



## NORWAY – 2023

### Key findings

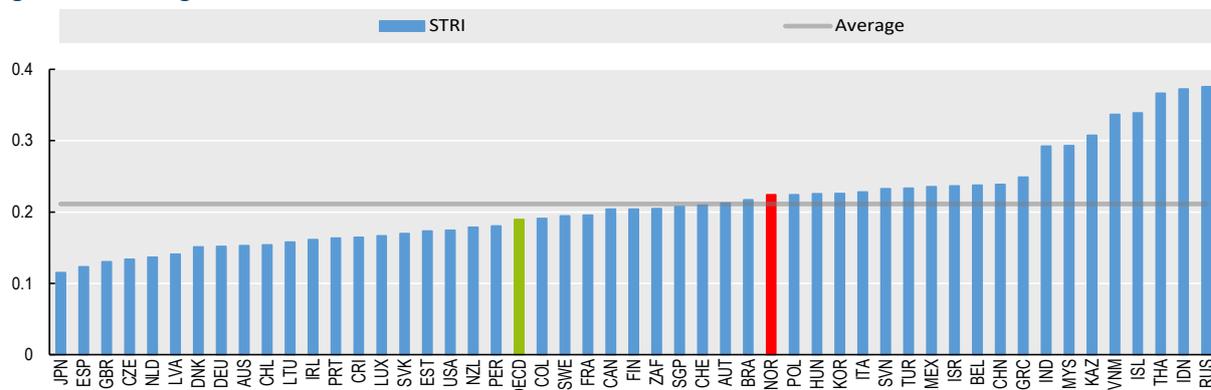
- The 2023 STRI of Norway is above the OECD average and relatively high compared to all countries in the STRI sample. The index has decreased slightly compared to 2022.
- Relevant reforms in 2023 were identified in accounting, courier, distribution, and logistic services.
- Legal services are the most open services sector in Norway while insurance services are the most restricted, relative to the sectoral average.
- Despite the overall favourable environment for services trade, some restrictions on foreign entry and movement of people remain. Government ownership of major services firms is also prevalent.

### Recommendation:

- Trade in services strengthens resilience across supply chains, facilitating environmental sustainability and promoting greater inclusiveness. To ensure the benefits of open markets and a rules-based international trading system, national and multilateral action is needed to lower barriers and reduce trade costs, promote greater regulatory interoperability, and facilitate the digital transformation of economies

The 2023 STRI of Norway is above the OECD average, and relatively high compared to other countries in the STRI sample (Figure 1).

**Figure 1. Average STRI across countries, 2023<sup>i</sup>**



OECD (2023). STRI and TiVA databases.

The STRI outcomes can be explained in large part by general regulations that apply to all STRI sectors. At least half of the board members and the manager (CEO) in corporations must be residents of Norway or the European Economic Area (EEA). The standards for cross-border transfer of personal data are set at the European level. Transfers to non-EEA economies can take place when these ensure an adequate level of data protection or, in the absence of this, appropriate safeguards are in place, e.g. binding corporate rules or standard data protection clauses.

Wage parity with local employees is required for natural persons seeking to provide services in the country on a temporary basis as intra-corporate transferees, contractual services suppliers, or independent services suppliers. The duration of stay is limited to 24 months on first entry permits. Rights under the public procurement act are limited to partners in regional trade agreements and members of the WTO's Government Procurement Agreement. A minimum amount of capital must be deposited in a bank or with a notary to register a corporation.

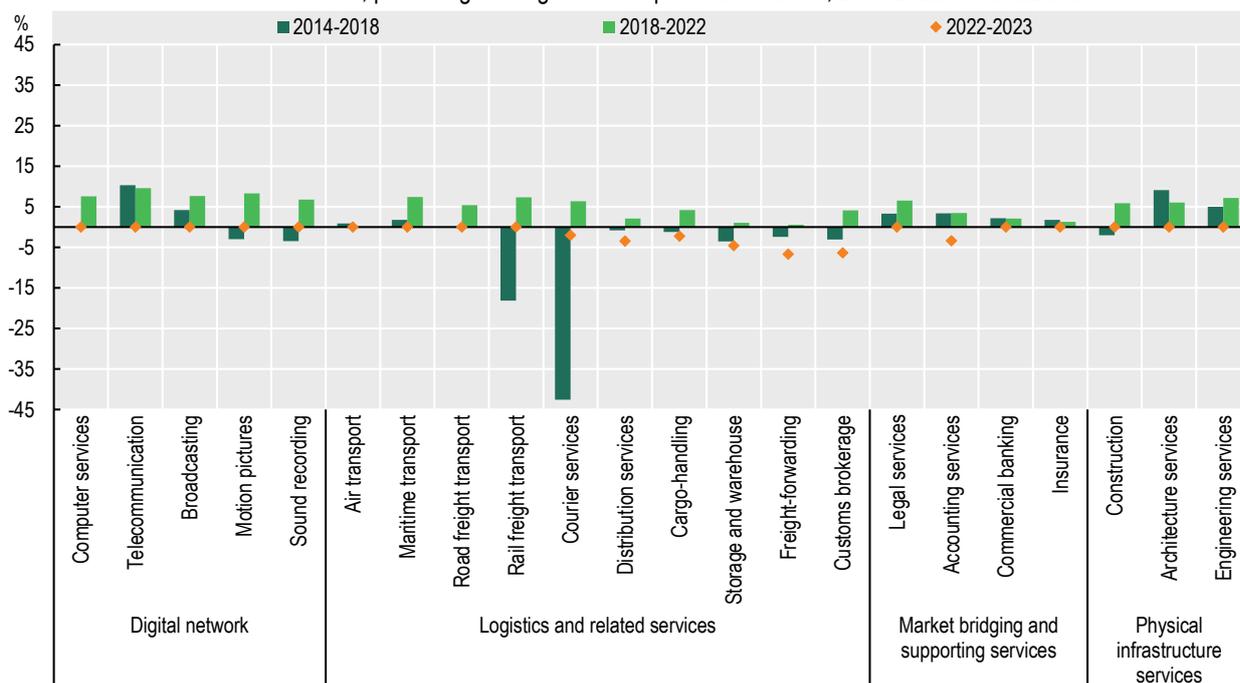
Finally, the state retains a prominent role in the economy. There is at least one state-owned enterprise among the ten largest companies in construction, telecommunications, distribution, broadcasting, commercial banking, insurance, courier services, logistics and rail and road transport. In courier services and telecommunications, the government can overrule the decision of the regulatory body.

The regulatory environment in Norway has been relatively stable over the past years with moderate increases in the STRI scores across most sectors (Figure 2). The highest level of liberalisation was in courier services in 2016, which contributed to lowering Norway's STRI in this sector by 40%.

In 2023, a liberalising effect is seen on distribution, courier and logistics services due to new legislation which includes a pre-arrival process for customs clearance. There is now a duty to notify the customs authority of the arrival of packages originating outside the EEA. A liberalising effect is also seen in accounting services due to two factors. Firstly, the requirement to have a commercial presence in Norway to provide cross-border services was revoked. Secondly, professional liability insurance is no longer required under new legislation, and by extension, the previously applicable localisation requirement for auditors and audit firms' professional liability insurance has been revoked.

**Figure 2. Evolution of STRI indices by sector in Norway**

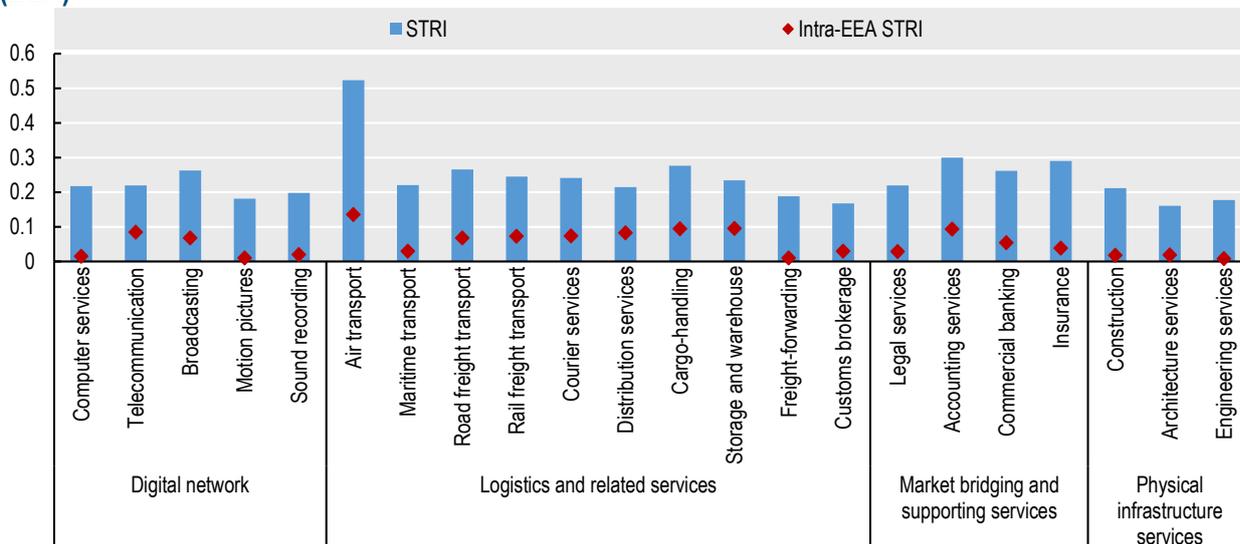
Services Trade Restrictiveness Index, percentage change over the period 2014-2018, 2018-2022 and 2022-2023



OECD (2023). STRI database.

Services trade barriers are significantly lower within the European Economic Area across all services sectors (Figure 2b). Norway maintains an open market for services suppliers from other EU Member States.

**Figure 2b. Regulatory barriers affecting services trade within the European Economic Area (EEA)**

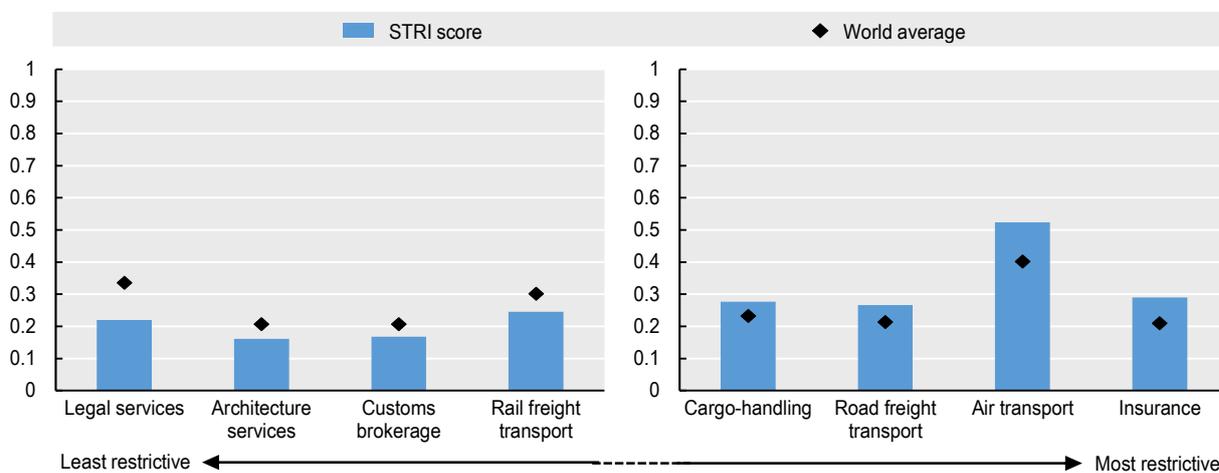


Note: The traditional STRI indicates the level of restrictiveness on a most favoured nation (MFN) basis towards third countries, and the intra-EEA STRI indicates the level of restrictiveness towards EEA members. Intra-EEA STRI covers 24 countries (Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Iceland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden).

Source: OECD (2023). STRI database.

Figure 3 ranks Norway's sectors relative to the respective sector's world average. Legal services, architecture services, logistics customs brokerage and rail freight transport are the sectors with the relatively lowest scores. Conversely, logistics cargo-handling, road freight transport, air transport and insurance are the sectors with the relatively highest scores.

**Figure 3. Sectoral breakdown - The least and most restricted sectors in Norway compared to world average**



Note: Selection was made based on how far the sectors' score were from the world average score, as a percentage difference

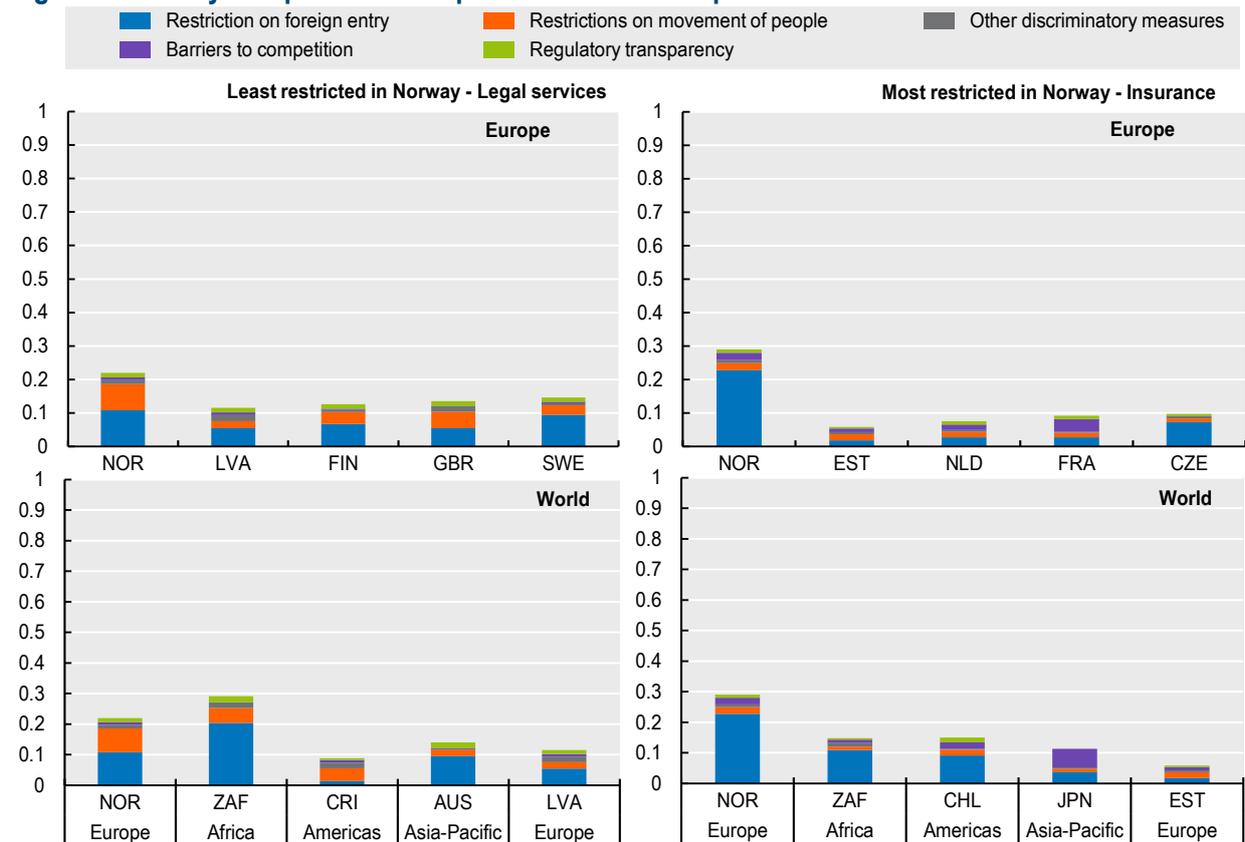
i.e.  $(STRI_{country, sector} - STRI_{world average, sector}) / STRI_{world average, sector}$

Source: OECD (2023). STRI database.

Legal services is the least restricted sector in Norway compared to the sectoral average, but remains relatively restrictive compared to best performers in Europe and the rest of the world. The composition of the indices suggests that restrictions on movement of people have a large impact compared to other countries.

Insurance is the most restricted service sector in Norway relative to the sectoral average. Restrictions on foreign entry are relatively prominent compared to best practice regulation recorded in the STRI. For instance, branches from third countries are required to deposit capital in a Norwegian financial institution. Commercial presence is in general required from undertakings from third countries in the form of a branch, though there are some exceptions. Insurance brokers must take out liability insurance with an EEA-based provider. Lastly, managers and the majority of board of directors must be residents of Norway (Figure 4).

**Figure 4. Norway compared to Europe and World's best performers**



Source: OECD (2023). STRI database.

## Recent policy changes

In 2023, new legislation came into force, introducing a pre-arrival process for customs clearance. There is now a duty to notify the customs authority of the arrival of packages originating outside the EEA.

During this same year, rules regulating trade in accounting and auditing services also became less stringent due to two factors. Firstly, the requirement to have a commercial presence in Norway to provide cross-border services was revoked. Secondly, professional liability insurance is no longer required under new legislation, and by extension, the previously applicable localisation requirement for auditors and audit firms' professional liability insurance has been revoked.

In 2022, the Ministry of Finance updated previous delegation decisions in which authority is delegated to the Financial Supervisory Authority (*Finanstilsynet*), an independent government agency.

## More information

- » Access all country notes, sector notes, and interactive STRI tools at <http://oe.cd/stri>
- » Read more about [Services Trade Policies and the Global Economy](#)
- » More information about measuring the regulatory environment for services trade in the Intra-EEA region: [oe.cd/intraeeaSTRI](http://oe.cd/intraeeaSTRI)
- » Contact the OECD Trade and Agriculture Directorate with your questions at [stri.contact@oecd.org](mailto:stri.contact@oecd.org)

<sup>1</sup>Note: The STRI indices take values between zero and one, one being the most restrictive. The STRI database records measures on a Most Favoured Nation basis. Air transport and road freight cover only commercial establishment (with accompanying movement of people). The indices are based on laws and regulations in force on 31 October 2023. The STRI regulatory database covers the 38 OECD Members, Brazil, China, India, Indonesia, Kazakhstan, Malaysia, Peru, Russia, Singapore, South Africa, Thailand and Viet Nam. The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.