

Services Trade by Enterprise Characteristics:

Diving Deeper into the Enterprises that Contribute to Singapore's Services Trade

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Introduction

Singapore's International Trade in Services statistics measure cross-border services transactions between Singapore and its trading partners. International Trade in Services play a significant role in Singapore's economy, with total services trade (i.e., the sum of services exports and imports) amounting to about 135% of Singapore's Gross Domestic Product (GDP) at current prices in 2023, up from 84% in 2010. The expansion of Trade in Services over the years was spurred by globalisation and technological advances which facilitated easier access to services abroad.

Total Services Trade amounted to about

135%

of Singapore's Gross Domestic Product (GDP) at current prices in 2023

The Singapore Department of Statistics (DOS) publishes Singapore's Trade in Services statistics with further breakdown by services categories, export markets and import sources. In 2024, a new data series on Trade in Services by industry was released, offering additional insights into the industries that contribute to services trade in Singapore, as well as the types of services traded by these industries.

In 2025, data on services trade by enterprise characteristics were released, providing new insights into the enterprise archetypes that contribute to services trade in Singapore, namely the size or ownership of enterprises. This article highlights key trends by examining Singapore's exports and imports of services by enterprise characteristics from 2017 to 2023.

Scope and Coverage

Services trade by enterprise characteristics is primarily compiled through the International Trade in Services Survey. The survey ^[1] collects detailed information such as exports and imports by trading partner and services category which are unavailable from administrative sources.

The enterprise characteristics are presented by size and ownership.



Size

Enterprises are classified as either Small and Medium Enterprises (SMEs) or non-SMEs, where SMEs are defined as enterprises with operating revenue of not more than \$100 million or employment of not more than 200 workers.



Ownership

Enterprises are classified as either local-owned or foreign-owned, where local-owned enterprises have at least 50% local equity.

[1] Data for some services categories (e.g., travel services, government goods and services, financial intermediation services indirectly measured) are excluded as these are compiled from supplementary sources.

Key Findings

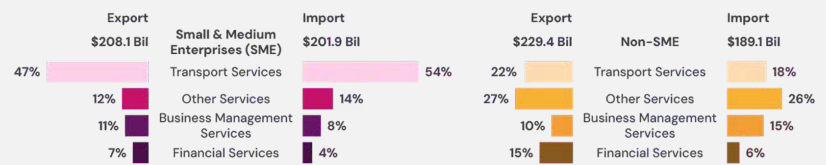
SMEs primarily exported and imported Transport Services, while non-SMEs' exports and imports were relatively diversified across a range of services from 2017 to 2023.

In 2023, SMEs' total services trade was \$410.1 billion, while non-SMEs' total services trade amounted to \$418.6 billion (Chart 1).

Exports and imports of Transport Services [2] accounted for 47.3% of SMEs' total services exports and 53.8% of their total services imports.

In contrast, non-SMEs exported and imported a wider range of services. Other Services, comprising services such as research & development services, professional services and technical services, make up the largest component of non-SME services exports (26.8%) and services imports (25.5%). This was closely followed by Transport Services, constituting 22.2% of non-SMEs' total services exports and 18.0% of their total services imports.

Chart 1: Singapore's Services Trade by Enterprise Size and Selected Services Category, 2023



Asia is the Top Destination for Services Exports and the Largest Source of Services Imports for SMEs

From 2017 to 2023, Asia was SMEs' top services export market and the largest source of services imports due to its geographical proximity to Singapore (Charts 2A and 2B). Services exports to Asia accounted for 41.2% of SME exports while services imports from the region accounted for 38.4% of SME imports.

Chart 2A: SMEs' Services Exports to Selected Regions, 2017-2023

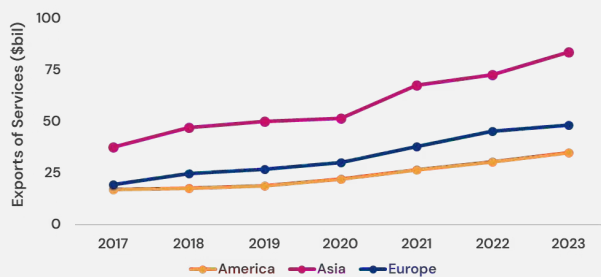
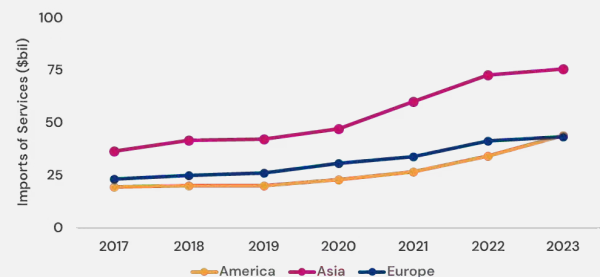


Chart 2B: SMEs' Services Imports from Selected Regions, 2017-2023



America Remains the Largest Source of Services Imports for Non-SMEs, with Asia Catching Up

America [3] was the largest source of non-SME services imports, accounting for an average of 40.7% of non-SME imports between 2017 and 2023. Similar to SMEs, an average of 40.8% of non-SME services were exported to Asia, making Asia their largest trading partner during this period (Chart 3A).

In 2023, 42.9% of non-SME imports came from America, up from 40.6% in 2017 (Chart 3B). Meanwhile, Asia's share of non-SME services imports rose from 25.9% in 2017 to 33.7% in 2023, reflecting its growing importance for non-SMEs.

Chart 3A: Distribution of Non-SMEs' Services Exports by Region, 2017-2023

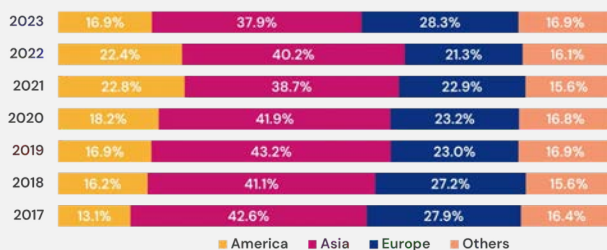
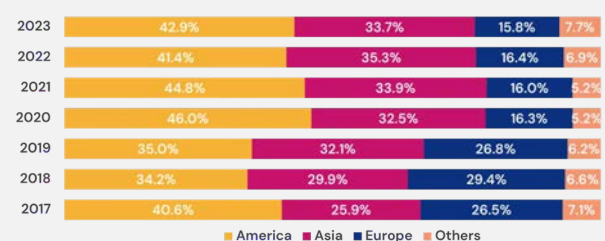


Chart 3B: Distribution of Non-SMEs' Services Imports by Region, 2017-2023



[2] Transport Services mainly include shipping of goods and transportation of passengers between countries.

[3] America is a geographical region which comprises North America and South, Central America & the Caribbean.

Asia Remains the Top Services Export Market and Largest Source of Imports for Local and Foreign Enterprises

Asia was the key export destination and import source for local enterprises as the proximity to Asian trading partners remained a key factor (Charts 4A and 4B). Between 2017 and 2023, the average share of local enterprises' services exports to Asia and the share of services imports sourced from the region were 49.6% and 44.2% respectively.

Chart 4A: Distribution of Local Enterprises' Services Exports by Region, 2017-2023

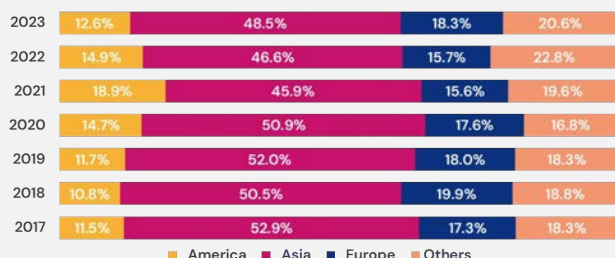
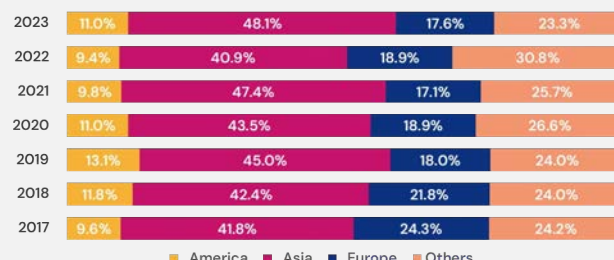


Chart 4B: Distribution of Local Enterprises' Services Imports by Region, 2017-2023



Similarly for foreign enterprises, Asia was a key trading region for their services exports and imports (Charts 5A and 5B). Between 2017 and 2023, an average of 40.0% of foreign enterprises' services exports were to Asia while 34.5% of foreign enterprises' services imports were sourced from Asian trading partners.

In 2017, foreign enterprises' services imports from America amounted to 32.6%, making it the largest source at that time (Chart 5B). Subsequently from 2018, Asia surpassed America as the largest source of services imports with foreign enterprises shifting towards the neighbouring region. Foreign enterprises saw their share of services imports from Asia rising from 30.8% in 2017 to 35.1% in 2023.

Chart 5A: Distribution of Foreign Enterprises' Exports by Region, 2017-2023

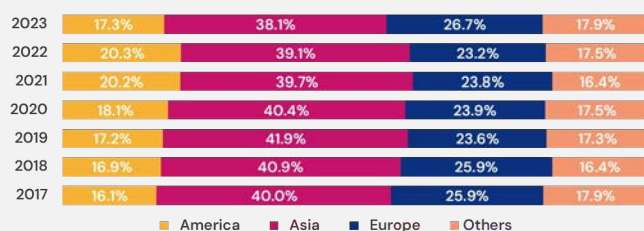
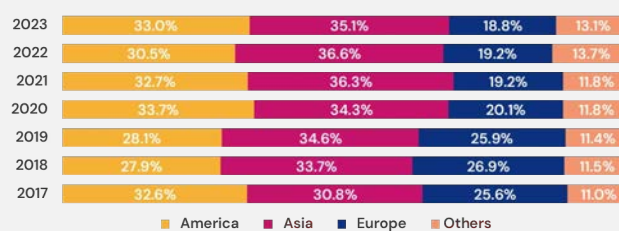


Chart 5B: Distribution of Foreign Enterprises' Imports by Region, 2017-2023

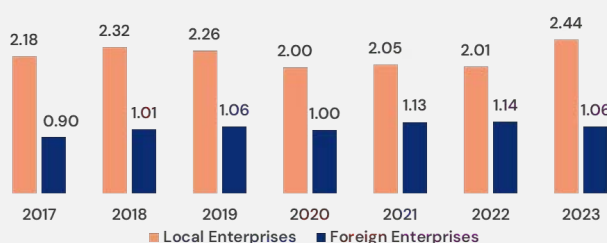


Foreign Trade Coverage Ratio: How Do Local and Foreign Enterprises Trade?

The foreign trade coverage ratio or FTCR (services exports divided by services imports) indicates whether a country or firm is exporting more services to overseas markets than it imports from overseas sources. A ratio above 1 indicates that a country is a net services exporter.

The FTCR of local enterprises increased from 2.18 in 2017 to 2.44 in 2023, indicating that their services exports have been outpacing their services imports. In addition, foreign enterprises turned from net services importer to net exporter, with their FTCR rising from 0.90 in 2017 to 1.06 in 2023 (Chart 6).

Chart 6: Foreign Trade Cover Ratio of Local and Foreign Enterprises, 2017-2023



Compared to foreign enterprises, the higher FTCR of local enterprises indicated that local enterprises exported relatively more services to overseas markets than services imported from overseas. Conversely, the FTCR of foreign enterprises was closer to 1, suggesting that foreign enterprises relied on overseas markets for both their exports and imports.

Conclusion

Singapore's Trade in Services has grown substantially in recent years, highlighting its services-oriented economy and reflecting the increasing digitalisation of services given Singapore's status as a global trade hub. Singapore's services traders consist of SMEs, non-SMEs, and local and foreign enterprises. Together with services trade statistics, these enterprise characteristics provide additional lenses to understand how enterprise archetypes contribute to services trade in Singapore.