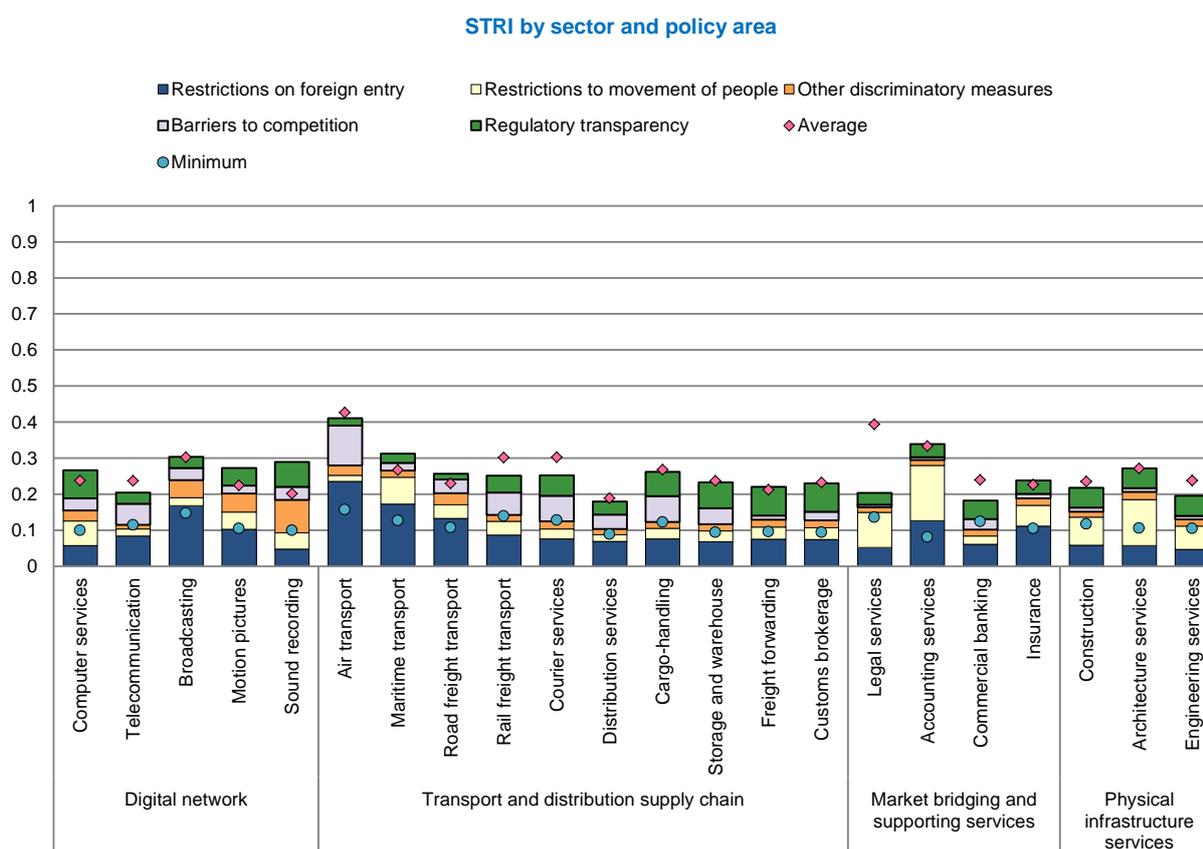


## OECD Services Trade Restrictiveness Index (STRI): Italy

Italy exported services worth USD 98 billion and its services import value was USD 100 billion in 2016. Travel services are the largest services exporting and importing sector.

Italy'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.



*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

Italy has a lower STRI score than the sample average in 12 out of 22 sectors, which is explained by relatively liberal general regulations applying to all sectors of the economy. Italy applies quotas and labour market tests for workers seeking to provide services in the country on a temporary basis as independent services suppliers. These may stay in the country for up to 24 months on their first entry permit. 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. Contractual services suppliers also face a time limit of 24 months on their first entry permit, but no quotas or labour market tests apply. Rights under the Public Contract Law are limited to partners in regional trade agreements and members of the WTO's Government Procurement Agreement. Access to land ownership and real estate by foreigners is granted on the basis of reciprocity. There is at least one major state-owned enterprise in broadcasting, computer services, courier services, motion pictures, rail freight transport, and sound recording. Finally, Italian legislation does not foresee prior consultation with stakeholders on draft laws and regulations.

### The sectors with the relatively lowest STRI scores

Legal services, engineering services and commercial banking are the three sectors with the lowest score relative to the average in Italy. As in most countries, a license is required to practice domestic law. Domicile, one year of local practice and an examination are required to obtain the license and the majority of capital of law firms must be owned by licensed professionals. International law, in contrast, is not regulated in Italy. Engineering is not a regulated profession and is subject to the general horizontal regulatory framework. The regulatory framework for banking is relatively liberal. With respect to banking licenses, there are no specific restrictions on foreign banks. However, if an acquisition, for which prior Bank of Italy authorisation is required, is carried out by a foreign entity, approval by the Ministry of Economy and Finance is granted on the basis reciprocity.

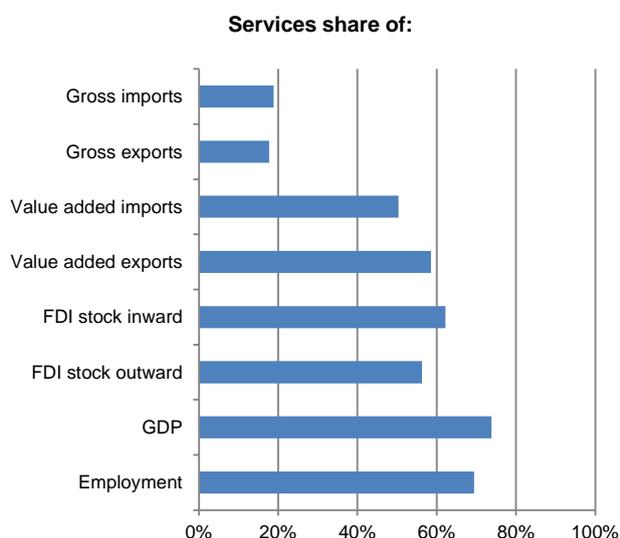
### The sectors with the relatively highest STRI scores

Sound recording, motion pictures and maritime transport are the three sectors with the highest score relative to the average in Italy. For maritime freight services, port concessions are not awarded through competitive bidding and registrations of vessels under national flags are subject to some restrictions, which limit foreign-owned ships participation in cabotage. In audio-visual services, Italy applies quotas for European works not only to traditional broadcasting, but also to downloading and streaming. There is a statutory monopoly on copyrights management (SIAE – The Italian Society of Authors and Editors – maintains exclusive rights to provide this service), and tax relief for movie and music production is available for Italian work or based on a cultural test.

### Recent policy changes

In 2017, Italy has implemented the EU Directive regarding intra-corporate transferees from outside the EU. Accordingly, the maximum duration of stay for intra-corporate transfers has been changed from 60 to 36 months for managers and specialists.

### Efficient services sectors matter



Services account for 18% of Italy's gross exports, and 59% in value added terms. This indicates that Italy's exports of goods rely intensively on services inputs. Services also account for 75% of GDP and almost 70% employment, which implies that earnings and aggregate demand depend significantly on productivity in services. The information and communication technology revolution opens new opportunities for inclusive growth in a services economy like Italy. Innovation and adoption of technology relies on access to knowledge and to the networks, people, goods and services that carry the knowledge around the world. In this context, Italy could benefit from more open markets for services trade through the temporary movement of natural persons.

### More information

- » Access all of the country notes, sector notes and interactive STRI tools on the OECD website at <http://oe.cd/stri>
- » Read more about services trade policies and their impacts in this publication: [Services Trade Policies and the Global Economy](#)
- » Contact the OECD Trade and Agriculture Directorate with your questions at [stri.contact@oecd.org](mailto:stri.contact@oecd.org)