

**Impact of Information and Communication Technology on Transport among the
Selected Middle East Countries**

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Abstract

The modern transport systems manage traffic, travel scheduling and passenger reservation efficiently. These use information and communication technology (ICT) in order to increase demand for convenience, safety and speed. Therefore, investing in ICT has essential effect on transport sector. This article aims to examine the effects of ICT on growth of transport value added among the selected Middle- East countries. It applies a panel data model over the period 2000-2014 and uses ICT penetration ratio as proxy variable for ICT. The findings show that labor active in transport sector; machinery and transport equipment and ICT penetration ratio have significant positive effects on value added of transport sector. Thus, improving the ICT infrastructure and training the transport agents, besides physical investment in machinery and transport equipment cause higher growth in transport and related services.

Keywords: ICT, Value added, Transport, Panel data

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