International Services

The Bureau of Economic Analysis (BEA) prepares and publishes statistics on U.S. international trade in services and on services supplied by majority-owned U.S. and foreign affiliates of multinational enterprises (MNEs). The two data sets correspond to the two distinct channels through which services are delivered to international markets.

**U.S. international trade** in services consists of transactions between U.S. and foreign residents. Exports and imports of services represent international trade in the conventional sense and are recorded in the U.S. International Transactions Accounts (ITAs). These services transactions consist of both trade within MNEs (affiliated trade) and trade between unaffiliated parties. Trade in services transactions are classified in the following nine broad categories: maintenance and repair services n.i.e. (not included elsewhere); transport; travel (for all purposes including education); insurance services; financial services; charges for the use of intellectual property n.i.e.; telecommunications, computer, and information services; other business services; and government goods and services n.i.e.

**Services supplied by majority-owned U.S. and foreign affiliates of MNEs** refers to services supplied through the channel of direct investment. It covers transactions between foreign affiliates of U.S. companies and foreign residents, both in the local economy and in other foreign markets, and transactions between U.S. affiliates of foreign companies and U.S. residents. Because of the importance of physical proximity to customers in the delivery of services, many MNEs serve foreign markets partly or wholly through their affiliates located in, or close to, the markets they serve rather than through international trade. These transactions are not recorded in the ITAs because they are transactions between foreign residents or between U.S. residents. The services supplied statistics are drawn from larger data sets on the activities of U.S. MNEs and of U.S. affiliates of foreign MNEs. Services delivered through majority-owned affiliates have exceeded those delivered through cross-border trade in recent years. However, for specific types of services, the relative importance of the two channels may vary and is often determined by the nature of the service being delivered.

For more information

These statistics are available on BEA’s Web site in customizable interactive tables at [http://www.bea.gov/iTable/index_ita.cfm](http://www.bea.gov/iTable/index_ita.cfm).

For more information, see the annual article “U.S. International Services: Trade in Services and Services Supplied Through Affiliates,” in the October issue of the Survey of Current Business. The Survey article is available on the BEA Web site at [www.bea.gov](http://www.bea.gov).

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