

INFORMATION AND COMMUNICATIONS TECHNOLOGIES SECTOR-ICT. 2014

The ICT sector accounted for 2.5% of added value generated in the Basque Country in 2014 and 2.2% of employed personnel

54.9% of companies in the ICT sector engaged in e-commerce in 2014 compared to 24.8% of the total for all sectors

The Information and Communication Technology (ICT) sector consisted of 2,469 business with 21,046 workplaces in the Basque Country in 2014, 2.2% of the total Basque economy according to Eustat data. Furthermore, it generated 2.5% of total added value (1,497 million), and posted a turnover figure of 3,287.6 million euros. Compared with the previous tax year, the sector made up the same proportion of the economy as a whole in terms of employment, even though the number of establishments rose (by 194). This shows us that the average size of companies in this sector decreased, which, in 2014, amounted to 8.5 individuals. As for the turnover figure, it decreased by 3.9% in 2014 compared to the previous year.

Table 1: Main magnitudes for the ICT sector, by province and sector of activity. 2014

| | Number of businesses | Number of employed | Turnover (1) | Value added (1) |
|-------------------------|----------------------|--------------------|----------------|-----------------|
| Total ICT Sector | 2.469 | 21.046 | 3.287,6 | 1.497,0 |
| Province | | | | |
| Araba/Álava | 311 | 2.225 | 328,0 | 132,3 |
| Bizkaia | 1.496 | 12.720 | 2.181,6 | 1.003,9 |
| Gipuzkoa | 728 | 6.101 | 778,0 | 360,8 |
| ITC sector | | | | |
| Industria | 64 | 3.809 | 439,3 | 162,9 |
| Services | 2.405 | 17.237 | 2.848,3 | 1.334,1 |

(1) Million euros

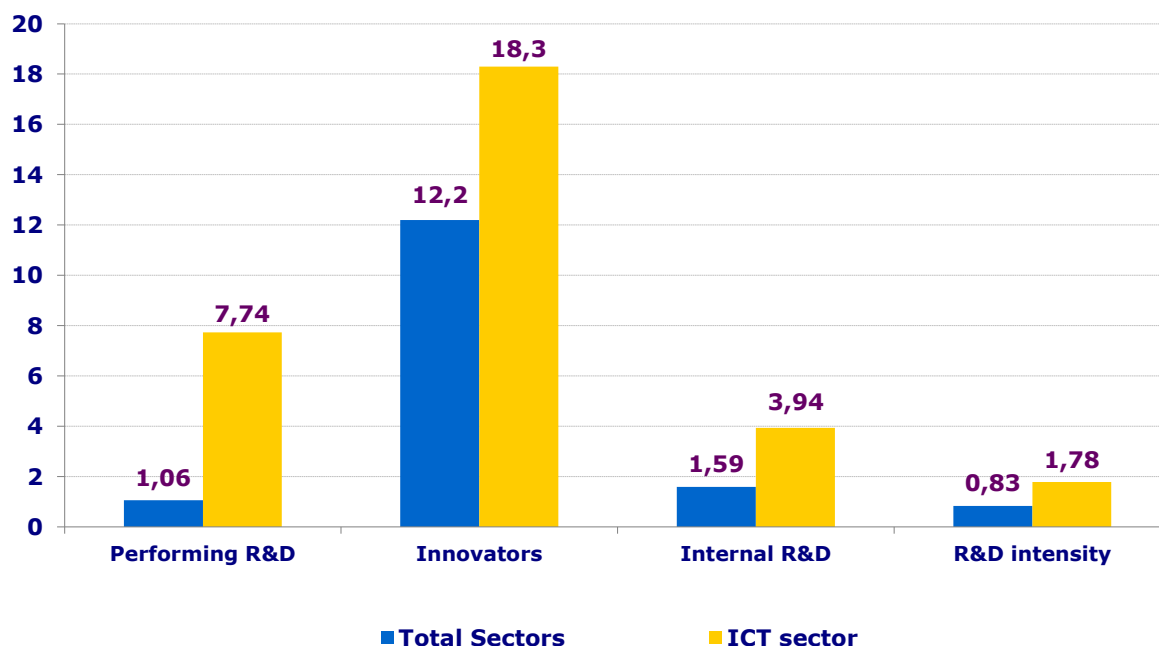
Source: Eustat. Information and communications technologies sector-ICT

Businesses in the ICT sector carried out more R&D&I activities than all the other sectors

7.7% of companies in the ICT sector carried out R&D activities, a percentage that is far higher than the 1.1% of the total for all sectors. Furthermore, this sector, which represented just 1.6% of companies, accounted for 11.7% of those carrying out R&D and, with 67.6 million euros, it spent 7.0% of total expenditure on internal R&D in the business sector. This means that the proportion of total expenditure on this sector increased from 2013 by 0.8%.

With regards to people working in R&D in this sector, the figure for people in full-time work in 2014 stood at 1,304 (332 of whom were women), and 9.7% of these positions were provided by the business sector in R&D, or 7.0% if we take into account the positions provided by all the sectors.

Graph 1. R&D and innovation in companies within the ICT sector and in all sectors for 2014. (%)



Source: Eustat. Information and communications technologies sector-ICT

Regarding innovation, as with R&D, there were significant differences between the total for all sectors and that for the ICT sector. In 2014, 18.3% of establishments in the ICT sector were innovators compared to 12.2% of the total for all sectors. If company size is taken into account, those with 10 or more employees recorded percentages of 51.1% in the first case and 27.5% for the total number of sectors.

Regarding expenditure on innovation, ICT establishments contributed 175.2 million euros, 7.1% of total company expenditure. Of this expenditure, 142.3 million corresponded to establishments of 10 or more employees, which was 6.9% of the total spent by companies of this size.

Table 2: Intensity of internal innovation and R&D innovation in the ICT sector, by territorial scope, activity sector and employment strata (%). 2014

| | Total | | 10 or more employees | |
|-------------------------|----------------------|----------------------------|--------------------------|----------------------------|
| | Innovation intensity | Internal R&D intensity (2) | Innovation intensity (1) | Internal R&D intensity (2) |
| Total sectors | 1,59 | 0,83 | 2,05 | 1,18 |
| Total ICT sector | 3,94 | 1,78 | 3,86 | 1,78 |
| Province | | | | |
| Araba/Álava | 2,51 | 1,26 | 3,06 | 1,52 |
| Bizkaia | 3,47 | 1,40 | 3,23 | 1,35 |
| Gipuzkoa | 6,22 | 3,45 | 6,42 | 3,44 |
| ITC sector | | | | |
| Industria | 6,53 | 4,25 | 6,77 | 4,41 |
| Services | 3,64 | 1,50 | 3,46 | 1,42 |

(1) Innovation Intensity: (Spending on innovation/turnover)*100

(2) Internal R&D intensity: (Spending on internal R&D/turnover)*100

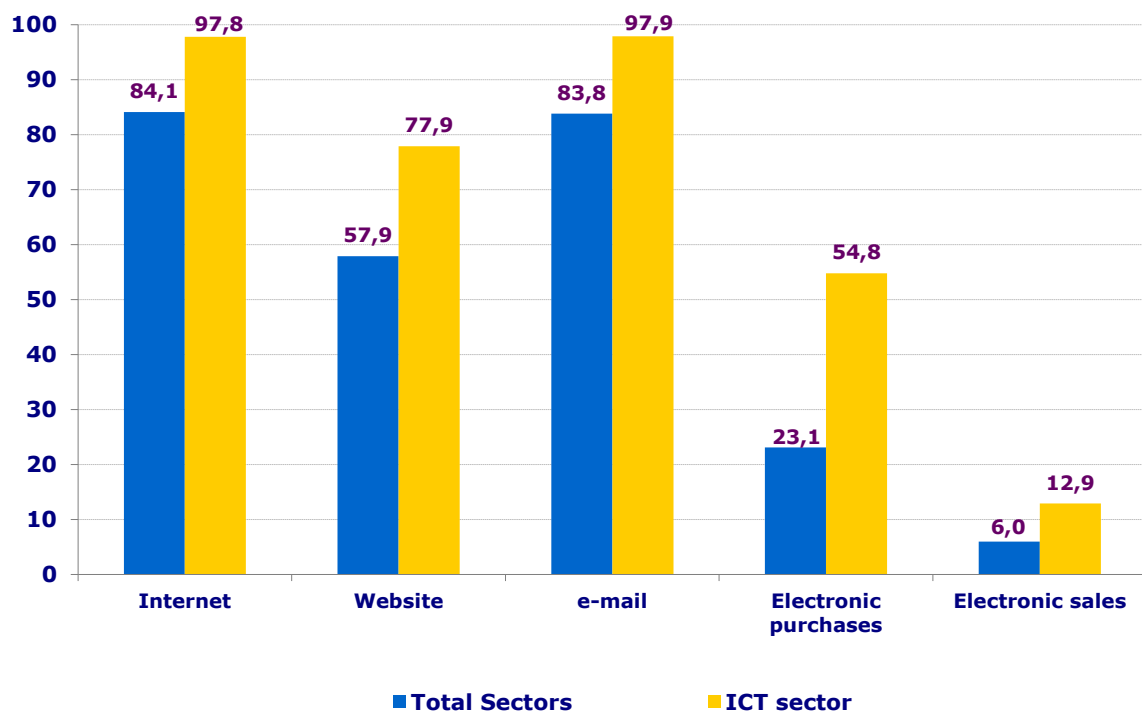
Source: Eustat. Information and communications technologies sector-ICT

The ICT sector also allocated a greater proportion of resources towards R&D&I than the other sectors, and it is worth noting the figures spent both on innovation and on R&D with regards to the turnover figure (innovation and internal R&D intensity ratios). Specifically, innovation intensity in this sector was 3.9 compared to 1.6 over the economic sectors as a whole. In the case of internal R&D, the ratio was 1.8 for the ICT sector and 0.8 for the economy as a whole.

Both the use of ICT technology and e-commerce were more widespread in the ICT sector than in the total for all sectors

As the use of ICT technology is extremely commonplace amongst the companies in this sector, e-commerce, although more developed than in the other sectors, continued to have a modest implementation, above all in terms of sales. The establishments that made purchases via this method in the ICT sector accounted for 54.8% and those that carried out sales accounted for 12.9%, compared to 23.1% and 6.0% respectively for the total of all sectors.

Graph 2. Use of ICT technologies in 2014 (%)

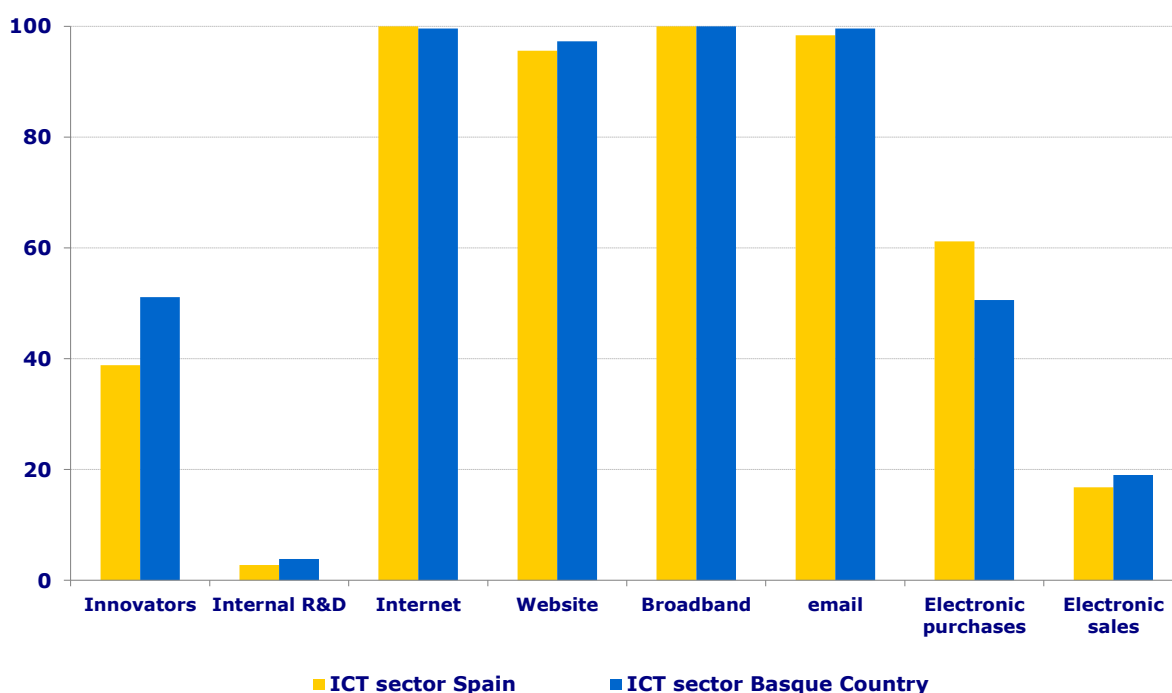


Source: Eustat. Information and communications technologies sector-ICT

On the other hand, the impact of the ICT sector on the foreign trade of goods was not very significant. Whilst exports accounted for 261.5 million euros out of a total of 22,512.6 million, imports stood at 310.7 million out of the 17,135.6 million of total imports, accounting for 1.2% and 1.8% respectively.

The most common products traded in terms of exports were *Electronic Components*, 43.4%, and *Other ICT Products*, 34.2%. In terms of imports, the most common products were, once again, *Other ICT Products*, 33.4%, and *Telecommunications Equipment*, 25.9%.

Graph 3. Comparison of Companies with 10 or employees in the Basque Country and in Spain as a whole (%). 2014



Source: Eustat and INE

The characteristics of the ICT sector are very similar in the Basque Country and Spain as a whole, even though Basque companies were more innovative in 2014

Lastly, if we compare ICT sector data for the Basque Country with Spain as a whole in companies with 10 or more employees, differences can be seen in the indicators observed. Whilst the percentage of innovating companies, innovation intensity and the number of companies making electronic sales was higher in the Basque Country, the percentage of companies engaging in e-commerce was higher in Spain as a whole. Regarding the use of ICT technologies, the percentages obtained were very similar.

Methodological note:

The ICT sector is made up of manufacturing and service sectors whose main activity is related to development, production, marketing and intensive use of Information & Communication Technologies. [Eustat website. Methodology file: ICT sector](#)

For further information:

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