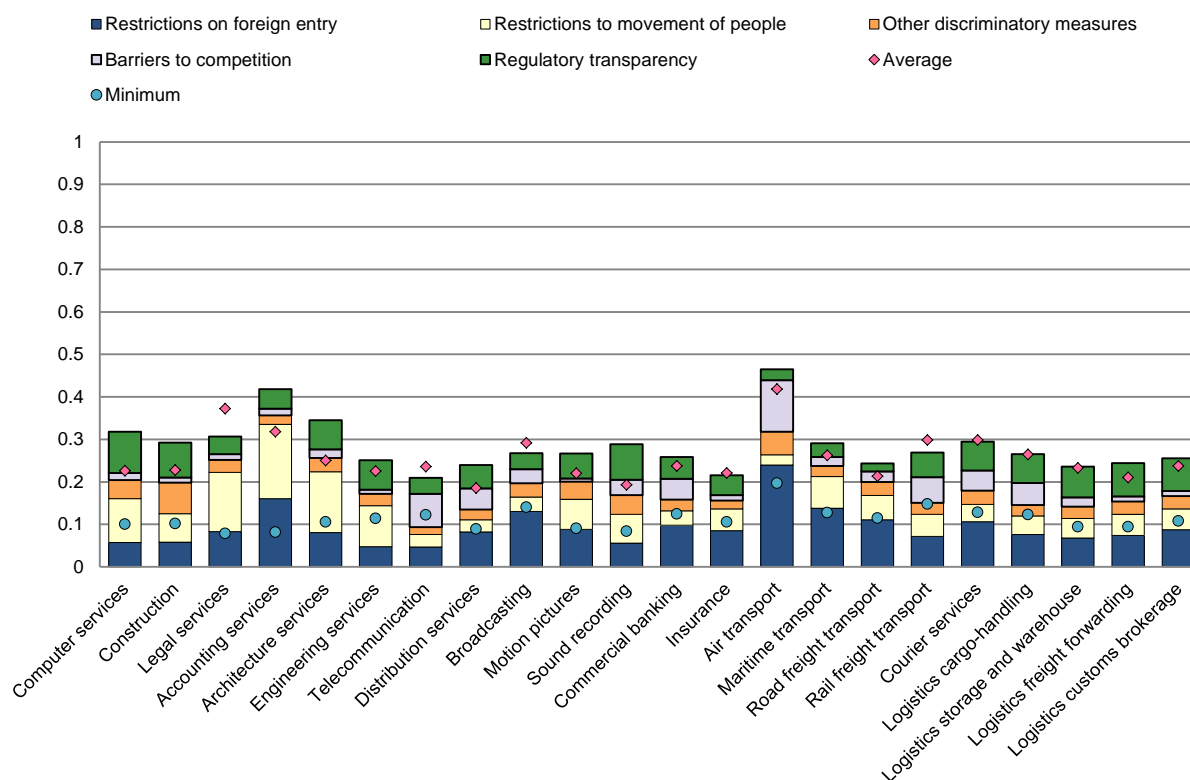


OECD Services Trade Restrictiveness Index (STRI): Belgium

Belgium exported services worth USD 111.2 billion and its services import value was USD 105.6 billion in 2015. The largest services exporting and importing sector is other business services, led by professional and management consulting services, followed by technical, trade-related services. Belgium's score on the STRI in the 22 sectors is shown below, along with the average and the lowest score among the 44 countries included in the STRI database for each sector.

STRI by sector and policy area



Note: The STRI indices take values between zero and one, one being the most restrictive. They are calculated on the basis of the STRI regulatory database which contains information on regulation for the 35 OECD Members, Brazil, China, Colombia, Costa Rica, India, Indonesia, Lithuania, Russia and South Africa. The STRI database records measures on a Most Favoured Nations basis. Preferential trade agreements are not taken into account. Air transport and road freight cover only commercial establishment (with accompanying movement of people).

Horizontal policy measures

Belgium has a lower score on the STRI than the average in 6 out of 22 sectors. Belgium limits the duration of stay for workers seeking to provide services in the country on a temporary to 12 months for intra-corporate transferees and contractual services suppliers and 24 months for independent services suppliers on their first entry permit. Rights under the public procurement act are limited to local suppliers, suppliers from the European Union (EU) member countries and other suppliers coming from countries offering reciprocal treatment to Belgium nationals. The standards for the cross-border transfer of personal data are set at the EU level. Transfers to non-EEA economies can only take place when these ensure an adequate level of protection that is substantially similar to that required in the EU or when private data processors, both senders and receivers, establish various safeguards approved by the data protection authorities. Finally, a minimum amount of capital must be deposited in a bank or with a notary in order to register a business.

The sectors with the relatively lowest STRI scores

Legal services, telecommunication and broadcasting are the three sectors with the lowest score relative to the average in Belgium.

Legal services are a regulated profession. A transparent process of recognition of foreign qualifications is in place requiring foreign lawyers to pass a local exam and practice for one year. Permanent residency is also required. The Belgian state holds 53% of the equity in Belgacom, one of the largest suppliers of telecommunications in the country and the decisions of the regulators can be overruled by the government. In broadcasting, advertising is restricted, broadcast time is regulated by quotas and subsidies and tax breaks are subject to cultural tests. Finally, a major firm in the sector RTBF is owned by the Walloon region government.

The sectors with the relatively highest STRI scores

Accounting and auditing services, architecture and sound recording are the three sectors in Belgium with the highest score relative to the STRI average.

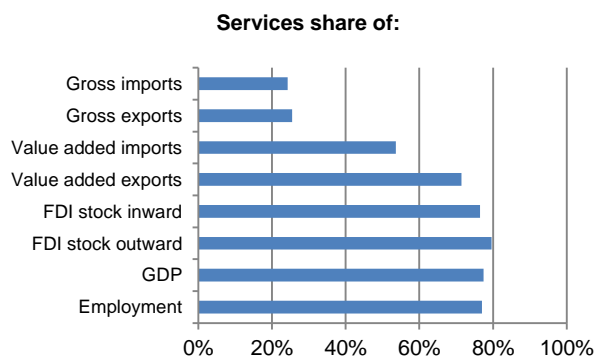
Accounting, auditing and architecture are all regulated professions. Equities related to licencing are limited to 49% and nationality is required for licence to practice in auditing services. Foreign architects have to pass a local examination to obtain a license. Companies providing architectural services must be 60% owned by locally licensed architects and the majority of board members and managers must be locally licensed. Finally, comparative advertising is not permitted.

Finally in sound recording, a major firm in the sector RTBF is owned by the Walloon region and a proportion of television or radio broadcast time is reserved for domestic music.

Recent policy changes

One of the main rail freight operators in Belgium, B Logistics, has undergone a process of privatisation in 2015, with SNCB - the state-owned Belgian national railway company - now owning 31% of its shares.

Efficient services sectors matter



Services account for more than 25% of gross exports but for 71% in value added terms. Open, diversified and competitive services markets contribute to productivity both in the services sectors and in downstream sectors using services inputs. Belgium could further improve the efficiency of its economy by prioritising reforms that enhance competition in services markets, particularly by focusing on the remaining horizontal measures that affect all types of services and the few sectors where a higher STRI is observed.

More information

- » Access all of the country notes, sector notes and interactive STRI tools on the OECD website at <http://oe.cd/stri>
- » Contact the OECD Trade and Agriculture Directorate with your questions at stri.contact@oecd.org