



UNCTAD/GDS/DSI/MISC/2019/9

# INTERNATIONAL TRADE IN SERVICES


## 2018

Global services exports reached US\$5.8 trillion in 2018, recording an annual increase of 7.7%, measured in current US\$. Most world regions witnessed a strong growth, particularly Africa and Asia and Oceania, with 9.4% upsurge in their international services sales. Latin America and the Caribbean recorded a modest growth of 1.7%. Services represented some 23% of the world total trade in goods and services in 2018.

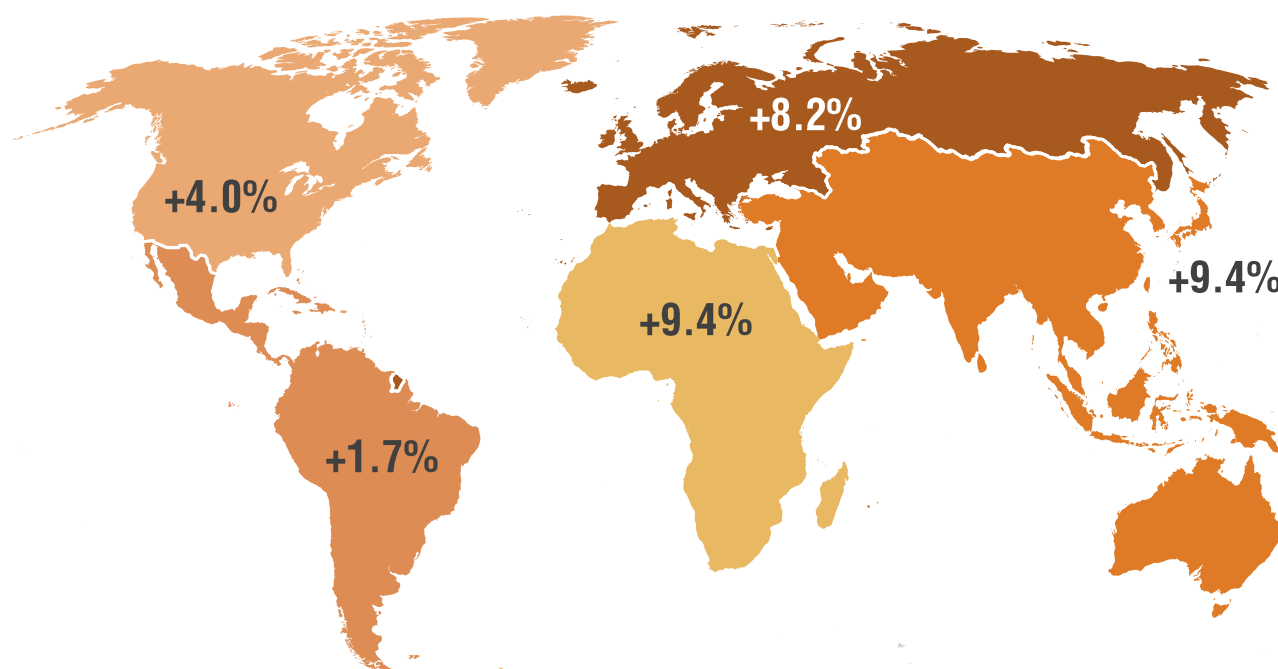
	World trade of services Trillions of US\$			% of total trade in goods and services in 2018 *
	2017	2018	Growth %	
Exports	5.429	5.845	7.7	23.3
Imports	5.217	5.604	7.4	22.9

\* Estimates

**US\$ 5.8 trillion**  
**World services exports**  
**+7.7%**



**Figure 1. Annual growth rate of total services exports by region, 2018 (Percentage)**

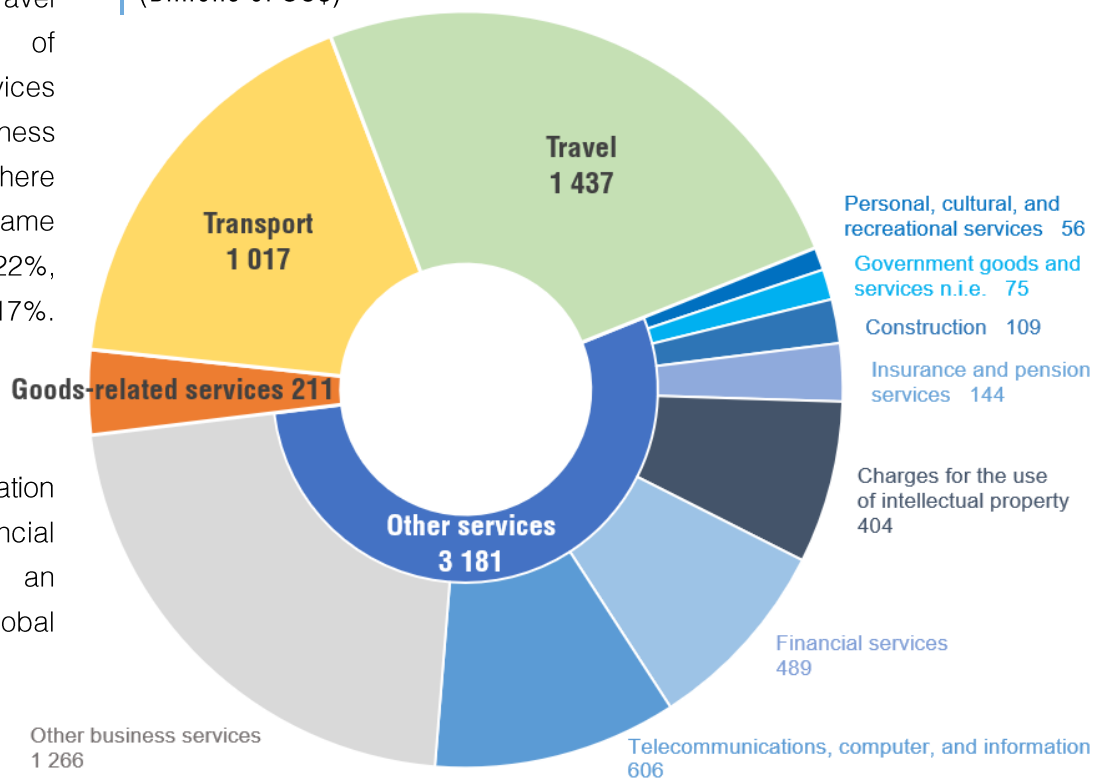


## Structure of world services exports

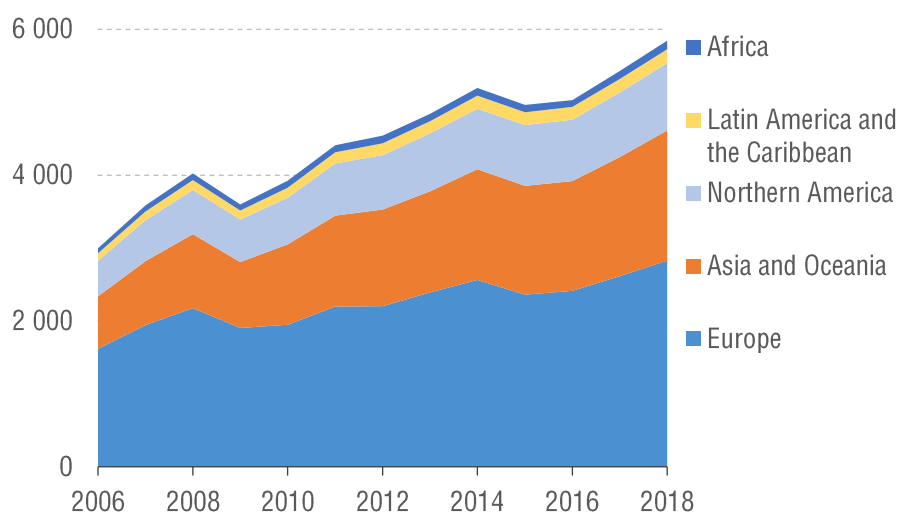
At US\$1437 billion, travel accounted for 25% of international trade in services in 2018. Various business services — classified here under other services — came second and captured 22%, while transport stood at 17%.

Telecommunications, computer and information services, as well as financial services also took an important part in global services exchanges.

**Figure 2. World services exports by service-category, 2018**  
(Billions of US\$)



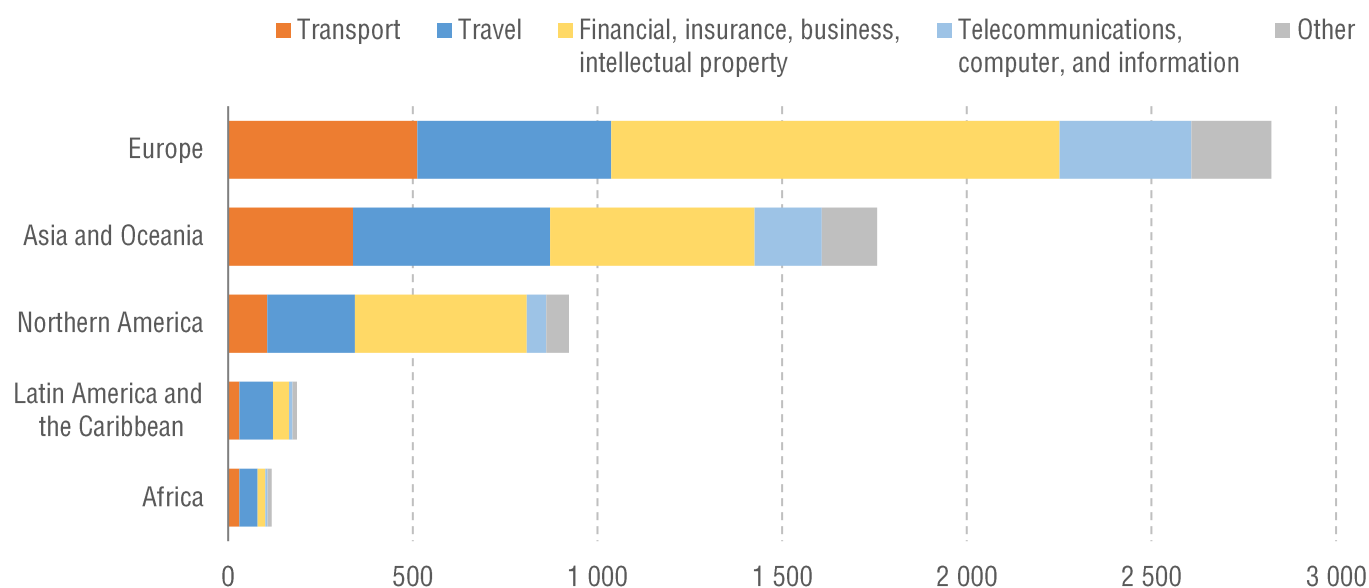
**Figure 3. Services exports trends by region**  
(Billions of US\$)



European economies captured almost half of the global market in 2018. However, since 2005, the continent has lost some 6% of its share, which has mainly been seized by emerging Asian economies.

## Regional highlights

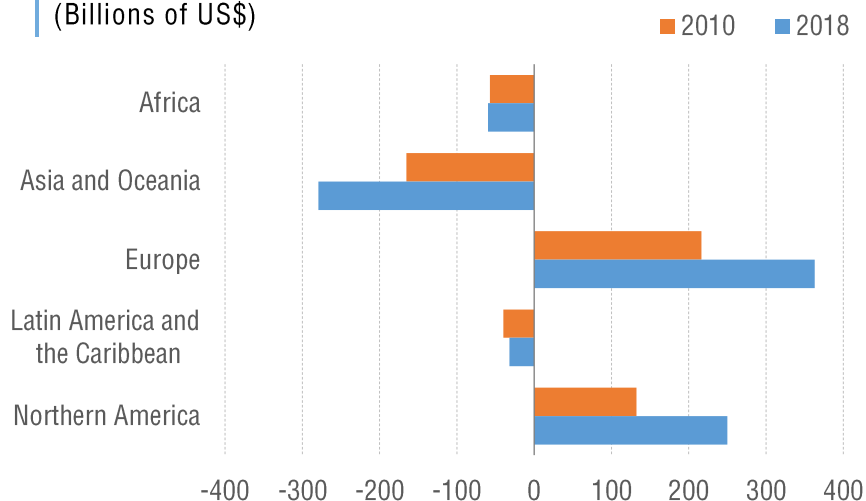
**Figure 4. Exports of services by region and service-category, 2018**  
(Billions of US\$)



In regions mainly comprised of developed countries, the services sector is dominated by financial and insurance services and by various business and intellectual property services. This is the case in Europe and Northern America. In Asia and Oceania, the aforementioned services represent 31% of total exports of the sector. African and Latin American services exports are dominated by travel, representing 42% and 48% of the total, respectively.

In services trade, Europe and Northern America have for years been running substantial and growing surpluses. On the other side, Asia and Oceania have been recording increasing deficits. Africa and Latin America and the Caribbean have also run persistent, although much smaller deficits.

**Figure 5. Services trade balance by region**  
(Billions of US\$)

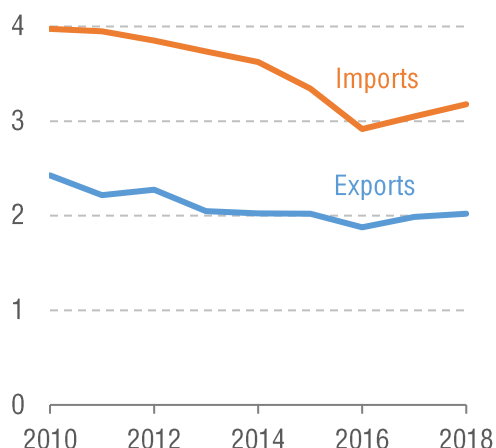


## Leading exporters and importers in 2018

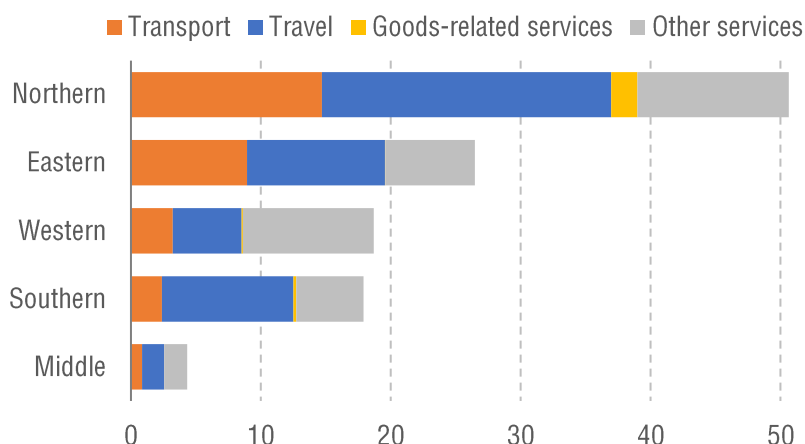
Economic groupings	Leading exporters	Billions of US\$	Annual % change	Leading importers	Billions of US\$	Annual % change
Developing economies	China	267	17	China	525	12.3
	India	205	10.7	Singapore	187	3
	Singapore	184	6.6	India	177	14.2
	China, Hong Kong SAR	114	9.3	Korea, Republic of	124	1.9
	Korea, Republic of	97	10.4	Saudi Arabia	86	10
	Thailand	84	11.3	China, Hong Kong SAR	82	4.9
	United Arab Emirates	72	1.9	United Arab Emirates	72	0.7
	China, Taiwan Province of	50	11.6	Brazil	68	-0.5
	Turkey	49	10.8	China, Taiwan Province of	57	6.3
	China, Macao SAR	44	12.2	Thailand	55	18.4
Developed economies	United States of America	828	3.9	United States of America	559	3.1
	United Kingdom	376	5.5	Germany	351	6.2
	Germany	331	7.7	France	257	4.7
	France	291	5.9	United Kingdom	235	10.5
	Netherlands	242	11.4	Netherlands	229	10.9
	Ireland	206	14.3	Ireland	218	8.7
	Japan	192	3	Japan	200	3.7
	Spain	149	7.7	Belgium	129	11.8
	Switzerland, Liechtenstein	124	2	Italy	125	8.3
	Belgium	123	3.1	Canada	113	4.6
Transition economies	Russian Federation	65	12.3	Russian Federation	95	6.6
	Ukraine	16	11.3	Ukraine	14	9.3
	Belarus	9	11.2	Kazakhstan	12	17.7
	Serbia	9	16.4	Azerbaijan	7	-16.3
	Kazakhstan	7	11.8	Serbia	7	19.6

## Africa

**Figure 6. Share of Africa in the world services trade (Percentage)**



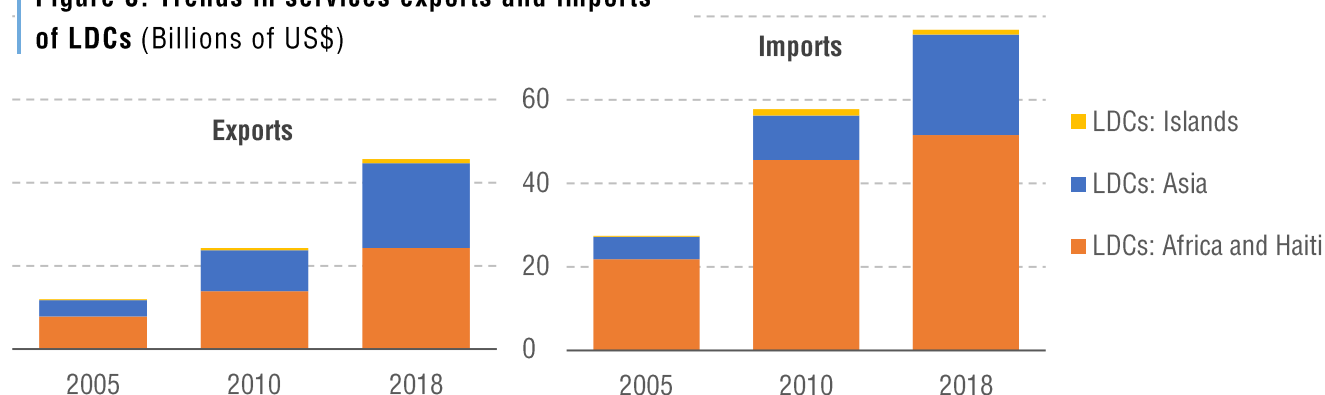
**Figure 7. Services exports in Africa by region and service-category, 2018 (Billions of US\$)**



From 2010 to 2016, Africa's already low share in world services trade has been on the decline. Over the last two years, the trend has been reversed and the continent's participation in international services trade has slightly increased. Travel accounts for the highest share in African services exports. Only in Western Africa various business services have a more prominent role.

## Least developed countries (LDCs)

**Figure 8. Trends in services exports and imports of LDCs (Billions of US\$)**



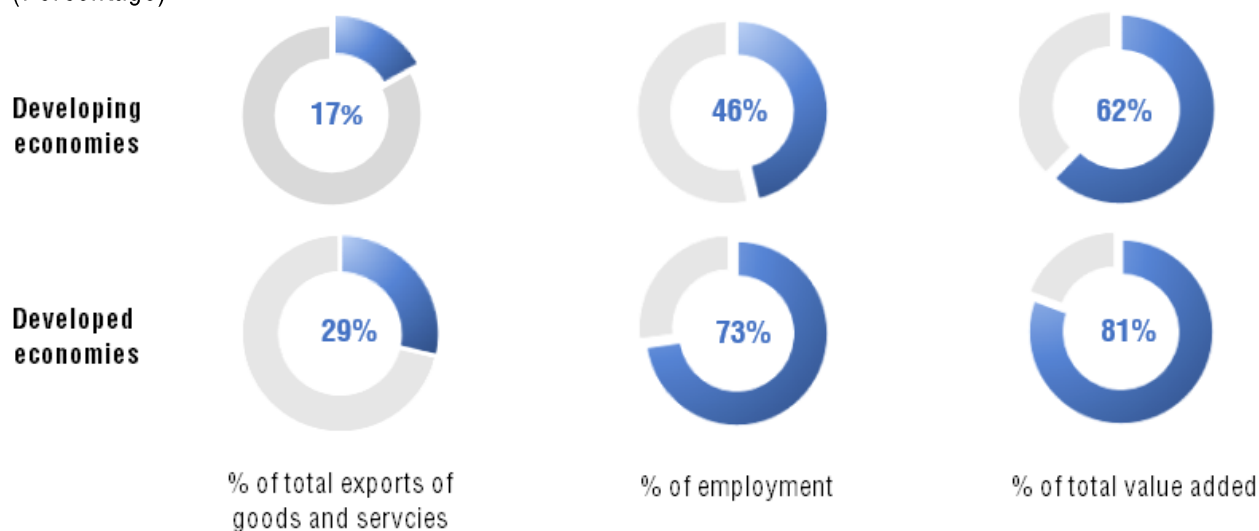
In 2018, LDCs accounted for less than 1% of global services exports and for just over 1% of imports. Since 2005, the services exports of this group of countries have grown by 10% annually, on average. At the same time, their imports have risen by an average 7% a year. LDCs' principal services exports are linked to travel and tourism, representing 43% of their total international services sales.

## Services trade by partner: selected economies and top 5 partners, 2017

Economies	Exports to	Billions of US\$	Share %	Imports from	Billions of US\$	Share %
<b>China, Hong Kong SAR</b>	World	104	100	World	78	100
	China	40	38.2	China	29	37.7
	United States of America	14	13.6	United States of America	8	10.9
	United Kingdom	8	7.9	Japan	6	8.2
	Japan	4	4.1	United Kingdom	4	5.8
	Singapore	4	4.0	Singapore	3	4.2
<b>Russian Federation</b>	World	58	100	World	89	100
	Switzerland, Liechtenstein	4	6.8	Germany	5	6.0
	United States of America	4	6.2	France	5	5.5
	Germany	3	5.2	Turkey	5	5.5
	United Kingdom	3	5.1	Cyprus	5	5.5
	France	3	5.1	United Kingdom	4	4.9

## Why are services important ?

**Figure 9. Contribution of the services sector to economy, 2017**  
(Percentage)



Sources: UNCTAD (trade), UNCTAD calculations based on ILO data (employment) and UNSD (value added)

## Notes

The definition of services follows the IMF *Balance of Payments and International Investment Position Manual, Sixth Edition (BPM6)* classification. It reads as follows: “Services are 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 and cannot generally be separated from their production.”

The BPM6 services include 12 main sub-categories: manufacturing services; maintenance and repair; transport; travel; construction; insurance and pension services; financial services; intellectual property charges; telecommunications, computer and information; other business services; personal, cultural and recreational services; and government goods and services n.i.e. For this presentation, some categories have been grouped.

Goods-related services consist of manufacturing services on physical inputs owned by others, and of maintenance and repair services.

All figures refer to current US\$.

Unless otherwise specified, the figures are sourced from the joint UNCTAD, WTO, and ITC dataset on international trade in services.

*Disclaimer: The publication has not been formally edited*