

OECD Services Trade Restrictiveness Index (STRI)

NETHERLANDS – 2020

Key findings

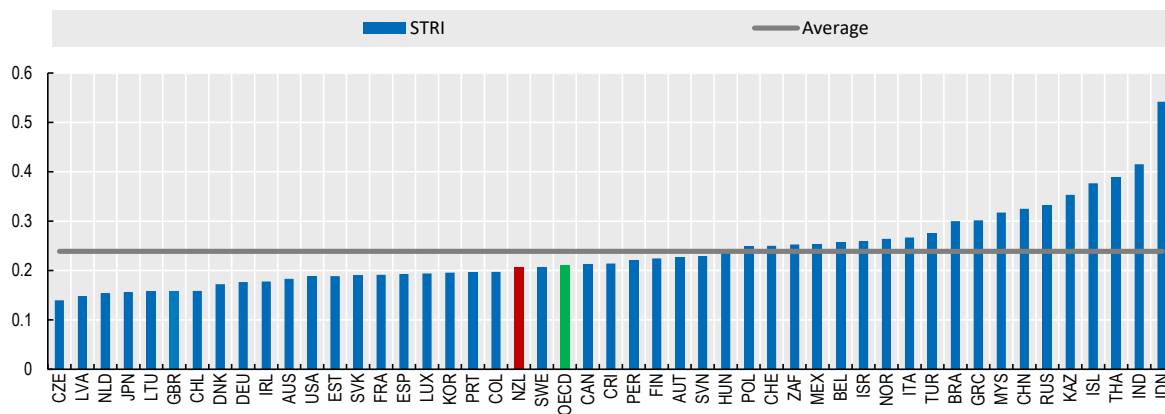
- The 2020 STRI of the Netherlands is the third lowest in the STRI sample, indicating an open regulatory environment for trade in services. The Netherlands is also one of the most open countries for services trade within the EU Single Market.
- Nonetheless, conditions on the entry of natural persons seeking to provide services in the country on a temporary basis as contractual services suppliers or independent services suppliers remains more cumbersome than international best practice.
- Courier services is the most open sector in the Netherlands while air transport is the most restricted.

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, the Netherlands could benefit from more open markets for services trade.

The 2020 STRI of Netherlands is the third lowest in the STRI sample and unchanged compared to 2019 (Figure 1).

Figure 1. Average STRI across countries, 2020

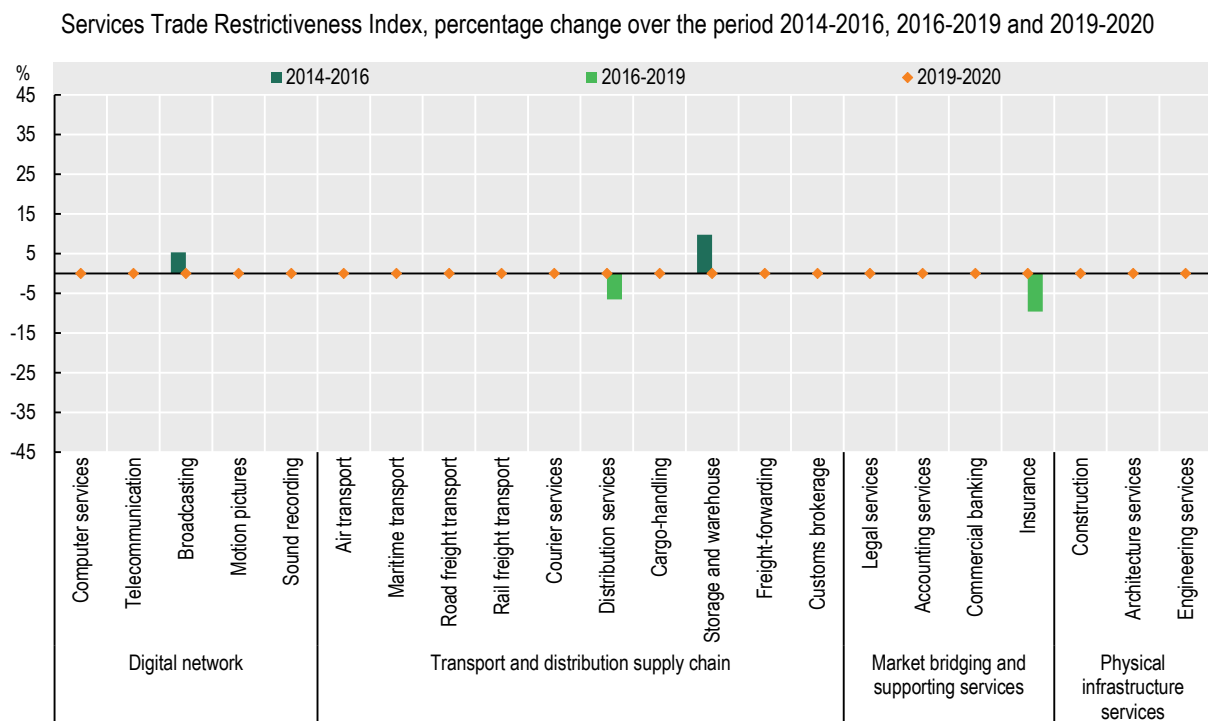


Note: The STRI indices take values between zero and one, one being the most restrictive. The STRI database records measures on a Most Favoured Nations basis. Air transport and road freight cover only commercial establishment (with accompanying movement of people). The indices are based on laws and regulations 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).

A general regulation that contributes to the country's STRI index in all sectors is the economic needs tests for natural persons seeking to provide services in the country on a temporary basis as contractual services suppliers or independent services suppliers. The duration of stay for these categories is limited to 12 months on their first entry permit. In addition to the economic needs test, services suppliers must demonstrate access to housing and must be between 18 and 45 years old. For intra-corporate transferees, wage parity with local employees is also required. 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.

The regulatory environment in the Netherlands is relatively stable with few changes that affect services trade (Figure 2). The highest levels of liberalisation were recorded in insurance services and distribution services in 2016-2019, while in logistics storage and warehousing and broadcasting services the regulatory environment has become moderately more restrictive in 2014-2016.

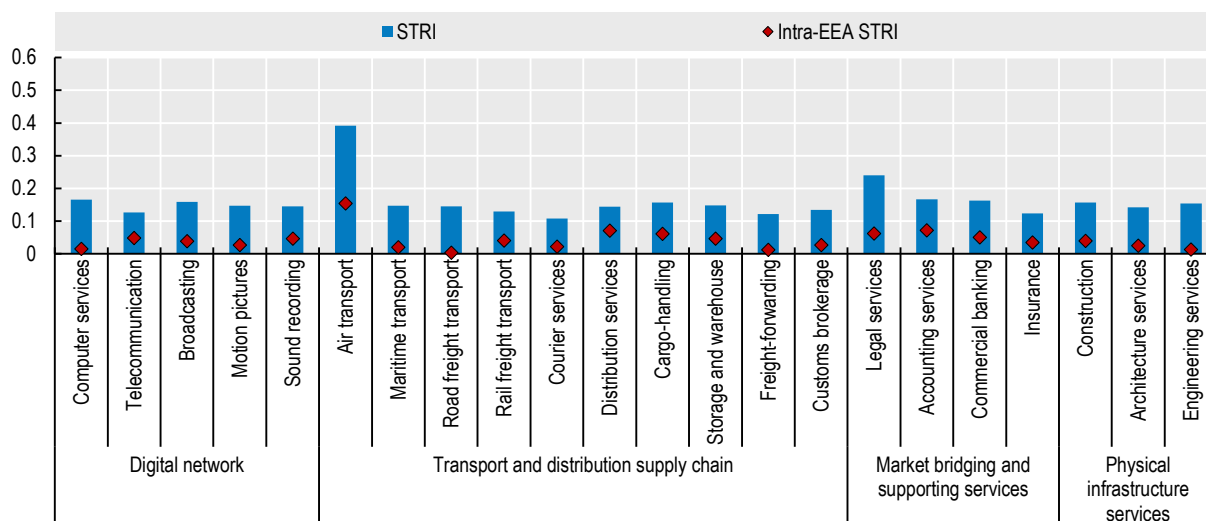
Figure 2. Evolution of STRI scores by sector in Netherlands



Source: OECD STRI database (2020).

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

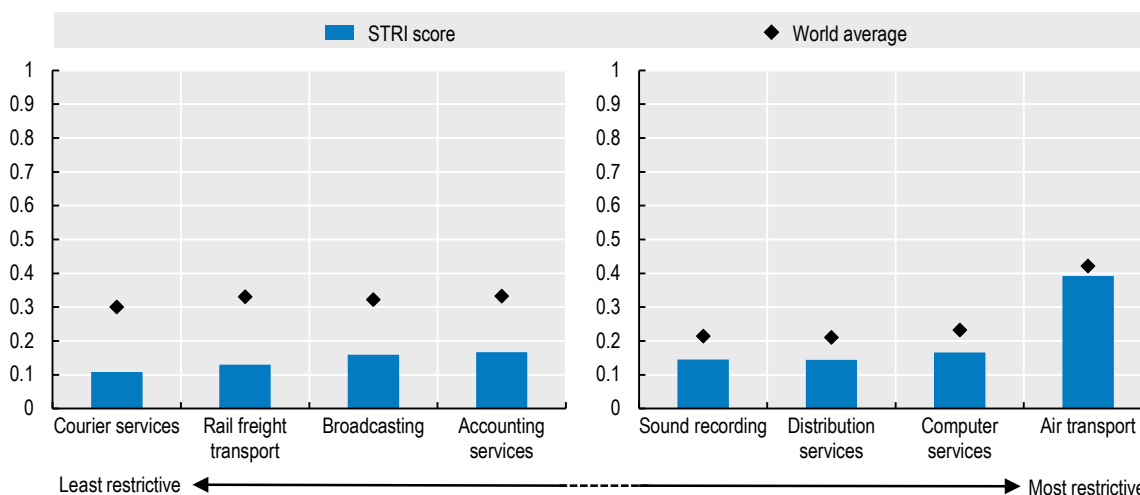
Figure 2b. Regulatory barriers affecting services trade within the European Economic Area (EEA)



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).

Courier services, rail freight transport, broadcasting and accounting services are the sectors with the lowest score relative to the average STRI across all countries (Figure 3). Sound recording, distribution services, computer 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 Netherlands



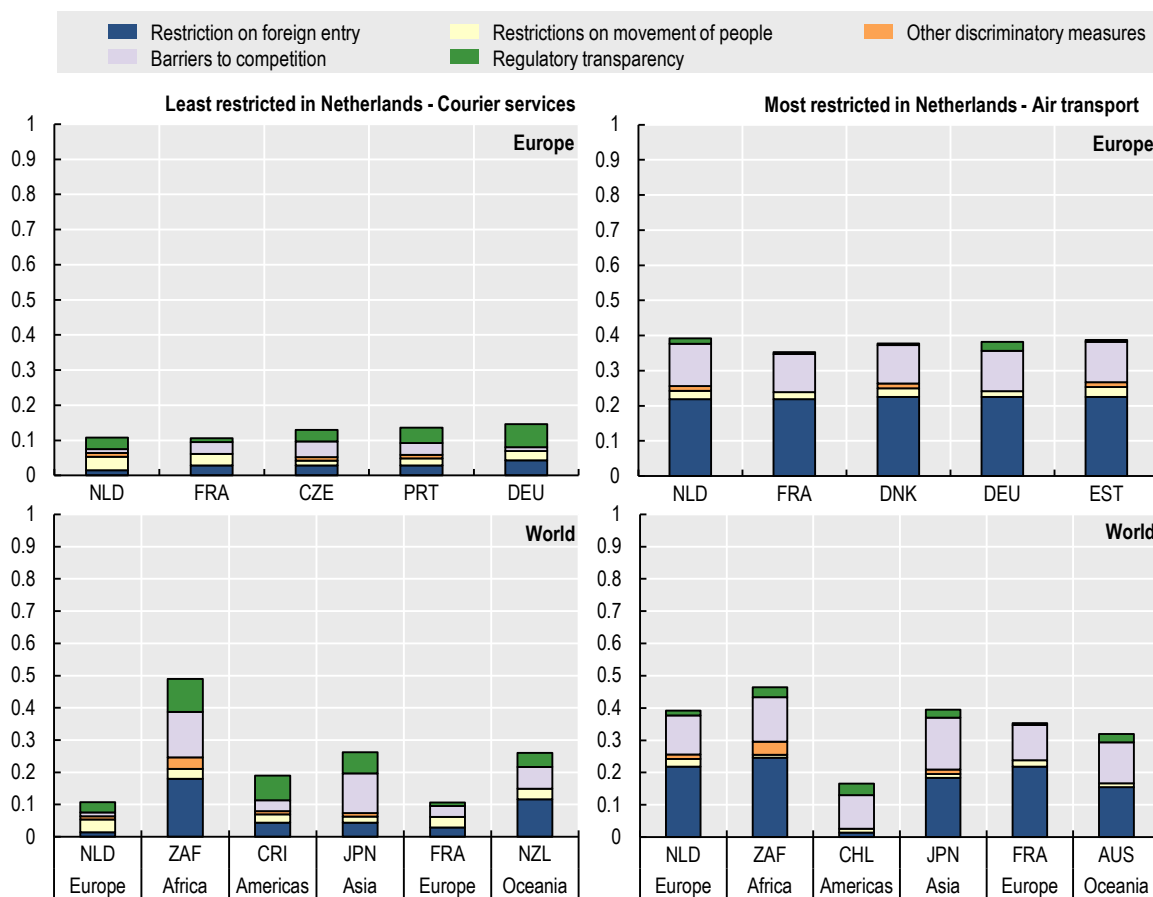
Note: Selection was made based on how far the sectors' score were from the world average score, as a percentage difference

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

Source: STRI database OECD (2020).

Courier services are the least restricted services sector in Netherlands compared to Europe and the other best performers elsewhere while air transport services are the most restricted but on par with other EU member states (Figure 4).

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

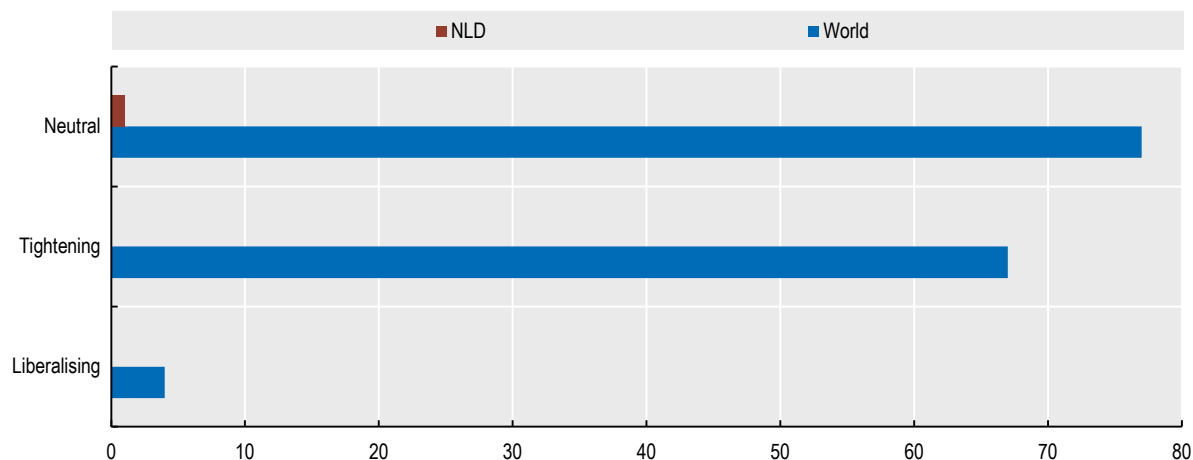


Source: OECD STRI database (2020).

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

While the Netherlands has adopted several measures in response to the COVID-19 crisis, these were either temporary in nature or not directly relevant for the measures considered in the STRI database. This includes the extension of partial exemption of certain anti-competitive agreements from competition law in the maritime transport sector, following a 2020 EU regulation. Many countries have tightened their regulatory framework following the COVID-19 shock, by tightening their investment screening process or their visas requirements (Figure 5).

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



Source: OECD STRI database (2020).

Key reforms

Recent changes affecting the Netherlands were due to changes in EU law. Regulation 2019/452 allows EU Member States to maintain, amend or adopt mechanisms to screen foreign direct investments in their territory on grounds of security or public order. It applies from 11 October 2020. 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