

CYPRUS'S EXPORTS OF SERVICES



**Department of Trade
Ministry of Commerce, Industry and Tourism**

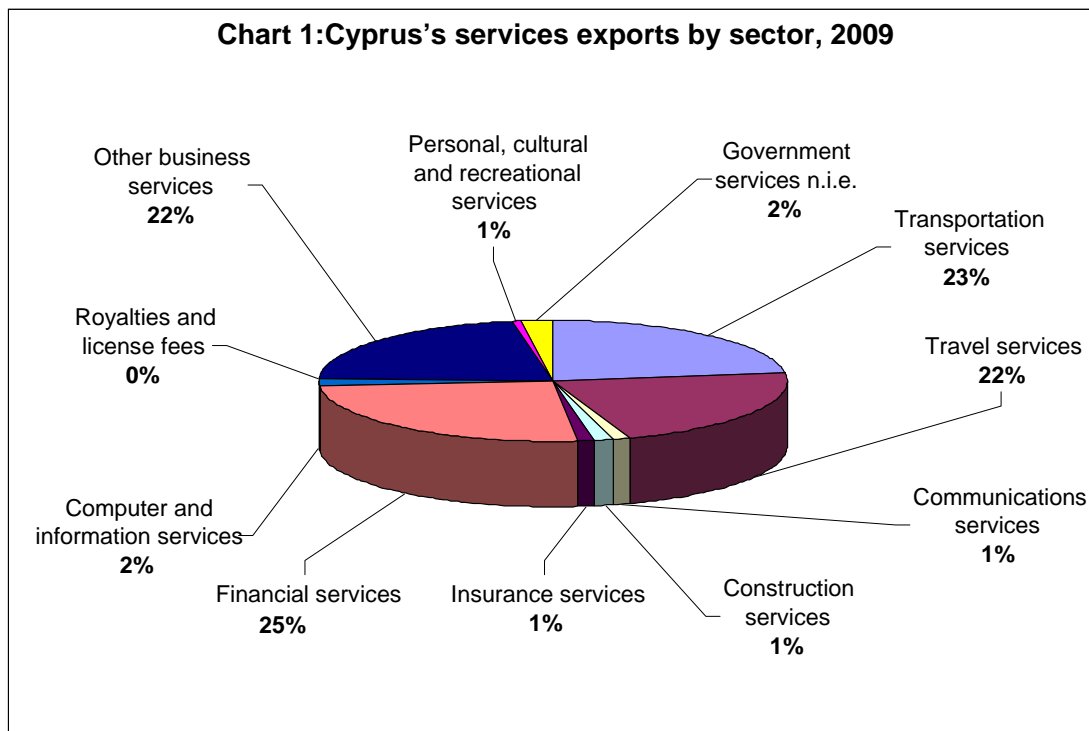
CYPRUS'S EXPORTS OF SERVICES

1. Introduction

Cyprus's services exports have grown and diversified greatly in recent times. Over the last decade, Cyprus has developed a sophisticated services sector, where exports of financial and other business services, have become an important source of foreign exchange earnings. During 2009, the country's exports of services amounted to more than €7, 0 billion.

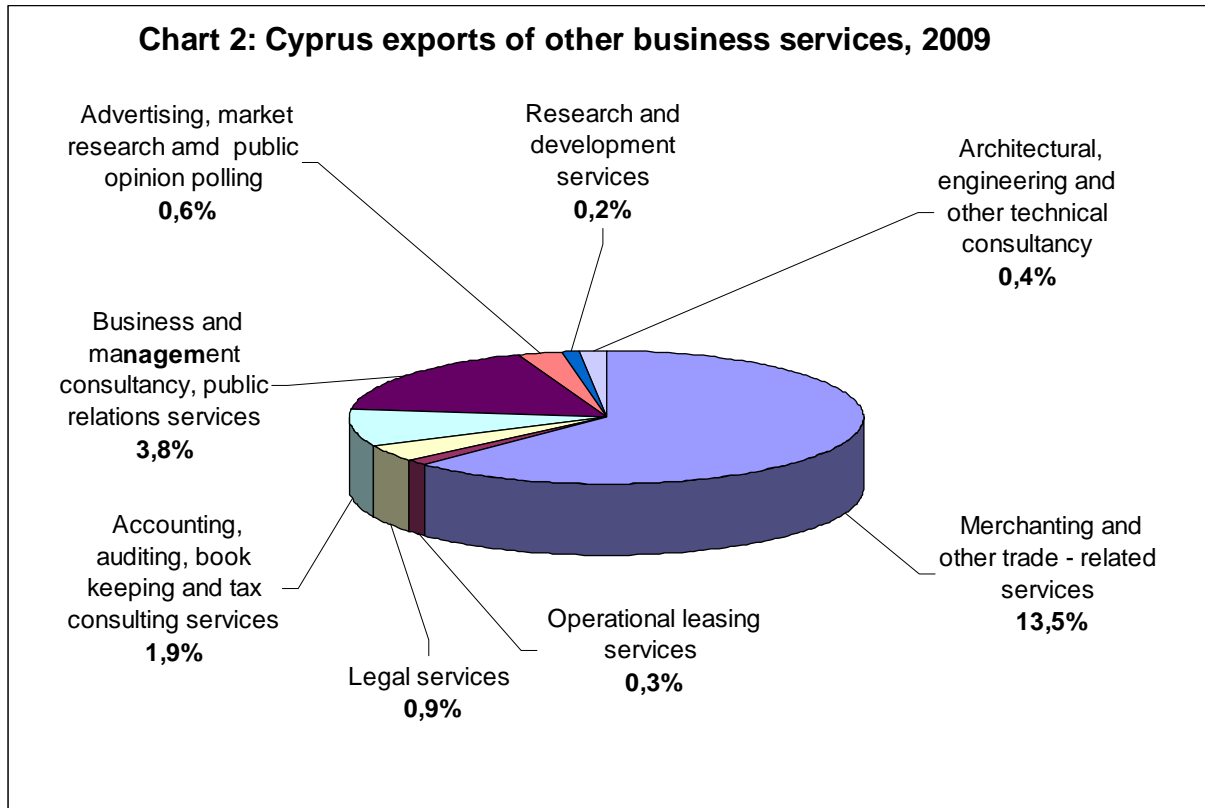
2. Cyprus's exports of services by type of activity

Table 1 and chart 1 depict the levels and percentage share of the major services exported from Cyprus in 2009. In that year, exports of **financial services** have reached €1, 8 billion, accounting for 25% of total services exports. They were followed by **transportation services** which amounted to €1, 6 billion representing almost 23% of total services exports. **Travel** and **other business** services constitute the third and fourth largest exports for the year 2009. Exports of **travel services** have reached €1, 6 billion, representing almost 22% of total services exports. **Other business services** have reached €1, 5 billion representing almost 22% of total services exports.



Significant exports of **other business services** in 2009 (presented in chart 2) include: merchandising and other trade related services (€962 million, 14%), business and management consultancy, public

relations services (€269 million, 4%), accounting, auditing, book keeping and tax consulting services (€134 million, 3%), and legal services (€62 million, 1%).



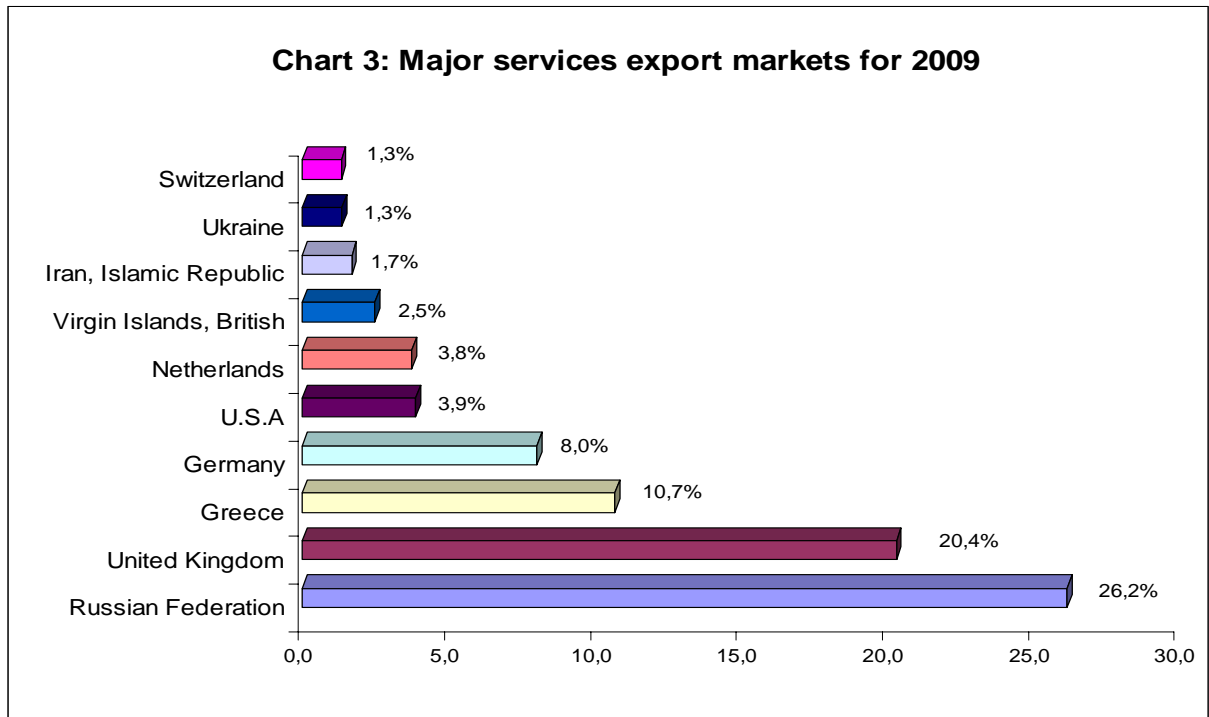
3. Cyprus's exports of services by selected countries and regions

Chart 3, depicts the percentage share, of the leading markets for Cyprus's services export for the year 2009, while table 2, presents Cyprus's top 20 export markets for services. The major market for Cyprus's services exports in 2009 was the **Russian Federation** absorbing 26% of total services exports valued at (€1, 8 billion).

The **United Kingdom** was Cyprus's second largest market reaching €1, 4 billion, and accounting for 20% of total exports.

Greece was Cyprus's third largest market reaching €762 million in 2009 and accounting for about 11% of total services exports.

Chart 3: Major services export markets for 2009



In chart 4, below and table 2, the major country groups importing services from Cyprus are presented. As a single entity, the European Union (EU) was Cyprus's largest export market accounting for 52% of total services exports. It was followed by the Commonwealth of Independent States, (CIS), which accounted for 28%, and the North American Free Trade Association (NAFTA) countries which absorb only about 4%.

Chart 4: Major services exports by country groups, 2009

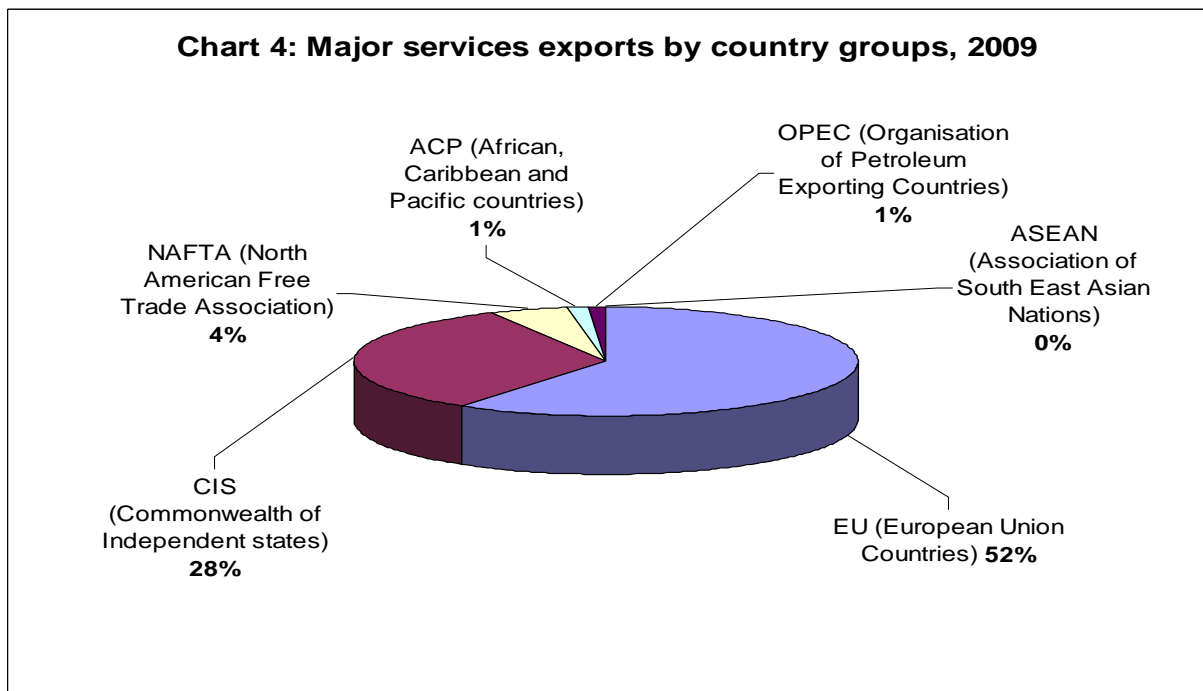


Table 1: Cyprus's exports of services by type of activity, 2009

		€'000s	
	Type of activity	2009	% share of total
205	Transportation services	1.623.936	22,8
	– Sea transport	1.324.208	18,6
	– Air transport	275.057	3,9
	– Other transport (other than sea and air)	24.671	0,3
236	Travel services	1.555.873	21,9
	– Business travel	105.632	1,5
	– Personal travel	1.450.241	20,4
245	Communications services	85.912	1,2
	– Postal and courier services	747	0,0
	– Telecommunication services	85.165	1,2
249	Construction services	89.026	1,3
	– Construction abroad	61.028	0,9
	– Construction in the compiling economy	27.998	0,4
253	Insurance services	72.108	1,0
	– Life insurance and pension funding	48.152	0,7
	– Freight insurance	36	0,0
	– Other direct insurance	3.086	0,0
	– Reinsurance	11.963	0,2
	– Auxiliary services, insurance services	8.871	0,1
260	Financial services	1.807.415	25,4
262	Computer and information services	135.678	1,9
	– Computer services	120.521	1,7
	– Information services	15.157	0,2
266	Royalties and license fees	8.616	0,1
268	Other business services	1.540.291	21,7
	– Merchanting and other trade - related services	961.799	13,5
	– Operational leasing services	22.366	0,3
	– Legal services	62.321	0,9
	– Accounting, auditing, book keeping and tax consulting services	134.536	1,9
	– Business and management consultancy, public relations services	268.966	3,8
	– Advertising, market research and public opinion polling	43.682	0,6
	– Research and development services	17.142	0,2
	– Architectural, engineering and other technical consultancy	26.307	0,4
	– Agricultural, mining, and on site processing	2.201	0,0
	– Other miscellaneous business, professional and technical services	971	0,0
287	Personal, cultural and recreational services	38.606	0,5
	– Audio - visual and related services	10.743	0,2
	– Education services	5.085	0,1
	– Health services	9.497	0,1
	– Other	13.281	0,2
291	Government services n.i.e.	151.825	2,1
	Total services	7.109.286	100,0

Source: Central Bank of Cyprus

Table 2: Cyprus's exports of services by selected countries and regions, 2009

		€'000s	
Cyprus's top 20 export markets	2009	% share of total	Rank
Selected countries			
Russian Federation	1.863.584	26,2	1
United Kingdom	1.446.896	20,4	2
Greece	762.091	10,7	3
Germany	571.804	8,0	4
U.S.A	275.487	3,9	5
Netherlands	266.627	3,8	6
Virgin Islands, British	176.366	2,5	7
Iran, Islamic Republic	120.145	1,7	8
Ukraine	95.839	1,3	9
Switzerland	94.737	1,3	10
Sweden	81.607	1,1	11
France	79.846	1,1	12
Hong Kong	54.768	0,8	13
Czech Republic	49.729	0,7	14
Norway	48.294	0,7	15
Austria	41.918	0,6	16
Lebanon	40.240	0,6	17
Romania	39.717	0,6	18
Poland	35.941	0,5	19
Bulgaria	35.228	0,5	20
Country Groups			
EU (European Union Countries)	3.686.359	51,9	
CIS (Commonwealth of Independent states)	2.020.321	28,4	
NAFTA (North American Free Trade Association)	304.736	4,3	
ACP (African, Caribbean and Pacific countries)	81.520	1,1	
OPEC (Organization of Petroleum Exporting Countries)	63.502	0,9	
ASEAN (Association of South East Asian Nations)	6.908	0,1	
Geographic Regions			
Europe	5.868.111	82,5	
America	557.684	7,8	
Asia	419.144	5,9	
Africa	54.622	0,8	
Oceania	28.273	0,4	
Other	181.453	2,6	
World	7.109.287	100,0	

Source: Central Bank of Cyprus

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