

EBOPS'2010
Explanatory notes

TYPES OF SERVICES

Resident – domestic enterprise/individual

Non-resident – foreign enterprise/individual (for more details see: definitions)

001 Maintenance and repair services n.i.e.

Included are: TESZOR'15 33.1 Repair and maintenance services; TESZOR'15 45.2 Ordinary maintenance and repair services (except electrical system, tire and body repair services) of cars and light goods motor vehicles; TESZOR'15 95.2 Repair services of household appliances and home and garden equipment.

Repair services is a productive activity which aims at reconstitute the decreased value of an existing product.

Included are: receipts of resident repairing enterprises from non-residents, as well as payments of resident enterprises to non-resident repairing enterprises. This activity comprises primarily repair and maintenance of vessels, planes, machinery and equipment and other means of transportation. Repair can occur either on the site of the service provider or elsewhere.

Excluded are:

- repair services related to construction, or to buildings at railway stations, airports and docks (250, 251 Construction services)
- repair related to computer appliances (263 Computer services)
- cleaning of transport equipment (transport)

002 Off-site processing

A resident enterprise purchases goods and auxiliary materials abroad and have them processed also by non-residents. The semi-finished and ready-made product is sold abroad. Neither the goods purchased, nor the product sold are shipped through Hungarian territory, however remain in the property of the 'off-site processor' enterprise.

If the off-site processing happens to be unprofitable (the value of imports exceed the value of exports), an explanation is needed in the „notes” section of the questionnaire.

003 Bunker fuel

Exports: value of fuel purchased from resident Hungarian fuel companies by non-resident enterprises with any means of transport.

Imports: value of fuel of Hungarian resident enterprises with any means of transport that purchase fuel abroad.

Reporting obligations for bunker fuel are shown in parentheses after each means of transport denomination

- *Sea and inland waterway transport:*
 - *Exports:* value of directly served fuel by Hungarian fuel and gas companies to ships and vessels registered abroad (fuel companies).
 - *Imports:* value of fuel purchased by Hungarian ships and vessels abroad (resident shipping enterprises).
- *Air transport:*
 - *Imports:* value of fuel purchased by Hungarian airline companies abroad (airlines).
- *Rail transport:*
 - *Exports:* value of gasoline and current purchased in Hungary by non-resident railroad companies (Railroad companies).
 - *Imports:* value of gasoline and current purchased abroad by Hungarian railroad companies (Railroad companies).
- *Road transport:*
 - *Export:* values of fuels tanked by scheduled non-resident buses, coaches, trucks and lorries at Hungarian fuel companies if fuel card was used (fuel companies).
 - *Imports:*
 - value of fuel purchased abroad by Hungarian scheduled buses and coaches, trucks and lorries.
 - values of fuel purchased abroad by Hungarian scheduled buses and coaches, trucks and lorries and Hungary-issued fuel card was used (for Hungarian fuel companies)

Excluded:

- purchase of fuel by individuals in Hungary or abroad
- fuel purchase by residents in Hungary,
- value of fuel served by Hungarian fuel companies to non-resident airlines (general merchandise).

International transportation services are detailed as follows:

Modes of transport: sea, air, space, rail, road, inland waterway, pipeline transportation, electricity transmission and other supporting and auxiliary transport services.

1. Passenger transportation (EBOPS-codes by modes of transport: 207, 211, 220, 224, 228)

Services provided between the compiling economy and abroad or between two foreign economies in the international transportation of non-residents by resident carriers (credit) and that of residents by non-resident carriers (debit). Taxes and duties are included. For example:

- fares that are a part of package tours
 - charges for excess baggage, vehicles, or other personal accompanying effects
 - expenditures of food, drink, or other items that passengers make while on board carriers
 - charges paid by carrier for travel agencies and other booking services
 - rentals provided by residents to non-residents, and vice versa, of vessels, aircraft, coaches or other commercial vehicles with crew for limited periods (such as a single voyage) for the carriage of passengers.
- See each EBOPS for more detailed information

2. Freight transportation (EBOPS-codes: 208, 212, 221, 225, 229)

International transportation of the compiling economy's exports and imports of goods; rentals provided by residents to nonresidents, and vice versa, of vessels, aircraft, freight cars or other commercial vehicles with crews for limited periods (such as a single voyage) for the carriage of freight. Also included are towing related to the transportation of drilling platforms, floating cranes and dredges.

3. Supporting and auxiliary transportation services (forwarding, other) (EBOPS-codes: 209, 213, 222, 226, 230)

Separately invoiced auxiliary logistics, forwarding and other services if they can be classified into any modes of transport.

Covers logistics and forwarding services supplied to/ acquired from a non-resident such as:

- cargo handling (loading and unloading) TESZOR'15 52.24
- storage, warehousing TESZOR'15 52.10
- packing, repacking TESZOR'15 82.92
- towing, pilotage, navigational aid
- vehicle rescue
- maintenance and cleaning performed in ports and airports on transportation equipment
- agent fees associated with passenger and freight transportation.

4. Other supporting and auxiliary transportation services (forwarding, storage) (EBOPS-code: 232)

Included are all services where the mode of transportation cannot be clearly defined, e.g. multimodal forwarding services supplied to a non-resident or acquired from a non-resident forwarding agent, as well as cargo handling, storage and warehousing related to more modes of transportation (the whole amount of the agent fee).

Services related to transportation, but excluded from transportation services category:

- Repair and maintenance of transport equipment (001 Maintenance and repair services n.i.e.)
 - Leasing or rental services concerning vessels (sea, inland waterway), aircraft and land transport equipment without operator (272 Operational leasing services)
 - Rental of personnel (284 Other business services, n.i.e.)
 - Security services (284 Other business services, n.i.e.)
 - Sale and purchase of certificate of guarantee for transit transportation (284 Other business services, n.i.e.)
 - Freight insurance (255 Freight insurance)
 - Maintenance and repair services carried out on rail, airport and port buildings (Construction services)
- **Services observed by other surveys:**
- Sea round tour (travel)
 - Inland passenger transportation services supplied by resident suppliers to non-residents (travel)
 - domestic transportation of passengers provided by residents to non-residents (travel)
 - Costs of business trips (Airplane ticket, accomodation, car rental, etc.) (Travel)
 - Rental of vehicles under financial leasing (foreign trade in goods)

207 Sea transport, passenger

Included: TESZOR'15 50.1 Sea and coastal passenger water transport services.

Coastal and transoceanic water transport services of passengers by ferries, rental services of vessels for coastal and transoceanic water transport with operator.

Also: rental of coastal and transoceanic equipment for passenger transportation with crew (TESZOR'15 50.10.2.)

208 Sea transport, freight

Included: TESZOR'15 50.2 Sea and coastal freight water transport services, excluded: TESZOR'15 50.20.22 Towing and pushing services on sea and coastal waters (209 Sea transport, other).

Sea and coastal freight water transport services

Also: Rental services of sea and coastal water vessels for freight with operator. (TESZOR'15 50.10.2.)

209 Sea transport, other

Sea and coastal forwarding services (whole amount of commission fee) and other services related directly to sea transport, such as towing and pushing services on sea and coastal waters (TESZOR'15 50.20.22).

Also included: Those services under TESZOR'15 52.22 which are occurred in connection with sea transport: port and waterway operation services (excl. cargo handling), pilotage and berthing services, vessel salvage and refloating services, cleaning of sea transport equipment, storage, packaging, charges for the carriage of lorries, towing vehicles and their equipment on board a ship or ferry (purchase/sale of RO-RO, RO-LA tickets). (TESZOR'15 81.29.19)

211 Air transport, passenger

Included: TESZOR'15 51.1 Passenger air transport services, **excluded:** TESZOR'15 51.10.15 Non-scheduled passenger air transport services for sightseeing.

Air passenger transport services provided to or purchased from non-residents.

Also: Rental services of passenger air transport equipment with operator (TESZOR'15 51.10.2)

212 Air transport, freight

Included: TESZOR'15 51.2 Freight air transport services.

Freight air transport services provided to or purchased from non-residents.

Also included: Rental services of freight air transport equipment with operator (TESZOR'15 51.21.2), and air transport services of letters, parcels and of other freight.

213 Air transport, other

Included: TESZOR'15 52.23 Airport operation services (excluding cargo handling), air traffic control services and other services incidental to air transportation, **excluded** TESZOR'15 52.23.2 Auxiliary space transportation services

Air freight services provided to / from non-residents (total amount of commission) and services directly related to air transport: airport operation, air traffic service, warehousing, storage, packaging, ground handling, airport services (e.g. landing fee) other services auxiliary to air transportation, ticket sales commissions, aircraft cleaning (TESZOR'15 81.29.19), resp. services auxiliary to air passenger transport (e.g. catering, procurement for passenger catering TESZOR'15 56.29.11)

218 Space transport

Includes: TESZOR'15 51.22 All services in the space transportation sector; TESZOR'15 52.23.2 Auxiliary services to space transportation.

Satellite launch services provided to non-residents (eg telecommunications companies) / used by non-residents (eg satellite owner) and other operations performed by space operators, such as satellite launch fees, transport of goods and passengers for scientific experiment purposes. Also included are amounts paid to / received from non-residents for space travel by residents of a country.

220 Rail transport, passenger

Included: TESZOR'15 49.1 Passenger rail transport services, *interurban*.

Passenger rail transport services provided to or purchased from non-residents. Urban, suburban and interurban railway transport of passengers.

221 Rail transport, freight

Included: TESZOR'15 49.2 Freight rail transport services.

Freight rail transport services provided to or purchased from non-residents

222 Rail transport, other

Included: TESZOR'15 52.21.1 'Services incidental to land transportation.

Forwarding rail transport services provided to or purchased from non-residents (whole amount of commission fee), other supporting services for railway transport, as warehousing, storing, packaging, commission for ticket sale.

Also: railway pushing and towing, rail transportation of trucks and semitrailers (purchase/sale of RO-RO and RO-LA tickets).

224 Road transport, passenger

Included: TESZOR'15 49.32 Taxi operation services; TESZOR'15 49.39 Other passenger land transport services n.i.e. **Exception:** TESZOR'15 49.39.20 Passenger transport services by funiculars, teleferics and ski-lifts and TESZOR'15 49.39.32 Road transport services of passengers for sightseeing (travel, not part of the survey)

Scheduled or non-scheduled road transport services of passengers provided to or purchased from non-residents by coach or minibus.

Also: rental services of passenger cars, buses, coaches and trucks with operator for the purpose of passenger transportation.

225 Road transport, freight

Included: TESZOR'15 49.4 Freight transport services by road.

Freight road transport and moving services provided to or purchased from non-residents by refrigerator vehicles, tank trucks and semitrailers, man- or animal-drawn vehicles. Also: Rental services of trucks with operator with freight transporting purposes.

226 Road transport, other

Included: TESZOR'15 52.21.2 Services incidental to land transportation.

Forwarding road transport services provided to or purchased from non-residents (whole amount of commission fee), other supporting services for land transport, as bus station services, highway, bridge and tunnel operation services, parking lot services, and commission for ticket sale for ticket offices, freight brokerage commissions, warehousing, storage, cargo handling, packaging.

228 Inland waterway transport, passenger

Included: TESZOR'15 50.3 Inland passenger water transport services, except: TESZOR'15 50.30.13 Sightseeing and excursion boat services.

Inland water transport services of passengers by ferries or other inland water transport services of passengers, provided for or purchased from non-residents.

Also: rental services of inland water vessels with operator

229 Inland waterway transport, freight

Included: TESZOR'15 50.40.1 Inland freight water transport services.

Inland water transport services of freight by refrigerator vessels, tankers and other inland waterway transport services of freight provided for or purchased from non-residents.

Also: TESZOR'15 50.40.21 Rental services of inland water vessels for freight with operator.

230 Inland waterway transport, other

Forwarding inland waterway transport services provided to or purchased from non-residents (whole amount of commission fee), other supporting services for land transport, as towing and pushing services on inland waters (TESZOR'15 50.40.22).

Also included: Incidental services to inland waterway operation services TESZOR'15 52.22, as port and waterway operation services (excl. cargo handling), pilotage and berthing services, vessel salvage and refloating services and other supporting services for water transport; Other cleaning services of transport equipment (TESZOR'15 81.29.19), commissions for ticket sale, warehousing, storage, cargo handling and packing.

232 Other supporting and auxiliary transport services

Included: TESZOR'15 52.1 Warehousing and storage services; TESZOR'15 52.29 Other transportation support services.

Those transport services should be reported here whose classification is uncertain. For example in the case of multimodal transportation the commission fee paid or received for or from non-residents should be reported besides services incidental to multimodal transportation a cargo handling, storage, warehousing, packing and ticket selling commissions.

233 Pipeline transport

Included: TESZOR'15 49.5 Transport services via pipeline; TESZOR'15 52.21.3 Services incidental to transportation via pipelines.

Transport services via pipeline of petroleum, natural gas and other goods.

Excluded:

- Charge paid for electricity transmission when it can be separated from the production and distribution process. (284 Other business services n.i.e.)
- Purchase and sale of electricity is excluded (trade in goods).

234 Electricity transmission

Included: TESZOR'15 35.12 Transmission services of electricity

Movement or transfer of electric energy at high voltage over an interconnected group of lines and associated equipment between points of supply and the points at which it is transformed to low voltage for delivery to consumers or delivery to other electric systems. Charges for transmission when they are separated from production and distribution. Transmission is considered to have ended when the electricity enters distribution facilities of an electric system that deliver electricity to end-users.

Excluded:

- Charges for electricity distribution, which is the delivery of electricity from the substation to the consumer, if it can be clearly separated from transportation (284 Other business services n.i.e.).
- electricity itself (general merchandise)

244 Life insurance

Included: TESZOR'15 65.11 Life insurance services.

Gross premiums

Gross premiums paid by resident policy holders to non-resident insurance enterprises (import), as well as by non-resident policy-holders to resident insurers (export) in return for which the insurer guarantees to pay the policy holder an agreed minimum sum or an annuity at a given date or at the death of the policy holder, if this occurs earlier.

Gross (paid) claims

Gross claims paid to non-resident policy holders by resident insurance enterprises (import), as well as to resident policy-holders paid by non-resident insurers (export).

- at a given date or at the death of the policy holder

Excluded are:

- Term life insurance, where benefits are provided in the case of death but in no other circumstances (256 Other direct insurance)
- Claims under the social security scheme (current transfers)

247 Telecommunications services

Included: TESZOR'15 61 Telecommunications services.

Broadcast or transmission of sound, images, data, or other information (e.g. roaming fees) provided to non-residents or purchased from non-resident enterprises.

Means of transmission: telephone, telex, telegram, radio and television cable transmission, radio and television satellite, electronic mail, facsimile, etc.

- public telephone services
- wireless telecommunications services
- Internet backbone services
- on-line access services
- provision of access to the Internet
- Internet-based telecommunications services
- other telecommunications services (broadcast of TV and radio programs, business network services, teleconferencing and support services)
- cable broadcasting signal distribution
- maintenance in telecommunications

Excluded:

- value the transmitted information itself (out of scope)
- installation services for telephone network equipment (250 Construction abroad, 251 Construction in the compiling economy)
- database services (890 Other information services)
- Sale or Purchase of ownership rights reported to the National Bank of Hungary

248 Pension funds

Included: TESZOR'15 65.30 Pension funding services.

Gross (earned) premiums

Gross premiums paid by resident policy holders to non-resident pension funds (import), as well as by non-resident policy-holders to resident pension funds (export): social and disability pension.

Gross (paid) claims

Gross claims paid to non-resident policy holders by resident pension funds (import), as well as to resident policy-holders paid by non-resident pension funds (export).

- at the date of retirement

Excluded are:

- Claims under the mandatory social security scheme (current transfers)

250 Construction abroad

Included are: *TESZOR'15 41 Construction of buildings; TESZOR'15 42 Other construction; TESZOR'15 43 Specialized construction works Exception: TESZOR'15 43.13 Test drilling and boring works (882 Engineering services); TESZOR'15 71.12.2 Project management services for construction projects.*

Exports: total income from construction services provided to a non-resident abroad by a resident enterprise. Expenses emerged during the provision of construction services (goods and services used, wages) are also included:

- site formation and incidental services (painting, demolition, plumbing)
- general construction services, renovating, maintenance, expansion on dwellings and other (e.g. industrial) establishments
- high and low construction (construction of roads, tunnels, railways, bridges, dams and power plants)
- assembly, installation, renovation, expansion and repair of building machinery equipment
- rental services related to equipment construction or demolition with operator
- clearance services
- repair services related to construction, as well as repair on buildings of railway stations, airports and ports.
- project management services, building and technical assistance

Excluded are:

- mining, site formation related to mining, oil and gas extraction (283 Agricultural and mining services)
- disposal of polluted soil (282 Waste treatment and de-pollution)
- Installation services of industrial machinery and equipment (TESZOR'15 33.2) (284 Other business services n.i.e.)
- rental of construction machinery and equipment without operator (272 Operational leasing).
- Repair and maintenance of equipment and machinery localized in buildings (001 Maintenance and repair services n.i.e.)
- Construction and maintenance on buildings of government property (consulates, embassies etc.) – Government services
- Value of goods imported for construction from a third country (merchandise) and services (suitable services-category)

Excluded are:

- cost of goods and services bought by the construction enterprise in the country of investment, but imported from third country
- wage of non-resident employee if paid directly to the employees

251 Construction in the compiling economy

Included are: *TESZOR'15 41 Construction of buildings; TESZOR'15 42 Other construction; TESZOR'15 43 Specialized construction works Exception: TESZOR'15 43.13 Test drilling and boring works (882 Engineering services); TESZOR'15 71.12.2 Project management services for construction projects.*

Exports:

Goods and services acquired from the economy in which the construction activity is being undertaken by the non-resident construction enterprise (e.g. building materials).

Imports:

Total value of construction services provided to a Hungarian resident by a non-resident enterprise. Expenses emerged during the provision of construction services (goods and services used, wages) are also included:

- site formation and related services (painting, demolition, pipeline construction, landscaping))
- general construction services, renovating, maintenance, expansion
- construction services performed on dwellings and other (e.g. industrial) establishments
- high and low construction (construction of roads, tunnels, railways, bridges, dams and power plants)
- assembly, installation, renovation, expansion and repair of building machinery equipment
- rental services related to equipment construction or demolition with operator
- external cleaning of buildings
- repair services related to construction, as well as repair on buildings of railway stations, airports and ports.
- project management services, building and technical assistance

Excluded are:

- mining, site formation related to mining, oil and gas extraction (283 Agricultural and mining services)
- disposal of polluted soil (282 Waste treatment and de-pollution)
- Installation services of industrial machinery and equipment (TESZOR'15 33.2) (284 Other business services n.i.e.)
- rental of construction machinery and equipment without operator (272 Operational leasing).
- repair and maintenance of equipment and machinery localized in buildings (001 Maintenance and repair services n.i.e.)
- construction and maintenance on buildings of government property (consulates, embassies etc.) – Government services
- expenditure on goods and services imported by the construction company for construction from the country of the construction company / third country
- Wages and salaries if they are directly paid to the employees. (Out of scope)

252 Standardized guarantee services

Standardized guarantee services are services that constitute arrangements whereby one party (the guarantor) undertakes to cover the losses of the lender in the event that the borrower defaults.

Only in the means of financial assets but not in the case of guarantees and warrants issued by manufacturers

Class of identical financial guarantees (that is, similar types of credit risk) that are issued in large numbers, usually for small amounts (e.g. export credit guarantees and student loan guarantees).

Imports: guarantee fees paid to non-resident guarantees by resident guarantors

Exports: guarantee fees paid to resident guarantees by non-resident guarantors

255 Freight insurance

Based on an existing insurance contract between the resident insurance company and the non-resident client or between the non-resident insurance company and the resident client.

Included: TESZOR'15 65.12.36 Freight insurance services.

Freight insurance services relate to premiums and claims of insurance provided between a resident and a non-resident of the compiling economy on goods being transported. Freight insurance provides coverage against theft of, damage to, or complete loss of freight.

Excluded:

- Insurance related to vehicles of freight transportation (256 Other direct insurance)

256 Other direct insurance

Based on an existing insurance contract between the resident insurance enterprise and the non-resident injured party, neither between the non-resident insurer and the resident injured party.

Included: TESZOR'15 65.12 Direct insurance - Other direct insurance, except: TESZOR'15 65.12.36 Freight insurance services (EBOPS 255 - Freight insurance).

Included are gross premiums and claims related to the following insurances:

- liability insurance (motor vehicle insurance) and Hungarian CASCO
- fixed term (high risk) life insurance
- passenger insurance, accident and health insurance
- Marine, aviation and other transport insurance,
- Fire and other property insurance,
- Financial loss insurance,
- General liability insurance,
- Other insurance (related to e.g. travel, credit card etc.).

Excluded:

- Premiums under the social security scheme (current transfers)
- Freight insurance (EBOPS 255 Freight insurance)

257 Passive reinsurance

Included: TESZOR'15 65.20 All passive reinsurance under Reinsurance services.

Imports: Earned premiums

Exports: Net claims

258 Auxiliary insurance services

Included: TESZOR'15 66.2 Services auxiliary to insurance and pension funding.

Auxiliary services comprises transactions that are closely related to insurance and pension fund operations.

Included are:

- Agents' commissions,
- Insurance brokering and agency services,
- Insurance and pension consultancy services,
- Evaluation and adjustment services,
- Actuarial services,
- Salvage administration services, and regulatory and monitoring services on indemnities and recovery services.

259 Active reinsurance

Included: TESZOR'15 65.20 All active reinsurance under Reinsurance services.

Imports: Net claims

Exports: Earned premiums

260 Financial services

Included: TESZOR'15 64 Financial services, except insurance and pension funding TESZOR'15 66.1 Services auxiliary to financial services, except insurance and pension funding, except: TESZOR'15 66.11 Other services related to the administration of financial markets TESZOR'15 66.3 Fund management services; TESZOR'15 82.91 Collection agency and credit bureau services.

Financial intermediation and auxiliary services provided to non-residents (exports) or purchased from non-resident enterprises (imports)

Explicit commissions and fees associated with financial transactions, such as commissions to the following financial instruments and activities:

- agent fees for financial services, credit organization fees (e.g. commissions after syndicated credits), financial advice
- deposit taking and lending, including mortgage and non-mortgage loan services for business and personal purposes;
- letters of credit, bankers' acceptances, lines of credit and other similar instruments; fees and commissions related to financial leasing, factoring and financial derivative transactions;
- underwriting, placement of issues, brokerage and redemption of securities, including commissions related to the income payments related to securities;
- clearing of payments;
- financial services rendered by postal administration entities (postal giro, banking and savings account services)

Implicit financial services fees associated with transactions on the stock exchange (foreign currency, securities, bonds, financial derivatives and other instruments) such as: commissions, account fees, spreads (margins of buying and selling transactions; essentially the commission of the trader)

Services associated with other financial activities:

- Financial advisory services;
- Custody services for financial assets or bullion;
- Financial asset management services (TESZOR'15 64.20); Services of trusts, funds and similar financial entities (TESZOR'15 64.30)
- Merger and acquisition services;
- Corporate finance and venture capital services;
- Credit card and other credit granting services;
- commodity market services (e.g. commissions of brokers)
- Administration of financial markets;
- Credit rating.
- risk-taking (not included in **insurance** services)
- amenities related to financial services

Service transactions between resident or non-resident entities with the sole or predominant function of holding financial assets on behalf of their owners (mutual funds, holding companies and trusts): custodies, administrative fees corresponding to handling financial assets (fund or deposit managing fees, fees paid to banks, accountants, attorneys or own staff)

Excluded are:

- Interest earned on deposits, loans, financial leases and debt securities (this is investment income, not included in services); dividends, option fees
- Value of goods delivered within the frame of a leasing contract (merchandise, part of International Trade of Goods Statistics)
- Life insurance and pension intermediation services (244 Life insurance, and 248 Pension funds);

- Non-financial advisory services provided by banks (under the corresponding service category);
- Gains and losses on own-account sales of securities and financial derivatives Service fees for deposits and loans related to mortgage and non-mortgage based credits for enterprises and individuals

263 Computer services

Included: TESZOR'15 62 Information technology and computer services, except: TESZOR'15 62.01.2 Software originals; TESZOR'15 63.1 Computer services - Other computer services, except: TESZOR'15 63.12.10 Web portal content.

Computer services consists of hardware and software-related services and data-processing services between non-resident and resident enterprises.

- Sales of customized software (however delivered) and related licenses to use
- Development, production, supply and documentation of customized software, including operating systems, made to order for specific users
- Non-customized (mass-produced) software downloaded or otherwise electronically delivered (general business productivity software, computer game software, and other applications) and other downloaded contents whether with a periodic licence fee or a single payment
- Licenses to use non-customized (mass-produced) software provided on a storage device such as a disk or CD-ROM with a periodic licence fee
- Hardware and software installation, including installation of mainframes and central computing units
- supervising of outsourced services
- hardware-consultancy (about IT resources and equipment; systems; system-security etc.)
- software-consultancy
- implementation services
- maintenance and repair of computers and peripheral equipment (TESZOR'15 95.11)
- recovery services of damaged software
- Analysis, design and programming of systems ready to use (including web page development and design), and technical consultancy related to software;
- systems maintenance and other support services, such as training provided as part of consultancy;
- Data-processing services, such as data entry, tabulation and processing on a time-sharing basis;
- IT school services TESZOR'15 85.59.12
- web page hosting services (i.e., the provision of server space on the Internet to host clients' web pages);

Excluded are:

- Provision of packaged, non-customized software on storage devices with licenses that convey perpetual use (general merchandise).
- Charges for licenses to reproduce and/or distribute computer software (893 Charges for the use of intellectual property n.i.e.)
- Non-specific computer training courses (895 Education services);
- Database services (890 Other information provision services);
- Sale of internet advertising space based on a contract (278 Advertising, market research, and public opinion polling).
- Sale or Purchase of ownership rights reported to the National Bank of Hungary

270 Merchating

Merchating is a trilateral transaction, which is defined as the purchase of a good by a resident (of the compiling economy) from a non-resident and then the subsequent resale of the good to another non-resident. Direct and indirect merchating can be distinguished.

- Direct merchating: goods are shipped without crossing Hungarian territory between two member states or between a member state and a non-EU country or between two non-EU countries. Also if the purchase and sale occurs in the same country.
- Indirect merchating: goods are crossing also the Hungarian borders. Two cases are known:
 - goods enter Hungary only as a transit, i.e. goods stop only because of repacking, loading, unloading, etc.
 - goods are stored in Hungary:

271 Other trade-related services

Included: TESZOR'15 46.1 Wholesale trade services, except of motor vehicles and motorcycles.

Commissions on goods and service between residents and non-residents:

- *commissions* paid to non-resident merchants, commodity brokers, dealers, auctioneers and commission agents / commissions received
- auctioneer's fee
- agent's commission on sales of ships, aircraft and other goods.

If the trader owns the goods being sold, the trader's margin is generally included indistinguishably in the value of the goods.

Excluded are:

- if the trade is on the own account for the own benefit
- If the trader owns the goods being sold, the trader's margin is generally included indistinguishably in the value of the goods.
- franchise fees (893 Charges for the use of intellectual property n.i.e.)
- brokerage in financial services (260 Financial services)
- commissions related to transport (transport)
- fees and commissions paid to insurance brokers (258 Auxiliary insurance services)

272 Operational leasing services

Included: TESZOR'15 77 Rental and leasing services, except: TESZOR'15 77.4 Rental and leasing services of immaterial goods.

Operational leasing services covers resident/nonresident leasing (rental) and charters, without operators, of

- ships, aircraft and transportation equipment and other equipment (e.g. agricultural, construction, office, telecommunication equipment, n.i.e), such as railway cars, containers and rigs, without crew
- the leasing payments relating to other types of goods (agricultural, construction, office equipment, computers, electronic instruments, telecommunication equipment, household items, other machinery)

Operating leasing of dwellings and other buildings is included in this item.

Excluded are:

- rental of buildings by international organizations, embassies, etc. (out of scope).
- real estate agency services (284 Other business services n.i.e.),
- rental of ships and aircraft with crew (included in transportation services),
- rental of agricultural, mining equipment (283 Agricultural and mining services),
- leasing of telecommunications lines or capacity (247 Telecommunications services),
- hotel and vehicle rentals of travelers for personal purposes (travel – out of scope)
- financial leasing (general merchandise)

275 Legal services

Included: TESZOR'15 69.1 Legal services.

Services transactions between residents and non-residents, such as:

- legal advisory and representation services in any legal, judicial and statutory procedures,
- drafting services of legal documentation and instruments,
- certification consultancy and
- escrow and settlement services.

Excluded are:

- Duties and penalties.

276 Accounting, auditing, book-keeping and tax consulting services

Included: TESZOR'15 69.2 Accounting, bookkeeping and auditing services.

Services transactions between residents and non-residents, such as:

- financial auditing services,
- accounting review services,
- compilation of financial statements services,
- other accounting services,
- book-keeping services, except tax returns,
- individual tax preparation and planning services,
- insolvency and receivership services.

277 Business and management consulting and public relations services

Included: TESZOR'15 70 Business management consulting services, except: TESZOR'15 70.22.4 Trademarks and franchises (out of scope).

Between residents and non-residents

- advisory, guidance and operational assistance services provided to businesses for business policy and strategy (general, financial, marketing, HR, organization of production, PR)
- other (topic management, program-coordination, other business consultancy n.i.e.)

Included:

- policy and strategy
- overall planning, structuring and control of an organization,

- advisory, guidance and operational services related to improving the image of the clients and their relations with the general public and other institutions
- management auditing,
- market management, human resources, production management and project management consulting,
- project management consulting which are not related to construction

Service transactions between resident and non-resident affiliates, if they cannot be classified in another service category, are also included here. Such transactions may include payments made by branches, subsidiaries, associates to their parent and other entities within the group, which include contributions to general administrative expenses (planning, organization, control) and related to utility costs. These are also called intercompany invoices.

Excluded:

- advertising services (278 Advertising, market research and public opinion polling),
- services related to construction planning (280 Architectural, engineering and other technical services),
- construction related project management (Construction),
- insolvency and receivership services (276 Accounting, auditing, book-keeping and tax consulting services)
- trademark, franchise (893 Charges for the use of intellectual property n.i.e.)

278 Advertising, market research and public opinion polling

Included: TESZOR'15 73 Advertising and market research services.

Services transactions between residents and non-residents, such as:

- planning, creating and placement services of advertising,
- Purchase and sale of advertising space or time in motion picture, video and television products (printed media, television, radio, web and other interface). Own advertisement place and purchase or sale of advertising space or time, on commission also included. TESZOR'15 59.11.3
- Convention and trade show organization services TESZOR'15 82.3,
- other advertising services,
- telemarketing, direct marketing
- market research and public opinion polling services,
- promotion of sport events,

Excluded are:

- PR-services (277 Business and management consulting and public relations services)

282 Waste treatment and depollution

Included: TESZOR'15 37 Sewerage services; sewage sludge; TESZOR'15 38 Waste collection, treatment and disposal services; materials recovery services; TESZOR'15 39 Remediation services and other waste management services.

- the treatment of radioactive and other waste;
- cleaning up of pollution including oil spills;
- restoration of mining sites;
- decontamination and sanitation services.
- Also included are all other services that relate to the cleaning or restoring of the environment, including the CO2 emission reducing procedures.
- wastewater treatment, sanitation, cesspool cleaning, disinfection
- stripping of contaminated soil;
- drainage
- snowplowing

Excluded:

CO2 emission permit payments

283 Agricultural, mining, and other on-site processing services

Included: TESZOR'15 01.6 Agricultural and animal husbandry services; TESZOR'15 01.7 Hunting and trapping and related services; TESZOR'15 02 Products of forestry, logging and related services; TESZOR'15 75 Veterinary services; TESZOR'15 81.3 Landscape services; B Mining and Quarrying.

Agricultural services comprises:

- provision of agricultural machinery with crew,
- harvesting, treatment of crops,
- pest control,
- animal boarding, animal care, and breeding services,
- veterinary services
- hunting, trapping, forestry, logging, and fishing services.

Mining services comprises:

- Derrick erection, repair and dismantling services and related support services to petroleum and natural gas extraction TESZOR'15 09.10.12
- Support services to petroleum and natural gas extraction TESZOR'15 09.90.19
- Support services to other mining and quarrying TESZOR'15 09.9
- Services incidental to mineral prospecting and exploration, as well as mining engineering and geological surveying.

Excluded are:

- Non-agricultural pest control (284 Other business services n.i.e.)

284 Other business services n.i.e.

Other business services covers services transactions between residents and non-residents, such as

- Employment services TESZOR'15 78.1, 78.2, 78.3
- security services (airports, stations),
- Security and investigation services TESZOR'15 80
- translation and interpretation TESZOR'15 74.3,
- photographic services TESZOR'15 74.2 (excluded : fees charged by photo reporters),
- Cleaning services, general cleaning disinfecting and exterminating services TESZOR'15 81.2
- real estate services to businesses,
- Distribution services of electricity, gaseous fuels, steam and hot water supply services through mains, cooled air and chilled, treatment and distribution services of water through mains and services related to cross-border capacity trade (ATC as Available Transfer Capacity) TESZOR'15 35.13, TESZOR'15 35.22, TESZOR'15 35.30.12, TESZOR'15 35.30.22, TESZOR'15 36.00.2;
- Publishing services of books, periodicals and other publishing services TESZOR'15 58.1, Printing and recording services TESZOR'15 18, except Printing plates or cylinders and other impressed media for use in printing TESZOR'15 18.13.2
- industry related installation services TESZOR'15 33.2
- air conditioning
- Taxidermy services TESZOR'15 32.99.6
- fashion design, furnishings
- indirect customs agency services,
- conference participation fee,
- preparation of postal delivery
- packaging services TESZOR'15 82.92.10
- call-center and other office supply services,
- management fees
- event organization
- other services n.i.e.

Excluded are:

- transportation of electricity, water, gaseous fuel and petroleum (transportation)
- intercompany fees

288 Audio-visual and related services

Included: TESZOR'15 59 Motion picture, video and television program production services, sound recording and music publishing, except: TESZOR'15 59.11.21 Motion picture, video and television program originals; TESZOR'15 60 Programming and broadcasting services; TESZOR'15 90.01 Services of performing artists; TESZOR'15 90.02 Support services to performing arts; TESZOR'15 90.03 Artistic creation.

- services and associated fees related to production of motion pictures (on film, videotape, disk, or transmitted electronically, etc.), radio and television programs (live or on tape) and musical recordings, shooting of a movie or reality show
- other activity and post-production on audiovisual products (digital enhancement, musical editing, subtitling, etc.)
- charges for access to encrypted television channels (such as cable and satellite services)
- Rental services of video tapes and disks TESZOR'15 77.22
- streaming
- Promotion, presentation, and recording of artistic or other performances (concerts, stage, dance and other entertainment)
- fees to actors, directors, and producers involved with theatrical and musical productions, sporting events, circuses, and other similar events (by non-residents for work carried out in the compiling economy unless they are employees of the entity making payments, in which case the transactions are classified as compensation of employees)
- fees paid to freelance costume designers, stage designers and gaffers

Purchase and sale of licenses related to audiovisual services in the following cases:

- licenses to use of original audiovisual product (music, movie)
- Mass-produced audio-visual products (movies and music, including recordings of live performances) that are purchased or sold outright or for **perpetual use**, are included under audio-visual services if downloaded (in other words, delivered electronically, not in original version).
- Audiovisual products (cd, dvd) obtained through a license to use (for a limited period) and other online content related to audio and visual media (projection fee).

Excluded are:

- mass-produced audiovisual products obtained through a perpetual licence to use (general merchandise)
- Charges or licenses to reproduce and/or distribute audio-visual products (893 Charges for the use of intellectual property n.i.e.)
- reproduction of audio-, visual and video recordings (284 Other business services n.i.e.)
- purchase and sale of advertising space or time in motion picture, video and television products (printed media, television, radio, web and other interface). (278 Advertising; market research; and public opinion polling)
- original copies of motion pictures, videos, TV programmes; original manuscripts of literary works (893 Charges for the use of intellectual property n.i.e.)
- transactions relating to the selling of exclusive rights (for example, the exclusivity of a publisher to publish literary works of an author) (893 Charges for the use of intellectual property n.i.e.)
- Sale or Purchase of ownership rights reported to the National Bank of Hungary

Government goods and services (EBOPS 292, 293, 294)

Government services can be reported by institutions of the central budget, of the central appropriation, of the separate state fund or which control the monetary funds of the social insurance.

Imports:

Costs emerged for goods and services, such as for

- office equipments, furnituring
- utility and rent
- company vehicles
- maintenance and repairment
- investments (except: purchases of land or buildings)
- home renovation
- event management
- membership fees
- training, education or delegacy of employees and their relatives of Hungarian cultural institutions and consulates abroad. Personal expenditures paid in the host country for **non-residents** (foreigners)

Exports:

Incomes deriving from **non-residents** (foreigners), such as:

- incomes from rental fees
- others (selling of company cars)

292 Diplomatic services

Services of embassies and consulates

- Expenditures of Hungarian diplomatic missions abroad, such as operating costs, purchase of office supplies, wages of foreign employees (imports)
- Revenues from Hungarian diplomatic missions abroad, such as visa revenues, income from passport issuing (exports)

293 Military services

Expenditures and revenues of military services of governmental bodies

Included are

- rental of militar equipments and vehicles
- corresponding trainings
- military exercises taken place on foreign lend and corresponding logistic costs or contributions (imports)
- military exercises in Hungary and corresponding logistic costs or contributions (exports) emerged at military units and agencies.

294 Other government goods and services, n.i.e.

- Tax refund from international organisations
- Costs and revenues of missions of cultural institutions

Excluded:

- Country marketings (278 Advertising, market research and public opinion polling)

858 Claims related to freight insurance

There is no insurance contract between the resident insurance enterprise and the non-resident injured party, neither between the non-resident insurer and the resident injured party

Included are freight insurance related claims received from (export) and paid to (import) non-residents, where there is only loss adjustment – but no insurance contract – between the insurer and the injured party.

859 Claims related to other direct insurance

There is no insurance contract between the resident insurance enterprise and the non-resident injured party, neither between the non-resident insurer and the resident injured party

Included are other direct insurance related claims received from (export) and paid to (import) non-residents, where there is only claims adjustment – but no insurance contract – between the insurer and the injured party.

Included are claims related to the following insurances:

- liability insurance (motor vehicle insurance) and Hungarian CASCO
- fixed term (high risk) life insurance
- passenger insurance, accident and health insurance
- Marine, aviation and other transport insurance (Shipping vessels, lorries, etc.),
- Fire and other property insurance,
- Financial loss insurance,
- General liability insurance,
- Other insurance (related to e.g. travel, credit card etc.).

876 Provision of customized and non-customized research and development services

Included: TESZOR'15 72 Research and experimental development services in other natural sciences: covers the provision of research and development services that are made-to-order (customized) and development of non-customized research and development, excluding sales of proprietary rights, and sales related to licenses to reproduce or use

Research and development services **covers** services transacted between residents and nonresidents and associated with

- basic research,
- applied research and
- experimental development of new products and processes.

In principle, such activities in the physical sciences, social sciences and humanities are covered, including the development of operating systems that represent technological advances. Also included is commercial research related to electronics, pharmaceuticals and biotechnology.

Research and development represent expenditures on work undertaken on a systematic basis to increase the stock of knowledge, and use of this stock of knowledge for the purpose of discovering or developing new products (goods and services), including improved versions or qualities of existing products, or discovering or developing new or more efficient processes of production.

The classification of the research and development services is based on the principles of the Hungarian Intellectual Property Office and the definitions in the *Frascati Manual*.¹

Excluded are:

- Outright sales of proprietary rights resulted from research and development (out of scope).
- amounts payable for use of proprietary rights arising from research and development (893 Charges for the use of intellectual property n.i.e.)
- market research (278 Advertising, market research and public opinion polling)
- technical studies and consultancy work (277 Business and management consulting and public relations services)
- education related to research and development (895 Education services)
- other scientific and technical activity (883 Scientific and other technical services)
- Sale or Purchase of ownership rights reported to the National Bank of Hungary

878 Other research and development services

Included all research and development that are not covered under 876 Provision of customized and non-customized research and development services, such as:

- research and development on an already existing patent
- test run, experimental works for collecting R+D data
- prototype design, examination, development

¹ 1 The Frascati Manual can be downloaded from the website of the National Research, Development and Innovation Office (<http://www.nih.gov.hu>)

- clinical tests before licensing for production
- technical testing, analysis
- research and development of products/procedures n.e.c.

Excluded are:

- Outright sales of proprietary rights resulted from research and development (out of scope).
- amounts payable for use of proprietary rights arising from research and development (893 Charges for the use of intellectual property n.i.e.)
- market research (278 Advertising, market research and public opinion polling)
- technical studies and consultancy work (277 Business and management consulting and public relations services)
- education related to research and development (895 Education services)
- other scientific and technical activity (883 Scientific and other technical services)
- Sale or Purchase of ownership rights reported to the National Bank of Hungary

881 Architectural services

Included: TESZOR'15 71.11 Architectural services for buildings.

Transactions related to the design of buildings (expertise, consultancy, design, others)

- urban and other investment developments – planning and documentation
- gardening and environmental design
- urban planning, landscaping

Excluded are:

- design and assembly of industrial process control equipment and automatized production plants (Construction)
- other plans and designs related to construction (static plans, building machinery plans) (882 Engineering services)

882 Engineering services

Included: TESZOR'15 71.12.1 Engineering services; TESZOR'15 74.90.13 Environmental consulting services; TESZOR'15 43.13 Test drilling and boring works.

Design, development and utilization of machines, materials, instruments, structures, processes and systems; provision of designs, plans and studies related to engineering projects.

- technical engineering (planning of building structures, foundation, machinery, electricity, low construction, technology and products and others)
- engineering for industrial, transportation, telecommunications and other projects

Further examples:

- advisory materials and consultancy (feasibility studies and investment-effect studies)
- planning of industrial processes and production engineering (e.g. placement of machinery, design of industrial plants, planning of instrumentation)

Excluded are:

- Mining engineering (283 Agricultural and mining services)
- damage assessment (258 Auxiliary insurance services)

883 Scientific and other technical services

Included: TESZOR'15 71.12.3 Geological, geophysical and related prospecting and consulting services; TESZOR'15 71.2 Technical testing and analysis services.

Scientific and other technical services, such as:

- surveying, cartography
- product testing and certification
- quality control, quality certification
- environmental consultancy
- meteorological service

889 News agency services

Included: TESZOR'15 63.9 Information services - News agency services

News agency services include the provision of news, photographs, and feature articles to the media such as:

- Subscription to news-agency services, which may also include on-line database services;
- Purchase and sale of exclusive information;
- Charge paid to free-lance journalists, photographers and photo reporters;

890 Other information provision services

Included: TESZOR'15 58.12 On-line directories and mailing lists; TESZOR'15 58.13 On-line newspapers; TESZOR'15 91.01 Library and archive services.

Database-services between resident and non-resident enterprises, such as:

- Database design,
- Data storage,
- Dissemination of data and databases (including directories and mailing lists), both on-line and through magnetic, optical or printed media,
- Operation of search engine portals (TESZOR'15 63.12.10)
- Library and archive services
- Downloaded content that is not software or an audio-visual or related product
- Direct, non-bulk subscriptions to newspapers and periodicals, whether by mail, electronic transmission or other means
- Subscriptions to databases of newspapers, periodicals and maps (e.g. GPS),
- On-line journals, periodicals and seasonal publications TESZOR'15 58.14.20
- On-line adult content (TESZOR'15 58.19.21), Other on-line content n.i.e. e.g. picture, text, information, online editions (TESZOR'15 58.19.29)

Excluded are:

- bulk newspapers and periodicals (general merchandise);
- sale of internet advertising space (278 Advertising, market research, and public opinion polling).

893 Charges for the use of intellectual property n.i.e.

Charges for the use of proprietary rights, such as patents, trademarks, copyrights, industrial processes and designs, trade secrets, and franchises, where rights arise from research and development, as well as from marketing:

- patents, other intellectual property rights
- trademarks (words, symbols, designs or the combination of the previous, which distinguish the owner's product or service from other products or services)
- copyright
- industrial processes and designs
- trade secrets
- royalty (brand name)
- franchise fees (assigning the use of images, designs, products; assigning the use of industrial technologies). The franchise fee can contain the educational, advising, advertisement services if they are not done separately

Charges for licenses to reproduce and/or distribute intellectual property embodied in produced originals or prototypes (unless the distribution is considered wholesale or retail) – without regard if the product is unique or mass produced, without regard of the licence type (temporary or perpetual) and without regard if the product is sold to a distributor or end user:

- computer software
- copyrights on books and manuscripts
- cinematographic works, sound recordings and other audiovisual products
- recording of live performances
- television, cable or satellite broadcast
- live broadcast of sports events
- other related rights (for literary translation, replicas of paintings and statues)

Excluded are:

- use of customized software and/or audiovisual product (263 Computer software / 288 Audiovisual services)
- royalty for Non-customized (mass-produced) software or audiovisual product downloaded or otherwise electronically delivered (263 Computer software / 288 Audiovisual services)
- Licenses to use non-customized (mass-produced) software provided on a storage device such as a disk or CD-ROM with a periodic licence fee (263 Computer software / 288 Audiovisual services)
- Sales and purchases of the above (out of scope)
- Packaged (mass-produced, non-customized) sale of software and audiovisual products with licenses for perpetual use (merchandise)
- Sale or Purchase of ownership rights reported to the National Bank of Hungary

895 Education services

Included: TESZOR'15 85 Education services, except: TESZOR'15 85.59.12 IT school services (263 Computing service).

Education services comprise services supplied between residents and non-residents relating to education, such as

- primary, secondary and higher education.
- correspondence courses,
- education via television or the Internet,

- education by teachers who supply services directly in host economies,

Excluded are:

- special, custom-tailored computer courses (263 Computer services),
- education services acquired by tourists/ students in the visited country (included in travel).

896 Health services

Included: TESZOR'15 86 Human health services.

Health services rendered between residents and non-residents, provided by doctors, nurses and paramedical and similar personnel, as well as laboratory and similar services, whether rendered remotely or on-site.

Such as:

- Health care, inpatient care, primary care,
- dental services
- diagnostic-imaging services
- pharmaceutical services
- rehabilitation services
- other human health services (nursing, obstetrics, paramedic, psychiatry, etc.)
- radiology
- blood bank, donor bank services

Excluded are:

- all expenditure by travellers on health (included in travel).
- veterinary services (283 Agricultural and mining services)
- pharmacy services (merchandise)

897 Other personal services

Included: TESZOR'15 87 Residential care services; TESZOR'15 88 Social work services without accommodation; TESZOR'15 94 Services furnished by membership organizations; TESZOR'15 96 Other personal services.

Such as: social services, services furnished by membership organizations, church and political activities, membership dues of business associations, washing and dry cleaning services, beauty treatment services, domestic services, etc.

Excluded are:

- membership dues of international organizations (out of scope)

898 Heritage and recreational services

Included: TESZOR'15 56 Food and beverage serving services, except: TESZOR'15 56.10.12 Meal serving services in railway dining cars and on ships (209 Sea transport, other /222 Rail transport, other); TESZOR'15 91 Library, archive, museum and other cultural services, except: TESZOR'15 91.01 Library and archive services (890 Other information services); TESZOR'15 92 Gambling and betting services; TESZOR'15 93 Sporting services and amusement and recreation services.

Included: services associated with museums and other cultural, sporting, gambling and recreational activities, organising sports events, services of sports clubs, reservation services for event tickets, entertainment and recreational services and other reservation (TESZOR'15 79.90.39).

Gambling and lottery services include both service charges by the unit organizing the lottery or gambling and the payable amounts to the winners (or charities in some cases)

Excluded:

- sporting, gambling and recreational activities of persons outside their economy of residence (*included in travel*).

958 Postal services

Included: TESZOR'15 53.1 Postal services.

Postal services cover the pick-up, transport, and delivery of letters, newspapers, periodicals, brochures, other printed matter, parcels, and packages between residents and non-residents and provided by national or other postal administrations.

Further examples:

- post office counter services, such as sales of stamps, poste restante services and telegram services, mail tracking, time guaranteed services, collecting services, etc.
- services related to undelivered mails
- mailbox rental services, document preparation and other specialized office support services (TESZOR'15 82.19.13)
- express and door to door services:
 - deadline delivery
 - re-delivery (towards countries where costs are less)
 - delivery of bought goods, ordered food

Excluded are:

- financial services rendered by postal administration entities, such as postal giro, banking and savings account services (260 Financial services)
- mail preparation services (284 Other business services n.i.e.)
- administration services related to postal communication systems (247 Telecommunications services)
- movement of mail carried by air transport enterprises (212 Air transport, freight)
- International transportation of postal package by contracted freighters or carriers (transport)
- Postal services provided to travellers (travel)

959 Courier services

Included: TESZOR'15 53.2 'Other postal and courier services n.e.c.

Pick-up, transport, and delivery of letters, newspapers, periodicals, brochures, other printed matter, parcels, and packages between residents and non-residents.

Further examples:

- Services provided by couriers
 - express and door to door services
 - deadline delivery
 - delivery pick up
- shipping purchased goods
- food delivery

Excluded:

- Mail preparation services (284 Other business services n.i.e.)
- movement of mail carried by air transport enterprises (212 Air transport, freight)
- International transportation of postal package by contracted freighters or carriers (transport)
- storage and warehousing (232 Other supporting and auxiliary services)