



Fact sheet #5: Total trade in services

Map 1 | Exports of services, 2017



Concepts and definitions

In this chapter, in accordance with the concepts of the balance of payments (International Monetary Fund, 2009) and of the national accounts (United Nations et al., 2009), services are understood as the result of a production activity that changes the conditions of the consuming units, or facilitates the exchange of products or financial assets. Services are not generally separate items over which ownership rights can be established. They cannot generally be separated from their production.

Trade in services, as represented by the data in this chapter, takes place when a service is supplied in any of the following modes: from one economy to another (services cross the border); within an economy to a service consumer of another economy (consumer crosses the border); through the presence of natural persons of one economy in another economy (supplier crosses the border) (United Nations et al., 2012).

World services trade rising again

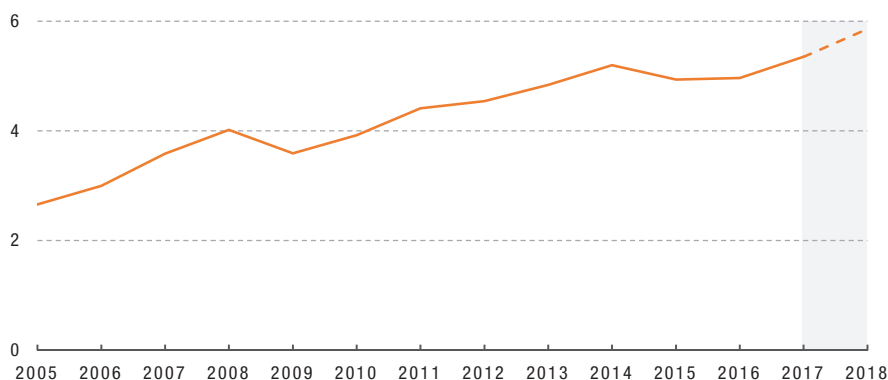
After a strong increase of 7.8 per cent in 2017, even higher growth of world services exports, of 9.5 per cent, is nowcast for 2018.

In 2017, global services trade reached US\$5.4 trillion, one third of the value of merchandise exports. It was a year of recovery, after two years of relatively slack trade between 2014 to 2016.

Services exports mainly come from developed economies. These supply over two thirds of services traded internationally. However, several Asian developing economies have established themselves as important exporters (see below).

The upturn in services exports in 2017 was a worldwide trend. Only a few economies, such as the Republic of Korea, Norway and some countries in Africa and the Caribbean, recorded negative growth rates.

Figure 1 | World services exports (Trillions of United States dollars)



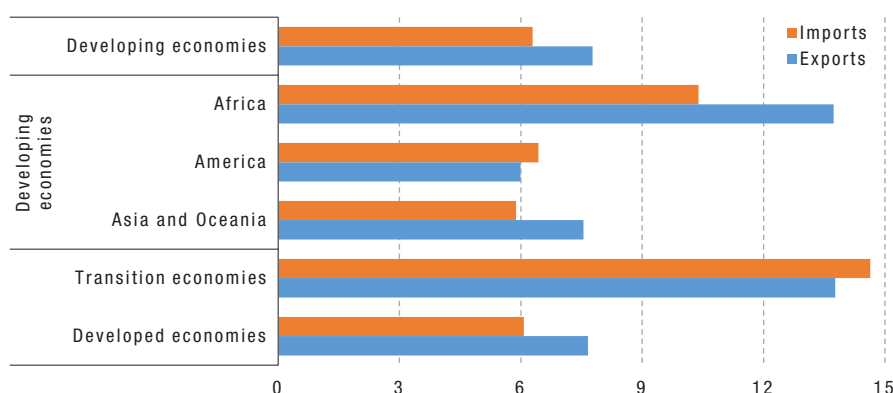
Note: The shaded area indicates UNCTAD nowcasts. For the methodology, see UNCTAD Handbook of Statistics 2018, annex 6.3.



Highest growth in Africa and in transition economies

Looking at the breakdown by development status, particularly high growth was recorded in transition economies (exports: 13.8 per cent, imports: 14.6 per cent) and African developing economies (exports: 13.7 per cent, imports: 10.4 per cent). In other words, growth was particularly high for groups with a relatively low base in services trade. In the developing economies of America and of Asia and Oceania, as well as in developed economies, services exports and imports expanded at more modest rates, between 6 and 8 per cent.

Figure 2 | **Services trade annual growth rates, 2017**
(Percentage)



Services exports nowcast to increase by 9.5% in 2018



Africa's services exports growing in 2017 by 14%

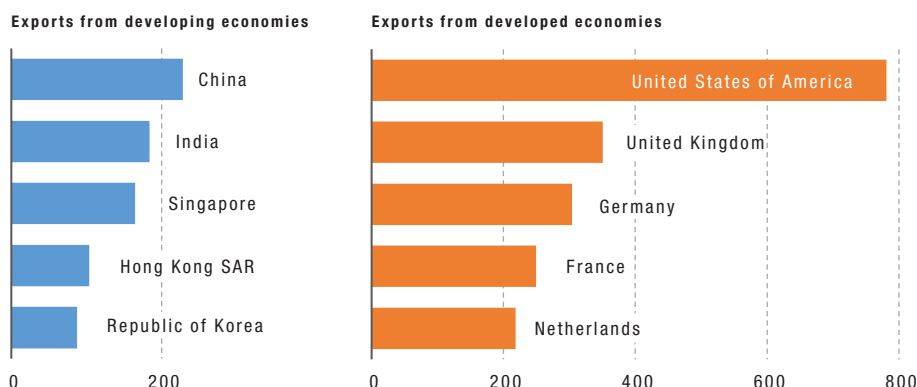


Leading services exporters

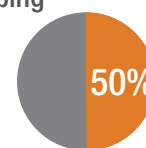
The world's top services exporter in 2017 was the United States of America, with US\$781 billion worth of services sold internationally, representing 15 per cent of global exports. They were followed, at some distance, by three European Union member states that jointly captured 17 per cent of the world market.

The top five developing economies were Asian, comprising China, India, Singapore, Hong Kong SAR and the Republic of Korea. These five held a world market share of almost 15 per cent, the same as all other developing economies combined.

Figure 3 | **Top 5 services exporters, 2017**
(Billions of United States dollars)



Five Asian economies export half of all services provided by the developing world



The United States of America remain the world's leading services exporter

US\$780 billion in 2017

