



Bank of Russia

**EXPORTS OF TRAVEL
SERVICES OF THE RUSSIAN
FEDERATION TO THE
PEOPLE'S REPUBLIC OF CHINA**

Moscow 2020

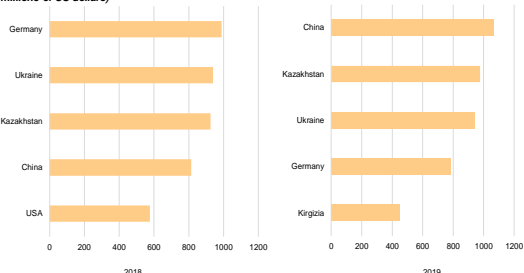
EXPORTS OF TRAVEL SERVICES OF THE RUSSIAN FEDERATION TO THE PEOPLE'S REPUBLIC OF CHINA

Travel-related transactions are a key component of external trade of the Russian Federation in services. Exports of services in the 'Travels' item comprise the overall costs of foreigners temporarily staying in Russia. Travels accounted for 17.5% in Russia's total exports of services (vs 17.9% in 2018).

The analytical commentary was prepared on the basis of data developed by the Bank of Russia in accordance with international standards on the compilation of statistics on external trade in services.

In 2019, the People's Republic of China (hereinafter, China) was the leader among the states – counterparties of the Russian Federation in exports of services under the 'Travels' item.

FIVE MOST IMPORTANT COUNTRIES – RUSSIA'S COUNTERPARTIES IN EXPORTS OF TRAVEL SERVICES IN 2018–2019 (millions of US dollars)



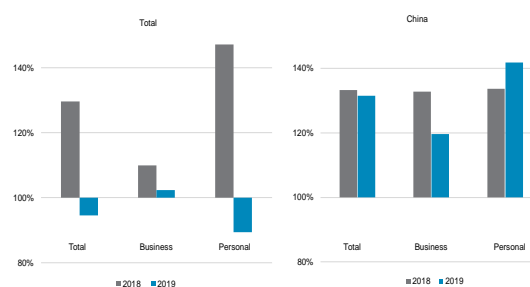
The value of services rendered to Chinese citizens during their stay in Russia (hereinafter, total exports of travel services to China) increased from USD 0.8 billion in 2018 to USD 1.1 billion in 2019, or by 31.5%, with its share in total exports of travels expanding from 7.0% to 9.8%.

The highest growth rate in exports of services under the 'Travels' item was recorded in personal travels.¹

¹ Business travels cover trips by individuals going abroad to carry out various business activities. This category encompasses travels by public officers and companies' employees temporarily going abroad on business to perform works or provide services; international organisations' employees on missions; crews of vessels making a short stop in the country; any other employees who are not residents of the economy employing them.

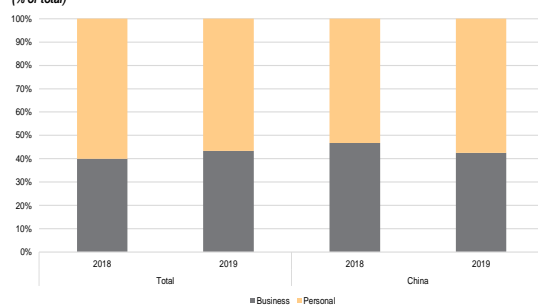
Personal travels are trips by individuals going abroad not on business, but for tourism, medical treatment, educational, sports,

GROWTH OF EXPORTS IN TRAVEL SERVICES IN 2018–2019, %



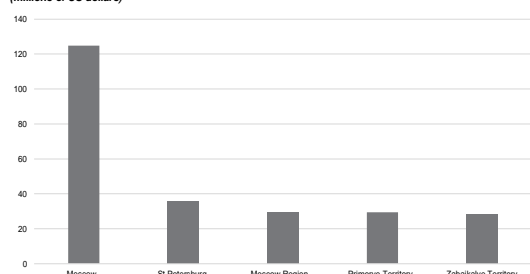
As well as in case of total exports of services under the 'Travels' item, the target structure of exports of travel services to China was dominated by personal travels in 2018–2019. Personal travels accounted for 57.5% of total exports of travel services to China in 2019 (vs 53.3% in the previous year).

STRUCTURE OF EXPORTS OF TRAVEL SERVICES TO CHINA FOR BUSINESS AND PERSONAL PURPOSES IN 2018–2019 (% of total)



In 2019, Moscow and Saint Petersburg accounted for the largest values of services provided to Chinese citizens in Russia during their business trips – USD 124.8 and 35.9 million, respectively.²

FIVE RUSSIAN REGIONS WITH LARGEST VALUES IN EXPORTS OF TRAVEL SERVICES TO CHINA FOR BUSINESS PURPOSES IN 2019 (millions of US dollars)



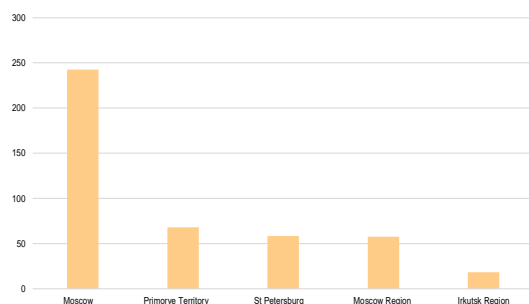
religious and other private purposes, as well as travels by transit passengers being in the country on the way to their point of destination.

² Starting from 2019 the Bank of Russia compiles statistics on exports and imports of services in under the 'Travels' item of the balance of payments, broken down by constituent territory of the Russian Federation

EXPORTS OF TRAVEL SERVICES OF THE RUSSIAN FEDERATION TO THE PEOPLE'S REPUBLIC OF CHINA

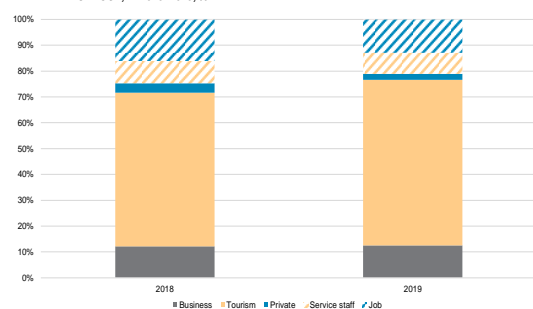
Moscow and the Primorye Territory were the leaders in exports of travel services to China for personal purposes, accounting for USD 242.6 and 68.0 million, respectively.

FIVE RUSSIAN REGIONS WITH LARGEST VALUES IN EXPORTS OF TRAVEL SERVICES TO CHINA FOR PERSONAL PURPOSES IN 2019 (millions of US dollars)



The number of Chinese citizens' travels to Russia increased from 2.1 million in 2018 to 2.3 million in 2019, while their share in the total number of incoming foreigners expanded only slightly from 6.0% in 2018 to 6.6% in 2019. The portion of tourism travels rose to 64.0% (vs 59.4%) and that of business travels was up to 12.6% (vs 12.2%), while private travels decreased to 2.4% (vs 3.7%), service employees' travels – to 8.1% (vs 8.5%), and travels for job – to 12.8% (vs 16.0%).

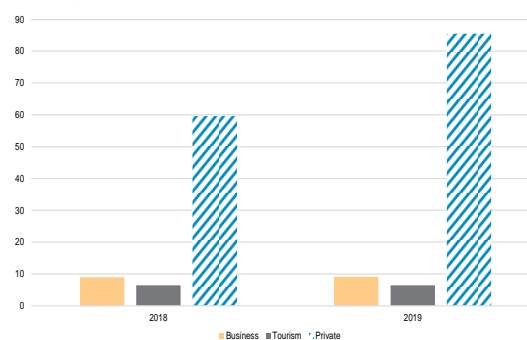
STRUCTURE OF NUMBER OF CHINESE CITIZENS' TRAVELS TO RUSSIA, BY TRAVEL PURPOSE, IN 2018–2019, %



In 2019, the average stay in Russia of Chinese citizens travelling for business or tourism purposes remained the same as in 2018 (6 and 9 days, respectively), while their

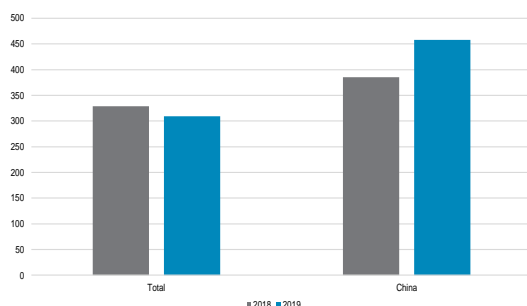
stay in Russia for private purposes extended by 25 days, to average 85 days.

AVERAGE STAY OF CHINESE CITIZENS IN RUSSIA, BY TRAVEL PURPOSE, IN 2018–2019, DAYS



Average costs, including accommodation and meal costs, as well as personal expenses³ over the period of a travel of one Chinese citizen staying in Russia, increased from USD 385 to 458 (+19.1%).

AVERAGE COSTS FOR CALCULATING EXPORTS OF TRAVEL SERVICES IN 2018–2019 (total for all purposes, in US dollars)



Beginning from 2019⁴, Russia collects data on organised inbound tourism services rendered by Russian tour operators, according to federal statistical form No. 1-Travels 'Information on a tour operator's activity in the inbound and outbound tourism industry'.⁵

According to the information from the above form, the number of organised tourists from China totalled 0.78 million⁶ in 2019 (58.3% of the total number of Chinese citizens who visited Russia for tourism purposes,

³ Costs are calculated based on official statistics, federal statistical forms, and information provided by partner countries, the UN World Tourism Organization, and mass media.

⁴ The first reporting period according to the federal statistical survey form No. 1-Travels – 2019 Q2.

⁵ Bank of Russia Ordinance No. 5328-U, dated 25 November 2019, 'On Approving Federal Statistical Forms and Procedure Whereby Respondents Compile and Submit to the Bank of Russia Primary Statistical Data, as Part of These Forms, for

Preparing the Balance of Payments of the Russian Federation, International Investment Position of the Russian Federation, External Trade Statistics of the Russian Federation, External Debt of the Russian Federation, Foreign Direct Investments in the Russian Federation and Direct Investments from the Russian Federation Abroad'.

⁶ Information on the acceptance of tourists from China was given in the reports from 215 of the 849 tour operators who submitted their data in 2019 on inbound tourism operations.

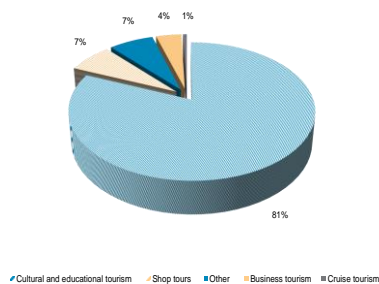
EXPORTS OF TRAVEL SERVICES OF THE RUSSIAN FEDERATION TO THE PEOPLE'S REPUBLIC OF CHINA

pursuant to data from the Border Service of the Federal Security Service of the Russian Federation).⁷

Short one- to four-day trips accounted for the largest portion in the travels of Chinese citizens to Russia who used Russian tour operators' services (59.5% of the overall number of travels). One-day trips without overnight accommodation accounted for 7.9%, five- to seven-day travels – 21.1%, eight- to fourteen-day travels – 11.3%, and travels for over a fortnight – 0.2%.

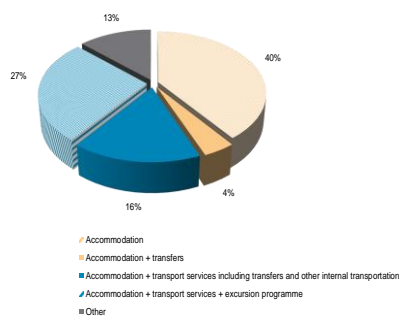
Cultural and educational tourism prevailed in organised tourism programmes, accounting for 81.2% of the total number of travels.

STRUCTURE OF NUMBER OF CHINESE CITIZENS, BY LEISURE PROGRAMME TYPE, IN 2019, %



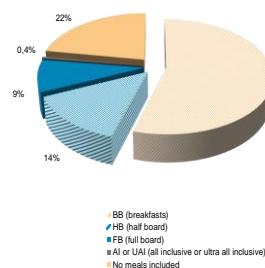
In 2019, the most highly requested package of tourism services (travel package) included only the payment for accommodation in collective accommodation facilities, with its share in Chinese citizens' visits to Russia equalling 40.1%.

STRUCTURE OF NUMBER OF CHINESE TOURISTS, BY TOURISM SERVICE PACKAGE, IN 2019, %



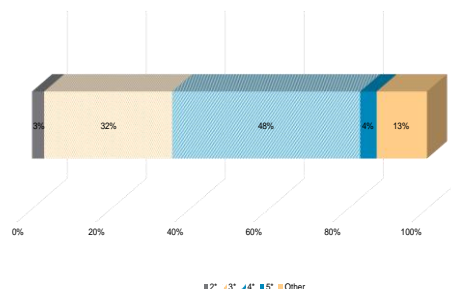
Within the travel package, more than one-half of Chinese tourists visiting Russia preferred the accommodation option BB (bed and breakfast). AI (All inclusive) or UAI (Ultra all inclusive) options were the least requested options.

STRUCTURE OF NUMBER OF CHINESE TOURISTS, BY ACCOMMODATION OPTION IN TOURISM SERVICES, IN 2019, %



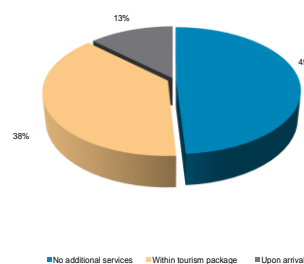
Chinese citizens visiting Russia mostly selected 4* hotels for accommodation (47.6% of all travels). 2* hotels were chosen by the smallest number of tourists (3.1%).

STRUCTURE OF NUMBER OF CHINESE TOURISTS, BY HOTEL TYPE, IN 2019, %



The largest number of Chinese tourists visiting Russia preferred not to purchase any additional services (excursions, tickets to entertainment and sports events, other leisure activities) within their travel package.

STRUCTURE OF NUMBER OF CHINESE TOURISTS, BY ADDITIONAL SERVICES PURCHASED, IN 2019, %



⁷ For the comparability of results, the calculation used data on the number of Chinese citizens who visited Russia in 2019 Q2–Q4.