

INFORMATION AND COMMUNICATION TECHNOLOGY SECTOR - ICT 2016

The ICT sector in the Basque Country grew in terms of employment and value added in 2016

68.5% of companies in the ICT sector engaged in e-commerce, compared to 26.0% of the total of all sectors

In 2016 there was an increase in both the number of companies and employment in the Information and Communication Technology sector (ICT) in the Basque Country, by 3.6% (90 more companies) and 1.3% (279 more people in work) respectively, according to Eustat data. Specifically, 2,601 companies and 21,622 jobs were registered in this sector, with an average company size of 8.3 people. The turnover figure also grew by 5.4% and the value added by 2.7%.

With these data, the ICT sector represented 2.1% of those employed in the Basque economy, and 2.2% of total value added (1,546.8 million), and reached a turnover of 3,563.9 million euros. In relation to 2015, the ICT sector remained stable both in terms of employment and value added.

Table 1: Main magnitudes for the ICT sector, by province and sector of activity. 2016

	Number of businesses	Number of employed (1)	Turnover (2)	Value added (2)
Total ICT Sector	2.601	21.622	3.563,9	1.546,8
Province				
Araba/Álava	318	2.377	388,3	144,0
Bizkaia	1.515	12.591	2.245,8	1.011,0
Gipuzkoa	740	6.654	929,8	391,9
ITC sector				
Industria	68	4.142	498,0	179,8
Services	2.533	17.480	3.065,9	1.367,1

(1) Jobs

(2) Million euros

Source: Eustat. Information and communications technologies sector-ICT

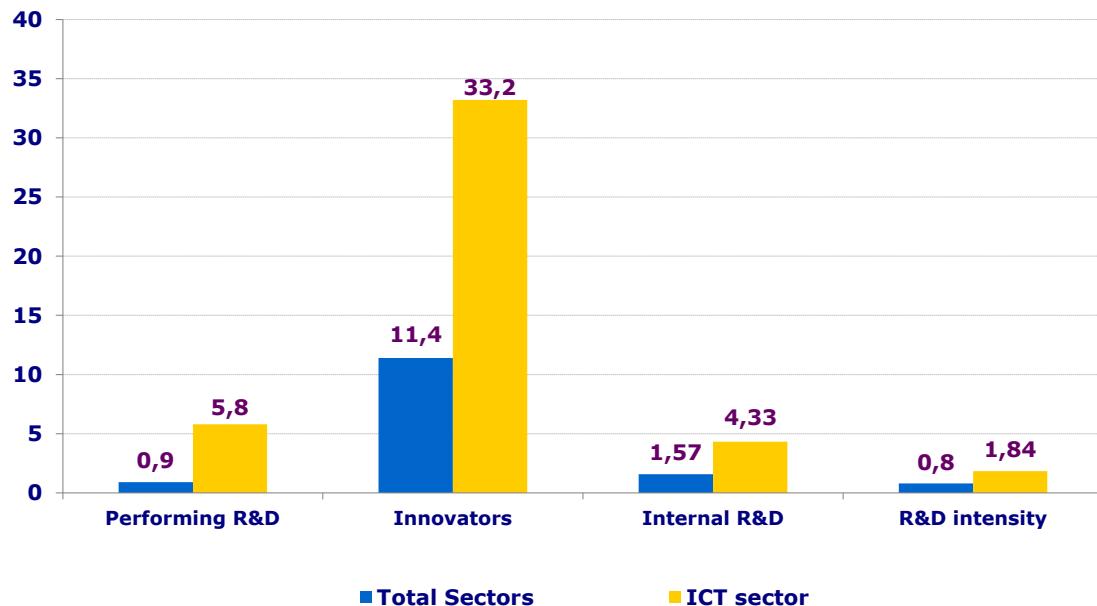
Businesses in the ICT sector carried out more R&D&I activities than all the other sectors

5.8% of companies in the ICT sector carried out R&D activities, a percentage that is far higher than the 0.9% of the total for all sectors, but 1.1% below the percentage of companies that carried out R&D in 2015. Furthermore, the ICT sector, which represented just 1.7% of companies in the Basque Country, accounted for 11.5% of those carrying out R&D and, with 67 million euros, spent 6.9% of the business sector's total expenditure on internal R&D. However, this sector's proportion of total expenditure fell by 0.3% compared to 2015.

With regards to people working in R&D in this sector, the figure for people in full-time work in 2016 stood at 1,230, 22.8% (281) of whom were women, and 9.7% of these

positions were provided by the business sector in R&D, or 6.9% 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 2016. (%)



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 2016, 33.2% of establishments in the ICT sector were innovators compared to 11.4% of the total for all sectors. If company size is taken into account, those with "10 or more employees" recorded percentages of 56.0% in the first case and 27.9% for the total number of sectors.

Regarding expenditure on innovation, ICT establishments contributed 230.8 million euros, 9.1% of total company expenditure. Of this expenditure, 167.4 million corresponded to establishments of "10 or more employees", which was 7.9% of the total spent by companies of this size.

The ICT sector also allocated a greater proportion of resources towards R&D&I than the other sectors, as indicated by the figures spent both on innovation and on internal R&D with regards to the turnover figure (innovation and internal R&D intensity ratios). Specifically, innovation intensity in this sector was 4.3 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.

Table 2: Intensity of internal innovation and R&D innovation in the ICT sector, by territorial scope, activity sector and employment strata (%). 2016

	Total		10 or more employees	
	Innovation intensity (1)	Internal R&D intensity (2)	Innovation intensity (1)	Internal R&D intensity (2)
Total sectors	1,57	0,80	2,04	1,15
Total ICT sector	4,33	1,84	3,77	1,83
Province				
Araba/Álava	1,31	0,64	2,24	1,11
Bizkaia	3,70	1,27	3,42	1,42
Gipuzkoa	8,29	4,49	5,76	3,70
ITC sector				
Industria	5,28	3,90	5,41	4,00
Services	4,21	1,59	3,54	1,52

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

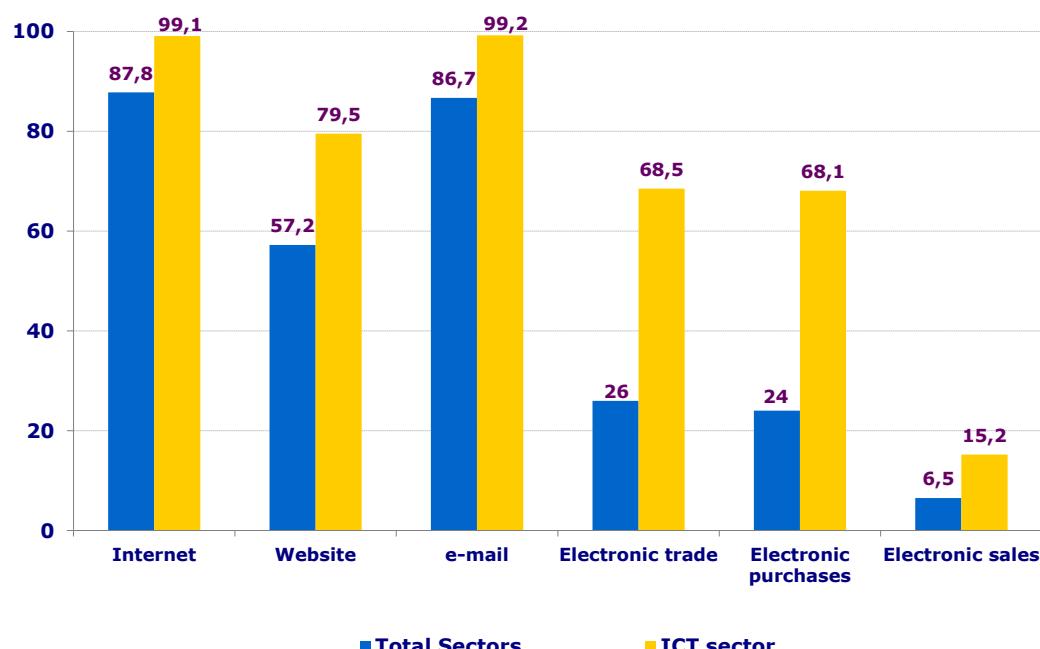
(2) Internal R&D intensity: (Spending on internal R&D/turnover)*100

Source: Eustat. Information and communications technologies sector-ICT

E-commerce was more widespread in the ICT sector than in the total of all sectors, and was slightly up compared to 2015

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, is not as widely implemented, above all in terms of sales. The establishments that made purchases via this method in the ICT sector accounted for 68.1% and those that carried out sales accounted for 15.2%, compared to 24.0% and 6.5% respectively for the total of all sectors. Hence, 68.5% of ICT establishments engage in e-commerce, 0.2% more than in 2015, whereas it represents 26.0% of the total of all sectors.

Graph 2. Use of ICT technologies in 2016 (%)

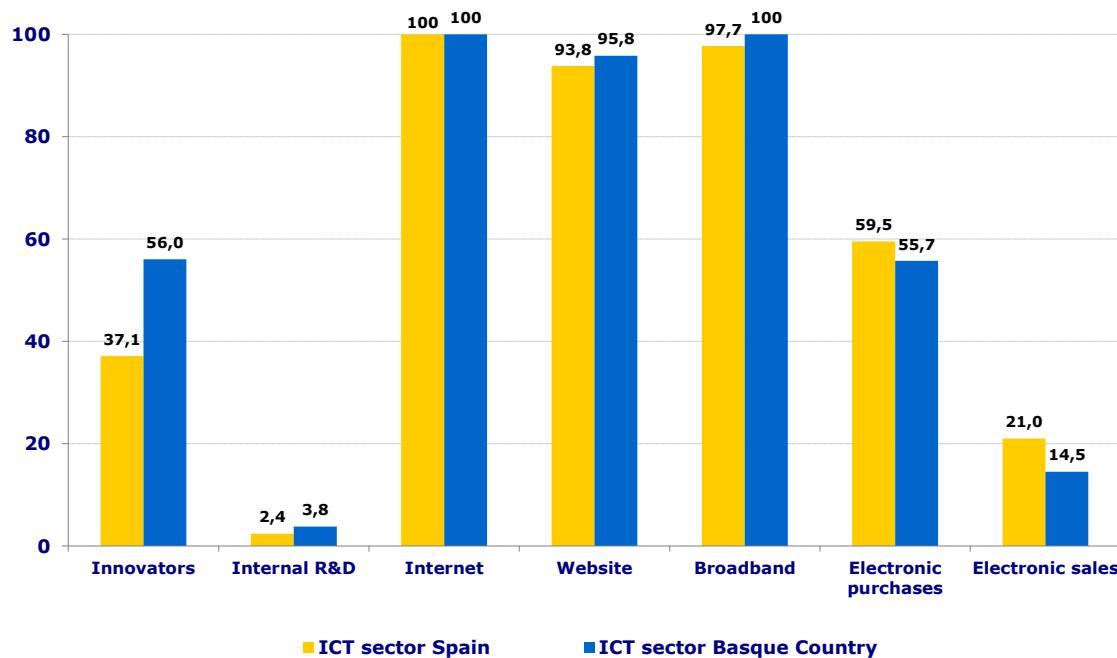


Source: Eustat. Information and communications technologies sector-ICT

On the other hand, the impact of the ICT sector on the foreign trade of goods remained at insignificant levels. Whilst exports accounted for 296.1 million euros out of a total of 21,615.9 million, imports stood at 461.6 million out of the 15,604.1 million of total imports, accounting for 1.4% and 3.0% respectively.

The most common products traded in terms of exports were *Electronic Components* (40.8%), and *Other ICT Products*, 34.5%. In terms of imports, the most common products were, once again, *Other ICT Products* (34.6%), *Telecommunications Equipment* (23.3%) and *Electronic Components* (21.7%).

Graph 3. Comparison of Companies with 10 or employees in the Basque Country and in Spain as a whole (%). 2016



Source: Eustat and INE

Companies in the ICT sector in the Basque Country were more innovative than in the whole of Spain, but engaged in less e-commerce

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, web sites and broadband was higher in the Basque Country, the percentage of companies engaging in e-commerce was higher in Spain as a whole.

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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