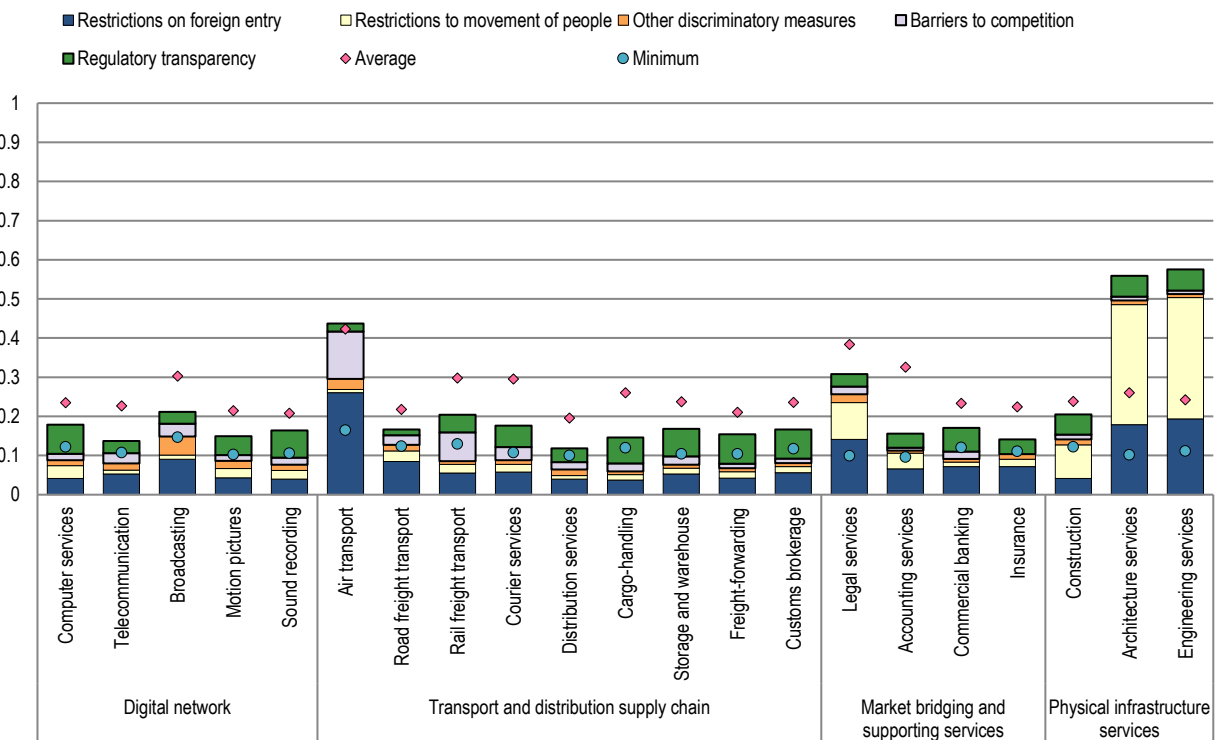


OECD Services Trade Restrictiveness Index (STRI): Slovak Republic

The Slovak Republic exported services worth USD 10 billion and its services import value was USD 9 billion in 2017. Other business services are the largest services exporting and importing sectors. The Slovak Republic's score on the STRI in 21 sectors is shown below, along with the average and the lowest score among the 45 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 36 OECD Members, Brazil, China, Colombia, Costa Rica, India, Indonesia, Malaysia, 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). Maritime transport services are not covered for landlocked countries.

Horizontal policy measures

The Slovak Republic has a lower score on the STRI than the average in 18 out of 21 sectors. The country requires that the manager of a company is resident in the European Economic Area. The Slovak Republic applies labour market tests for workers seeking to provide services in the country on a temporary basis as contractual services suppliers while the duration of stay is limited to 24 months on their first entry permit. Labour market tests are not applied to intra-corporate transferees or independent services suppliers and they may stay in the country up to 36 months on their first entry permit. Rights of access to public procurement are limited to regional trade agreement partners and members of the WTO's Government Procurement Agreement. A minimum amount of capital must be deposited in a bank or with a notary in order to register a business. The standards for cross-border transfer of personal data are set at the EU 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 (e.g., binding corporate rules or standard data protection clauses) are in place. Finally, the number of official procedures and the number of days required to register a company are significantly above best practice.

The sectors with the relatively lowest STRI scores

Accounting services, logistics cargo-handling and courier services are the three sectors with the lowest score relative to the average in the Slovak Republic. Accounting services cover also auditing. While accounting is unregulated, a license is required for auditing services. Majority of the board of directors in an auditing firm must be licensed professionals. Logistics cargo-handling sector is subject only to the general regulatory framework that applies to all sectors. Commercial presence is required to provide courier services and the government controls a major services operator in the sector.

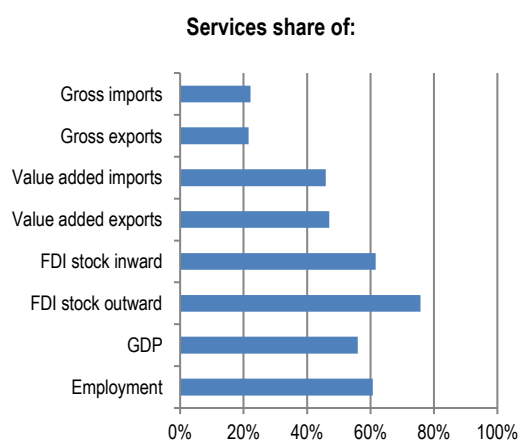
The sectors with the relatively highest STRI score

Engineering services, architecture services and air transport are the three sectors with the highest score relative to the average in the Slovak Republic. In architecture and engineering services, two sectors regulated by the same law, the Slovak Republic imposes residency and nationality requirements as preconditions for obtaining a license to practice. The majority of shares in architecture and engineering firms must be owned by licensed professionals and at least half of the board members must also be licensed professionals. A temporary license is not available. In the air transport services sector, the Slovak Republic has foreign equity restrictions as a result of common European Union (EU) regulation on air services. Pursuant to this regulation, non-EU nationals cannot own more than 49% in local airlines. Lease of foreign aircrafts with crew from outside the EU can be refused on grounds of reciprocity or conditioned on approval granted on the basis of economic needs. An EU-wide exemption of certain airline arrangements from competition law and regulations on airport slot allocation and slot trading further contribute to the score in this sector.

Recent policy changes

In courier services, a dispute settlement mechanism, under the auspices of the regulatory authority, was introduced in 2016. The new EU General Data Protection Regulation (Regulation 2016/679) entered into force on 25 May 2018 providing a comprehensive update on the EU data protection regime.

Efficient services sectors matter



Services account for 22% of the Slovak Republic's gross imports and exports, but for around 45% in value added terms. This indicates that the Slovak Republic's exports of goods rely intensively on services inputs. Services account for around 56% of GDP and 61% of employment, which implies that earnings and aggregate demand depends crucially on productivity in the services sectors. The information and communication technology revolution opens new opportunities for inclusive growth in the Slovak Republic. 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 Slovak Republic could benefit from more open markets for services trade through the temporary movement of natural persons in some sectors.

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