

N° 1
MAY 2013

SERVICES ECONOMY

SERVICES, DEVELOPMENT AND TRADE

44%
of world employment

74%

of developed countries'
employment

37%

of developing countries'
employment2/3
of world output

74%

of developed countries'
GDP

51%

of developing countries'
GDP1/5
of the world
total trade

Why?



MEASUREMENT DIFFICULTIES

Despite recent efforts to improve statistical methodologies, trade on services remains a rather elusive form of activity for economists to monitor and record.

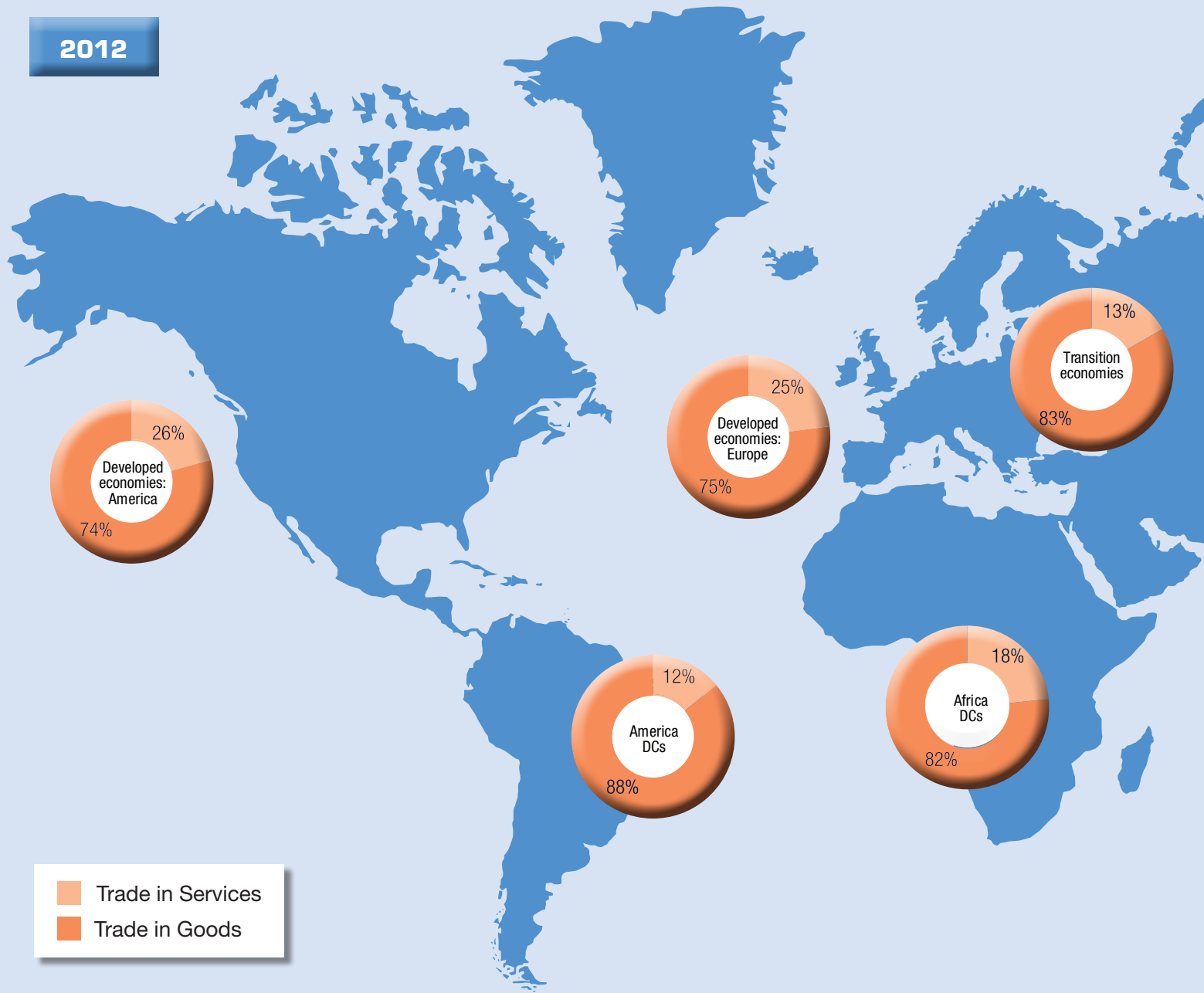
NON-TRADABLE NATURE OF CERTAIN SERVICES ACTIVITIES

Some services are only possible, or more efficient, when providers are physically close to their clients. Services are then provided through commercial presence.

Services
Sector receives
\$570 billion
worth of FDI
projects40%
of the global
FDI totalServices exports over \$4.4 trillion in 2012
Services exports grew by 2% in 2012

GLOBAL IMPORTANCE OF SERVICES

2012

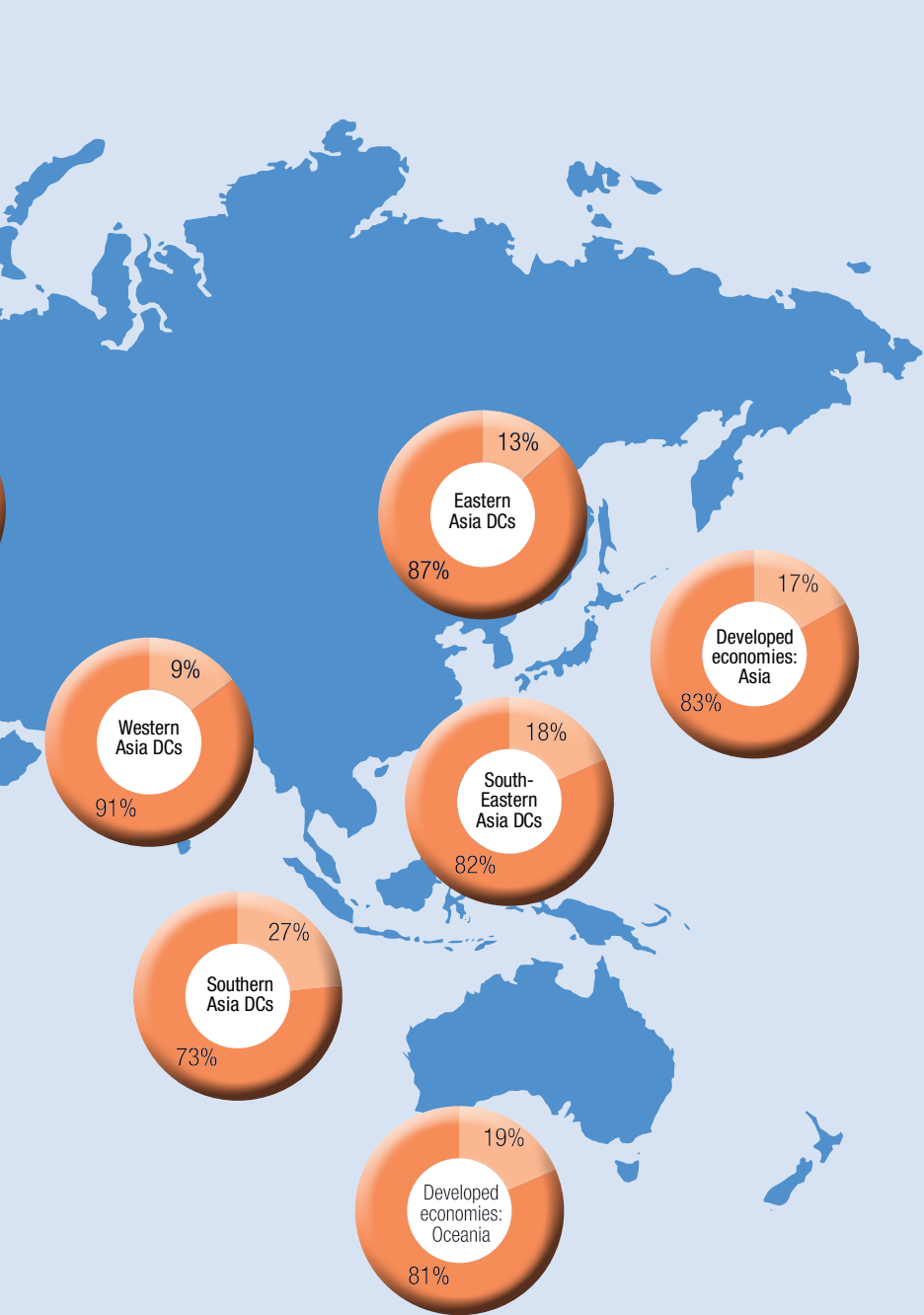


DEVELOPING
economies account for :
37.2 %
of total services imports
30.8 %
of total services exports

DEVELOPED
economies account for :
58.9 %
of total services imports
66.3 %
of total services exports

TRANSITION
economies account for :
3.9 %
of total services imports
2.9 %
of total services exports

TRADE: REGIONAL PERSPECTIVES

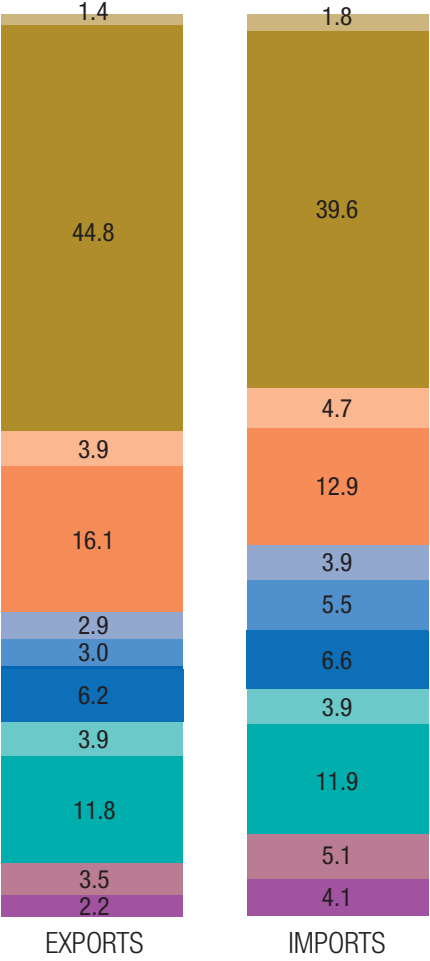


While developed countries continue to have a higher share of services trade than developing countries, the expansion of services exports in 2012 was led by developing economies of Asia (8%) and America (6%), and the transition economies (7%).

Northern American developed countries increased their services exports (4%) in 2012.

Europe perceived a significant decline (-3%) in the same period.

DISTRIBUTION OF WORLD TRADE IN SERVICES BY REGION, 2012 (PER CENT)

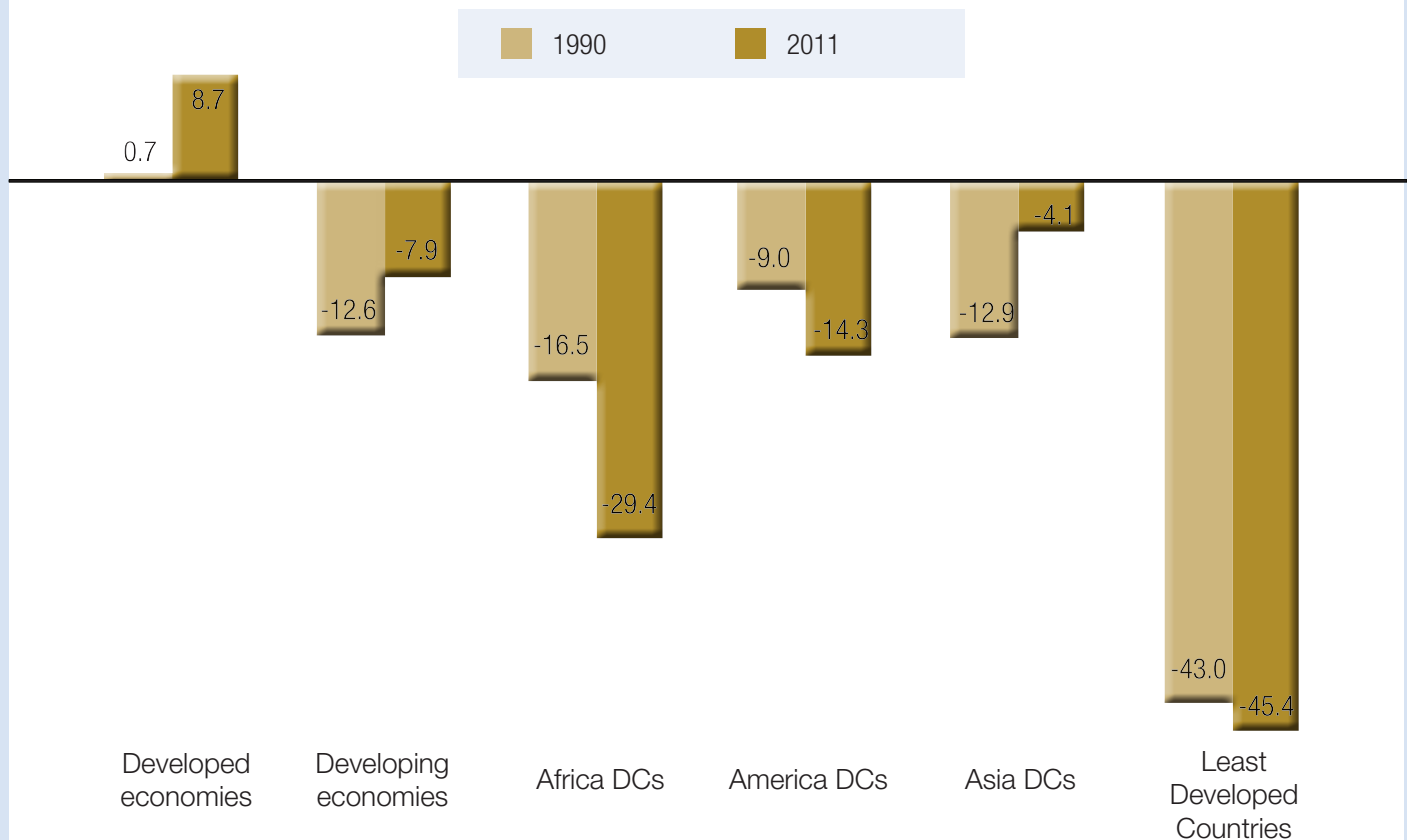


- Developed economies: Oceania
- Developed economies: Europe
- Developed economies: Asia
- Developed economies: America
- Transition economies
- Western Asia DCs
- South-Eastern Asia DCs
- Southern Asia DCs
- Eastern Asia DCs
- America DCs
- Africa DCs

Note: DCs: Developing Countries

SERVICES TRADE BALANCE

SERVICES TRADE BALANCE AS A SHARE OF NORMALIZED SERVICES TRADE BALANCE, 1990 AND 2011 (PER CENT)



As opposed to merchandise trade, developed countries increased their trade surplus in services between 1990 and 2011

DCs registered a \$213 billion trade deficit in services trade (almost 8 per cent of the normalized trade balance of their trade in services).

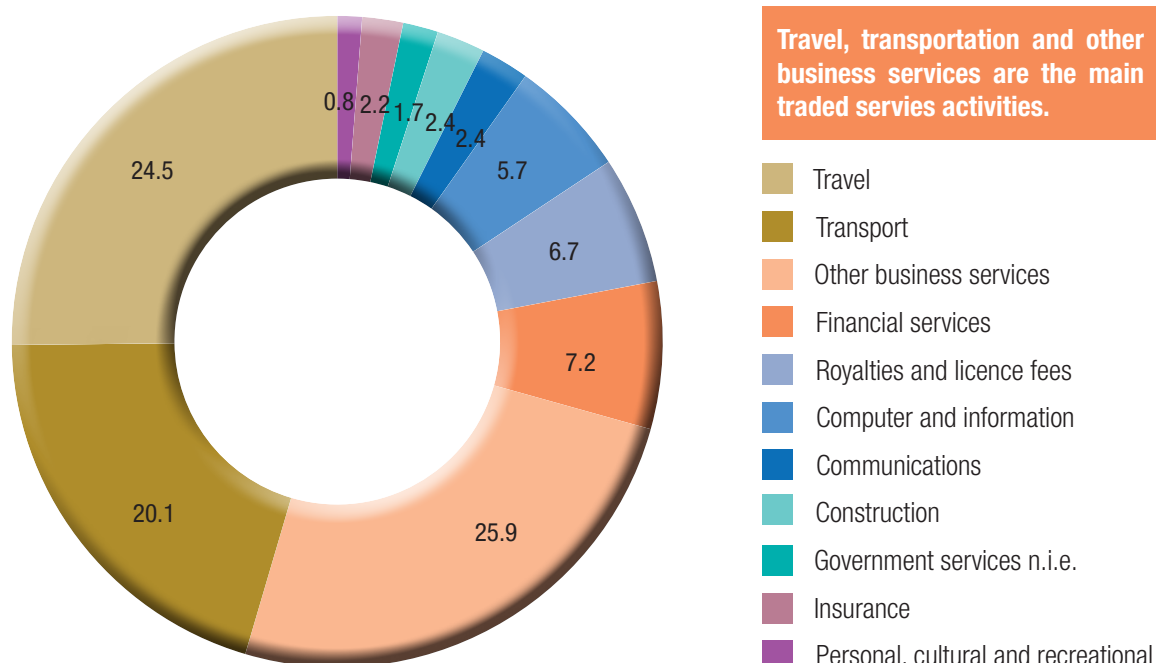
The services trade deficit reached up to half of the normalized services trade balance in the least developed countries (LDCs)

By contrast, DCs in Africa, the Americas and Asia, and LDCs, registered trade surpluses in merchandise trade in 2011. Therefore, policies need to put special emphasis on services trade in order to achieve sustainable current account balances

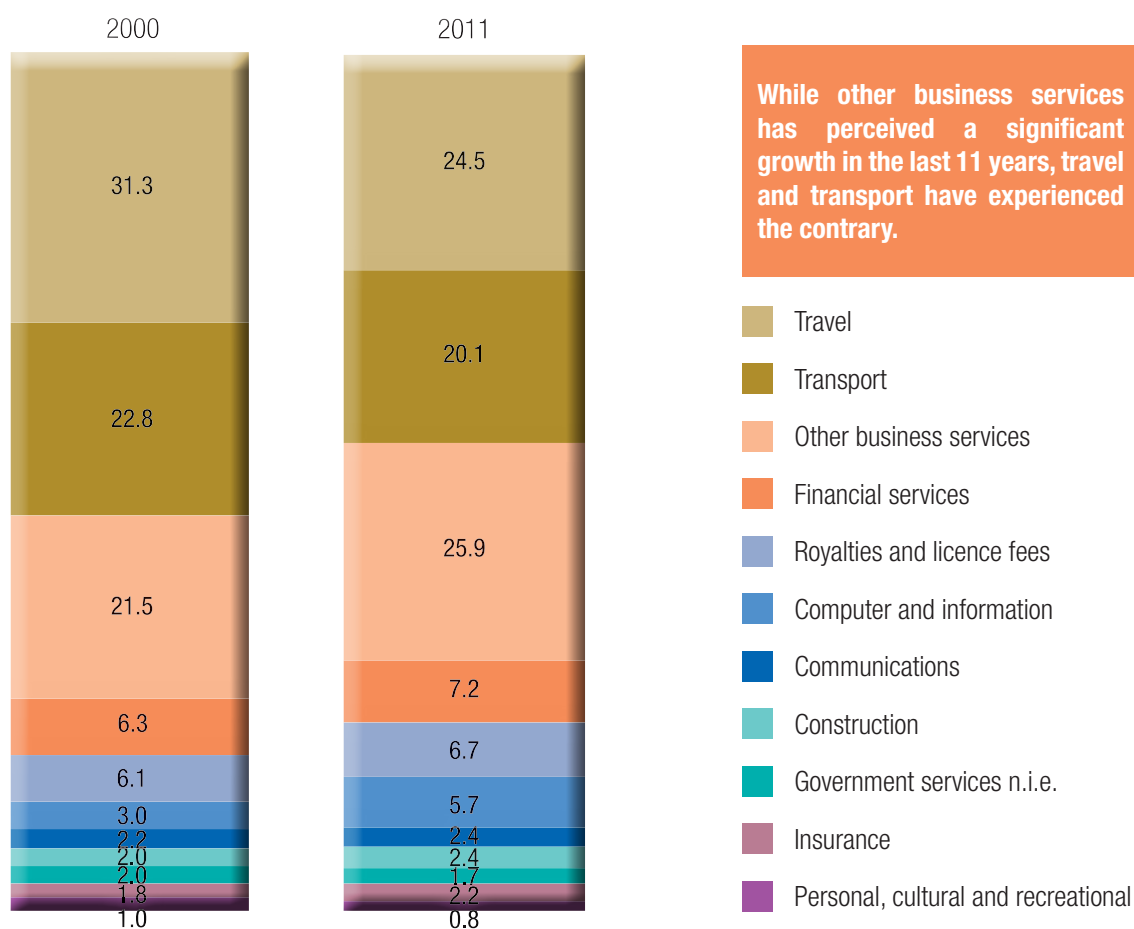
Services trade balance as a share of normalized services trade balance has been improving, but unevenly, across DCs. In particular, the balance has been improving in Asian DCs, but not in DCs in Africa or the Americas

IMPORTANCE AND IMPACT OF KEY SERVICES TRADE SECTORS

DISTRIBUTION OF WORLD SERVICES EXPORTS, 2011 (PER CENT)

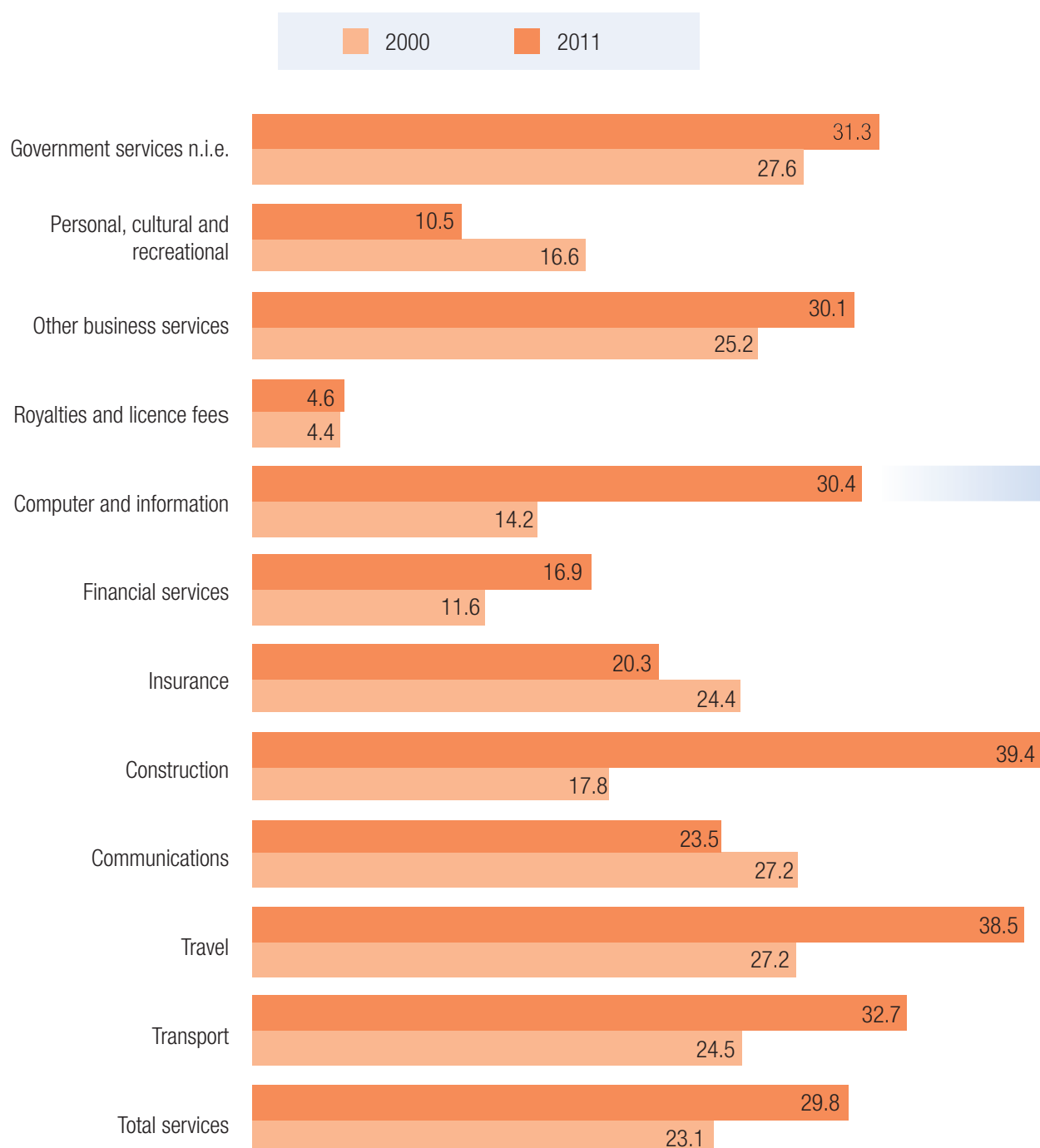


DISTRIBUTION OF WORLD SERVICES EXPORTS, 2000-2011 (PER CENT)



DEVELOPING COUNTRIES SERVICES

SHARE OF DEVELOPING COUNTRIES IN WORLD SERVICES EXPORTS (PER CENT)



In most categories, developing countries strengthened their world market share from 2000 to 2011.

Developing countries account for around 30% of world services exports.

Developing countries' share of construction and travel services rises to almost 40% of world services exports of these categories.

EXPORTS PERFORMANCE BY CATEGORY

DISTRIBUTION OF COMPUTER AND INFORMATION SERVICES EXPORTS (PER CENT)



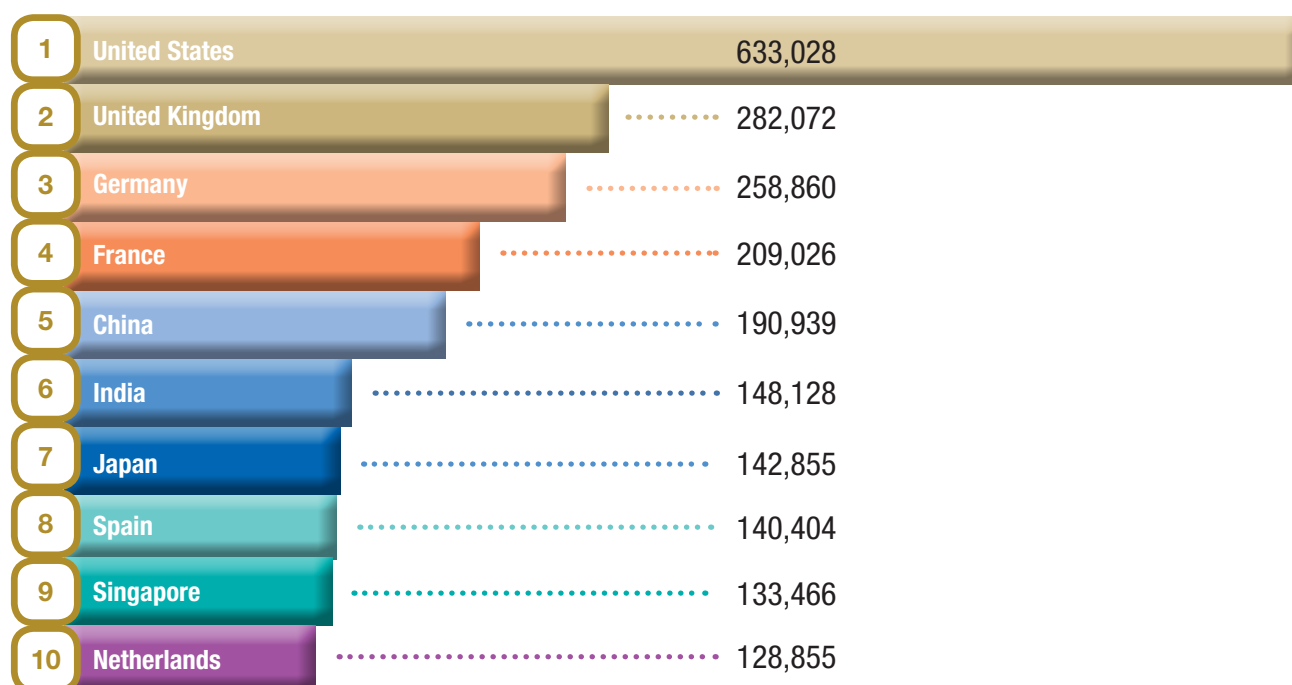
Developing countries' share of the global total of travel, construction and computer and information services exports perceived a noticeable increase from 2000 to 2011.

Despite developing countries' shares increase, developed countries still dominate travel, construction and computer and information services exports.

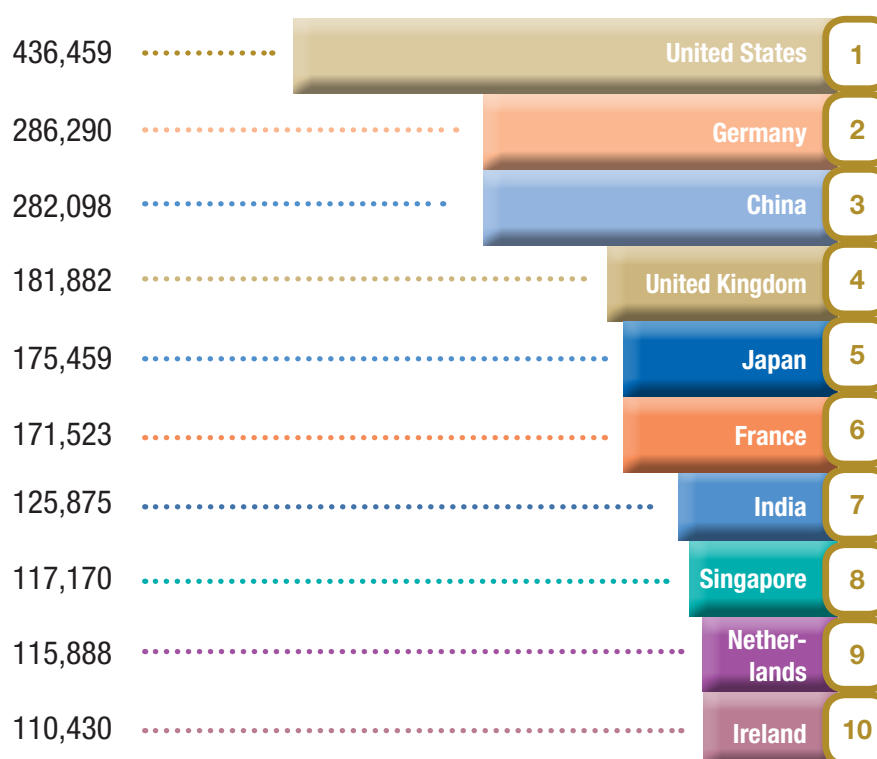
Only some Asian developing countries managed to capture a significant market share in these services

TOP EXPORTERS AND IMPORTERS 2012

TOP EXPORTERS 2012 (US\$ millions)



TOP IMPORTERS 2012 (US\$ millions)



Source: UNCTADStat database is used for all figures.

Note: 2012 values are estimated figures.