

**COUNTRY PROFILE REPORT OF ITJ DIVISION, DGCI&S DATED 20-12-2023**  
**INDIA- SPAIN BILATERAL TRADE RELATIONS**

## **INTRODUCTION & BRIEF ECONOMIC ACCOUNT**

The Kingdom of Spain, in south-western Europe, forms more than four-fifths of the Iberian Peninsula. The country also includes the Balearic Islands in the Mediterranean Sea, the Canary Islands in the Atlantic Ocean and a few small enclaves in Morocco. Mainland Spain is bounded to the north by France and to the west by Portugal. To the east is the Mediterranean Sea, and Morocco lies 30 km to the south. Spain is member of the United Nation, World Trade Organisation and the Council of Europe.

2. In IMF's Article IV Consultation Report of January 2023, it has been recorded that Executive Directors had commended Spain's economic resilience and strong labour market performance in the context of successive shocks. However, it may be mentioned, that the outlook is subject to significant uncertainty given vulnerability to spill overs from Russia's war in Ukraine, weaker global demand, tighter financial conditions, and elevated energy prices. "IMF Directors commended the authorities for their timely policy support to help households and firms deal with surging energy prices. They welcomed the recent steps toward better targeting and greater preservation of price signals in the support package approved for 2023".

A snapshot of Spain's selected economic indicators is presented at **Annexure – I**.

## **FOREIGN TRADE**

3. The major merchandise export partners of Spain are France, Germany, Italy, Portugal, United Kingdom etc. Major four exported goods of Spain are (i) Petroleum oils, etc, (excl. crude); (ii) Medicaments of mixed or unmixed products, (iii) Automobiles with reciprocating piston engine (iv) Automobiles including gas turbine powered. On the other hand major four import partners of Spain are Germany, France, China and Italy. Four major imports include (i) Petroleum oils and oils obtained from bituminous, (ii) Other medicaments of mixed or unmixed products, (iii) Petroleum oils, etc, (excl. crude); and (iv) Motor vehicle parts. **(Source: World Integrated Trade Solution).**

4. Spain's total exports in 2018 were of the order of US\$ 424,286 million and subsequently declined for two consecutive years to US\$ 391,559 million in 2019 and US\$ 312,080 million in 2020 and has increased to US\$ 337,215 million in 2021 & and US\$ 346,064 million in 2022. During the period from 2018 to 2022, the annual average compound rate of growth of exports was -4.97%. Spain's total exports in 2022 were way lower than 2018 levels.

5. Spain's total imports in 2018 were of the order of US\$ 499,055 million and subsequently declined for two consecutive years to US\$ 426,060 million in 2019 and US\$ 329,739 million in 2020 and has increased to US\$ 375,485 million in 2021 & US\$ 391,057 million in 2022. During the period from 2018 to 2022, the annual average compound rate of growth of Imports was -5.91%. Total imports in 2022 were way lower than 2018 levels

A snapshot of Spain's overall Trade Statistics based on UN Comtrade Database is presented in **Annexure-II [Table 1: Figure 1]**

## **BILATERAL TRADE WITH INDIA**

### **Merchandise Trade**

Spain is India's 6th largest trade partner in the European Union in 2021. Economic ties between India and Spain has evolved overtime. Indo-Spain total volume of bilateral trade in FY 2018-19 was of the order of Rs.40,946.97 crores. It has increased to Rs.61,401.71 crores in FY 2022-23. The annual compound growth rate of volume of trade during the period from 2018-19 to 2022-23 has been of the order of 10.66%.

2. It is clear from the available figures that between 2018-19 and 2022-23 India enjoyed a regular surplus Balance of Trade with Spain. Exports from India to Spain increased remarkably in 2021-22 vis-a-vis 2020-21 followed by a deceleration in 2022-23. On the other hand, imports from Spain to India have increased quite significantly in 2021-22 vis-a-vis 2020-21 followed by an another significant leap in 2022-23. The total volume of trade has thus increased from 2020-21 to 2021-22 and further to 2022-23 although rate of growth has moderated between 2021-22 and 2022-23.

A snapshot of India's trade statistics w.r.t. Spain based on DGIC&S database is presented in **Annexure-II [Table 2: Figure 2]**.

3. Additionally, **from Tables 3 & 4 presented at Annexure-II below** the following are stated:

a. Iron & Steel, RMG Cotton Incl. Accessories and Organic Chemicals occupy the top three slots in India's exports to Spain in the year 2022-23.

b. Petroleum: Crude, Petroleum Products and Residual Chemicals & Allied Products are the three major commodities in India's imports list from Spain. in the year 2022-23. Data indicates that Petroleum Crude has been imported in 2022-23 and not in the preceding years back since 2018-19.

4. In FY 2021-22 India had exported Software as well as non-software's services worth USD 172.092 million to Spain. (As per DGCI&S database)

### **“NOTICE”**

**Rights of permission for reproduction in part or entirely of these official papers published in the Indian Trade Journal is reserved by the Directorate General of Commercial Intelligence & Statistics, Kolkata – 700 107.**

<b>Spain: Selected Economic Indicators</b>							
(Annual percentage change, unless noted otherwise)							
				Projections 1/			
	2019	2020	2021	2022	2023	2024	2025
Demand and supply in constant prices							
Gross domestic product	2.0	-11.3	5.5	5.2	1.1	2.4	2.2
Private consumption	1.1	-12.2	6.0	2.7	1.7	2.2	2.5
Public consumption	1.9	3.5	2.9	-1.4	0.8	0.7	0.4
Gross fixed investment	4.5	-9.7	0.9	5.3	4.4	4.2	2.3
Total domestic demand	1.7	-9.4	5.3	2.0	2.1	2.3	2.0
Net exports (contribution to growth)	0.4	-2.2	0.3	3.2	-0.9	0.1	0.2
Exports of goods and services	2.2	-19.9	14.4	18.6	5.1	3.8	3.8
Imports of goods and services	1.3	-14.9	13.9	9.7	7.6	3.6	3.4
Potential output growth	1.5	-3.2	1.4	1.2	1.1	1.8	2.3
Output gap (percent of potential)	0.4	-8.0	-4.2	-0.5	-0.5	0.0	0.0
Prices							
GDP deflator	1.5	1.2	2.3	3.9	3.8	2.7	2.2
Headline CPI (average)	0.7	-0.3	3.1	8.4	3.7	2.7	2.1
Headline CPI (end of period)	0.8	-0.5	6.5	5.8	3.8	2.4	2.0
Core inflation (average)	0.9	0.7	0.8	5.1	4.6	3.4	2.5
Core inflation (end of period)	1.0	0.1	2.1	6.9	3.9	2.9	2.5
Balance of payments (percent of GDP)							
Current account balance	2.1	0.6	1.0	1.6	0.5	0.3	0.4
Net international investment position	-73.7	-85.7	-71.5	-62.7	-57.6	-53.1	-49.5
Sources: IMF, World Economic Outlook; data provided by the authorities; and IMF staff estimates.							
1/ The projections incorporate allocation from the EU Recovery and Resilience Facility amounting to about 0.4, 1.1, 1.7, 1.3 and 1 percent of GDP from 2021 to 2025.							
2/ Fiscal projections from 2022 onwards assume an expiration of temporary COVID-19 measures and energy support measures amounting to 1 percent of GDP in 2023.							
3/ Including interest income.							

Sources: IMF Executive Board Concludes 2022 Article IV Consultation with Spain January 19, 2023.

**SPAIN'S TOTAL EXPORTS AND IMPORTS, VOLUME OF TRADE AND BALANCE OF TRADE  
BETWEEN - 2018 TO 2022**

(Value in Rs. CRORES)

Year	Exports	Percentage Growth in Exports	Imports	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2018	424286		499055		9,23,341		-74769
2019	391559	-7.71	426060	-14.63	8,17,619	-11.45	-34501
2020	312080	-20.30	329739	-22.61	6,41,819	-21.50	-17659
2021	337215	8.05	375485	13.87	7,12,700	11.04	-38270
2022	346064	2.62	391057	4.15	7,37,121	3.43	-44993
<b>Annual Compound Growth Rate</b>		<b>-4.97</b>		<b>-5.91</b>		<b>-5.48</b>	

**NOTE** : Figures relate to calendar year (January to December)

**SOURCE** : UN COMTRADE PUBLICATION

**Figure 1**



**TABLE - 2**  
**INDIA'S MERCHANDISE EXPORTS & IMPORTS w.r.t. SPAIN**  
**FY 2018-2019 to 2022-2023**

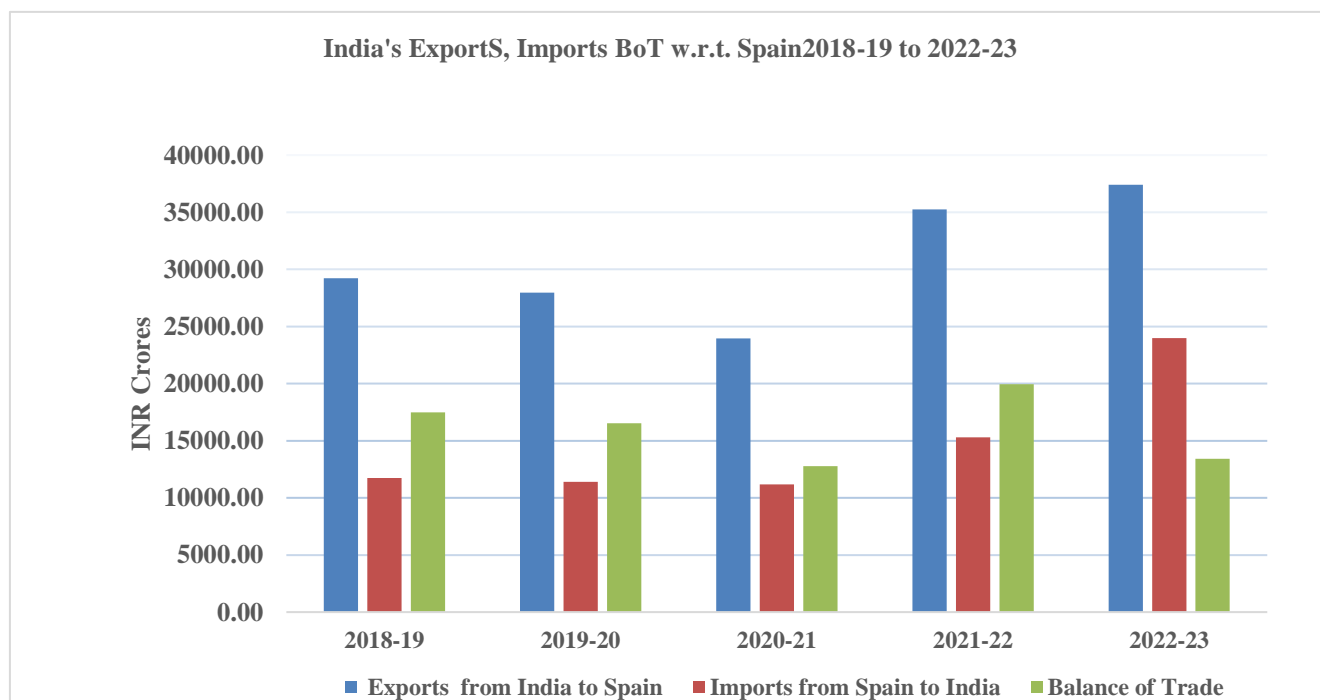
(Value in Rs. CRORES)

Year	Exports from India to Spain	Percentage Growth in Exports	Imports from Spain to India	Percentage Growth in Imports	Volume of Trade	Percentage Growth in Vol. of Trade	Balance of Trade
2018-19	29219.08		11727.89		40946.97		17491.19
2019-20	27956.01	-4.32	11417.12	-2.65	39373.13	-3.84	16538.89
2020-21	23963.60	-14.28	11190.18	-1.99	35153.78	-10.72	12773.42
2021-22	35247.73	47.09	15288.07	36.62	50535.80	43.76	19959.66
2022-23	37413.91	6.15	23987.80	56.91	61401.71	21.50	13426.11
<b>Annual Compound Growth Rate</b>		<b>6.38</b>		<b>19.59</b>		<b>10.66</b>	

**NOTE** : Figures relate to Financial Year (April to March)

**SOURCE** : DGCI&S, M/o C & I

**Figure 2**



**TABLE - 3**  
**INDIA'S MAJOR ITEMS OF MERCHANDISE EXPORTS TO SPAIN**  
**2017-2018 TO 2021-2022 AND THEIR GROWTH RATES**

(Value in Rs. CRORES)

Sl. No.	Name of the Merchandise Commodities	Value of Exports					Annual Growth Rates			
		2018-19	2019-20	2020-21	2021-22	2022-23	19-20 over 2018-19	20-21 over 2019-20	21-22 over 2020-21	22-23 over 2021-22
<b>1</b>	<b>Iron And Steel</b>	<b>2167.75</b>	<b>1528.83</b>	<b>2029.42</b>	<b>4079.52</b>	<b>3128.80</b>	<b>-29.47</b>	<b>32.74</b>	<b>101.02</b>	<b>-23.30</b>
	Share in total export	7.42	5.47	8.47	11.57	8.36				
<b>2</b>	<b>RMG Cotton Including Accessories</b>	<b>3040.07</b>	<b>2570.81</b>	<b>2014.88</b>	<b>2439.50</b>	<b>2881.86</b>	<b>-15.44</b>	<b>-21.62</b>	<b>21.07</b>	<b>18.13</b>
	Share in total export	10.40	9.20	8.41	6.92	7.70				
<b>3</b>	<b>Organic Chemicals</b>	<b>2032.27</b>	<b>1932.24</b>	<b>1948.66</b>	<b>2514.82</b>	<b>2058.79</b>	<b>-4.92</b>	<b>0.85</b>	<b>29.05</b>	<b>-18.13</b>
	Share in total export	6.96	6.91	8.13	7.13	5.50				
<b>4</b>	<b>Marine Products</b>	<b>1197.54</b>	<b>1056.27</b>	<b>1118.59</b>	<b>1555.65</b>	<b>1878.48</b>	<b>-11.80</b>	<b>5.90</b>	<b>39.07</b>	<b>20.75</b>
	Share in total export	4.10	3.78	4.67	4.41	5.02				
<b>5</b>	<b>Telecom Instruments</b>	<b>27.96</b>	<b>134.78</b>	<b>949.38</b>	<b>757.76</b>	<b>1540.02</b>	<b>382.05</b>	<b>604.39</b>	<b>-20.18</b>	<b>103.23</b>
	Share in total export	0.10	0.48	3.96	2.15	4.12				
<b>6</b>	<b>Petroleum Products</b>	<b>1946.67</b>	<b>3425.67</b>	<b>230.95</b>	<b>995.75</b>	<b>1508.36</b>	<b>75.98</b>	<b>-93.26</b>	<b>331.15</b>	<b>51.48</b>
	Share in total export	6.66	12.25	0.96	2.83	4.03				
<b>7</b>	<b>Products Of Iron And Steel</b>	<b>733.35</b>	<b>758.47</b>	<b>709.00</b>	<b>1225.95</b>	<b>1410.33</b>	<b>3.43</b>	<b>-6.52</b>	<b>72.91</b>	<b>15.04</b>
	Share in total export	2.51	2.71	2.96	3.48	3.77				
<b>8</b>	<b>Residual Chemicals And Allied Prod.</b>	<b>865.66</b>	<b>984.72</b>	<b>1074.24</b>	<b>1259.49</b>	<b>1376.66</b>	<b>13.75</b>	<b>9.09</b>	<b>17.24</b>	<b>9.30</b>
	Share in total export	2.96	3.52	4.48	3.57	3.68				
<b>9</b>	<b>Electric Machinery And Equipment's</b>	<b>431.61</b>	<b>471.12</b>	<b>427.77</b>	<b>1133.72</b>	<b>1364.96</b>	<b>9.15</b>	<b>-9.20</b>	<b>165.03</b>	<b>20.40</b>
	Share in total export	1.48	1.69	1.79	3.22	3.65				
<b>10</b>	<b>RMG Manmade Fibres</b>	<b>1464.33</b>	<b>1448.07</b>	<b>879.63</b>	<b>967.04</b>	<b>1191.25</b>	<b>-1.11</b>	<b>-39.26</b>	<b>9.94</b>	<b>23.19</b>
	Share in total export	5.01	5.18	3.67	2.74	3.18				
	<b>Total export to SPAIN</b>	<b>29219.08</b>	<b>27956.01</b>	<b>23963.60</b>	<b>35247.73</b>	<b>37413.91</b>	<b>-4.32</b>	<b>-14.28</b>	<b>47.09</b>	<b>6.15</b>

**NOTE** : Figures relate to each Financial Year (April to March)

**SOURCE** : DGCI&S, M/o C & I

**TABLE - 4**  
**INDIA'S MAJOR ITEMS OF MERCHANDISE IMPORT FROM SPAIN**  
**2017-2018 TO 2021-2022 AND THEIR GROWTH RATES**

(Value in Rs. CRORES)

Sl. No.	Name of the Merchandise Commodities	Value of Imports					Annual Growth Rates			
		2018-19	2019-20	2020-21	2021-22	2022-23	19-20 over 2018-19	20-21 over 2019-20	21-22 over 2020-21	22-23 over 2021-22
<b>1</b>	<b>Petroleum: Crude</b>					<b>6523.09</b>				
	Share in total imports					27.19				
<b>2</b>	<b>Petroleum Products</b>	<b>509.17</b>	<b>539.41</b>	<b>404.37</b>	<b>1170.31</b>	<b>1525.91</b>	<b>5.94</b>	<b>-25.03</b>	<b>189.42</b>	<b>30.39</b>
	Share in total imports	4.34	4.72	3.61	7.66	6.36				
<b>3</b>	<b>Residual Chemcls. And Allid. Prod.</b>	<b>594.50</b>	<b>621.23</b>	<b>832.05</b>	<b>925.71</b>	<b>1225.60</b>	<b>4.50</b>	<b>33.94</b>	<b>11.26</b>	<b>32.40</b>
	Share in total imports.	5.07	5.44	7.44	6.06	5.11				
<b>4</b>	<b>Plastic Raw Materials</b>	<b>583.46</b>	<b>519.42</b>	<b>514.04</b>	<b>1012.11</b>	<b>1195.02</b>	<b>-10.98</b>	<b>-1.04</b>	<b>96.89</b>	<b>18.07</b>
	Share in total import	4.97	4.55	4.59	6.62	4.98				
<b>5</b>	<b>Paint, Varnish And Allied Products</b>	<b>768.86</b>	<b>720.22</b>	<b>760.59</b>	<b>875.77</b>	<b>1028.85</b>	<b>-6.33</b>	<b>5.61</b>	<b>15.14</b>	<b>17.48</b>
	Share in total import	6.56	6.31	6.80	5.73	4.29				
<b>6</b>	<b>Paper, paper Board And Products</b>	<b>405.94</b>	<b>381.05</b>	<b>665.30</b>	<b>955.09</b>	<b>1026.77</b>	<b>-6.13</b>	<b>74.60</b>	<b>43.56</b>	<b>7.51</b>
	Share in total import	3.46	3.34	5.95	6.25	4.28				
<b>7</b>	<b>Indl. Machinery For Dairy Etc.</b>	<b>723.75</b>	<b>604.38</b>	<b>471.60</b>	<b>540.62</b>	<b>978.26</b>	<b>-16.49</b>	<b>-21.97</b>	<b>14.64</b>	<b>80.95</b>
	Share in total import	6.17	5.29	4.21	3.54	4.08				
<b>8</b>	<b>Organic Chemicals</b>	<b>434.13</b>	<b>318.66</b>	<b>297.03</b>	<b>484.24</b>	<b>730.42</b>	<b>-26.60</b>	<b>-6.79</b>	<b>63.03</b>	<b>50.84</b>
	Share in total import	3.70	2.79	2.65	3.17	3.04				
<b>9</b>	<b>Bulk Drugs, Drugs Intermediates</b>	<b>468.36</b>	<b>524.68</b>	<b>645.14</b>	<b>618.46</b>	<b>717.86</b>	<b>12.02</b>	<b>22.96</b>	<b>-4.14</b>	<b>16.07</b>
	Share in total import	3.99	4.60	5.77	4.05	2.99				
<b>10</b>	<b>Auto Components Parts</b>	<b>387.40</b>	<b>160.02</b>	<b>153.29</b>	<b>432.17</b>	<b>637.76</b>	<b>-58.69</b>	<b>-4.21</b>	<b>181.93</b>	<b>47.57</b>
	Share in total import	3.30	1.40	1.37	2.83	2.66				
	<b>Total import from SPAIN</b>	<b>11727.89</b>	<b>11417.12</b>	<b>11190.18</b>	<b>15288.07</b>	<b>23987.80</b>	<b>-2.65</b>	<b>-1.99</b>	<b>36.62</b>	<b>56.91</b>

**NOTE** : Figures relate to each Financial Year (April to March)

**SOURCE** : DGCI&S, M/o C & I