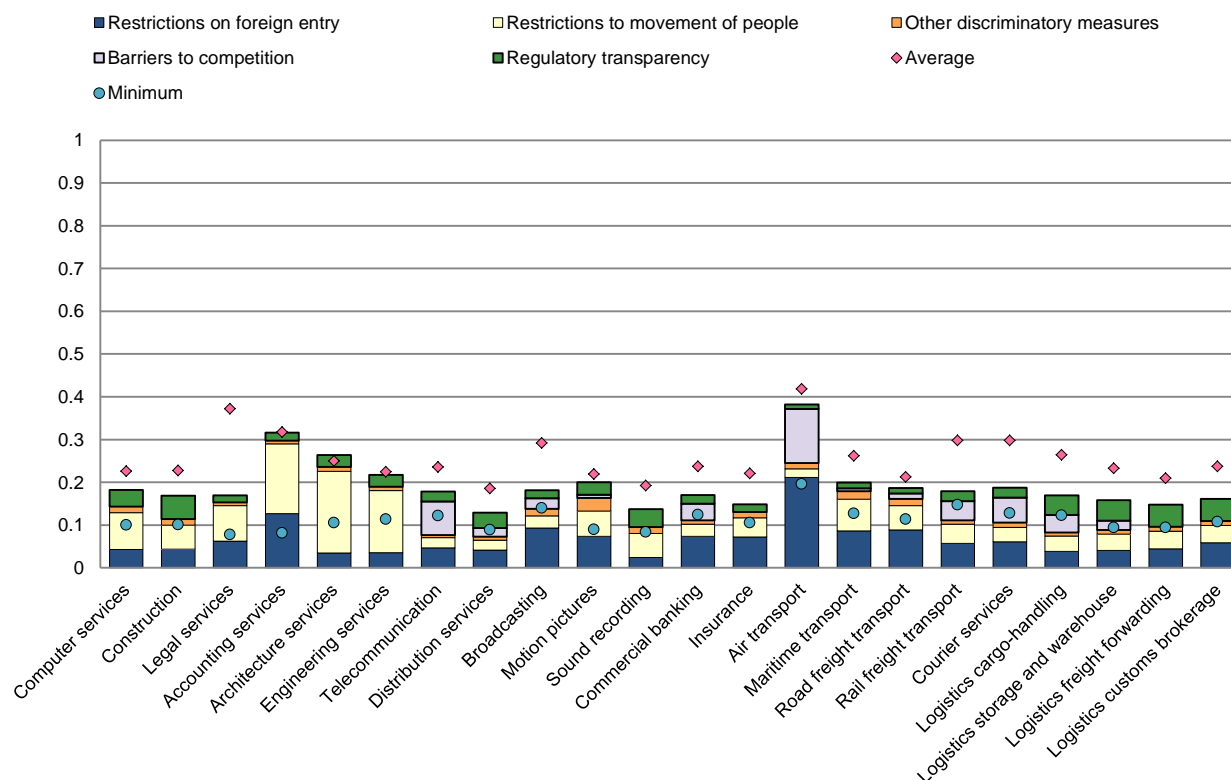


## OECD Services Trade Restrictiveness Index (STRI): United Kingdom

The United Kingdom exported services worth USD 345 billion and services import value was USD 210 billion in 2015. The financial industry is the largest services exporting sector and travel services are the main category of services imports. The United Kingdom'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

The United Kingdom has a lower score on the STRI than the average in all sectors except architecture services. This can be explained in large part by the general regulatory environment. The United Kingdom applies labour market tests to workers seeking to provide services in the country on a temporary basis as intra-corporate transferees or independent suppliers. These categories of professionals may however stay in the country for up to 5 years on their first entry permit. Contractual services suppliers pertaining to a limited list of occupations may be admitted without labour market tests, but under this route they cannot stay in the United Kingdom for more than 6 months in any 12-month period. Other contractual services suppliers and independent services suppliers must apply for a general work visa, which is subject to an annual quota. Furthermore, rights of access to public procurement are limited to regional trade agreement partners and members of the WTO's Government Procurement Agreement. The standards for 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.

### The sectors with the relatively lowest STRI scores

Legal services, rail freight transport and broadcasting are the three sectors with the lowest score relative to the average in the United Kingdom. A license is necessary to carry out reserved activities in domestic and international law, but foreign lawyers may have their qualifications recognised by applying for the Qualified Lawyers Transfer Scheme, or may receive a temporary license to appear in court for a specific case. The United Kingdom does not impose any significant restrictions on the entry and operations of rail freight operators, though one of the largest operators is indirectly state-owned. In the broadcasting sector, two major channels are publicly owned; the few specific restrictions include quotas on broadcast time, and tax relief for the production of films and television programmes reserved to British productions passing the Cultural Test.

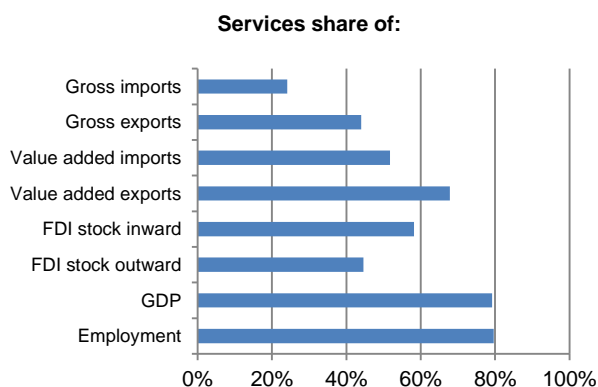
### The sectors with the relatively highest STRI scores

Accounting services, architecture and engineering are the three sectors with the highest score relative to the average in the United Kingdom, though they remain more liberally regulated than the average. In professional services, general measures on the temporary movement of workers contribute significantly to the index because of the prominent importance of the movement of people for trade in these sectors. Professional qualifications in auditing, architecture and other regulated professions from the European Union are recognised, but the validation of qualifications gained in third countries requires examinations and local professional training. Temporary licenses for specific projects are not available. Auditing firms must also be majority owned by EEA licensed auditors. The professions of accountant and engineer are however not regulated except to use professional titles such as “Chartered Accountant” and “Chartered Engineer”.

### Recent policy changes

A cap on contractual interest rates for short-term credit was implemented in January 2015.

### Efficient services sectors matter



Services represent 44% of gross exports and two thirds of value-added exports in the United Kingdom, highlighting the high international competitiveness of the country’s services sectors. Services account for almost 80% of GDP and employment, which indicates that earnings and aggregate demand are sustained by productivity in the services sectors. The United Kingdom is already one of the most open economies in services. Further improvements could come from remaining horizontal measures that affect all 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](mailto:stri.contact@oecd.org)