

24 June 2020

International Trade in Services Survey (ITSS)
First quarter of 2020. Provisional data

Exports of Services decrease 0.1% in the annual rate and reach 16,628.4 million euros

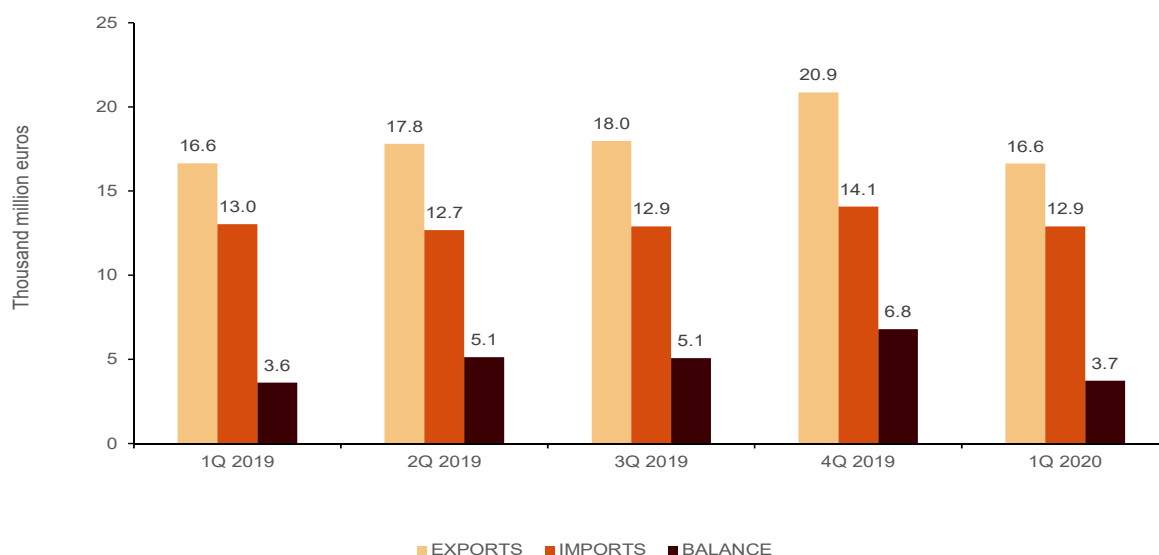
Services imports go down 1.0% and stand at 12,899.7 million euros

Services exports decreased by 0.1% during the first quarter as compared with the same period of 2019, reaching 16,628.4 million euros.

On the other hand, Services imports went down by 1.0% in the annual rate and reached a total of 12,899.7 million euros.

The balance, or difference between exports and imports, stood at 3,728.7 million euros, with an annual variation of 3.1%.

Quarterly evolution of exports and imports of Services



International Trade in Services by type of service

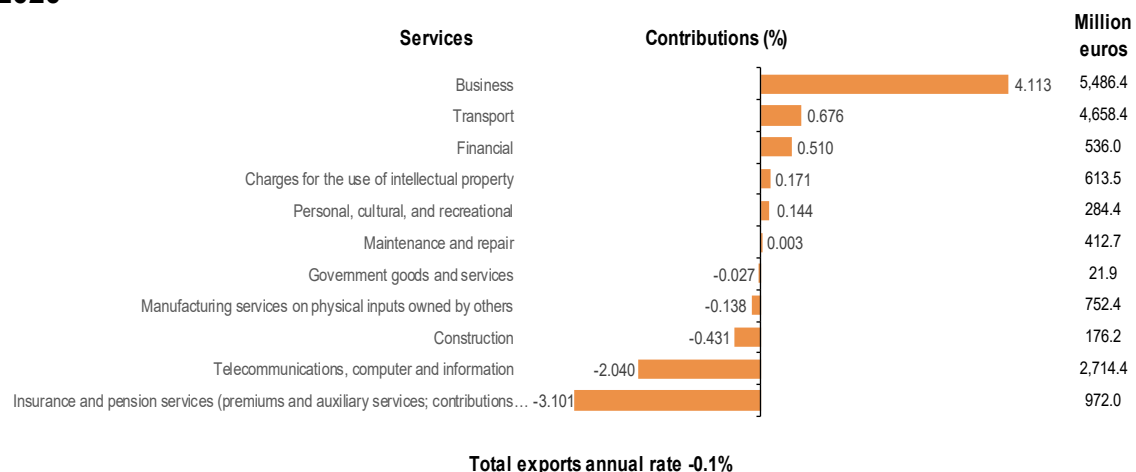
Services exports decreased by 0.1% in the first quarter. The services with the greatest positive contribution¹ to this annual rate were:

- **Business**, with exports valued at 5,486.4 million (33.0% of the total) and an annual variation of 14.3%.
- **Transport**, whose exports reached 4,658.4 million (28.0% of the total), which is an increase of 2.5% as compared with the same quarter of the previous year.
- **Financial**, with 536.0 million euros of exports (3.2% of the total) and an annual rate of 18.8%.

In turn, the services with the greatest negative contributions were:

- **Insurance and pension services (premiums and auxiliary services; contributions to pension funds)**, with 972.0 million euros in exports (5.8% of the total) and an annual variation of -34.7%.
- **Telecommunications, computer and information**, with exports valued at 2,714.4 million (16.3% of the total), indicating a decrease of 11.1% as compared with the same quarter of the previous year.
- **Construction**, whose exports amounted to 176.2 million (1.1% of the total) with a decrease of -28,9%.

Contributions to the annual rate and value of exports by type of service. First quarter of 2020



¹ Contribution refers to the weight of a specific service (or geographical area) to the annual variation rate of total exports / imports, expressed in percentage points. Said contribution depends on the weight of the exports / imports of each service (or geographical area) over the total, and on its own annual rate.

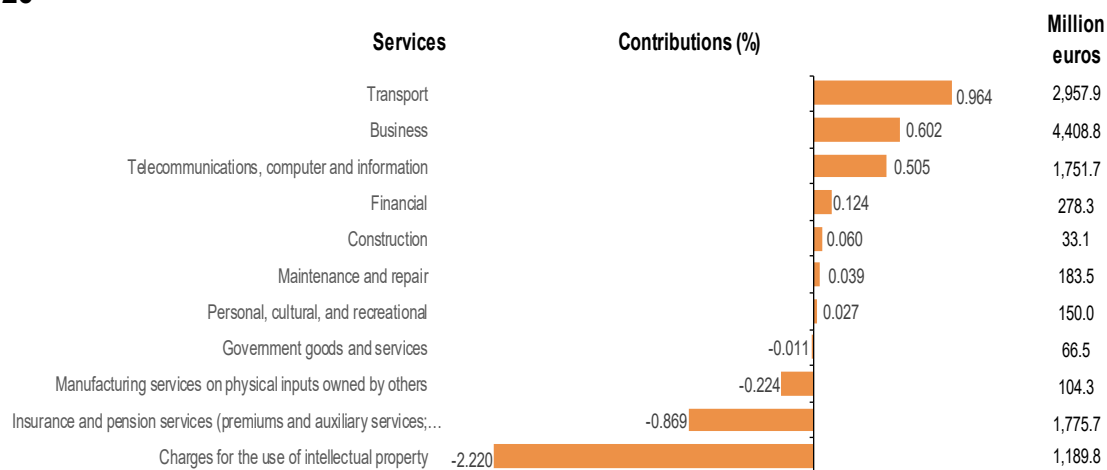
On the other hand, services imports decreased 1.0% in the first quarter. The services with the greatest positive contributions to this annual rate were:

- **Transport**, whose imports amounted to 2,957.9 million (22.9% of the total), with an increase of 4.4% as compared with the same quarter of the previous year.
- **Business**, with imports valued at 4,408.8 million (34.2% of the total) and an annual variation rate of 1.8%.
- **Telecommunications, computer and information**, with 1,751.7 million euros of imports (13.6% of the total) and an annual rate of 3.9%.

In turn, the services with the greatest negative contribution were:

- **Charges for the use of intellectual property**, whose imports amounted to 1,189.8 million (9.2% of the total) with a decrease of 19.6% as compared with the same quarter of the previous year.
- **Insurance and pension services (premiums and auxiliary services; contributions to pension funds)**, with imports valued at 1,775.7 million (13.8% of the total) and an annual variation rate of -6.0%.
- **Manufacturing services on physical inputs owned by others**, with imports valued at 104.3 million (0.8% of the total), indicating a decrease of 21.9% as compared with the same quarter of the previous year.

Contributions to the annual rate and value of imports by type of service. First quarter of 2020



Total imports annual rate -1.0%

International Trade in Services by geographical destination and origin

Services exports to Europe reached 11,086.2 million euros in the first quarter. Exports to the European Union (EU-27) stood at 7,541.5 million of euros, of which exports for the Euro Zone as a whole had a very significant weight (valued in 6,975.9 million euros).

Regarding Services imports, those whose origin was Europe reached 9,749.1 million euros, with values for the European Union (EU-27) and the total Euro Zone of 7,276.9 and 6,505.3 million, respectively.

The geographical zone that contributed the most to the annual variation rate of total exports was Europe, with 3.311. On the other hand, the geographical zone that contributed the most to the annual variation rate of total imports was America, with 0.526 points.

Exports and imports of services by geographical destination and origin. First quarter of 2020

	Exports		Imports	
	Million euros	Contribution to annual rate (%)	Million euros	Contribution to annual rate (%)
WORLD	16,628.4	-0.1	12,899.7	-1.0
1. EUROPE	11,086.2	3.311	9,749.1	-0.954
1.1 EU-27*	7,541.5	1.554	7,276.9	-0.790
1.1.1. Euro Area	6,975.9	1.709	6,505.3	-0.796
1.2 Rest of Europe	3,544.7	1.758	2,472.2	-0.164
2. AMERICA	3,466.1	-2.466	1,989.4	0.526
3. AFRICA	535.5	0.195	199.6	-1.059
4. ASIA	1,472.8	-1.110	864.6	0.321
5. OCEANIA	68.0	-0.050	97.1	0.162

* With the entry into force of Brexit as of January 2020, the aggregate EU-27 substitutes to the EU-28 one in all tables provided from now on. The United Kingdom figures have been subtracted from EU and added to the aggregate 1.2 Rest of Europe

Review and update of data

The data published today are provisional and will be made final when the data for the next quarter are released. All results are available on INEBase.

Note on the effect of COVID-19 on the statistical operation International Trade in Services Survey (ITSS)

The entry into force of the Royal Decree 463/2020 of March 14 declaring the state of alarm to manage the health crisis caused by COVID-19, has made that many enterprises whose production was not considered key, have shut down or suspended or temporarily reduced their activity through the request of temporary layoffs proceedings. The overall result being a drop in the production from that date onwards.

The collection of information referred to the International Trade in Services Survey (ITSS) started when the reference period was over, in this case during April and May, when many enterprises were already closed. However, the use of e-mail and phone to contact surveyed units, together with the good work of our respondents, has resulted in a similar performance of the survey as compared to previous quarters.

Our respondents have understood how important the provision of information is right now, especially for the statistical authority to produce short-term business indicators. Because of that, the ITSS response rate is very acceptable and reaches 85.8%, 7.2 percent points lower than the one of the fourth quarter of 2019 (93.0%).

From INE's side, we want to sincerely thank to all enterprises and other surveyed units the big effort made to provide us with the information required despite this extraordinary situation.

Despite the good response rate, INE has modified some aspects of its imputation methodology to add, when possible, information coming from the Tax Agency's VAT returns on intra-EU services transactions, aiming at imputing intra-EU exports and imports of services more accurately.

As a consequence of that, **the first quarter data quality is similar to the one of another quarter.**

Methodological note

The main goal of the International Trade in Services Survey (ITSS) is to provide information on the value of exports and imports of non-tourist services, carried out between resident and non-resident units in Spain. The data obtained is used as a basic statistical source in the compilation of statistics regarding Balance of Payments and Spanish National Accounts.

It is a continuous quarterly statistical operation with dissemination of quarterly and annual data. On a quarterly basis, the ITSS provides information on exports and imports for the main types of services (excluding tourist services) according to the Extended Balance of Payments Services Classification (EBOPS), as well as by geographical areas and counterpart countries. On an annual level, it presents the same more disaggregated quarterly information, on a geographical level and of types of services, and with other variables that allow characterizing companies that trade services internationally. In addition, information is presented by modes of supply of the services.

Type of survey: quarterly continuous survey.

Population scope: set of entities (companies or other institutions) that have the status of residents in Spain, including Spanish embassies and consulates in the rest of the world.

Geographical scope: the entire national territory.

Reference period: calendar quarter.

Sample size: 8,617 units.

Collection method: questionnaire addressed directly to companies that can reply and send it by post mail, fax or e-mail or reply through the IRIA software application.

Comparison with other sources: this information is complementary to that published by the Bank of Spain in its Balance of Payments statistics referring to the exchange of this type of services. The adjustments made by the Bank of Spain to the ITSS data for the purposes of the Balance of Payments for Services include the following: the estimation of the weight of operators with all their international service operations below the threshold of 50,000 euros, the National Accounts estimates of the freight service based on foreign trade data of goods consistent with the correct f.o.b. valuation of transported goods, the value of the insurance service (as the ITSS only collects gross premiums and claims) and of illegal activities, the incorporation into financial services of Bank of Spain estimates of financial intermediation services indirectly measured (FISIM) and the inclusion of government services charges for the collection of EU traditional own resources.

For more information you can access the methodology at:

https://www.ine.es/metodologia/t37/t373019801_en.pdf

And the standardized methodological report at:

<https://www.ine.es/dynt3/metadatos/es/RespuestaDatos.html?oe=30198>

For further information see **INEbase:** www.ine.es/en/ Twitter: [@es_ine](https://twitter.com/es_ine)

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International Trade in Services Survey First quarter 2020

Provisional data

1. Exports by type of service

	Value (million euros)	Weight (%)	Annual variation rate	
			Variation (%)	Contribution (%)
TOTAL	16,628.4	100.0	-0.1	-0.1
1. Manufacturing services on physical inputs owned by others	752.4	4.5	-3.0	-0.138
2. Maintenance and repair	412.7	2.5	0.1	0.003
3. Transport	4,658.4	28.0	2.5	0.676
4. Construction	176.2	1.1	-28.9	-0.431
5. Insurance and pension services (premiums and auxiliary services; contributions to pension funds)	972.0	5.8	-34.7	-3.101
6. Financial	536.0	3.2	18.8	0.510
7. Charges for the use of intellectual property	613.5	3.7	4.9	0.171
8. Telecommunications, computer and information	2,714.4	16.3	-11.1	-2.040
9. Business	5,486.4	33.0	14.3	4.113
9.1. R+D	433.1	2.6	27.2	0.556
9.2. Professional and management consulting	1,900.9	11.4	11.4	1.166
9.3. Technical, trade-related and other business services	3,152.4	19.0	14.4	2.391
10. Personal, cultural, and recreational	284.4	1.7	9.2	0.144
11. Government goods and services	21.9	0.1	-16.9	-0.027

2. Imports by type of service

	Value (million euros)	Weight (%)	Annual variation rate	
			Variation (%)	Contribution (%)
TOTAL	12,899.7	100.0	-1.0	-1.0
1. Manufacturing services on physical inputs owned by others	104.3	0.8	-21.9	-0.224
2. Maintenance and repair	183.5	1.4	2.9	0.039
3. Transport	2,957.9	22.9	4.4	0.964
4. Construction	33.1	0.3	30.7	0.060
5. Insurance and pension services (premiums and auxiliary services; contributions to pension funds)	1,775.7	13.8	-6.0	-0.869
6. Financial	278.3	2.2	6.1	0.124
7. Charges for the use of intellectual property	1,189.8	9.2	-19.6	-2.220
8. Telecommunications, computer and information	1,751.7	13.6	3.9	0.505
9. Business	4,408.8	34.2	1.8	0.602
9.1. R+D	133.0	1.0	-3.7	-0.039
9.2. Professional and management consulting	1,294.4	10.0	1.5	0.148
9.3. Technical, trade-related and other business services	2,981.4	23.1	2.2	0.494
10. Personal, cultural, and recreational	150.0	1.2	2.4	0.027
11. Government goods and services	66.5	0.5	-2.2	-0.011

3. Exports by geographical destiny

	Value (million euros)	Weight (%)	Annual variation rate	
			Variation (%)	Contribution (%)
WORLD	16,628.4	100.0	-0.1	-0.1
1. EUROPE	11,086.2	66.7	5.2	3.311
1.1 EU-28	7,541.5	45.4	3.6	1.554
1.1.1. Euro Area	6,975.9	42.0	4.3	1.709
Germany	1,525.7	9.2	4.3	0.377
Belgium	414.9	2.5	17.0	0.362
The Netherlands	1,040.0	6.3	12.1	0.676
France	1,616.1	9.7	-1.3	-0.132
Italy	524.9	3.2	-3.7	-0.123
Portugal	644.6	3.9	2.4	0.092
Rest of Euro Area	1,209.7	7.3	6.7	0.457
1.1.2 Rest of EU-27	565.6	3.4	-4.4	-0.155
1.2 Rest of Europe	3,544.7	21.3	9.0	1.758
1.2.1 United Kingdom	1,807.9	10.9	9.6	0.950
2. AMERICA	3,466.1	20.8	-10.6	-2.466
2.1 North and Central America	2,338.5	14.1	-9.5	-1.481
2.2 South America	1,127.5	6.8	-12.7	-0.985
3. AFRICA	535.5	3.2	6.4	0.195
4. ASIA	1,472.8	8.9	-11.1	-1.110
5. OCEANIA	68.0	0.4	-10.9	-0.050

4. Imports by geographical origin

	Value (million euros)	Weight (%)	Annual variation rate	
			Variation (%)	Contribution (%)
WORLD	12,899.7	100.0	-1.0	-1.0
1. EUROPE	9,749.1	75.6	-1.3	-0.954
1.1 EU-28	7,276.9	56.4	-1.4	-0.790
1.1.1. Euro Area	6,505.3	50.4	-1.6	-0.796
Germany	1,967.8	15.3	-0.4	-0.066
Belgium	251.5	1.9	-7.0	-0.145
The Netherlands	696.9	5.4	8.4	0.416
France	1,514.6	11.7	-7.9	-1.003
Italy	468.3	3.6	5.3	0.181
Portugal	472.8	3.7	9.6	0.317
Rest of Euro Area	1,133.4	8.8	-5.4	-0.496
1.1.2 Rest of EU-27	771.6	6.0	0.1	0.006
1.2 Rest of Europe	2,472.2	19.2	-0.9	-0.164
1.2.1 United Kingdom	1,463.9	11.3	-10.6	-1.333
2. AMERICA	1,989.4	15.4	3.6	0.526
2.1 North and Central America	1,555.9	12.1	0.3	0.040
2.2 South America	433.5	3.4	17.1	0.486
3. AFRICA	199.6	1.5	-40.9	-1.059
4. ASIA	864.6	6.7	5.1	0.321
5. OCEANIA	97.1	0.8	27.8	0.162