

EXPORTING EXCELLENCE

SPOTLIGHT
ON LONDON

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Heathrow

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Executive summary

London is an epicentre of global trade and finance – and a major player in fuelling export-led growth. From the City's financial prowess to the family businesses that have been passed down through generations, London and Heathrow are economically intertwined. With almost 22,500 London businesses exporting goods, the capital exports almost £47 billion¹ of goods per year, which supports a staggering 1.7 million jobs². This makes it the second largest exporter of goods of all UK regions, behind only the South East³.

As the UK's only hub airport, Heathrow is a vital partner to businesses across London, helping connect them to 239 destinations in 89 countries and 95% of the global economy within a direct flight from Heathrow. Using Heathrow's global network, UK exports to non-EU nations via the airport were worth over £100 billion in 2023 alone.

This is linked to Heathrow's hub model, that enables the airport to pool passenger and cargo demand to increase route capacity and optimise opportunities for UK exporters, with 95% of the airport's air cargo travelling in the belly hold of passenger aircraft.

While the UK export market grows and evolves there is a wealth of untapped potential. In London alone, there are an additional 34,100 SMEs which do not currently export but could be exporting goods. Unlocking that capacity would increase the number of exporters in the region by 150%⁴.

Across the UK, that shortfall amounts to £290bn of potential UK export revenue a year⁵. Unlocking just 10% of this capacity could create 215,000 jobs with 50,000 additional jobs in the professional and scientific sectors alone. This will build on the 49,000 jobs that aviation supports in the region today⁶. Currently, air cargo generates an additional £7.9 billion of economic growth in London each year, and each exporting job in the region generates £27,000 of exports⁷.

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After consulting with businesses across the country about the challenges and opportunities they face, Heathrow has published its national [Exporting Excellence report](#). The national report recommends actionable solutions which could boost exports, and starts a conversation on how government, industry, SMEs and Heathrow can work together to boost growth.

This *Spotlight on London* focuses on the great work of exporting businesses in the capital and how the exporting potential of the region can be unlocked with the right support.

Exporting excellence – Heathrow's plan for growth

Putting sustainability at the heart of trade and export policy

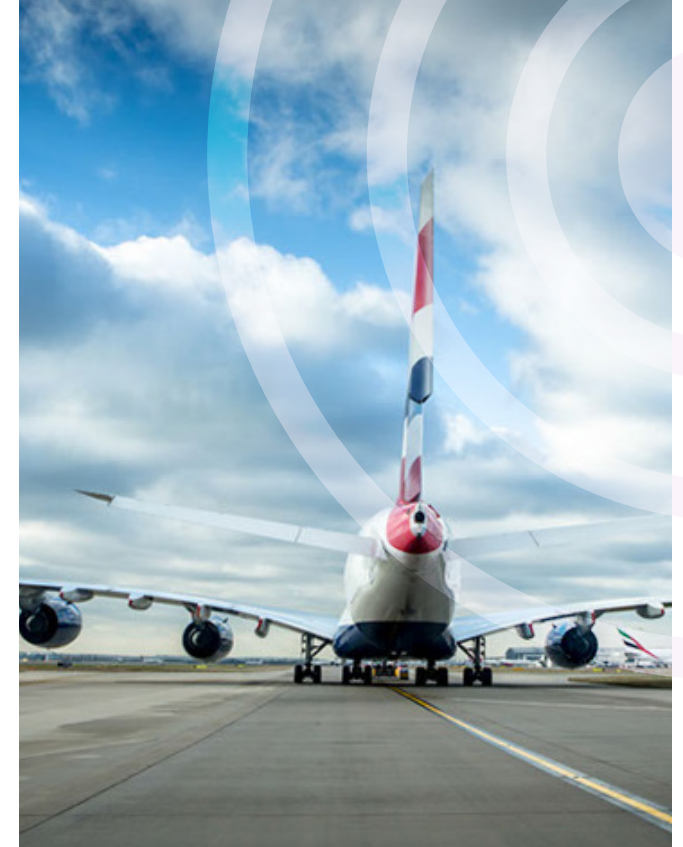
Businesses in London are working hard to reduce their carbon footprint. At Heathrow's Exporting Excellence roundtables, the businesses we spoke to explicitly called for government to support SMEs to export sustainably, whilst minimising extra burdens and costs.



Exporting Excellence: Spotlight on London

Air cargo can have up to 70% reduction in emissions if sustainable aviation fuel (SAF) is used. SAF is derived from non-fossil carbon resources, such as cooking oil and household waste. Heathrow is encouraging airlines to use SAF through its incentive scheme, which roughly halves the price gap between kerosene and SAF. This helps deliver the airport's sustainability plan which aims to cut carbon on the ground at Heathrow by at least 45%, and by 15% in the air, by 2030. However, the UK may become reliant on imported SAF unless further efforts are made to unlock private investments in domestic SAF production. Supporting the UK's SAF industry could create 10,300 jobs and generate nearly £1.8bn of GVA by 2030, rising to 60,000 jobs and over £10bn GVA by 2050.

The government has started to introduce policies which drive demand for SAF and address the price gap between SAF and traditional jet fuel. However, these policies will not start to take effect until 2025 at the earliest. There is significant appetite to invest in SAF in the UK, but investors want certainty in the longer-term uptake of this technology before pouring in their capital. This can be achieved by introducing a price support mechanism – a solution which would help to cut the price premium and was successfully used to boost solar and wind technologies in the UK. Heathrow believes that this mechanism will reduce costs and the environmental impact of their exports. But it must be delivered urgently to have the impact needed.



Making the UK the global leader in customs modernisation and digitalisation

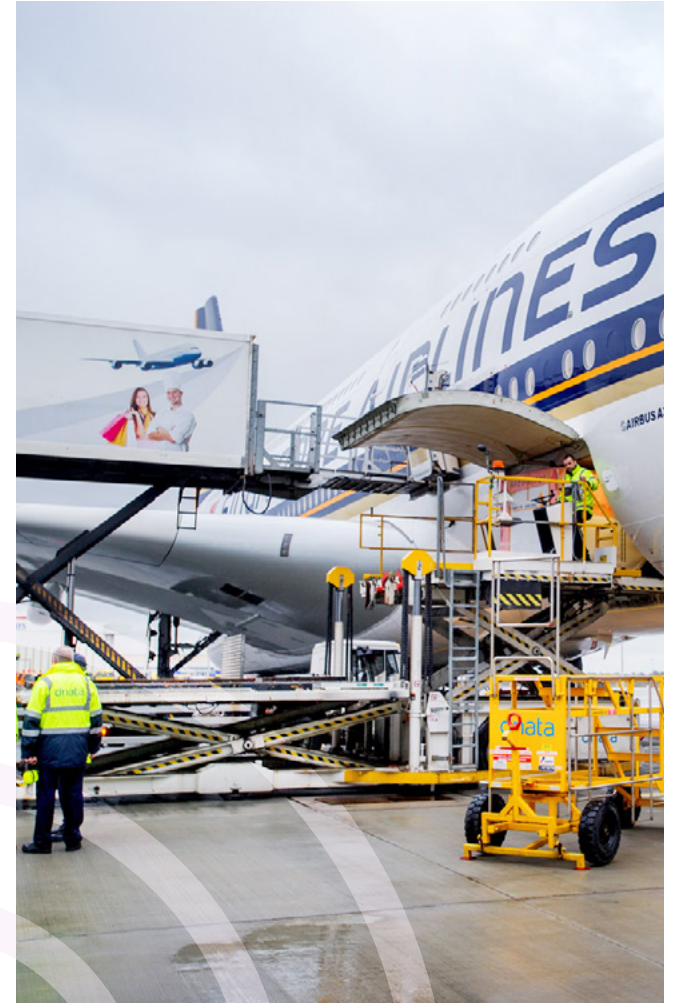
Exporting involves extensive paperwork. While exporters are constantly innovating, the exporting process has not kept pace. In 2022, exporters submitted 95.1 million customs declarations potentially spanning up to 12 pages each. If stacked, this pile of paperwork would reach six times higher than a plane's standard cruising altitude. Adopting a digital-first system under the UK's Border Target Operating Model could save businesses £190 million in importing costs alone.

There are clear actions the government can take straightaway. Moving towards a paperless system with a 'once-and-done' data approach will simplify exporting and reduce costs for businesses and their customers. Rolling out the national pilot 'ecosystem of trust' model and using digital means to avoid unnecessary rescanning of previously screened air cargo is crucial for efficient trade. Exempting securely trucked air cargo from current Department for Transport rescreening rules at UK airports would enhance border efficiency. These measures will cut costs and boost the global competitiveness of UK exporters.

Getting export skills to take-off

The UK cannot achieve its economic potential if the country does not have the right mix of skills to handle the complexities of compliance and logistics. During its tour of the UK, Heathrow witnessed new initiatives being developed to tackle the export skills shortage, many of them driven by businesses themselves.

But there is a consensus that the country needs to go further and faster. The UK needs a national campaign to highlight the potential a career in exports could offer. A campaign would combine the efforts of industry, government and business groups to encourage more people to join the sector. Delivering this campaign would involve local chambers of commerce, further education colleges, and government departments all working together to create the right UK skills mix. This campaign would secure the future skills pipeline for exporters while creating opportunities for young people in London to build aspirational careers in international trade.



CASE STUDY

Ormiston Wire Ltd

Ormiston Wire Ltd is a specialist metal wire manufacturing company located in Isleworth, West London. Founded over 230 years ago, the family-run business supplies wire for a variety of applications, ranging from military uses to abstract art.

Ormiston Wire’s close proximity to Heathrow brings the world market to its doorstep. The company thrives off fast and efficient logistics made possible by their local partners, including Heathrow.

“ Heathrow actually gives Ormiston Wire information about the airport and how we can use them from a trade point of view to make our business more efficient. It opens a door for us to do more exports to customers worldwide.”

Mark Ormiston,
Managing Director, Ormiston Wire,
Isleworth



CASE STUDY

Russell Finex

Founded in the UK over 85 years ago, Russell Finex is a global leader in fine mesh technology. Using Heathrow’s extensive cargo connections, Russell Finex exports its custom-made British technology to over 140 countries worldwide.

Employing over 250 employees, their proximity to Heathrow grants the business competitive access to major international markets. This connectivity has spurred investment in their West London factory in Feltham, which continues to boost the local economy and bring highly-skilled talent to the area.

“ Being close to Heathrow, we can move our products quickly and efficiently once they’re made to the airport and then to any part of the world.”

Ray Singh,
Chairman, Russell Finex, Feltham



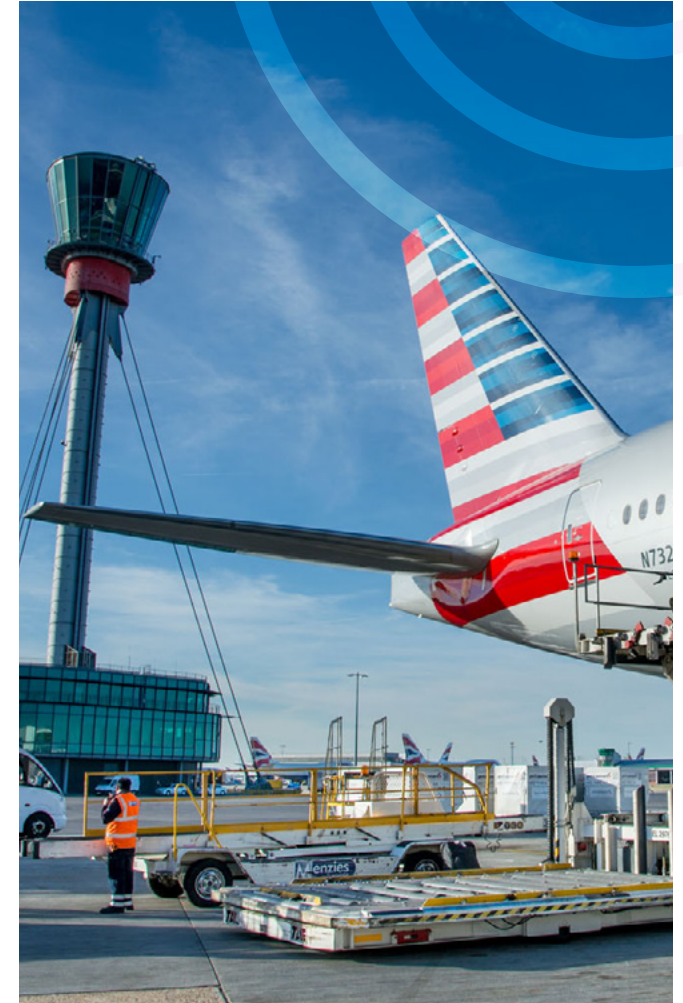
Conclusion

Implementing these solutions will be crucial to unlocking the full potential of London's economy and helping the region's 22,500 goods exporters grow and succeed alongside new exporters and their supply chains. This will help boost exports, drive up jobs in the region and accelerate growth across the UK.

Find out more

If you have any questions or queries on how Heathrow can work with decision-makers and industry to unlock the opportunities of growing exports in London, please contact:

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