

Statistical bulletin

International Trade in Services: 2011

The UK's imports and exports of services analysed by product, industry and country.



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1. Main points

- Total UK exports of services continued to increase from £89,523 million in 2010 to £97,311 million in 2011, an increase of 9% (compared with a 6% increase between 2009 and 2010).
- Total UK imports of services increased by 4% from £42,074 million in 2010 to £43,564 million in 2011 (compared with relatively no change between 2009 and 2010).
- The UK continues to be a net exporter of services. The total UK service balance increased by 13% from a surplus of £47,449 million in 2010 to £53,746 million in 2011.
- Wholesale and retail trade continued to show strong growth in 2011 where UK exports rose by 65% from £8,609 million in 2010 to £14,176 million in 2011 (compared with a 26% increase in 2010).
- Total UK exports of merchanting, other trade-related and services between affiliated enterprises increased by 30% in 2011 rising from £17,254 million in 2010 to £22,356 million in 2011 (compared with relatively small growth of 11% in 2010). This may indicate a shift in UK exports patterns favouring merchanting, other trade related and services between affiliated enterprises.
- Growth in Asian markets continued to increase with UK exports to Asia rising by 9%, from £14,137 million in 2010 to £15,445 million in 2011 and UK imports from Asia rising by 25%, from £6,589 million in 2010 to £8,250 in 2011.

2. Overview

The 2011 International Trade in Services publication provides a detailed breakdown of annual trade in services estimates, analysing data by product, industry and country. The data are sourced from the Office for National Statistics comprehensive surveys into international trade.

The International Trade in Services survey is a key source of UK trade data. It is important to note that the survey does not contain data for transportation, travel and banking industries. This data is obtained from other sources such as the International Passenger Survey and the Bank of England. As a result, these industries are excluded from the figures reported in this publication. Estimates for the overall level of trade in services, including these industries, are published in the Office for National Statistics Pink Book publication.

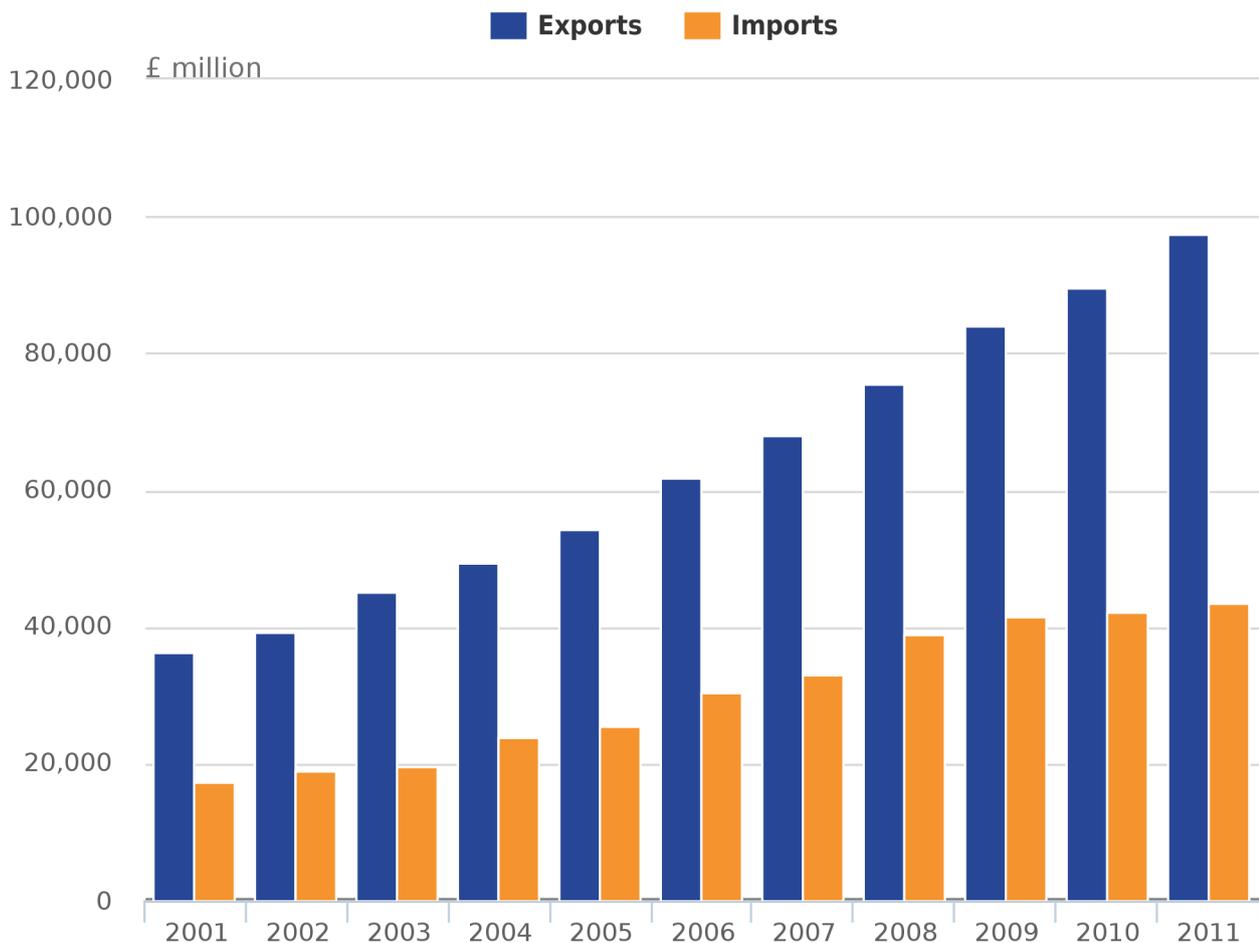
The International Trade in Services figures are used for a variety of purposes, further information can be found in the background notes under relevance to users.

3. User engagement

The structure of this release has been modified in response to some feedback received from its users. 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 our work. Please contact us via email: itis@ons.gsi.gov.uk or telephone Ciara Williams-Fletcher on +44 (0)1633 456455

4. Total international trade in services

Figure 1: Total international trade in services



Source: Office for National Statistics

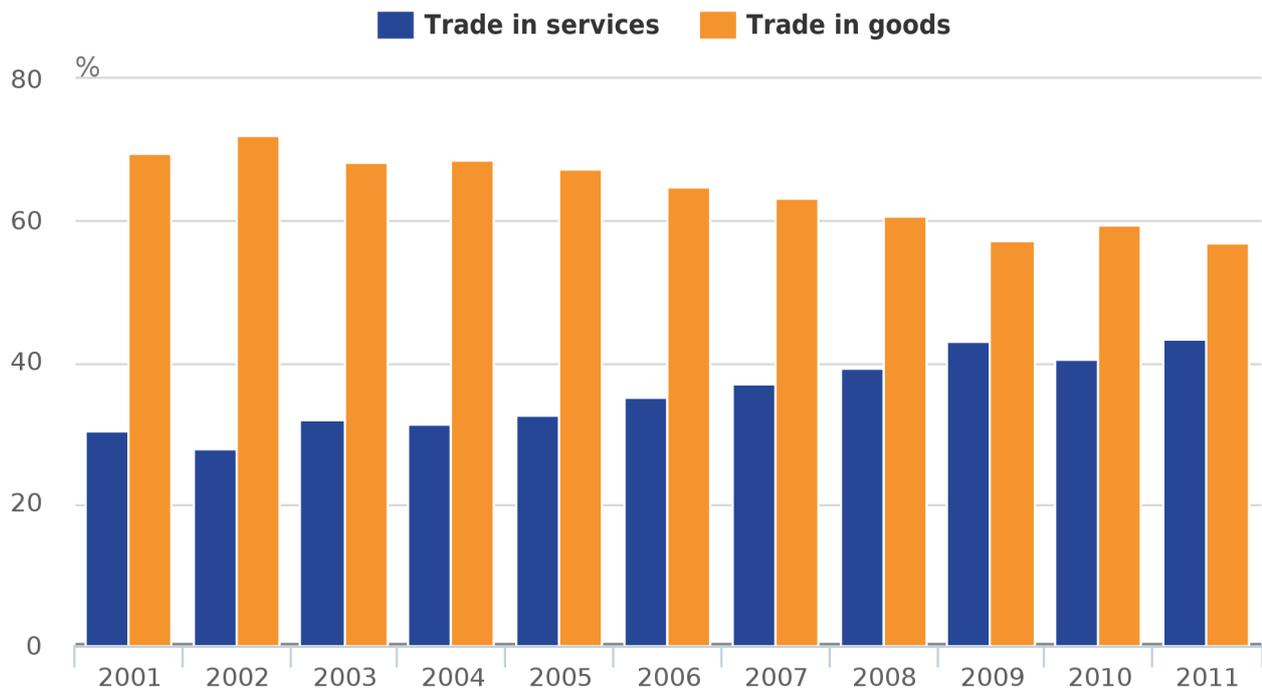
Total exports of services from the UK increased from £89,523 million in 2010 to £97,311 million in 2011. The 2011 value is now the highest reported figure in the exports time series having more than doubled between 2001 and 2011.

Total imports of services to the UK rose from £42,074 million in 2010 to £43,564 million in 2011. Although, the 2011 value is now the highest figure reported in the imports time series, the rate at which it has grown has slowed since 2009 which may indicate a plateau effect in UK demand due to fragility within the UK economy.

The UK is relatively specialised in the provision of services and historically exported more services than it imported. The 2011 results in this publication show that this trend has continued with the exports of services increasing by 9% from 2010 and imports increasing by 4% for the same period.

Over the last decade, the balance between the exports of goods and services has continued to shift in favour of services. In 2001, the proportion of UK trade in goods and services balance stood at 70% and 30% respectively. In 2011, the make up of these proportions altered with the percentage of goods standing at 57% in relation to 43% for services.

Figure 2: Balance figures of trade in goods and services

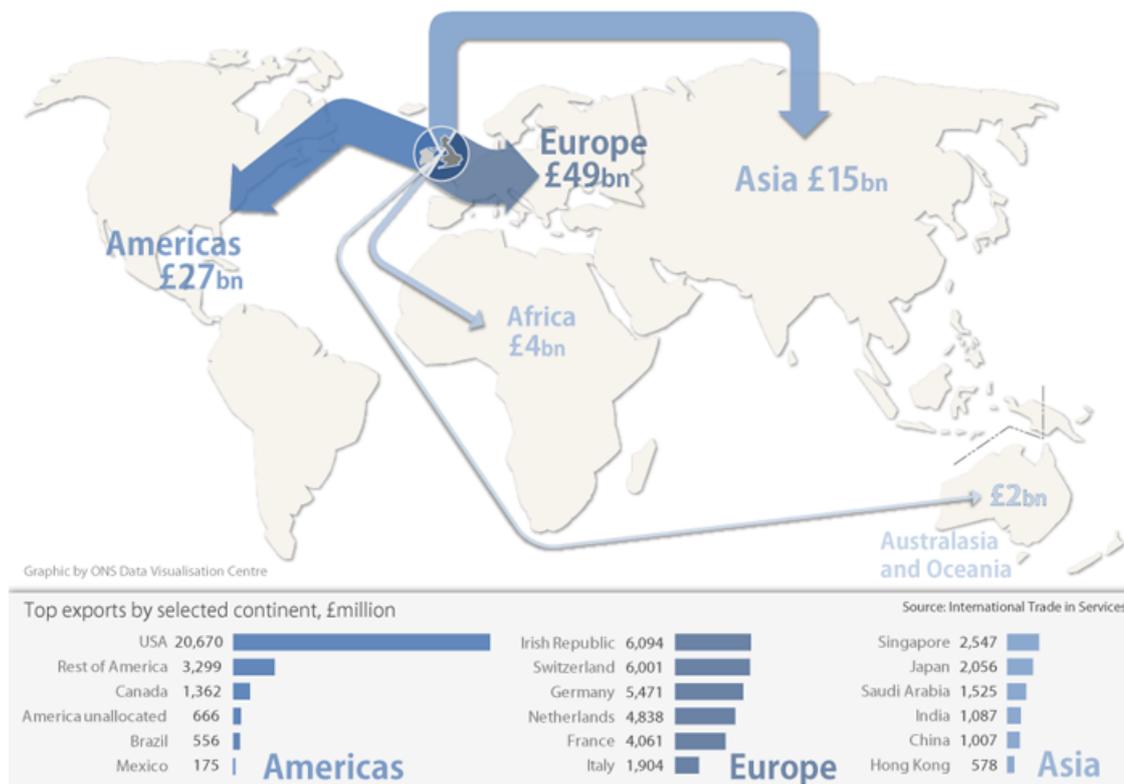


Source: Office for National Statistics

5. Total international trade in services, by continents and countries

This section shows key geographical findings for the total UK international trade in services (excluding travel, transport and banking). The size of the arrows in figures 3 and 4 are proportionate to the size of the continental exports and imports markets for the UK.

Figure 3: UK International trade in services exports by continent, 2011



European dominance continues

- Europe continued to be the dominant customer for UK exports of services in 2011 and accounted for 50% of the total. International trade in services from the UK to Europe increased from £45,262 million in 2010 to £48,909 million in 2011 (8%).
- Europe continued to be the main source for imports accounting for 51% of total UK imports services, although this is a slight decrease compared with 2010. UK imports of services from Europe fell from £22,395 million in 2010 to £22,325 million in 2011.
- Total exports to Europe in 2011 were led by UK exports to the Irish republic (£6,094 million). Switzerland had previously led exports in 2010 with £5,979 million, however despite these figures increasing to £6,001 million in 2011, Switzerland has dropped to second place. In late 2010, the Irish Republic received financial aid from the EU, however in 2011 they experienced economic growth, predominantly led by services (which encompasses the largest component of the Irish economy).

An [interactive map](#) can be found on the ONS website detailing the UK's European imports and exports of services.

The Americas

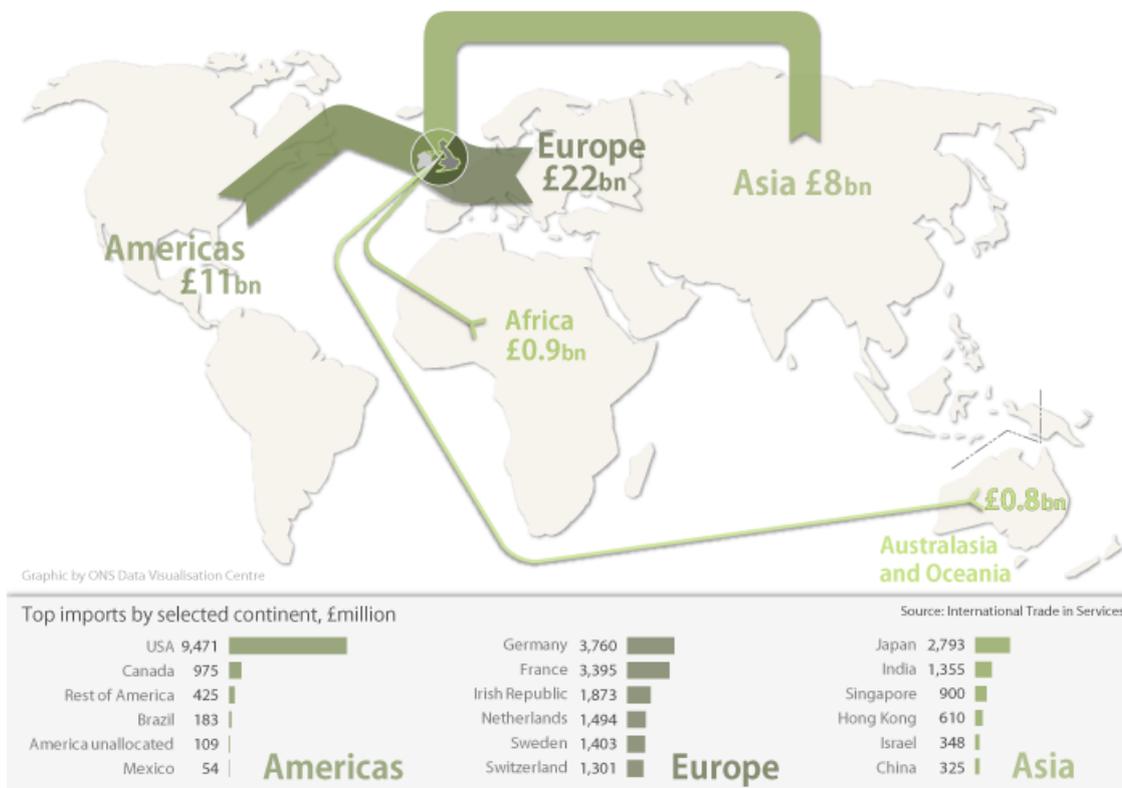
- The Americas continued to be the second largest customer for UK exports of services in 2011 and accounted for 27% of the total. UK exports to The Americas increased from £24,732 million in 2010 to £26,729 million in 2011 (8%). A similar positioning was seen in UK imports of services from the Americas, although figures showed relatively static year on year growth, increasing from £11,162 million in 2010 to £11,217 million in 2011.
- Of the Americas countries, the USA in particular, continued to contribute the most to both UK exports and imports figures in 2011, displaying marginal year on year increases.

Growth seen in Asian markets

- Asia remained the third largest customer for UK exports of trade in services, increasing from £14,137 million in 2010 to £15,445 million in 2011, an increase of 9%. Asia contributed the most to the increase in total UK imports rising from £6,589 million in 2010 to £8,250 million in 2011, an increase of 25%.
- Total exports of international trade in services to India have more than doubled since 2009, having increased from £535 million in 2009 to £1,087 million in 2011. In addition, an increased Indian customer base together with growth seen in net foreign investment into India may indicate that as demand increased, global companies were investing in the Indian market, contributing to the growing Asian market in 2011. Total imports of services from India also increased (39%) from £976 million in 2009 to £1,355 million in 2011. India was projected by the IMF to have a GDP growth of 6% in 2013 and these latest trade figures may indicate a more prolonged global trend towards Asian investment.
- China saw total exports of services from the UK rise from £620 million in 2009 to £1,007 million in 2011. This 62% increase over the same two year period further demonstrates the trend towards investment in emerging Asian markets. UK imports of services from China remained fairly static in 2011.
- Total UK exports of services to Japan saw a 32% increase over the last two years, rising from £1,553 million in 2009 to £2,056 million in 2011. Similarly, total imports into the UK have continued on an upward trend, increasing substantially from £1,156 million in 2009 to £2,793 million in 2011. Before the earthquake in Japan in 2011, its economy was increasing rapidly, recovering from its previous recession. Although the earthquake did slow this recovery, the economy may be set to continue its growth in line with Asian markets.

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

Figure 4: UK International trade in services imports by continent, 2011



An [interactive map](#) can be found on the ONS website detailing the UK's European imports and exports of services.

Balances

Overall, the UK continued to remain a net exporter of services in 2011. The UK trade in services balance continued on an upward trend increasing from a surplus of £47,449 million in 2010 to a surplus of £53,746 million in 2011 (13%), where Europe made the largest contribution to this rise.

6. Trade in services products: geographical analysis

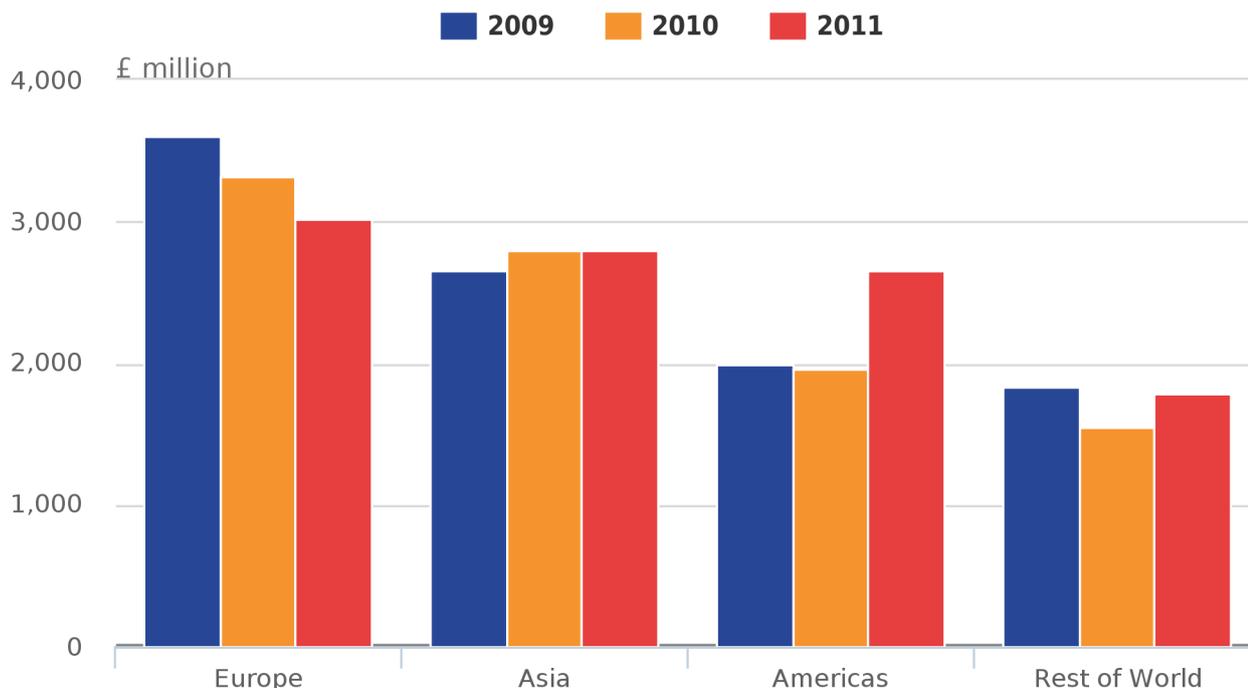
This section illustrates UK trade in services exports and imports broken down by prominent product groups. Each group is analysed by continent, making comparisons between 2010 and 2011.

Technical, trade related, operational leasing and other business services

Exports

The total value of UK exports of technical, trade related, operational leasing and other business services increased by 7% in 2011, rising from £9,619 million in 2010 to £10,263 million in 2011.

Figure 5: Exports of technical, construction, operational leasing and other business services



Source: Office for National Statistics

The UK's exports of technical, construction, operational leasing and other business services has remained dominated by the same three continents in 2011.

UK exports of services to Europe has continued to slow, falling from £3,315 million in 2010 to £3,026 million in 2011 equating to a decrease of 9%. The decrease within Europe can largely be attributed to Norway where exports of services from the UK has fallen from £611 million in 2010 to £329 million in 2011, a decrease of 46%.

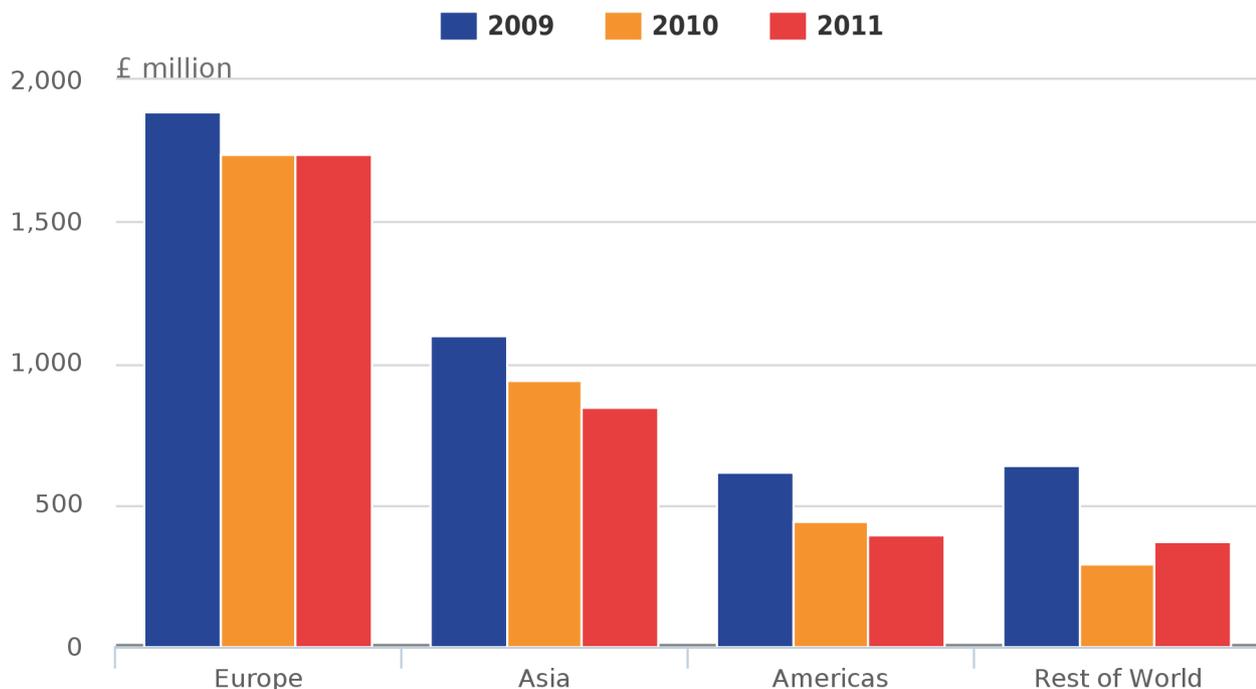
The Americas has seen a surge in 2011 in terms of UK exports of technical, construction, operational leasing and other business services, rising from £1,953 million in 2010 to £2,651 million in 2011, an increase of 36%. This increase is predominantly driven by USA which has increased from £1,435 million in 2010 to £1,853 million in 2011, an increase of 29%.

UK exports of services to Asia remained relatively static in 2011, tracking at a similar level with the UK compared to 2010.

Imports

The total value of UK imports of technical, trade related, operational leasing and other business services decreased marginally in 2011, falling from £3,414 million in 2010 to £3,341 million in 2011.

Figure 6: Imports of technical, construction, operational leasing and other business services



Source: Office for National Statistics

The structure of UK imports of technical, construction, operational leasing and other business services in 2011 did not change considerably in comparison to 2010. Europe, Asia and the Americas continue to be the largest continents of UK imports of technical, construction, operational leasing and other business services.

The UK imports from Europe have remained relatively constant in 2011, falling only slightly from £1,741 million in 2010 to £1,736 million in 2011. This deceleration in the rate of the decline seen in Europe within this group of products may suggest signs of recovery in terms of European markets and that the UK has opted to trade more with European partners than those within the Americas and Asia.

UK imports from Asia slowed in 2011 at a much similar rate to 2010, falling from £939 million to £842 million, a decrease of 10%. This reduction in imports is driven by the Rest of Asia which has fallen from £329 million in 2010, to £282 million in 2011, a decrease of 14%.

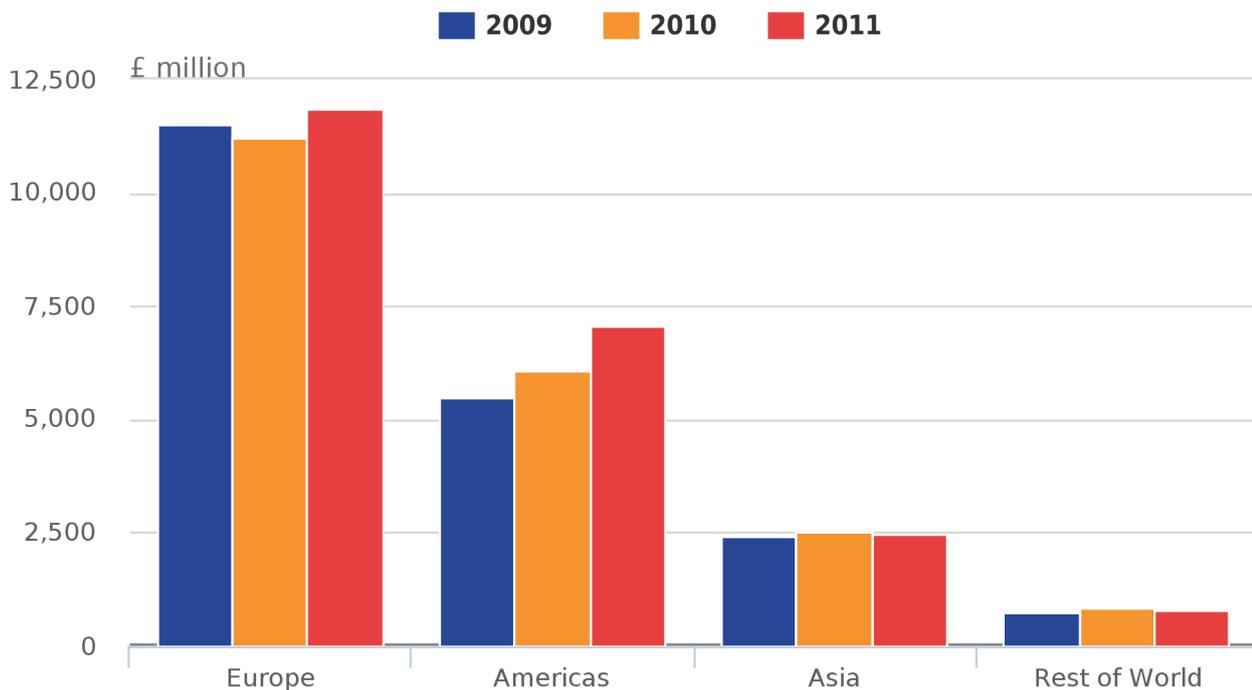
UK imports from the Americas also decreased in 2011, falling from £445 million in 2010 to £393 million in 2011, a decrease of 12%. This reduction was driven by Canada which fell from £87 million in 2010 to £38 million in 2011, a decrease of 56%.

Professional, management consulting and research and development services

Exports

The total value of UK exports of professional, management consulting and research and development services increased by 7% in 2011, rising from £20,634 million in 2010 to £22,146 million in 2011.

Figure 7: Exports of professional, management consulting and research and development services



Source: Office for National Statistics

The structure of UK exports of professional, management consulting and research and development services remained broadly the same in 2011. UK exports of services were dominated by the same three continents.

Europe has increased the value of UK exports of professional, management consulting and research and development services rising from £11,200 million in 2010 to £11,841 million in 2011, an increase of 6%. The increase in Europe is evenly distributed between the Irish Republic, increasing from £1,199 million in 2010 to £1,455 million in 2011, an increase of 21% and France, increasing from £856 million in 2010 to £1,091 million in 2011, an increase of 27%. The increase seen in UK exports to the Irish Republic may be linked to the growth seen in Irish gross domestic product (GDP) which showed positive growth in 2011.

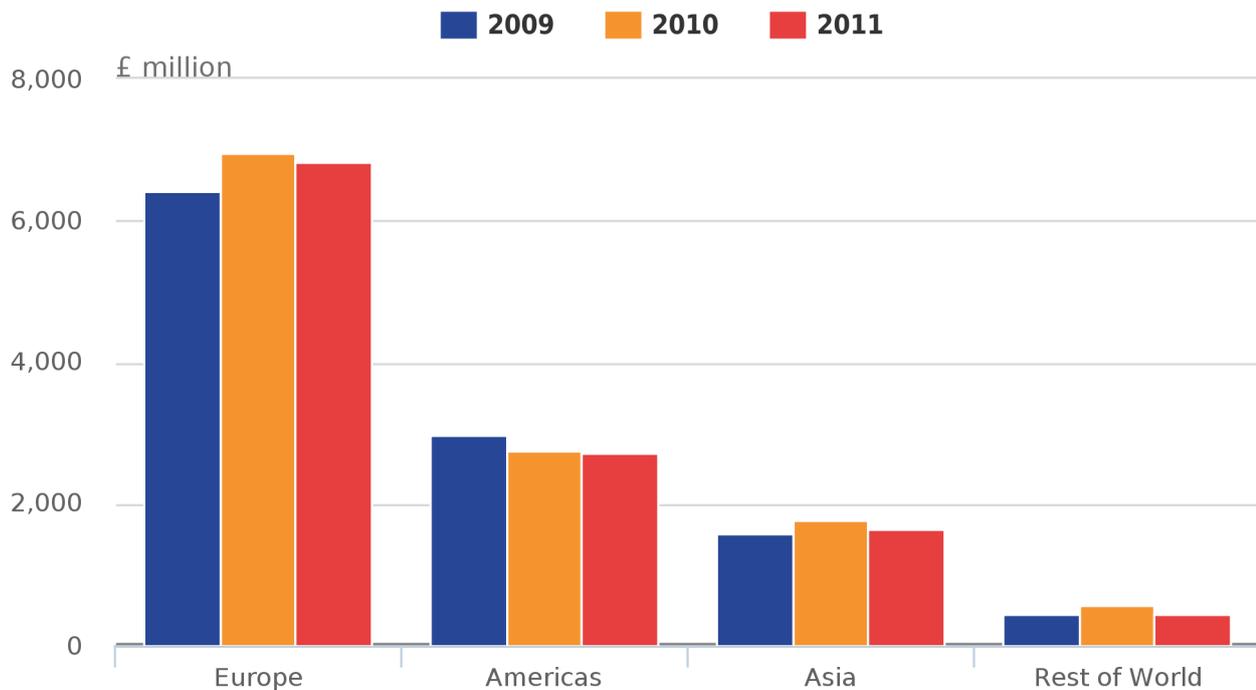
UK exports to the Americas continued to increase in 2011, rising from £6,098 million in 2010 to £7,082 million in 2011 an increase of 16%. The increase was predominantly driven by the USA, rising from £5,210 million in 2010 to £6,079 million in 2011, an increase of 17%.

UK exports to Asia remained relatively static between 2009 and 2011, decreasing slightly in 2011.

Imports

The total value of UK imports of professional, management and consulting and research and development services decreased 3% in 2011, falling from £12,024 million in 2010 to £11,675 million in 2011.

Figure 8: Imports of professional, management consulting and research and development services



Source: Office for National Statistics

UK imports of professional, management consulting and development services has remained fairly static in comparison to 2010, although imports from each continent has decreased slightly year on year.

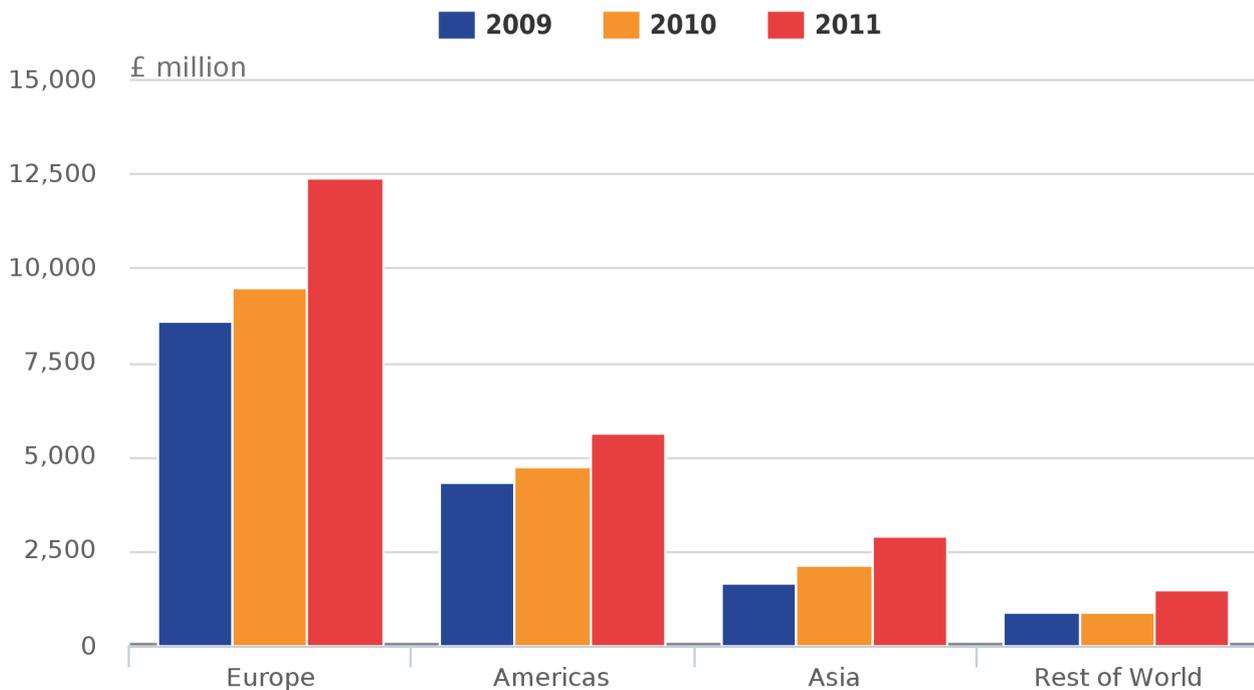
Taking into consideration the types of products within professional, management consulting and development services, this may suggest that the UK has opted to reduce expenditure on what may be classed as non essential purchases such as research and development and streamlined advertising costs. This could be in reaction to the financial crisis not only in the UK but being experienced by the rest of the world. 2011 saw Standard and Poor's downgrade credit statuses of America and Italy, Greece approved austerity measures to target the debt crisis and world stock markets fell. All these factors may have contributed to UK businesses importing less of these services from around the world.

Merchanting, other trade-related and services between affiliated enterprises

Exports

The total value of UK exports of merchanting, other trade-related and services between affiliated enterprises increased by 30 %, rising from £17,254 million in 2010 to £22,356 million in 2011. This is a substantial increase on 2010, which saw growth of 11%.

Figure 9: Exports of merchanting, other trade related and services between affiliated enterprises



Source: Office for National Statistics

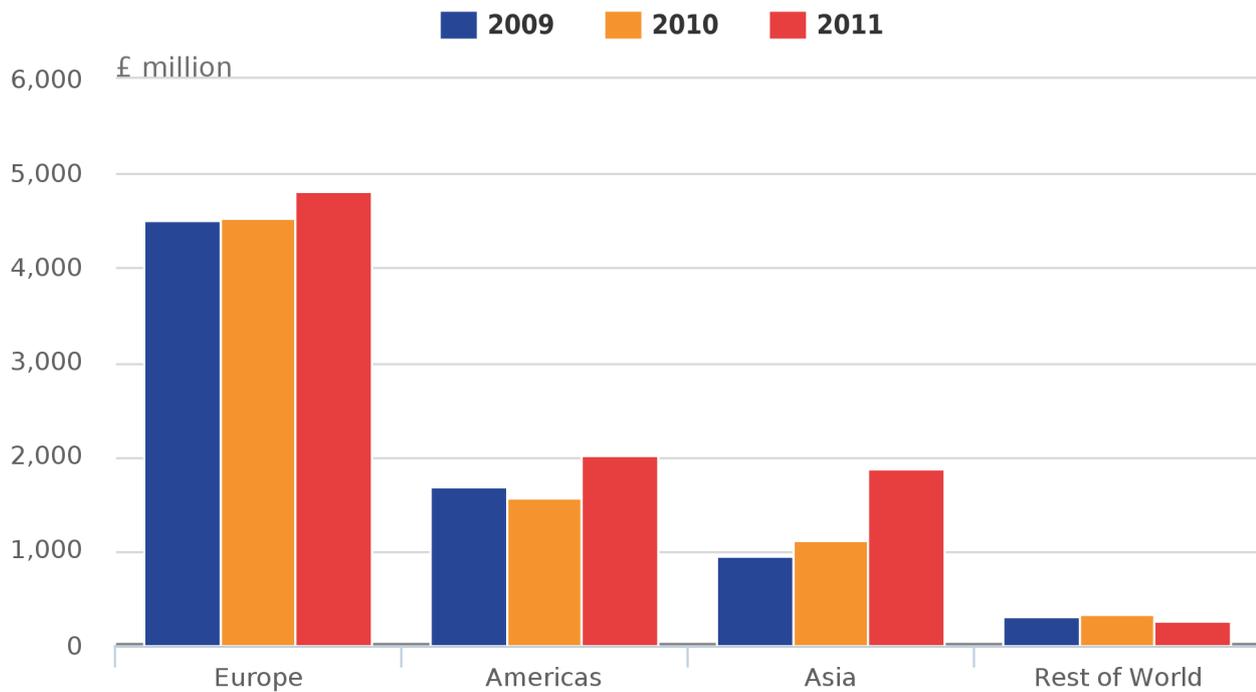
The increase in UK exports of merchanting, other trade related and services between affiliated enterprises in 2011, although seen all over the world was predominantly driven by Europe, which surged upwards from £9,472 million in 2010 to £12,371 million in 2011, an increase of 31%. Growth in UK exports to Europe between 2009 and 2010 was recorded at 10%. The increase seen in Europe cannot be attributed to an individual country as it was distributed throughout the Europe as a whole.

This increase may be linked to factors such as businesses holding stocks of certain commodities and using this to their advantage as they would have purchased commodities at a low price and will have been able to sell them at an inflated price thus increasing profit margins. Businesses trading in such commodities may have experienced increased costs such as merchanting costs, for example, oil prices. These have been steadily increasing pushing up the production costs of day to day commodities, overall resulting in an increased cost to users.

Imports

The total value of UK imports of Merchanting, other trade related and services between affiliated enterprises increased by 19 %, rising from £7,541 million in 2010 to £8,960 million in 2011. This is a substantial increase on 2010 which saw growth of 1%.

Figure 10: Imports of merchanting, other trade-related and services between affiliated enterprises



Source: Office for National Statistics

Similar to exports, The Americas and Asia became the driving continents behind the growth seen in UK imports of merchanting, other trade related and services between affiliated enterprises. Imports from Asia increased from £1,112 million in 2010 to £1,878 million in 2011 (69%) and the Americas, increasing from £1,573 million in 2010 to £2,004 million in 2011 (27%).

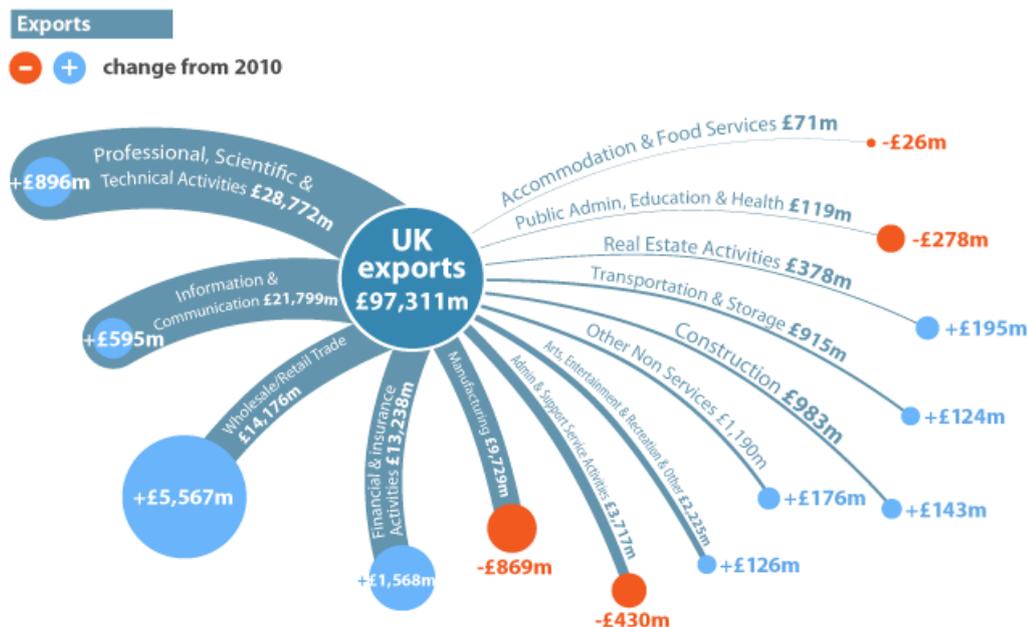
7. Trade in services products: industry analysis

This section illustrates UK trade in services exports and imports detailed by industry and product classification.

Exports

In 2011, the five largest industry sectors contributing to total UK exports of trade in services were professional, scientific and technical activities, information and communication activities, wholesale/retail trade, financial and insurance activities and manufacturing.

Figure 11: UK exports of services products by industry, 2011



Graphic by ONS Data Visualisation Centre

Source: International Trade in Services

An [interactive bar chart](#) detailing UK exports by product can be found on the ONS website.

Wholesale and retail trade growth

The 2011 data suggests that the year on year increase was largely dominated by the wholesale/retail sector recording a growth of 65% in 2011. Growth within this sector was predominantly driven by UK exports of merchanting increasing from £3,573 million in 2010 to £7,251 million in 2011. This increase may have been as a result of wholesale retailer's merchanting goods which saw a sharp rise in costs. For example, sugar prices reached a 30 year high in November 2010. Wholesalers holding a stock of this commodity may have been able to take advantage of increased prices by merchanting larger amounts of sugar than normal possibly at a lower rate than available direct from the source.

Financial and insurance service activities

Financial and insurance service activities were the second largest contributor to the increase in UK exports, rising from £11,670 million in 2010 to £13,238 million in 2011, an increase of 13%.

This could possibly have been due to the resumed investment in financial services particularly from the USA who invested heavily in the UK financial service industry between 2010 and 2011. Reactions from Europe were mixed due to fiscal problems in the Euro zone.

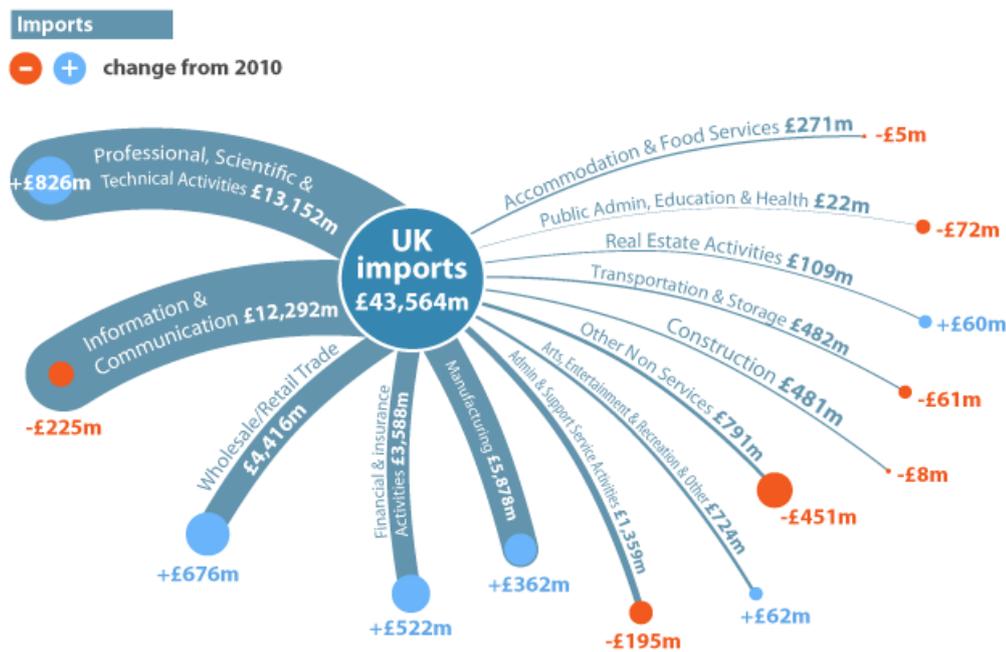
Professional, scientific and technical activities

Professional, scientific and technical service activities were the third largest contributor to the increase rising from £27,876 million in 2010 to £28,772 million in 2011, an increase of 3%. Growth was evenly spread throughout the distribution of all products suggesting that businesses within this group of services may have experienced increased costs to deliver their services and passed that onto consumers.

Imports

In 2011, the five largest industry sectors for total imports of services to the UK were professional, scientific and technical activities, information and communication activities, manufacturing, wholesale/retail trade and financial and insurance activities.

Figure 12: UK imports of services products by industry, 2011



Graphic by ONS Data Visualisation Centre

Source: International Trade in Services

An [interactive bar chart](#) detailing UK imports by products can be found on the ONS website.

Professional, scientific and technical activities growth

UK imports of professional, scientific and technical activities increased from £12,326 million in 2010 to £13,152 million in 2011, an increase of 7%. Growth within this sector was driven by royalties and licence fees which increased from £892 million in 2010 to £1,970 million in 2011.

This product grouping contains numerous types of businesses which may be involved in product development whether by means of research or experimentation. Where overlaps in product design occur or enhancement of products is needed, this may have resulted in UK businesses having to make royalty or license fee payments to the products original owner. Although not directly linked to professional, scientific and technical activities, examples of where this type of payment may occur have recently been widely publicised in the media, dubbed the smartphone war.

Wholesale and retail trade growth

UK imports of Wholesale and retail trade increased from £3,739 million in 2010 to £4,416 million in 2011, an increase of 18%. This can be attributed to amounts spent on the importing of services between related enterprises which increased by 45%. This large increase also follows strong growth in 2010 of 75%. The increase could be a knock on effect from an expanding technological market with respect to smart phones and tablets. The number of devices of this nature on the market is rapidly increasing and a large proportion of these devices allow you to access the Internet whilst on the move. An increased volume of traffic on the mobile networks may result in increased payments between related enterprises outside of the UK in terms of network usage and management charges.

Financial and insurance service activities

Financial and insurance service activities were the third largest contributor to the increase in imports, rising from £3,066 million in 2010 to £3,588 million in 2011, an increase of 17%. This could be linked with the increase in investment for these services to Asia and the Middle East, and more specifically India. Growth in Asian investment within this sector may support upward trends in Asian markets.

8. Film and television industries (FTV) excluding other services analysed by continents and countries, 2011 (Tables D1 and D2)

This section illustrates UK exports and imports for the film and television industries.

Total UK exports for the film industry decreased from £2,106 million in 2010 to £1,739 million in 2011, a decrease of 17%. The decrease can largely be attributed to Europe, and more specifically the European Union decreasing from £1,104 million in 2010 to £743 million in 2011, a decrease of 33%. In contrast, total UK imports for the film industry increased from £543 million in 2010 to £740 million in 2011, an increase of 36%.

Total UK exports for the television industry decreased from £1,705 million in 2010 to £1,508 million in 2011, a decrease of 12%. The USA saw the largest decrease, falling from £372 million in 2010 to £253 million in 2011, a decrease of 32%. UK imports to the television industry have also declined in 2011 falling from £1,344 million in 2010 to £1,248 million in 2011, a decrease of 7%. The decline of UK imports for the television industry was experienced worldwide, apart from Asia which saw an increase from £31 million in 2010 to £36 million in 2011.

9. Background notes

1. User engagement

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 our work. Please contact us via email: itis@ons.gsi.gov.uk or telephone Ciara Williams-Fletcher on (+44) (0)1633 456455

2. Basic quality information

The [Quality and Methodology Information \(834.9 Kb Pdf\)](#) describes, in detail, the intended uses of the statistics presented in this publication, their general quality and the methods used to produce them.

3. Relevance to users

Government and businesses use the International trade in services (ITIS) data for economic assessment. The [Department of Business, Innovation and Skills \(BIS\)](#) state that the ITIS survey is the only source of services and product detail and is essential for regional exports analyses. BIS 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.

The [Scottish Government](#) also show significant interest in the survey results, to supplement their surveys Scotland's Global Connections Survey (GCS), whilst the [Department of Culture Media and Sport \(DCMS\)](#) use the ITIS data in one of their main outputs, "The Creative Industries Statistical Bulletin".

The [British Film Institute \(BFI\)](#) 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.

4. Guidance on interpreting international trade in services statistics

ITIS collect data relating to the amounts spent by UK businesses on imports and exports of services. Values reported relating to the import of services represent amounts paid by UK businesses to countries outside of the UK for the provision of services whereas amounts reported for the exports of services are in relation to where the UK has provided a service to a country outside of the UK.

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 51 products.

Industry: The industry analysis enables estimation for the total international transactions in services by economic classification for well-defined areas of the economy using SIC information. Data for the 2010 and 2011 reference years in this publication have been published in SIC (2007) classification which is an internationally recognised standard industrial 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.

Earnings from third country trade, that is from arranging the sale of goods between two countries other than the UK and where the goods never physically enter the UK are included. This 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 which 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 which are included in 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.

Notes to tables

The tables show International Trade in Services 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 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. n/a Data not available for this period.

The geographical groupings used in the tables are as follows:

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

Serbia	Montserrat	Lebanon	Madagascar
Slovakia	Nicaragua	Macao	Malawi
Slovenia	Panama	Maldives	Mali
Spain	Paraguay	Mongolia	Mauritania
Sweden	Peru	Myanmar (Burma)	Mauritius
Switzerland	Saba	Nepal	Morocco
Turkey	St Eustatuis	North Korea	Mozambique
Ukraine	St Kitts & Nevis	Oman	Namibia
	St Lucia	Qatar	Niger
OTHER COUNTRIES	St Maaten	Sri Lanka	Rwanda
Andorra	St Vincent	Syria	Sao Tome & Principe
Bosnia-Hercegovina	Surinam	Tajikistan	Senegal
Gibraltar	Trinidad & Tobago	Turkmenistan	Seychelles & Dependencies
Macedonia	Turks & Caicos Islands	United Arab Emirates	Sierra Leone
Moldova	Uruguay	Uzbekistan	Somalia
Vatican City State	US Virgin Islands	Vietnam	St Helena & Dependencies
	Venezuela	Yemen	Sudan
			Swaziland
			Tanzania
			Togo
			Tunisia
			Uganda
			Zaire
			Zambia
			Zimbabwe

Source: Office for National Statistics

5. Coverage

The figures for the European Union (EU) relate to the 27 member states of the EU from 2007 onwards.

Trade with EU Institutions is also included in the EU totals and excluded from the International Organisations totals.

One important change that arose from implementing the new [European System of National and Regional Accounts \(ESA95\)](#) in particular and [BPM5](#) with which it is consistent, is the exclusion of the Channel Islands and the Isle of Man from the definition of the UK's economic territory. These territories are not members of the EU and consequently should be excluded in order to comply with ESA95.

The [Organisation for Economic Cooperation and Development \(OECD\)](#) and the [International Monetary Fund \(IMF\)](#) have recently released new versions of their manual ([BPM6](#)). This revised manual reflects the changes that have occurred in international finance since the previous updates. Along with other countries, the UK is currently working to implement these manuals. The UK is obliged to report these requirements from September 2014, for calendar year 2013. In line with the [Code of Practice for Official Statistics](#), the

Office for National Statistics (ONS) will consult fully with data providers and users of the statistics regarding any changes that occur as a result of the adoption of the new manuals.

Please note that all tables in this publication only include data collected via the ITIS and ABS surveys. Data relating to Travel and Banking are not included.

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 [International transactions of the UK film and television industries Statistical Bulletin 2008 \(148.1 Kb Pdf\)](#).

The ITIS survey is just one component of the 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 fifth edition of the International Monetary Fund’s Balance of Payments Manual. 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.

6. Methodology

The data are classified according to the fifth edition of the [International Monetary Fund \(IMF\) Balance of Payments Manual \(BPM5\)](#).

The results of the Annual and Quarterly Surveys into International Trade in Services (ITIS) provide Trade in Services data which contribute to key components of the measurement of the UK’s Balance of Payments (BoP) and Gross Domestic Product (GDP). These results are published in detail in the UK Balance of Payments Pink Book.

The ITIS survey (which consists of a quarterly component addressed to the largest businesses and an annual component for the remainder) covers receipts from the provision of services to residents of other countries (exports) and payments to residents of other countries for services rendered (imports). Residents of other countries are companies, governments and individuals. Although companies classified to the financial auxiliaries sector are included in the ITIS survey, businesses classified to other financial areas are not included in the sample. This does not mean that financial services are not covered as these services can be imported by companies classified outside the financial sector.

Sampling frame

The sampling frame used by international trade in services is the Inter Departmental Business Register (IDBR), which is compiled primarily from administrative information such as VAT details from HM Customs and Excise and PAYE from the Inland Revenue. The register holds business information including turnover, employment and SIC. The IDBR covers businesses in all parts of the economy, missing some very small businesses operating without VAT or PAYE schemes (self employed and those with low turnover and without employees) and some non-profit organisations. The Department for Business Innovation & Skills makes an estimate of the total number of unregistered businesses in its Business Population Estimates for the UK and Regions publication.

All the data on the IDBR are treated as RESTRICTED COMMERCIAL and are protected by the Code of Practice for Official Statistics and by specific legislation.

Sample design

This includes 9,000 businesses randomly selected from the Inter Departmental Business Register (IDBR). Selection is stratified by employment and [Standard Industrial Classification \(SIC\) 2007](#). ITIS selects across the whole of the economy with a number of exceptions detailed at point 5 of this document. An additional 5,000 businesses are made up of a fixed panel of known traders and as such are not subject to weighting.

For the first time in 2007 data was used from the [Annual Business Survey \(ABS\)](#) to improve coverage of the ITIS survey. In total the ABS approaches some 71,000 companies. A matching exercise of samples

and universes was undertaken to ensure no duplication. Following this quality assurance exercise, data from approximately 9,000 companies were used in the 2011 ITIS results. It should be noted that the ABS component only provides total import and export data. The country and product detail are estimated using like companies from the fixed panel of known traders. Like companies are those within the same SIC and employment strata.

The quarterly survey is a subset of the annual survey, so there is no overlap or duplication between the annual and quarterly surveys. The quarterly sample consists of the largest companies in terms of international trade in services, and the results are used throughout the year to forecast total annual ITIS.

Respondents are requested to provide figures for the current calendar year (1st January 2011 to 31st December 2011), although some respondents provide figures for their actual accounting year.

All values for ITIS are at current prices. Current prices refer to prices as they were at the time of measurement and not adjusted for inflation.

7. Accuracy and errors

The measurement of trade in services presents a difficult methodological problem, since the population is large and the occurrence (especially for imports) can be unpredictable and infrequent. Although the sample size of the ITIS survey was increased in 2002, given these measurement problems, it remains relatively modest and the quality of the estimates must be judged accordingly.

In addition to the imputation of detail for some categories where the data are incomplete, there remains a margin of uncertainty about the accuracy of reported data. The finer the level of detail sought, the greater the likelihood of misallocation. Enterprises reporting data are encouraged to make their best estimates but as country attribution may not be a crucial aspect of the management information from which details are extracted, a significant degree of approximation is likely to occur.

Given the conceptual and practical limitations described above, these estimates should be seen as a broad indication of the economic relationships between the UK and international economies. They will be more reliable and more meaningful in terms of broad geographical areas and major partner countries than for smaller partner countries.

Within this publication, to avoid disclosing data on individual companies the tables have been arranged to remove these disclosive items. This is done wherever possible by suppressing the item so that non-disclosing headings are preserved. However, in some cases it has been necessary to combine headings in order to mask the disclosive data. In addition, some totals or balances may not exactly agree with the calculations on the components. This is due to rounding.

Response rates

	2011 Results
Sample size	14,421
Forms with response	12,675
Forms non response	1,746
Overall response rate (%)	87.8

Source: Office for National Statistics

In addition to this sample we also select approximately 9,000 businesses via the Annual Business Survey.

8. Imputation

Imputation techniques are used to estimate values for those members of the population where data are not available, either due to the business being outside the sample or a non-respondent. The imputation process accounts for the following figures and percentages of the final published figures:

Imputed proportion of final published ITIS figures

2011 survey £ million % of total ITIS

Exports	10,351	10.6
Imports	4,904	11.3

Source: Office for National Statistics

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 surveys.

9. Standard Errors

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 tables below contain standard error information for exports and imports for 2011.

Standard errors: Exports

Description of industries	Estimate (£million)	Standard error (£million)	Relative standard error (%)
Total ITIS industries	97,311	2,055	2.1
Section C Manufacturing	9,729	98	1.0
Section G Wholesale/retail	14,176	851	6.0
Section J Information & communication	21,799	711	3.3
Section M Professional, scientific & technical	28,772	376	1.3
Section N Administrative & support service	3,717	145	3.9
Section R&S Arts, entertainment & recreation	2,225	138	6.2

Source: Office for National Statistics

Standard errors: Imports

Description of industries	Estimate (£million)	Standard error (£million)	Relative standard error (%)
Total ITIS industries	43,564	689.0	1.6
Section C Manufacturing	5,878	115.8	2.0
Section G Wholesale/retail	4,416	182.4	4.1
Section J Information & communication	12,292	499.5	4.1

Section M Professional, scientific & technical	13,152	343.5	2.6
Section N Administrative & support service	1,359	98.8	7.3
Section R&S Arts, entertainment & recreation	662	47.4	7.2

Source: Office for National Statistics

10. Coherence

- Comparison with Quarterly ITIS: In addition, the quarterly sample which is made up of approximately 1,100 survey contributors also feeds into ITIS results. The quarterly survey is a subset of the largest companies, and the results are also used throughout the year to forecast total annual ITIS.
- Comparison with the Film and Television Survey Data: The Film and Television Survey (FTV) is now incorporated into Annual ITIS since 2009. The results from this survey will be included in tables presenting total ITIS; which are tables AO, C0 and C1. Tables showing film industry data and television industry data by geographical area are published as tables D1 and D2 in the Annual ITIS 2010 publication. These tables were shown as tables 4 & 5 in the 2008 International transactions of the UK film and television industries bulletin.
- Comparison with ABS: The ABS survey is made up of approximately 71,000 companies. Following quality assurance exercises to avoid double counting, the ABS survey supplements coverage of the ITIS survey by approximately 9,000 companies.

11. Office for National Statistics

The Office for National Statistics (ONS) is the executive office of the UK Statistics Authority, a non-ministerial department which reports directly to Parliament. ONS is the UK government's single largest statistical producer. It compiles information about the UK's society and economy, and provides the evidence-base for policy and decision-making, the allocation of resources, and public accountability. The Director General of ONS reports directly to the National Statistician who is the Authority's Chief Executive and the Head of the Government Statistical Service.

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 the Mergers and Acquisitions estimates be designated as National Statistics, subject to ONS carrying out certain requirements. ONS is working hard to meet the requirements set out in this assessment report.

12. Social media

Follow ONS on [Twitter](#) and receive up to date information about our statistics.

Like ONS on [Facebook](#) to receive our updates in your newsfeed and to post comments on our page.

13. The Government Statistical Service (GSS)

The GSS is a network of professional statisticians and their staff operating both within the Office for National Statistics and across more than 30 other government departments and agencies.

14. ONS business statistics

To find out about other official business statistics, and choose the right data for your needs, please use our [interactive guide](#). This will help you to find relevant statistics published by the ONS. The guide allows you to choose the industry, feature of the economy and geography you are interested in, and returns a list of the available ONS indicators, together with guidance on their use, and links to releases.

15. Discussing ONS business statistics online

There is a [Business and Trade Statistics community](#) on the [StatsUserNet](#) website. StatsUserNet is the Royal Statistical Society's new 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 above.

16. **Special events**

ONS has recently published commentary, analysis and policy on 'Special Events' which may affect statistical outputs. For full details visit the [Special Events page](#) on the ONS website.

Release policy

17. Details of the policy governing the release of new data are available by visiting www.statisticsauthority.gov.uk/assessment/code-of-practice/index.html or from the Media Relations Office email: media.relations@ons.gsi.gov.uk

These National Statistics are produced to high professional standards and released according to the arrangements approved by the UK Statistics Authority.