

International Trade in Services

EU25 surplus in trade in services increased to 56.9 bn euro in 2005

In 2005, **EU25**¹ external trade in services² recorded a surplus of 56.9 billion euro, an increase compared to 47.6 bn in 2004 and 38.5 bn in 2003. This increased surplus was mainly due to a higher surplus in transportation (+18.4 bn in 2005 compared to +14.4 bn in 2004), and in "other services" (+54.3 bn in 2005 compared to +47.8 bn in 2004). The deficit registered for travel was slightly higher (-15.5 bn compared to -14.4 bn).

The surplus registered in other services in 2005 was mainly due to the surpluses recorded in other business services² (+30.0 bn), financial services (+20.9 bn), computer and information services (+8.3 bn) and construction services (+4.9 bn). The largest deficit was registered in royalties and license fees (-8.0 bn).

These data, issued by **Eurostat, the Statistical Office of the European Communities**, are subject to revision³.

EU25 services account with the rest of the world (in bn euro)

	2003			2004			2005		
	Credit	Debit	Balance	Credit	Debit	Balance	Credit	Debit	Balance
Total Services	343.0	304.5	38.5	372.6	325.0	47.6	406.3	349.4	56.9
Transportation	77.4	70.5	7.0	93.1	78.7	14.4	103.4	84.9	18.4
Travel	63.8	77.3	-13.4	66.8	81.3	-14.4	71.0	86.5	-15.5
Other services	199.2	153.8	45.4	209.8	162.1	47.8	229.7	175.4	54.3
Communications services	5.9	6.7	-0.9	6.5	7.2	-0.7	6.8	7.6	-0.8
Construction services	10.1	5.7	4.4	9.7	6.0	3.7	11.2	6.3	4.9
Insurance services	15.0	6.4	8.6	10.9	8.6	2.3	6.3	8.1	-1.8
Financial services	25.1	10.6	14.5	29.7	11.9	17.8	35.0	14.1	20.9
Computer and information services	16.6	7.5	9.1	16.4	8.1	8.3	16.9	8.5	8.3
Royalties and license fees	17.4	28.1	-10.7	20.3	29.3	-9.1	23.2	31.2	-8.0
Other business services	95.4	76.6	18.8	101.9	79.1	22.8	117.2	87.2	30.0
Personal, cultural and recreational services	4.5	5.7	-1.3	5.4	6.2	-0.8	4.9	5.9	-1.0
Government services, n.i.e.	9.3	6.4	2.9	9.1	5.6	3.6	8.1	6.4	1.7
Services not allocated	2.5	2.9	-0.4	2.9	3.1	-0.2	2.2	2.6	-0.3

Source: Eurostat

In 2005, **EU25** trade in services recorded an increased surplus with **EFTA**⁴ (+18.3 bn in 2005 compared to +14.9 bn in 2004) and **Russia** (+3.3 bn compared to +2.3 bn). The surpluses with **Japan** (+8.1 bn compared to +8.0 bn), **Canada** (+0.8 bn compared to +1.0 bn), **China** (+2.3 bn compared to +1.9 bn), **Hong Kong** (+2.5 bn compared to +2.0 bn) and **Brazil** (+0.5 bn compared to +0.3 bn) remained nearly stable. On the other hand the surplus with the **USA** decreased (+6.9 bn compared to +10.2 bn). The trade balance with **India** changed slightly, from -0.2 bn in 2004 to +0.6 bn in 2005.

EU25 services account by selected partner⁵
(in bn euro)

	2003			2004			2005		
	Credit	Debit	Balance	Credit	Debit	Balance	Credit	Debit	Balance
Total	343.0	304.5	38.5	372.6	325.0	47.6	406.3	349.4	56.9
USA	112.3	104.6	7.7	120.0	109.8	10.2	122.9	116.0	6.9
EFTA⁴	56.8	43.0	13.8	59.8	44.9	14.9	65.9	47.6	18.3
Japan	16.8	10.2	6.6	18.7	10.7	8.0	20.0	11.9	8.1
Canada	7.2	6.8	0.4	8.1	7.1	1.0	8.5	7.6	0.8
China	6.9	5.0	2.0	9.1	7.2	1.9	11.1	8.8	2.3
India	2.9	3.0	-0.2	3.8	4.0	-0.2	5.3	4.7	0.6
Russia	7.8	5.8	2.0	9.1	6.8	2.3	11.4	8.1	3.3
Brazil	3.4	3.5	-0.1	3.7	3.5	0.3	4.5	3.9	0.5
Hong Kong	6.5	4.5	2.0	7.2	5.3	2.0	8.2	5.6	2.5
Other countries	122.5	118.1	4.4	133.1	125.9	7.2	148.7	135.0	13.6

Source: Eurostat

1. In line with the agreed allocation of responsibility, the European Central Bank (ECB) (www.ecb.int, section statistics/statistical press releases) is in charge of compiling and disseminating monthly and quarterly balance of payments statistics for the euro area, whereas the European Commission (Eurostat) focuses on quarterly and annual aggregates of the EU25. The data comply with international standards, in particular those set out in the IMF Manual on Balance of Payments Statistics (5th edition). The aggregates for the euro area and the EU25 are compiled consistently on the basis of Member States' transactions with residents of countries outside the euro area and the European Union respectively.
Euro area: Belgium, Germany, Spain, Greece, France, Italy, Ireland, Luxembourg, the Netherlands, Austria, Portugal and Finland. The EU25 includes also the Czech Republic, Denmark, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Slovenia, Slovakia, Sweden and the United Kingdom.
2. The *services account* covers all transactions occurring between resident and non-resident entities. Within the services account three main types of transactions are separately identified:
The *transportation account* covers all the *transportation services* performed by EU residents for non-EU residents, or vice versa, involving the carriage of passengers, the movement of goods, rentals of carriers with crew and related supporting and auxiliary services
The *travel account* includes primarily the goods and services EU travellers acquire from non-EU residents, or vice versa.
Other services account includes communication services, construction services, insurance services, financial services, computer and information services, royalties and licence fees, other business services (which comprise merchanting and other trade-related services, operational leasing services and miscellaneous business, professional and technical services), personal, cultural and recreational services, government services not included elsewhere.
3. The EU25 annual International Trade in services statistics are based on figures provided by the Member States to Eurostat nine months after the reference period. The annual data covered in this News Release will be revised in one year's time when revised data will be transmitted by Member States. The figures shown in the following tables may not exactly add up due to rounding. Due to different cut-off dates the annual figures presented in this News Release may differ from the sum of quarterly figures previously published.
4. EFTA (European Free Trade Association) includes Switzerland, Iceland, Liechtenstein and Norway.
5. The full geographical breakdown of the services account is available on the Eurostat web site. All the figures can be downloaded free of charge from the balance of payments section of the Eurostat web site.

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