

Asian Transport Outlook (ATO)

What is the Status of International Trade in Transport Services?

International trade in services covers the transactions between the residents and non-residents of an economy during a given period¹. Transport services are one of the service categories considered, and it includes² - passenger transport, where international trade in transport services covers all services provided to non-residents by resident carriers and to residents by non-resident carriers and freight transport, which includes transport services include all the international transportation of the economy's exports and imports of goods, i.e., freight services provided by resident operators on the compiling economy's imports inside the customs frontier of the exporting economy³.

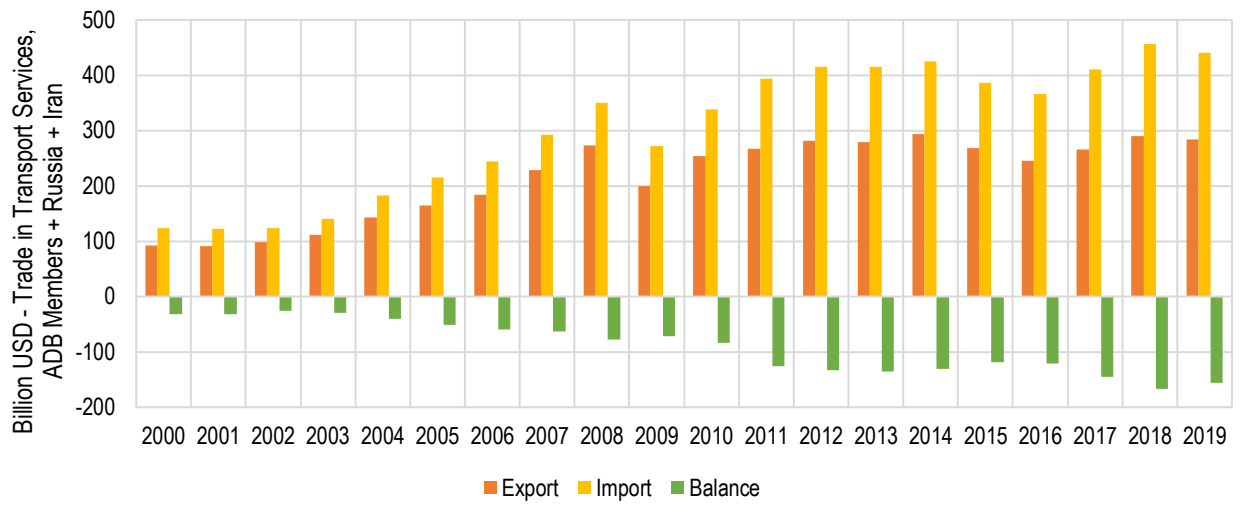
Overall, the ATO economies trade in transport services in 2019 was worth 440 billion USD (import) and about 280 billion USD (export) indicating a transport services related trade deficit of about 160 billion USD. In 2000, the trade deficit in transport services was still only about 30 billion USD. Fig. 1 highlights international trade share in transport services in the ATO economies from 2000 to 2019. Transport services as a share of total international trade in services import and export is about 21% and 14% in ATO economies, respectively. Since 2000, the trade deficit for transport services increased due to imports surpassing exports. Since 2000, the transport services import and export have increased at an annual rate of 6.9% and 6.1%, respectively.

¹ If export in transport services exceed imports, there is a trade surplus which contributes positively to the current account.

²https://ec.europa.eu/eurostat/statistics-explained/index.php/EU_international_trade_in_transport_services#General_overview

³ Transport covers all transport services performed by residents of one economy for those of another and that involve the carriage of passengers, the movement of goods (freight), rentals (charters) of carriers with crew, related supporting and auxiliary services. Transport covers all transport services (sea, air, land, internal waterway, pipeline, space and electricity transmission) performed by residents of one economy for those of another and involving the carriage of passengers, the movement of goods (freight), rental of carriers with crew, and related support and auxiliary services. Also included are postal and courier services. Excluded are freight insurance (included in insurance services); goods procured in ports by nonresident carriers (included in goods); maintenance and repairs on transport equipment (included in maintenance and repair services); and repairs of railway facilities, harbors, and airfield facilities (included in construction).

Figure 1: Trade in Transport Services in the ATO economies, 2000-2019



Source: ITC, UNCTAD, WTO trade in services database, World Bank
 ATO Data Used - TAS-TSG-010, TAS-TSG-011, TAS-TSG-012, TAS-TSG-013