

OECD Services Trade Restrictiveness Index (STRI)

SPAIN – 2020

Key findings

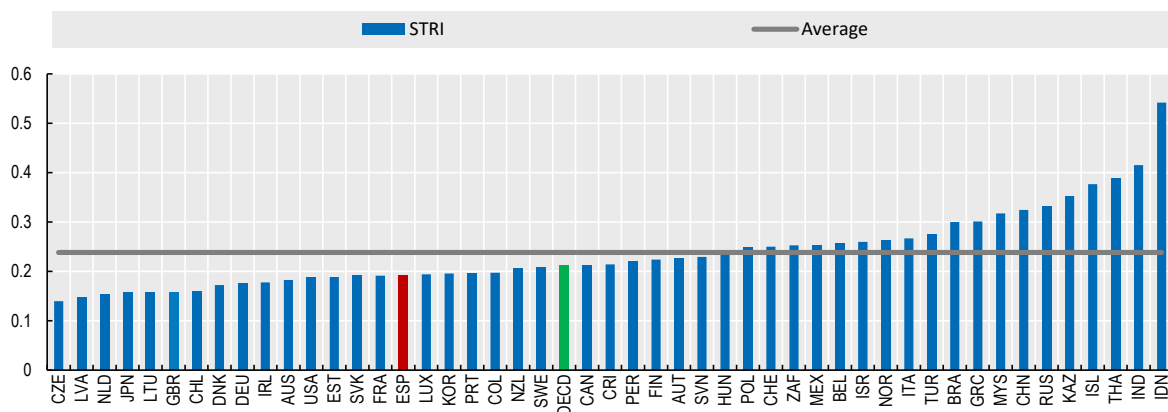
- The 2020 STRI of Spain is below the OECD average and relatively low compared to other countries for which the indicator is available. It has increased compared to 2019.
- Key reforms in 2020 include the expansion of the sectoral scope of the screening of foreign investments.
- Telecommunications are the most open sector in Spain, whereas air transport is the most restricted.
- There are restrictions on the acquisition of land by foreigners in certain parts of Spain.

Recommendation

- Innovation and adoption of technology relies on access to knowledge and to the networks, people, goods and services that carry the knowledge around the world. In this context, Spain could benefit from more open markets for services trade.

The 2020 STRI of Spain is relatively low compared to other countries for which the indicator is available (Figure 1). Compared to 2019, the score of Spain has increased.

Figure 1. Average STRI across countries, 2020



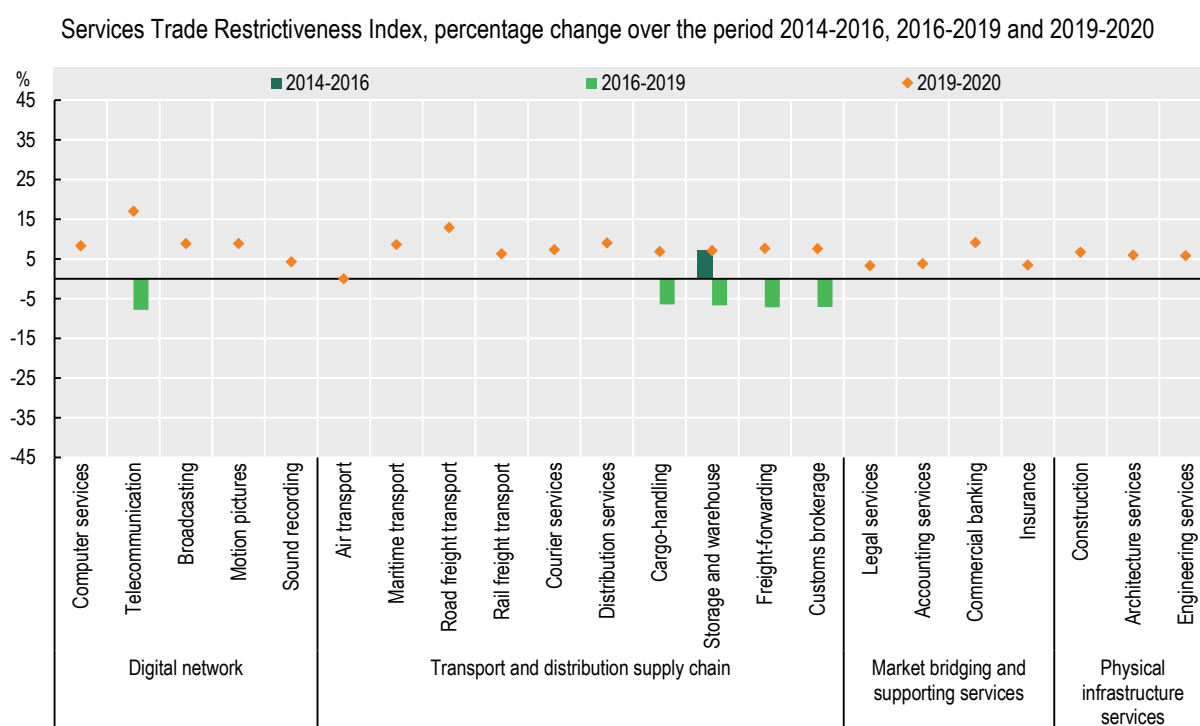
Note: The STRI indices take values between zero and one, one being the most restrictive. The STRI database records measures on a Most Favoured Nations basis. Air transport and road freight cover only commercial establishment (with accompanying movement of people). The indices are based on laws and regulations in force on 31 October 2020. The STRI regulatory database covers the 37 OECD countries, Brazil, China, Costa Rica, India, Indonesia, Kazakhstan, Malaysia, Peru, Russia, South Africa, and Thailand.

Source: OECD STRI and TIVA databases (2020).

Several restrictions contribute to the STRI of Spain in all sectors. The duration of stay in the country is limited to 12 months on their first entry permit for contractual services suppliers and to 24 months for independent services suppliers. The standards for cross-border transfer of personal data are set at the EU level. Transfers to non-EEA economies can take place when these ensure an adequate level of data protection or, in the absence of this, appropriate safeguards (e.g. binding corporate rules or standard data protection clauses) are in place. Moreover, there are restrictions on the acquisition of land by foreigners in certain parts of Spain. Public procurement regulations rely on the principle of non-discrimination, but foreign suppliers are required to present documentation showing that their country of origin grants reciprocity to Spanish companies.

The regulatory environment in Spain was relatively stable between 2014 and 2019, with few changes that affected services trade (Figure 2). Yet, the level of restrictiveness increased between 2019 and 2020 in most sectors. This tightening of the rules shaping the conditions for services trade was most pronounced in telecommunications and road freight transport.

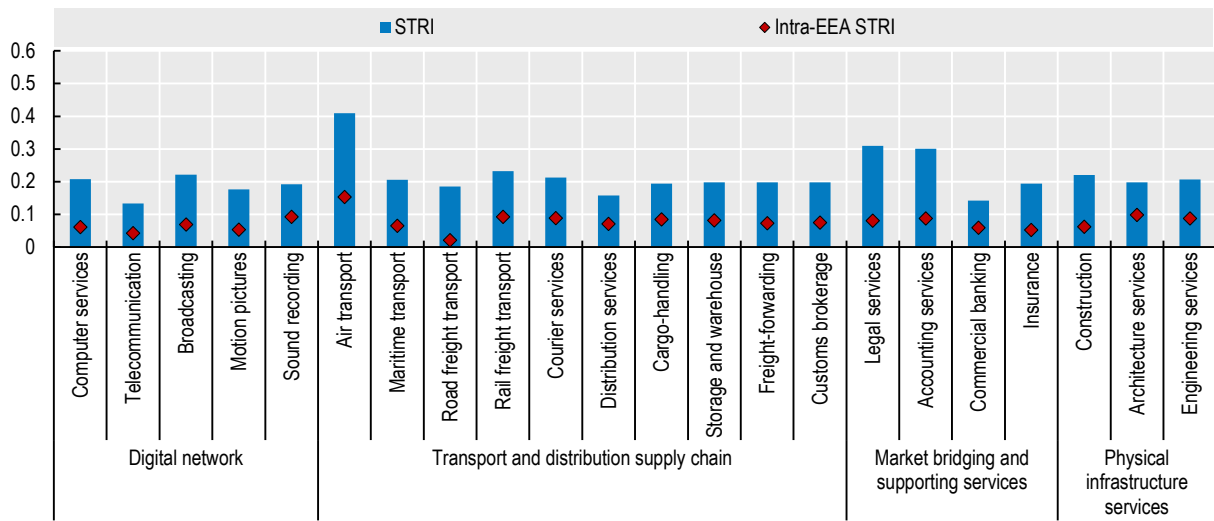
Figure 2. Evolution of STRI scores by sector in Spain



Source: OECD STRI database (2020).

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

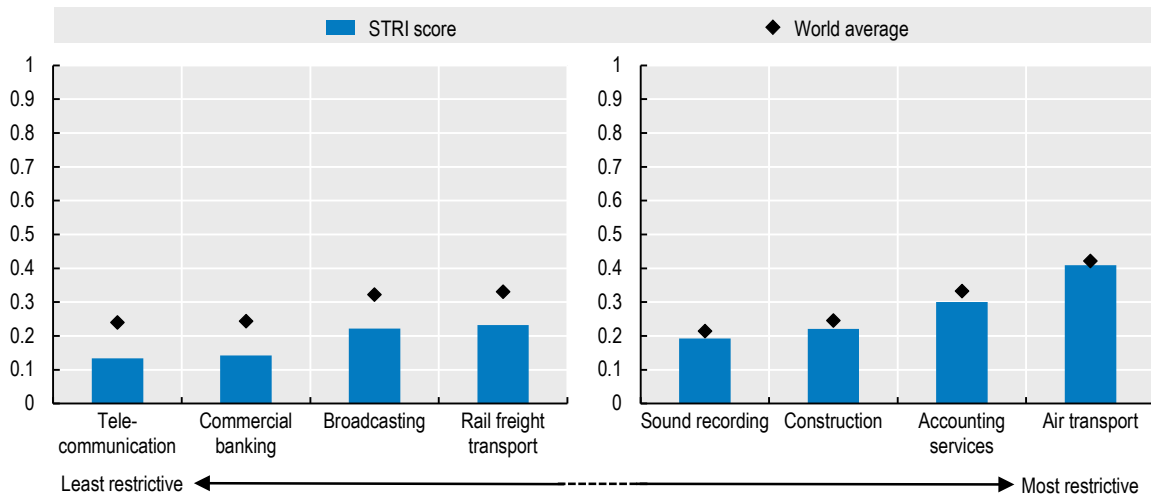
Figure 2b. Regulatory barriers affecting services trade within the European Economic Area (EEA)



Note: The traditional STRI indicates the level of restrictiveness on Most-Favoured Nation basis towards third countries, and the intra-EEA STRI indicates the level of restrictiveness towards EEA members. Intra-EEA STRI covers 24 countries (Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Iceland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden).
Source: OECD STRI database (2020).

Telecommunications, commercial banking, broadcasting and rail freight transport are the sectors with the lowest score relative to the average STRI across all countries (Figure 3). Sound recording, construction, accounting services and air transport are the sectors with the highest score relative to the average STRI across all countries.

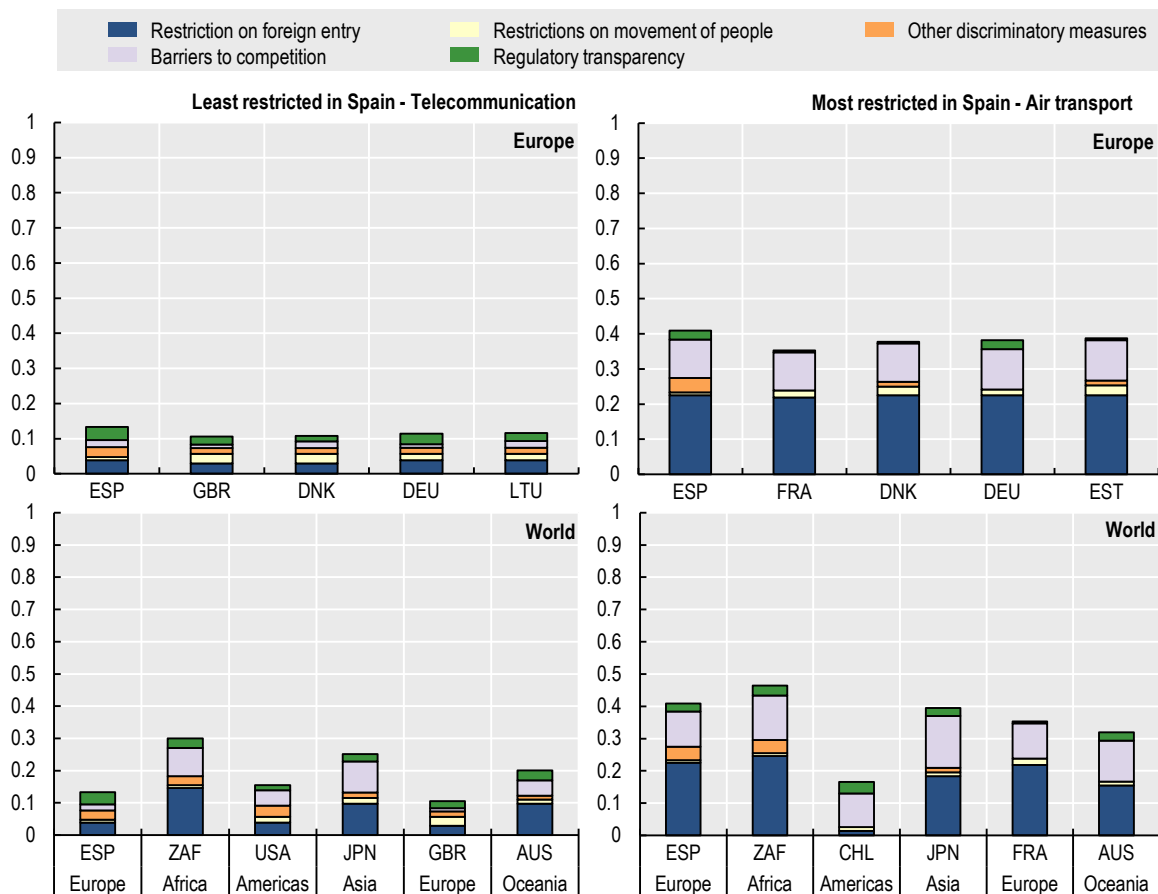
Figure 3. Sectoral breakdown – The least and most restricted sectors in Spain



Note: Selection was made based on how far the sectors' score were from the world average score, as a percentage difference
i.e. $(STRI_{country, sector} - STRI_{world\ average, sector}) / STRI_{world\ average, sector}$
Source: OECD STRI database (2020).

Telecommunications are the least restricted services sector in Spain compared to Europe and the other best performers elsewhere, while air transport services are the most restricted (Figure 4).

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

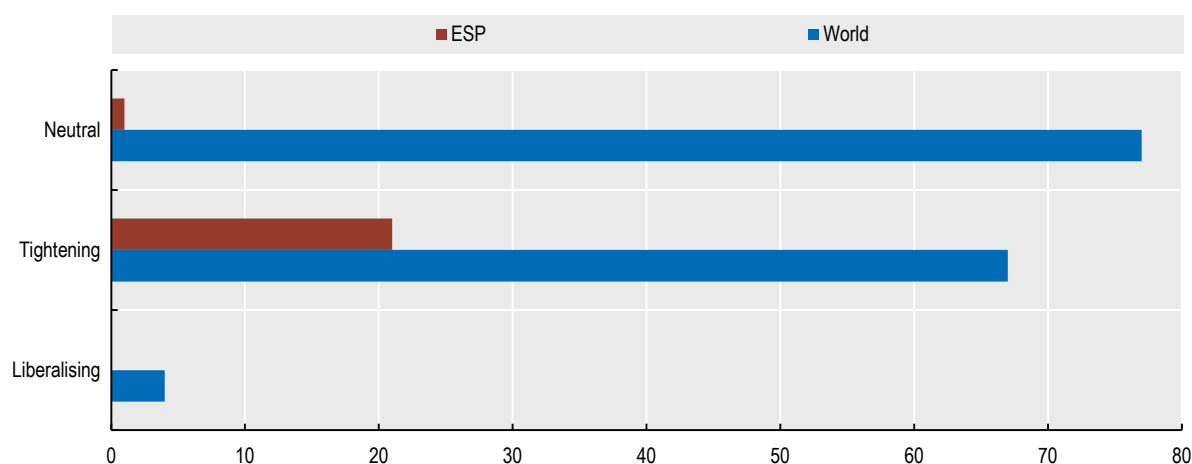


Source: OECD STRI database (2020).

Special focus: Impact of COVID-19-related measures on the stringency of services regulations

Spain has adopted several measures in response to the COVID-19 crisis. This includes the extension of partial exemptions of certain anti-competitive agreements from competition law in the maritime transport sector, following a 2020 EU regulation. Similar to several other countries, Spain has also tightened its foreign investment screening process (Figure 5).

Figure 5. COVID-19 related measures in Spain and in the world



Source: OECD STRI database (2020).

Key reforms

New rules for the screening of foreign investments introduced in the context of the COVID-19 pandemic in 2020 increased the level of regulatory restrictiveness with respect to 19 services sectors in Spain. Further recent changes affecting Spain were due to changes in EU law. In the context of the COVID-19 pandemic, Regulation 2020/459 waived the 80/20 grandfathering rule for airport slot allocations between 1 March 2020 and 27 March 2021. Accordingly, airport coordinators are required to consider slots allocated for this period as having been operated by the air carrier to which they were initially allocated. In maritime transport, Regulation 2020/436 extended the existing block exemption to liner shipping consortia from competition law until April 2024.

In March 2019, EU-wide requirements on accounting separation entered into force for port authorities in receipt of public funds. In October 2018, a new law was introduced to strengthen the protection on trade secrets. The new EU General Data Protection Regulation (Regulation 2016/679) entered into force on 25 May 2018 providing a comprehensive update on the EU data protection regime.

More information

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