

## TRADE IN SERVICES

International trade in services is growing in importance both among OECD countries and with the rest of the world. Traditional services – transport, insurance on merchandise trade, and travel – account for about half of total international trade in services, but trade in newer types of services, particularly those that can be conducted via the Internet, is growing rapidly.

### Definition

International trade in services is defined according to the 5th edition of the *IMF Balance of Payments Manual (BPM5)*. Services include transport (both freight and passengers), travel (mainly expenditure on goods and services by tourists and business travellers), communications services (postal, telephone, satellite, etc.), construction services, insurance and financial services, computer and information services, royalties and license fees, other business services (merchandising, operational leasing, technical and professional services, etc.), cultural and recreational services (rents for films, fees for actors and other performers, but excluding purchases of films, recorded music, books, etc.) and government services not included in the list above.

### Long-term trends

Between 1997 and 2005, growth of service imports was highest in Ireland and was also well above average in Greece and Iceland. Imports of services grew relatively slowly in Japan.

In the same period, the growth rate of service exports for Ireland was again well above the average and relatively high growth was also recorded for India, Luxembourg and Greece. Rather low relative growth occurred in Turkey, France, and Mexico.

Averaged over the last three years, trade in services was relatively balanced for most countries but large surpluses were recorded for United States, United Kingdom, Euro Area and Spain and substantial deficits occurred in Germany and Japan.

The fastest growing services in OECD exports are now insurance and computer and information services, and for imports insurance and government services not included elsewhere (n.i.e.). Construction services has been the slowest growing export category.

### Comparability

BPM5 was issued in 1993 and countries began to implement it in the next two or three years. Prior to that, services were defined according to BPM4. All OECD countries now report international trade in services broadly according to the BPM5 framework, and BPM4 is of interest principally for some historic series that have not been revised. The main difference between them is that BPM5 makes a clear distinction between transactions in services and payments of income. In the 4th edition, labour and non-financial property incomes were included with services. Countries have tried to preserve continuity by revising earlier figures in line with BPM5 but this has not always been possible.

### Sources

- OECD (2006), *Main Economic Indicators*, OECD, Paris.
- OECD (2006), *OECD Statistics on International Trade in Services: Volume I: Detailed Tables by Service Category – 1995-2004*, OECD, Paris.

### Further information

#### Analytical publications

- OECD (2004), *Export Credit Financing Systems in OECD Member and non-Member Countries*, OECD, Paris.
- OECD (2004), *Promoting Trade in Services: Experience of the Baltic States*, OECD, Paris.
- OECD (2005), *Trade and Structural Adjustment: Embracing Globalisation*, OECD, Paris.
- OECD (2006), *OECD Trade Policy Studies – Liberalisation and Universal Access to Basic Services: Telecommunications, Water and Sanitation, Financial Services, and Electricity*, OECD, Paris.
- OECD (2007), *Infrastructure to 2030 (Vol. 2): Mapping Policy for Electricity, Water and Transport*, OECD, Paris.

#### Statistical publications

- OECD (2002), *Measuring Globalisation: The Role of Multinationals in OECD Economies, Volume II: Services 2001 Edition*, OECD, Paris.
- OECD (2006), *International Trade by Commodity Statistics*, OECD, Paris.
- OECD (2006), *Statistics in International Trade in Services*, OECD, Paris.

#### Methodological publications

- IMF (1993), *Balance of Payments Manual*, 5th edition, IMF, Washington, DC.

#### Websites

- OECD International Trade in Services, [www.oecd.org/std/trade-services](http://www.oecd.org/std/trade-services).

### Services trade balance: exports of services minus imports of services

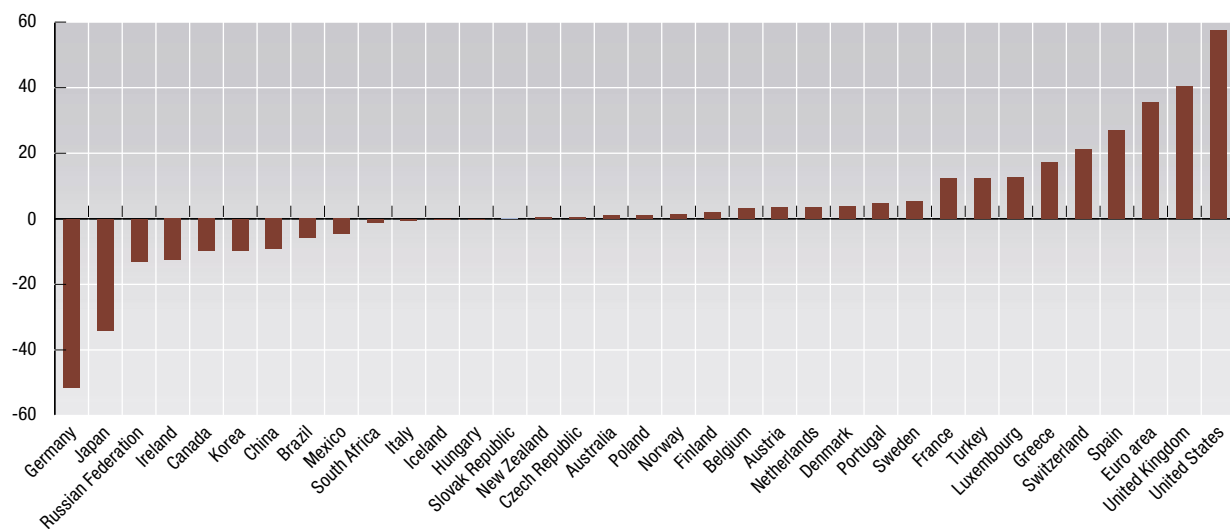
Billion US dollars

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Australia	-2.6	-1.5	-1.3	-0.9	0.2	0.2	-0.9	0.1	0.9	0.7	1.2	1.8	0.5	0.5
Austria	9.4	7.5	7.4	4.6	4.6	1.0	2.4	1.8	1.6	1.8	0.6	1.9	2.4	5.9
Belgium	..	..	..	-0.1	0.2	1.3	0.8	1.4	2.1	1.8	1.8	1.7	3.6	4.5
Canada	-10.0	-10.5	-8.5	-7.4	-6.7	-6.4	-4.3	-4.5	-3.9	-5.0	-4.6	-8.5	-9.8	-11.3
Czech Republic	..	1.0	0.5	1.8	1.9	1.8	1.9	1.2	1.4	1.5	0.7	0.5	0.5	0.8
Denmark	2.3	1.6	0.5	0.7	1.3	0.1	-0.3	2.0	2.4	3.4	2.0	3.5	3.3	4.7
Finland	-2.9	-2.2	-1.8	-2.2	-1.7	-1.6	-1.1	-1.1	-0.7	1.1	2.4	1.5	2.9	1.8
France	..	..	..	14.3	15.1	16.7	17.4	18.6	19.8	17.8	17.1	15.8	10.9	10.0
Germany	-36.1	-38.3	-46.1	-53.4	-51.7	-48.1	-51.6	-57.9	-55.0	-54.1	-42.8	-50.5	-53.4	-50.3
Greece	..	..	..	..	..	7.2	7.0	7.6	8.2	7.9	9.7	13.0	19.2	19.5
Hungary	0.8	0.2	0.2	0.6	1.5	1.7	1.7	1.3	0.8	1.1	-	-1.2	-0.3	0.9
Iceland	-	-	-	-	-	-	-	-0.1	-0.1	-	-	-0.1	-0.2	-0.5
Ireland	-3.0	-3.0	-4.1	-6.3	-7.7	-9.0	-9.9	-10.8	-12.8	-11.9	-13.0	-12.5	-12.7	-12.5
Italy	0.8	3.3	5.2	6.3	7.2	7.8	4.9	1.2	1.1	-	-2.9	-2.7	1.5	-0.4
Japan	-44.0	-43.0	-47.9	-57.3	-62.3	-54.1	-49.3	-54.0	-47.6	-43.7	-42.0	-35.5	-39.0	-27.9
Korea	-2.9	-2.1	-1.8	-3.0	-6.2	-3.2	1.0	-0.7	-2.8	-3.9	-8.2	-7.4	-8.0	-13.7
Luxembourg	..	..	..	3.2	3.5	4.0	4.2	5.4	6.8	6.4	8.0	10.0	12.6	15.8
Mexico	-2.3	-2.1	-2.0	0.7	0.4	-0.7	-0.9	-1.8	-2.3	-3.6	-4.0	-4.6	-4.6	-4.7
Netherlands	-0.1	-0.1	0.2	1.1	2.0	3.3	2.5	2.6	-2.1	-2.5	-1.0	-0.7	4.3	6.8
New Zealand	-0.9	-0.6	-0.3	-0.2	-0.2	-0.6	-0.7	-0.2	-0.1	0.1	0.6	0.9	0.7	0.1
Norway	..	..	0.2	0.5	1.4	1.4	0.7	1.0	1.9	2.5	1.8	1.8	2.5	-0.3
Poland	..	..	2.8	3.5	3.4	3.2	4.2	1.4	1.4	0.8	0.8	0.5	1.0	1.9
Portugal	..	..	..	..	1.4	1.5	1.9	2.0	2.0	2.6	3.1	4.0	5.2	5.1
Slovak Republic	..	0.3	0.8	0.7	0.2	0.2	0.2	0.2	0.4	0.5	0.5	0.2	0.3	0.3
Spain	12.4	11.7	14.8	17.4	19.0	18.2	19.7	20.5	19.4	20.6	21.1	26.2	26.9	28.2
Sweden	-2.3	0.1	0.2	-0.4	-0.9	-1.3	-1.6	-1.3	-1.5	-0.6	-0.8	2.0	5.8	7.9
Switzerland	11.4	12.1	12.0	13.4	13.1	13.7	14.3	15.3	16.2	13.9	14.9	18.4	21.2	23.7
Turkey	5.8	6.7	7.1	9.6	6.7	10.9	13.5	7.5	11.4	9.1	7.9	10.5	12.8	14.0
United Kingdom	9.3	10.1	9.9	14.1	17.4	23.1	24.3	22.1	20.8	20.8	24.9	31.3	47.5	42.6
United States	57.7	62.1	67.3	77.8	86.9	90.2	82.1	82.7	74.9	64.4	61.2	52.4	54.1	66.0
Euro area	..	..	..	..	..	..	..	-7.9	-5.8	-0.2	16.9	24.9	37.9	44.0
OECD total	..	..	..	..	..	82.1	84.3	63.6	63.6	53.1	62.0	76.4	114.3	140.4
Brazil	-3.3	-5.6	-5.3	-7.5	-8.1	-9.3	-9.0	-7.0	-7.2	-7.8	-5.0	-4.9	-4.7	-8.1
China	-0.2	-0.8	0.3	-6.1	-2.0	-3.4	-2.8	-5.3	-5.6	-5.9	-6.8	-8.6	-9.7	-9.4
India	-1.8	-1.4	-2.2	-3.5	-3.9	-3.3	-2.8	-2.8	-2.5	-2.8	-1.6	-2.4	..	..
Russian Federation	..	..	-7.0	-9.6	-5.4	-5.9	-4.1	-4.3	-6.7	-9.1	-9.9	-10.9	-13.4	-14.8
South Africa	-1.0	-1.4	-1.3	-1.4	-0.7	-0.6	-0.3	-0.5	-0.8	-0.6	-0.7	-0.3	-1.3	-1.6

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### Services trade balance: exports of services minus imports of services

Billion US dollars, average 2003-2005



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## TRADE IN SERVICES

## Imports of services

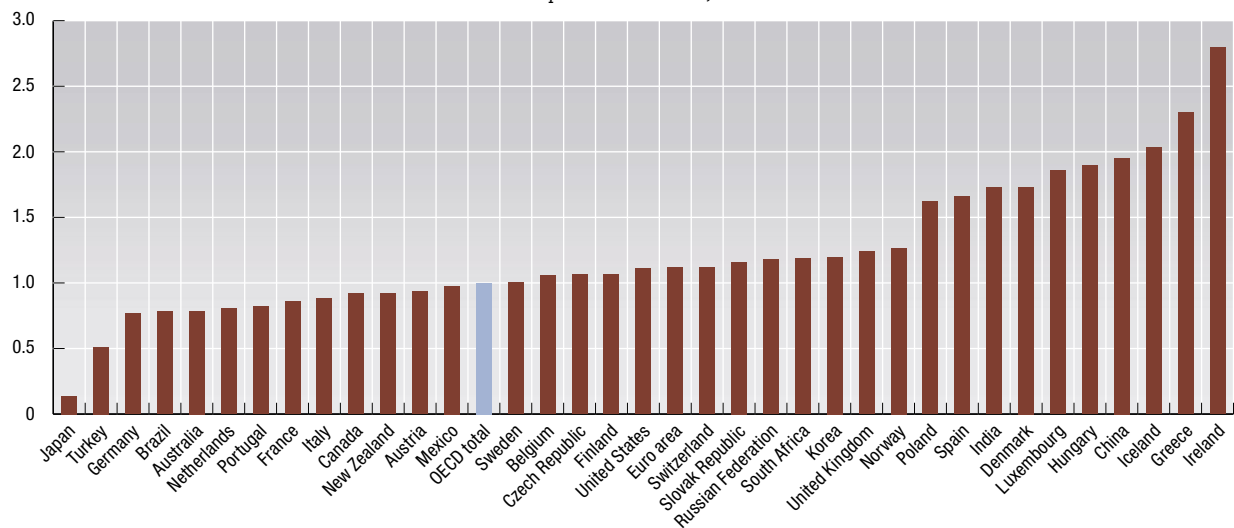

Billion US dollars

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Australia	13.8	13.4	15.4	17.4	18.9	19.2	18.0	18.8	18.9	17.3	18.3	21.8	27.9	30.4
Austria	17.9	19.2	20.6	24.6	25.4	26.7	27.1	29.5	29.8	31.5	34.8	41.1	46.8	45.9
Belgium	..	..	..	29.7	29.0	27.8	30.0	31.2	32.3	33.6	35.9	42.9	49.1	51.3
Canada	30.8	32.4	32.5	33.5	35.9	38.0	38.1	40.6	44.1	43.8	45.0	52.1	58.9	64.9
Czech Republic	..	3.7	4.7	4.9	6.3	5.4	5.7	5.9	5.4	5.6	6.4	7.3	9.2	10.0
Denmark	10.9	10.6	11.8	13.2	13.9	14.2	15.6	18.4	22.1	23.5	25.1	27.9	33.3	37.8
Finland	7.5	6.6	7.3	9.6	8.8	8.2	7.8	7.6	8.4	8.1	8.1	10.0	12.3	15.2
France	..	..	..	64.5	66.8	64.2	67.5	63.1	60.8	62.4	68.7	82.9	98.5	106.0
Germany	104.1	102.0	111.6	133.4	135.3	130.7	135.6	141.9	138.2	142.7	145.1	173.1	196.1	204.8
Greece	..	..	..	..	..	4.1	4.5	9.7	11.5	11.6	9.6	11.2	14.0	14.7
Hungary	2.6	2.6	3.0	3.6	3.5	4.1	4.2	4.4	4.8	5.6	6.9	9.2	10.6	11.9
Iceland	0.6	0.6	0.6	0.6	0.7	0.8	1.0	1.0	1.2	1.1	1.1	1.5	1.8	2.5
Ireland	7.1	6.7	8.4	11.3	13.4	15.2	23.9	27.7	32.8	37.5	42.8	54.5	65.4	69.9
Italy	53.2	45.6	45.7	51.1	53.4	54.2	59.1	57.7	55.6	57.8	63.0	74.3	83.3	90.6
Japan	93.0	96.2	106.2	122.8	130.0	123.4	111.7	114.9	116.8	108.2	107.8	108.8	133.7	134.0
Korea	13.6	15.1	18.6	25.8	29.6	29.5	24.5	27.2	33.4	32.9	36.6	40.4	49.9	58.8
Luxembourg	..	..	..	7.5	8.5	8.7	9.9	11.5	13.2	13.3	12.3	15.4	20.9	24.8
Mexico	11.5	11.5	12.3	9.0	10.2	11.8	12.4	13.5	16.0	16.2	16.7	17.1	18.6	20.8
Netherlands	38.3	38.0	41.1	44.8	45.3	45.8	47.2	49.5	51.4	53.8	57.0	63.9	69.5	73.3
New Zealand	3.6	3.5	4.0	4.7	4.9	4.8	4.4	4.5	4.5	4.3	4.8	5.7	7.2	8.2
Norway	..	..	12.0	13.1	13.4	14.3	14.8	14.9	15.5	15.1	16.7	19.2	23.0	29.6
Poland	..	..	3.9	7.1	6.3	5.7	6.6	7.0	9.0	9.0	9.2	10.6	12.5	14.3
Portugal	..	..	..	..	6.5	6.2	6.9	7.3	7.1	6.8	7.2	8.3	9.7	10.0
Slovak Republic	..	1.7	1.6	1.8	2.0	2.1	2.3	1.8	1.8	2.0	2.3	3.0	3.4	4.1
Spain	21.3	18.9	18.9	22.9	25.5	25.6	28.6	32.0	33.2	35.2	38.8	48.0	59.2	65.5
Sweden	18.3	12.7	14.0	16.8	18.4	19.7	21.4	23.0	24.2	23.6	24.0	28.7	33.1	35.3
Switzerland	10.4	10.1	11.2	13.2	13.8	12.2	13.2	14.1	13.7	14.6	15.4	16.9	21.9	23.3
Turkey	3.8	4.2	4.0	5.3	6.7	8.8	10.2	9.3	9.0	6.9	6.9	8.5	11.3	11.9
United Kingdom	54.5	52.4	60.0	65.7	73.0	78.6	88.3	97.0	99.8	100.3	110.1	127.3	150.0	160.4
United States	119.6	123.8	133.1	141.4	152.6	165.9	180.7	199.2	223.7	221.8	231.1	250.3	290.3	314.6
Euro area	..	..	..	..	..	..	..	278.8	280.9	288.8	300.2	353.7	415.6	452.4
OECD total	..	..	..	..	..	976.3	1 021.2	1 084.2	1 138.7	1 146.4	1 209.0	1 382.9	1 619.8	1 743.9
Brazil	7.4	9.6	10.3	13.6	12.7	15.3	16.7	14.2	16.7	17.1	14.5	15.4	17.3	24.2
China	9.4	12.0	16.3	25.2	22.6	28.0	26.7	31.6	36.0	39.3	46.5	55.3	72.1	83.8
India	6.7	6.5	8.2	10.3	11.2	12.4	14.5	17.3	19.2	20.1	21.0	25.8	..	..
Russian Federation	..	..	15.4	20.2	18.7	20.0	16.5	13.4	16.2	20.6	23.5	27.1	33.7	39.4
South Africa	4.4	4.7	5.1	6.0	5.7	6.0	5.7	5.8	5.8	5.2	5.4	8.1	10.3	11.9

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## Relative growth in imports of services

Growth over the period 1997-2005, OECD total = 1

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## Exports of services

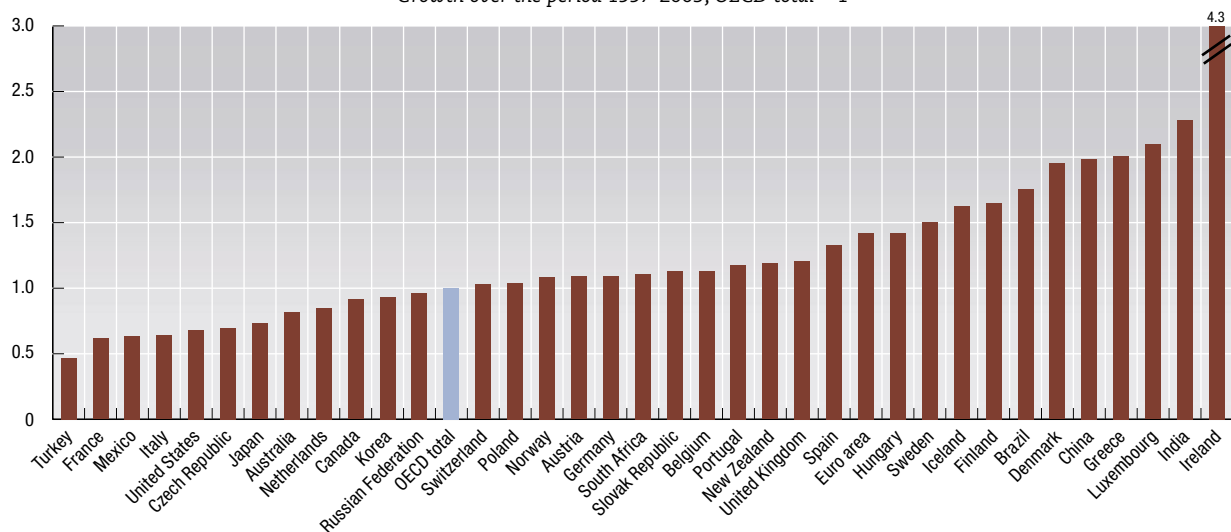
Billion US dollars

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Australia	11.2	11.9	14.2	16.5	19.1	19.3	17.2	18.9	19.9	18.1	19.6	23.6	28.5	31.0
Austria	27.2	26.7	28.0	29.2	30.0	27.7	29.5	31.3	31.4	33.3	35.3	43.0	49.1	51.8
Belgium	..	..	..	29.6	29.3	29.1	30.8	32.6	34.3	35.4	37.7	44.6	52.7	55.7
Canada	20.8	21.9	24.0	26.1	29.2	31.6	33.9	36.1	40.2	38.8	40.4	43.7	49.1	53.6
Czech Republic	..	4.7	5.2	6.7	8.2	7.2	7.6	7.1	6.9	7.1	7.1	7.8	9.7	10.8
Denmark	13.2	12.2	12.3	13.9	15.1	14.3	15.3	20.4	24.5	26.9	27.1	31.4	36.6	42.5
Finland	4.6	4.4	5.5	7.4	7.1	6.7	6.7	6.5	7.7	9.2	10.4	11.5	15.2	17.0
France	..	..	..	78.9	81.9	80.9	84.8	81.7	80.6	80.2	85.8	98.7	109.4	116.0
Germany	68.1	63.7	65.5	79.9	83.6	82.6	84.0	84.0	83.2	88.6	102.3	122.7	142.7	154.5
Greece	..	..	..	..	..	11.2	11.5	17.4	19.6	19.5	19.2	24.2	33.2	34.3
Hungary	3.4	2.8	3.1	4.3	5.0	5.7	5.9	5.6	5.6	6.6	6.9	8.0	10.4	12.8
Iceland	0.6	0.6	0.6	0.7	0.8	0.8	1.0	0.9	1.0	1.1	1.1	1.4	1.6	2.0
Ireland	4.0	3.8	4.3	5.0	5.7	6.2	14.1	16.9	20.0	25.6	29.8	42.0	52.7	57.3
Italy	54.0	48.9	50.9	57.5	60.6	62.0	64.0	58.9	56.7	57.9	60.1	71.6	84.7	90.1
Japan	49.0	53.2	58.3	65.5	67.7	69.3	62.4	60.9	69.2	64.5	65.7	73.3	94.7	106.1
Korea	10.7	12.9	16.8	22.8	23.4	26.3	25.6	26.5	30.5	29.1	28.4	33.0	41.9	45.1
Luxembourg	..	..	..	10.7	12.0	12.7	14.2	16.9	20.0	19.8	20.3	25.4	33.6	40.7
Mexico	9.2	9.4	10.3	9.7	10.6	11.1	11.5	11.7	13.7	12.7	12.7	12.5	14.0	16.1
Netherlands	38.2	37.9	41.4	45.9	47.2	49.0	49.7	52.1	49.3	51.3	56.0	63.2	73.7	80.1
New Zealand	2.6	2.9	3.7	4.5	4.7	4.2	3.8	4.3	4.4	4.4	5.3	6.6	7.9	8.3
Norway	..	..	12.2	13.7	14.8	15.7	15.5	15.9	17.4	17.6	18.6	21.0	25.5	29.3
Poland	..	..	6.7	10.7	9.7	8.9	10.8	8.4	10.4	9.8	10.0	11.2	13.5	16.2
Portugal	..	..	..	..	7.9	7.7	8.8	9.3	9.0	9.4	10.3	12.3	14.9	15.1
Slovak Republic	..	2.0	2.3	2.5	2.2	2.3	2.4	2.1	2.2	2.5	2.8	3.3	3.7	4.4
Spain	33.7	30.6	33.6	40.3	44.5	43.9	48.4	52.5	52.6	55.8	59.9	74.2	86.2	93.7
Sweden	15.9	12.8	14.2	16.4	17.5	18.4	19.7	21.7	22.7	23.0	23.3	30.7	38.9	43.2
Switzerland	21.8	22.2	23.2	26.6	26.9	26.0	27.5	29.4	29.9	28.5	30.3	35.3	43.1	47.0
Turkey	9.6	10.9	11.1	14.9	13.4	19.7	23.7	16.8	20.4	16.0	14.8	19.0	24.0	25.9
United Kingdom	63.8	62.4	69.8	79.8	90.5	101.7	112.6	119.1	120.6	121.1	135.0	158.5	197.6	203.0
United States	177.3	185.9	200.4	219.2	239.5	256.1	262.8	281.9	298.6	286.2	292.3	302.7	344.4	380.6
Euro area	..	..	..	..	..	..	..	270.9	275.1	288.6	317.2	378.6	453.6	496.4
OECD total	..	..	..	..	..	1 058.4	1 105.6	1 147.8	1 202.2	1 199.5	1 271.0	1 459.3	1 734.1	1 884.2
Brazil	4.1	4.0	4.9	6.1	4.7	6.0	7.6	7.2	9.5	9.3	9.6	10.4	12.6	16.1
China	9.2	11.2	16.6	19.1	20.6	24.6	23.9	26.2	30.4	33.3	39.7	46.7	62.4	74.4
India	4.9	5.1	6.0	6.8	7.2	9.1	11.7	14.5	16.7	17.3	19.5	23.4	..	..
Russian Federation	..	..	8.4	10.6	13.3	14.1	12.4	9.1	9.6	11.4	13.6	16.2	20.3	24.6
South Africa	3.4	3.3	3.7	4.6	5.1	5.4	5.4	5.2	5.0	4.6	4.7	7.8	9.0	10.2

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## Relative growth in exports of services

Growth over the period 1997-2005, OECD total = 1

StatLink <http://dx.doi.org/10.1787/147423020453>