



OECD Services Trade Restrictiveness Index (STRI)

UNITED STATES – 2021

Key findings

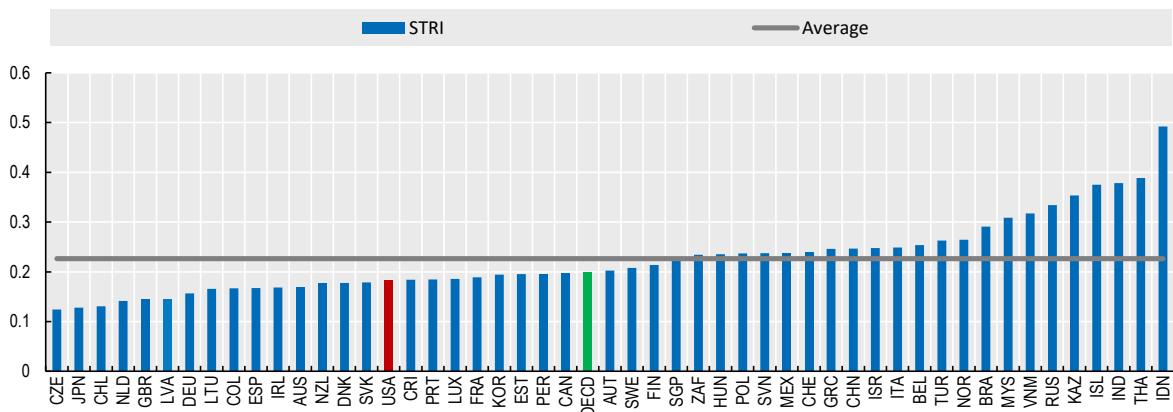
- The 2021 STRI of the United States is below the OECD average and low compared to other countries, indicating an open regulatory environment for trade in services.
- The United States' regulatory environment for services has been stable over the past years with relatively few changes affecting services trade. In 2021, The United States introduced reforms in computer services that contributed to lowering its STRI in this sector.
- Rail freight transport is the most open services sector in the United States while maritime 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 United States could benefit from more open markets for services trade.

The 2021 STRI of United States is relatively low compared to the OECD average and other countries in the STRI sample (Figure 1).

Figure 1. Average STRI across countries, 2021



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 2021. The STRI regulatory database covers the 38 OECD countries, Brazil, China, India, Indonesia, Kazakhstan, Malaysia, Peru, Russia, Singapore, South Africa, Thailand and Viet Nam.

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.

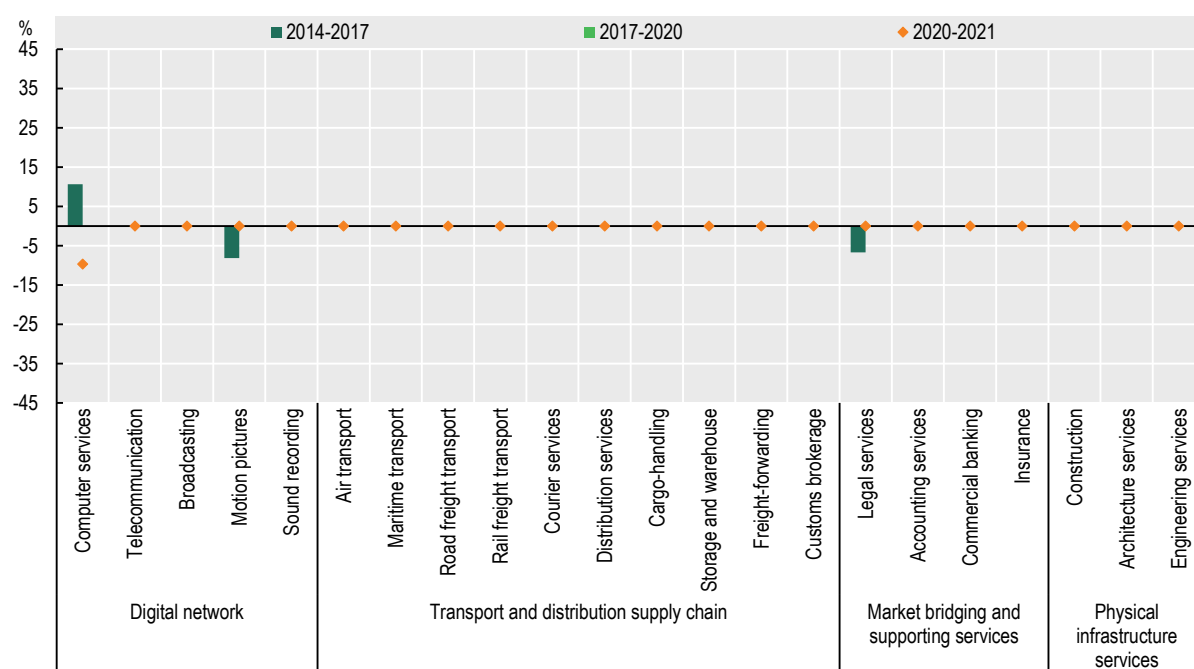
Source: OECD STRI and TiVA databases (2021).

A general regulation that contributes to the STRI in all sectors is the quota restricting the number of contractual and independent services suppliers who may enter the country annually. However, the United States has a liberal policy regarding their duration of stay, which can be up to 36 months on the first entry permit. Moreover, the U.S. procurement market is open only to members of the WTO's Government Procurement Agreement and partners in regional trade agreements, with the possibility of granting exceptions for developing countries. Overall, the United States is one of the countries where the government interferes least with private suppliers through state ownership: aside from the postal operator, no major firm is owned by the federal government in the sectors included.

The regulatory environment for services trade in the United States has been relatively stable in recent years with only moderate changes in some sectors (Figure 2). In 2020-2021, the STRI for computer services has decreased particularly due to easing certain entry conditions for foreign computer programmers.

Figure 2. Evolution of STRI indices by sector in United States

Services Trade Restrictiveness Index, percentage change over the period 2014-2017, 2017-2020 and 2020-2021



Source: OECD STRI database (2021).

Rail freight transport, accounting services, legal services and motion pictures are the sectors with the lowest score relative to the average STRI across all countries (Figure 3). Insurance, air transport, courier services and maritime transport are the sectors with the highest score relative to the average STRI across all countries.

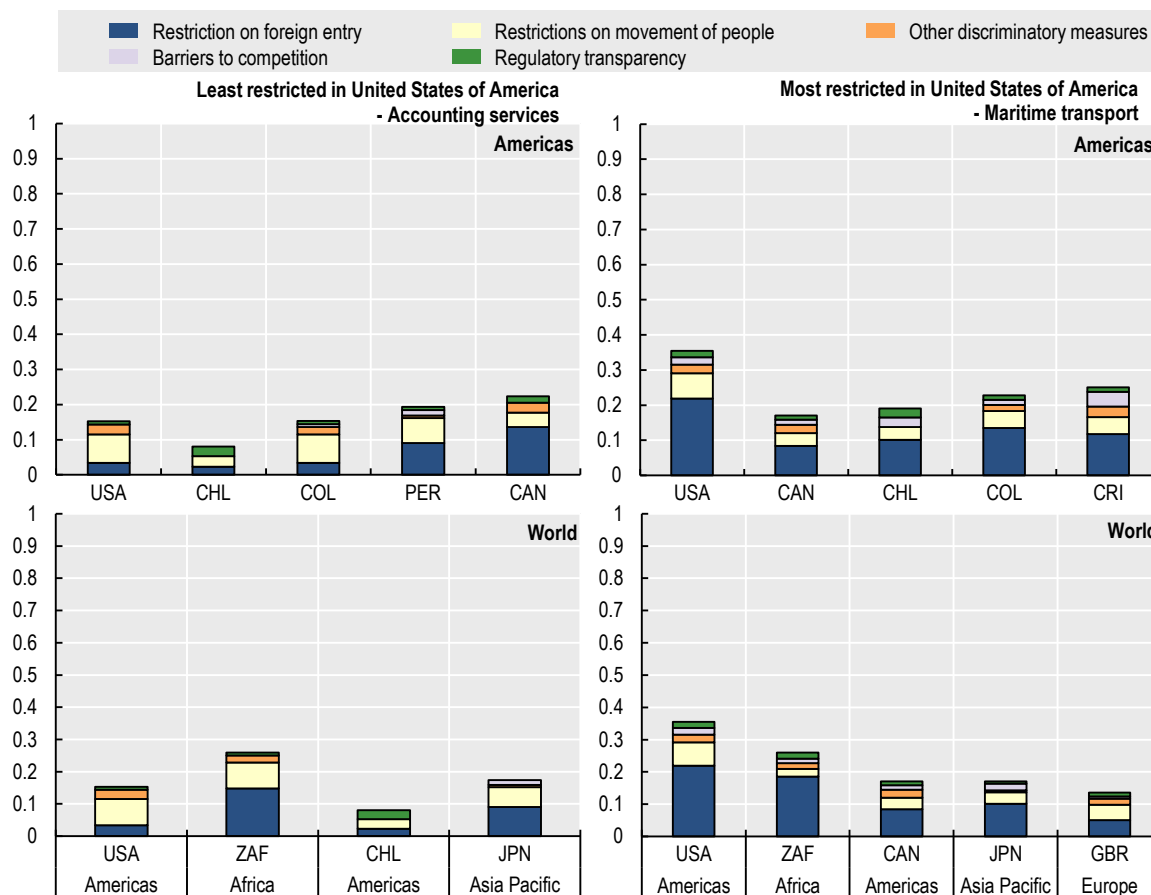
Figure 3. Sectoral breakdown: The least and most restricted sectors in United States



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 (2021).

Rail freight transport are the least restricted service sectors in United States compared to the Americas and the other best performers elsewhere while maritime transport are the most restricted (Figure 4).

Figure 4. United States compared to the Americas and World's best performers



Source: OECD STRI database (2021).

Key reforms

As of February 2021, requirements for H-1B visas for entry-level computer programmers have been eased by allowing applicants to qualify as a position in a specialty occupation as required for H-1B visas.

The Foreign Investment Risk Review Modernization Act of 2018 expands the jurisdiction of Committee on Foreign Investment in the United States (CFIUS) and brings amendments to CFIUS's processes, including a new declarations procedure.

More information

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