

# International Trade Forum

## Why Services Matter

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# How Services Move Goods

by Prema de Sousa, ITC

Services contribute to everything a society produces. Even getting goods to market is heavily linked to services. Take, for example, a 5-kilo bag of rice exported from Pakistan to Europe. How does the rice move from the exporter to the consumer?

The answer is through services.

Below are a few of the services involved. Those providing the services range from public sector utilities, to transport firms, to retailers. Because of the many possibilities for specialization and outsourcing, services allow countries to develop more complex economies, which boosts their trade competitiveness.

- ▶ **Energy, telecommunications, water:** Basic services that underpin production, from rice harvest to accounting to transport.
- ▶ **Financial services:** Finance, expand and maintain export operations.
- ▶ **Insurance:** Manage risk.
- ▶ **Accounting:** Record income and expenses for financial reports, and to assist in making business decisions.
- ▶ **Legal services:** Prepare and enforce contracts between different parties, e.g., for sale and distribution.
- ▶ **Market research:** Identify niche markets and buyers.
- ▶ **Packaging design:** Preserve, protect and promote the product.
- ▶ **Quality control and inspection:** Ensure products meet international standards and prove that they comply.
- ▶ **Transport and shipping:** Move the product from producer to exporter to foreign buyer and distributor.
- ▶ **Retail and distribution:** Move the product from the buyer to the end-consumer.
- ▶ **Advertising:** Encourage the consumer to know and buy the product.

Contributors: Natalie Domeisen, Sebastian Rodas, Bruce Shepherd, Bryan Towe

