

Statistical bulletin

Trade in services by commercial presence, exports: 2020

Experimental estimates of UK supply trade in services by Mode 3 (commercial presence).

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1 . Main points

- Trade in services can be conducted through four modes of supply; Remote trade (Mode 1); Consumption abroad (Mode 2); Commercial presence (Mode 3); Presence of natural persons (Mode 4).
- UK owned foreign affiliates supplied a total of £429.4 billion of services through commercial presence abroad (Mode 3) in 2020, a decrease of £198.1 billion (31.6%) from 2019; services provided through Mode 3 to EU member states decreased by £126.3 billion (72.5%) to £47.9 billion and decreased by £71.8 billion (15.8%) to £381.5 billion for non-EU countries.
- “Other business services” provided the largest contribution to Mode 3 total supply at a whole world level, at £207.9 billion (48.4%), however it saw the largest value decrease in 2020 of £91 billion (30.4%), with a £45.3 billion (76.9%) decrease in Mode 3 supply to EU countries and a £45.7 billion (19.1%) drop to non-EU countries; conversely, “Insurance and pension services” saw the largest increase in Mode 3 provision increasing by £7.2 billion (26.7%) to £34.1 billion.
- “Transport services” saw the largest percentage drop in Mode 3 supply in 2020 compared with 2019, falling by £30.7 billion (90.6%) to £3.2 billion including a decrease of £12.9 billion (97.1%) to £0.4 billion to EU countries and £17.9 billion (86.4%) to £2.8 billion to non-EU countries.
- “Financial services” provided through Mode 3 saw an increase of £6.7 billion (5.1%) in 2020, largely because of a £32.3 billion (37.1%) increase in supply to non-EU countries to £119.5 billion; this was partially offset by the decrease in Mode 3 supply to EU countries which fell by £25.6 billion (58.5%) to £18.2 billion.
- Mode 3 supply of services is not a component of the total trade in services estimates and are derived in Foreign Affiliates Statistics; Mode 3 however remains the dominant mode of supply when compared with our usual trade in services estimates (comprising of Modes 1, 2 and 4), at 59.2% of total UK services supply, decreasing by 7.2 percentage points from 2019.

2 . Modes of supply data

[Modes of supply, Mode 3 exports estimates: 2020](#)

Dataset | Released 8 April 2022

Experimental estimates for Mode 3 (from modes of supply), by country and service type.

3 . Measuring the data

Modes of supply statistics remain an experimental release and so estimates should be used with caution. More information on how these estimates are calculated can be found on the [Modes of Supply: methods](#) article.

Quality

These estimates were derived by combining data from the latest available outward foreign affiliate statistics (2019). Users should therefore be cautious when drawing conclusions from this data as it's likely that some of the data movements seen in 2020 were a characteristic of 2019. More information is available in the [Mode 3 methodology overview](#).

4 . Related links

[Trade in services by modes of supply, UK: 2019](#)

Article | Released 27 November 2020

Experimental estimates of UK trade in services by mode of supply, country and service type on a balance of payments basis with additional Mode 3 estimates.

[UK Trade in services by modes of supply: 2020](#)

Article | Released 25 February 2022

Experimental estimates of UK trade in services by Mode of Supply, country and service type on a balance of payments basis.