

28 October 2019

International Trade in Services Survey (ITSS)
Year 2018

In 2018, Services exports increased by 3.5% and imports by 4.3%

43.3% of exports were generated by companies belonging to a Spanish business group and 45.3% of imports by companies controlled by a foreign group

The United Kingdom was the main destination of exports and Germany was the main origin of imports

Services exports reached 66,757.1 million euros in 2018, with an increase of 3.5% as compared with the previous year. On the other hand, Services imports stood at 47,227.9 million euros, with an annual increase of 7.0%.

The balance or difference between exports and imports stood at 19,529.2 million euros, with a decrease of 827.2 million compared with the previous year.

International Trade in Services by type of service

In 2018, the most relevant Services for the exports were *Business*, with 21,192.3 million euros (31.7% of the total and an annual increase of 1.1%) and *Transport*, with 17,925.9 million (26.9% of the total and an increase of 3.9%).

Regarding imports, the most relevant Services were also *Business*, with 16,708.7 million euros (35.4% of the total and an annual variation of 10.9%) and *Transport*, with 11,203.6 million (23.7% of the total and an increase of 0.7%).

On the other hand, the heading with the least weight in exports was *Government goods and services* (with 0.2% of the total). In the case of imports, the one that had the lowest weight was *Construction* (0.2% of the total).

Exports, imports and balance by type of service

Year 2018

	Exports		Imports		Balance
	Value (million euros)	Weight (%)	Value (million euros)	Weight (%)	Value (million euros)
TOTAL	66,757.1	100.0	47,227.9	100.0	19,529.2
1. Manufacturing services of physical inputs owned by others	3,245.2	4.9	332.7	0.7	2,912.5
2. Maintenance and repair	1,428.5	2.1	626.6	1.3	801.9
3. Transport	17,925.9	26.9	11,203.6	23.7	6,722.2
3.1. Passengers	3,692.8	5.5	1,022.9	2.2	2,669.9
3.2. Goods	8,559.4	12.8	7,591.3	16.1	968.1
3.3. Other transport services	5,673.7	8.5	2,589.5	5.5	3,084.2
4. Construction	1,217.9	1.8	97.7	0.2	1,120.2
5. Insurance and pension	4,573.1	6.9	4,404.6	9.3	168.5
5.1. Direct Insurance (premiums)	340.8	0.5	265.5	0.6	75.4
5.2. Reinsurance, pension and standardized guarantees (premiums and contributions to PF)	3,906.3	5.9	3,616.9	7.7	289.4
5.3. Auxiliary insurance services	325.9	0.5	522.1	1.1	-196.2
6. Financial	1,940.4	2.9	1,017.7	2.2	922.7
7. Charges for the use of Intellectual property	2,105.7	3.2	5,521.6	11.7	-3,415.9
8. Telecommunications, computer and information	11,961.4	17.9	6,491.6	13.7	5,469.8
8.1. Telecommunication	1,776.5	2.7	1,892.1	4.0	-115.6
8.2. Computer	9,774.7	14.6	4,089.5	8.7	5,685.2
8.3. Information	410.1	0.6	510.0	1.1	-99.8
9. Business	21,192.3	31.7	16,708.7	35.4	4,483.6
9.1. R&D	1,469.4	2.2	908.1	1.9	561.3
9.1.1. Work undertaken systematically to increase knowledge	1,047.2	1.6	727.8	1.5	319.4
9.1.2. Others related to R&D	422.2	0.6	180.3	0.4	242.0
9.2. Professional and management consultancy	7,100.0	10.6	5,323.4	11.3	1,776.6
9.2.1. Legal, accounting, business and management consultancy and Public Relations	4,169.2	6.2	2,423.0	5.1	1,746.2
9.2.2. Advertising, market research and Public opinion surveys	2,930.8	4.4	2,900.4	6.1	30.4
9.3. Technical, trade-related and other business services	12,622.9	18.9	10,477.3	22.2	2,145.7
9.3.1. Architecture, engineering, other technical, waste treatment and decontamination, agricultural and mining	3,695.4	5.5	1,133.3	2.4	2,562.1
9.3.2. Operating Lease	528.0	0.8	642.9	1.4	-114.9
9.3.3. Trade-related	1,095.4	1.6	1,995.5	4.2	-900.1
9.3.4. Other business services	7,304.1	10.9	6,705.5	14.2	598.6
10. Personal, cultural and recreational	1,055.8	1.6	524.0	1.1	531.8
10.1. Audiovisual and related	575.6	0.9	288.1	0.6	287.4
10.2. Other personal, cultural and recreational services	480.2	0.7	235.9	0.5	244.3
11. Goods and government services	110.9	0.2	299.0	0.6	-188.1

With regard to balances by type of main service, the most positive ones were in *Transport* (6,722.2 million euros) and *Telecommunications, computers and information* (5,469.8 million). In turn, *Intellectual property* recorded the most negative balance (-3,415.9 million).

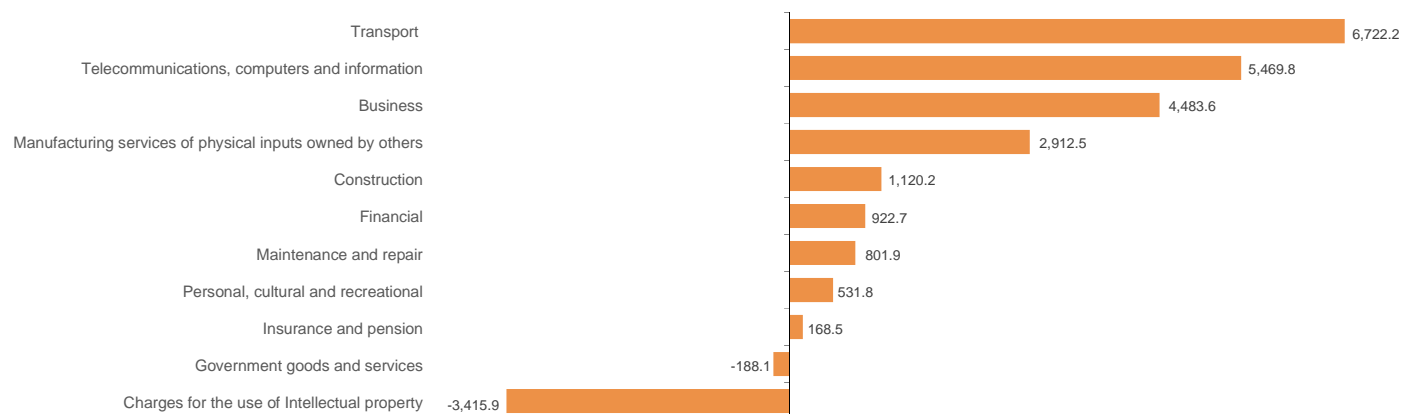
Balance by type of service

Year 2018

	Balance 2018	Balance 2017
	Value (million euros)	Value (million euros)
TOTAL	19,529.2	20,356.4
1. Manufacturing services of physical inputs owned by others	2,912.5	2,221.6
2. Maintenance and repair	801.9	772.6
3. Transport	6,722.2	6,126.9
4. Construction	1,120.2	1,100.4
5. Insurance and pension	168.5	317.9
6. Financial	922.7	1,002.3
7. Charges for the use of Intellectual property	-3,415.9	-2,341.0
8. Telecommunications, computers and information	5,469.8	4,987.7
9. Business	4,483.6	5,892.1
9.1. R&D	561.3	658.3
9.2. Professional and management consultancy	1,776.6	1,320.0
9.3. Technical, trade-related and other business services	2,145.7	3,913.8
10. Personal, cultural and recreational	531.8	480.1
11. Government goods and services	-188.1	-204.2

Balance by type of service

Year 2018 (million euros)

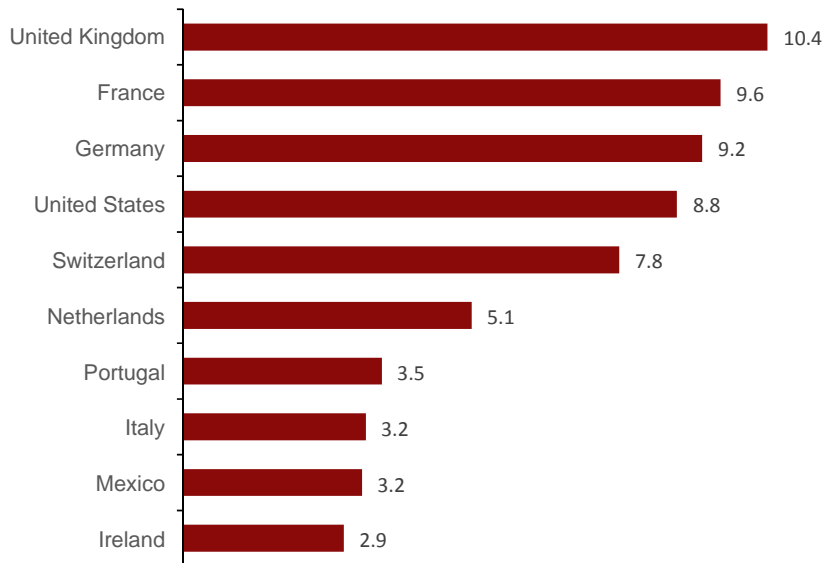


International Trade in Services by country of destination and origin

The main destination countries of exports in 2018 were the United Kingdom (with 10.4% of the total), France (9.6%) and Germany (9.2%).

Main destination countries for exports

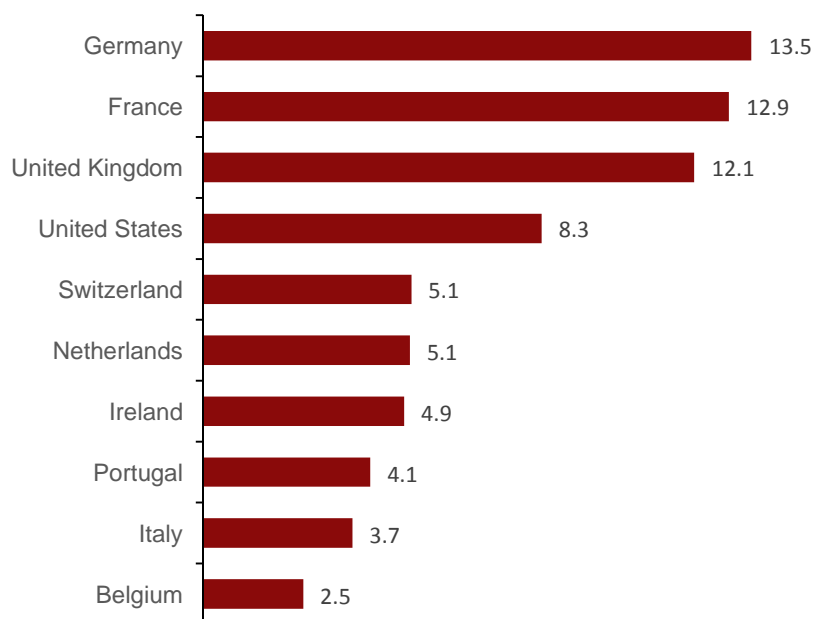
Year 2018 (percentage)



With regard to imports, the main countries of origin were Germany (13.5% of the total), France (12.9%) and United Kingdom (12.1%).

Main origin countries for imports

Year 2018 (percentage)

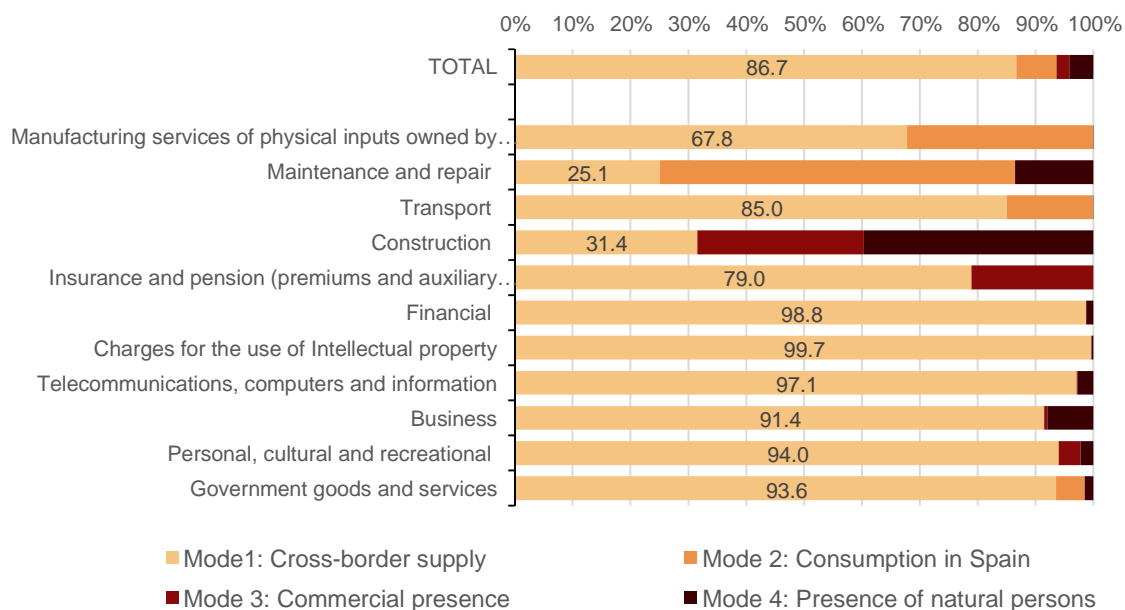


International Trade in Services by main mode of supply¹ of the service

Mode 1 (cross-border supply) accounted for 86.7% of the total value of exports in 2018. This mode was the majority in all the headings, except for *Maintenance and repair* and *Construction*, where it represented 25.1% and 31.4% of the total, respectively.

Modes of supply of exported services by type of main service

Year 2018 (percentage)



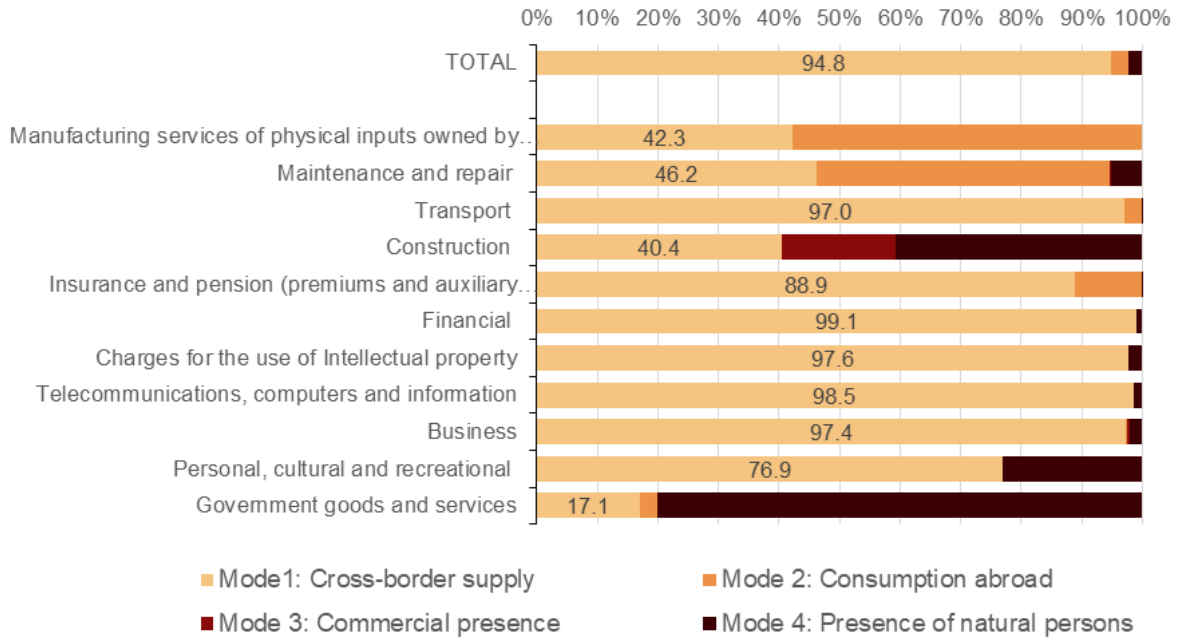
In imports, *Mode 1* (cross-border supply) was also the main system, with 94.8% of the total.

By main service heading, *Mode 1* was also predominant, except in *Maintenance and repair* (46.2%), *Processing of goods without change in ownership* (46.2%), *Construction* (40.4%) and in *Government goods and services* (17.1%).

¹ The ITSS only reflects a residual part of *Mode 2: Consumption in Spain (exports) or abroad (imports)*, as tourism-related services are outside its scope, which are the services that are mostly supplied through this mode. The ITSS, by focusing in measuring the trade in services between residents and non-residents, only includes a very residual part of *Mode 3: Commercial presence*, as in general terms the trade carried out through the commercial presence of subsidiaries and/or branches in the country of the service recipient is outside the scope of the survey.

Modes of supply of imports by type of main service

Year 2018 (percentage)

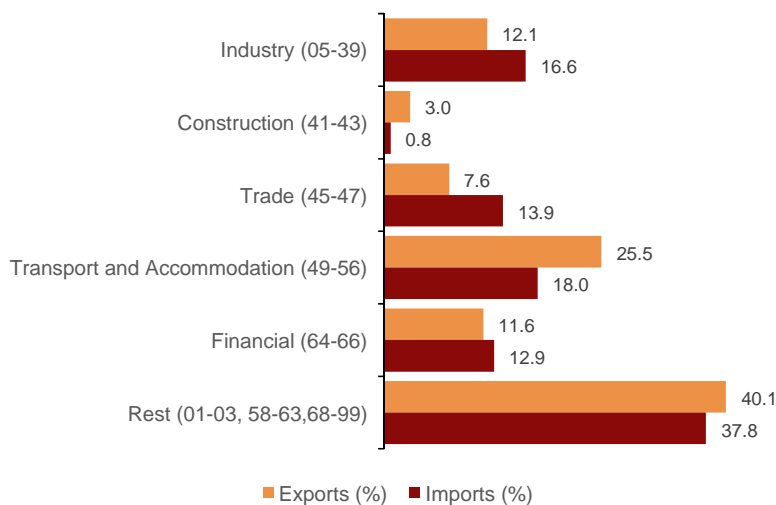


International Trade in Services by sector of economic activity

Rest (which includes agriculture, livestock, forestry and fishing activities; information and communication activities; real estate; professional, scientific and technical activities; administrative and support services; public administration and defence; compulsory social security; education; health and social services activities; arts, recreation and entertainment activities; other services; activities of households; activities of extraterritorial organisations and institutions) was the majority, both in exports (40.1%) and imports (37.8%).

Exports and imports by main activity sector

Year 2018 (percentage)



At the level of main service heading, in 2018 a correspondence was observed between the type of service exported and imported and the main sector of economic activity in exporters and importers of these services.

Predominant activity sector of exporters and importers by type of service

Year 2018

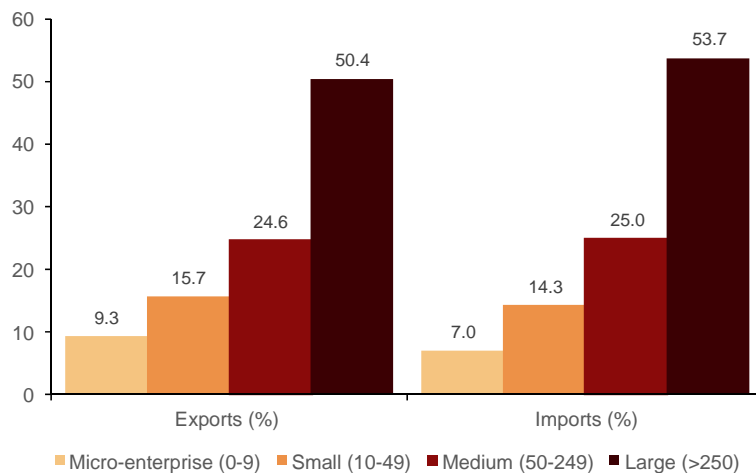
	Exports		Imports	
	Predominant activity sector	Weight (%)	Predominant activity sector	Weight (%)
TOTAL	Rest	40.1	Rest	37.8
1. Manufacturing services of physical inputs owned by others	Industry	91.6	Industry	79.2
2. Maintenance and repair	Industry	43.0	Transport and Accommodation	39.8
3. Transport	Transport and Accommodation	89.3	Transport and Accommodation	60.2
4. Construction	Construction	75.6	Construction	51.4
5. Insurance and pension	Financial	98.2	Financial	96.0
6. Financial	Financial	93.4	Financial	72.4
7. Charges for the use of Intellectual property	Rest	75.4	Rest	73.7
8. Telecommunications, computers and information	Rest	91.2	Rest	71.5
9. Business	Rest	57.7	Rest	43.1
9.1. R&D	Rest	50.4	Industry	67.2
9.2. Professional and management consultancy	Rest	73.0	Rest	47.0
9.3. Technical, trade-related and other business services	Rest	49.9	Rest	42.4
10. Personal, cultural and recreational	Rest	99.6	Rest	91.1
11. Government goods and services	Rest	98.3	Rest	99.4

International trade in Services by size of company

Companies with 250 or more employees generated the highest export and import values, with 50.4% and 53.7% of the total, respectively.

Exports and imports by Enterprise size measured in number of employees

Year 2018 (percentage)



Large companies were predominant in most headings of exports and imports of Services.

However, in exports, medium-sized companies (50-249 employees) were the majority in *Construction* and *Insurance and pensions*. In turn, small enterprises (10-49 employees) predominated in *Intellectual Property* and *Government goods and services*. Micro-enterprises (0-9 employees) stood out in *Personal, cultural and recreational services*.

With regard to imports, medium-sized companies were the majority in *Manufacturing services on physical inputs owned by others* and *Insurance and pensions*.

Predominant size of exporting and importing enterprises by type of service

Year 2018

	Exports		Imports	
	Predominant size	Weight (%)	Predominant size	Weight (%)
TOTAL	Large	50.4	Large	53.7
1. Manufacturing services of physical inputs owned by others	Large	71.9	Medium	63.2
2. Maintenance and repair	Large	42.1	Large	61.1
3. Transport	Large	47.0	Large	40.7
4. Construction	Medium	35.3	Large	44.5
5. Insurance and pension	Medium	60.5	Large	47.5
6. Financial	Large	55.8	Large	58.7
7. Charges for the use of Intellectual property	Small	33.4	Large	71.7
8. Telecommunications, computers and information	Large	72.6	Large	63.6
9. Business	Large	46.9	Large	55.2
9.1. R&D	Large	75.0	Large	90.1
9.2. Professional and management consultancy	Large	42.4	Large	51.2
9.3. Technical, trade-related and other business services	Large	46.3	Large	54.1
10. Personal, cultural and recreational	Micro-enterprise	34.8	Medium	33.4
11. Government goods and services	Small	86.7	Large	51.2

International trade in Services by ownership² of the company

In 2018, companies that belonged to a business group concentrated 77.5% of services exports and 84.6% of services imports.

Companies controlled by a Spanish group recorded 43.3% of exports and 39.2% of imports. In turn, those controlled by a foreign group accounted for 34.3% of exports and 45.3% of imports.

It is worth noting that 22.4% of exports and 15.2% of imports were carried out by independent companies which didn't belong to a business group.

² Ownership of the company is a variable not included in the ITSS questionnaire and was obtained by crossing the ITSS sample with the INE Central Companies Directory (CCD), which provides information on whether or not the company belongs to a business group, and whether the control of the group is Spanish or foreign. Those that were not crossed have been included under the heading "Unknown".

The control falls within the context of the country of residence of the unit that ultimately controls the exporting/importing company. This unit is the one that, proceeding hierarchically upwards along the chain of control of the company, exercises control over it, not being controlled, in turn, by any other unit. For the purposes of these statistics, this unit is known as parent company.

Exports and imports by ownership

Year 2018

	Exports		Imports	
	Value (million euros)	Weight (%)	Value (million euros)	Weight (%)
TOTAL	66,757.1	100.0	47,227.9	100.0
1. Belonging to a business group:	51,766.3	77.5	39,938.2	84.6
1.1. Of foreign control:	22,885.6	34.3	21,413.7	45.3
1.2. Of Spanish control:	28,880.7	43.3	18,524.5	39.2
1.2.1. Domestic	4,293.5	6.4	3,228.5	6.8
1.2.2. Multinational	24,587.1	36.8	15,296.1	32.4
2. Not belonging to a business group:	14,985.9	22.4	7,185.1	15.2
3. Unknown	4.9	0.0	104.5	0.2

The country of the parent company whose subsidiaries in Spain accounted for the most exports was the United States, with 8.8% in total. For imports, Germany was the country of the parent company whose subsidiaries in Spain accounted for the most imports, with 8.9%.

Main residence country of the parent of the foreign affiliates resident in Spain that export and import services

Year 2018

	Exports		Imports	
	Residence country of the parent company	Weight (%)	Residence country of the parent company	Weight (%)
TOTAL	United States	8.8	Germany	8.9
1. Manufacturing services of physical inputs owned by others	United States	52.6	Japan	36.4
2. Maintenance and repair	Netherlands	4.9	Japan	6.7
3. Transport	Germany	7.3	Germany	11.4
4. Construction	France	7.5	Netherlands	25.8
5. Insurance and pension	Germany	5.6	Germany	18.5
6. Financial	United Kingdom	25.8	United Kingdom	12.4
7. Charges for the use of Intellectual property	United Kingdom	6.2	United States	7.0
8. Telecommunications, computers and information	France	6.3	United Kingdom	11.2
9. Business	United States	13.7	United States	11.7
9.1. R&D	United States	17.2	Germany	42.5
9.2. Professional and management consultancy	United States	8.7	United States	13.1
9.3. Technical, trade-related and other business services	United States	16.2	United States	11.8
10. Personal, cultural and recreational	France	4.9	United States	12.5
11. Government goods and services	Sweden	3.9	Belgium	0.0

Data review and update

The data published today are final. All results are available on INEBase.

Methodological note

The main objective 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 characterising 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: 9,036 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 indemnities) 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/en/metodologia/t37/t373019801_en.pdf

And the standardised methodological report at:

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

For further information see **INEbase:** www.ine.es/en/ Twitter: @es_ine

All press releases at: www.ine.es/en/prensa/prensa_en.htm

Press office: Telephone numbers: (+34) 91 583 93 63 /94 08 – gprensa@ine.es

Information Area: Telephone number: (+34) 91 583 91 00 – www.ine.es/infoine/?L=1
