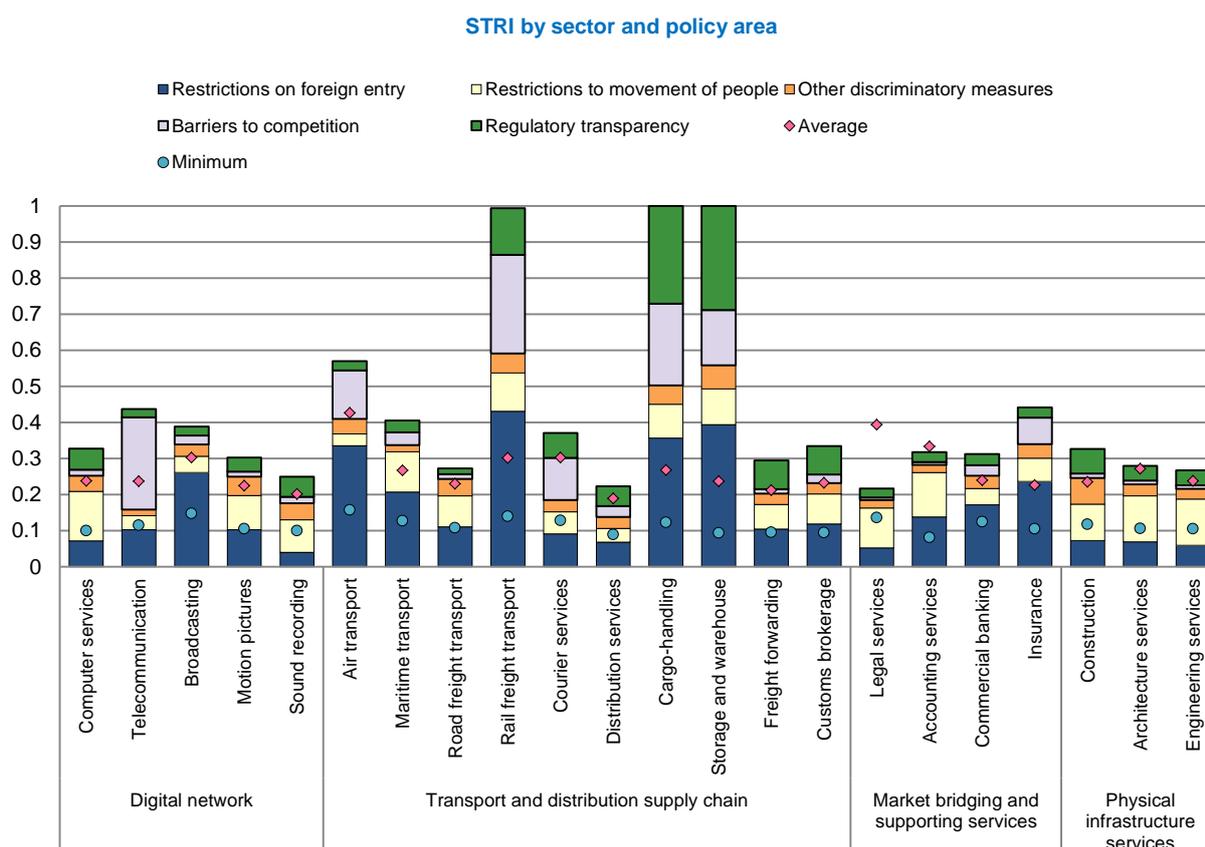


OECD Services Trade Restrictiveness Index (STRI): Russian Federation

Russia exported services worth USD 50 billion and its services imports amounted to USD 74 billion in 2016. Its main exports are other business services. Largest import services sector is personal travel and technical, trade-related and other business services. Russia's score on the STRI index in the 22 sectors covered by the STRI project 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

Russia has a lower STRI score than the sample average in two out of 22 sectors. This can be explained in large part by general regulations that apply to all sectors in the economy. The number of work permits issued to foreign nationals seeking to provide services on a temporary basis as intra-corporate transferees or independent services suppliers are subject to quotas and labour market testing. The category of contractual services suppliers does not exist in Russia. In order to obtain a work permit, foreign nationals must prove knowledge of Russian language, history and basic laws. Some measures on regulatory transparency are not in line with international best practices. Non-discriminatory access to the public procurement market is only granted to foreigners on the basis of reciprocity. A minimum amount of capital must be deposited in a bank or with a notary in order to register a corporation in Russia.

The sectors with the relatively lowest STRI scores

Legal services, accounting services and architecture services are the three sectors with the lowest score relative to the average in Russia. In legal services, the title of “advocate” is protected but with few exceptions, advocates do not have exclusive rights to provide legal services. International law is subject to economy-wide regulations. Accounting services includes also auditing services. Managers of auditing firms must be licensed professionals. Foreign qualifications can be recognised but in order to practice, foreigners must undertake an examination and three years of practice locally. Architecture is not a regulated profession in Russia, and mostly barriers that apply across the economy contribute to the score in this sector.

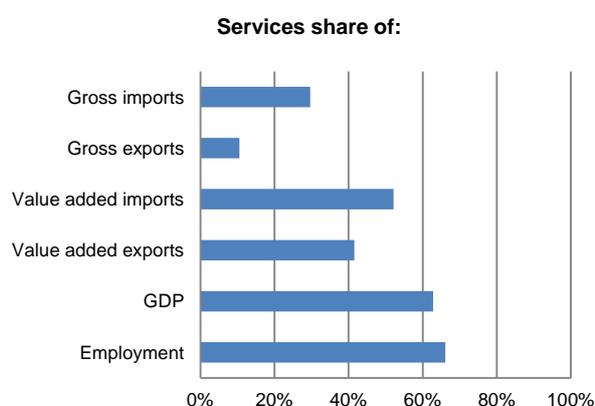
The sectors with the relatively highest STRI scores

Rail freight transport services, logistics cargo-handling, and logistics storage and warehouse services are the three sectors with the highest score relative to the average. In rail transport, Russian Railways is the only company that may manage the railway infrastructure and provide locomotive traction services. Foreigners can engage in rail transport businesses by operating the rolling stock but need to rely on Russian Railways to provide the locomotives for pulling them on the infrastructure. In logistics cargo-handling and logistics storage and warehouse services, Russia reserves these services to a statutory monopoly at all facilities – airports, ports, road and rail.

Recent policy changes

In 2015, a new legal requirement came into force requiring that certain personal data collected in Russia be stored on local servers. In 2016, Russia introduced limitations on foreigners’ participation in the total authorised capital of credit institutions and lowered the threshold for foreign equity allowed in broadcasting companies. As of 2017, certain subsidies granted for the acquisition of rail transport equipment cannot be granted to foreign entities.

Efficient services sectors matter



Services account for a notably higher share in employment than in GDP in the Russian Federation. As the services share rises, services must catch up with the more productive sectors to sustain overall earnings.

The information and communication technology revolution opens new opportunities for inclusive growth in the Russian Federation. 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, the Russian Federation could benefit from more open markets for services trade.

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