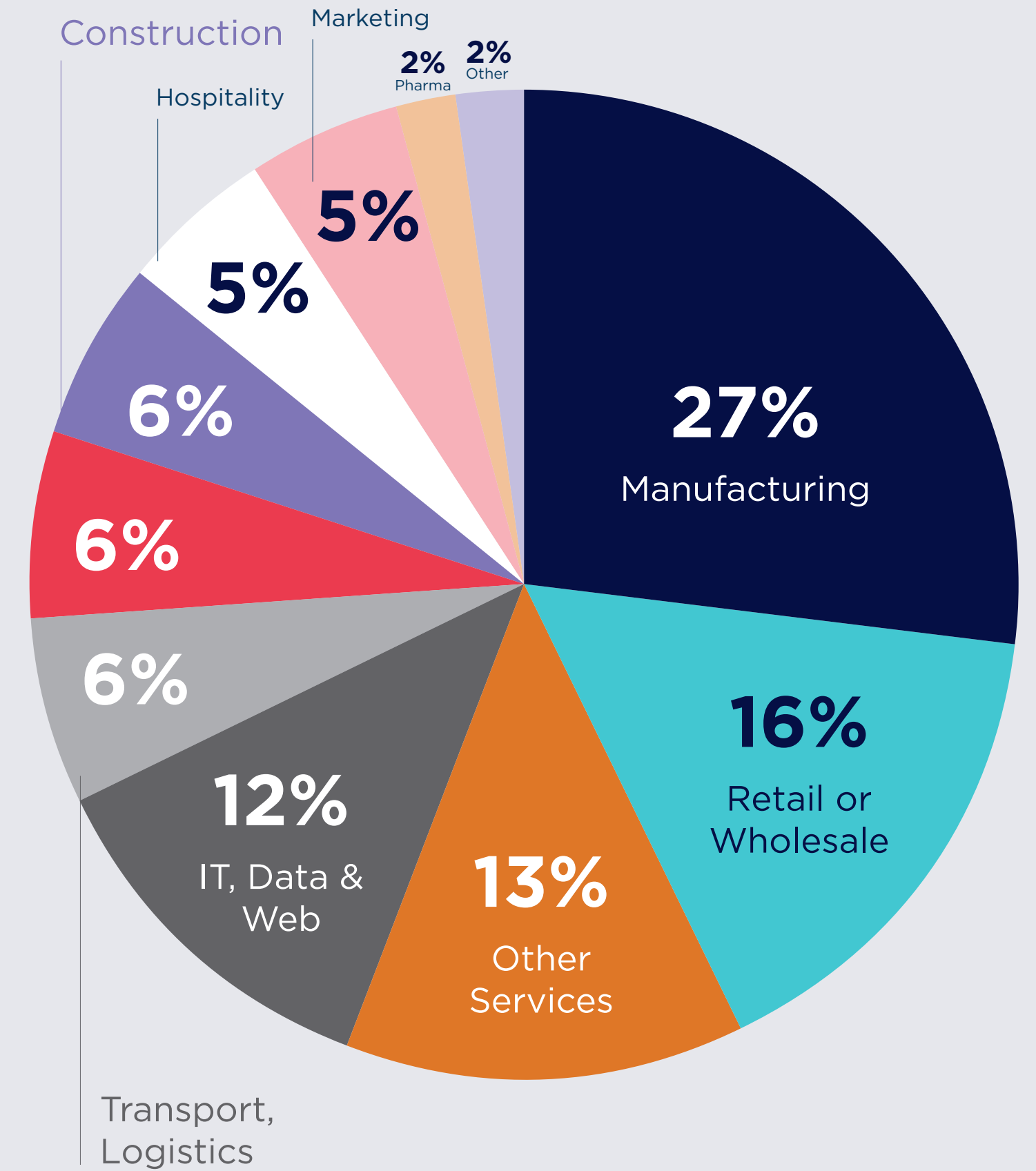
Respondents represent a good spread of businesses in terms of size, sector and ownership. Their profile is as follows:

34% are micro-enterprises (less than 10 employees), 24% have 10 to 49 employees, 24% are medium sized with 50 to 249 employees and 16% with 250+ employees

In total, 83 companies responded to the 2023 NI Chamber and Invest NI Trade Survey. Fieldwork took place in September-October 2023.

## Sectoral orientation of respondents to the 2023 trade survey

Admin, Support or Consulting



# Destination of Sales

Selling goods and services internationally

- But mostly focused on near markets
- With GB & RoI critical trade partners
- While the rest of the EU remains the most major market outside the UK & RoI
- Although the findings demonstrate that NI businesses have an international footprint globally so lots of potential for expansion and growth
- However, only 15, just under 1 in 5 (18%), actively noted markets that they have plans to expand into new markets

## Destination of sales by size of business

	%
Northern Ireland	93%
Great Britain	83%
Republic of Ireland	82%
Rest of European Union	54%
North America	27%
Rest of America	17%
Asia	30%
Middle East	23%
Africa	17%
Oceania (Australasia, New Zealand etc)	19%

# Origins of Purchases

Selling goods and services internationally

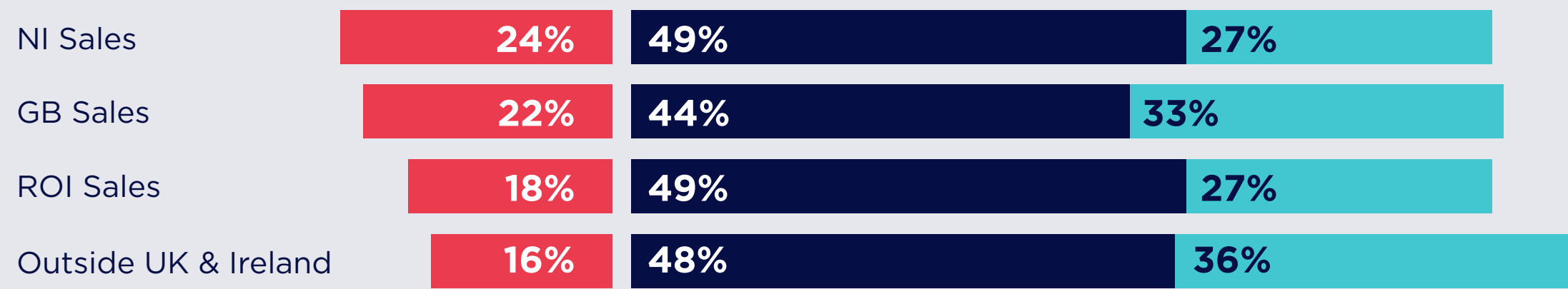
- Origins of purchases have firm local foundations within NI but there are significant purchases made from GB affecting 83% of businesses
- Almost 2 in 3 members make purchases from the Republic of Ireland and 57% from the rest of the EU

## Destination of sales by size of business

	%
Northern Ireland	93%
Great Britain	83%
Republic of Ireland	63%
Rest of European Union	57%
North America	23%
Rest of America	6%
Asia	27%
Middle East	6%
Africa	4%
Oceania (Australasia, New Zealand etc)	5%

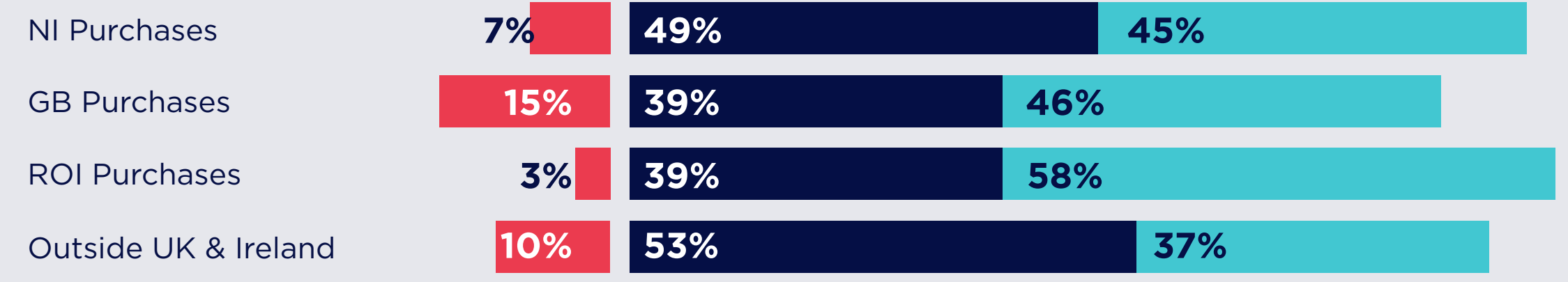
# Change in Trading Patterns Over the Year

## Change in Sales in the Last Year



■ Increased  
■ No Change  
■ Decreased

## Change in Purchases in the Last Year



■ Increased  
■ No Change  
■ Decreased



# Barriers to Exporting

The top 3 barriers to exporting, regardless of whether businesses currently export, are:

1. Political, social, economic, or environmental uncertainty
2. Transportation costs or disruption
3. Regulatory barriers (e.g., product certification)

More than half of respondents believe that the political, social, economic or environmental uncertainty is a barrier to export, something that is outside the hands of the business community. Transportation costs are also a barrier, which has particular significance for Northern Ireland as a region separated for almost all external markets by a sea, Ireland being the exception.

Lack of skilled labour is considered a key barrier for 1 in 5 respondents, a persistent concern for NI Chamber members.

Only 13% see lack of demand as a barrier suggesting again the potential to drive growth through external sales.

## Key Barriers to Exporting

	<b>% Respondents</b>
Political, social, economic, or environmental uncertainty	53%
Transportation costs or disruption	40%
Regulatory barriers (e.g., product certification)	36%
Tariffs (taxes/duties on import/exports)	29%
Exchange rate volatility	28%
Customs procedures (checks, declarations)	27%
Lack of finance	22%
Lack of skilled labour	22%
Language barriers	18%
Rules of origin requirements	18%
Lack of demand from customers	13%
Travel or mobility rules	7%
Treatment of intellectual property	7%
Other	7%
My goods/services are not suitable for export	6%
Non-tariff taxation (e.g., VAT)	6%
Don't know how to start or increase exports	5%
No Barriers	12%

## Supports Required

The top 3 supports suggested by members to encourage businesses to trade internationally are:

1. Dedicated SME UK Export Fund
2. Finding a business partner or distributor overseas
3. Trade shows

Other important supports include access to finance, overseas market research, trade missions and support with business/marketing/sales plans.

Generally, at least 1 in 4 respondents would like some form of support to help them trade internationally.

## Support to encourage your business to trade internationally (or trade more internationally)

	<b>% Respondents</b>
Dedicated SME UK Export Fund	45%
Finding a business partner or distributor overseas	43%
Trade shows	36%
Access to finance	33%
Overseas market research	33%
Trade missions	31%
Business, marketing or sales plans	31%
Networking with businesses who already export	28%
Developing an export plan	27%
A presence overseas by Invest NI/Others	25%
Documentation support	24%
Translation services	10%
Other	6%
Nothing would encourage our business to trade internationally at present	8%
Business already trades internationally at its full potential	7%
Don't Know	6%

## Other supports suggested include:

- The need for accessible support for SME/Micros around how to manipulate their unique position and improve their understanding of the Windsor Framework
- Better training programmes: More focus on how SMEs can get started on the journey rather than an academic/theoretical approach to learning. What is best practice? What does good look like?
- A centralised point of contact for support. Currently it is spread across many entities, some offering the same thing, which absorbs much needed resources and limits which areas of support companies engage on
- Allowing support for NI businesses to include support for GB businesses with staff based in NI



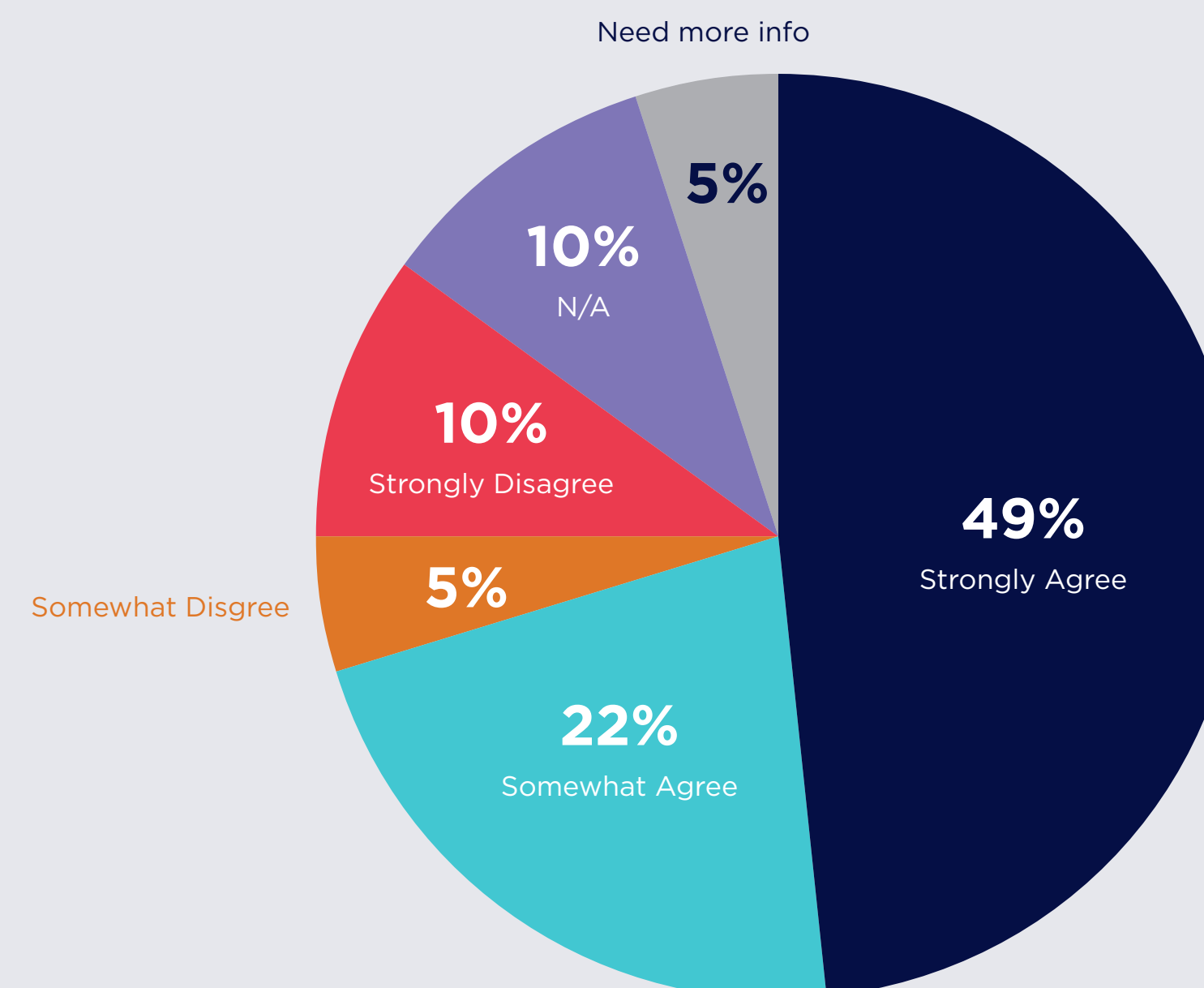
# Dual Market Access

71% of respondents believe that dual market access to GB and the EU for goods is enabling member businesses to grow and increase sales. Almost 1 in 2 (49%) strongly agree that this is the case. 10% strongly disagree.

Comments from members around dual market access focused on the following:

- That it is largely viewed as a positive
- It gives Northern Ireland a unique place within the UK & EU
- But there are challenges and tensions, particularly in trading from Great Britain to Northern Ireland – including the operation of the ‘red lane’ and negative consequences for some manufacturers impacting on competitiveness
- And there are issues with the additional administration and legal checks on customs, technical and regulatory compliance which is a burden
- Along with challenges in alignment of regulatory environments between the UK and EU and implications for Northern Ireland
- Political uncertainty is also considered a barrier at present in being able to sell Northern Ireland and the benefits from dual market access with members stressing the need to get Government in NI functioning again

To what extent do you agree or disagree that dual market access to GB and the EU for goods is enabling your business to grow or increase sales?



# Outstanding Issues with the Windsor Framework

The top 3 challenges that members would like addressed as a priority around the Windsor Framework are:

1. Clearer guidance
2. More efficient systems and processes to access and use existing schemes (such as the UK Internal Market Scheme, the Retail Movement Scheme or the Duty Reimbursement Scheme)
3. Mechanisms to address/manage regulatory divergence

Clearer guidance is the top priority for members, accounting for 1 in 2 of respondents. More efficient systems and processes are also a key priority.

## What outstanding challenges with the Windsor Framework would you like to see the Joint Committee and/or the UK government address as a priority?

	<b>% Respondents</b>
Clearer guidance	51%
More efficient systems and processes to access and use existing schemes (such as the UK Internal Market Scheme, the Retail Movement Scheme or the Duty Reimbursement Scheme)	45%
Mechanisms to address/manage regulatory divergence	36%
Access to Tariff Rate Quotas	20%
Engagement mechanisms for business with the Joint and Specialised Committee Structures	17%
Access to veterinary medicines	11%
Other	13%
Not applicable to my business	18%
Not Sure	8%

## Other observations from survey respondents on the outstanding challenges of the Windsor Framework included:

- Issues with engaging GB suppliers sending goods to the NI market
- There are issues with the design of the Framework. The practical application should be considered as part of the negotiation process.
- A reduction in checks/inspections with easier flow between GB and NI
- The removal of Full Frontier (red lane) for NI manufacturing and adoption of the UK general system of preference as opposed to EU

# Adapting to post-Brexit arrangements

In terms of buying goods from (53%) and selling goods (62%), to Great Britain, the majority have found the trading arrangements, in their current form, manageable or easy. 31% respondents have found it difficult to adapt to buying goods from Great Britain.

The fact that 49% of respondents say obtaining visas is not applicable to their business suggests that despite a tight labour market, perhaps many firms are not looking to the global market for talent.

Across each of the following broad areas, how easy or difficult has it been for your business to adapt to changes flowing from the Northern Ireland Protocol/Windsor Framework and the Trade and Co-Operation Agreement?

	Recognition of professional qualifications	Obtaining visas	Buying goods from GB	Selling goods to GB	Buying or selling services from EU	Transferring data
Difficult	5%	14%	31%	10%	10%	7%
Manageable	27%	17%	37%	28%	40%	30%
Easy	11%	5%	16%	34%	23%	10%
Not applicable to my business	40%	49%	12%	22%	19%	35%
Too early to say	18%	14%	4%	7%	8%	18%

# Business views on trading internationally

General views on the current trading environment include:

- The lack of clarity in the practical application of new rules is a concern. There is a view that not enough effort has been put in by NI and UK governments to engage with EU issues
- It was noted that there is no formal EU presence in Northern Ireland which would be a support
- There is a perception from some European customers that it is difficult to trade with Northern Ireland and companies must manage those perceptions
- Some members have invested in digitisation and that has significantly supported a more seamless trading environment, while others have adjusted supply chains
- A number also reiterated the potential challenges of the Windsor Framework and the burden on firms to work through new rules
- Some believe that the biggest barrier at present is the lack of NI government and subsequent funding across departments. Businesses need to see certainty which requires the restoration of political structures
- The planning system is also seen as a hindrance and the need to ensure business has the capacity to trade and grow
- Professional Services are rarely considered as exportable but could be a highly valuable [high growth] addition to the economy



# Consideration of Business Views in Trade Deals

Most businesses don't believe that business views are considered when the UK government is making decisions around trade deals. Around 1 in 3 members believe that business views are not considered at all in terms of priority markets for future trade deals, priority objectives for trade deal negotiations and the practical implications of trade deals once implemented.

A further 1 in 3 members believe business views are not really considered. Alarming, only 2% to 4% of business respondents believe that business views are very much considered when the UK government is making decisions around trade deals.

To what extent do you feel that your business views are considered when the following decisions are being made by the UK government about trade deals?

	<b>Deciding the priority markets for future trade deals</b>	<b>Deciding priority objectives for trade deal negotiations</b>	<b>Assessing the practical implications of trade deals once implemented</b>
Views are very much considered	2%	2%	4%
Views are somewhat considered	16%	16%	18%
Views are not really considered	35%	33%	31%
Views are not considered at all	31%	34%	33%
Not sure	16%	16%	14%

# Top Priorities for Future UK Trade Deals

The top 3 priorities for members in terms of future UK trade deals are:

1. Focused support for SMEs to take advantage of reduced tariffs
2. Smoother customs procedures (e.g., digitalisation of trade paperwork)
3. Jointly – more labour mobility & lowering tariffs

They focus on lower tariffs, smoother customs procedures and greater labour mobility. One in 4 would like mutual recognition of professional qualifications.

## Which of the following areas would be your top priorities for future UK trade deals?

	<b>% Respondents</b>
Focused support for SMEs to take advantage of reduced tariffs	43%
Smoother customs procedures (e.g., digitalisation of trade paperwork)	39%
More labour mobility	35%
Lowering tariffs	35%
Reducing technical barriers (e.g., incompatible product regulations)	27%
Sourcing more inputs, raw materials or goods	23%
Focus on green trade	19%
Mutual recognition of professional qualifications	18%
Improved data flows	16%
Other	6%
Future trade deals are not a priority for me or my business	6%
Need more information	5%
Not Sure	10%

## UK Country Focus for New Trade Deals

The main markets that members believe the UK government should focus on for new trade deals include the European Union particularly and then wider Europe, the Americas, Australia and Asia. There were some comments which include how joining The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), will allow trading into other jurisdictions such as Canada and Japan.





Northern Ireland  
Chamber of Commerce  
and Industry

IN PARTNERSHIP  
WITH



## About NI Chamber

NI Chamber is a customer-focused, quality assured, business support organisation which enables members to grow both locally and internationally and drive the development of the economy.

It provides unrivaled access to networking, learning and accredited training. The organisation provide members with platforms to raise their profile substantially and act as a powerful voice which influences change for the better.

Accredited by British Chambers of Commerce and a member of Chambers Ireland, NI Chamber it at the centre of a strong global network of champions for business and global trade.

For more information visit  
[www.northernirelandchamber.com](http://www.northernirelandchamber.com)

## About Invest Northern Ireland

As the regional business development agency, Invest NI's role is to grow the local economy.

We do this by helping new and existing businesses to compete internationally, and by attracting new investment to Northern Ireland.

We are part of the Department for the Economy and provide strong government support for business by effectively delivering the Government's economic development strategies.

Visit [www.investni.com](http://www.investni.com)

Northern Ireland Chamber  
of Commerce and Industry  
40 Linenhall Street  
Belfast BT2 8BA

T +44 (0)28 9024 4113  
mail@northernirelandchamber.com  
[www.northernirelandchamber.com](http://www.northernirelandchamber.com)  
 

