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Revitalising services trade for global growth

Evidence from ten years of monitoring services trade policies through the OECD STRI

OECD

Revitalising Services Trade for Global Growth

EVIDENCE FROM TEN YEARS OF MONITORING SERVICES TRADE POLICIES THROUGH THE OECD STRI

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Executive summary

The importance of services in the global economy has grown substantially in recent years, generating growth, new employment, and innovation. Since 2014, the OECD has been gathering evidence on services trade policies through the OECD Services Trade Restrictiveness Index (STRI), providing objective and comparable data annually on applied services policies across OECD countries and beyond. The STRI has been a key instrument to quantify the benefits of open services markets, identify opportunities for policy reforms, and to monitor emerging regulatory trends.

Services trade barriers are high and asymmetric. STRI data from the last decade demonstrate that global impediments to services trade persist at high levels and, in some countries, have increased over time. Geopolitical tensions, national security concerns, and initiatives to relocate production and services closer to home have fuelled the adoption of new barriers.

The share of market access barriers is substantial. Close to two-thirds of all services trade barriers identified in the STRI affect market access or national treatment of foreign services suppliers, thereby undermining meaningful progress on new market access.

Discussions on domestic regulations could be broadened. The new disciplines on services domestic regulations formally adopted at the World Trade Organisation (WTO) in early 2024 are expected to pave the way for easier and more transparent licensing. This landmark achievement is estimated to lower trade costs by up to USD 150 billion annually, but its materialisation will depend on timely and effective implementation. Data from the STRI shows that barriers related to domestic regulations go beyond licensing and transparency measures, often affecting the conditions of competition in the market.

Digitally-enabled services face impediments and growing fragmentation. On a global level, barriers to digitally-enabled services rose by 25% between 2014 and 2023, driven by increasing regulatory hurdles that affected communication infrastructures and data connectivity. Moreover, regulatory differences among countries have grown over the past decade. Stronger co-operation on improving the international rulebook on digital trade could help reverse this trend. In this regard, a successful conclusion of the Joint Initiative on E-commerce will be key, as well as a lasting solution on the moratorium on customs duties for electronic transmissions would be essential to provide certainty to suppliers of digital services.

Lowering services trade barriers is a gateway to strengthening the resilience of supply chains and fostering environmental sustainability. Services are an integral part of the digital and physical infrastructures that underpin supply chains, and lowering barriers can boost access to foreign inputs, improve interoperability, and encourage diversification of suppliers. Moreover, the potential of services trade to drive sustainable development and environmental stewardship remains largely untapped. Lowering services trade barriers in key sectors such as transportation services can contribute to the advancement of environmental sustainability objectives by incentivising businesses to implement good environmental practices, encouraging adherence to environmental standards, and promoting sustainable consumption patterns.

Revitalising services trade discussions is key to fuel global growth. The implementation of ambitious services trade reforms could bring annual trade cost savings in the range of USD 1 trillion (the equivalent of close to 1% of global GDP or around 13% of the value of global services trade in 2023), with important gains in business sectors, financial services, transport, and communications services. To achieve this, governments must work together to revitalise services trade discussions, including initiatives on progressive liberalisation through bilateral, plurilateral and multilateral services trade agreements, demonstrate leadership in developing national and international strategies, and work towards measurable targets. Involving businesses will be critical to ensure that reforms are implemented where they are needed the most. The scope of regulatory reforms presented in this report provide a unique roadmap for governments to develop ambitious strategies, and the STRI database, indices, and tools can facilitate these efforts.

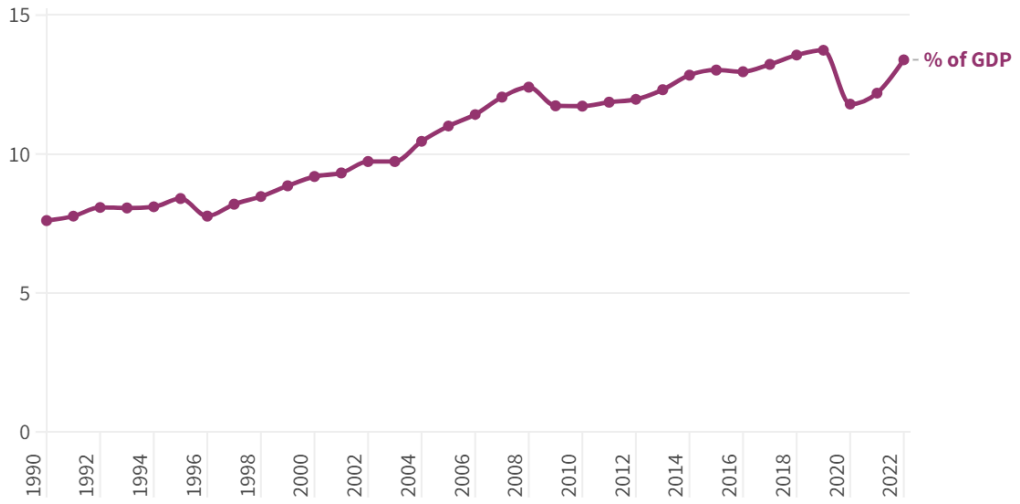
1 Introduction

Services are at the heart of a dynamic global economy, innovation, and job creation. Services trade plays a crucial role in addressing concerns about the resilience of global supply chains, optimising the green and digital transformations, and promoting greater inclusiveness of small firms and women in global trade.

As many countries transition towards services-driven economies, the contribution of services to gross domestic product (GDP) has expanded. The share of services in global GDP increased from 53% in 1970 to 67% in 2021, outpacing growth in manufacturing and agriculture (WB-WTO, 2023[1]). At the same time, trade in services as a share of GDP nearly doubled from 7.6% in 1990 to 13.4% 2022, fuelled by technological developments, lower transport and co-ordination costs, and more efficient production systems (Figure 1.1).

Figure 1.1. Trade in services is a rising component of economic growth

Evolution of trade in services as % of GDP, 1990-2022



Note: Mode 3 services trade is not covered. Access the interactive version of the graph: https://public.flourish.studio/visualisation/18175335/.
Source: World Development Indicators (2024).

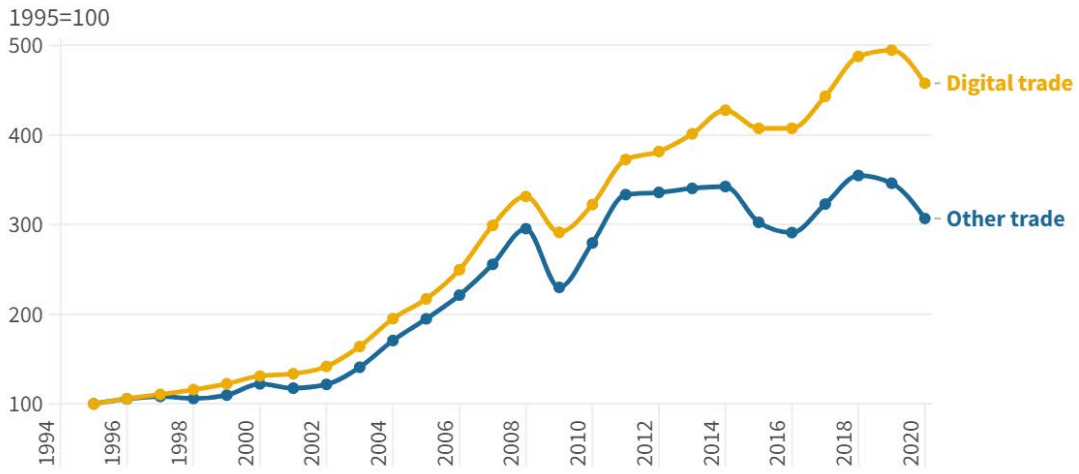
Services provide important intermediate inputs to other activities, including manufacturing and agriculture. The OECD Trade in Value Added (TiVA) shows that services represent more than 50% of the value added in gross exports and over 30% of the value added in exports of manufacturing goods, underlining that they are deeply imbedded in manufactured goods traded worldwide. As such, services play an important role in strengthening the resilience of supply chains. With global disruptions, conflicts, natural disasters, geopolitical tensions, and financial uncertainties becoming more frequent, the ability to supply key services such as logistics, transport, and financial services are essential components of securing resilience in supply chains (OECD, 2024[2]).

A key component of this resilience builds on the digital transformation of modern economies. Services have become substantially more tradable in the first two decades of the 21st century due largely to advances in information and communication technology (Benz, Jaax and Yotov, 2022[3]) (López González

and Ferencz, 2018[4]). Indeed, the growing adoption of digital technologies has revolutionised services, making it easier and cheaper to trade across borders. Services trade has become an essential vehicle to enable digital transformation, promote access to digital communication, provide the seamless transfer of data across borders, as well as the movement of skilled workers and knowledge. Digital trade has grown rapidly, representing around 25% of global trade by 2020 or the equivalent of around USD 5 trillion (Figure 1.2) (López González, Sorescu and Kaynak, 2023[5]) (OECD, 2023[6]). This growth has been accelerated by services that are digitally delivered, which accounted for 60% of all digital trade in 2020 and are one of the fastest growing segments of international trade growing nearly twice as fast as goods trade.

Figure 1.2. Digital trade is on the rise fuelled by digitally delivered services

Growth of exports



Note: Changes in exports relative to 1995 (1995=100). Digital trade: Exports of ICT services (ISIC 61, 62, 63), other digitally-deliverable services (ISIC 58 to 60, 64 to 66 and 69 to 82) and digital inputs (ICT goods and services and other digitally-deliverable services) in non-digital sectors (all those not counted as digital). 'Other' captures non-digital trade and is calculated as the difference between total trade and digital trade. Access the interactive version of the graph: https://public.flourish.studio/visualisation/18220681/.
Source: OECD (2023[6]).

Services trade can significantly contribute to job creation and to improving existing job conditions by enhancing productivity, fostering innovation, and providing access to new markets. As services become more tradable, businesses can expand their reach, leading to increased demand for skilled labour. Indeed, employment in services and industries where services exports are prominent has become an increasing driver of new employment, outpacing employment in other sectors (Figure 1.3). Moreover, close to three out of four workers today are employed in services in OECD countries, demonstrating the importance of services policies for employment. In turn, growing services exports are linked to the reduced risk of job losses and better wages, with benefits in particular for women (Lassmann, 2020[7]). Additionally, the global reach of services trade encourages competitive practices which can lead to improved labour standards and working conditions.

Moreover, services imports play a crucial role in empowering domestic small and medium sized enterprises (SMEs) to expand their international trade activities. By accessing high-quality and specialized services from abroad, SMEs can enhance their operational efficiency, innovate, and remain competitive in the global market. Services such as logistics, financial services, legal expertise, and information technology support are vital for SMEs to navigate complex international trade regulations, manage supply chains, and engage in e-commerce. Additionally, importing services allows SMEs to benefit from advanced technologies and

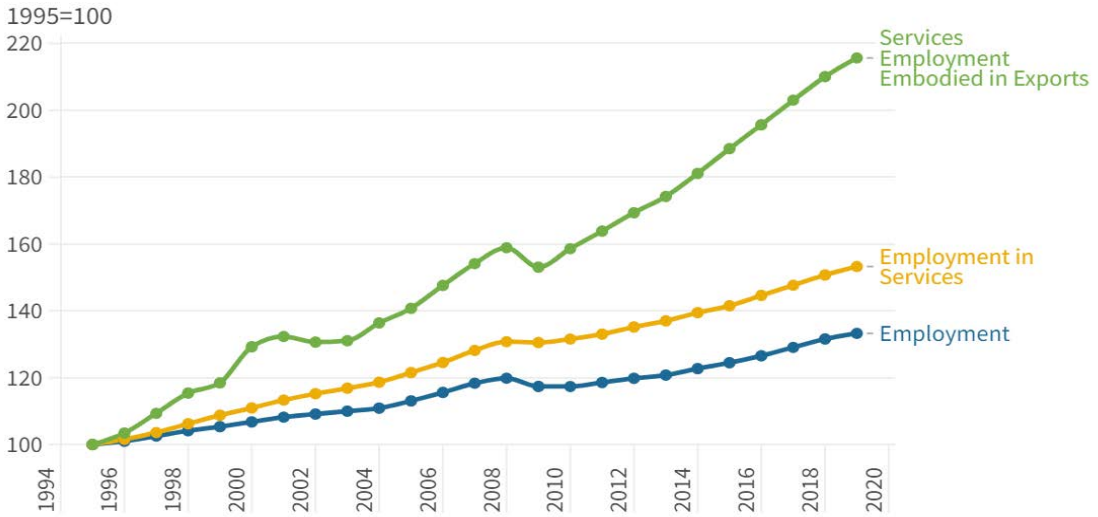
practices, fostering their growth and enabling them to compete with larger, more established firms on an international scale. This access to global services infrastructure not only reduces operational costs but also opens new avenues for market expansion and customer outreach, thereby driving economic growth and job creation domestically.

As the importance of services became clearer, international efforts to improve the availability of data and the evidence on the impact of services and services trade policies has grown over the years. A major milestone was reached in May 2014 when the OECD Services Trade Restrictiveness Index (STRI) regulatory database and indices were released under the purview of the OECD Trade Committee. The STRI has since become a global reference in understanding the complexities of services trade barriers across most major sectors and countries. The database and indices have enabled new analytical work that has helped to quantify the benefits of open and well-regulated services markets, and to support policy discussions across developed and developing countries. With annual updates, the STRI database provides a rich source of information with unique insights on policy and regulatory developments over the past decade.

Although the quality of data, regulatory indicators, and quantitative analysis are better than ever before, international discussions around services trade have slowed down in recent years. At the WTO Ministerial Conference in March 2024, Members agreed to "*commit to reinvigorate work on trade in services within the mandate of the GATS and other existing mandates including through further thematic, evidence-based discussions*".[1] Building on a decade of monitoring and analysing services policies, important lessons can be drawn to identify the best practices necessary to reinvigorate services trade reform. This report reflects on the benefits of services trade liberalisation and provides a forward-looking roadmap to eliminate the remaining barriers to trade in services while meeting overarching objectives on environmental sustainability, inclusiveness, digitalisation, and other important policy goals.

Figure 1.3. Growing importance of services exports in employment

Average across all 38 OECD countries, relative to 1995 = 100



Note: Access the interactive version of the graph: https://public.flourish.studio/visualisation/18221171/.
Source: OECD Trade in Employment data (2023).

2 Global regulatory developments on services trade between 2014 and 2023

Services encompass a wide array of economic activities, including information and communication services, financial services, transportation and logistics services, and professional services. Oversight of these sectors is distributed among various government bodies and professional organisations, each empowered with regulatory authority to oversee licensing, competition, and overall professional conduct in these fields. The complexity and diversity within and across services pose challenges for trade policy makers and negotiators. They must engage with domestic regulatory bodies and balance the interests of businesses and consumers. Domestic regulations on services often precede international trade agreements, resulting in significant disparities between countries even when aiming for similar objectives. This section presents the latest trends and evidence on services trade policies drawing on the OECD STRI database and indices.

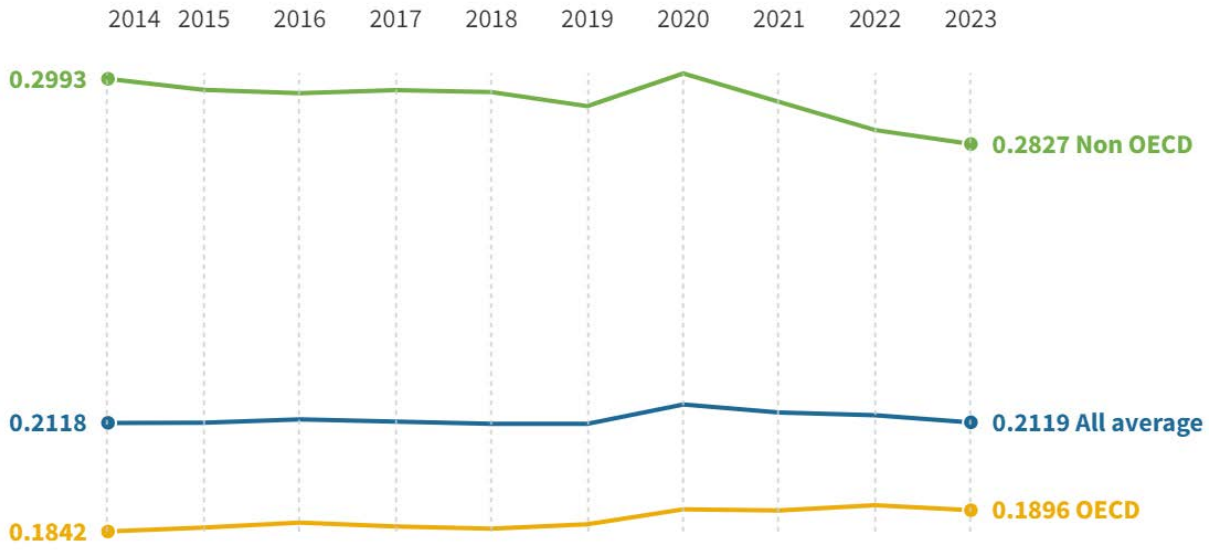
2.1. Services trade barriers are high and asymmetric

The STRI shows that global services trade restrictions remained high on a global scale over the past decade with no significant change in the average level of restrictions over time (Figure 2.1). While OECD countries have a more open regulatory environment to services trade than non-OECD countries, the average STRIs have moderately increased over time. In the case of non-OECD countries, despite the relatively high overall levels of restrictiveness, the post-pandemic years saw an acceleration of more trade liberalisation policies. Indeed, in 2014, the average level of restrictiveness in non-OECD countries was 1.4 times (or 40%) higher than in OECD countries. By 2023, this shrunk to less than 1.3 times (or 33%).

Figure 2.2 presents the average STRIs across all countries covered. It shows that in 2023, there is a broad diversity on the level of restrictiveness across countries, with 22 countries above and 28 below the sample average. Japan, Spain, and the United Kingdom are the countries with the lowest average STRI, indicating the most open regulatory framework. The Russian Federation, Indonesia, and Thailand have, on average, the highest STRI scores.

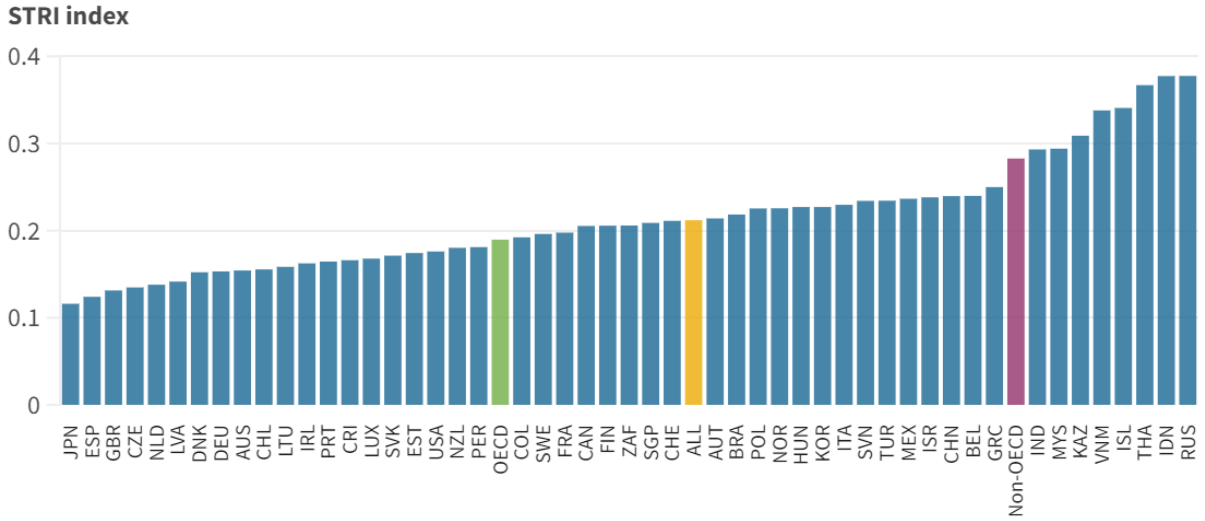
Figure 2.1. Regulatory developments in services trade restrictions since 2014

Levels of STRI averages, 2014 to 2023



Note: Average across all sectors covered by the STRI. "All average" covers the 38 OECD countries, and the non-OECD countries covered by the STRI: Brazil, the People's Republic of China, India, Indonesia, Kazakhstan, Malaysia, Peru, Russian Federation, Singapore, South Africa, Thailand, and Viet Nam. Access the interactive version of the graph: https://public.flourish.studio/visualisation/17788501/.
Source: OECD STRI database (2024)

Figure 2.2. Services trade policies across countries, 2023



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 countries, Brazil, China, India, Indonesia, Kazakhstan, Malaysia, Peru, Russian Federation, Singapore, South Africa, Thailand, and Viet Nam. The "ALL" average reflect the average based on the STRI country sample. 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. Access the interactive version of the graph: https://public.flourish.studio/visualisation/18225821/.
Source: OECD STRI database (2024).

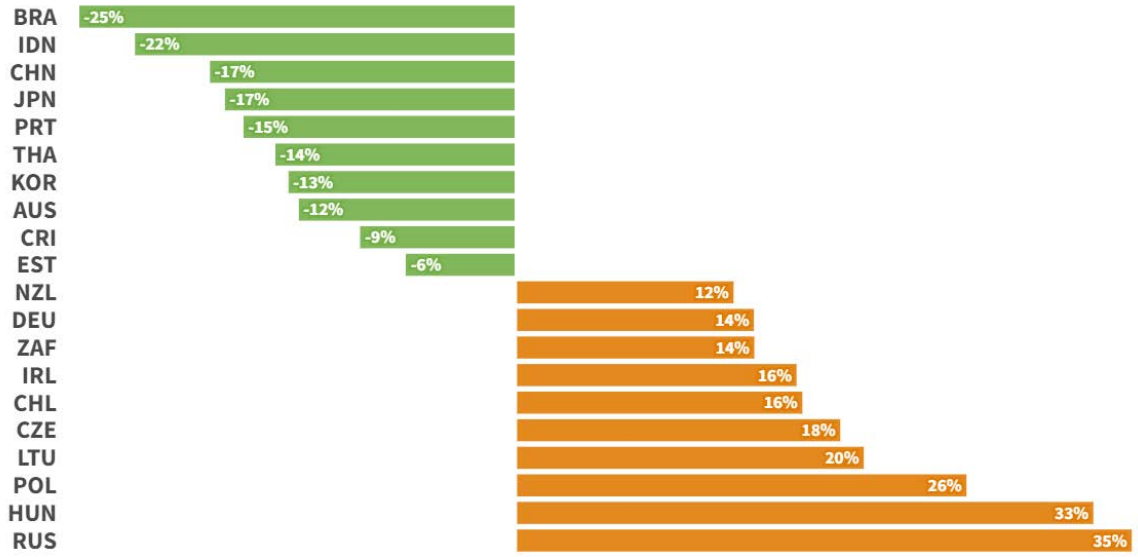
Several countries undertook significant efforts to liberalise their policies over the period 2014-2023 (Figure 2.3). Brazil, for instance, saw its average STRI for all sectors drop by 25%, Indonesia by 22%, and the People's Republic of China (hereafter China) by 17% (Box 2.1). Other countries undertaking significant reforms include Japan, Portugal, Thailand, Korea, Australia, Costa Rica, and Estonia.

Countries where STRIs have increased the most include the Russian Federation, some European countries, South Africa, Chile, and New Zealand.

Several countries have shown a fluctuating policy environment. Viet Nam, for example, had been on a path towards progressive liberalisation between 2014 and 2018, but introduced some restrictive measures between 2019 and 2021, in part due to the COVID-19 pandemic. While most of these measures were subsequently lifted in 2022, new economy-wide policies relating to data flow contributed to another increase in the level of restrictiveness by 2023. Other countries with fluctuating average indices are China and Türkiye.

Figure 2.3. Top 10 countries with most changes in the STRI scores

In percentage, between 2014 and 2023



Note: Decrease in the STRI averages are due to liberalising policies, while increases are due to the introduction of more trade restrictive policies.
Access the interactive version of the graph: https://public.flourish.studio/visualisation/18239951/.
Source: OECD STRI database (2024).

Box 2.1. Services trade reforms in Indonesia since 1989: Progress over the past 35 years

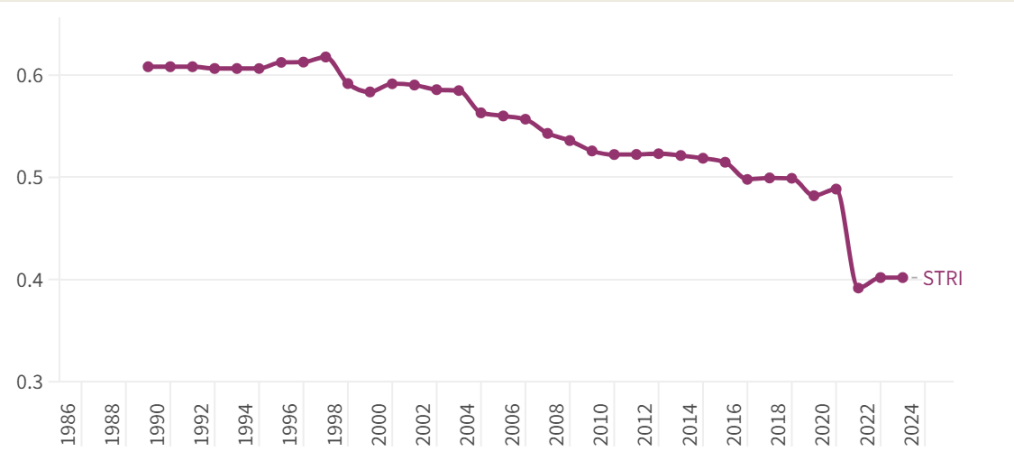
The regulatory environment in Indonesia has changed significantly since 1989. Annual information in the STRI database helps identify the relevant regulatory changes for services trade across all sectors covered and to better understand Indonesia's long term regulatory developments.

As shown in Figure 2.4, Indonesia has undertaken significant reforms over the past decades, gradually opening up to international services trade and improving its domestic regulatory environment. Compared to the 1989 benchmark, Indonesia's average STRI had dropped by around 35% by 2023.

While the pace of reform was uneven between 1989 and 2023, it has since accelerated substantially, particularly since 2021 when a new investment regime came into force. Foreign investment in Indonesia is regulated under Law No. 25 of 2007, which mandates the government to define the sectors open to foreign investment and under what conditions. In March 2021, Presidential Regulation No. 10 of 2021 (as updated by Presidential Decree 49/2021) was enacted, replacing Presidential Regulation No. 44 of 2016. A key reform was to liberalise all sectors to foreign investment with the exception of those listed in the instrument as closed or restricted to foreign investment; the current list is composed of 69 business sectors closed to foreign investment and 26 business sectors as partially restricted. Under the previous Presidential Regulation 44/2016, there were over 160 sectors closed to foreign investment and over 200 sectors partially restricted.

Figure 2.4. Services trade liberalisation in Indonesia between 1989 and 2023

STRI weighted sector averages, 1989-2023



Note: Averages based on 22 services sectors covered in the STRI. Weights based on the OECD TiVA. The STRI takes value between 0 and 1, where 1 indicates the most restrictive regulatory environment for services trade. Lower averages indicate a more open regulatory environment. Access the interactive version of the graph: https://public.flourish.studio/visualisation/18235553/.
Source: OECD (2024[8]).

While the scope of liberalisation is substantial, in some cases such as air transport services the new PR 10/2021 introduced more stringent conditions, such as lowering foreign equity limits to 49% after they had been raised to 67% in PR 44/2016.

PR 10/2021 is one of the implementing measures introduced as a result of Law No. 11 of 2020 on Job Creation (as amended by Law No. 6 of 2023), also called the Omnibus Law, and which introduced a broad mandate for the government to ease foreign investment restrictions and to foster job creation for Indonesians.

Continued efforts to liberalise services trade, including digital trade, is essential for Indonesia to leverage the gains from open and more competitive services industries, especially as this concerns smaller firms.

Source: OECD (2024[8]).

2.1.1. Regulatory divergence grew in digital network services, but dropped in other sectors

The OECD STRI covers 22 services sectors which can be broadly organised under four main clusters based on similarities in the functions that these services fulfil in the economy (Box 2.2). While not aligned with industry classification schemes, such clustering has the benefit of providing insights into the breadth and variety of sector-specific trade policy measures and shows that trade restrictive policy measures in one sector may have an impact on other sectors along services value chains.

Regulatory disparities across countries can present barriers, impeding the fluidity of international trade in services. They breed uncertainty and stifle the growth potential of businesses eager to expand beyond their borders. Heterogenous regulatory frameworks increase compliance costs and administrative burdens, deterring companies from venturing into new markets. Over the past decade, regulatory differences affecting digital trade and related sectors have increased across countries (Figure 2.5).

In other sectors, market bridging services have seen greater convergence across countries largely due to the implementation of international financial and prudential standards. Construction services, engineering and architecture, which form the physical infrastructure cluster have also seen more convergence over the past years. In logistics and related sectors, there has been moderate convergence in aviation and maritime transport, but slower progress in other transport and logistics sectors.

Box 2.2. Services clusters in the STRI

1. Digital network services (telecommunications, computer services, broadcasting, motion pictures and sound recording): Telecommunications and broadcasting provide the networks over which content is delivered, and computer and information services offer a host of services including information storage and processing, network management systems and over-the-top services complementing telecommunications and broadcasting services. Content and content-related services are also increasingly digitized and delivered on digital networks.

2. Logistics and related services (logistics, transport, courier, and distribution services): Transport and logistics services are key inputs at the heart of global value chains. Distribution, postal and courier services are essential for bringing goods from the producer to the consumer and handle an ever-growing demand for parcel deliveries.

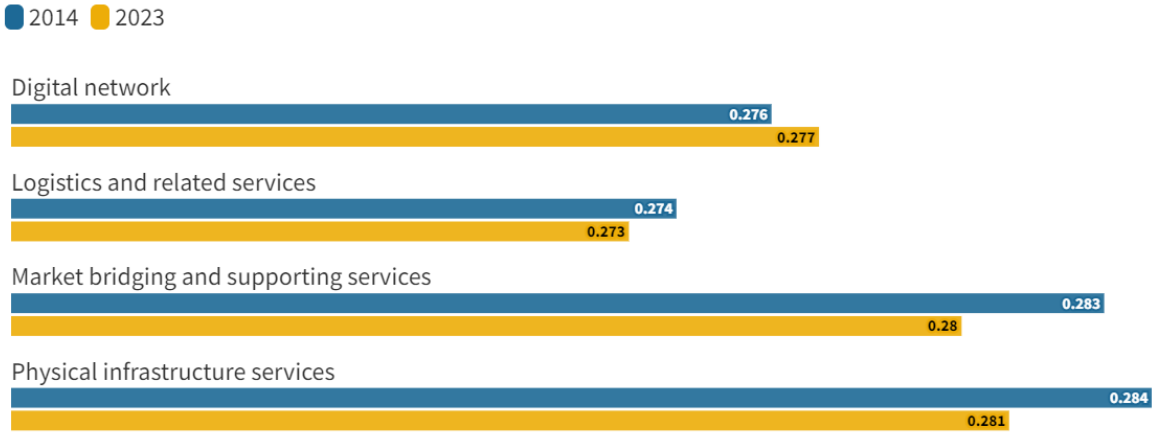
3. Market bridging and support services cluster (commercial banking, insurance, legal, and accounting services): Economic activity in general and international transactions in particular rely heavily on access to credit, payment systems and insurance. Legal services are supporting business operations and the enforcement of contracts is one of the most important pillars of a market economy. Trustworthy, transparent and easy to understand accounting information is needed in order to assess the credit worthiness of strangers. With the growing complexity of international business, these services are essential for entrepreneurs to develop and commercialise their ideas, for the functioning of value chains, and for investors to contribute to growth and innovation.

4. Physical infrastructure services cluster (construction, architecture and engineering): Construction services have historically been considered strategic for providing the infrastructure for other industries. Architects undertake the design of buildings whereas engineers participate in the construction of key infrastructure such as buildings, roads and bridges. Often engineering and architectural activities are combined in projects offered by one company and are sometimes subsumed in the construction sector.

Source: OECD (2017[9]).

Figure 2.5. Regulatory divergence grew in digital network services, but dropped in other sectors

Average STRI heterogeneity indices in 2014 and 2023



Note: The sectors covered in the STRI can be broadly organised around four clusters: 1. Digital network services (telecommunications, computer services, broadcasting, motion pictures and sound recording); 2. Logistics and related services (transport, courier, logistics and distribution services); 3. Market bridging and support services cluster (commercial banking, insurance, accounting and legal services); and 4. Physical infrastructure services cluster (construction, architecture and engineering). For more details, see Box 2.2. The OECD STRI heterogeneity indices complement the existing STRI's and presents indices of regulatory heterogeneity based on the rich information in the STRI regulatory database. The indices are built from assessing – for each country pair and each measure – whether or not the countries have the same regulation. For each country pair and each sector, the indices reflect the (weighted) share of measures for which the two countries have different regulation. Access the interactive version of the graph: https://public.flourish.studio/visualisation/18222772/.
Source: OECD STRI database (2024) and methodology based on Nordås, (2016[10]).

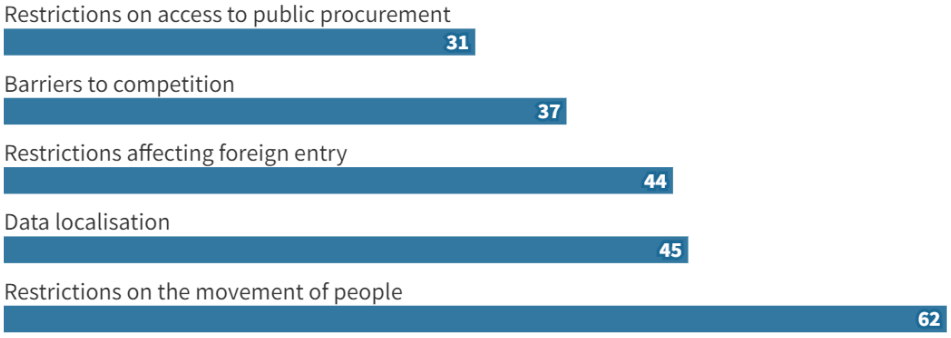
2.1.2. New policy barriers restrict the movement of people and impose data localisation requirements

The STRI captures different types of restrictions, some of which have become increasingly common over the past ten years. Over 60 new restrictions that affect the movement of services providers across borders were identified over the period 2014 to 2023 (Figure 2.6). These do not include temporary restrictions introduced during the COVID-19 pandemic, most of which had been lifted by 2023. Rather, they generally cover tightening policies on market entry for foreign nationals, including via stricter labour market testing, imposing quotas, or limiting the duration of stays. In addition, requirements related to data localisation have been increasing, with 45 such requirements identified during the 2014-2023 period in the countries covered by the STRI (Del Giovane, Ferencz and López González, 2023[11]).[2] Restrictions on foreign entry, barriers to competition and restrictions on foreign access to public procurement markets have also been on the rise in recent years.

The STRI shows that many countries have implemented or amended foreign investment screening mechanisms over the past ten years, particularly in key services sectors such as air transport, telecommunications, and broadcasting services (Figure 2.7). Moreover, regulatory frameworks governing foreign investment screening have become more complex (OECD, 2024[12]).

Figure 2.6. Most common new restrictions in the STRI between 2014 and 2023

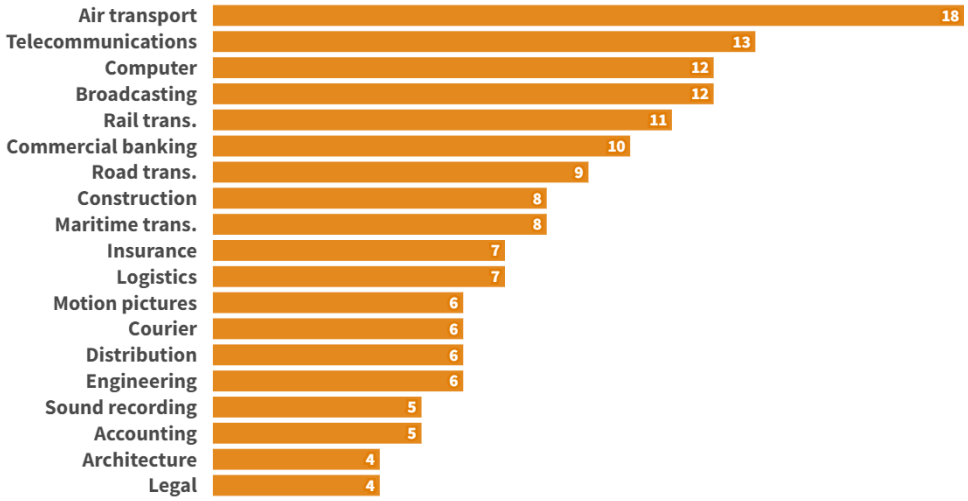
Number of new restrictions identified between 2014 and 2023



Note: Access the interactive version of the graph: https://public.flourish.studio/visualisation/18236601/.
Source: OECD STRI (2024).

Figure 2.7. Investment screening mechanisms in services sectors

Number of new FDI screening mechanisms introduced during 2014-23, per sector



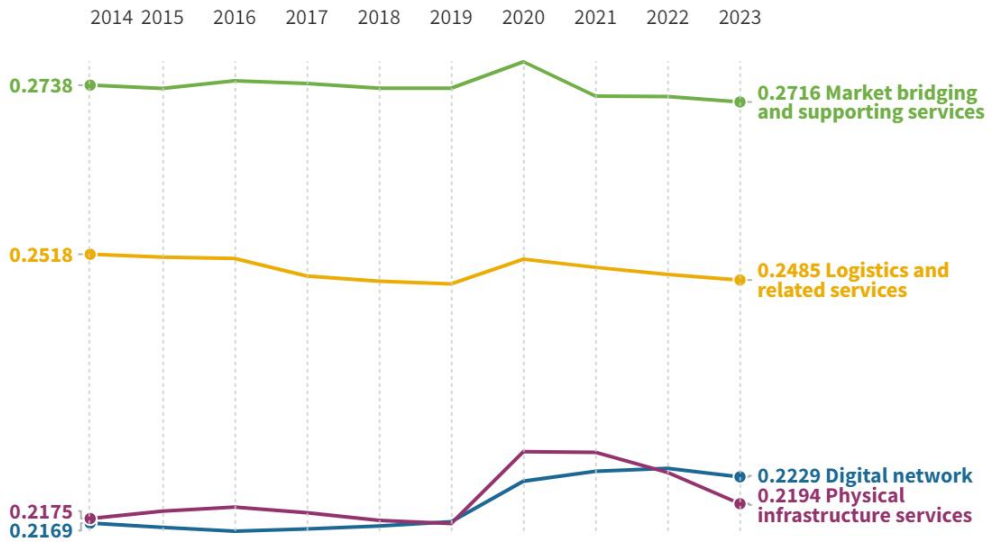
Note: Access the interactive version of the graph: https://public.flourish.studio/visualisation/18240359/.
Source: OECD STRI (2024).

2.1.3. Market bridging services such as financial and professional services haved remained the most restrictive over the past ten years

Market bridging and support services such as financial and professional services have been the most affected by trade impediments over the past ten years, representing close to 30% of all restrictions in the STRI in 2023. This is followed by logistics and related services (around 25%), digital network services, and physical infrastructure-related services (around 22% each) (Figure 2.8). Both market bridging and logistics and related services have seen moderate liberalisation over the years, which has continued despite temporary increases in restrictions during the COVID-19 pandemic. Although the STRI averages in digital network services remain relatively low, developments over time show a clear trend towards more restrictions with an increase of 5.3% in the cluster average during 2014-2023. The same is true for physical infrastructure services, although after the peak levels during the pandemic years, the STRI shows a gradual return to pre-2020 levels.

Figure 2.8. Policy trends and developments across major services sector clusters, 2014-2023

Levels of STRI sector clusters, 2014 to 2023



Note: Calculated based the STRI sample of 38 OECD countries and Brazil, the People's Republic of China, India, Indonesia, Kazakhstan, Malaysia, Peru, Singapore, South Africa, Thailand, and Viet Nam. The sectors covered in the STRI can be broadly organised around four clusters: 1. Digital network services (telecommunications, computer services, broadcasting, motion pictures and sound recording); 2. Logistics and related services (transport, courier, logistics and distribution services); 3. Market bridging and support services cluster (commercial banking, insurance, accounting and legal services); and 4. Physical infrastructure services cluster (construction, architecture and engineering). For more details, see Box 2.2. Access the interactive version of the graph: https://public.flourish.studio/visualisation/17488794/.
Source: OECD STRI (2024).

2.2. Services market access: Unfinished business

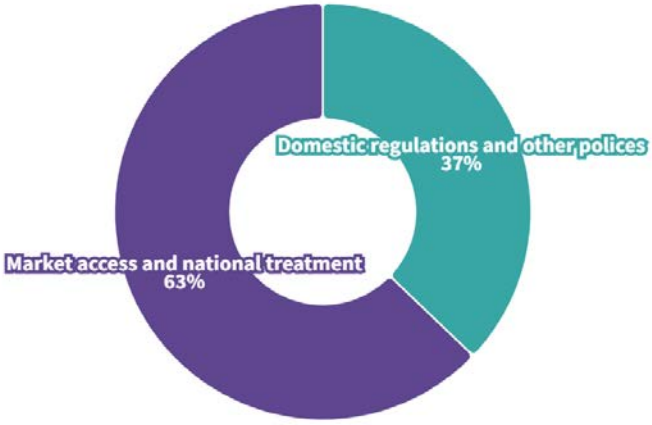
Effective services trade is conditional on the ability of firms to access new markets and on the elimination of discriminatory measures against foreign services and services suppliers. Close to two-thirds of all services trade barriers identified in the STRI affect market access conditions or national treatment of foreign services and services suppliers (Figure 2.9). The most common restrictions related to market access include limiting the maximum amount of foreign equity in local services' firms, conditions on legal form, and the application of quotas or labour market tests for licensing and the movement of key services suppliers. The main barriers that affect national treatment include nationality or residency requirements for services providers, especially in professional services, and restrictions on the purchase of land and real estate.

Barriers to market access and national treatment affect mostly market bridging and supporting services with 75% of all barriers recorded in the STRI (Figure 2.10). Market access barriers contribute close to 60% in the other three services clusters as well.

While global liberalisation efforts on services market access and national treatment have been slow, several countries have undertaken ambitious reforms over the past years, often making significant progress on opening services markets to foreign suppliers (see Box 2.1 on Indonesia and Box 2.3 on Brazil for examples).

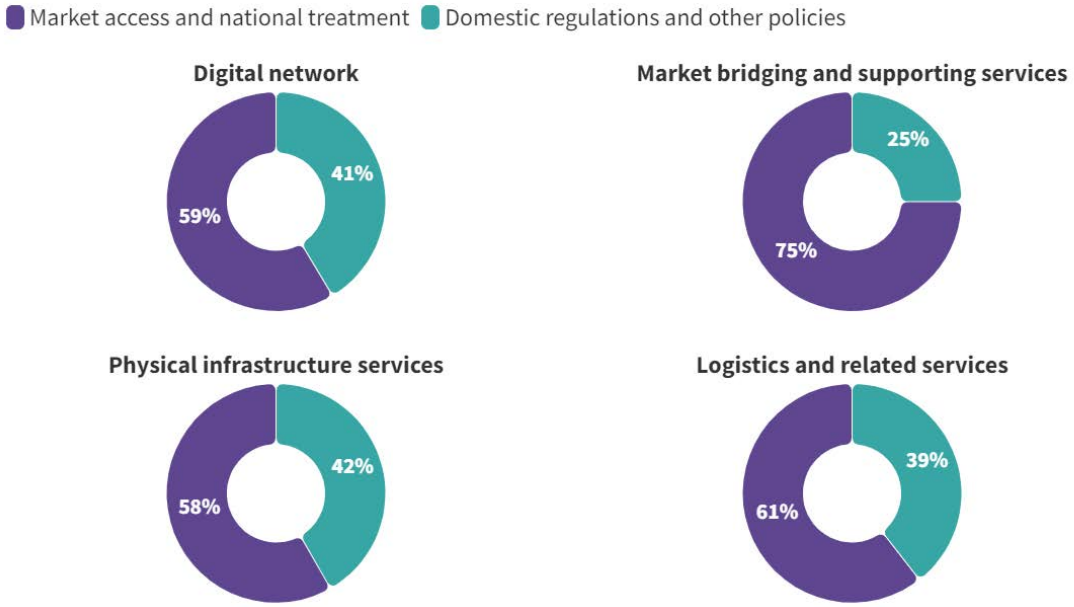
Figure 2.9. Barriers to services market entry and behind the border

Proportion of services trade barriers affecting market access and national treatment, and domestic regulations and other policies as recorded in the STRI, 2023



Note: Access the interactive version of the graph: https://public.flourish.studio/visualisation/18244527/.
Source: OECD STRI (2024).

Figure 2.10. Barriers to services market entry and behind the border by cluster of services, 2023



Note : The sectors covered in the STRI can be broadly organised around four clusters: 1. Digital network services (telecommunications, computer services, broadcasting, motion pictures and sound recording); 2. Logistics and related services (transport, courier, logistics and distribution services); 3. Market bridging and support services cluster (commercial banking, insurance, accounting and legal services); and 4. Physical infrastructure services cluster (construction, architecture and engineering). For more details, see Box 2.2. Access the interactive version of the graph: https://public.flourish.studio/visualisation/18244880/.
Source: OECD STRI (2024).

Despite the levels of applied restrictions on market access and national treatment, the current services trade policies are more open than what countries committed to in the WTO GATS Schedules of Commitments (Miroudot and Pertel, 2015[13]). Indeed, market access and national treatment commitments listed in the GATS Schedules are modest both in terms of the number of sectors included in the schedules and the quality of bindings in relevant modes of supplies (WTO, 2001[14]). WTO Members are free to grant higher levels of market access and national treatment than are specified in their schedules, and many do so on a most-favoured-nation basis.

This means that considerations on future multilateral liberalisation on services trade could first look at the possibility of binding the degree of market access that presently exists. This would give services trade and investors a degree of security and predictability. While this would be more challenging for some sectors than others, there may be low hanging fruits especially where GATS commitments are unbound but in practice markets are relatively open.

Box 2.3. Brazil and services trade reforms from 2014 to 2023

Brazil has undertaken important reforms over the past years that have contributed to lowering its STRIs both in terms of market access measures and domestic regulations. Examples include the following.

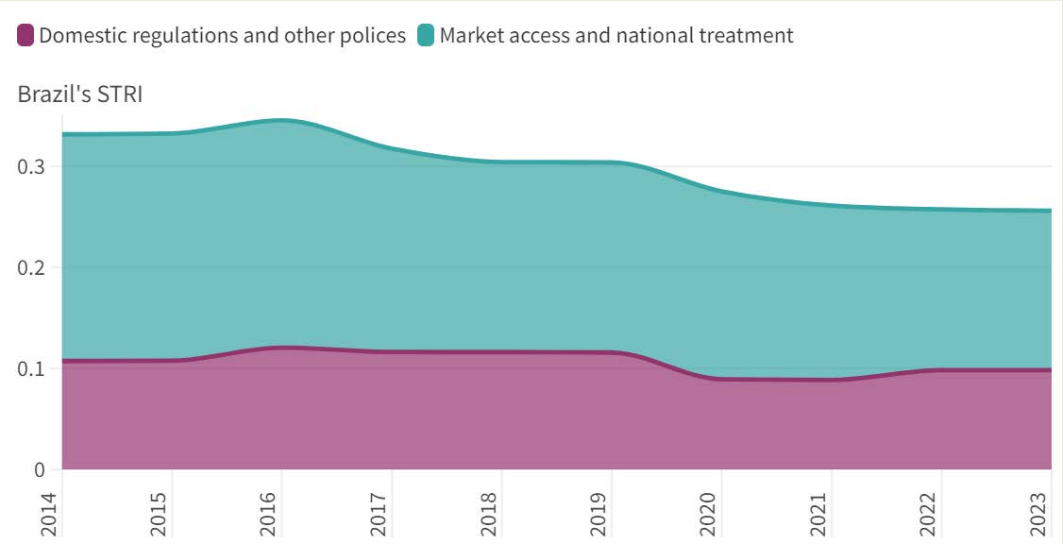
- In 2023, Brazil introduced a *de minimis* regime. Goods included in postal or international air parcels of value below USD 50 can benefit from a zero per cent tax if they are intended for natural persons and the sender company meets the requirements of the compliance programme *Programa Remessa Conforme*, which aims to facilitate e-commerce transactions and companies that can voluntarily adhere to it. In 2023, a new resolution from the Agency of Civil Aviation suppressed the requirement to respect historic slots when these are allocated to new entrants; however, the Agency maintained the priority to continue the attribution of slots from the previous season. Brazil also reversed a policy change introduced in 2022 that required 65% of the statutory or contractual bodies of supervised entities in the insurance sector, as well as insurance brokers, to be residents.
- In 2022, *Lei No. 14.286, de 29 de dezembro de 2021* which concerns the foreign exchange market entered into force, recognising equal treatment of foreign and national capital. It suppressed the previous limitation for the National Treasury and other official public credit entities to guarantee or provide loans, credits, or financing to companies obtaining credit abroad and whose majority of the capital with voting rights belongs to non-residents. This law also eliminates restrictions on the possibility of banks headquartered in countries where Brazilian banks cannot fully operate to acquire more than 30% of voting rights within Brazilian banks.
- Law 14195/2021 introduced important reforms, including the elimination of residency requirements for managers in most sectors (except legal and accounting services). Managers are no longer required to reside in the country, although they need to appoint a representative in the country for legal purposes. In the same year, Brazil introduced an important reform on the organisation of the *Banco Central do Brasil* (Brazil Banking Supervisory Authority) which eliminated the residency requirement for members of the board of directors or managers of the Brazilian Post and Telegraph Corporation (*Empresa Brasileira de Correios e Telégrafos*).
- The rule establishing screen quotas in movie theatres expired in 2021, ending an important restriction in the motion pictures sector.
- In February 2021 a new law reformed the governance structure of the *Banco Central do Brasil*. This reform included recognising bank's independency and financial autonomy, as well as its

full authority to license and enforce prudential measures. The reform includes a term limitation of its governing body.

- In 2020, Brazil eased the licensing conditions for foreign banks and insurance providers, levelling the playing field compared to domestic financial services providers.
- A new General Data Protection Law (*Lei Geral de Proteção de Dados Pessoais*) entered into force in September 2020. It provides the possibility to transfer personal data abroad if certain private sector safeguards are in place.

Figure 2.11. Brazil introduced important services trade reforms over the past decade

Changes in Brazil's average STRI between 2014-23



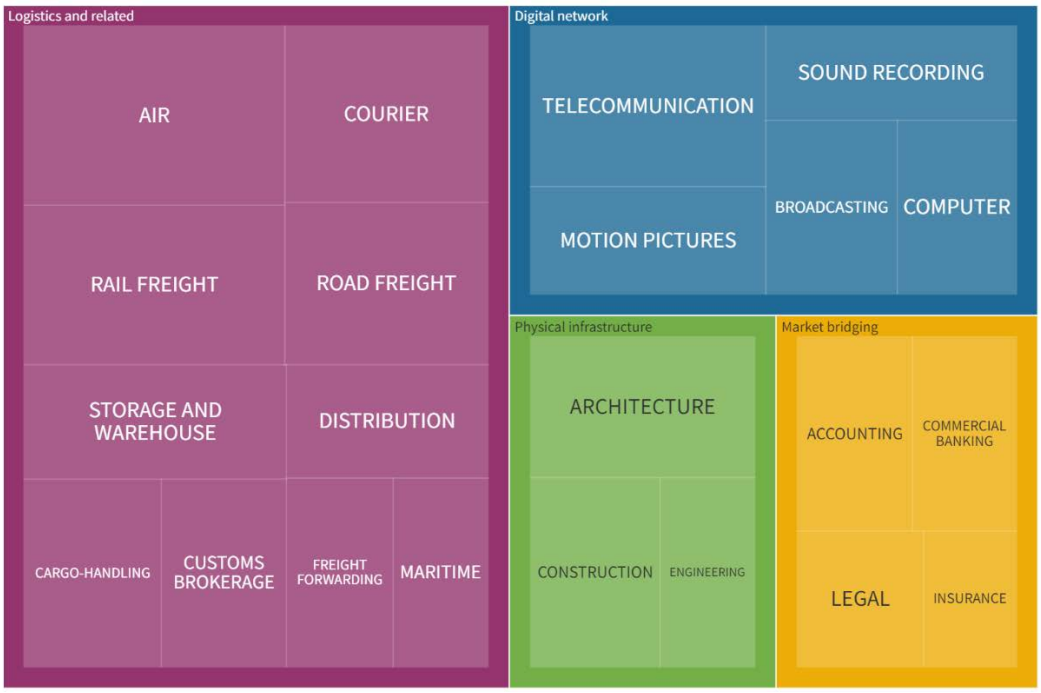
Note: Access the interactive version of the graph: https://public.flourish.studio/visualisation/18245093/.
Source: OECD STRI database (2024).

2.3. Discussions on domestic regulations could be broadened

The STRI collects information on applied domestic regulations, including in areas such as barriers to competition, independence of the regulator, regulatory transparency in the rule-making process, administrative and procedural hurdles related to registering companies, as well as licensing and authorisation requirements across different sectors.

Close to half of domestic regulatory barriers affect services essential for supply chains, notably key transport sectors such as transport, courier, logistics, and distribution services (Figure 2.12). In other clusters, telecommunications services stand out as most affected given the high importance of measures affecting competition in that sector. Additionally, architecture services under the physical infrastructure services cluster are also more affected by domestic regulatory barriers. The most common barriers affecting some these sectors are summarised in Table 2.1.

Figure 2.12. Barriers in domestic regulations across STRI sectors, 2023



Note: Access the interactive version of the graph: https://public.flourish.studio/visualisation/18315808/.
Source: OECD STRI database (2024).

Table 2.1. Domestic barriers to services trade in selected sectors

Top restrictions presented as share of total countries covered in the STRI, 2023

	Measure	Share of countries having a restriction
Common barriers across regulated sectors	Lack of a legal obligation to communicate regulations to the public within a reasonable time prior to entry into force	66%
	Lack of an adequate public comment procedure open to interested persons, including foreign suppliers	18%
	No obligation to inform applicants about the final decision	28%
	No maximum time set for the regulator for decisions on applications	20%
	Restrictions related to the duration and renewal of licenses	12%
	Applications in electronic format are not accepted	42%
Air transport	State ownership in major airline	40%
	No commercially exchange of airport slots	52%
	Exemption of air carrier alliances from competition law	62%
Rail freight	State ownership in major rail freight provider	76%
	Lack of independence of the regulator	40%
	Transfer or trading of infrastructure capacity is prohibited	60%
Telecommunications	State ownership in major telecommunications provider	54%
	Lack of independence of the regulator	38%
	Lack of transparent and non-discriminatory rates on interconnection for foreign operators	52%
Architecture	Government regulated fees	18%
	Lack of independence of the licensing authority from the government or private sector	32%
	Restrictions on advertising	20%

Note: The STRI covers 50 countries. Percentages are presented as share of countries having a restriction of this total.
Source: OECD STRI (2024).

Addressing these barriers can bring substantial benefits. Over 70 WTO Members – representing over 90% of global services trade – participate in the Joint Initiative on Services Domestic Regulation with the aim to incorporate new disciplines on good regulatory practices on services in their schedules of commitments after these officially entered into force on 27 February 2024, on the margins of the 13th WTO Ministerial Conference in Abu Dhabi. This was a landmark achievement for advancing the facilitation of services supplies globally and it is expected to lower trade costs up to USD 150 billion annually (OECD-WTO, 2021[15]) (WTO, 2024[16]). Moreover, estimates show that benefits would be particularly high for lower- and upper-middle-income economies and that these would have spill-over effects to non-participating economies. Timely and effective implementation is key for these benefits to materialise.

Beyond disciplines related to licensing and regulatory transparency, further policy reforms are needed to address the remaining challenges that affect domestic services markets. Table 2.1 shows three potential areas for reforms: reducing state participation in markets through state-owned enterprises; promoting the independence of regulatory bodies; and applying market-based competition rules.

Government presence in state-owned or state-controlled enterprises remains a challenge, especially in strategic sectors like transport and telecommunications. Moreover, such intervention can undermine the independence of regulatory authorities which affects key sectors such as rail freight transport, telecommunications, and architecture services. Market-based competition rules entail the elimination of unnecessary exemptions provided for anti-competitive agreements between competitors, lifting price regulations, and allowing the commercial transfer of capacity among services providers.

2.4. Digitally-enabled services face great barriers and growing fragmentation

Digitalisation is having a profound impact on trade, substantially re-shaping the way in which services are traded across borders (OECD, 2023[6]) (IMF, 2023[17]). By 2020, digital trade represented 25% of global trade, or just under USD 5 trillion, driven to a large extent by increases in trade in digitally deliverable services (OECD, 2023[6]). Leveraging the benefits of digital transformation requires well-regulated services that enable fast, reliable, and affordable connections across digital networks. For instance, telecommunications services are essential for networks to connect, while computer services and information and communication technology (ICT) services enable end-to-end communication. Content-related services, notably audio-visual services, have been particularly affected by rapid digitalisation as movies, music and other content can be more easily shared or streamed through digital platforms.

Across these sectors, regulatory barriers may impact different policy areas (Figure 2.13). For instance, in broadcasting services, the STRI shows that about 70% of all recorded barriers affect the entry of foreign broadcasting providers into domestic markets. In the case of telecommunications services, barriers to competition have the greatest impact (36%), followed by barriers to foreign entry (34%). In computer services, restrictions on the movement of computer professionals make up 35% of the impediments identified. In motion pictures and sound recording services, discriminatory measures have a higher impact on foreign content providers (e.g. through subsidies, local content, or post-production requirements).

These findings are supported by those from the Digital STRI that covers cross-cutting barriers affecting digitally enabled services in more than 100 countries.[3] On a global level, such barriers increased by 25% between 2014 and 2023 (Figure 2.14), driven by an increasing number of measures affecting communication infrastructure and connectivity, including in the context of cross-border data flows, data localisation requirements, and lack of pro-competitive regulations on interconnections across communication networks. Rising trade barriers have also affected other digital sectors, including computer services (5%), motion pictures (3%), and telecommunications (2%).

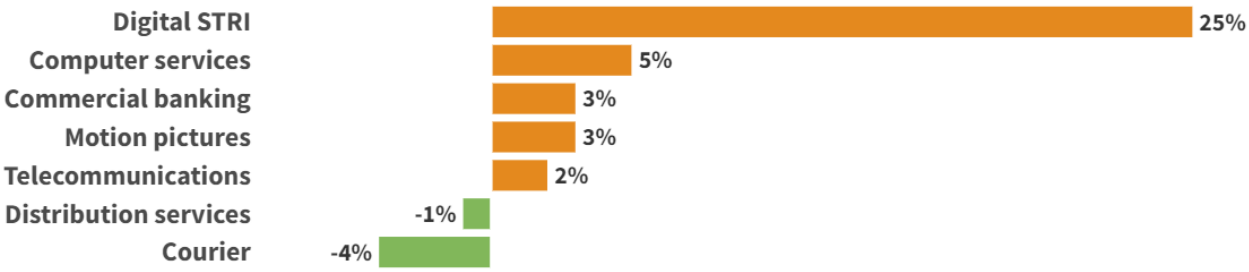
Figure 2.13. Composition of barriers across digital network services

Composition of STRI by proportion of policy area, 2023

Note: Access the interactive version of the graph: https://public.flourish.studio/visualisation/17852120/.
Source: OECD STRI database (2024).

Figure 2.14. Barriers to digital trade have increased in recent years

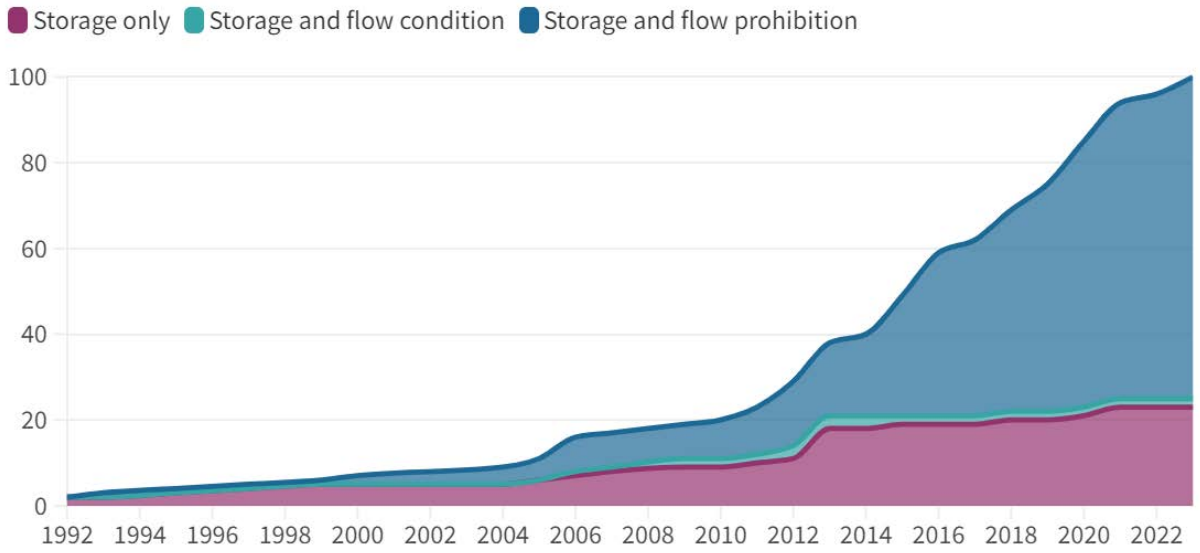
Change in average Digital STRI and the STRI sectors for digital networks, 2014-23



Note: The STRI and Digital STRI indices take values between zero and one, one being the most restrictive. Digital STRI coverage here is only for the 50 countries covered by the STRI, so as to match coverage for the other sectors. Access to interactive version of the graph: https://public.flourish.studio/visualisation/18244338/.
Source: OECD STRI database and Digital STRI database (2024).

A key business and policy challenge in digital trade today is the rising volume of data localisation requirements affecting business operations, production, and consumption (Figure 2.15). By early 2023, close to 100 data localisation measures were in force across 40 countries (Del Giovane, Ferencz and López González, 2023[11]), with more than half of these emerging in the past decade. 45 such measures are also recorded in the STRI (see Figure 2.6). Such measures are also becoming increasingly restrictive. By 2023, more than two-thirds that were in place imposed a local storage and processing requirement without the possibility for data to flow outside the country, which is the most restrictive form of data localisation identified. More sensitive data, including health, financial and public sector data, are associated with more restrictive data localisation measures.

Figure 2.15. Data localisation is growing and becoming more restrictive

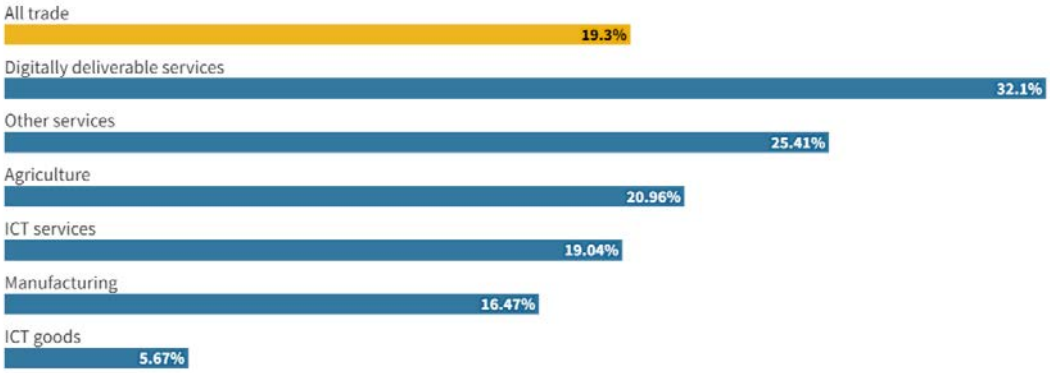


Note: Data localisation measures are defined as explicit requirements that data be stored or processed domestically. Access the interactive version of the graph: https://public.flourish.studio/visualisation/18243107/.
Source: Del Giovane, Ferencz and Lopez Gonzalez (2023[11]).

Growing restrictions on digital trade highlight the importance of strengthening international co-operation to address these challenges, in particular through multilateral efforts at the WTO (Box 2.4). Making regulations less restrictive can bring significant payoffs. A 0.1-point reduction in the domestic DSTRI score, which captures an important domestic regulatory reform, is associated with a decrease in export costs of 19.3% (Figure 2.16) (López González, Sorescu and Kaynak, 2023[5]). The effect is highest for digitally-deliverable services (-32.1%) and 'other services' exports (-25.4%). The benefits of reform are not limited to services. An equivalent reduction in the domestic DSTRI score is associated with a 21% decrease in export costs in agriculture and food sectors, and a 16.5% decrease in export costs in manufacturing sectors.

Figure 2.16. Domestic regulatory reforms can have an important effect on exports

Ad valorem equivalent of reducing the DSTRI by 0.1 points on the costs of export



Note: The figure shows by how much export costs increase as a result of a 0.1-point increase in the Digital STRI. Ad valorem equivalent can be calculated following Benz and Jaax (2020[18]) as exp(-(-0.1*DSTRI coefficient)/(elasticity-1))-1. Using the DSTRI coefficients from Lopez-Gonzalez, Sorescu and Kaynak (2023[19]) and the elasticities from Egger et al. (2021[20]). Access the interactive version of the graph: https://public.flourish.studio/visualisation/18245656/.
Source: López González, Sorescu and Kaynak (2023[5]).

Box 2.4. The e-commerce moratorium post-MC13: Ensuring discussions are evidence based

At the 13th WTO Ministerial Conference[1], WTO Members agreed to "maintain the current practice of not imposing customs duties on electronic transmissions until the 14th Session of the Ministerial Conference or 31 March 2026, whichever is earlier."[1] This was largely recognised as a key achievement of the Ministerial despite it stating that "the moratorium and the Work Programme will expire on that date."

The MC13 Ministerial Decision also came with a call to "hold further discussions and examine additional empirical evidence on the scope, definition, and the impact that a moratorium on customs duties on electronic transmissions might have on development, and how to level the playing field for developing and least-developed country Members to advance their digital industrialisation."

Evidence shows that the potential fiscal implications of the moratorium are small, representing on average around 0.1% of total government revenue or 0.68% of total customs revenue (Andrenelli and Lopez Gonzalez, 2023[21]) (IMF, 2023[17]). Foregone customs revenue is likely to be offset by rising GST/VAT revenue on digital services imports. At the same time, lifting the moratorium would imply losses in competitiveness and increased trade costs that will hit developing countries and smaller actors, including SMEs and women owned firms, the most.

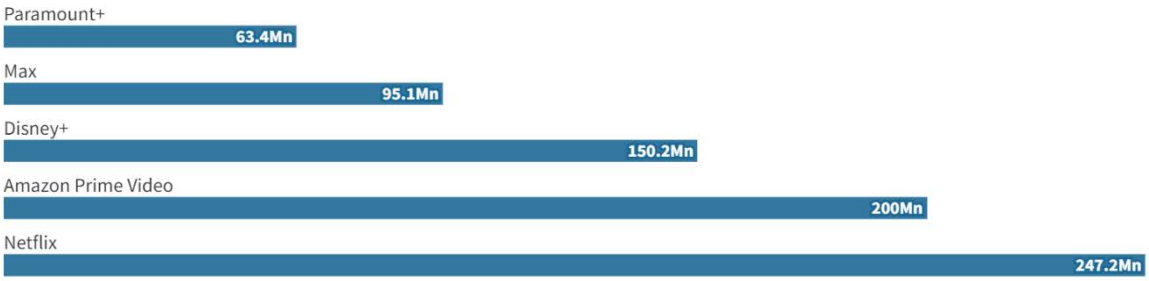
1. The WTO Ministerial took place in Abu Dhabi in February-March 2024.

Sector in focus: Motion pictures

The sector of motion pictures has benefitted from rapid digitalisation and increased technological developments that facilitate the streaming of media content over the Internet. The rise of streaming services and digital distribution platforms has transformed how audiences consume films, leading to shifts in distribution models and revenue streams. Netflix, Amazon Prime Video, and Disney+ with close to a combined 600 million subscribers globally are leading the global market (Figure 2.17). Adapting to these changing consumption patterns requires flexibility and innovation from filmmakers and distributors. As movies on platforms are increasingly released simultaneously across multiple countries, barriers to trade in motion pictures become more relevant as regulatory divergence can add additional costs and delays.

Figure 2.17. Streaming services are becoming an increasingly important channel for movie distribution

Streaming services with the most subscribers globally as of 31 December 2023, in millions



Source: Forbes and Digital Trends, 2024.

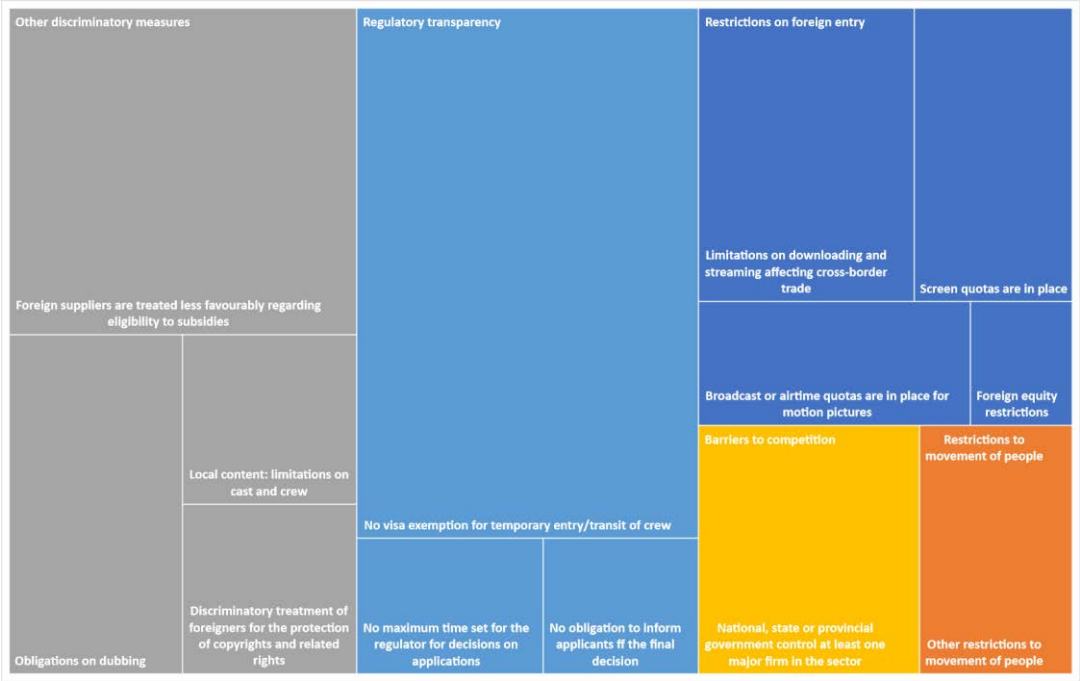
Drawing on the STRI data, some key challenges can be identified that affect international trade in motion pictures services, particularly streaming platforms (Figure 2.18):

- ***Barriers affecting the distribution of new content:*** The global film market is highly competitive, with a vast array of content available to audiences through traditional cinemas, streaming platforms, and other distribution channels. Breaking through the clutter to reach international audiences requires effective marketing strategies and strong distribution networks. Moreover, various countries have strict regulations and censorship laws governing the import and distribution of foreign films. Navigating these regulations can be complex and time-consuming for filmmakers and distributors. Over 30% of the countries covered in the STRI impose restrictions on streaming and downloading platforms, while over 15% impose requirements for on-demand providers to promote local works, including through the application of quotas which can be more limiting when the repository of available foreign films is very large but the domestic one is more limited. In 20% of the countries, quotas for local motion pictures apply also in television or theatres.
- ***Localisation requirements for content production*:** While dubbing or subtitles are generally considered effective means to overcome language barriers in films, mandating that such measures take place locally or using local production companies can limit efficiencies. Dubbing is currently regulated in close to 30% of the countries covered. Additionally, in 14% of the countries, movie productions are subject to sourcing part of the cast and crew locally. This can be further exacerbated by the lack of visa exemptions or dedicated visa for cast and crew that can make temporary entry for production purposes faster and easier. Currently, only seven of the 50 countries covered have visa exemptions or special visa categories for foreign film crew.
- ***Competition in the market***: In many countries, film industries receive government support to promote local culture and creativity. While this is an important measure to protect cultural values, it can become a challenge if applied discriminatively in favour of domestic content producers. Over half of the countries employ some forms of discriminatory treatment on eligibility to subsidies. Market competition can also be affected by strong government involvement in the sector. In 26% of the countries, the government owns or controls a major company operating in the production or distribution of movies.
- ***Rising copyright infringement and lack of effective enforcement***: Most market transactions in the film industry are done through the transfer of property rights from a seller to a buyer at an agreed price or allowing the right to use somebody's property for a fee. Most countries have incorporated international standards on copyright protection in their legislation, but differences remain on the scope of exceptions and how copyright infringements are handled. Digital piracy

remains a significant challenge for the film industry, impacting revenues and discouraging international distribution. Pirated copies of films can be easily distributed across borders, undermining legitimate sales and licensing agreements.

Figure 2.18. Key trade barriers affecting motion picture services

Composition of key sector-specific trade barriers in motion picture services across all countries covered, 2023



Note: Access the interactive version of the graph: https://public.flourish.studio/visualisation/18319471/ .
Source: OECD STRI (2024).

2.5. Lowering services barriers is a gateway to strengthening the resilience of supply chains and environmental sustainability

2.5.1. Logistics, transport and other services supporting supply chains

Services play a crucial role in supporting global supply chains by enhancing efficiency, reducing costs, and ensuring timely delivery of goods. Transport services and logistics services, such as cargo-handling or warehousing, are fundamental to the seamless movement of products from manufacturers to consumers. Advanced technology services – including real-time tracking, data analytics, and automation – enable companies to monitor and optimise their supply chains, making them more responsive and resilient. These services are also relevant in the context of growing digital trade which results in a growing volume of trade in parcels (López González and Sorescu, 2021[22]).

In addition to operational benefits, services are integral to enhancing environmental sustainability within supply chains. Green logistics practices, such as the use of fuel-efficient transportation modes, route optimisation, and sustainable packaging, significantly reduce the carbon footprint of supply chain activities. Tailored services, e.g. consulting services, can help develop and implement strategies that minimise waste, improve energy efficiency, and comply with environmental regulations. Moreover, services such as reverse logistics support the recycling and reuse of materials, contributing to a circular economy. By

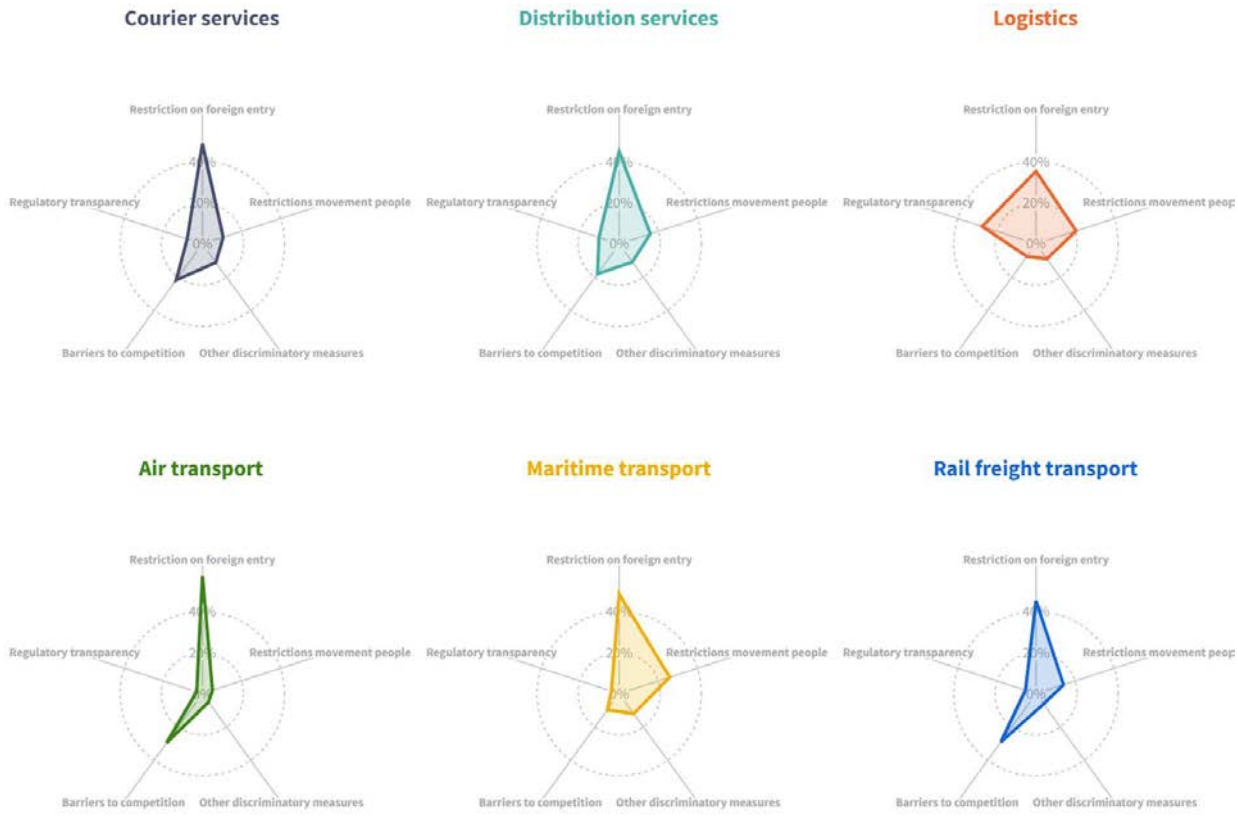
leveraging these services, companies can meet regulatory requirements, as well as fulfil corporate social responsibility goals, enhancing their brand reputation and competitiveness in a market increasingly concerned with sustainability.

The STRI covers several services sectors that are relevant enablers of supply chains, including four transport services (air, maritime, rail, and road freight transport), four logistics services (cargo handling, storage and warehousing, freight forwarding, and customs brokerage), as well as distribution services and courier services.

Figure 2.19 depicts the STRI composition of logistics, courier, and distribution services. It highlights that barriers in logistics services to foreign entry account for a substantial share of all barriers (e.g. 45% in customs brokerage and close to 40% in cargo-handling). Barriers to regulatory transparency, including transparency of selected processes at the border, are also relatively high in the logistics sectors, accounting for 35% of barriers in freight forwarding and around 30% in both storage services and customs brokerage. In courier services, barriers to foreign entry represent half of all barriers due to the conditions affecting foreign investment, particularly in postal services. Courier and express delivery services tend to be more open and liberalised, but postal services remain subject to high levels of restrictions. Lastly, barriers affecting foreign entry in distribution services are also dominant (45%), followed by barriers to competition (20%), and restrictions on the movement of people (15%).

Figure 2.19. Logistics, transport and other services supporting supply chains

Composition of STRI by proportion of policy area, 2023

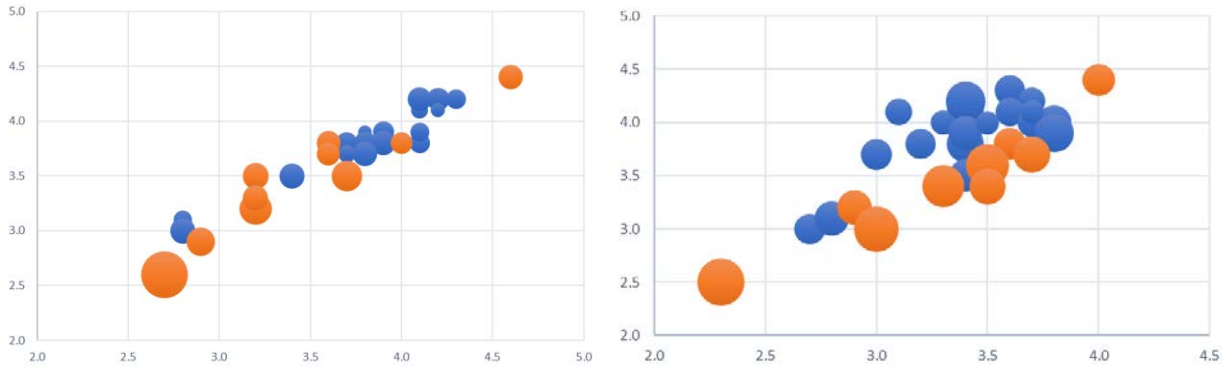


Note: Access the interactive version of the graph: https://public.flourish.studio/visualisation/18073420/.
Source: OECD STRI database (2024).

Moreover, there appears to be a consistent negative correlation between the restrictiveness of both logistics and maritime transport services and various logistic performance indicators (LPI) (World Bank, 2023). Figure 2.20 highlights correlations between the STRI for these two sectors and relevant World Bank LPI scores for logistics infrastructure, competence and quality, international shipments, and tracking and tracing. Countries with lower trade restrictiveness in these areas tend to score higher across all these indicators, meaning better overall logistics performance. This is relevant for non-OECD countries where the level of restrictiveness in logistics and transport sectors tends to be higher.

Figure 2.20. Open transport and logistics markets matter for global supply chain networks

Relation between STRIs for logistics services (left) and maritime transport (right) and components of the WB Logistics Performance Index across OECD countries (blue) and non-OECD countries (orange), 2023



Note: The size of the bubble shows the STRI value where a bigger bubble depicts a higher STRI value. The left panel plots the LPI infrastructure score and logistics competence and quality score against the STRI for logistics services in selected OECD and non-OECD economies for 2023. The right panel plots the LPI international shipments scores and timeliness scores against the STRI for maritime transport services in selected OECD and non-OECD economies for 2023.
Source: World Bank Logistics Performance Index 2023 and OECD STRI 2024.

Sector in focus: Maritime transport services

Maritime transport is a key sector for the efficient connection across supply chains. It is estimated that more than 80% of merchandise trade by volume and over 70% of global trade by value are carried by sea (UNCTAD, 2022[23]). The market is highly concentrated with the top five ship-owning countries accounting for nearly a half of world's tonnage fleet in 2022.

Geopolitical tensions, unrest, and protectionist measures can disrupt international trade flows and affect maritime transport routes and operations. Uncertainty surrounding trade policies and trade barriers can also deter investment and potential efficiency gains from streamlining operations. The maritime industry is facing growing pressure to reduce its environmental footprint, particularly concerning air and water pollution, and greenhouse gas emissions.

Drawing on STRI data, some key challenges can be identified that affect international trade in maritime transport services (Figure 2.21).

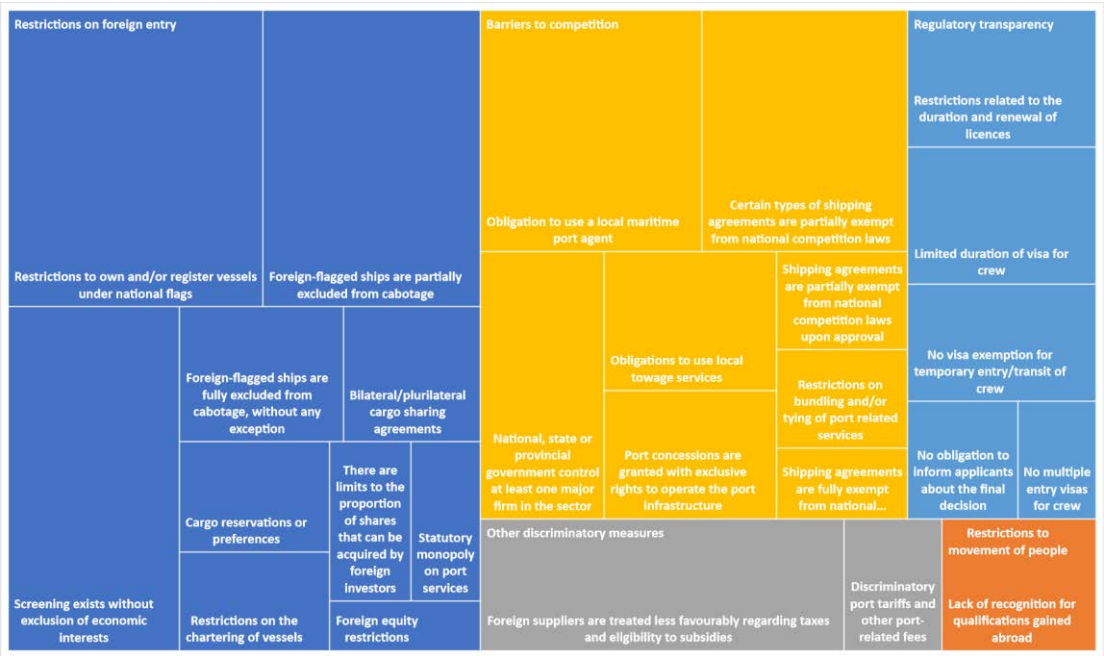
- ***Restricted access to certain market segments and cabotage operations***: Conditions on flying the national flag are not considered a trade restriction *per se*, but in cases where flying the flag is linked to accessing certain segments of the market, discrimination related to registering under the national flag creates restrictions on foreign entry. More than 80% of the countries in the STRI impose various conditions to registering vessels in their national registry, thereby limiting the

provision of maritime cabotage. Close to 70% of countries in the STRI prohibit certain cabotage operations for foreign-flagged vessels, while a quarter prohibit all cabotage for foreign operators. Cargo-sharing agreements and cargo reservations for specific types or shares of their domestic cargoes to the national fleet have become fewer in recent years but continue to exist in 20% of the countries covered. Such measures, together with strict cabotage policies, considerably limit foreign vessel operations domestically even when this is essential to improving efficiency in cargo distribution, alleviating capacity constraints on domestic vessels, and providing incentives for investments in port infrastructures.

- ***Constraints at ports***: Ports are often publicly owned, while port services are usually provided by private companies operating under concessions. However, 12% of the countries in the STRI continue to maintain restrictions to the provision of such services, including statutory monopolies that preclude the entry of other port operators. Moreover, concessions for port services granted with exclusive rights to operate exist in 24% of these countries, thus limiting the scope of other services providers at ports. Discriminatory tariffs for port services exist in major ports across 15% of the countries and obligations to use only local auxiliary services, such as towage or maritime port agents, exist in the majority of the countries covered.
- ***State ownership and market competition***: Government ownership or control in major domestic maritime transport operators exist in close to 40% of the countries covered, highlighting the high degree of government involvement in this sector. Over half of the countries covered exempt certain shipping agreements from competition law and 10% provide full exemption to all shipping agreements from national competition law. In addition, more than half of the countries have tax relief measures or other incentives for domestic shipping companies to increase the competitiveness of the national fleet.

Figure 2.21. Key trade barriers affecting maritime transport services

Composition of key sector specific trade barriers in maritime transport across all countries covered, 2023



Note: Access the interactive version of the graph: https://public.flourish.studio/visualisation/18319471/ .
Source: OECD STRI (2024).

2.5.2. Physical infrastructure services

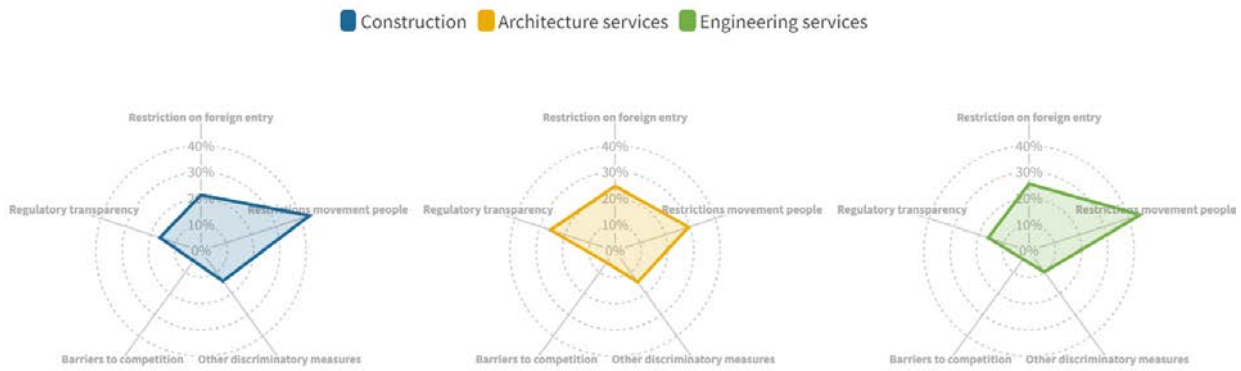
Architecture, construction, and engineering services are essential for infrastructure development. They also contribute to advancing industrial development and essential infrastructure such as roads, bridges, and buildings. Construction services have historically been considered strategic and are often closely linked to procurement and allocation of fiscal resources. Architects and engineers are key professionals contributing to the design and technical feasibility of constructions projects. These service areas are highly complementary and often provided by the same company. They also account for a significant share of gross domestic product (GDP) and employment in most countries. Public works, such as roads and public buildings, account for about half of the market for construction services.

These sectors are also highly relevant to achieve environmental sustainability goals. Engineering services are crucial inputs for the development of innovations to enhance environmental sustainability across the board, and for their adoption as industrial and commercial applications. Architecture and construction services are crucial inputs to pursue energy efficiency as well as to design and install necessary infrastructure for the green transition.

Figure 2.22 shows the composition of the STRI for these three sectors. Across all three, barriers to the movement of people predominate, accounting for over 40% of all barriers in construction and engineering services and 30% in architecture services. This creates hurdles in these sectors given the importance of cross-border movement of professionals. Barriers to foreign entry contribute between 20% and 25% of all barriers, while the category of "other discriminatory measures", which includes public procurement, accounts for between 10% and 15%.

Figure 2.22. Physical infrastructure related services

Composition of STRI by proportion of policy area, 2023



Note: Access to interactive version of the graph: https://public.flourish.studio/visualisation/17852453/.
Source: OECD STRI (2024).

Sector in focus: Construction services

Drawing on the STRI data, some key challenges can be identified that affect international trade in construction services (Figure 2.23).

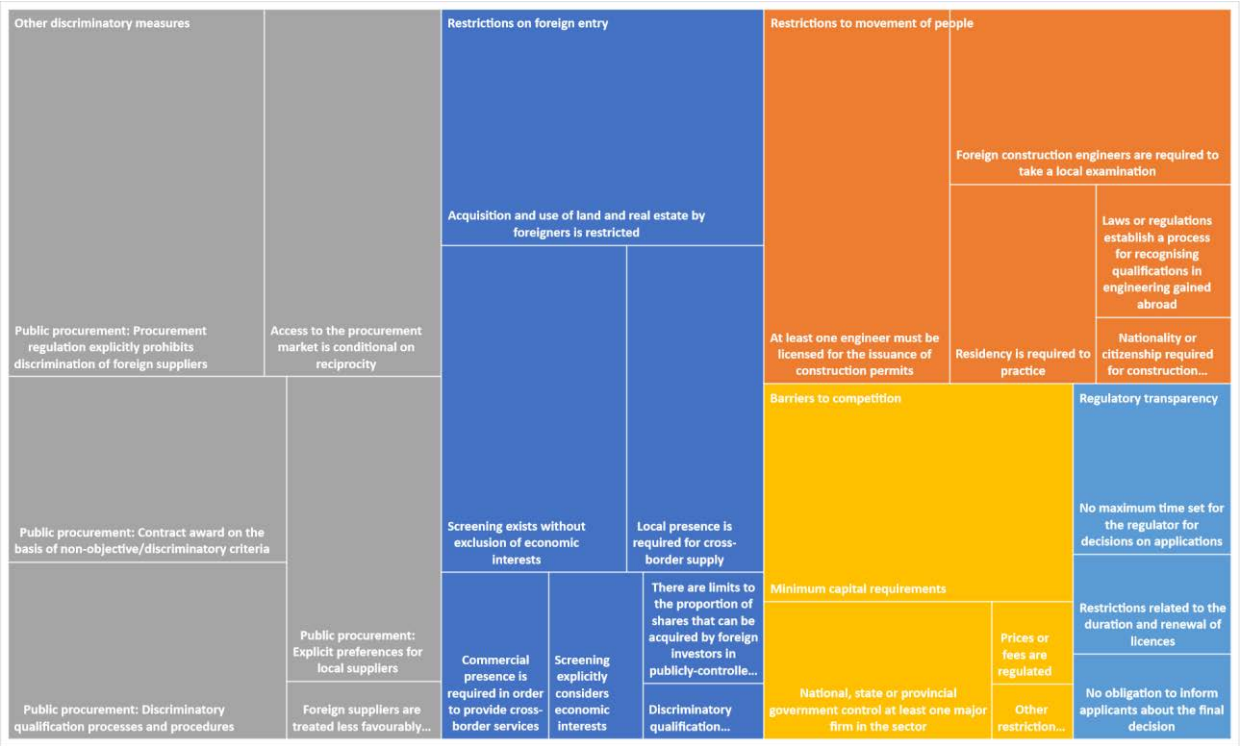
- ***Access to public procurement markets for foreign providers of construction services***: In light of the importance of government demand for these services, restrictions in public procurement can have a significant bearing on the construction sector. In 40% of the countries covered by the STRI, non-discriminatory access for foreigners to public procurement is limited to nationals from countries participating in the WTO Government Procurement Agreement (GPA) or countries that

are parties to a preferential trade agreement. Sixteen of the 50 countries covered in the STRI are not parties to the WTO GPA. Moreover, in close to 30 countries, access to the procurement market outside the WTO GPA can be granted only on condition of reciprocity. Even when market access is allowed to foreign providers, explicit preferences (e.g. price rebates) may be granted to local tenderers. This is currently the case in 42% of the countries in the STRI.

- ***Limited foreign acquisitions of land or real estate***: Restrictions on land and real estate acquisitions may limit the ability of foreign construction firms to enter certain markets or acquire strategically located properties. In regions where foreign ownership of land is restricted or subject to additional taxes or fees, foreign construction firms may face higher costs associated with leasing land or acquiring real estate through alternative means. In close to 70% of the countries covered in the STRI, acquisition or use of land and real estate is subject to certain restrictions or limitations for foreigners.
- ***Limits on the movement of capital and foreign labour***: Construction services are a relatively labour-intensive sector (both skilled and un-skilled), which is typically reflected in a higher share in employment than in GDP for most countries. In light of the nature of construction activities, the potential for mechanisation and automation also remains more limited than in other sectors. Consequently, restrictions on labour mobility and differences in workforce skills and qualifications can affect the recruitment, training, and deployment of workers for international construction projects. All the countries in the database limit market access for natural persons providing services on a temporary basis as intra-corporate transferees, contractual services suppliers or independent services suppliers. Most prominent restrictions are labour market tests and limited durations of stay (less than three years) exist in over 70% of the countries covered. The movement of qualified construction personnel may be affected by licensing and related issues. These include nationality or residency requirements for construction engineers, which exist in over a third of the countries as well as requirements for foreign engineers to take a local examination to obtain qualifications which exists in 44% of the countries. In 60% of the countries, at least one engineer must be licensed for the issuance of construction permits. Lastly, performance requirements mandating minimum quotas on the shares of local workforce to be employed in companies operating domestically exist in a quarter of the countries covered.
- ***Regulatory fragmentation****:* Varying regulations and legal frameworks across countries can pose significant challenges to international construction firms. Different licensing requirements, building codes, and standards can create barriers to entry as well as hinder seamless operations. These can be exacerbated by other trade restrictions on construction materials and equipment, making international projects more expensive and less competitive.

Figure 2.23. Key trade barriers affecting construction services

Composition of key sector specific trade barriers in construction services across all countries covered, 2023



Note: Access the interactive version of the graph: https://public.flourish.studio/visualisation/18319471/.
Source: OECD STRI (2024).

2.6. Lowering barriers on financial and professional services is key to enabling other economic activities

With the growing complexity of international business models, market bridging and support services are essential for firms supplying services across multiple markets. For example, financial services ensure access to credit, payment systems, and insurance to scale up production and sales. Trustworthy, transparent, and easy to understand accounting information is needed to assess creditworthiness and to ensure compliance with financial regulations. Legal services are necessary to support operations at home and affiliates abroad, to ensure compliance with regulations, and to support the enforcement of contracts.

Banking and insurance services support production and exchange in virtually all economic activities. As such, this sector is an important engine for economic growth, but also a potential source of systemic risk.[4]

Figure 2.24 shows the composition of the STRI by policy areas across market bridging and support services. It shows that market entry barriers are high across all sectors, especially in financial services and legal services. For instance, restrictions on foreign entry account for 70% in insurance services, 64% in legal services and 57% in commercial banking. In accounting services, both market entry barriers and barriers to the movement of people contribute to approximately 40% of all barriers.

Figure 2.24. Market bridging and supporting services

Composition of STRI by proportion of policy area, 2023

Note: Access the interactive version of the graph: https://public.flourish.studio/visualisation/17852516/.
Source: OECD STRI (2024).

Sector in focus: Commercial banking services

Drawing on the STRI data, some key challenges can be identified that affect international trade in commercial banking services (Figure 2.25).

- ***High barriers on cross-border trade:*** Restrictions on market access and ownership in foreign markets hinder the expansion of financial service providers. Requirements for a local presence, such as establishing physical branches, can be burdensome. The STRI results are mainly driven by restrictions on foreign entry, where significant impediments remain: the requirement for a physical commercial presence; on foreign equity limits: on restrictions on legal form; on localisation requirements for foreign bank managers: discriminatory licensing criteria; and restrictions on cross-border transactions. Setting up a local affiliate or a branch is the primary mode of entry into foreign markets for commercial banks and insurance carriers, although the rise of electronic distribution channels has expanded the potential for cross-border trade in financial services. About 80% of the countries covered in the STRI impose a commercial presence requirement for some types of

banking services and virtually all countries impose this for deposit activities. These requirements, along with barriers concerning internet-only banking, limitations on branch networks, and strict requirements on local storage or processing of financial data, can effectively hinder the potential expansion of online financial services. Some of the challenges related to cross-border trade in financial services could be overcome by mutual recognition of domestic laws and regulations. An innovative approach – a possible model for others – is the Berne Financial Services Agreement concluded by the United Kingdom and Switzerland, and signed in December 2023 (Box 2.5).

- ***Barriers to competition and state control:*** Barriers to competition significantly impact the indices. These encompass regulations on products and prices, as well as preferential treatment granted to state-owned financial institutions. Some countries implement protectionist measures to shield domestic financial institutions from foreign competition, including preferential treatment, subsidies, or regulatory bias. State control of financial institutions remains widespread; the majority of countries have a state-controlled bank amongst their five largest banks, and respectively 36%, 32%, and 28% of countries have a state-controlled life insurer, non-life insurer, or reinsurer among the top five institutions in their country.
- ***Lack of independence of the regulatory authority:*** A common issue affecting a quarter of the covered countries is the lack of independence of the regulatory and supervisory authorities whose decisions may be overridden by the government. While strict price controls, pre-approval requirements for financial products, and restrictions on lending or capital raising have largely been abolished in OECD countries, they persist elsewhere.
- ***Licensing and judicial enforcement mechanisms:*** Licensing and authorisations are standard requirements in commercial banking, but the process may be discriminatory or less transparent for foreign financial institutions. In 26% of the countries covered in the STRI the conditions to obtain a license for banking services are more stringent for foreign applicants. Applicants for a license need not be informed of the reasons for denial of a license in close to a quarter of the countries covered, while in 20% there is no maximum time set for the regulator to decide on applications. Differences in legal systems and lack of enforcement mechanisms can also impede the resolution of cross-border disputes and enforcement of contracts, reducing confidence in international financial transactions.
- ***Regulatory fragmentation:*** Varying regulatory frameworks across countries pose a significant challenge. Compliance with diverse regulations regarding licensing, capital requirements, and administrative compliance can be complex and costly for financial institutions. While adoption of international standards, including on capital risk weighting under the Basel Committee on Banking Supervision, international financial reporting or anti-money laundering are more prevalent in recent years, not all countries have adopted these standards. In addition, volatility in currency exchange rates and restrictions on currency convertibility can complicate financial transactions and increase risks for market participants.
- ***Technological disruption:*** While electronic distribution channels have expanded opportunities for cross-border trade, they also introduce cybersecurity risks and regulatory concerns, particularly regarding data privacy and local data storage requirements.

Figure 2.25. Key trade barriers affecting financial services

Composition of key sector specific trade barriers in commercial banking across all countries covered, 2023

Note: Access the interactive version of the graph: https://public.flourish.studio/visualisation/18319471/.
Source: OECD STRI (2024).

Box 2.5. Enabling greater cross-border trade in financial services: The Berne Financial Services Agreement

In December 2023, the United Kingdom and Switzerland – two of the largest exporters of financial services – signed a new agreement on Mutual Recognition in Financial Services aimed at improving the supply of financial services between the two countries through outcomes based mutual recognition of the domestic regulatory and supervisory frameworks.

The agreement sets a new and innovative model of mutual regulatory recognition, fosters greater market access, and regulatory certainty. Moreover, it reduces regulatory barriers and establishes an institutional framework for improving regulatory and supervisory co-operation.

A key provision of the agreement provides that each party considers that domestic regulatory and supervisory frameworks of the other party achieve equivalent outcomes regarding financial stability, market integrity, and the protection of investors and consumers within the scope of the agreement and its sectoral annexes. This entails moving away from traditional line-by-line equivalence assessments, and employing a more flexible and pragmatic approach to international financial regulation. It also means that businesses avoid having to navigate complex and potentially different regulatory requirements in both countries.

The agreement provides for greater market access for a range of wholesale financial services, e.g. on non-life insurance for renewable energy, directors' and officers' liability, sellers' and buyers' warranty, indemnity, and cyber insurance. Other insurance agreements tend to be largely limited to maritime, aviation, and transport risks. Bilateral market access also extends to the supply of services auxiliary to insurance, such as consultancy, actuarial, risk assessment and claims services.

Source: The Berne Financial Services Agreement - GOV.UK (www.gov.uk).

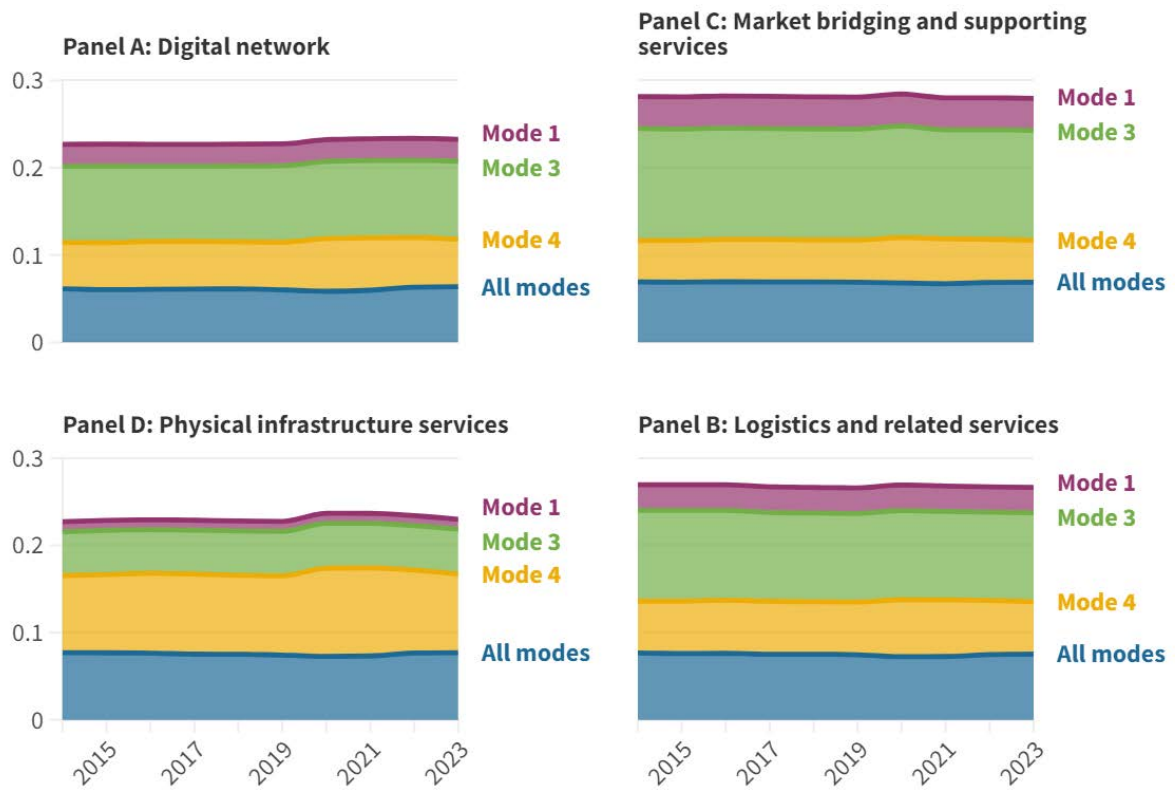
2.7. Ways to deliver services are changing

The STRI measures can be broken down along three of the four modes of services supplies defined by the WTO (modes 1, 3, and 4)[5] reflecting the core impact that regulatory measures would have on services supplied through one of these modes. Where measures affect more than one mode of supply it is labelled as affecting all modes. Such measures include regulations that affect competition in the market and measures related to regulatory transparency.

The STRIs by modes of supply are shown in Figure 2.26, aggregated across the four main services clusters and showing developments observed for the period between 2014 and 2023. Measured across all 22 sectors, barriers to mode 3 are the highest, accounting for close to 40% of all restrictions identified. Such barriers are particularly prominent in market bridging services such as financial services. This is also the case for some professional services included in this cluster (legal and auditing services), although for these services, barriers to mode 4 are generally an important contributor. Moreover, in digital network services, mode 3 barriers are more than three times higher than mode 1 barriers and have increased moderately over the years. This highlights that firms providing digitally enabled services can face headwinds when attempting to access new markets by establishing a commercial presence.

Figure 2.26. Barriers to services supplied through commercial presence (mode 3) are contributing the most to global services trade restrictiveness

Average of the STRI broken down by modes of supply across different clusters of services, 2014-2023



Note: The sectors covered in the STRI can be broadly organised around four clusters: 1. Digital network services (telecommunications, computer services, broadcasting, motion pictures and sound recording); 2. Logistics and related services (transport, courier, logistics and distribution services); 3. Market bridging and support services cluster (commercial banking, insurance, accounting and legal services); and 4. Physical infrastructure services cluster (construction, architecture and engineering). For more details, see Box 2.2. Access the interactive version of the graph: https://public.flourish.studio/visualisation/18246099/
Source: OECD STRI (2024).

Barriers to mode 4 supplies tend to be higher in sectors where services are mostly provided by regulated professionals. In physical infrastructure services, foreign engineers and architects are generally subject to tighter licensing conditions and fewer recognition of foreign qualifications, making services deliveries more difficult. In terms of trends across sectors, barriers to mode 4 generally increased in 2020 due to government responses to the COVID-19 pandemic but were rebalanced by 2023. Substantial liberalisation across countries is far from a reality, however, making mode 4 supplies difficult across countries.

3 Policy approaches to revitalise services trade: Reform scenarios

From a policy perspective, identifying reforms can be a daunting task, especially when it is not sufficiently clear where reforms are most needed and what benefits these may bring to domestic firms and consumers. The STRI regulatory database and indices enable policy makers to identify services sectors where reform could be undertaken and simulate the potential impacts of such reforms on the index values. In turn, the simulated indices can be used in empirical analysis to understand the likely impact of a reform impact on key variables such as trade cost reductions or productivity increase in downstream industries. Two reform scenarios are explored below: a horizontal scenario assessing the scope for economy-wide reforms that affect all sectors, and a second which analyses the impact of sector specific reforms.

3.1. Description of the reform package

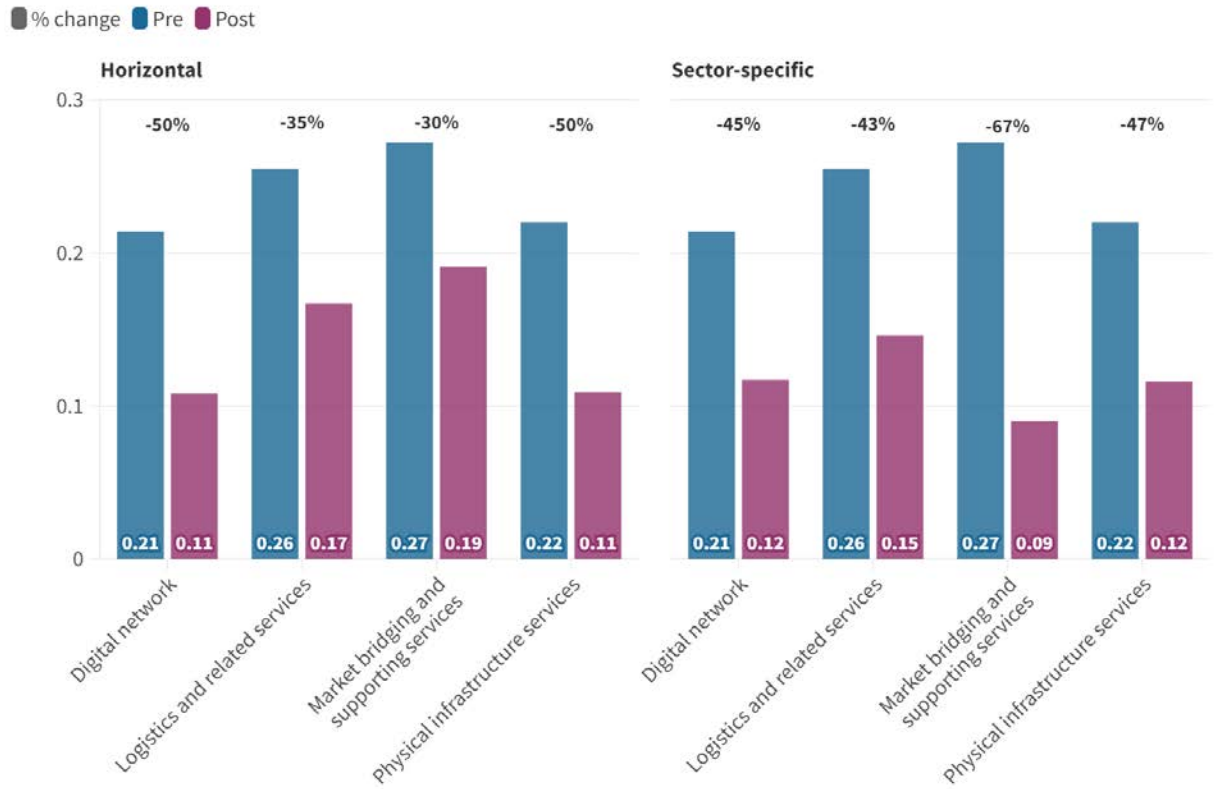
The first scenario lowers economy-wide barriers. Horizontal reform packages can be particularly impactful as they apply across all sectors in the economy with potential spill-over effects that go beyond services industries. As outlined in previous sections, common horizontal barriers include barriers that affect market entry and operations, barriers to the movement of natural persons, restrictions on access to public procurement markets, and barriers related to regulatory transparency. The objective of the scenario is not to liberalise all existing barriers, but to focus on those that affect most countries. Annex A lists the STRI measures considered for this scenario.

The second scenario considers the impact of easing sector specific barriers. As in the first scenario, the objective is not to assess the impact of removing all barriers recorded in the STRI in each sector, but to identify barriers that are common across countries or barriers that, if removed, could have a substantial liberalising impact. For the purposes of this scenario, several measures across each sector were identified where liberalisation is possible (Annex B). The outcomes are presented in an aggregate format covering the four main services clusters presented in Section 2.

Figure 3.1 presents the changes in the STRI scores as a result of the horizontal and sector-specific reform scenarios. It shows that the horizontal reform scenario would lower the overall STRIs by -50% in the digital network and physical infrastructure services clusters, -35% in the logistics and supply chain services cluster, and -30% in the market bridging and supporting services cluster. The sector-specific reform scenario would add to the latter an additional reduction of -67%, the largest of all four clusters, followed by the other groups with an average of a -45% additional reduction.

Figure 3.1. Impact of the reform scenario on the STRI scores across clusters

Level and percentage change in STRI



Note: The sectors covered in the STRI can be broadly organised around four clusters: 1. Digital network services (telecommunications, computer services, broadcasting, motion pictures and sound recording); 2. Logistics and related services (transport, courier, logistics and distribution services); 3. Market bridging and support services cluster (commercial banking, insurance, accounting and legal services); and 4. Physical infrastructure services cluster (construction, architecture and engineering). For more details, see Box 2.2. Access the interactive version of the graph: https://public.flourish.studio/visualisation/18315944/.
Source: OECD calculations based on Benz and Jaax (2020[24]).

3.2. Implementation of ambitious reforms could generate annual trade cost savings of USD 1 trillion

It is common to quantify the effects of services trade policies by converting indicators such as the STRI into *ad valorem* trade cost equivalents. This entails estimating the level of a tariff-like measure that would have a comparable impact on trade as a restriction. *Ad valorem* equivalents or AVEs are expressed as a percentage of the value of services provided abroad and provide an easy way to understand the quantification of restrictiveness. Estimates of STRI AVEs are obtained following the methodology applied in Benz and Jaax (2020[24]).

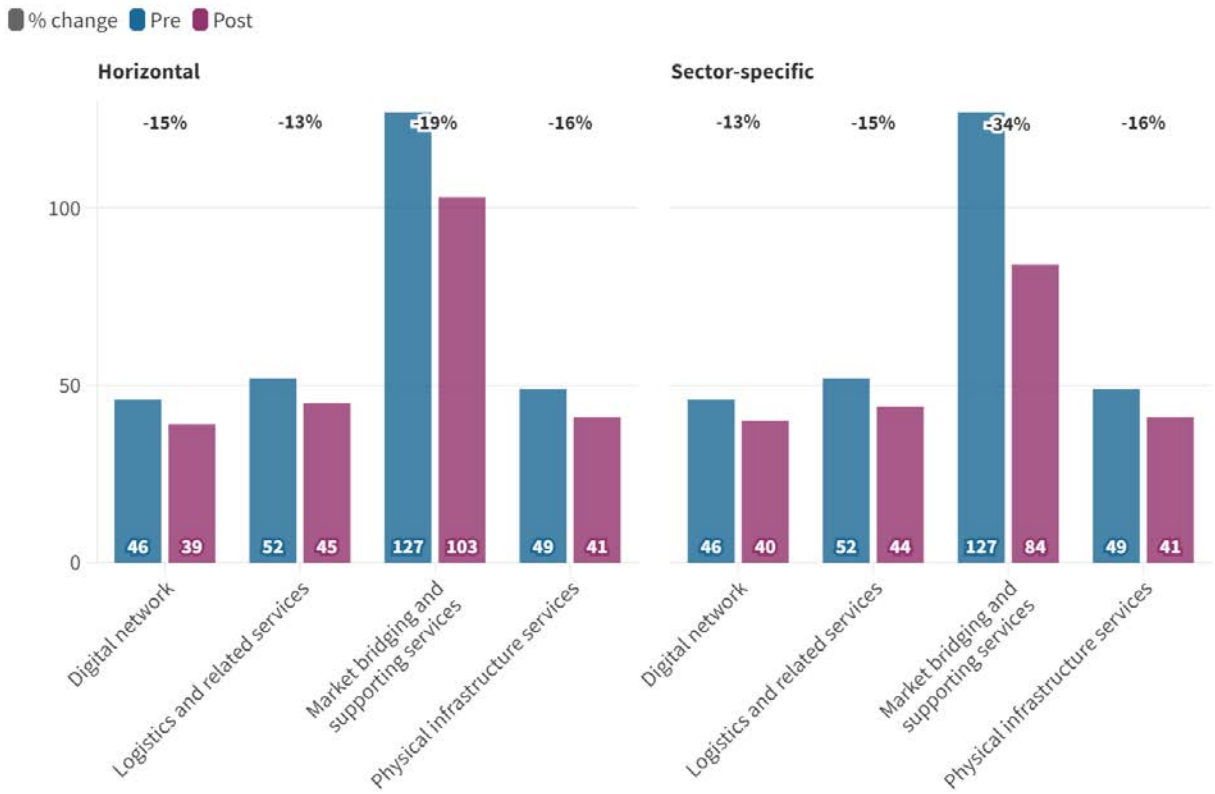
Figure 3.2 shows that market bridging and supporting services would have the most trade costs reductions under both the horizontal and the sector specific scenarios, -19% and -34% respectively. This would translate into substantial reductions in trade costs in financial services, legal, accounting, and auditing services. Physical infrastructure services would also benefit substantially with -16% reduction under both scenarios. Digital network services would have a reduction by -15% under the horizontal scenario, complemented by a further -13% in the sector-specific scenario. Logistics, transport, and other supply chains services would experience a -13% reduction under the horizontal scenario and slightly more, -15%,

under the sector specific scenario. Data for distribution services, however, were not available, which means that the trade cost impacts of the reforms are likely to be higher in this cluster.

The implementation of these reform packages could bring substantial annual trade cost savings: the horizontal reform package could bring benefits in the range of USD 416 billion, while the sector specific could bring benefits in the range of USD 580 billion (Figure 3.3). Taken together, this would result in benefits in the range of USD 1 trillion (USD 996 billion), with important gains for business sectors, financial services, transport services, and communications services. To better contextualise, this represents close to 1% of global GDP and around 13% of the value of global services trade in 2023.[6] The detailed methodology behind the calculations is provided in Benz and Jaax (2020[24]).

Figure 3.2. Trade costs effect of liberalisation emerging from the scenarios

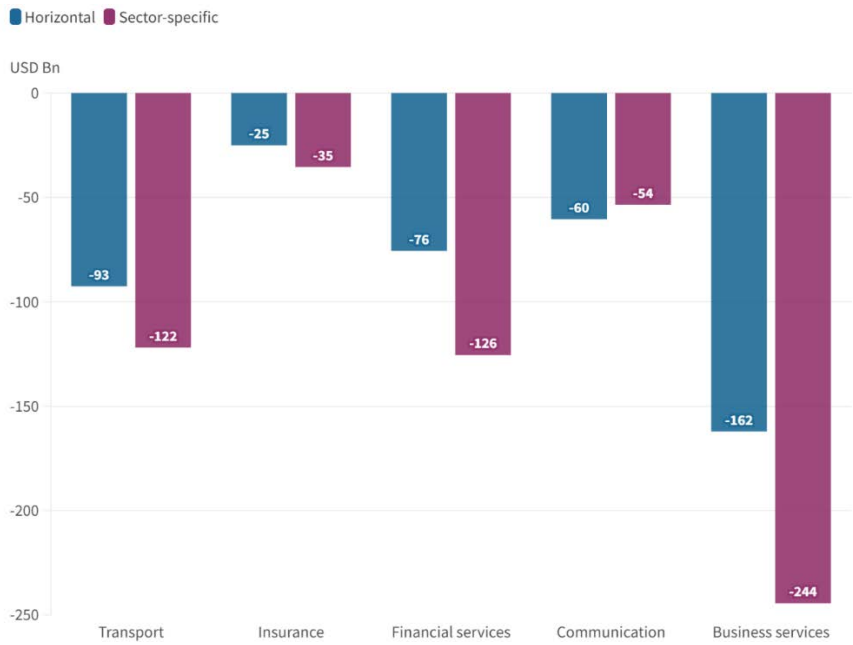
Level and percentage change in *ad valorem* equivalent



Note: Percentage of export values. The sectors covered in the STRI can be broadly organised around four clusters: 1. Digital network services (telecommunications, computer services, broadcasting, motion pictures and sound recording); 2. Logistics and related services (transport, courier, logistics and distribution services); 3. Market bridging and support services cluster (commercial banking, insurance, accounting and legal services); and 4. Physical infrastructure services cluster (construction, architecture and engineering). For more details, see Box 2.2. The following sectors were not covered in the estimations due to lack of data: broadcasting services, construction services, distribution services, motion pictures and sound recording services. Access the interactive version of the graph: https://public.flourish.studio/visualisation/18319125/.
Source: OECD calculations based on Benz and Jaax (2020[24]).

Figure 3.3. Implementation of the scenario reforms means annual trade cost savings of USD 1 trillion

Annual trade cost savings from the horizontal and sector specific scenarios, USD billion



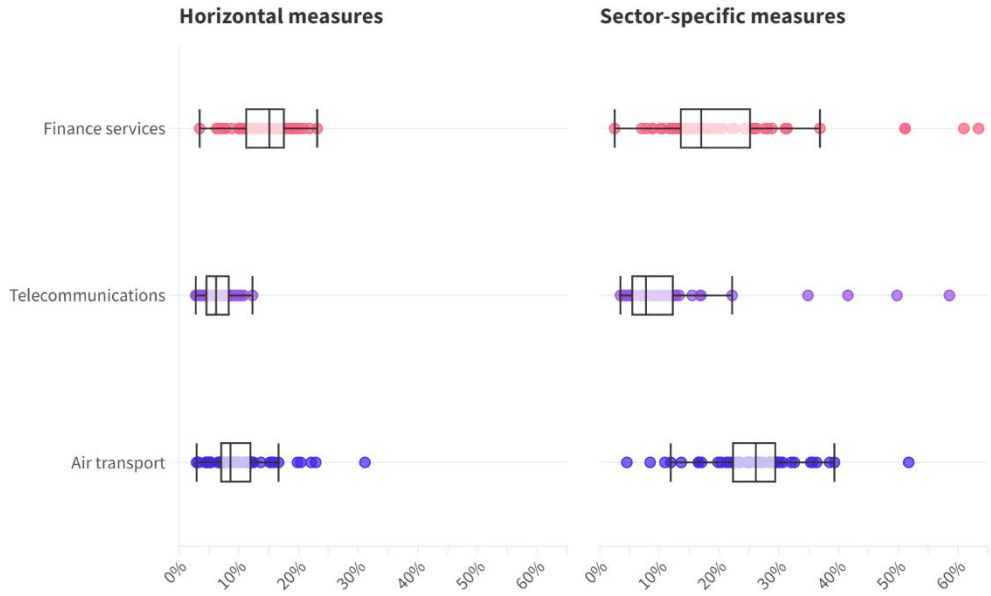
Note: Simple average of countries for which OECD STRI data are available. Trade data from the OECD-WTO Balanced Trade in Services dataset (BaTIS). Access the interactive version of the graph: https://public.flourish.studio/visualisation/18246543/.
Source: OECD calculations based on Benz and Jaax (2020[24]).

3.3. Reforms could lead to substantial productivity gains

Reducing services trade costs can have far-reaching effects beyond just services. Because services play a crucial role as intermediate inputs across various manufacturing sectors, lowering these costs facilitates manufacturing firms' access to international markets for essential inputs such as telecommunication, transport, logistics and financial services. Under the scenario analysis, estimated productivity increases for downstream sectors using these services as intermediate inputs are economically significant (Figure 3.4). Using the methodology developed in (Benz et al., 2023[25]), estimates show that lower barriers to trade in air transport, telecommunications, and financial services in the horizontal reform package are associated with an estimated average increase in labour productivity across manufacturing sectors by 10%, 7% and 14% respectively. Productivity gains could be as high as 26%, 12% and 21% in the sector specific reform package for air transport, telecommunications, and financial services. In some economies, productivity gains can exceed 30% in the horizontal scenario for air transport and 50% in the sector-specific scenario for the three services sectors.

The estimated productivity gains from comprehensive horizontal and sector-specific services trade reforms indicate a positive role for an open regulatory framework in promoting sustainable economic growth. However, these impacts are varied and the estimates are indicative, subject to the methodological caveats extensively discussed in the technical literature.

Figure 3.4. Downstream effect on productivity in STRI countries' manufacturing sectors: Air transport, telecommunications and financial services scenarios



Note: This graph illustrates the estimated gains in manufacturing labour productivity under the horizontal and sector-specific reform scenarios involving trade in finance, telecommunications, and air transport services. The colour dot markers indicate the average expected increase in labour productivity over all the 17 manufacturing sectors included in the analysis for each of the 50 STRI countries. Access the interactive version of the graph: https://public.flourish.studio/visualisation/17847376/.
Source: OECD calculations based on Benz, S. et al. (2023).

4 The way forward

The OECD is a steadfast promoter of open markets and a rules-based international trading system in good working order. This is based on the overwhelming evidence of the multiple benefits of trade and market openness, which go hand-in-hand with better economic performance in countries at all levels of development. Trade creates opportunities for workers, consumers and firms and has helped lift millions out of poverty. Trade lowers prices and increases choices, enabling access to goods and services that would otherwise be unavailable or costly.

Open economies grow faster than closed ones, while wages and working conditions are better in companies that trade. Rules-based trade enables opportunities for all countries, providing the predictability and certainty needed for the private sector to invest and create jobs.

The OECD is helping to bring the importance of services trade reforms to the forefront of policy discussions with our unique evidence base and policy best practices. The OECD STRI and related tools has already been a trusted companion to numerous countries' efforts to develop comprehensive services reform packages, identify low hanging fruit, and design tailor-made strategies to enhance the competitiveness of domestic services industries.

To enable the benefits of greater services trade in the future, two key ingredients will be essential: closer co-operation internationally and a whole-of-government strategy domestically. While there is no "one size fits all" solution, countries must work together to revitalise services trade discussions, including initiatives on progressive liberalisation through bilateral, plurilateral and multilateral services trade agreements, demonstrate leadership in developing national and international strategies, and work towards measurable targets. This means addressing common challenges, reducing regulatory barriers, and ensuring interoperable regulatory frameworks, including through standards and mutual recognition frameworks. Domestically, a whole-of-government approach will be crucial, involving coordination among various governmental departments to create cohesive and comprehensive policies.

By fostering international co-operation and leveraging a unified domestic strategy, countries can create a more predictable, transparent, and efficient regulatory environment, thereby enhancing global trade in services, driving innovation, and promoting economic growth.

The scope of regulatory reforms presented in this report provide a unique roadmap for governments to develop ambitious strategies. Moreover, countries joining forces on revitalising services trade discussions in international fora, including at the WTO and the OECD, will be key to achieve meaningful progress that can bring benefits to consumers and workers. The OECD will continue to work with governments, the private sector, and all interested stakeholders to inform these discussions on the future of services trade and provide evidence-based analysis and data.

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Notes

[1] Abu Dhabi Ministerial Declaration, 13th WTO Ministerial Conference, WT/MIN(24)/DEC, 4 March 2024, para. 18.

[2] Note that globally there are over 100 data localisation measures in force in 2023. See Del Giovane, Ferencz and López González (2023[11]).

[3] In addition to OECD countries, the Digital STRI covers 23 African countries (with additional countries currently in the process of being added), 22 Asia-Pacific countries, 14 Latin American countries, and 6 South-East European countries.

[4] Prudential regulation of financial services is necessary to maintain the stability and soundness of the financial system. The STRI is not designed to determine which measures are considered prudential or necessary, but to objectively in a comparable manner the legal and regulatory impediments faced by foreign financial services suppliers.

[5] For the WTO definitions of the different modes of services supply, see https://www.wto.org/english/tratop_e/serv_e/cbt_course_e/c1s3p1_e.htm

[6] Global GDP was USD 100.88 trillion in 2022. See WB and OECD national accounts data: https://data.worldbank.org/indicator/NY.GDP.MKTP.CD. Moreover, global services trade reached USD 7.54 trillion in 2023. See *WTO Global Trade Outlook and Statistics*: *April 2024*, https://www.wto.org/english/res_e/booksp_e/trade_outlook24_e.pdf.

Annex A. STRI measures considered for the horizontal reform scenario

This table presents the measures from the STRI database that were used to prepare the horizontal reform scenario.

Policy area	Measure
Restrictions on foreign entry	Acquisition and use of land and real estate by foreigners is restricted
	Local presence is required for cross-border supply
	Board of directors: at least one must be resident
	Cross-border transfer of personal data is possible with 'pre-authorised' safeguards
	Cross-border transfer is subject to approval on an ad-hoc or case-by-case basis
	Certain data must be stored locally
	Conditions on subsequent transfer of capital and investments
	Performance requirements
Restrictions to movement of people	Labour market tests or similar economic considerations: contractual services suppliers
	Labour market tests or similar economic considerations: intra-corporate transferees
	Limitation on duration of stay for contractual services suppliers (months)
	Quotas: contractual services suppliers
	Quotas: independent services suppliers
Other discriminatory measures	Public procurement: Procurement regulation explicitly prohibits discrimination of foreign suppliers
	Public procurement: The procurement process affects the conditions of competition in favour of local firms
	Public procurement: Explicit preferences for local suppliers
Barriers to competition	Minimum capital requirements
	Restrictions on advertising
Regulatory transparency	There is a legal obligation to communicate regulations to the public within a reasonable time prior to entry into force
	Cost to obtain a business visa (USD)
	Range of visa processing time (days)
	Number of documents needed to obtain a business visa
	There is an adequate public comment procedure open to interested persons, including foreign suppliers

Annex B. STRI measures considered for the sector specific reform scenario

The following presents the measures from the STRI database that were used to prepare the sector specific reform scenario.

Television and broadcasting

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%) (broadcast terrestrial)
	Foreign equity restrictions: maximum foreign equity share allowed (%) (broadcast non terrestrial)
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms
	Broadcast time is regulated by quotas
	Board of directors: at least one must be resident
	Commercial presence is required in order to provide cross-border services
Other discriminatory measures	There are discriminatory subsidies or tax breaks for the production of programmes
	Subsidies and tax breaks for audiovisual work are subject to cultural tests
	Local content: limitations on cast and crew
	Discriminatory treatment of foreigners for the protection of copyrights and related rights
	Dubbing is regulated
Barriers to competition	National, state or provincial government controls at least one major TV channel
	Restrictions on advertising
	Public TV channels are subject to rules that affect the competition with private broadcasters
	Publicly-controlled firms are exempted from the application of the general competition law
Regulatory transparency	Broadcasting Licences are granted in a transparent manner
	Visas on arrival or visa exemption are available for temporary entry/transit of crew
	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
	Restrictions related to the duration and renewal of licences

Motion picture services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%)
	Limitations on downloading and streaming affecting cross-border trade
	Screen quotas are in place
	Broadcast or airtime quotas are in place for motion pictures
Restrictions to movement of people	Laws or regulations establish a process for recognising qualifications gained abroad
	Other restrictions to movement of people
Other discriminatory measures	Local content: limitations on cast and crew
	Discriminatory treatment of foreigners for the protection of copyrights and related rights
	Dubbing is regulated
	Foreign suppliers are treated less favourably regarding eligibility to subsidies
Barriers to competition	National, state or provincial government control at least one major firm in the sector
	Arbitration structures are in place to deal with commercial disagreements between rights holders and collective rights managers
	Vertical integration is monitored and regulated
Regulatory transparency	Visas on arrival or visa exemption are available for temporary entry/transit of crew
	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications

Sound recording services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%)
	Quotas: A proportion of television or radio broadcast time is reserved to domestic music
	There is a statutory monopoly on copyrights management
Restrictions to movement of people	Laws or regulations establish a process for recognising qualifications gained abroad
	Other restrictions to movement of people
Other discriminatory measures	Foreign suppliers are treated less favourably regarding taxes
	Foreign suppliers are treated less favourably regarding eligibility to subsidies
	Local content: subsidies for film or television program making are conditioned on local content requirements for music
Barriers to competition	National, state or provincial government control at least one major firm in the sector
	Arbitration structures are in place to deal with commercial disagreements between rights holders and collective rights managers
	Vertical integration is monitored and regulated
Regulatory transparency	Visas on arrival or visa exemption are available for temporary entry/transit of crew
	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications

Telecommunications services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%) (fixed)
	Foreign equity restrictions: maximum foreign equity share allowed (%) (mobile)
	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Commercial presence is required in order to provide cross-border services
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms
	Restrictions on cross-border mergers and acquisitions (M&A)
Restrictions to movement of people	Laws or regulations establish a process for recognising qualifications gained abroad
	Other restrictions to movement of people
Other discriminatory measures	Foreign suppliers have non-discriminatory access to regulated rates and conditions for retail international mobile roaming services (fixed)
	Foreign suppliers have non-discriminatory access to regulated rates and conditions for wholesale international mobile roaming services (mobile)
	Foreign operators seeking interconnection benefit from regulated termination rates on a non-discriminatory basis (fixed)
	Foreign operators seeking interconnection benefit from regulated termination rates on a non-discriminatory basis (mobile)
Barriers to competition	National, state or provincial government control at least one major firm in the sector
	The government can overrule the decision of the regulator
	Contracts for universal services obligations are assigned on a competitive basis (mobile termination)
	Number portability is required
	Time and conditions for porting are regulated
	Resale of public telecommunications services is allowed (fixed)
	Use it or lose it applies to spectrum
	Secondary spectrum trading is allowed
Regulatory transparency	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications

Air transport services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%) (international traffic - cargo)
	Foreign equity restrictions: maximum foreign equity share allowed (%) (international traffic - passenger)
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms (passenger)
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms (cargo)
	Screening exists without exclusion of economic interests (passenger)
	Screening exists without exclusion of economic interests (cargo)
	Screening explicitly considers economic interests (passenger)
Restrictions on foreign entry	Screening explicitly considers economic interests (cargo)
	Lease of foreign aircrafts without crew (dry lease) is permitted subject to prior authorisation (passenger)
	Lease of foreign aircrafts without crew (dry lease) is permitted subject to prior authorisation (cargo)
	Lease of foreign aircrafts with crew (wet lease) is prohibited (passenger)
	Lease of foreign aircrafts with crew (wet lease) is prohibited (cargo)
	Lease of foreign aircrafts with crew (wet lease) is permitted subject to prior authorisation (passenger)
	Lease of foreign aircrafts with crew (wet lease) is permitted subject to prior authorisation (cargo)
	Licensing/permits are subject to quotas or economic needs tests (international traffic - cargo)
	Licensing/permits are subject to quotas or economic needs tests (international traffic - passenger)
Barriers to competition	National, state or provincial government control at least one major firm in the sector (cargo)
	National, state or provincial government control at least one major firm in the sector (passenger)
	Slots can be exchanged on a one-to-one basis (domestic traffic - cargo)
	Slots can be exchanged on a one-to-one basis (domestic traffic - passenger)
	Slots can be exchanged on a one-to-one basis (international traffic - cargo)
	Slots can be exchanged on a one-to-one basis (international traffic - passenger)
	Air carriers are allowed to commercially exchange slots (domestic traffic - cargo)
	Air carriers are allowed to commercially exchange slots (domestic traffic - passenger)
	Air carriers are allowed to commercially exchange slots (international traffic - cargo)
	Air carriers are allowed to commercially exchange slots (international traffic - passenger)
	Price regulation on domestic routes (passenger)
	Exemption of air carrier alliances from competition law (cargo)
	Exemption of air carrier alliances from competition law (passenger)
Regulatory transparency	Duration of visa for crew: number of months allowed by the visa
	Visas on arrival or visa exemption are available for temporary entry/transit of crew
	Multiple entry visas are allowed for crew

Maritime transport services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%)
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms
	Screening exists without exclusion of economic interests
	Restrictions to own and/or register vessels under national flags
	Foreign-flagged ships are partially excluded from cabotage
	Foreign-flagged ships are fully excluded from cabotage, without any exception
	Cargo reservations or preferences
	Bilateral/plurilateral cargo sharing agreements
	Restrictions on the chartering of vessels
Restrictions on foreign entry	Statutory monopoly on port services
Restrictions to movement of people	Laws or regulations establish a process for recognising qualifications gained abroad
Other discriminatory measures	Foreign suppliers are treated less favourably regarding taxes and eligibility to subsidies
	Discriminatory port tariffs and other port-related fees
Barriers to competition	Obligation to use a local maritime port agent
	Obligations to use local towage services
	Shipping agreements are fully exempt from national competition laws
	Shipping agreements are partially exempt from national competition laws upon approval
	Certain types of shipping agreements are partially exempt from national competition laws
	National, state or provincial government control at least one major firm in the sector
	Port concessions are granted with exclusive rights to operate the port infrastructure
	Bundling and/or tying of port related services
Regulatory transparency	Applicants must be informed of the final decision, including the reasons for denial of licences
	Restrictions related to the duration and renewal of licences
	Multiple entry visas are allowed for crew
	Visas on arrival or visa exemption are available for temporary entry/transit of crew
	Duration of visa for crew: number of months allowed by the visa

Rail freight transport services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%)
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms
	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Access rights for rail transport
	Memo: Market share under monopoly in the sector (value between 0 and 1, e.g. for 50% enter 0.5)
	Services are reserved for statutory monopoly or granted on an exclusive basis
Restrictions to movement of people	Laws or regulations establish a process for recognising qualifications gained abroad
Other discriminatory measures	Foreign suppliers are treated less favourably regarding taxes and eligibility to subsidies
	Interoperability/interlinking is required
Barriers to competition	National, state or provincial government control at least one major firm in the sector
	Publicly-controlled firms are exempted from the application of the general competition law
	The government can overrule the decision of the regulator
	Prices for rail services are regulated
	Transfer or trading of infrastructure capacity is prohibited
Regulatory transparency	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
	Restrictions related to the duration and renewal of licences

Road freight transport services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%)
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms
	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Managers must be resident
	Licensing/permits are subject to quotas for domestic traffic
	Licensing/permits are subject to an economic needs test
Restrictions to movement of people	Laws or regulations establish a process for recognising qualifications gained abroad
Other discriminatory measures	Foreign suppliers are treated less favourably regarding taxes and eligibility to subsidies
	There is a formal requirement that regulators consider comparable international standards and rules before setting new domestic standards
Barriers to competition	National, state or provincial government control at least one major firm in the sector
	Exemption of road freight carrier's agreements from competition law
	Freight carriers are required to file tariffs
	Prices or fees are regulated
Regulatory transparency	Duration of visa for crew: number of months allowed by the visa
	Visas on arrival or visa exemption are available for temporary entry/transit of crew
	Multiple entry visas are allowed for crew
	There is a maximum time allowed to the regulator for decisions on applications
	Restrictions related to the duration and renewal of licences

Logistics cargo-handling services

Policy area	Measure
Restrictions on foreign entry	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Service provision is reserved for statutory monopoly or granted on an exclusive basis
Other discriminatory measures	Foreign freight forwarders are treated less favourably regarding financial responsibility
	Foreign suppliers are treated less favourably regarding taxes and eligibility to subsidies
	National standards on transport packages deviate from international standards
	Foreign firms are eligible for Authorised Economic Operators Schemes
Barriers to competition	Firms have redress when business practices restrict competition in a given market
	Publicly-controlled firms are exempted from the application of the general competition law
	Prices or fees are regulated
	Separation of accounts is required
	Cross-subsidisation is prohibited
	Contracts for service provision are awarded through competitive bidding
	Other restrictions in barriers to competition
Regulatory transparency	Duration of visa for crew: number of months allowed by the visa
	Visas on arrival or visa exemption are available for temporary entry/transit of crew

Policy area	Measure
Regulatory transparency	Multiple entry visas are allowed for crew
	An advance ruling system is available
	Pre-arrival processing is possible
	A *de minimis* regime is in place: Import duties (USD)
	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
	Individual licensing/registration requirements are imposed on warehousing, freight forwarding and customs brokerage services
	Restrictions related to the duration and renewal of licences

Logistics storage and warehouse services

Policy area	Measure
Restrictions on foreign entry	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Licences are subject to quotas or economic needs test (storage customs)
Other discriminatory measures	Foreign freight forwarders are treated less favourably regarding financial responsibility
	Foreign suppliers are treated less favourably regarding taxes and eligibility to subsidies
	National standards on transport packages deviate from international standards
	Foreign firms are eligible for Authorised Economic Operators Schemes
Barriers to competition	Firms have redress when business practices restrict competition in a given market
	Publicly-controlled firms are exempted from the application of the general competition law
	Prices or fees are regulated
	Contracts for service provision are awarded through competitive bidding
	Other restrictions in barriers to competition
Regulatory transparency	Duration of visa for crew: number of months allowed by the visa
	Visas on arrival or visa exemption are available for temporary entry/transit of crew
	Multiple entry visas are allowed for crew
	An advance ruling system is available
	Pre-arrival processing is possible
	A de minimis regime is in place: Import duties (USD)
	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
	Individual licensing/registration requirements are imposed on warehousing, freight forwarding and customs brokerage services
	Restrictions related to the duration and renewal of licences

Logistics freight-forwarding services

Policy area	Measure
Restrictions on foreign entry	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Licences are subject to quotas or economic needs test freight forwarding)
Other discriminatory measures	Foreign freight forwarders are treated less favourably regarding financial responsibility
	Foreign suppliers are treated less favourably regarding taxes and eligibility to subsidies
	National standards on transport packages deviate from international standards
	Foreign firms are eligible for Authorised Economic Operators Schemes
Barriers to competition	Firms have redress when business practices restrict competition in a given market
	Publicly-controlled firms are exempted from the application of the general competition law
	Prices or fees are regulated
	Contracts for service provision are awarded through competitive bidding
	Other restrictions in barriers to competition
Regulatory transparency	Duration of visa for crew: number of months allowed by the visa
	Visas on arrival or visa exemption are available for temporary entry/transit of crew
	Multiple entry visas are allowed for crew
	An advance ruling system is available
	Pre-arrival processing is possible
	A de minimis regime is in place: Import duties (USD)
	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
	Individual licensing/registration requirements are imposed on warehousing, freight forwarding and customs brokerage services
	Restrictions related to the duration and renewal of licences

Logistics customs brokerage services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%)
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms
	Board of directors: at least one must be resident
	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Commercial presence is required in order to provide cross-border services
	Local presence is required for cross-border supply
Restrictions to movement of people	Residency is required to practice
	Nationality or citizenship required for Licence to practice
Other discriminatory measures	Foreign freight forwarders are treated less favourably regarding financial responsibility
	Foreign suppliers are treated less favourably regarding taxes and eligibility to subsidies
	National standards on transport packages deviate from international standards
Other discriminatory measures	Foreign firms are eligible for Authorised Economic Operators Schemes
Barriers to competition	Firms have redress when business practices restrict competition in a given market
	National, state or provincial government control at least one major firm in the sector
	Geographical restrictions
	Contracts for service provision are awarded through competitive bidding
	Other restrictions in barriers to competition
Regulatory transparency	Duration of visa for crew: number of months allowed by the visa
	Visas on arrival or visa exemption are available for temporary entry/transit of crew
	Multiple entry visas are allowed for crew
	An advance ruling system is available
	Pre-arrival processing is possible
	A *de minimis* regime is in place: Import duties (USD)
	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
	Individual licensing/registration requirements are imposed on warehousing, freight forwarding and customs brokerage services
	Restrictions related to the duration and renewal of licences

Distribution services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%)
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms
	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Commercial presence is required in order to provide cross-border services
	Restrictions against foreign distributors to practice direct selling including e-commerce
	Licences for the distribution of certain products are subject to quotas or economic needs tests
	Licences for the distribution of certain products are subject to quotas or economic needs tests
	Licences for department stores or large-store formats are subject to quotas or economic needs tests
	Restrictions on franchising
	Memo: Market share under monopoly in the sector (value between 0 and 1, e.g. for 50% enter 0.5)
Other discriminatory measures	Foreign suppliers are treated less favourably regarding taxes and eligibility to subsidies
	Online tax registration and declaration is available to non-resident foreign providers
	The pre-packaging of products is subject to mandatory nominal quantities
	Labelling provisions go beyond information requirements
Barriers to competition	National, state or provincial government control at least one major firm in the sector
	Publicly-controlled firms are exempted from the application of the general competition law
Barriers to competition	Regulation imposes an upper limit on shop opening hours
	Prices or fees are regulated
	Freedom of choice of law applicable to a contract
	Seasonal sales periods are regulated
	Other restrictions in barriers to competition
Regulatory transparency	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
	Restrictions related to the duration and renewal of licences
	A *de minimis* regime is in place: Import duties (USD)

Courier services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%)
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms
	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Board of directors: at least one must be resident
	Commercial presence is required in order to provide cross-border services
	Memo: Market share under monopoly in the sector (value between 0 and 1, e.g. for 50% enter 0.5)
	Memo: Monopoly on letters (kg)
	Licences/authorisations are subject to an economic needs test
	Laws or regulations establish a process for recognising qualifications gained abroad
	Memo: there is a designated postal operator to provide universal postal services
Barriers to competition	National, state or provincial government control at least one major firm in the sector
	Publicly-controlled firms are exempted from the application of the general competition law
	The government can overrule the decision of the regulator
	The legal separation of the regulator and services operators is required
	The designated postal operator obtains preferential tax or subsidy treatment
	The designated postal operators obtains preferential treatment during customs clearance procedures
	The designated postal operator obtains exemptions from transport bans
	Prices for postal services are regulated
	Accounting separation is required
	An appropriate cost allocation system is in place
	Accounting information is made public
	Access to the postal network is granted on a non-discriminatory basis
	Quality/performance standards requirements for courier services outside universal services
Regulatory transparency	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
Regulatory transparency	Restrictions related to the duration and renewal of licences
	A de minimis regime is in place: Import duties (USD)

Commercial banking services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%)
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms
	Managers must be resident
	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Commercial presence is required: deposit-taking
	Commercial presence is required: Payment services
	Commercial presence is required: Lending
	Some financial products are reserved for statutory monopolies
	Quotas or economic needs tests are applied in the allocation of licences
	Criteria to obtain a licence are more stringent for foreign companies
	Restrictions on the branch network
	Restrictions on internet banking
Other discriminatory measures	Restrictions on extending loans or taking deposits in foreign currency
	Restrictions on lending to non-residents for domestically licensed banks
	Restrictions on raising capital domestically for foreign banks
	Deviation from international standards: Risk weighting (BCBS)
	Deviation from international standards: Accounting rules (IFRS)
Barriers to competition	National, state or provincial government control at least one major firm in the sector
	Publicly-controlled firms are exempted from the application of the general competition law
	Contractual interest rates on loans are regulated
	Default interest rates on loans are regulated
	Interest rates on deposits are regulated
	The supervisor has full authority over licensing and the enforcement of prudential measures
Regulatory transparency	The government can overrule the decisions of the supervisor
	Applicants must be informed of the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
	Restrictions related to the duration and renewal of licences

Insurance services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%) (life)
	Foreign equity restrictions: maximum foreign equity share allowed (%) (non-life)
	Foreign equity restrictions: maximum foreign equity share allowed (%) (reinsurance)
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms (life)
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms (non-life)
	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms (reinsurance)

Policy area	Measure
	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Managers must be resident (non-life)
	Managers must be resident (life)
	Managers must be resident (reinsurance)
	Commercial presence is required in order to provide cross-border services (life)
	Commercial presence is required in order to provide cross-border services (non-life)
	Commercial presence is required in order to provide cross-border services (MAT)
	Local availability test for cross-border trade (non-life)
	Some insurance activities are reserved for statutory monopolies
	Mutual insurance is prohibited
	Quotas or economic needs tests are applied in the allocation of licences (non-life)
	Quotas or economic needs tests are applied in the allocation of licences (life)
	Quotas or economic needs tests are applied in the allocation of licences (reinsurance)
	Criteria to obtain a licence are more stringent for foreign companies (life)
	Criteria to obtain a licence are more stringent for foreign companies (non-life)
	Criteria to obtain a licence are more stringent for foreign companies (reinsurance)
Restrictions to movement of people	Laws or regulations establish a process for recognising qualifications gained abroad (broking and agency services)
Other discriminatory measures	Deviation from international standards: Risk weighting (BCBS)
	Deviation from international standards: Accounting rules (IFRS)
	Discriminatory financial requirements on foreign reinsurance suppliers
Barriers to competition	National, state or provincial government control at least one major firm in the sector (life)
	National, state or provincial government control at least one major firm in the sector (non-life)
	The government has discretionary control over funding of the supervisory agency
	Compulsory cessions to specified reinsurers all
	Limit on the share of risks that can be ceded to reinsurers all
	Restrictions on asset holdings all
	Premiums or fees are regulated all
	Approval by the regulatory authority required for new products or services all
	The supervisor has full authority over licensing and the enforcement of prudential measures all
	The government has discretionary control over funding of the supervisory agency all
Regulatory transparency	The government can overrule the decisions of the supervisor
	Applicants must be informed of the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
	Restrictions related to the duration and renewal of licences

Legal services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%) (domestic law)
	Foreign equity restrictions: maximum foreign equity share allowed (%) (international law)
	Equity restrictions applying to not licensed individuals or firms (100, <50, >50, 0) (domestic law)
	Equity restrictions applying to not licensed individuals or firms (100, <50, >50, 0) (international law)
	Legal form: corporation is prohibited (domestic law)
	Legal form: partnership is prohibited (domestic law)
	Commercial association is prohibited between locally and not locally licensed lawyers
	Commercial association is prohibited between lawyers and other professionals
	Prohibitions on hiring locally-licensed lawyers
	Board of directors: at least one must be a licensed professional (domestic law)
	Board of directors: majority must be licensed professionals (domestic law)
	Board of directors: majority must be residents (domestic law)
	Managers must be national
	Managers must be resident
	Manager must be a licensed professional (domestic law)
	Manager must be a licensed professional (international law)
	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Commercial presence is required in order to provide cross-border services
	Localisation requirements for professional liability insurance
Restrictions to movement of people	Nationality or citizenship required for licence to practice (domestic law)
	Nationality or citizenship required for licence to practice (international law)
	Prior or permanent residency is required for licence to practice (domestic law)
	Prior or permanent residency is required for licence to practice (international law)
	Domicile required for licence to practice (domestic law)
	Domicile required for licence to practice (international law)
	Laws or regulations establish a process for recognising qualifications gained abroad
	Foreign professionals are required to take a local examination
	Foreign providers have to completely re-do the university degree, practice and exam in the domestic country
	A temporary licensing system is in place
Barriers to competition	Restrictions on advertising
Barriers to competition	Fee-setting: recommended minimum and/or maximum fees
	Fee-setting: mandatory minimum and/or maximum fees
Regulatory transparency	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
	Restrictions related to the duration and renewal of licences

Accounting and auditing services

Policy area	Measure
Restrictions on foreign entry	Foreign equity restrictions: maximum foreign equity share allowed (%) (auditing)
	Foreign equity restrictions: maximum foreign equity share allowed (%) (accounting)
	Equity restrictions applying to not licensed individuals or firms (100, <50, >50, 0) (auditing)
	Equity restrictions applying to not licensed individuals or firms (100, <50, >50, 0) (accounting)
	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Board of directors: at least one must be a licensed professional (auditing)
	Board of directors: majority must be licensed professionals (auditing)
	Manager must be a licensed professional (accounting)
	Manager must be a licensed professional (auditing)
	Legal form: corporation is prohibited (auditing)
	Commercial association is prohibited between accountants or auditors and other professionals
	Commercial presence is required in order to provide cross-border services (auditing)
	Localisation requirements for professional liability insurance
Restrictions to movement of people	Nationality or citizenship required for licence to practice (auditing)
	Nationality or citizenship required for licence to practice (accounting)
	Prior or permanent residency is required for licence to practice (auditing)
	Prior or permanent residency is required for licence to practice (accounting)
	Domicile required for licence to practice (accounting)
	Domicile required for licence to practice (auditing)
	Laws or regulations establish a process for recognising qualifications gained abroad (auditing)
	Laws or regulations establish a process for recognising qualifications gained abroad (accounting)
	Foreign professionals are required to take a local examination (auditing)
	Foreign professionals are required to take a local examination (accounting)
	Foreign providers have to completely re-do their university degree, practice and exam in the domestic country (auditing)
	Foreign providers have to completely re-do their university degree, practice and exam in the domestic country (accounting)
	A temporary licensing system is in place (auditing)
	A temporary licensing system is in place (accounting)
Other discriminatory measures	Laws, regulations or relevant standard-setter impose standards that deviate from international standards on auditing
Barriers to competition	Restrictions on advertising (auditing)
	Fee-setting: recommended minimum and/or maximum fees (auditing)
	Fee-setting: mandatory minimum and/or maximum fees (auditing)
	Other restrictions in barriers to competition
Regulatory transparency	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
	Restrictions related to the duration and renewal of licences

Construction services

Policy area	Measure
Restrictions on foreign entry	There are limits to the proportion of shares that can be acquired by foreign investors in publicly-controlled firms
	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Acquisition and use of land and real estate by foreigners is restricted
	Commercial presence is required in order to provide cross-border services
	Local presence is required for cross-border supply
	Discriminatory qualification requirements for building permits to undertake construction work
Restrictions to movement of people	Nationality or citizenship required for construction engineers (engineering)
	Residency is required to practice (engineering)
	Laws or regulations establish a process for recognising qualifications in engineering gained abroad (engineering)
	At least one engineer must be licensed for the issuance of construction permits (engineering)
	Foreign construction engineers are required to take a local examination (engineering)
Other discriminatory measures	Foreign suppliers are treated less favourably regarding taxes and eligibility to subsidies
	Public procurement: Explicit preferences for local suppliers
	Public procurement: Procurement regulation explicitly prohibits discrimination of foreign suppliers
	Public procurement: Contract award on the basis of non-objective/discriminatory criteria
	Public procurement: Discriminatory qualification processes and procedures
	Access to the procurement market is conditional on reciprocity
Barriers to competition	National, state or provincial government control at least one major firm in the sector
	Minimum capital requirements
	Prices or fees are regulated
	Other restrictions in barriers to competition
Regulatory transparency	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
	Restrictions related to the duration and renewal of licences

Architecture services

Policy area	Measure
Restrictions on foreign entry	Equity restrictions applying to not licensed individuals or firms (100, <50, >50, 0)
	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Manager must be a licensed professional
	Legal form: other restrictions
	Board of directors: majority must be licensed professionals
	Commercial presence is required in order to provide cross-border services
Restrictions to movement of people	Nationality or citizenship required for licence to practice
	Prior or permanent residency is required for licence to practice
	Laws or regulations establish a process for recognising qualifications gained abroad
	A temporary licensing system is in place
	Foreign professionals are required to take a local examination
	Prior or permanent residency is required for licence to practice
Other discriminatory measures	Foreign suppliers are treated less favourably regarding taxes and eligibility to subsidies
Barriers to competition	Fee-setting: recommended minimum and/or maximum fees
	Fee-setting: mandatory minimum and/or maximum fees
Regulatory transparency	Applicants must be informed of the final decision, including the reasons for denial of licences
	There is a maximum time allowed to the regulator for decisions on applications
	Restrictions related to the duration and renewal of licences

Engineering services

Policy area	Measure
Restrictions on foreign entry	Equity restrictions applying to not licensed individuals or firms (100, <50, >50, 0)
	Legal form: other restrictions
	Board of directors: majority must be licensed professionals
	Manager must be a licensed professional
	Screening explicitly considers economic interests
	Screening exists without exclusion of economic interests
	Commercial presence is required in order to provide cross-border services
Restrictions to movement of people	Nationality or citizenship required for licence to practice
	Prior or permanent residency is required for licence to practice
	Laws or regulations establish a process for recognising qualifications gained abroad
	Foreign professionals are required to take a local examination
	A temporary licensing system is in place
Other discriminatory measures	Foreign suppliers are treated less favourably regarding taxes and eligibility to subsidies
Barriers to competition	Fee-setting: recommended minimum and/or maximum fees
	Fee-setting: mandatory minimum and/or maximum fees
Regulatory transparency	Applicants must be informed of the final decision, including the reasons for denial of licences
Regulatory transparency	There is a maximum time allowed to the regulator for decisions on applications
	Restrictions related to the duration and renewal of licences

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