Sweden exported services worth USD 74 billion (1.3% of world services exports) and its services imports amounted to USD 73 billion (1.3% of world services imports) in 2018. Business services (miscellaneous business, professional and technical services) are the largest category of both exports and imports of services. Sweden’s score on the STRI in the 22 sectors covered is shown below, along with the average and the lowest score among the 46 countries included in the STRI database for each sector. Sweden has a lower score on the STRI than the average in all but one sectors.

**OECD Services Trade Restrictiveness Index (STRI): Sweden 2019**

**STRI by sector and policy area (2019)**

Note: The STRI indices take values between zero and one, one being the most restrictive. They are calculated on the basis of the STRI regulatory database which contains information on regulation for the 36 OECD Members, Brazil, China, Colombia, Costa Rica, India, Indonesia, Malaysia, Russia, South Africa, and Thailand. The STRI database records measures on a Most Favoured Nations basis. Preferential trade agreements are not taken into account. Air transport and road freight cover only commercial establishment (with accompanying movement of people). The indices are based on laws and regulations in force on 31 October 2019.

**Horizontal policy measures**

A general regulation that contributes to the STRI in all sectors is a requirement that at least half of the board members and the manager (CEO) in corporations must be residents of Sweden or the European Economic Area (EEA), and there are limitations on the establishment of branches for non-EEA companies. Wage parity with local employees is required for natural persons seeking to provide services in the country on a temporary basis as intra-corporate transferees, contractual services suppliers or independent services suppliers. These categories may stay in the country for up to 24 months on their first entry permit. Rights of access to public procurement are limited to regional trade agreement partners and members of the WTO’s Government Procurement Agreement. The standards for cross-border transfer of personal data are set at the EU level. Transfers to non-EEA economies can take place when these ensure an adequate level of data protection or, in the absence of this, appropriate safeguards (e.g., binding corporate rules or standard data protection clauses) are in place. Finally, a minimum amount of capital must be deposited in a bank or with a notary in order to register a business.
The sectors with the relatively lowest STRI scores

Legal services, architecture and telecommunications are the three sectors with the lowest score relative to the average across all countries. The title “advocate” is protected and membership of the bar association is subject to similar qualifications and practice requirements as in most other countries, but with few exceptions, advocates do not have exclusive rights to provide legal services. International law is subject to the horizontal regulations, but law firms providing international law may not hire Swedish advocates. Architecture is not a regulated profession in Sweden and there are no sector-specific trade restricting regulation in the sector. The telecommunications sector is well regulated, but the Swedish state holds 37.3% of the equity in Telia, one of the largest suppliers of telecommunications in the country.

The sectors with the relatively highest STRI scores

Maritime transport, distribution services and road freight are the three sectors with the highest score relative to the average across all countries. In maritime transport services, cabotage is limited to the internal EEA market. Access to stevedoring (loading and unloading of cargo) in ports is restricted and certain shipping agreements such as pooling of vessels and joint operation or use of port terminals are exempt from anti-trust regulations. The score in the distribution services is mainly driven by horizontal measures and a major state-owned enterprise in the sector. Road freight transport is subject to EU regulation that requires EEA residence for the manager of a road transport operator and partly exempts road carrier agreements from anti-trust regulation.

Recent policy changes

In March 2019, EU-wide requirements on accounting separation entered into force for port authorities in receipt of public funds. Fixed line telephony was deregulated in 2017, and the market for high-quality access to leased lines were deregulated in 2018 following market analyses by the regulator, which found the markets to be competitive. 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. As of 2016, revised conditions, including on economic needs, apply for authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No 952/2013.

Efficient services sectors matter

Services account for almost 50% of Sweden’s gross exports, but more than 60% of value added exports, indicating that Sweden’s exports of goods rely intensively on services inputs. The services share of the inward FDI stock is relatively low at around 48%. The information and communication technology revolution opens new opportunities for inclusive growth in a services economy like Sweden. 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, Sweden could benefit from more open markets for services trade.

More information

» Access all of the country notes, sector notes and interactive STRI tools on the OECD website at http://oe.cd/stri
» Read more about services trade policies and their impacts in this publication: Services Trade Policies and the Global Economy
» Contact the OECD Trade and Agriculture Directorate with your questions at stri.contact@oecd.org