

Statistical bulletin

International trade in services, UK: 2015

Product, industry and geographic breakdowns of imports and exports of services, excluding travel, transport and banking sectors.



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1. Main points

- Total UK exports of services (excluding travel, transport and banking) in current prices continued to rise in 2015, increasing from £119,703 million in 2014 to £123,231 million, an increase of 2.9%.
- Total UK exports of services to Asia saw the largest increase in 2015, rising from £19,703 million in 2014 to £21,452 million, an increase of 8.9%.
- The professional, scientific and technical industrial grouping witnessed the largest increase in UK exports in 2015, rising by £2,260 million to a total of £35,760 million.
- Total UK imports of services (excluding travel, transport and banking) in current prices rose by 7.4% in 2015, increasing from £54,455 million in 2014 to £58,508 million.
- Total UK imports of services from Europe experienced the largest increase in 2015, rising from £29,085 million in 2014 to £31,483 million, an increase of 8.2%.
- The information and communication industrial grouping continued to be the largest industry responsible for UK service imports in 2015.

2. Your views matter

We are constantly aiming to improve this release and its associated commentary. We would welcome any feedback you might have and would be particularly interested in knowing how you make use of these data to inform your work. For further information please contact us via email: itis@ons.gsi.gov.uk or telephone Sami Hamroush on +44 (0)1633 455087.

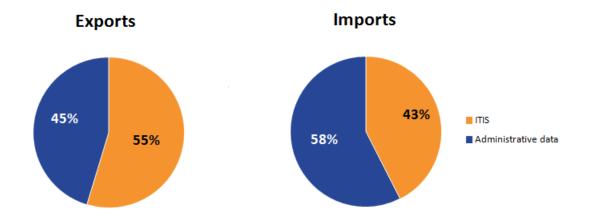
3. Overview

The 2015 International Trade in Services (ITIS) publication provides a detailed breakdown of annual trade in services estimates, analysing data by country, product and industry. These data are sourced from our International Trade in Services survey.

The ITIS survey is the main source of UK trade data although it is important to note that the survey does not cover the whole of the UK economy. The travel, transport and banking sectors of the economy are not covered by the ITIS survey, as these data are obtained from other sources such as the International Passenger Survey and the Bank of England. Estimates for the overall level of trade in services, including these industries, are published in our annual Pink Book and monthly UK trade publications. Based on the 2015 estimates, the ITIS data contributed approximately 55% and 43% respectively to the total trade in services export and import estimates for the whole of the UK.

Figure 1: Percentage contribution of International trade in services (ITIS) survey to total Trade in Services, 2015

UK



4. Summary

Total exports of services (excluding travel, transport and banking) from the UK continued to follow an upward trend and increased from £119,703 million in 2014, to £123,231 million in 2015.

The rate of growth of UK service exports in 2015 increased marginally compared with 2014, from 2.1 percentage points to 2.9%.

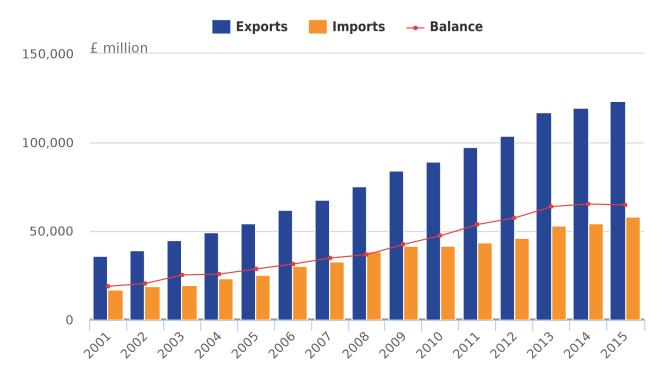
Total imports of services (excluding travel, transport and banking) to the UK also followed an upward trend in 2015, rising from £54,455 million in 2014 to £58,508 million.

The rate of growth in UK service imports increased in 2015 to 7.4%, up from 2.0% in 2014.

The ITIS estimates show that in 2015, the UK continued to be a net exporter of services meaning more services were exported from the UK than imported. The UK trade balance stood at £64,722 million in 2015 and signifies the first year that the ITIS trade balance has shown an annual decline. This was caused by growth in UK service imports exceeding that of exports.

Figure 2: Total international trade in services (excluding travel, transport and banking), 2001 to 2015

UK



Source: Office for National Statistics

Notes:

1. All values are at current prices (see background notes for definition).

5. Total international trade in services (excluding travel, transport and banking) by continent and countries

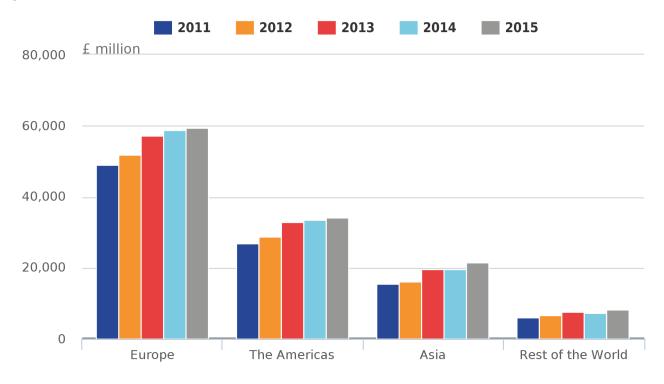
This section presents geographical findings for total UK international trade in services (excluding travel, transport and banking).

For more detailed geographic information relating to total exports and imports of services please refer to the ITIS dataset <u>Table AO</u> – Total trade in services (excluding travel, transport and banking) analysed by continents and countries.

UK exports of services

Figure 3: UK international trade in services (excluding travel, transport and banking), exports by continent,2011 to 2015





Source: Office for National Statistics

Notes:

- 1. All values are at current prices (see background notes for definition).
- 2. Geographical groupings can be found in the background notes.

Europe remained the largest destination for UK exports of services and continued to follow an upward trend in 2015, rising from £58,711 million in 2014 to £59,518 million. Germany surpassed the Netherlands in 2015 to become the main trading partner for the UK within Europe, with UK service exports to Germany increasing from £7,171 million in 2014 to £7,276 million. The Irish Republic was the second largest destination for overall UK service exports to Europe, having risen from £6,598 million in 2014 to £7,188 million. With the exception of 2014, UK exports to the Irish Republic have been increasing annually since 2010. Despite both Switzerland and the Netherlands experiencing declines in 2015, both countries were the third and fourth largest destinations for UK service exports to Europe, with exports of £6,863 million and £6,854 million respectively.

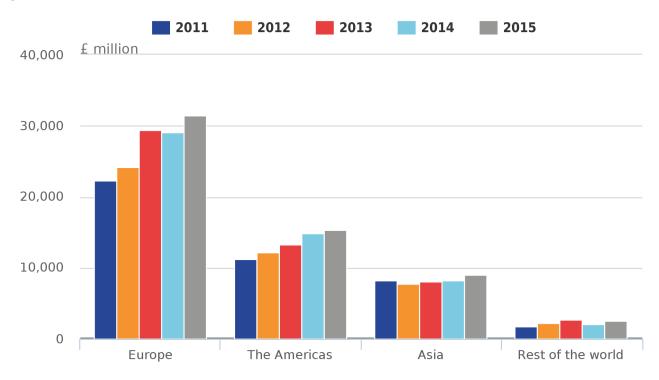
The Americas remained the second largest destination for UK exports of services in 2015 and continued the upward trend seen in recent years with a further increase in 2015, from £33,523 million in 2014 to £34,053 million. The USA was the largest destination for UK exports to the Americas, with exports of £27,991 million in 2015.

Asia remained the third largest destination for UK exports of services in 2015, which increased from £19,703 million in 2014 to £21,452 million. The rest of Asia and Saudi Arabia were the main destinations for UK exports of services in 2015, recording £4,634 million and £4,613 million respectively.

UK imports of services

Figure 4: UK international trade in services (excluding travel, transport and banking), imports by continent, 2011 to 2015





Source: Office for National Statistics

Notes:

- 1. All values are at current prices (see background notes for definition).
- 2. Geographical groupings can be found in the background notes.

Europe remained the main source for UK imports of services in 2015 and increased from £29,085 million in 2014 to £31,483 million in 2015. Switzerland made the largest contribution to the increase between 2014 and 2015, rising by £812 million to a total UK imports figure of £2,603 million in 2015. Despite UK service imports from Germany experiencing a small decline in 2015, Germany remained the largest source of UK service imports from Europe, with a total of £4,910 million. The Irish Republic and France were the second and third largest sources, with imports of £3,791 million and £3,568 million respectively.

UK imports of services from the Americas continued to follow an upward trend in 2015 and increased from £14,863 million in 2014 to £15,413 million in 2015. Within the Americas, the USA was the largest source of UK imports, which increased from £12,945 million in 2014 to £13,880 million.

Asia remained the third largest area from which UK imports of services originated, with imports primarily being sourced from India and Japan.

6. Trade in services products: geographical analysis

This section presents UK trade in services estimates by broad product types and provides an overview of the changes in the value of exports and imports for these types of services by continent between 2014 and 2015.

The International Trade in Services (ITIS) statistical bulletin provides geographical breakdowns for 3 broad services product types: technical, trade related, operational leasing and other business services; professional, management consulting and research and development (R&D) services; and merchanting, other trade-related and services between related enterprises. The proportions each of these product types contributed to the total UK exports and imports of services in 2015 are presented in T able 1.

Table 1: Composition of trade in services by broad product type, 2015

UK

	Exports	Imports
Technical, trade related, operational leasing and other business services	14.1%	9.5%
Professional, management consulting and R&D services	25.9%	27.4%
Merchanting, other-trade related and services between related enterprises	13.3%	18.6%

Source: Office for National Statistics

Technical, Trade related, operational leasing and other business services product group

Table 2 presents the service products used to compile the technical, trade related, operational leasing and other business services group up to 2012 and from 2013 onwards. Implementing the latest BPM6 recommendations resulted in a change to the grouping from 2013 onwards.

Table 2: Service products used to compile the technical, trade-related, operational leasing and other business services group, 2012 and 2013 onwards

2012	2013 onwards
Agricultural services	Agricultural, forestry and fishing
Mining services	Mining and oil and gas extraction services
Waste treatment and depollution	Waste treatment and depollution
Other on site processing	Manufacturing services on goods owned by others
	Maintenance and repair services
Construction in the UK	Construction in the UK
Construction outside the UK	Construction outside the UK
Architectural services	Architectural services
Engineering services	Engineering services
Surveying services	Scientific and other technical services inc surveying
Operational leasing services	Operational leasing services

Source: Office for National Statistics

Notes:

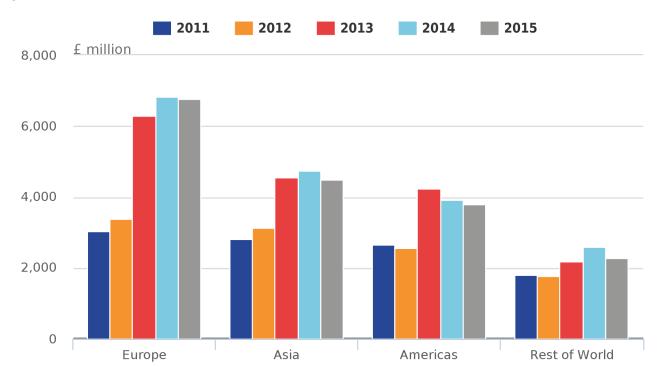
^{1.} Broad product groupings were changed in 2013 in line with the latest international guidance.

UK exports of services

UK exports of technical, trade- related, operational leasing and other business services types of services declined in 2015 from £18,094 million in 2014 to £17,384 million. This was the first period of annual decline recorded within this broad product grouping since 2011.

Figure 5: Exports (excluding travel, transport and banking) of technical, trade-related, operational leasing and other business services, by continent, 2011 to 2015





Source: Office for National Statistics

Notes:

- 1. All values are at current prices (see background notes for definition).
- 2. Geographical groupings can be found in the background notes.

The decline in UK exports of technical, trade- related, operational leasing and other business services was experienced across all 5 continents in 2015. Asia experienced the largest decline in 2015 with UK exports of these types of services falling from £4,748 million in 2014 to £4,505 million. Within Asia, Singapore made the largest contribution to the decline, with UK exports of these types of services falling by £221 million in 2015 to a total of £600 million.

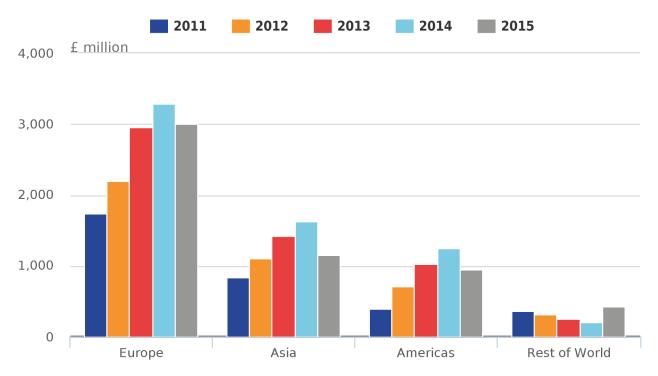
Despite also experiencing a decline, Europe remained the largest destination for UK exports of technical, trade-related, operational leasing and other business services in 2015, falling from £6,841 million in 2014 to £6,780 million . Within Europe, Norway saw the largest decline in 2015, with UK exports of these types of services falling from £1,028 million in 2014 to £502 million. Offsetting this decline was Italy, which saw UK exports of these types of services increase, rising from £224 million in 2014 to £931 million in 2015. Italy was also the country driving the growth in UK exports of these types of services to the EU.

UK imports of services

UK imports of technical, trade- related, operational leasing and other business services types of services declined in 2015, falling from £6,383 million in 2014 to £5,533 million; the first period of annual decline within this broad product grouping since 2011.

Figure 6: Imports (excluding travel, transport and banking) of technical, trade-related, operational leasing and other business services, by continent, 2011 to 2015





Source: Office for National Statistics

Notes:

- 1. All values are at current prices (see background notes for definition).
- 2. Geographical groupings can be found in the background notes.

Asia experienced the largest decline in imports of technical, trade- related, operational leasing and other business services, falling by £474 million to £1,162 million between 2014 and 2015. The decline is mostly attributable to imports from Singapore, which fell from £735 million in 2014 to £297 million in 2015.

The Americas experienced the second largest decline, with UK imports of trade- related, operational leasing and other business services falling from £1,251 million in 2014 to £945 million in 2015. The rest of America and the USA experienced the largest declines in 2015, with falls of £251 million and £134 million respectively.

Despite experiencing a decline, Europe remained the largest source for UK imports of trade- related, operational leasing and other business services. Imports of these types of services fell from £3,292 million in 2014 to £3,003 million in 2015. The majority of the decline was seen within the EU; primarily Italy, which declined by £123 million in 2015. This is in contrast to UK exports of these types of services to Italy, which more than trebled in 2015.

Professional, management consulting and research and development (R&D) services

Table 3 presents the service products used to compile the professional, management consulting and R&D services group up to 2012 and from 2013 onwards. Implementing the latest BPM6 recommendations resulted in a change to the grouping from 2013 onwards.

Table 3: Service products used to compile the professional, management consulting and R&D services group, 2012 and 2013 onwards

2012	2013 onwards	
Accountancy, auditing, bookkeeping and tax consulting services	Accountancy, auditing, bookkeeping and tax consulting services	
Advertising	Advertising, market research and public opinion polling	
Management consulting	Business management and management consulting services	
Public relations services	Public relations services	
Recruitment and training services	Recruitment services	
Other business management services	Legal Services	
Legal services	Procurement Services	
Market research and public opinion polling	Property management services	
Procurement	Provision of R&D services	
Property management	Provision of product development and testing activities	
Research and Development	Other business and professional services	
Other business and professional services		

Source: Office for National Statistics

Notes:

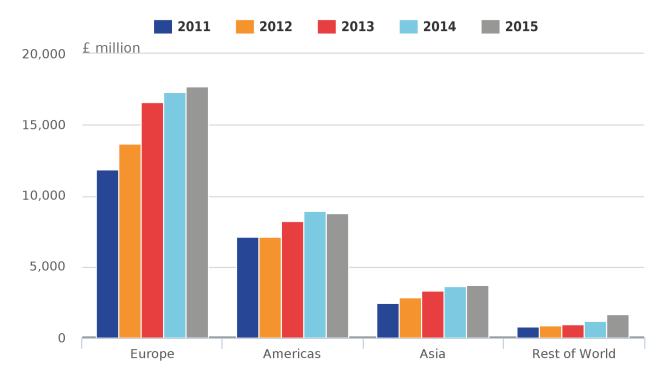
UK exports of services

UK exports of professional, management consulting and R&D services continued to grow in 2015, with UK exports rising from £31,063 million in 2014 to £31,919 million.

^{1.} Broad product groupings were changed in 2013 in line with the latest international guidance.

Figure 7: Exports (excluding travel, transport and banking) of professional, management consulting and research and development services, by continent, 2011 to 2015





Notes:

- 1. All values are at current prices (see background notes for definition).
- 2. Geographical groupings can be found in the background notes.

Europe remained the prime destination for UK exports of professional, management consulting and R&D services and increased in 2015, from £17,291 million in 2014 to £17,707 million. The growth in exports of these types of services from within Europe was mainly due to the EU, primarily driven by France, which saw UK exports of these types of services increasing from £1,148 million in 2014 to £1,539 million in 2015. Italy and Spain also made notable contributions to the increase, rising by £272 million and £271 million respectively.

UK exports to the Americas of professional, management consulting and R&D services showed a small decline in 2015, falling from £8,916 million in 2014 to £8,813 million. The decline was primarily driven by the USA, which saw a fall of £117 million to £7,666 million. Despite this small decline, the Americas continued to be the second-largest area in 2015 where UK exports of professional, management consulting and R&D services were destined for.

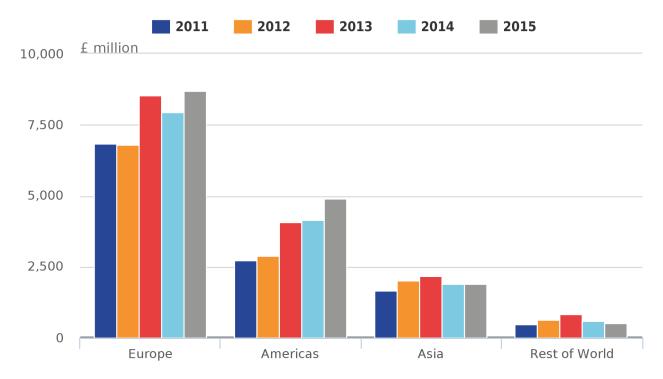
UK exports of professional, management consulting and R&D services to Asia continued to follow an upward trend in 2015, rising from £3,675 million in 2014 to £3,731 million.

UK imports of services

UK imports of professional, management consulting and R&D services increased in 2015, from £14,610 million in 2014 to £16,009 million.

Figure 8: Imports (excluding travel, transport and banking) of professional, management consulting and research and development services, by continent, 2011 to 2015





Notes:

- 1. All values are at current prices (see background notes for definition).
- 2. Geographical groupings can be found in the background notes.

In 2015, Europe continued to be the largest region where UK imports of professional, management consulting and R&D services originated from and increased from £7,953 million in 2014 to £8,688 million . Sweden made the largest contribution the increase, with UK imports of these types of services increasing from £296 million in 2014 to £479 million in 2015. The Irish Republic and France also made notable contributions to the increase, rising by £146 million and £138 million respectively.

The Americas accounted for most of the growth recorded in UK imports of professional, management consulting and R&D services, rising by £747 million to £4,908 million between 2014 and 2015. This increase was solely driven by the USA, with UK imports of these types of services increasing from £3,788 million in 2014 to £4,576 million in 2015.

Merchanting, other trade related and services between related enterprises

Table 4 presents the service products used to compile the merchanting, other trade- related and services between related enterprises group up to 2012 and from 2013 onwards. Implementing the latest BPM6 recommendations resulted in a change to the grouping from 2013 onwards.

Table 4: Service products used to compile the merchanting, other trade-related and services between related enterprises group, 2012 and 2013 onwards

2012	2013 onward
Merchanting	Merchanting
Other trade related	Other trade related
Services between related enterprises	Services between related enterprises

Notes:

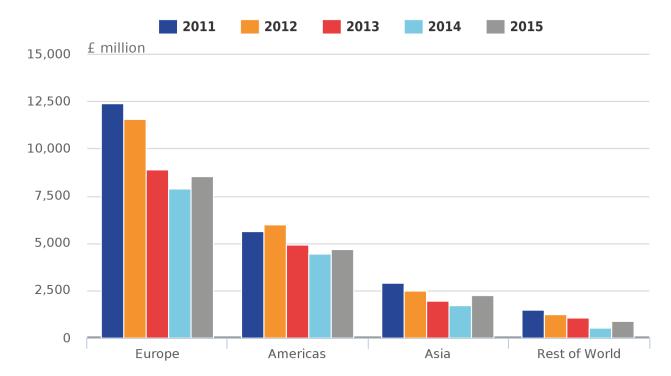
1. Broad product groupings were changed in 2013 in line with the latest international guidance.

UK exports of services

Exports of merchanting, other trade-related and services between related enterprises increased in 2015 from £14,590 million in 2014 to £16,419 million, reversing the downward trend seen in recent years.

Figure 9: Exports (excluding travel, transport and banking) of merchanting, other trade-related and services between related enterprises by continent, 2011 to 2015

UK



Source: Office for National Statistics

Notes:

- 1. All values are at current prices (see background notes for definition).
- 2. Geographical groupings can be found in the background notes.

UK exports of merchanting, other trade- related and services between related enterprises to Europe showed the largest increase in 2015, rising from £7,885 million in 2014 to £8,561 million, remaining the dominant area in receipt of these types of services in 2015. The Irish Republic made the largest contribution to the increase and rose from £1,335 million in 2014 to £1,887 million in 2015. Other notable increases in exports of these types of services were experienced with France and Russia, where UK exports rose by £278 million and £254 million respectively . Partially offsetting these increases were UK exports to Switzerland and the Netherlands, where UK exports of merchanting, other trade-related and services between related enterprises fell by £403 million and £294 million respectively.

Asia made the second largest contribution to the overall increase in UK exports of merchanting, other traderelated and services between related enterprises services, increasing by £571 million to an overall exports total of £2,267 million in 2015. Singapore and China saw the largest increases, rising by £175 million and £149 million respectively.

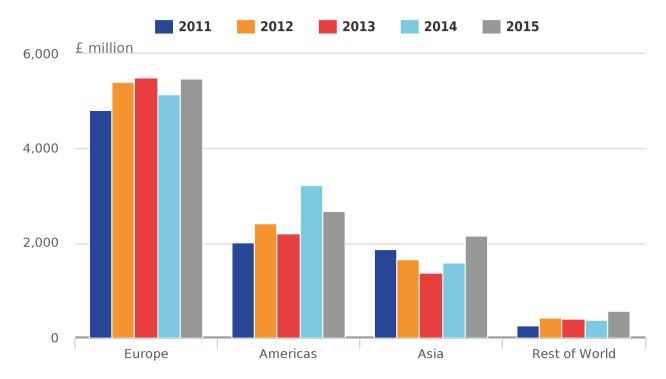
The Americas continued to be the second- largest area where UK exports of merchanting, other trade-related and services between related enterprises services were destined for, with exports worth £4,680 million in 2015. The USA remained the largest destination within the Americas for these exports.

UK imports of services

With the exception of 2013 and in contrast to exports, UK imports of merchanting, other trade- related and services between related enterprises followed an upward trend in recent years, which continued in 2015, with UK imports of these services increasing from £10,355 million in 2014 to £10,865 million.

Figure 10: Imports (excluding travel, transport and banking) of merchanting, other trade-related and services between related enterprises by continent, 2011 to 2015





Notes:

- 1. All values are at current prices (see background notes for definition).
- 2. Geographical groupings can be found in the background notes.

UK imports of merchanting, other trade-related and services between related enterprises from Asia made the largest contribution to the overall increase in UK imports, rising from £1,584 million in 2014 to £2,160 million in 2015. Notable increases were experienced from Singapore, the Philippines and India.

Offsetting the increase in UK imports of merchanting, other trade-related and services between related enterprises was the Americas, with a decline of £561 million to £2,676 million between 2014 and 2015. This decline in UK imports of services was primarily driven by the USA, which fell from £2,838 million in 2014 to £2,488 million in 2015.

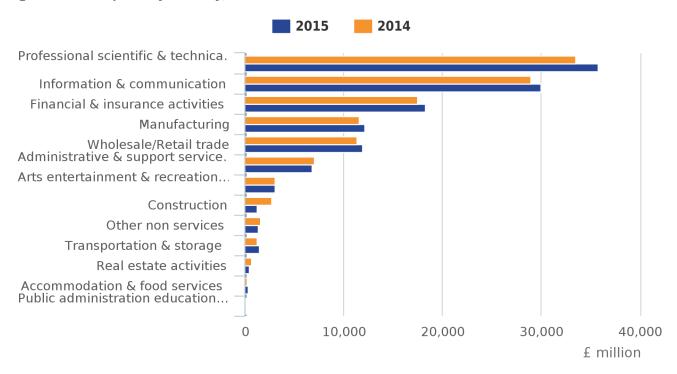
Europe remained the main area where UK imports of merchanting, other trade-related and services between related enterprises originated from and showed growth in 2015, rising from £5,154 million in 2014 to £5,471 million in 2015. Sweden made the largest contribution to the increase in 2015 and rose by £571 million to £771 million in 2015. Offsetting the increase in 2015 were imports from France and Germany, which fell by £186 million and £125 million respectively.

7. Trade in Services: Industry Analysis

This section provides an overview of UK trade in service exports and imports detailed by industry.

UK exports of services

Figure 11: UK exports by industry, 2015



Source: Office for National Statistics

Notes:

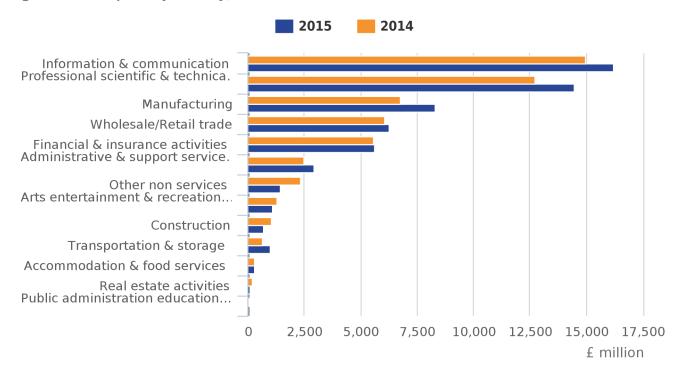
1. All values are at current prices (see background notes for definition).

The 2015 estimates show that the professional, scientific and technical activities industries continued to make the largest contribution to the overall UK exports total and experienced a further increase in 2015 from £33,500 million in 2014 to £35,760 million. UK businesses within these industries exported a wide range of services in 2015; however, exports of legal services made the largest contribution, which increased from £4,552 million in 2014 to £4,918 million. Engineering services and services between related enterprises were the second and third largest service products exported by UK professional, scientific and technical activities industries in 2015, with exports of £4,598 million and £4,395 million respectively.

The construction industry experienced the largest decline in 2015 with service exports falling from £2,734 million in 2014 to £1,280 million. The UK exports total for the construction industry in 2015 signals the first period of annual decline, having previously followed an upward trend.

UK imports of services

Figure 12: UK imports by industry, 2015



Source: Office for National Statistics

Notes:

1. All values are at current prices (see background notes for definition).

The information and communication industries continued to make the largest contribution to the overall UK imports of services total and continued to show growth in 2015 rising from £14,963 million in 2014 to £16,190 million. Unsurprisingly, the main service products imported by the UK's information and communication industries were telecommunications and computer services.

The professional, scientific and technical industries experienced the largest growth in UK imports of services in 2015, rising by £1,766 million to £14,489 million. The increase was driven by rises in imports to the UK of services between related enterprises, and research and development services, which rose by £819 million and £747 million respectively.

The manufacturing industry also made a notable contribution to the growth seen in UK imports of services in 2015, increasing from £6,766 million in 2014 to £8,299 million.

8. Quality and methodology

The <u>International trade in services Quality and Methodology Information document</u> contains important information on:

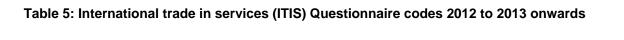
- the strengths and limitations of the data and how it compares with related data
- users and uses of the data
- · how the output was created
- the quality of the output including the accuracy of the data

9. Guidance on interpreting international trade in services statistics

International trade in services (ITIS) collects data relating to the amounts spent on both the imports and exports of UK businesses and collects geographical information as to where the services have either been imported from or exported to.

Types of transactions covered

Product: The statistical output from the ITIS survey covers the value of transactions between the UK and residents in other countries in respect of 52 products. The 2013 ITIS questionnaire has recently been revised in accordance with new international regulations. A breakdown showing the service products collected up to 2012 and from 2013 onwards can be found in Table 5.



Questionairre breakdown up to and including 2012	Questionairre breakdown, 2013 onward	
01. Agricultural Services	01. Agricultural, forestry and fishing services	
02. Mining Services	02. Mining and oil gas extraction services	
03. Waste treatment and depollution	03. Waste treatment and depollution services	
04. Other on-site processing services	04. Manufacturing services on goods owned by others	
	05. Maintenance and repair services	
05. Accountancy, auditing, bookkeeping and tax consulting services	06. Accountancy, auditing, bookkeeping and tax consulting services	
06. Advertising	07. Advertising, market research and public opinion polling services	
07. Management consulting	08. Business management and management consulting services	
08. Public relations services	09. Public relations services	
09. Recruitment and training	10. Recuritment services	
10. Other business management services (see 7)	08. Business management and management consulting services	
11. Legal services	11. Legal services	
12. Market research and public opinion polling (see 6)	07. Advertising, market research and public opinion polling services	
13. Operational leasing services	12. Operating leasing services	
14. Procurement	13. Procurement services	
15. Property management	14. Property management services	
16. Research & Development	16. Provision of R&D services	
	17. Provision of product development and testing activities	
17. Services between related enterprises	51. Transactions between related businesses not included elsewhere	
18. Other business and professional services	15. Other business and professional services	
19. Postal and courier services	21. Postal and courier services	
20. Telecommunication services	22. Telecommunication services	
21. Computer services	23. Computer services	
22. News agency services	25. News agency services	
23. Publishing services	24. Publishing services	
24. Other information provision services	26. Information services	
25. Construction in the UK	27. Construction in the UK	
26. Construction outside the UK	28. Construction outside the UK	
27. Financial services	29. Financial services	
28. Auxilliary services	36. Auxilliary services	
29. Claims	32. Freight insurance claims	
30. Premiums	33. Freight insurance premiums	
31. Claims	30. Life insurance claims	

32. Premiums	31. Life insurance premiums
33. Claims	Removed
34. Premiums	Removed
35. Claims	34. Other direct insurance claims
36. Premiums	35. Other direct insurance premiums
No equivalent	37. Pension service receipts
No equivalent	38. Pension service charges
No equivalent	39. Standardised guarantee service claims
No equivalent	40. standardised guarantee service premiums
37. Merchanting	41. Merchanting
38. Other trade-related services	42. Other trade-related services
39. Audio-visual and related services	43. Audio-visual and related services
40. Health services	44. Health services
41. Training and educational services	45. Training and educational services
42. Other personal, cultural and recreational services	46. Heritage and recretional services
43. Use of franchise and similar rights fees	18b. Charges or payments for the use of the above, but without transfer of ownership
44. Other royalties and license fees	19b. Charges or payments for the use of the above, but without transfer of ownership
45. Purchases ans sales of franchises and similar rights	20b. Charges or payments for the use of the above, but without transfer of ownership
46. Purchases ans sales of other royalties and licenses	18a. Outright sales and purchases of the above, resulting in transfer of ownership
	19a. Outright sales and purchases of the above, resulting in transfer of ownership
	20a. Outright sales and purchases of the above, resulting in transfer of ownership
42. Other personal, cultural and recreational services	47. Social, domestic and other personal services
47.Architectural	48. Architectural services
48. Engineering	49. Engineering services
49.Surveying (see 50)	50. Scientific and other technical services (including surveying)
50. Other technical services (see 49)	
51. Other trade in services	52. Other trade in services

Industry: The industry analysis enables estimation for the total international transactions in services by economic classification for well-defined areas of the economy using Standard Industrial Classification (SIC) information. Data from 2009 in this publication have been published in SIC (2007) Classification, which is an internationally recognised classification. This provides a framework for the collection, tabulation, presentation and analysis of data about economic activities. Prior to 2009, SIC (2003) Classification would have been used.

Geographical: Both industry and product information are analysed geographically. The tables within this publication show the countries to which services are exported and from which services are imported.

The geographical groupings used in the tables can be found in Table 6.

Table 6: Geographical groupings

Europe	The Americas	Asia	Australasia & Oceania	Africa
SPECIFIED COUNTRIES	SPECIFIED COUNTRIES	SPECIFIED COUNTRIES	SPECIFIED COUNTRIES	SPECIFIED COUNTRIES
Austria	Brazil	China	Australia	Nigeria
Belgium	Canada	Hong Kong	New Zealand	South Africa
Bulgaria	Mexico	India		
Channel Islands	USA	Indonesia	OTHER COUNTRIES	OTHER COUNTRIES
Croatia		Israel	American Oceania	Algeria
Cyprus	OTHER COUNTRIES	Japan	Antarctica	Angola
Czech Republic	Anguilla	Malaysia	Australian Oceania	Benin
Denmark	Antigua & Barbuda	Pakistan	Fiji	Botswana
Estonia	Argentina	Philippines	Kiribati	British Indian Ocean
Finland	Aruba	Saudi Arabia	Marshall Islands	Burkina Faso
France	Bahamas	Singapore	Micronesia	Burundi
Germany	Barbados	South Korea	Nauru	Cameroon
Greece	Belize	Taiwan	New Zealand Oceania	Cape Verde
Hungary	Bermuda	Thailand	Northern Mariana Islands	Central African Republic
Iceland	Bolivia		Palau	Chad
Irish Republic	British Virgin Islands	OTHER COUNTRIES	Papua New Guinea	Comoros
Isle of Man	Cayman Islands	Abu Dhabi	Pitcairn	Congo
Italy	Chile	Afghanistan	Polar regions	Cote d'Ivoire
Latvia	Columbia	Armenia	Solomon Islands	Djibouti
Liechtenstein	Costa Rica	Azerbaijan	Tonga	Egypt
Lithuania	Cuba	Bahrain	Tuvalu	Equatorial Guinea
Luxembourg	Dominica	Bangladesh	Vanuatu	Eritrea
Malta	Dominican Republic	Bhutan	Samoa	Ethiopia
Netherlands	Ecuador	Brunei		Gabon
Norway	El Salvador	Cambodia		Gambia
Poland	Falkland Islands	Dubai		Ghana
Portugal	Grenada	Georgia		Guinea
Romania	Guatemala	Iran		Guinea Bissau
Russia	Guyana	Iraq		Kenya
Slovakia	Haiti	Jordan		Lesotho
Slovenia	Honduras	Kazakhstan		Liberia
Spain	Jamaica	Kuwait		Libya
Sweden	Montserrat	Kyrgyzstan		Madagascar

Switzerland	Nicaragua	Laos	Malawi
Turkey	Netherlands Antillies	Lebanon	Mali
	Panama	Macao	Mauritania
OTHER COUNTRIES	Paraguay	Maldives	Mauritius
Albania	Peru	Mongolia	Morocco
Andorra	St Kitts & Nevis	Myanmar (Burma)	Mozambique
Belarus	St Lucia	Nepal	Namibia
Bosnia-Hercegovina	St Maaten	North Korea	Niger
Gibraltar	St Vincent & The Grenadines	Oman	Rwanda
Macedonia	Surinam	Palestinian Territory	Sao Tome & Principe
Moldova	Trinidad & Tobago	Qatar	Senegal
Montenegro	Turks & Caicos Islands	Sharjah	Seychelles & Dependencies
San Marino	Uraguay	Sri Lanka	Sierra Leone
Serbia	US Virgin Islands	Syria	Somalia
Ukraine	Venezuela	Tajikistan	St Helena & Dependencies
Vatican City State	West Indies	Turkmenistan	Sudan
		United Arab Emirates	Swaziland
		Uzbekistan	Tanzania
		Vietnam	Togo
		Yemen	Tunisia
			Uganda
			Zambia
			Zimbabwe

Earnings from third country trade, that is, from arranging the sale of goods between 2 countries other than the UK and where the goods never physically enter the UK are included. This activity is known as merchanting. Earnings from commodity trading are also included. As with merchanting, the service element is the profit or loss.

Types of transactions not covered

The purpose of the ITIS survey is to record international transactions that impact on the UK's Balance of Payments, hence companies are asked to exclude from their earnings trade expenses such as the cost of services purchased and consumed abroad. Trade in services exports or imports that are invoices for the export or import of goods are excluded as they are already counted in the estimates for trade in goods.

The ITIS survey currently selects for the whole of the economy, with a number of exceptions:

- travel
- transport
- · banking and other financial institutions
- higher education
- charities
- most activities within the legal profession

Coverage

The figures for the European Union (EU) relate to the 28 member states of the EU8 from 2013 onwards. Trade with EU institutions is also included in the EU totals and excluded from the international organisations totals.

Please note that all tables in this publication only include data collected via the ITIS and <u>Annual Business Survey</u> surveys.

The film and television (FTV) industries are included in the published data from 2009 onwards. For 2008, FTV figures were collected via a separate survey and data published in the <u>International transactions of the UK film and television industries Statistical Bulletin 2008</u>.

The ITIS survey is just one component of trade in services (TIS) estimates. Data for TIS in this report are consistent with the UK Balance of Payments, which can be found in Pink Book Chapter 3.

By analogy with trade in goods we refer to the type of service traded as a "product analysis" – the products being consistent with the sixth edition of the <u>Balance of Payments Manual</u>. The second type of analysis is referred to as the "industry analysis" – covering well defined areas of the economy.

In the following section both types of tables, industry and product have been analysed on a geographical basis by showing the countries to which services are exported and from which they are imported. Both of these types of analyses are preceded by geographical analysis of imports and exports of total international trade in services.

The industry analysis allows us to estimate the total international transactions in services for well-defined areas of the economy. It also tells us the exporting or importing country in relation to the UK.

10. Accuracy

Sampling error is the error caused by observing a sample instead of the whole population. While each sample is designed to produce the "best" estimate of the true population value, a number of equal- sized samples covering the population would generally produce varying population estimates. Sampling error is affected by a number of factors including sample size.

Sample surveys are used instead of censuses, because the process would be too lengthy and costly to be viable. Standard errors are an estimate of the sampling error and provide a measure of the precision of the estimate. A low standard error indicates a precise estimate. To aid comparison, the standard error is also expressed as a percentage of the total value. This quantity is called the coefficient of variation and it allows the standard errors to be put into context.

In addition to sampling errors there is the potential for non-sampling error that cannot be easily quantified. For example, undetected deficiencies may occur in the survey register and errors may be made by the contributors when completing the survey questionnaires.

The response rate for the 2015 annual survey is shown in Table 7.

Table 7: Response rates

UK

	2015 Results
Sample size	15,093
Forms with response	13,330
Forms non response	1,763
Overall response rate (%)	88.3

Source: Office for National Statistics

In addition to this sample, we also select approximately 9,000 businesses via the Annual Business Survey and have included results from the quarterly ITIS survey collected for each of the quarters of 2016.

Non-response bias is a potential issue for all statistical surveys. Non-response bias occurs where the answers of respondents may have differed from the potential answers of non-responders. The risk of non-response bias is minimised by efforts to maximise response rates. Estimation techniques can attempt to correct for any bias that might be present. Despite this, it is not easy, on any survey, to quantify the extent to which non-response bias remains a problem. However, there is no evidence to suggest that non-response bias presents a particular issue for the ITIS survey.

Imputation methods are used to estimate values for all businesses in the sample that did not return data. Estimation methods are used to estimate values for all non-sampled businesses within the population in order to produce an overall estimate for the population.

The method used to calculate standard errors for ITIS statistics has been under review in recent years. ITIS standard errors for 2015 have been re-introduced in this edition of the publication.

Table 8: Standard errors

		Exports			Imports	
Industries	Estimate (£ million)	Standard error (£ million)	Relative Standard error (%)	Estimate (£ million)	Standard error (£ million)	Relative Standard error (%)
Total ITIS	123,231	1,681	1	58,508	905	2
Manufacturing	12,190	565	5	8,300	336	4
Wholesale & Retail	11,941	245	2	6,283	365	6
Information & Communication	29,996	768	3	16,190	447	3
Professional, Scientific & Technical	35,760	1,163	3	14,489	277	2
Administrative & Support Services	6,798	330	5	2,947	432	15
Arts, Entertainment & Recreation	3,053	25	1	1,118	9	1

11. Notes to tables

The tables present ITIS estimates through a variety of formats. Some tables compare figures over several years but the majority provide the most recent geographic information by industry or product. The tables provide information in as much detail as possible without disclosing the details of any individual companies. Any disclosive data is replaced by the following symbol throughout the tables "..". It is important to note that within the geographical tables, amounts are shown against the geographical area from which they were received, irrespective of where they were first earned.

European Free Trade Association (EFTA) comprises of Iceland, Liechtenstein, Norway and Switzerland.

The sum of constituent items in tables may not always agree exactly with the totals shown due to rounding. The following symbols have been used throughout:

- .. Figures suppressed to avoid disclosure of information relating to individual enterprises
- Nil or less than half the final digit shown

Values shown are in current prices, which refer to the price at which the services were either bought or sold in the market.

12. Background notes

1. Relevance to users

Government and businesses use the international trade in services (ITIS) data for economic assessment. <u>The Department for Business, Energy and Industrial Strategy (BEIS)</u> state that the ITIS survey is the only source of services and product detail for international service trade and is essential for regional exports analyses. BEIS also

use the ITIS survey data to monitor the competitiveness of UK businesses and to gain a better understanding of the level of service exports.

<u>The Scottish government</u> also show significant interest in the survey results, to supplement Scotland's Global Connections Survey (GCS), whilst the Department for Culture Media and Sport (DCMS)5 use the ITIS data in one of their main outputs, "The Creative Industries statistical bulletin".

<u>The British Film Institute</u> use the data to assess the performance of the UK film industry and for providing policy advice to the government and strategic advice to the industry. The data is used in the compilation of the International Trade Statistics yearbook.

UK ITIS figures are also extensively used for policy, analysis and negotiations by international organisations as well as a number of foreign embassies. More widely the ITIS estimates are utilised by commercial companies, academics and independent researchers.

2. National Statistic

The UK Statistics Authority has reviewed this publication in their report: "Assessment of compliance with the Code of Practice for Official Statistics": Statistics of International Transactions, which was published on 8 December 2011. This review recommended that ITIS estimates be designated as National Statistics on 3 May 2013.

3. Government Statistical Service (GSS) business statistics

To find out about other official business statistics and choose the right data for your needs, use the GSS_Business Statistics Interactive User Guide. By selecting your topics of interest, the tool will pinpoint publications that should be of interest to you and provide you with links to more detailed information and the relevant statistical releases. It also offers guidance on which statistics are appropriate for different uses.

4. Discussing business statistics online

There is a <u>Business and Trade Statistics</u> community on the <u>StatsUserNet</u> website. StatsUserNet is the Royal Statistical Society's interactive site for users of official statistics. The community objectives are to promote dialogue and share information between users and producers of official business and trade statistics about the structure, content and performance of businesses within the UK. Anyone can join the discussions by registering via either of the links.

5. Special events

We have recently published commentary, analysis and policy on "Special Events" which may affect statistical outputs. For full details go to the <u>special events</u> page on the ONS website.

6. Code of practice

Details of the policy governing the release of new data are available on the UK Statistics Authority website.