

28 October 2020

**International Trade in Services Survey (ITSS)
Year 2019**

In 2019, services exports increased by 9.8%, and imports by 11.5%

45.5% of exports were generated by companies that belonging Spanish business groups, and 47.7% of imports by companies controlled by foreign groups

The United Kingdom was the main destination for exports, while Germany was the main source for imports

Services exports reached 73,275.2 million euros in 2019, with an increase of 9.8% as compared with the previous year. On the other hand, Services imports stood at 52,674.0 million euros, with an annual increase of 11.5%.

The balance or difference between exports and imports stood at 20,601.2 million euros, with an increase of 1,072.0 million as compared with the previous year.

International Trade in Services by type of service

In 2019, the most relevant Services for the exports were *Business*, with 23,099.5 million euros (31.5% of the total and an annual increase of 9.0%) and *Transport*, with 19,768.7 million (27.0% of the total and an increase of 10.3%).

Regarding imports, the most relevant Services were also *Business*, with 19,451.0 million euros (36.9% of the total and an annual variation of 16.4%) and *Transport*, with 11,349.0 million (21.5% of the total and an increase of 1.3%).

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, it was *Construction* (0.2% of the total).

Exports and imports and balance by type of service
Year 2019

	Exports		Imports		Balance
	Value (million euros)	Weight (%)	Value (million euros)	Weight (%)	Value (million euros)
TOTAL	73,275.2	100.0	52,674.0	100.0	20,601.2
1. Manufacturing services of physical inputs owned by others	3,149.8	4.3	392.5	0.7	2,757.3
2. Maintenance and repair	1,699.8	2.3	812.9	1.5	886.9
3. Transport	19,768.7	27.0	11,349.0	21.5	8,419.6
3.1. Passengers	4,469.3	6.1	744.6	1.4	3,724.7
3.2. Goods	8,909.9	12.2	7,735.8	14.7	1,174.1
3.3. Other transport services	6,389.4	8.7	2,868.6	5.4	3,520.8
4. Construction	1,105.7	1.5	105.1	0.2	1,000.6
5. Insurance and pension	4,807.1	6.6	5,399.2	10.3	-592.1
5.1. Direct Insurance (premiums)	238.2	0.3	270.2	0.5	-31.9
5.2. Reinsurance, pension and standardized guarantees (premiums and contributions to PF)	4,227.9	5.8	4,515.0	8.6	-287.1
5.3. Auxiliary insurance services	341.0	0.5	614.0	1.2	-273.0
6. Financial	2,053.9	2.8	1,117.4	2.1	936.5
7. Charges for the use of Intellectual property	2,999.9	4.1	5,991.4	11.4	-2,991.5
8. Telecommunications, computer and information	13,151.1	17.9	7,130.7	13.5	6,020.4
8.1. Telecommunication	1,803.4	2.5	1,736.4	3.3	67.0
8.2. Computer	10,851.8	14.8	4,776.7	9.1	6,075.1
8.3. Information	495.8	0.7	617.6	1.2	-121.7
9. Business	23,099.5	31.5	19,451.0	36.9	3,648.5
9.1. R&D	1,373.5	1.9	922.6	1.8	451.0
9.1.1. Work undertaken systematically to increase knowledge	886.5	1.2	736.8	1.4	149.8
9.1.2. Others related to R&D	487.0	0.7	185.8	0.4	301.2
9.2. Professional and management consultancy	7,707.0	10.5	6,077.5	11.5	1,629.6
9.2.1. Legal, accounting, business and management consultancy and Public Relations	4,773.9	6.5	2,919.8	5.5	1,854.1
9.2.2. Advertising, market research and Public opinion surveys	2,933.1	4.0	3,157.6	6.0	-224.5
9.3. Technical, trade-related and other business services	14,018.9	19.1	12,451.0	23.6	1,568.0
9.3.1. Architecture, engineering, other technical, waste treatment and decontamination, agricultural and mining	3,807.9	5.2	1,144.6	2.2	2,663.3
9.3.2. Operating Lease	604.4	0.8	1,029.3	2.0	-424.9
9.3.3. Trade-related	1,362.1	1.9	2,670.9	5.1	-1,308.8
9.3.4. Other business services	8,244.5	11.3	7,606.2	14.4	638.4
10. Personal, cultural and recreational	1,313.2	1.8	614.7	1.2	698.5
10.1. Audiovisual and related	613.6	0.8	303.9	0.6	309.6
10.2. Other personal, cultural and recreational services	699.6	1.0	310.8	0.6	388.8
11. Goods and government services	126.8	0.2	310.1	0.6	-183.3

Regarding the balances by type of main service, the most positive were in *Transport* (8,419.6 million euros) and *Telecommunications, computing and information* (6,020.4 million). In turn, *Intellectual property* recorded the most negative balance (-2,991.5 million).

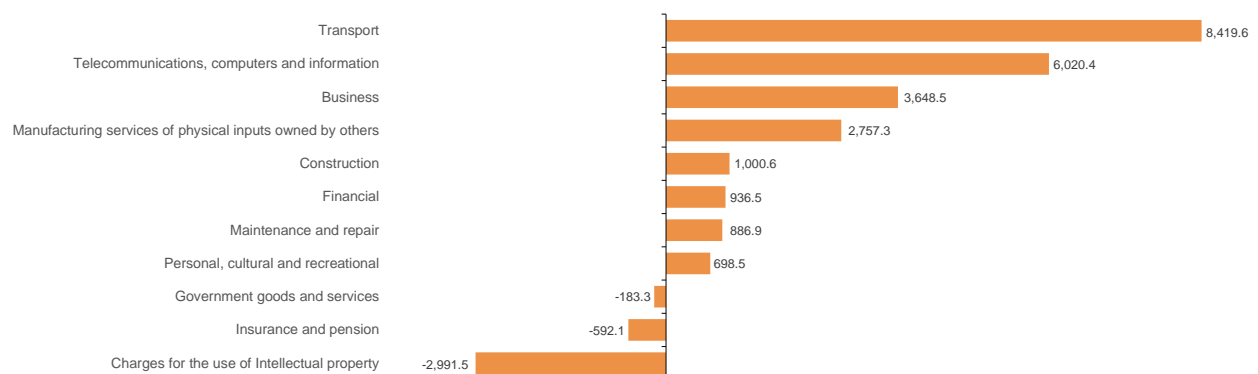
Balance by type of service

Year 2019

	Balance 2019	Balance 2018
	Value (million euros)	Value (million euros)
TOTAL	20,601.2	19,529.2
1. Manufacturing services of physical inputs owned by others	2,757.3	2,912.5
2. Maintenance and repair	886.9	801.9
3. Transport	8,419.6	6,722.2
4. Construction	1,000.6	1,120.2
5. Insurance and pension	-592.1	168.5
6. Financial	936.5	922.7
7. Charges for the use of Intellectual property	-2,991.5	-3,415.9
8. Telecommunications, computers and information	6,020.4	5,469.8
9. Business	3,648.5	4,483.6
9.1. R&D	451.0	561.3
9.2. Professional and management consultancy	1,629.6	1,776.6
9.3. Technical, trade-related and other business services	1,568.0	2,145.7
10. Personal, cultural and recreational	698.5	531.8
11. Government goods and services	-183.3	-188.1

Balance by type of service

2019 (Million euros)

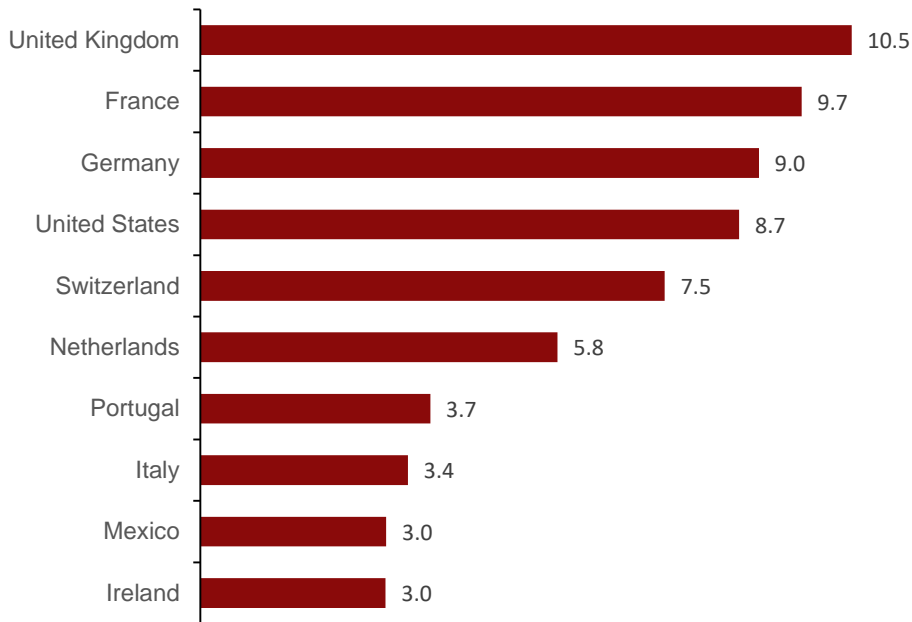


International Trade in Services by country of destination and origin

The main destination countries of exports in 2019 were France and the United Kingdom (with 10.5% of the total), France (9.7%) and Germany (with 9.0%).

Main destination countries of exports

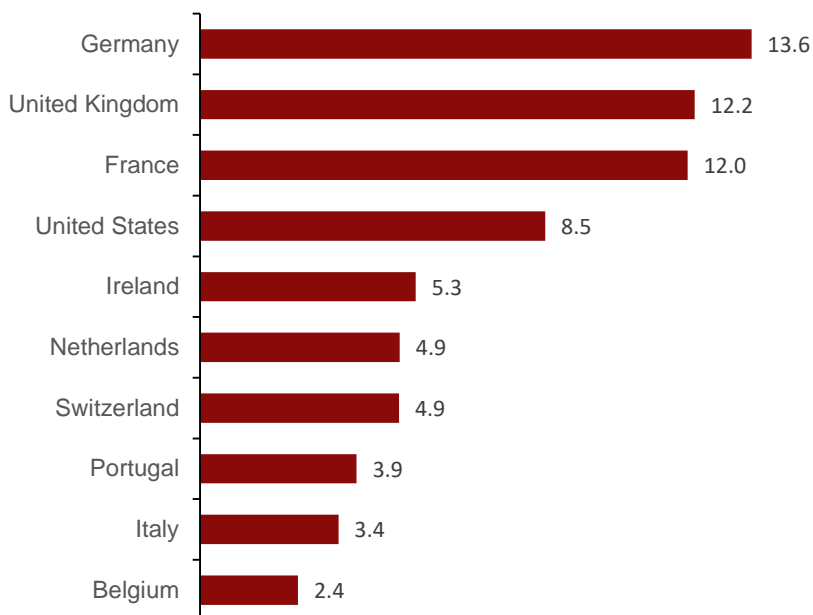
Year 2019 (percentage)



With regard to imports, the main countries of origin were Germany (13.6% of the total), United Kingdom (12.2%) and France (12.0%).

Main countries of origin of imports

Year 2019 (percentage)

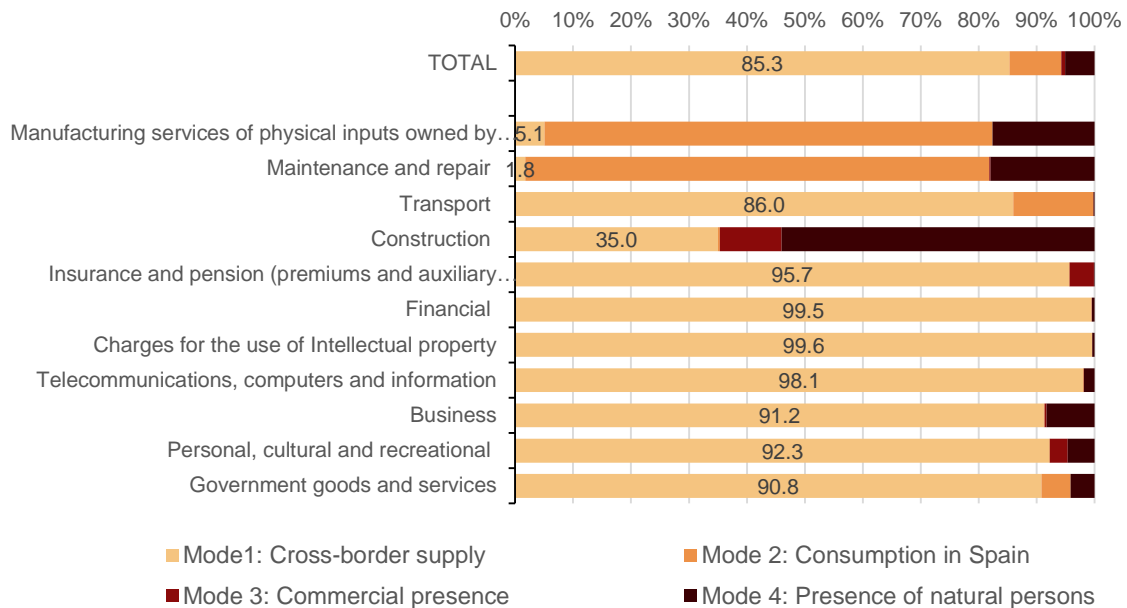


International Trade in Services by main mode of supply¹ of the service

Mode 1 (cross-border supply) totaled 85.3% of the total value of exports in 2019. This mode was the majority in all headings, except in *Construction*, *Transformation of goods without transfer of ownership* and *Maintenance and repair*, where it represented 35.0%, 5.1% and 1.8% of the total, respectively.

Modes of supply of exported services by type of main service

Year 2019 (percentage)



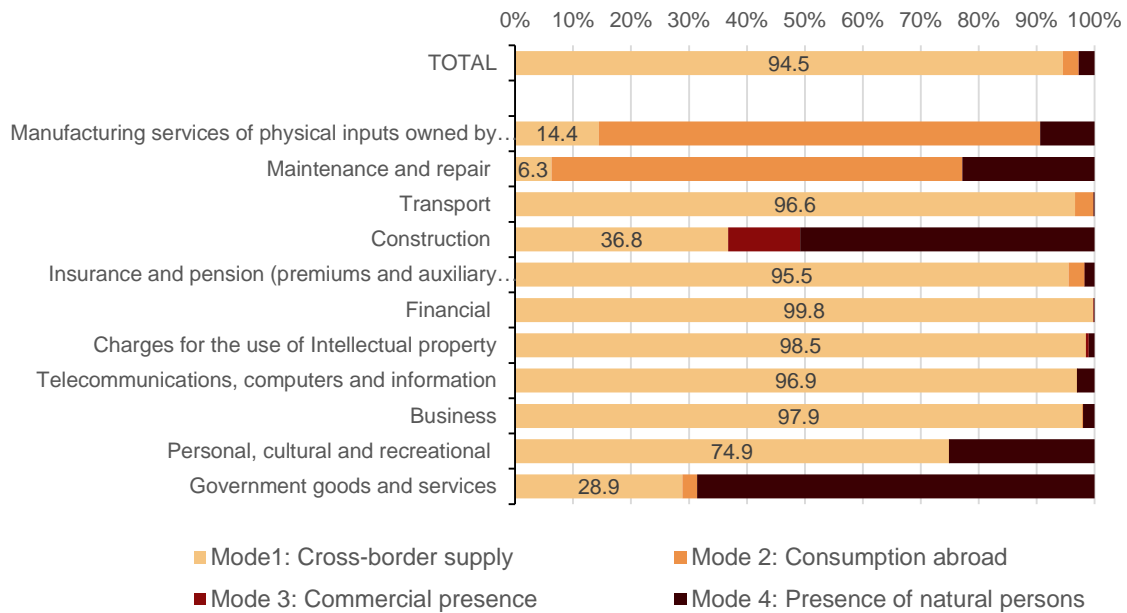
In imports, *Mode 1* (cross-border supply) was also the main system, with 94.5% of the total.

By main service heading, *Mode 1* was also predominant, except in *Construction* (36.8% of the total), *Government goods and services* (28.9%), *Transformation of goods without transfer of ownership* (14.4%), and *Maintenance and repair* (6.3%).

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 imported services by main type of service

Year 2019 (percentage)

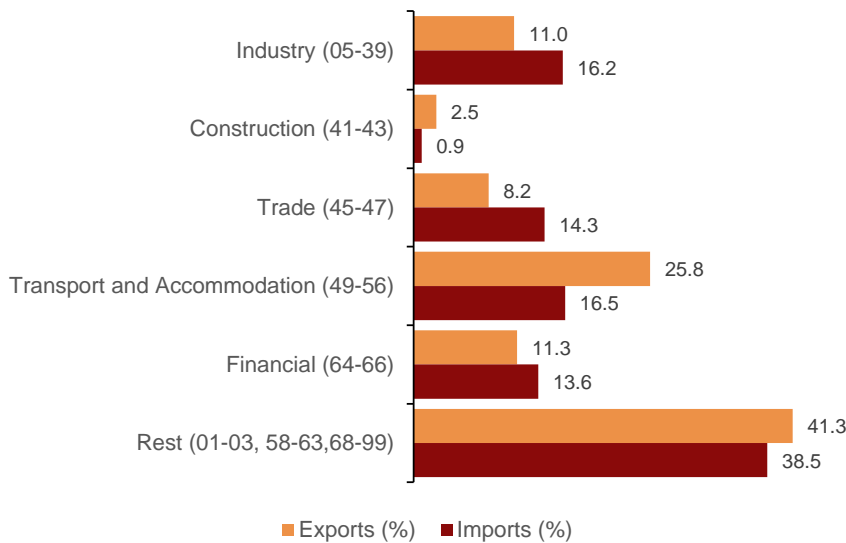


International Trade in Services by sector of economic activity

The Rest sector (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 (41.3%) and imports (38.5%).

Exports and imports by sector of economic activity of the company

Year 2019. Percentage



At the level of main service heading, in 2019 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.

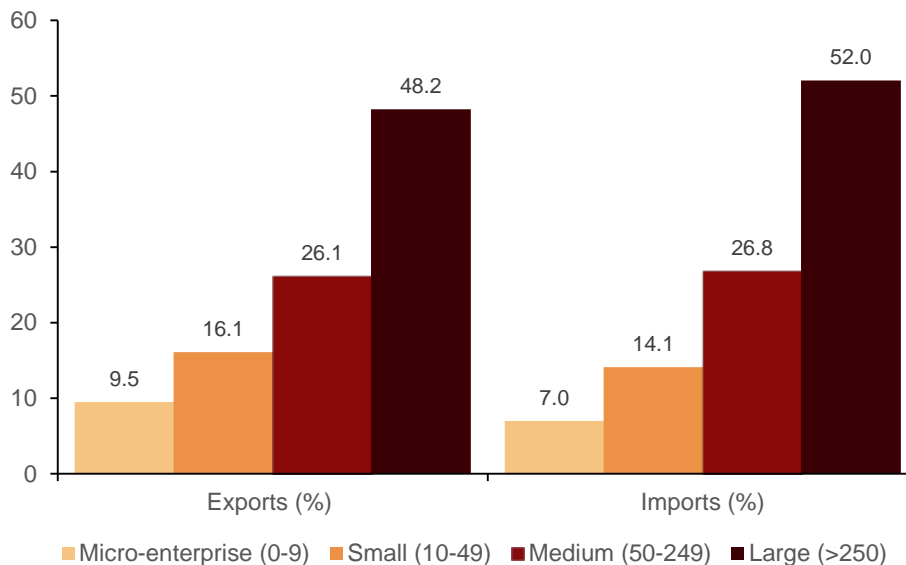
Main economic activity sector of exporting and importing companies by type of service Year 2019

	Exports		Imports	
	Predominant activity sector	Weight (%)	Predominant activity sector	Weight (%)
TOTAL	Rest	41.3	Rest	38.6
1. Manufacturing services of physical inputs owned by others	Industry	89.8	Industry	79.1
2. Maintenance and repair	Transport and Accomodation	39.3	Transport and Accomodation	46.4
3. Transport	Transport and Accomodation	88.6	Transport and Accomodation	55.6
4. Construction	Construction	68.6	Construction	45.8
5. Insurance and pension	Financial	98.8	Financial	96.8
6. Financial	Financial	96.1	Financial	71.9
7. Charges for the use of Intellectual property	Rest	79.4	Rest	76.2
8. Telecommunications, computers and information	Rest	90.1	Rest	70.0
9. Business	Rest	58.7	Rest	43.4
9.1. R&D	Rest	50.7	Industry	67.1
9.2. Professional and management consultancy	Rest	72.0	Rest	49.4
9.3. Technical, trade-related and other business services	Rest	52.2	Rest	41.6
10. Personal, cultural and recreational	Rest	96.6	Rest	87.3
11. Government goods and services	Rest	98.5	Rest	99.3

International Trade in Services by size of the company

Companies with 250 or more employees generated the highest export and import values, with 48.2% and 52.0% of the total, respectively.

Exports and imports by company size measured in number of employees. Year 2019 (percentage)



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

Medium-sized companies (50-249 salaried employees) accounted for the majority in the exports of *insurance and pension services*. Small companies (10-49 wage earners) predominated in *Government Goods and Services* and in *Construction*. Micro-enterprises (0-9 employees) stood out in *Personal, cultural and recreational services*. In imports, medium-sized companies were the majority in *Transformation of goods without transfer of ownership* and *Insurance and pensions*.

Predominant size of exporting and importing companies by type of service Year 2019

	Exports		Imports	
	Predominant size	Weight (%)	Predominant size	Weight (%)
TOTAL	Large	48.2	Large	52.1
1. Manufacturing services of physical inputs owned by others	Large	64.4	Medium	53.8
2. Maintenance and repair	Large	45.1	Large	64.3
3. Transport	Large	47.3	Large	39.0
4. Construction	Small	41.4	Large	56.9
5. Insurance and pension	Medium	82.8	Medium	51.2
6. Financial	Large	51.5	Large	64.2
7. Charges for the use of Intellectual property	Large	43.1	Large	70.1
8. Telecommunications, computers and information	Large	72.4	Large	61.7
9. Business	Large	44.7	Large	52.2
9.1. R&D	Large	67.4	Large	80.7
9.2. Professional and management consultancy	Large	42.4	Large	47.6
9.3. Technical, trade-related and other business services	Large	43.8	Large	52.4
10. Personal, cultural and recreational	Micro-enterprise	32.5	Large	31.1
11. Government goods and services	Small	81.0	Large	52.1

International trade in Services by ownership² of the company

In 2019, companies that belonged to a business group concentrated 81.7% of services exports and 86.7% of services imports.

Companies controlled by a Spanish group recorded 45.5% of exports and 39.0% of imports. In turn, those controlled by a foreign group accounted for 36.2% of exports and 47.7% of imports. It is worth noting that 18.3% of exports and 13.1% 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 company ownership Year 2019

	Exports		Imports	
	Value (million euros)	Weight (%)	Value (million euros)	Weight (%)
TOTAL	73,275.2	100.0	52,674.0	100.0
1. Belonging to a business group:	59,860.7	81.7	45,668.4	86.7
1.1. Of foreign control:	26,498.9	36.2	25,141.0	47.7
1.2. Of Spanish control:	33,361.7	45.5	20,527.4	39.0
1.2.1. Domestic	5,716.3	7.8	3,841.9	7.3
1.2.2. Multinational	27,645.4	37.7	16,685.5	31.7
2. Not belonging to a business group:	13,408.1	18.3	6,897.7	13.1
3. Unknown	6.5	0.0	107.8	0.2

The country of the parent company whose subsidiaries in Spain accounted for the most exports was the United States, with 8.5% of the total. In imports, Germany was the country of the parent company whose subsidiaries in Spain accounted for the most imports (with 9.1%).

Main countries of residence of the parent companies of the foreign subsidiaries resident in Spain that export and import services Year 2019

	Exports		Imports	
	Residence country of the parent company	Weight (%)	Residence country of the parent company	Weight (%)
TOTAL	United States	8.5	Germany	9.1
1. Manufacturing services of physical inputs owned by others	United States	50.8	Japan	25.2
2. Maintenance and repair	Denmark	7.9	Germany	5.6
3. Transport	Germany	6.7	Germany	10.7
4. Construction	France	5.8	Portugal	10.9
5. Insurance and pension	Germany	6.7	Switzerland	20.2
6. Financial	United Kingdom	22.3	United Kingdom	10.9
7. Charges for the use of Intellectual property	United Kingdom	17.3	United Kingdom	12.0
8. Telecommunications, computers and information	France	5.7	United States	12.0
9. Business	United States	14.0	United States	9.5
9.1. R&D	United States	19.6	Germany	43.3
9.2. Professional and management consultancy	United States	9.0	United States	13.1
9.3. Technical, trade-related and other business services	United States	16.2	United States	8.0
10. Personal, cultural and recreational	France	5.4	United Kingdom	10.0
11. Government goods and services	Sweden	3.4	United States	0.1

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: 9,515 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 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 the methodology can be accessed at:

<https://www.ine.es/metodologia/t37/t373019801.pdf>

The standardized methodological report is at:

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

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