



OECD Services Trade Restrictiveness Index: **Policy trends up to 2020**

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The OECD Services Trade Restrictiveness Index

Policy Trends up to 2020

Trade in services has immense potential to improve well-being in economies at all levels of development. The OECD's quantification of service regimes, across countries and over time, seeks to inform the decisions of policy makers and regulators, convey transparent and accessible information to exporters, and provide a source of data for academic research on drivers and impediments to services trade. The OECD's annual monitoring of the global regulatory environment for services trade finds that:

- **Barriers to services trade are rising:** New OECD data demonstrates an accelerated shift towards increasing trade restrictive measures across most services sectors. The level of services trade restrictions in 2019 as measured by the OECD was 30% higher. At the same time, the pace of services trade liberalisation slowed by 60% compared to 2018.
- **New restrictions have economy-wide implications:** New measures affect foreign investment, conditions related to commercial establishment, and the temporary movement of services providers that play an important role in enabling trade across all services sectors.
- **Digital trade is confronted by growing restrictions:** New analysis reveals an increasing level of restrictiveness affecting trade in digitally enabled services in 2019. Trade tightening measures affected key services sectors that play an important role in enabling digital trade such as telecommunications services, computer services and audio-visual services.
- **The European Economic Area (EEA) market for services continues to liberalise:** Liberalisation through EU/EEA and domestic reforms of EU Member States affected cargo-handling, commercial banking and insurance services.

Top performers

The top ten economies with the best regulatory performance in 2019 were the Netherlands, Lithuania, Latvia, the Czech Republic, Portugal, France, Ireland, Denmark, Australia, and Japan.

Top reformers

The leading annual reformers of services regulations in 2019 were Thailand, France, and Greece. Long-term reformers (2014 to 2019) include Indonesia, the People's Republic of China, and Thailand.

Top services exporters

The United States exported services worth USD 823 billion in 2018, followed by the United Kingdom (USD 397 billion), Germany (USD 343 billion), France (USD 294 billion) and the People's Republic of China (USD 234 billion). In total, they amount to 35% of the total of global trade in services.

Table of Contents

Key Analytical Findings	3
1. Introduction	4
2. Expansion of the OECD STRI in 2019	4
3. Monitoring services trade policy changes in 2019	6
4. Policy changes by modes of supply	8
5. Overall STRI performance in 2019	9
6. Leading reformers	10
7. Recent trends affecting trade in digitally enabled services	12
8. Services trade in the European Economic Area (EEA)	14
9. STRI user statistics in 2019	15
References	16
Annex A. Policy changes across countries	17
Annex B. STRI indices by sector	27
Annex C. Supplementary information	39

Figures

Figure 1. Expansion of the OECD STRI regulatory database over time	5
Figure 2. STRI by sector and policy area, 2019	6
Figure 3. STRI average, minimum and maximum scores by sector, 2019	7
Figure 4. Impact of policy changes on the STRI results, 2018-2019	8
Figure 5. Policy changes and modes of supply, 2018-2019	9
Figure 6. Overall STRI performance, 2019	10
Figure 7. Countries with significant reductions in the stringency of services regulations	11
Figure 8. Reforms in the air transport sector of Brazil	11
Figure 9. Digital STRIs, 2019	12
Figure 10. Digital STRI policy changes	13
Figure 11. Digital STRIs, 2019 and 2014	13
Figure 12. Intra-EEA STRI average, minimum and maximum scores by sector, 2019	14
Figure 13. Intra-EEA Services Trade Policy Changes, 2018-19	15
Figure 14. User statistics on the STRI online tools	16

Boxes

Box 1. New STRIs for Thailand, 2014-2019	5
Box 2. Recent reforms in Brazil's air transport sector	11

Key analytical findings

- **Services trade barriers impede services exports.** The trade cost equivalent of services trade barriers largely exceeds the average tariff on traded goods. These barriers have as strong an impact on services exports as on services imports. Trade costs arise from policies that explicitly target foreign suppliers and from domestic regulation that falls short of best practice in the area of competition policy and rulemaking.
- **Consumers and firms pay the cost of trade restrictions.** Entry barriers allow incumbent firms to gain market power, limit competition, and delay innovation. The costs of a policy environment that reduces competition from new entrants, whether domestic or foreign, is ultimately borne by consumers and downstream business customers, who pay higher prices and enjoy less choice than they would in more competitive markets. The resulting price increases for domestic users of services can be quantified as a sales tax equivalent on their purchases. On average, estimates of the tax equivalent of the restrictions recorded in the STRI range from about 3% in road freight transport to almost 40% in broadcasting. In some segments of transport and logistics, as well as in construction, the average estimated sales tax equivalent is about 20%. There is also considerable heterogeneity across countries, with estimated tax equivalents amounting to almost 80% in some, imposing substantial additional costs on manufacturing enterprises and final customers.
- **Regulatory co-operation can reduce trade costs.** Differences among countries in regulating the same service create additional costs for exporters that need to adapt to new sets of rules in each new market. When markets are relatively open, trade costs imposed by the average degree of regulatory differences is estimated at about 40% in ad valorem terms. While regulatory harmonisation can reduce trade costs, removing the most onerous restrictions first is a prerequisite to maximise the gains from regulatory co-operation.
- **Trade in services depends on the movement of professionals.** The cross-border movement of people may not account for a large share of services trade, but is essential for international business operations. Mobility of natural persons across international borders is key for trade in business services. This is, in turn, an important channel for knowledge transfer and information sharing.
- **Trade in services underpins the digital economy.** Liberalisation and pro-competitive reforms in the telecommunications sector are associated with a substantial reduction in trade costs for business services. High capacity networks at competitive prices are a necessary condition for a digital transformation of knowledge-intensive services. Access to the professions and the services they provide is also essential.
- **Services reforms help SMEs.** The costs of dealing with regulatory hurdles and complying with diverging regulations in every new market fall more heavily on small- and medium-sized enterprises (SMEs). For very small firms engaging in cross-border exports, an average level of services trade restrictiveness represents an additional 7% in trade costs relative to large firms. Establishing an affiliate abroad involves even higher costs; for a small firm, an average level of services trade restrictiveness is estimated to be equivalent to an additional 12% tariff compared to large firms.

1. Introduction

The OECD Services Trade Restrictiveness Index (STRI)¹ is a unique tool that provides up-to-date information on regulatory changes that affect trade in services in 46 countries across 22 sectors. The STRI indicators take values between zero and one, where one indicates the most restrictive trade environment.

Launched in 2014 and updated annually, the STRI offers a comprehensive and transparent overview of global trends in services trade regulations, while facilitating deeper analysis of the effects that such regulations have on trade in services and the wider economy. The yearly updates incorporate changes that have been introduced through new or amended laws and regulations. This evidence-based tool allows policy makers to benchmark relative to global best practice, consider reform options, and assess their likely impact. It helps trade negotiators identify restrictions that impede trade and is a source of regulatory transparency for businesses seeking to enter foreign markets.

This policy brief highlights the key outcomes of the 2019 update exercise, covering recent expansions in country coverage, findings on latest trends that affect services trade and digital trade, as well as highlighting best practices and the countries that lead in reforms. The final section of this brief presents recent statistics on the use of the STRI and other online policy tools.

2. Expansion of the OECD STRI in 2019

In 2019, the STRI regulatory database collected close to 98 000 entries on regulatory policies affecting 22 services sectors in 46 countries (Figure 1).² The scope of the regulatory database has been steadily growing over the past years, particularly by expanding country coverage of the STRI to developing and emerging-market economies. In addition, new tools were developed in 2018 to measure restrictions affecting trade in digitally enabled services (Ferencz, 2019^[1]) and the preferential services trade regulatory environment within the European Economic Area (EEA) (Benz and Gonzales, 2019^[2]).

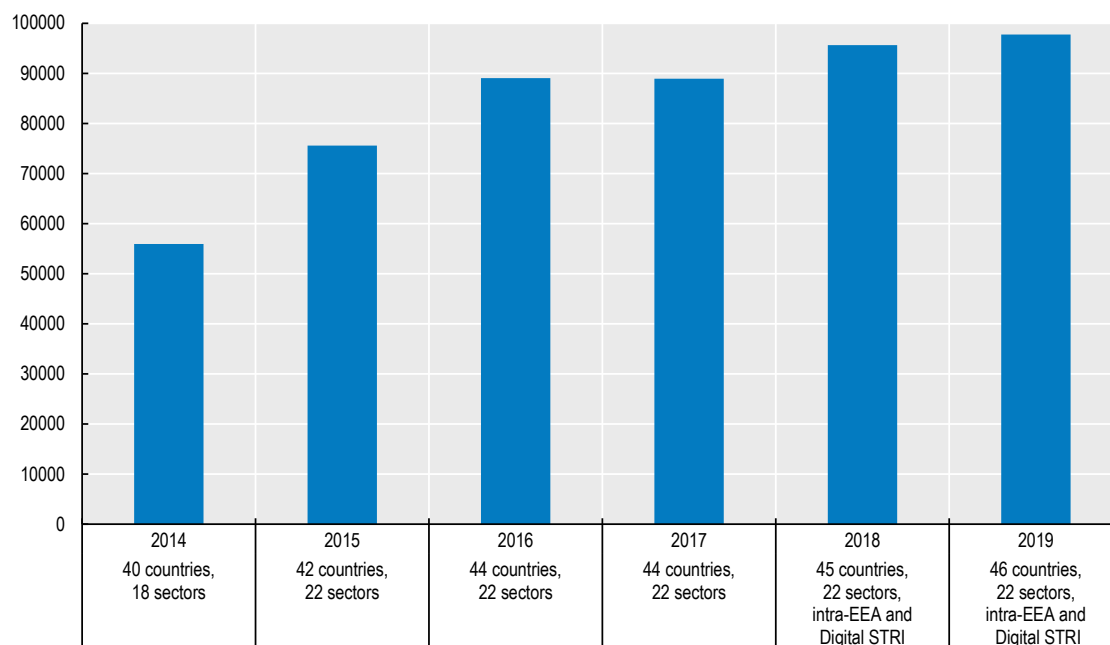
Thailand is the latest country added (in 2019) to the STRI regulatory database and indices, with coverage for all 22 services sectors and six years of regulatory data (2014-2019) to match the scope of the other countries covered. The regulatory data were collected retrospectively, based on publicly available regulations and took into account regulatory and policy changes during the period covered. Box 1 provides a summary of the key findings.

¹ Available at: <http://oe.cd/stri>.

² In 2019 the STRI covered the 36 OECD countries, Brazil, the People's Republic of China, Colombia, Costa Rica, India, Indonesia, Malaysia, Russian Federation, South Africa, and Thailand.

Figure 1. Expansion of the OECD STRI regulatory database over time

Number of data points in the STRI regulatory database per year, 2014-2019

Source: STRI database (<http://oe.cd/stri-db>).**Box 1. New STRIs for Thailand, 2014-2019**

Services account for 54% of Thailand's GDP and around 45% of its employment. Services account for 30% of Thailand's gross exports, but 45% in value added terms. In 2018, Thailand exported services worth USD 84 billion (1.4% of world services exports) and its services imports amounted to USD 55 billion (1% of world services imports). Travel and other commercial services are the two largest services being exported and imported.

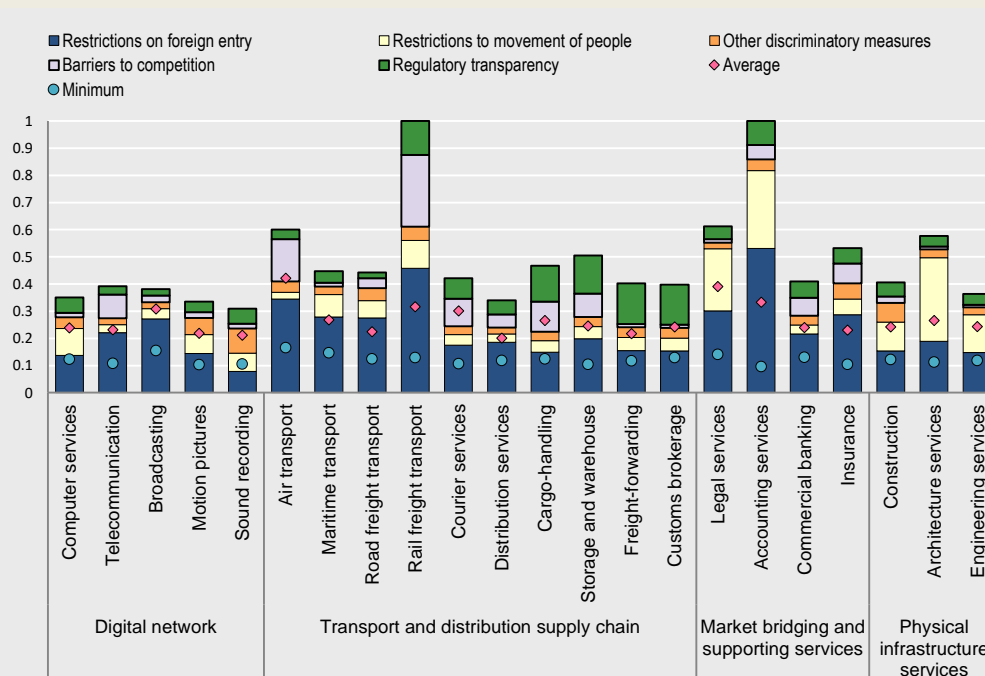
Figure 2 shows Thailand's score on the STRI in the 22 sectors, along with the average and the lowest score of the 46 countries included in the STRI database for each sector. Thailand has a score above average in all sectors covered by the index.

The STRI results for Thailand can be explained in large part by general regulations that apply to all sectors in the economy. At least half of the board of directors in a public limited company must be residents and the same requirement applies to managers of foreign companies operating under a foreign business license. Foreigners are not allowed to acquire shares exceeding 49% in publicly-controlled firms.

Thailand applies labour market tests and limits the duration of stays to 12 months for natural persons seeking to provide services on a temporary basis as intra-corporate transferees, contractual services suppliers, or independent services suppliers. Companies must also respect quotas when hiring foreign nationals, where four local nationals must be employed for every foreigner. A maximum of ten foreign work permits can be requested per company. In public procurement, local suppliers must be considered

for tenders before foreign suppliers. Finally, the mandatory period to publish adopted laws prior to entry into force is significantly shorter than best practice.

Figure 2. 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).

Source: STRI database (<http://oe.cd/stri-db>).

Recent policy changes

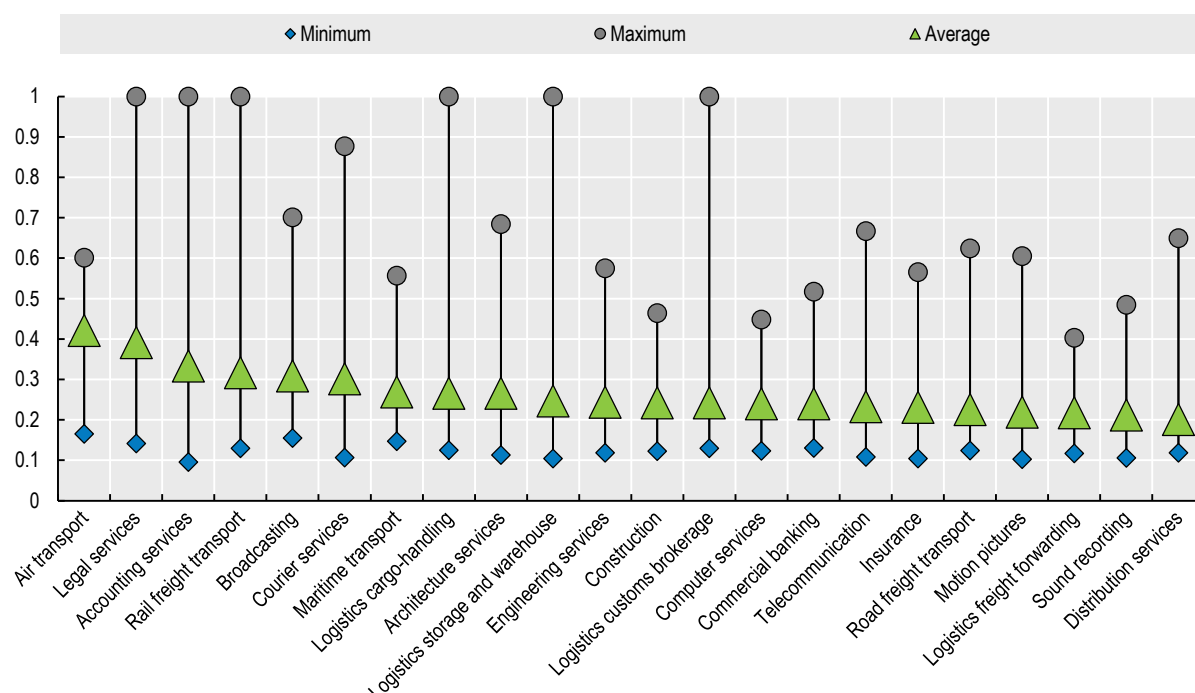
In May 2019, the Personal Data Protection Act was adopted. Prior to this Act, no regulation existed on cross-border data flows in Thailand. The Act established a comprehensive framework for data protection and establishes safeguards for cross-border data flows.

Thailand introduced policy reforms on regulatory transparency in 2017.

3. Monitoring services trade policy changes in 2019

Figure 3 shows the average, minimum and maximum index values as updated in 2019 for each of the 22 sectors included in the STRI database. The 2019 STRI indices for all sectors are included in Annex B.

As in previous years, on average, air transport services, legal services, and accounting and auditing services tend to be more restrictive than other sectors, while distribution services, sound recording, and logistics freight forwarding tend to be the most liberal.

Figure 3. STRI average, minimum and maximum scores by sector, 2019

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. Preferential trade agreements are not taken into account. Air transport and road freight cover only commercial establishment (with accompanying movement of people).

Source: STRI database (<http://oe.cd/stri-db>).

In 2019, 58 policy changes were identified which is on par with the extent of policy changes identified the previous year. Figure 4 shows the effect of these changes in terms of cumulative variations in the value of the STRIs in 2018-19. The majority of policy changes were trade restrictive in nature and apply to all services sectors. By contrast, the trade liberalising measures were few and mostly sector specific.

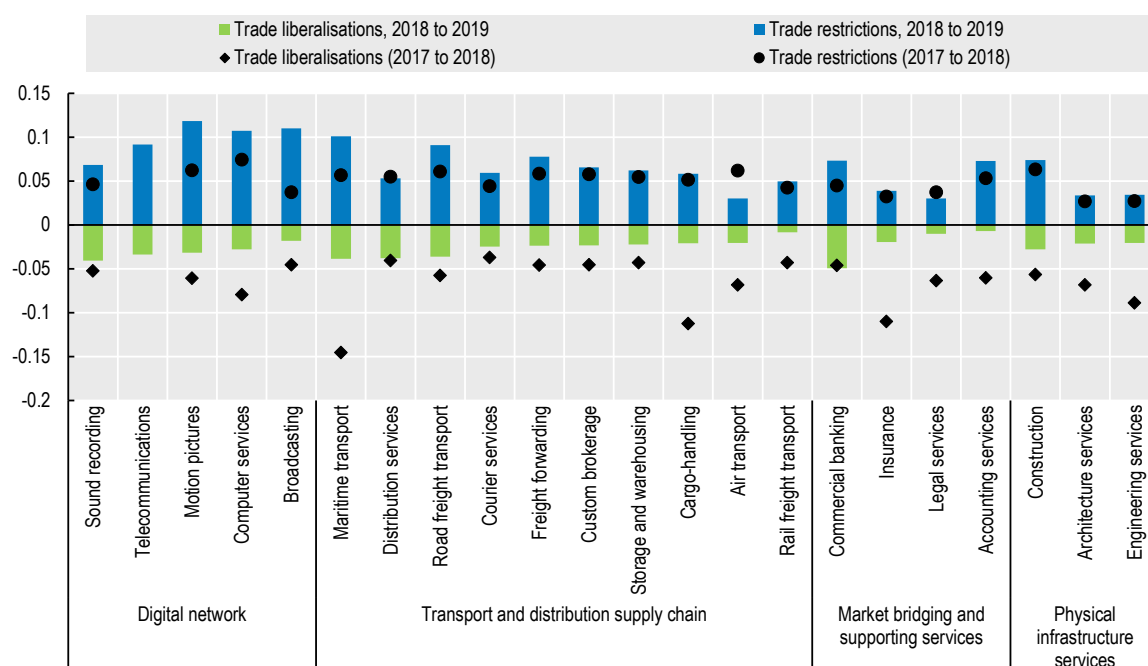
The largest increase in restrictiveness was found in sectors playing an important role in enabling digital trade, including audio-visual services (motion pictures and broadcasting services), as well as computer and telecommunications services. Other sectors, particularly some of the transport sectors such as maritime and road freight transport, recorded higher indices overall with spill-overs into several logistics sectors. Other sectors that recorded a high increase are commercial banking, accounting, and construction services.

The STRIs indicate moderate global efforts towards services trade liberalisation over the 2018-19 period, with most decreases occurring in several digital network sectors (e.g. sound recording services), some transport and distribution services, and commercial banking.

Compared to 2017-18, the STRIs show an accelerated shift towards trade restrictive measures across most services sectors, especially those that underpin digital trade such as computer and audio-visual services. Across all sectors and countries, the cumulative increases in the 2019 indices were 30% higher than the cumulative increases registered a year before. At the same time, the impact of trade liberalising changes on all sectors shows a 60% slowdown compared to the previous year.

Annex A provides a chronological overview of changes adopted by countries that affected services trade between 2014 and 2019.

Figure 4. Impact of policy changes on the STRI results, 2018-2019



Note: Sum of all the positive (restrictions) and negatives changes (liberalisation) across all the measures over the period considered. In telecommunications, presenting sum of changes across all measures in 2017-2018 is not possible due methodological differences introduced during a technical update of the STRI framework in 2018 to address technological developments in telecommunications services.

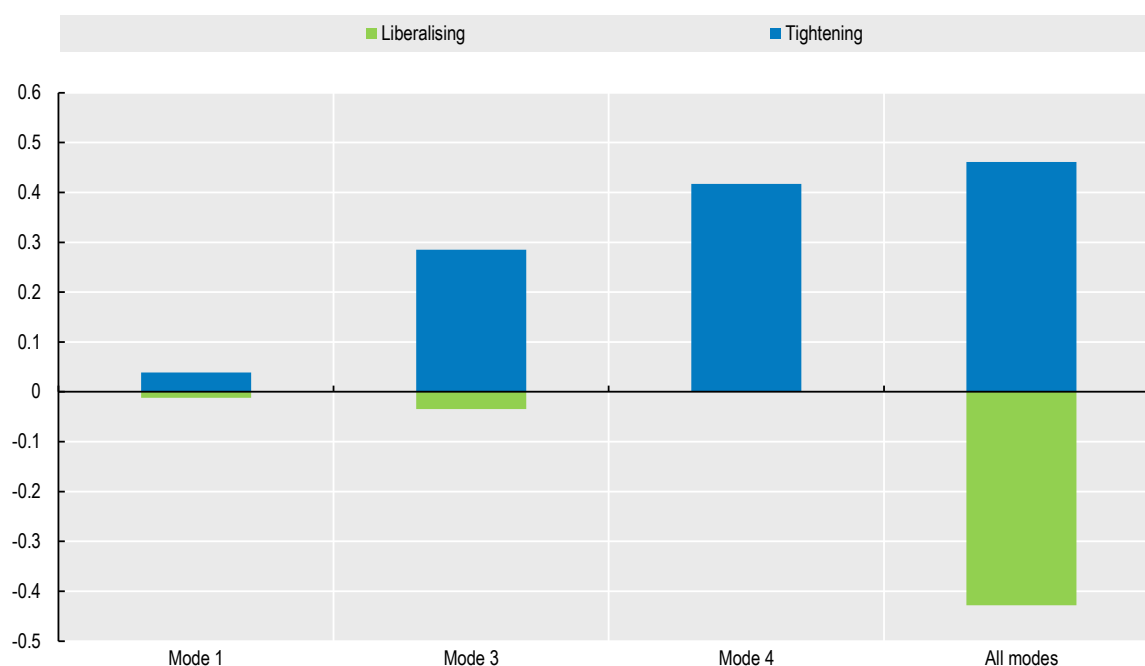
Source: STRI database (<http://oe.cd/stri-db>).

4. Policy changes by modes of supply

The STRI differentiates between the nature of policy changes by modes of services supply, including cross-border trade (Mode 1), commercial establishment (Mode 3), temporary movement of natural persons (Mode 4), and changes that affect services irrespective of the mode through which they are supplied (all modes).

Figure 5 shows that tightening measures mostly affected Mode 4 and Mode 3 supplies, and to a lesser degree Mode 1 supplies. New policies affecting the movement of people included the introduction of quotas in two countries for some or all three categories of persons covered in the STRI (intra-corporate transferees, contractual services suppliers, and independent services suppliers), and applying these horizontally across all services sectors. Tightening conditions on foreign investment, including on conditions related to screening and prior approval by government agencies, as well as tighter requirements on legal forms and commercial presence in four countries contributed to increase the indices under Mode 3 supplies. Only a few measures affected Mode 1 supplies exclusively, and these related to changing requirements on cross-border downloading and streaming of content and introducing new data localisation obligations by one country.

Changes in the STRI indicator for all modes are largely driven by easing barriers to competition in logistics services, particularly among the European Union Member States, as a result of new EU-wide regulations on accounting separation at ports which entered into force in 2019.

Figure 5. Policy changes and modes of supply, 2018-2019

Source: STRI database (<http://oe.cd/stri-db>).

5. Overall STRI performance in 2019

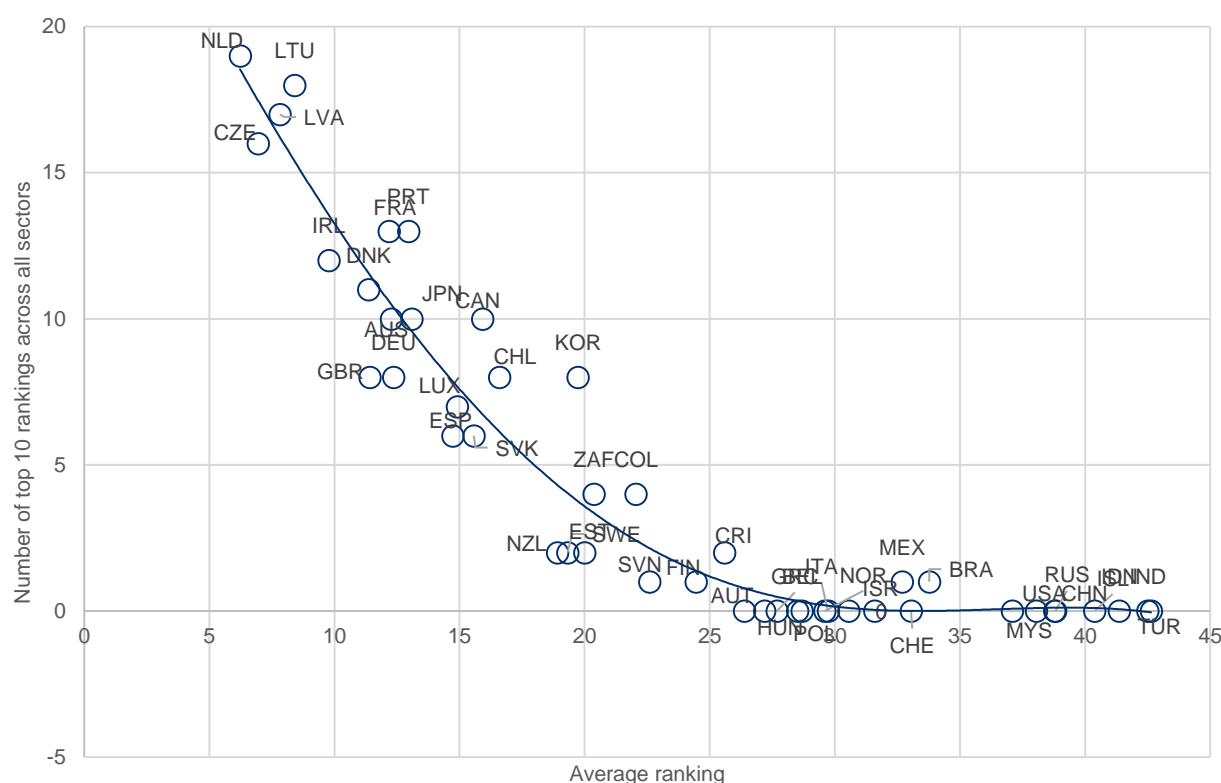
Figure 6 illustrates the overall STRI performance for 46 countries in 2019, based on sectoral results and rankings.³ The trend line depicts the extent to which countries' indices perform well compared to top sectoral performers and compared to the entire sample. Closer proximity to the trend line indicates a more balanced performance, whereas a higher position in the line is associated with better overall results.

Where countries have a high number of well-performing sectors and low average sector ranks, their overall STRI performance increases. In some cases, countries might rank lower on the sectoral average but still have a high number of sectors with low scores. This is the case when indices are low in most sectors (e.g. outlier scores may exist due to a completely closed market in one sector but open across the others).

The top ten countries with the best regulatory performance in the 2019 STRI were the Netherlands, Lithuania, Latvia, the Czech Republic, Portugal, France, Ireland, Denmark, Australia, and Japan.

³ Ranks vary from 1 (best performing) to 46 (least performing) for each sector. The variable on the horizontal axis works in the following way: country A ranks, for instance, 5th out of 46 countries in sector X, 12th in sector Y, 1st in sector Z, and so on. The variable shows the simple average of these ranks for all 22 sectors.

Figure 6. Overall STRI performance, 2019



Source: STRI database (<http://oe.cd/stri-db>).

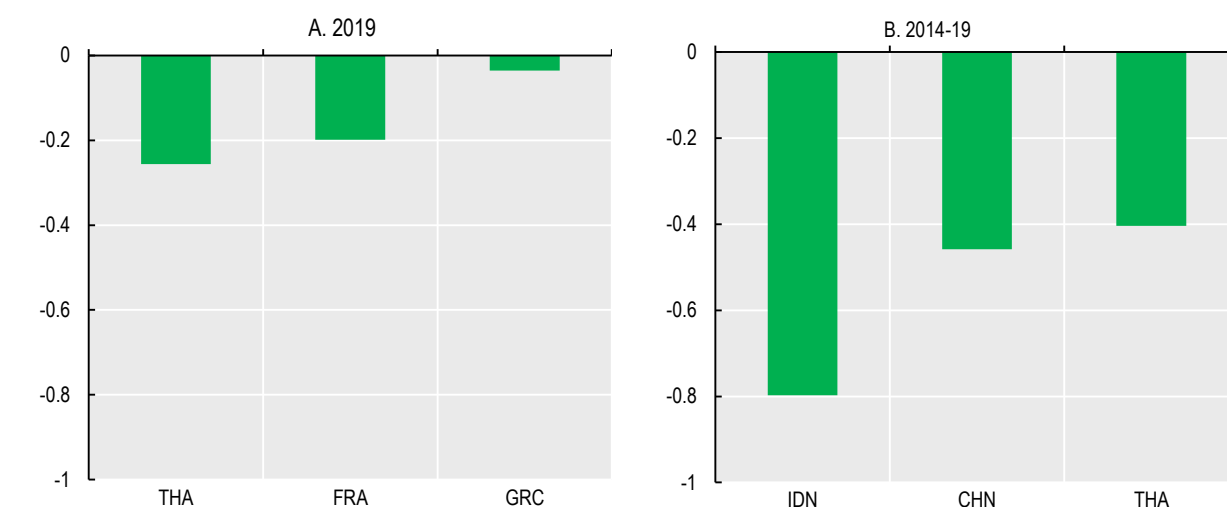
6. Leading reformers

The highest net decrease in the 2019 STRI values was recorded in Thailand, France and Greece (Figure 7, Panel A). Thailand's overall STRIs were lowered as a result of new regulations and safeguards on personal data protection and cross-border data flows filling a regulatory vacuum. France's STRIs were lowered following reforms on the public procurement regulations and implementing EU-wide requirements on accounting separation for public funds provided to ports. Greece fully lifted capital controls on 1 September 2019, concluding four years of restrictive measures on capital transfers abroad. In addition to the three top reformers, some countries have introduced far-reaching reforms affecting only certain sectors. For instance, Brazil implemented ambitious reforms in air transport services in December 2018, lowering its STRI by half (Box 2).

Looking at a longer timeframe, Indonesia has been implementing extensive reforms since 2014, with comprehensive and far-reaching reforms on foreign investment regulation in several services sectors in 2015 and 2016 (Figure 7, Panel B). China recorded significant decreases between 2014 and 2019 as a result of progressive liberalisations on regulations governing foreign direct investment. In Thailand, the STRIs decreased between 2014 and 2019 as a result of horizontal policy reforms affecting regulatory transparency, business operations and competition.

Figure 7. Countries with significant reductions in the stringency of services regulations

Cumulative decrease in STRI results across all sectors in 2019 and 2014-2019, STRI values

Source: STRI database (<http://oe.cd/stri-db>).**Box 2. Recent reforms in Brazil's air transport sector**

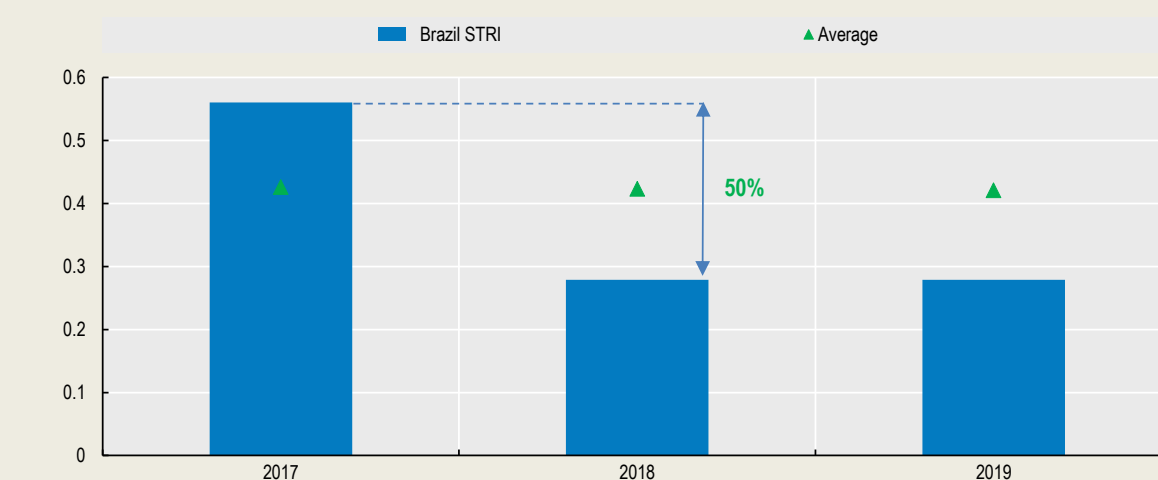
On 13 December 2018, Brazil implemented significant reforms on foreign investment in local airlines through Presidential Measure (PM) No. 863/2018. Congress converted the PM into Federal Law No. 13,842/2019 on 17 June 2019, embedding the reforms into the Brazilian Aeronautics Code (Federal Law N°7,565/1986).

Key reforms included the removal of a 20% cap on foreign participation in Brazilian airlines, allowing foreigners full ownership of the share capital. Limitations were lifted on foreign control and management of Brazilian airlines, together with restrictions on the issuance and transfer of shares to foreigners.

These reforms resulted in Brazil's STRI scores in air transport to drop by 50% in 2018, well below the STRI average across countries. It now has the third lowest STRI in this area after Chile and Colombia.

Figure 8. Reforms in the air transport sector of Brazil

Changes in the air transport STRIs for Brazil between 2017 and 2019, STRI values

Source: STRI database (<http://oe.cd/stri-db>).

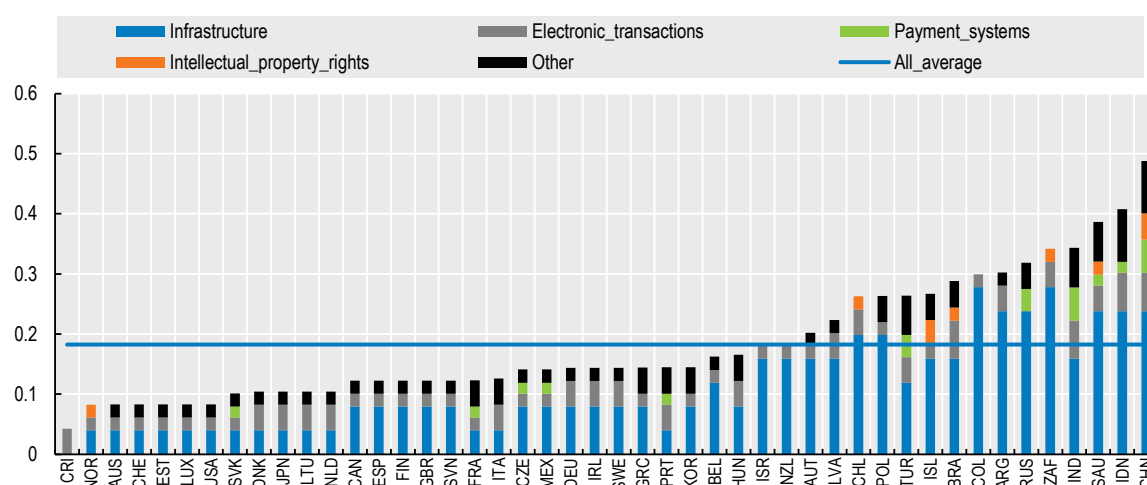
7. Recent trends affecting trade in digitally enabled services

The OECD Digital Services Trade Restrictiveness Index (Digital STRI) identifies, catalogues, and quantifies cross-cutting barriers that affect trade in digitally enabled services (Ferencz, 2019^[1]). It helps policy makers identify regulatory bottlenecks and design policies that foster more diversified and competitive markets for digital trade. The Digital STRI covers 46 countries and six years (2014-2019).⁴

It is comprised of two components: (i) a regulatory database that collects information on regulatory barriers from countries' publicly available laws and regulations, and (ii) composite indices measuring the trade restrictiveness of these policies. Like the STRIs, the indices take values between zero and one, where zero indicates an open regulatory environment for digitally enabled trade and one indicates a completely closed regime.

The Digital STRI shows a diverse and complex regulatory environment affecting trade in digitally enabled services (Figure 9). Countries commonly maintain policies that impede access to communication infrastructure and movement of information across networks, but barriers affecting electronic transactions and payments contribute less to the indices.

Figure 9. Digital STRIs, 2019



Note: The indices take values between zero and one, one being the most restrictive. Scale adjusted to 0.6.

Source: OECD Digital STRI database (<http://oe.cd/stri-db>).

In 2018 and 2019, the Digital STRIs increased as a result of new policy changes implemented by five countries (Figure 10). No trade liberalising measures were identified during this period. The Russian Federation introduced a limitation for foreigners to provide electronic means of payment to resident customers. Moreover, a commercial presence is required to provide cross-border money transfer services to individuals and transfers should use the Russian payment infrastructure. In India, all payment system operators are now required to ensure that data related to payment systems operated by them are stored only inside the country. Since July 2019, Turkey requires that domestic communication traffic be exchanged through domestic Internet exchange points. Moreover, online media service providers, including on-demand services providers, must obtain a new license for online broadcasting and are

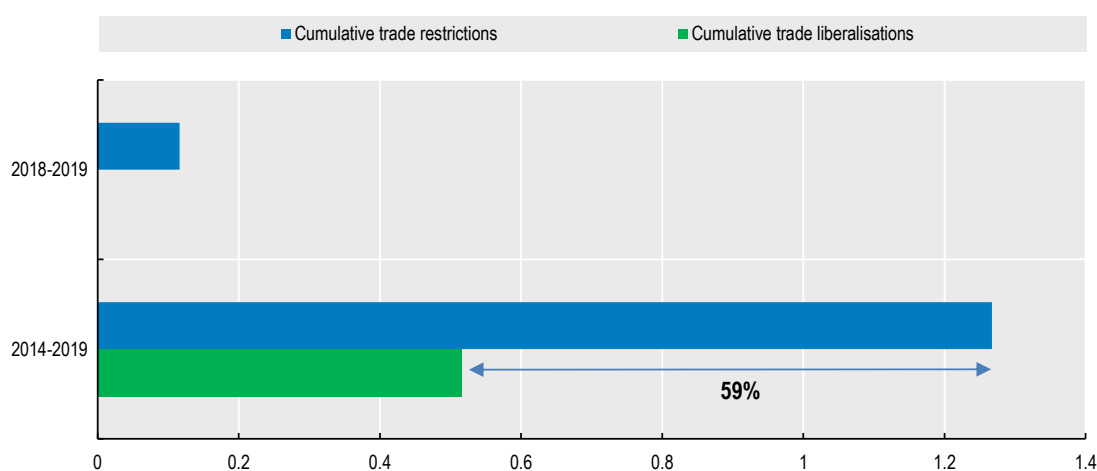
⁴ The following countries are covered: the 36 OECD countries, Argentina, Brazil, China, Colombia, Costa Rica, India, Indonesia, Russian Federation, Saudi Arabia, and South Africa.

required to establish in Turkey in accordance with the provisions of the Turkish Commercial Code. Since March 2019, Korea requires that foreign information technology services providers, with no office in Korea, designate a local agent responsible for data privacy compliance.

Over the period 2014-2019, the tightening changes were more prominent than the liberalisations affecting digital trade indicating a progressively tightening regulatory environment for digital trade (Figure 10). This has resulted in a widening regulatory divergence among countries (Figure 11).

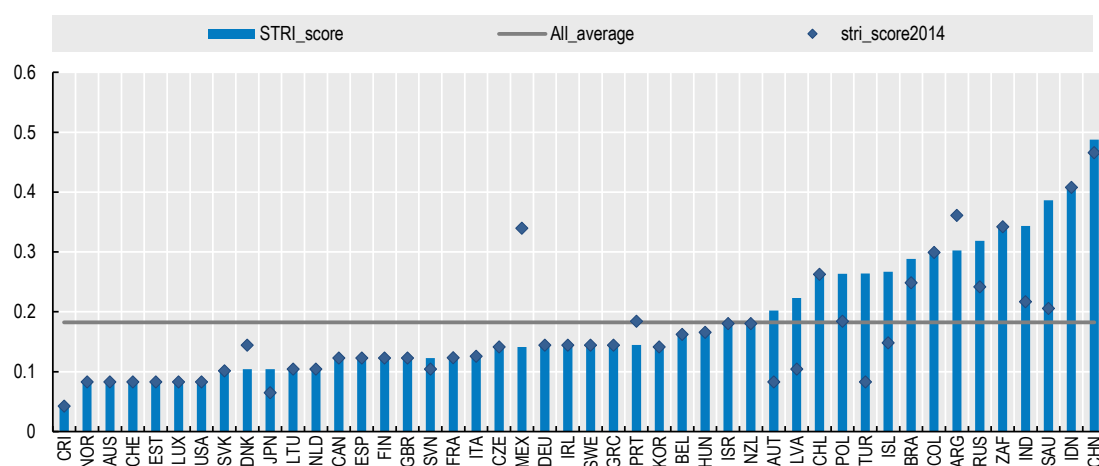
Figure 10. Digital STRI policy changes

Cumulative changes in the Digital STRI scores in 2018-19 and 2014-19, index values



Source: OECD Digital STRI database (<http://oe.cd/stri-db>).

Figure 11. Digital STRIs, 2019 and 2014



Note: The indices take values between zero and one, one being the most restrictive. Scale adjusted to 0.6.

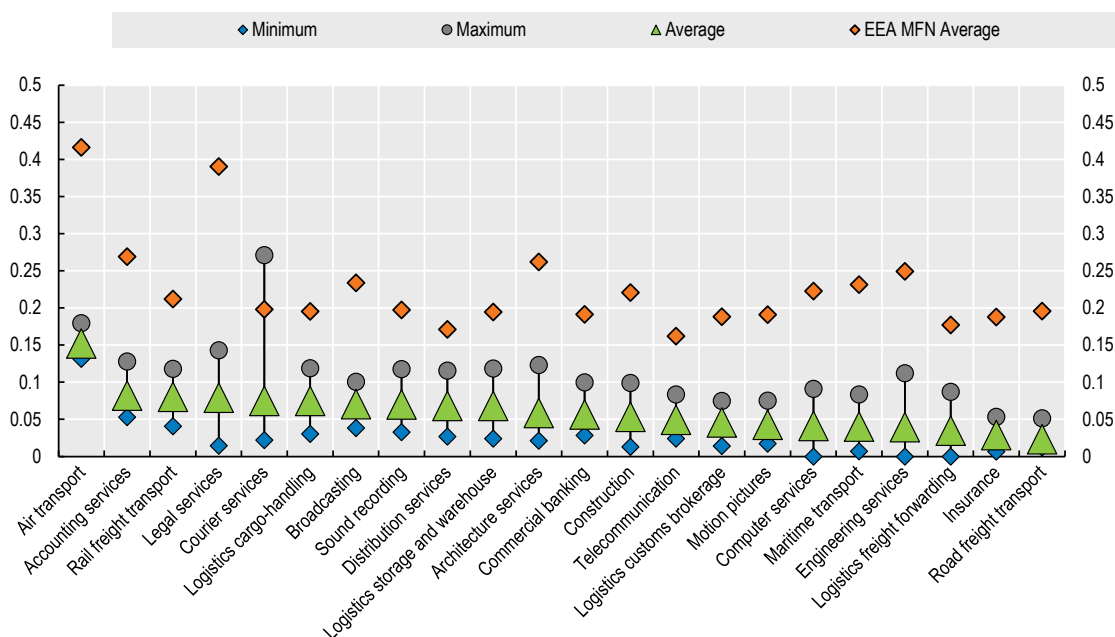
Source: OECD Digital STRI database (<http://oe.cd/stri-db>).

8. Services trade in the European Economic Area (EEA)

The intra-EEA STRI database measures the extent of services trade restrictiveness within the EEA Single Market (Benz and Gonzales, 2019^[2]) and covers 25 countries.⁵ The database shows that services trade within the EEA is substantially more liberal than the multilateral policies applied by EEA member countries towards non-members. However, a certain level of restrictiveness remains within the Single Market, demonstrating there is potential for further market integration. Taking into account EU rules but also national laws, intra-EEA services trade barriers can differ across countries.

Figure 12 illustrates the range of intra-EEA restrictiveness on the STRI index in the 22 sectors. The figure also shows the average MFN STRI of the 25 countries, measuring services trade barriers with respect to third countries, but not taking into account any preferential trade agreements. The comparison of the two sets of results demonstrates the openness of the Single Market compared to the MFN approach. Although it is a common trend, the difference between EEA MFN averages and intra-EEA averages differ according to the scope of EU rules characterising the different sectors. In sectors such as air transport, regulations and directives of the European Union govern almost 90% of all STRI measures. Furthermore, road freight transport and audio-visual services reveal a high level of EU legislation, while the opposite is the case in telecommunications, cargo-handling, and distribution. Nevertheless, even in these sectors, EU legislation is pertinent for between 60% and 70% of all measures.

Figure 12. Intra-EEA STRI average, minimum and maximum scores by sector, 2019



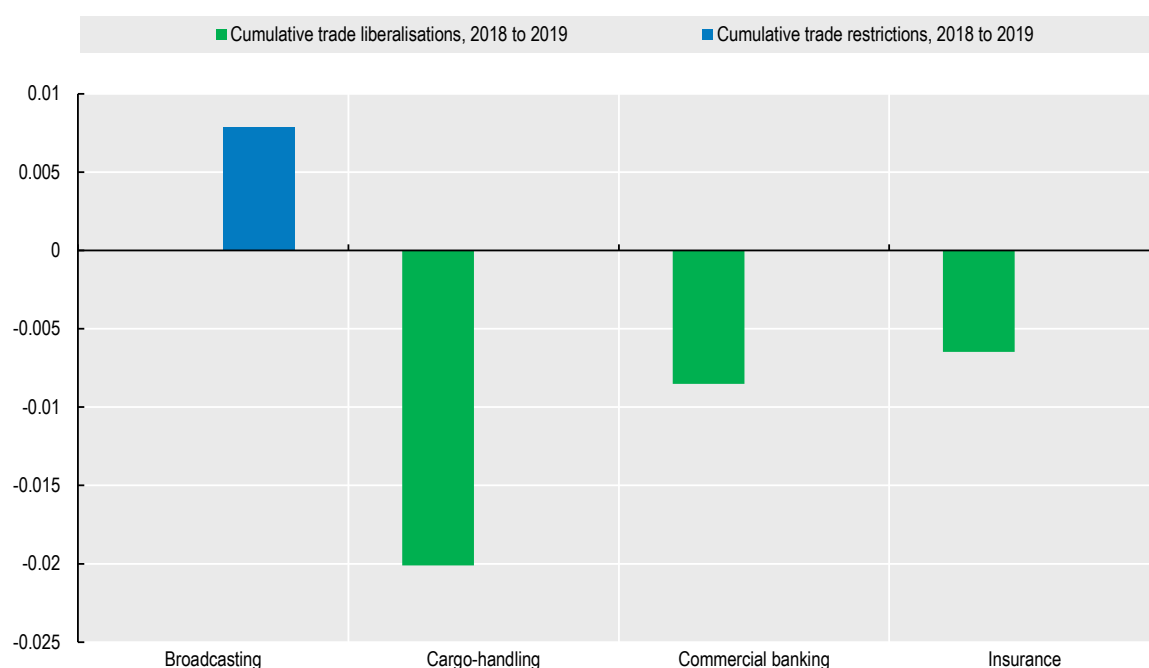
Note: The STRI indices take values between zero and one, one being the most restrictive. The intra-EEA STRI quantifies barriers to services trade within the Single Market of the EEA. By contrast, the STRI database records measures on a Most Favoured Nations basis, where preferential trade agreements are not taken into account. Air transport and road freight cover only commercial establishment (with accompanying movement of people).

Source: Intra-EEA STRI database (<http://oe.cd/stri-db>).

⁵ Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, United Kingdom.

Between 2018 and 2019, policy changes on EU/EEA and domestic levels affected the intra-EEA STRIs in four services sectors: broadcasting, logistics cargo-handling, commercial banking and insurance services (Figure 12). Overall, services trade policies became more liberal within the EEA. The largest decrease was in logistics cargo-handling services due to EU-wide requirements as a result of accounting separation entering into force in March 2019 for port authorities in receipt of public funds.⁶ Liberalisation in financial services, both commercial banking and insurance, resulted from the lifting of remaining capital control measures in Greece in 2019. Broadcasting services was the only sector where the indices increased. This was a result of Poland tightening localisation requirements as a precondition for subsidies granted in the production of certain audio-visual content.

Figure 13. Intra-EEA services trade policy changes, 2018-19



Source: Intra-EEA STRI database (<http://oe.cd/stri-db>).

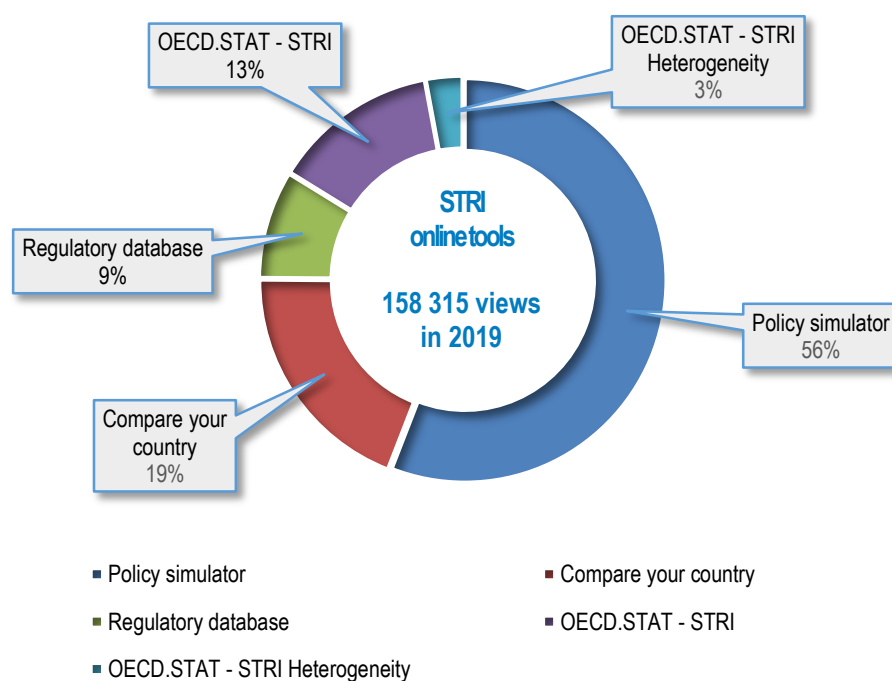
9. STRI user statistics in 2019

In 2019, the Internet pages of the OECD STRI tools received more than 158 000 views (Figure 14), making STRI the most widely consulted qualitative data dissemination tool in the OECD that year. The OECD STRI Policy Simulator is the most consulted STRI tool, with close to 88 000 page views, followed by the “Compare your country” which had 30 500 views. These two databases account for 75% of online views. The STRI Regulatory Database and OECD.STAT account for 25% of Internet views, with 13 700 and 25 680 views respectively. The STRI heterogeneity indices were accessed 4 600 times in 2019.

⁶ See EU Regulation 2017/352 on the provision of port services and common rules on the financial transparency of ports, Article 11(2).

Figure 14. User statistics on the STRI online tools

Unique page views, 2019



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Annex A. Policy changes across countries

This annex presents the main policy changes identified in the annual STRI updates for the countries covered. Detailed country information and summary notes can be found on the STRI website and online database.⁷

Australia

In June 2016, New South Wales introduced a 4% surcharge for foreign persons (including foreign corporations) in addition to the duty payable on the purchase of residential property. Foreigners are also subject to a land tax surcharge of 0.75% (in 2017) for residential property.

With the introduction of the Temporary Skill Shortage visa (subclass 482) in March 2018, foreign services providers are allowed to stay in the country for up to four years, compared to three years with the old 457 visa.

Austria

As of 2016, revised conditions, including on economic needs, apply for authorisation on the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. A new permit for intra-corporate transferees was introduced in October 2017. The period of validity has been extended from one to three years for managers and specialists. In addition, parts of the fixed line telephony market were deregulated in May 2017 following market analyses by the regulator. The EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018, providing a comprehensive update on the EU data protection regime.

Belgium

One of the main rail freight operators in Belgium, B Logistics, was partly privatised in 2015, with the state-owned Belgian national railway company, SNCB, now owning only 31% of its equity shares. As of 2016, revised conditions, including on economic needs, apply for authorisation to operate storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018, providing a comprehensive update on the EU data protection regime.

Brazil

The Federal Supreme Court ruled in 2015 to exempt the designated postal operator from VAT and other local taxes for both its postal and courier services. In the same year, the temporary licensing for accountants and auditors was removed.

On 13 December 2018, Brazil implemented significant reforms on foreign investment in local airlines through Presidential Measure (PM) No. 863/2018. Congress converted the PM into Federal Law No. 13,842/2019 on 17 June 2019, embedding the reforms into the Brazilian Aeronautics Code (Federal Law No. 7,565/1986). Key reforms included the removal of a 20% cap on foreign participation in Brazilian airlines, allowing foreigners full ownership of the share capital. Limitations were also lifted on foreign control

⁷. Available at <http://oe.cd/stri>.

and management of Brazilian airlines, together with restrictions on the issuance and transfer of shares to foreigners.

In distribution services, policy changes in 2019 removed upper limits on shop opening hours.

Canada

As of May 2018, Bill C-49, an amendment to the Canada Transportation Act, eased foreign ownership restrictions by lifting the foreign equity limit in the air transport sector from 25 to 49%. However, the voting share limits in Canadian airlines for individual foreign investors and foreign air carriers collectively remain at 25%.

As of 2019, the pre-packaging of products is no longer subject to mandatory nominal quantities in distribution services. Furthermore, contracts for universal services obligations are now assigned on a competitive basis in the telecommunications sector, which reduces barriers to competition. This reform was also implemented in 2019.

Chile

In 2017, Chile revised its customs regulation, introducing, *inter alia*, an Authorised Economic Operators Scheme open to foreign firms and authorising the release of goods before the determination and payment of duties.

China, People's Republic of

In September 2016, the general requirement for prior approval of foreign investments was replaced with an online notification requirement. In the same year, the Telecom Business Classification Catalogue introduced the mandatory resale of mobile communication services, while in professional services the applicable standards on fee setting were eased. Nationality requirements for directors of accounting and auditing firms were lifted, but residency requirements were maintained.

A Cybersecurity Law entered into effect in 2017, introducing new restrictions affecting data transfers abroad.

On 28 July 2018, the Special Administrative Measures for the Access of Foreign Investment (Negative List) issued by the Ministry of Commerce and the National Development and Reform Commission came into effect, replacing sections of the 2017 Catalogue of Industries for Guiding Foreign Investment. Compared to the 2017, the 2018 list relaxes or removes restrictions on foreign investments in several areas, including legal services, insurance, maritime transport, and logistics cargo-handling services. Nonetheless, services sectors that are included in the Negative List remain subject to government approval and sector specific requirements.

In 2019, the Special Administrative Measures for the Access of Foreign Investment (Negative List) was updated to introduce liberalisation in services sectors such as transportation or value-added telecommunications. The limitation of 49% equity for foreign participation in domestic maritime transport was lifted, together with previous requirements related to joint ventures in this sector.

On 15 March 2019, China's National People's Congress (NPC) passed the Foreign Investment Law of the People's Republic of China, which entered into force on 1 January 2020. The new Law replaces three previous laws regulating foreign-invested enterprises: the Law on Sino-Foreign Equity Joint Ventures, the Law on Wholly Foreign-Owned Enterprises, and the Law on Sino-Foreign Cooperative Joint Ventures.

Colombia

In 2015, the Financial Superintendence gained financial autonomy. In 2016, the New Customs Statute (*Nuevo Estatuto Aduanero*) introduced a *de minimis* regime, imposed minimum warehouse surface for postal operators, and introduced an obligation for courier services operators to be available 24/7. In 2017, Colombia passed an immigration reform which aimed to stream the immigration process. The reform prolonged the duration of stay of certain visa categories, but not to others such as Intra-Corporate Transferees, which according to the new “V” type visa are allowed stays of up to two years (down from three years).

Costa Rica

In 2015, the *Ley de Garantías mobiliarias* introduced a securities system that facilitates the constitution, publicity and execution of warranties; this has contributed to further liberalising the banking sector. In 2017, Costa Rica ratified the United Nations Convention on Contracts for the International Sale of Goods, aligning national contract rules for cross-border transaction to internationally standardised rules.

Czech Republic

As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. In April 2017, the Regulatory Body for Access to Transport Infrastructure (*Úřad pro přístup k dopravní infrastruktuře*) was established as an independent regulator to oversee access to the rail infrastructure for rail transport operators. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018, providing a comprehensive update on the EU data protection regime.

Denmark

As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018 providing a comprehensive update on the EU data protection regime.

Estonia

As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. In 2017, the duration of stay for intra-corporate transferees was extended from 24 to 36 months, while in 2018 the duration of stays for independent services suppliers was extended from 24 to 60 months. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018 providing a comprehensive update on the EU data protection regime.

European Union

On 19 March 2019, the EU adopted Regulation (EU) No. 2019/452 establishing a framework for the screening of foreign direct investments into the European Union on grounds of security or public order. The Regulation does not establish an EU-wide screening mechanism. Rather, it provides that Member States may maintain, amend or adopt mechanisms to screen foreign direct investment. When doing so, the Regulation establishes certain basic requirements that Member States must follow, including transparency and non-discrimination, protection of confidential information, and judicial review. The Regulation entered into force in April 2019, but its provisions will only apply as of 11 October 2020.

In March 2019, Regulation No. 2017/352 establishing a framework for the provision of port services and common rules on the financial transparency of ports entered into force, harmonising rules related to the provision of port services.

Finland

A major state-owned construction enterprise, Destia, was privatised in 2014. In the distribution sector, shop-opening hours were deregulated and labelling standards were reformed in 2016. As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018, providing a comprehensive update on the EU data protection regime.

France

Since 2015, a transport company established outside of France and seeking to provide cross-border transport services to France must submit a notification to the labour inspectorate where the service will be provided (*déclaration préalable de détachement transnational*). Credit registry with equal access of all lending institutions was recently revoked. As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. SNCM was a major firm in the maritime sector; it ceased activities on 5 January 2016. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018, providing a comprehensive update on the EU data protection regime.

In March 2019, EU-wide requirements on accounting separation entered into force for port authorities in receipt of public funds. That same year, the public procurement regulation was modified to extend the non-discriminatory treatment in the public procurement process to all foreign entities.

Germany

As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018 providing a comprehensive update on the EU data protection regime.

Greece

As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018 providing a comprehensive update on the EU data protection regime.

On 1 September 2019, capital control measures limiting the free outflow of money and foreign exchange transactions were lifted.

Hungary

Since 2015, Hungary applies quotas on work permits for natural persons who do not have an EU nationality and are travelling on a temporary basis to the country. As of 2016, intra-corporate transferees from third countries can stay in Hungary up to 12 months on their initial permit. Also since 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018 providing a comprehensive update on the EU data protection regime. On 1 January 2019, the new *Law on the Control of the Foreign Investments Offending the National Security of Hungary* entered into force. The Law establishes a verification procedure of investors' conformity with national security interests (pre-screening procedure) for specific activities.

Iceland

Temporary capital controls introduced following the financial crisis have been gradually lifted and all remaining controls relevant to services trade were lifted in 2016. Iceland has also reformed its copyright enforcement regime, abolishing a statutory monopoly in copyright management in sound recording, and aligning its regulation of copyright management and subsidies in the film industry with EU Directives. Deregulation of mobile telecommunications services took effect in 2017 and fixed line telecommunications in 2018. However, new restrictions on movement of people were introduced in 2017, limiting access for contractual services providers to education and R&D activities, and introducing an obligation to purchase local health insurance as a condition for obtaining work permits for intra-corporate transferees and independent services providers. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018, providing a comprehensive update on the EU data protection regime.

India

In 2015, India lifted foreign equity limits from 26% to 49% in the insurance sector and foreign branches were permitted in reinsurance. Further investment liberalisation took place in 2016 when foreign equity limits were removed for airport services and cable and satellite broadcasting, and foreign equity limits were eased in civil aviation. Minimum capital requirements for establishing a company were eliminated in most sectors in 2016. However, India introduced an equalization levy of 6% on purchases of advertising services from non-resident companies in 2017. India lifted a number of restrictions on cabotage in maritime transport in 2018.

Since 2018, all payment system operators in India are required to ensure that data related to payment systems operated by them are stored only inside the country.

Indonesia

Indonesia has fully or partially opened several sectors to foreign investment under the 2016 Negative Investment List. These include airfreight transport, logistics services, telecommunications, audio-visual services, architecture and engineering services. Minimum capital requirements were removed in 2016.

In 2017, more favourable conditions for the release of imported goods before determination and payment of duties have benefitted distribution, courier and logistic services. In the same year, Indonesia revoked minimum capital requirements for maritime transport service. However, the Construction Act of 2017 imposed nationality requirements on the management of construction and architecture companies.

As of 2018, the foreign equity limit in accounting firms has been lowered to 20%, from previously 49%. The law also requires one half of all partners to be licensed accountants. Furthermore, technical specifications should now use local products and follow national standards subject to availability in the construction sector, which affects the conditions of competition in public procurement in favour of local providers.

Ireland

As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. In 2016, Ireland has introduced a timeframe of six months within which the Central Bank of Ireland, the sector regulator, must decide on applications for authorisations to provide insurance services. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018 providing a comprehensive update on the EU data protection regime.

Israel

In 2016, the Capital Market, Insurance and Savings Authority, the sector regulator for insurance services, has been made independent from the Ministry of Finance. In commercial banking, the residency requirement for two-thirds of the board members of banks was lifted in 2017. In 2018, conditions affecting foreign ownership of terrestrial broadcasting companies have been eased by raising foreign equity limits to 74% from 49%. Also in 2018, a temporary licencing procedure for foreign architects and engineers was put in place.

Italy

As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. In 2017, Italy has implemented Directive 2014/66/EU regarding intra-corporate transferees from non-EU countries. Accordingly, the maximum stay for intra-corporate transferees was reduced from five to three years. 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.

Japan

In 2017, Japan amended Customs Business Act by removing the economic needs test. Customs brokerage firms are no longer required to place at least one qualified customs specialist in each office. A new data protection law also entered into force in 2017.

Korea

The requirement that foreign investors shall transfer stocks to Korean national(s) within six months in cases where their registration is cancelled was lifted in 2015. Restrictions on internet banking were also lifted. Conversely, a requirement that only licensed architects may establish an architectural firm was introduced. As of March 2019, foreign IT services providers with no office in Korea must designate a local agent responsible for data privacy compliance.

Latvia

As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. As of January 2017, the fixed telecommunication market segment is deregulated following market analyses by the regulator. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018 providing a comprehensive update on the EU data protection regime.

Lithuania

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. Since September 2016, Lithuania no longer applies labour market test for contractual services suppliers staying in the country for less than 12 months. As of June 2017, the market for fixed telephony was deregulated following market analyses by the regulator. In the same year, foreign professionals are no longer required to take a local examination in order to become a licensed auditor in Lithuania. Up to 28 November 2017, at least one person of the administration of a company providing banking services had to live in Lithuania; this requirement has been lifted. By adoption of Law No. XIII-885 in 2018, State funding is no longer available for foreign films. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018, providing a comprehensive update on the EU data protection regime.

Luxembourg

Since December 2015, the approval to establish a branch may be refused if reciprocity for Luxembourg companies is not ensured by national law. As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018, providing a comprehensive update on the EU data protection regime.

Mexico

In recent years, Mexico has passed a series of reforms, including, *inter alia*, a new telecommunications and broadcasting law, and a new financial law. The telecommunications reform eased foreign participation in the mobile and fixed-line services segments of the sector. It also introduced a new independent regulator, with exclusive authority over the sector and new sanctioning powers, and a series of pro-competitive measures challenging the dominant position of incumbent firms. The financial reform aimed to strengthen prudential regulation, increase credit penetration and promote competition. As a result, foreign financial institutions can now open branches in Mexico to provide insurance services. Although this possibility is still subject to government authorisation, and granted on the basis of reciprocity, it nevertheless increases certainty and clarity on the regulatory environment applied to insurance services. In 2015, Mexico established an independent rail regulatory agency. In 2017, it rolled back the foreign equity restrictions on domestic air transport services; foreign ownership of air companies is now permitted up to 49%.

As of June 2019, Mexico reduced the *de minimis* threshold for which no duties are imposed on imports up to USD 50 (and down from USD 300). This policy change will affect business operations in the distribution, logistics and courier services sectors.

Malaysia

Malaysia has eased foreign investment conditions in services in recent years, including in telecommunications, professional, distribution and courier services. In 2015, the Registration of Engineers (Amendment) Regulations entered into force, allowing full foreign ownership in engineering firms.

Netherlands

As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. The divestment of ASR Nederland N.V., previously a state-owned insurance provider, was completed in September 2017. Also in 2017, the Government's share in ABN AMRO Group N.V. was reduced to 56% (from 63%). In October 2018, a law was introduced to strengthen protection on trade secrets. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018 providing a comprehensive update on the EU data protection regime.

New Zealand

In May 2015, the Companies Act 1993 was amended to require all companies to have at least one director domiciled in New Zealand or an "enforcement country" (currently Australia only). A temporary ban on the parallel importation of films for commercial sale for a period of five months from the film's international release ended on 31 October 2016. The Trade Single Window (TSW) was deployed in April 2017, including the introduction of a system for pre-arrival processing of shipments.

Norway

Courier services were liberalised in 2016 with the adoption of the EU postal directive. In telecommunications, fixed line origin was deregulated in 2016. However, as from the same year only EEA operators benefit from regulated termination rates in fixed and mobile markets. In 2017, pro-competitive regulations overseen by an independent regulator were introduced in the rail freight sector and an independent appeal body was established under competition law. In 2018, the government sold all its shares in Scandinavian Airlines. A new law on copyright protection entered into force in 2018, which improved the protection of rights holders. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018, providing a comprehensive update on the EU data protection regime.

As of 1 January 2019, a new investment screening mechanism has been in effect. It covers investments in certain companies whose activities are essential to national security interests, including national financial stability and autonomy. The screening mechanism applies to direct or indirect acquisitions of one-third or more of the share capital, assets, or voting rights or transactions that would enable the acquirer to exercise significant control over the company. Investments that impose a “not insignificant” risk to national security interests may be blocked or subjected to further conditions.

Poland

As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013.

In 2018, Poland introduced a new Act Governing the Business Operations of Foreign Enterprises and other Foreign Persons on the Territory of the Republic of Poland. The Act improves the regulatory environment for entrepreneurs by uniting previously dispersed provisions in one law and eliminating legal uncertainties. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018 providing a comprehensive update on the EU data protection regime. Poland introduced quotas for natural persons seeking to provide services in the country on a temporary basis as intra-corporate transferees, contractual services suppliers and independent services suppliers.

In 2018, Poland also introduced an investment screening mechanism; the law on the control of certain investments requires investors to obtain prior approval from the competent minister before acquiring shares of Polish companies operating in strategic sectors.

Portugal

A liberalisation measure in the architecture services sector in 2015 repealed a reciprocity requirement for admission to the Portuguese Order of Architects, which is a prerequisite to practice in Portugal. At the same time, however, a similar reciprocity requirement was introduced in the Order of Portuguese Engineers and the Order of Portuguese Technical Engineers. As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. A reform implemented in 2017 extends the duration of the visa for contractual services suppliers and independent services suppliers on their first entry permit from four to twelve months. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018, providing a comprehensive update on the EU data protection regime.

Russian Federation

In 2015, a new legal requirement came into force requiring that certain personal data collected in the Russian Federation be stored on local servers. Regulation on number portability entered into force. In 2016, the Russian Federation introduced limitations on foreigners' participation in the total authorised capital of credit institutions and lowered the threshold for foreign equity allowed in broadcasting companies.

Since 2017, the cross-border transfer of money or funds from the Russian Federation is prohibited to countries where the Russian Federation payment systems are not recognized, including Russian electronic payment systems. As from 2019, foreign payment service providers are banned from providing electronic means of payment to resident customers.

Slovak Republic

In courier services, a dispute settlement mechanism, under the auspices of the regulatory authority, was introduced in 2016. The same year, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. As of 2018, in Accounting, the Slovak Republic eased its procedures for recognition of qualifications gained in third Countries. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018, providing a comprehensive update on the EU data protection regime.

Slovenia

Slovenia adopted a new Collective Management of Copyright and Related Rights Act in 2016, in which conditions for membership in a collective copyright management body are based on objective, transparent and non-discriminatory rules. The same year, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. As of 2018, intra-corporate transferees from third countries can stay in Slovenia up to 36 months on their initial permit. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018 providing a comprehensive update on the EU data protection regime.

South Africa

The Protection of Investment Act entered into force in 2018 stipulating new restrictions on foreign investments in South Africa. As of 2018, foreign insurance companies can establish branches in the country and insurance providers shall appoint a resident person as its public officer.

Spain

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. Parts of the telecommunications market were deregulated in 2017 following market analyses by the regulator. On 25 May 2018, the new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force, providing a comprehensive update of the EU data protection regime.

Sweden

As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. 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 No. 2016/679) entered into force on 25 May 2018, providing a comprehensive update on the EU data protection regime.

Switzerland

In 2019, the import monopoly on ethanol over 80% was abolished, easing restrictions on foreign entry in distribution services.

Thailand

As of 2017, publicly controlled firms are not exempted from the general competition law. In May 2019, the Personal Data Protection Act was adopted. Prior to this Act, no significant regulation existed on cross-border data flows in Thailand. The Act established a comprehensive framework for data protection and establishes rules and safeguards for cross-border data flows.

Turkey

In 2015, Turkey adopted a regulation implementing the 2013 Law on Liberalisation of the Turkish Rail Transport. The new regulation paved the way for operationalising the reforms prepared for the rail transport sector. Also in 2015, all entities providing e-payment and e-money services are granted a license provided they meet certain requirements, including having their operations located in Turkey through a commercial presence (in the form of a joint-stock company). In 2016, Turkey adopted a new law on the protection of personal data.

In the commercial banking sector, the length of term of heads of the supervisory authority was reduced from five to four years in 2018. In 2019, a new regulation concerning radio, television and on-demand broadcasting services introduced several restrictions to downloading and streaming that affect cross-border trade in broadcasting services as well as motion pictures services. Online media service providers, including on-demand services providers, must obtain a new license for online broadcasting and are required to establish in Turkey in accordance with the provisions of the Turkish Commercial Code. In addition, in telecommunications a regulation that entered into force in 2019 obliges communication service providers to set up internet exchange points in Turkey.

United Kingdom

As of 2016, revised conditions, including on economic needs, apply to authorisations for the operation of storage facilities for the customs warehousing of goods pursuant to Regulation (EU) No. 952/2013. As of 2017, under the new Immigration Skills Charge Regulations, a sponsor must pay a charge to the Secretary of State in the amount of GBP 1 000 per year each time it assigns a certificate of sponsorship to a non-EEA skilled worker (Tier 2). Small employers pay a lower amount of GBP 364 per year and certain exemptions may be granted. The new EU General Data Protection Regulation (Regulation No. 2016/679) entered into force on 25 May 2018 providing a comprehensive update on the EU data protection regime.

United States

Since 2016, foreign attorneys can obtain a temporary authorisation to practice law in New York. As of July 2016, foreign banks with USD 50 billion or more in US assets must form a US intermediate holding company (IHC) to act as the parent company of all of the foreign bank's US subsidiaries. Also in 2016, the threshold for *de minimis* regime on customs duties for imported merchandise has been raised to USD 800.

The Foreign Investment Risk Review Modernization Act of 2018 (FIRRMA) was signed into law on 13 August 2018 and expands the jurisdiction of the Committee on Foreign Investment in the United States (CFIUS) to address growing national security concerns over foreign exploitation of certain investment structures which traditionally have fallen outside of CFIUS jurisdiction. Additionally, FIRRMA modernises CFIUS's processes to better enable timely and effective reviews of covered transactions.

Annex B. STRI indices by sector

The Digital Network

Figure B.1. Telecommunications services, 2019

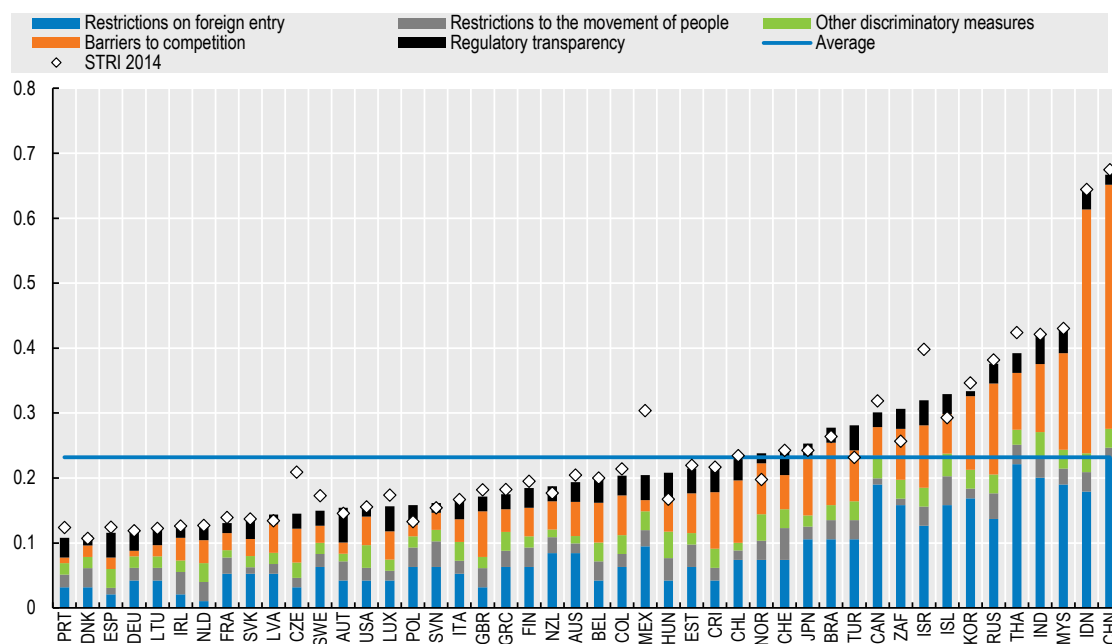


Figure B.2. Television and broadcasting services, 2019

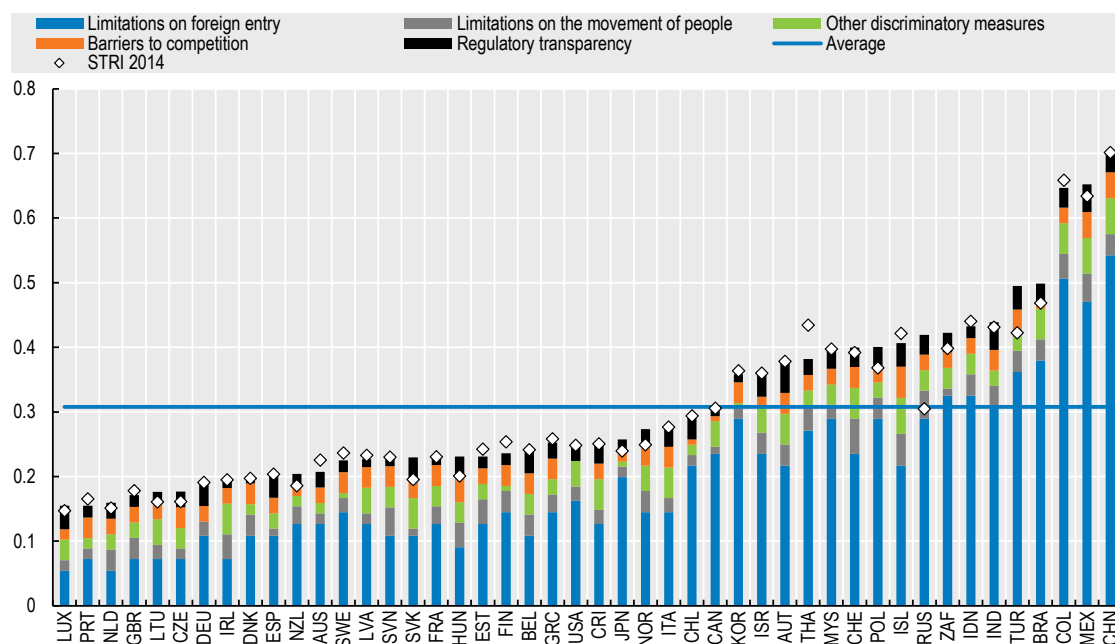


Figure B.3. Motion pictures services, 2019

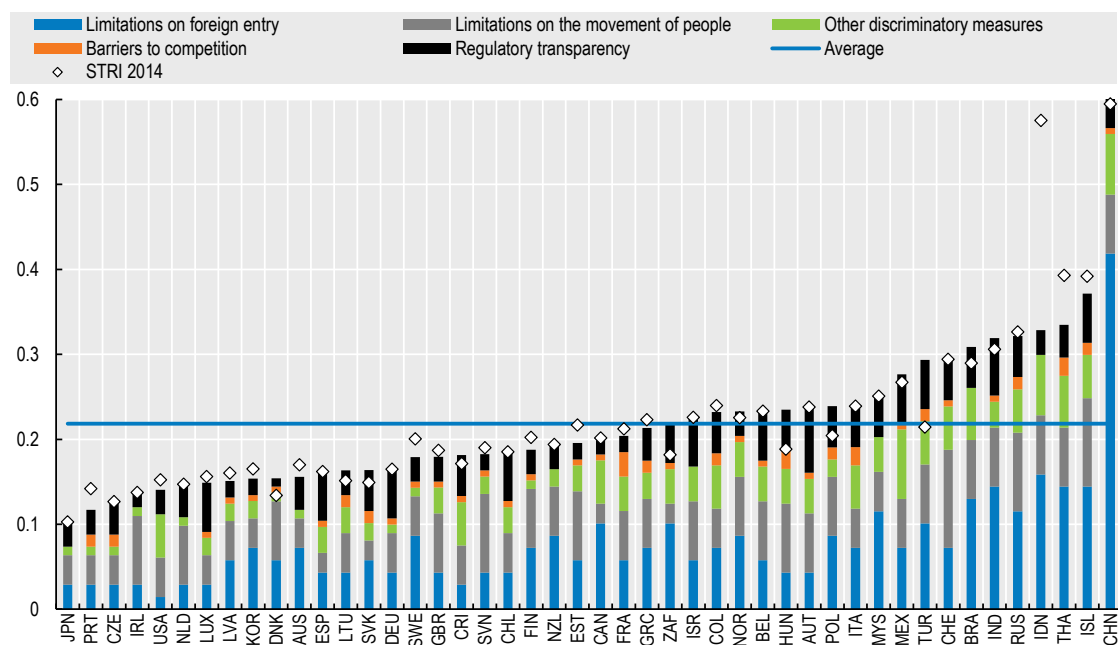


Figure B.4. Sound recording services, 2019

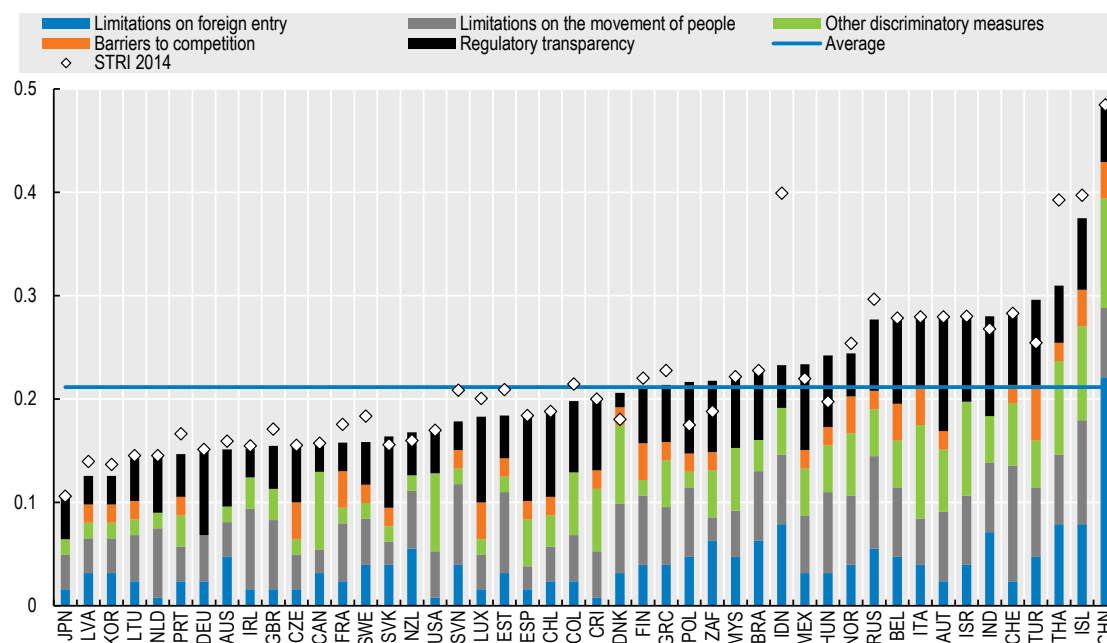
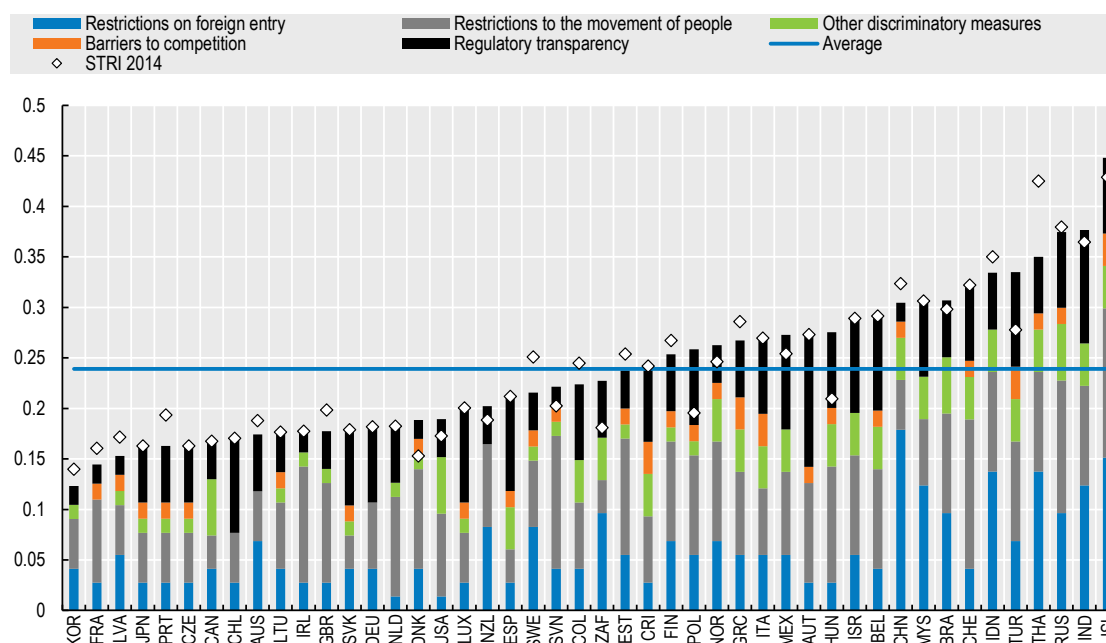


Figure B.5. Computer services, 2019



The Transport and Distribution Supply Chain

Figure B.6. Air transport services, 2019

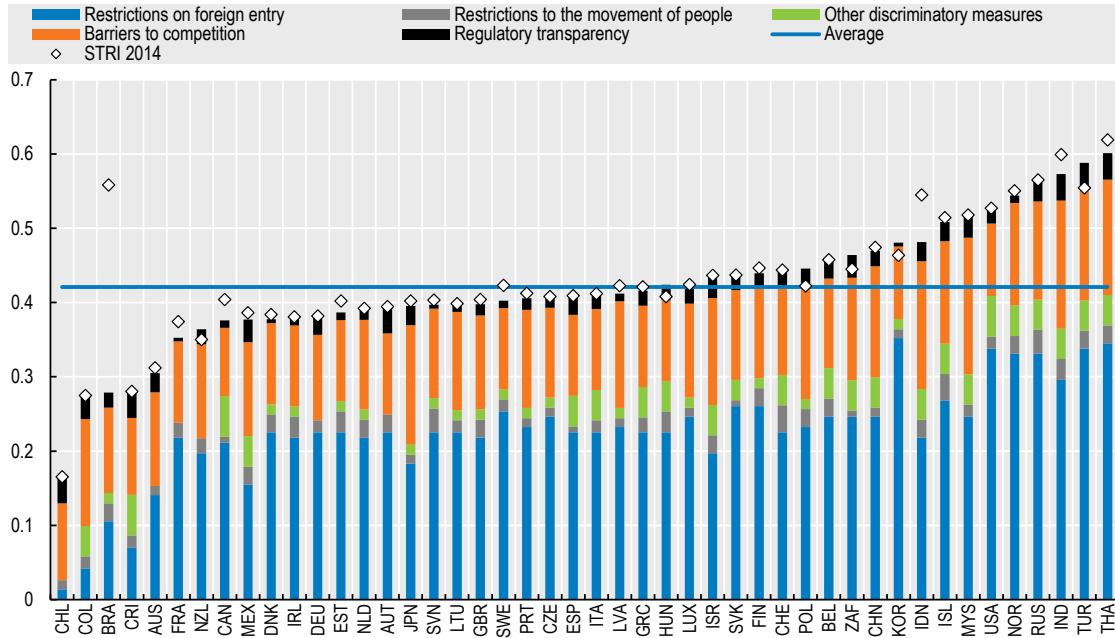


Figure B.7. Maritime transport services, 2019

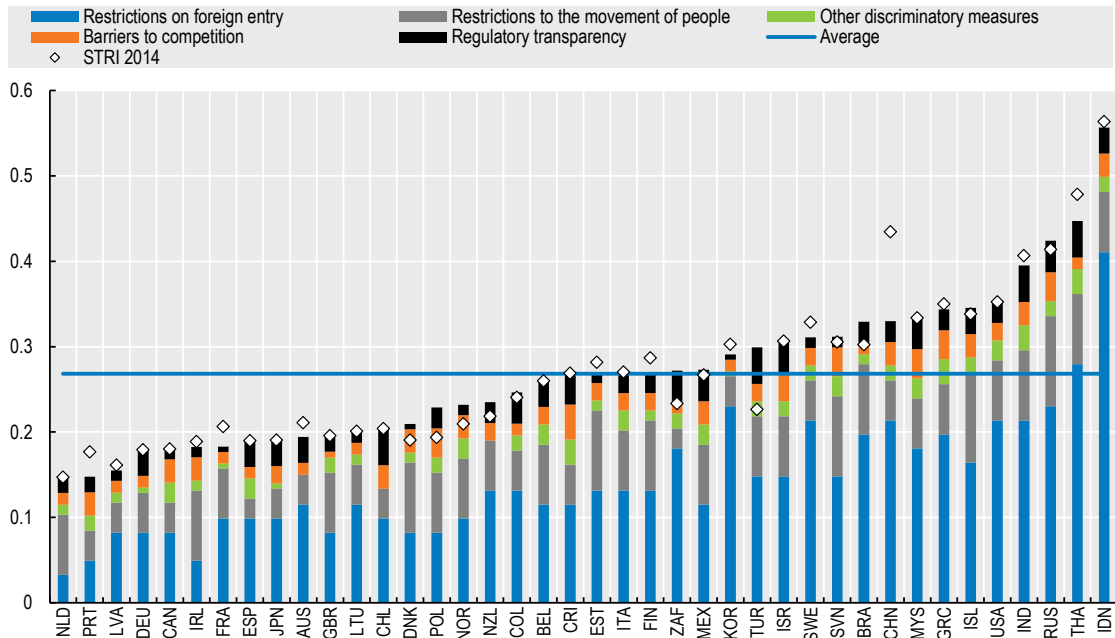


Figure B.8. Rail freight transport services, 2019

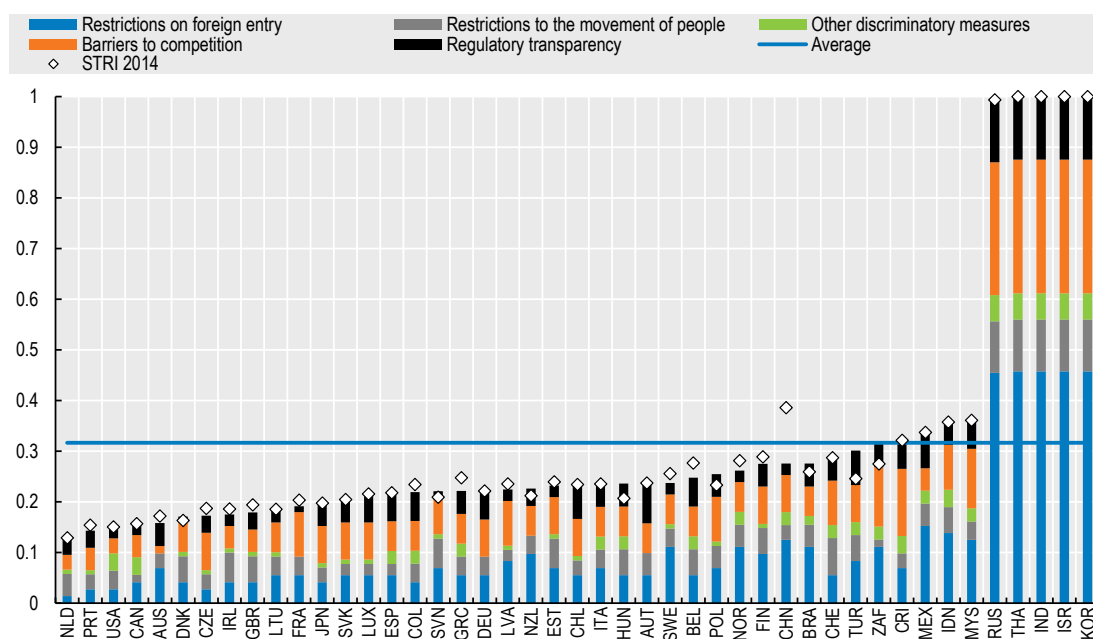


Figure B.9. Road freight transport services, 2019

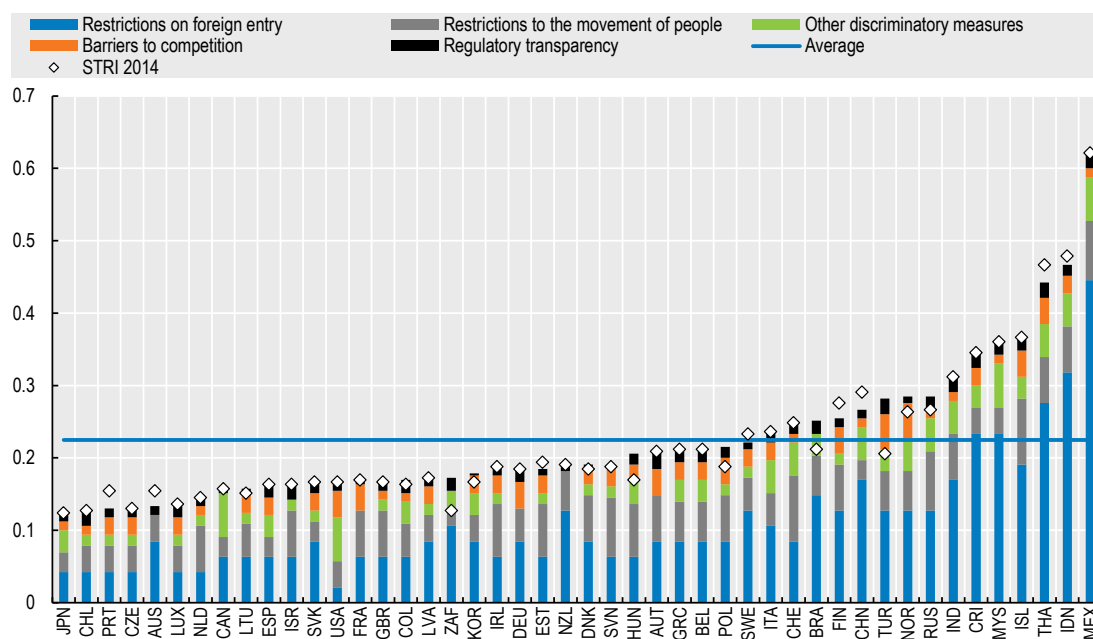


Figure B.10. Courier services, 2019

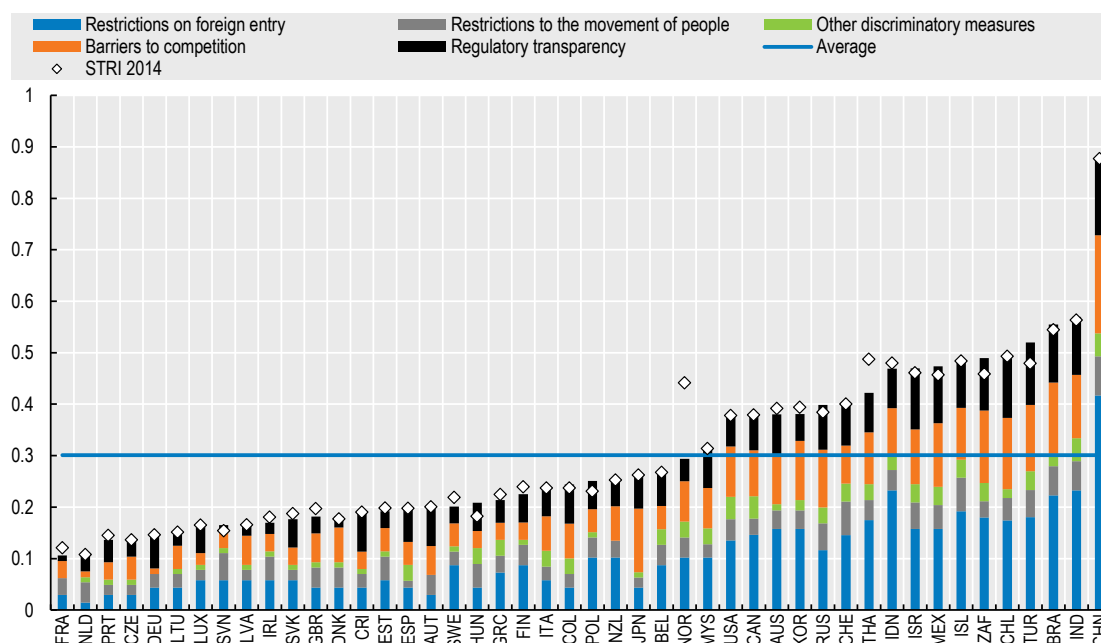


Figure B.11. Distribution services, 2019

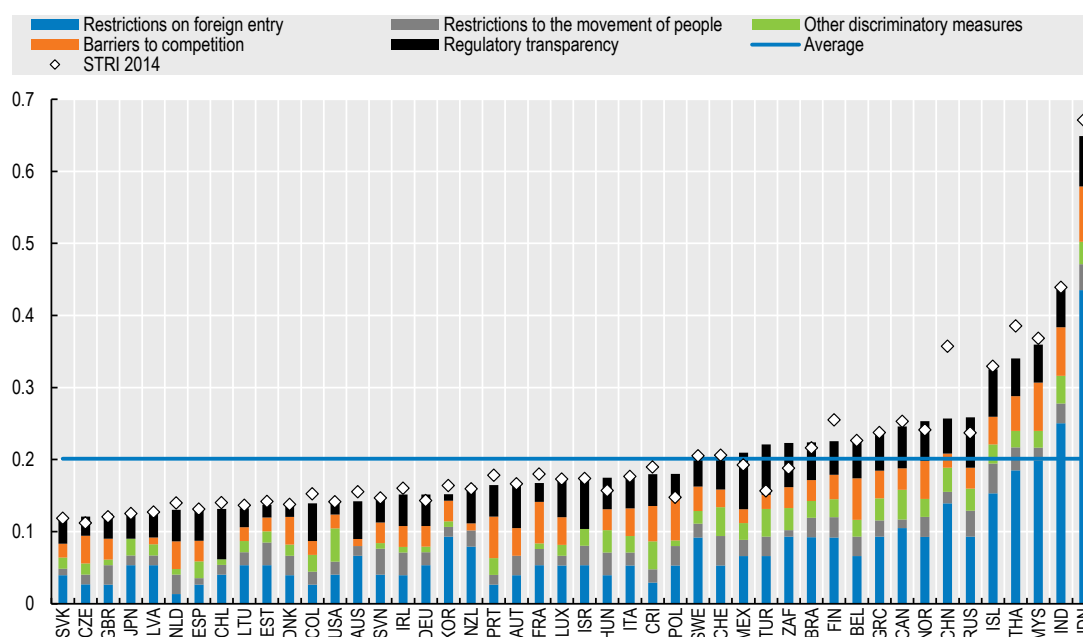


Figure B.12. Logistics cargo-handling services, 2019

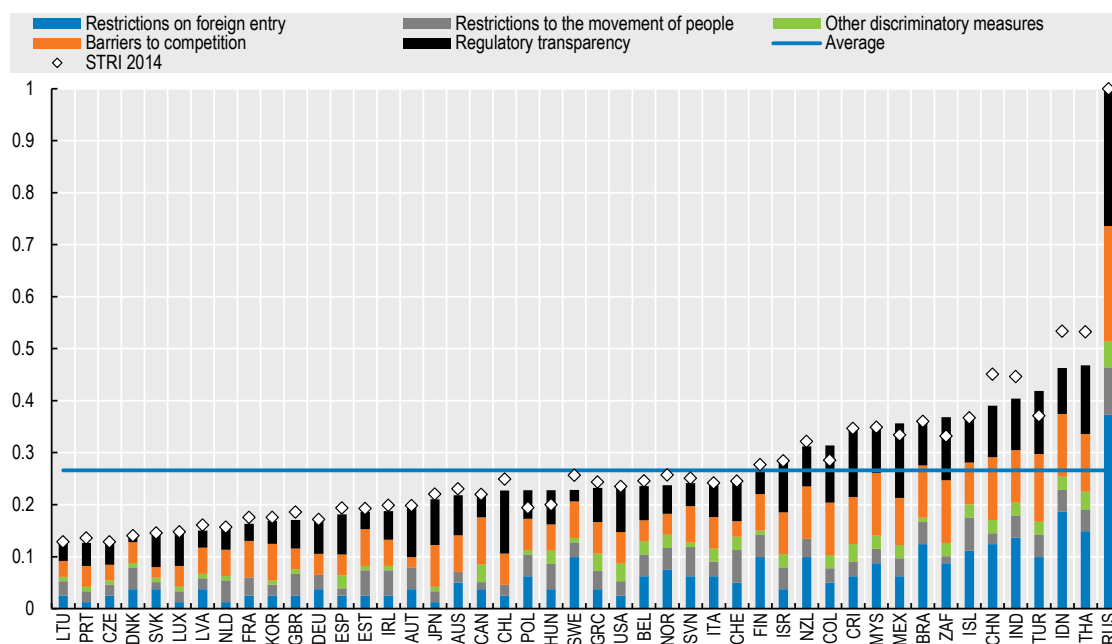


Figure B.13. Logistics storage and warehouse services, 2019

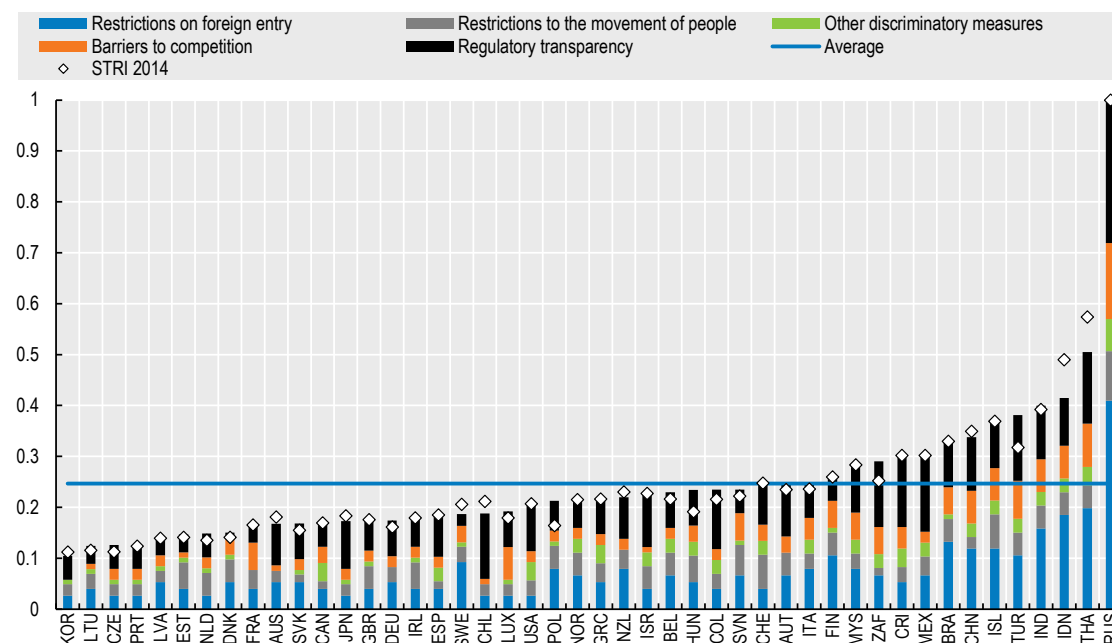


Figure B.14. Logistics freight forwarding services, 2019

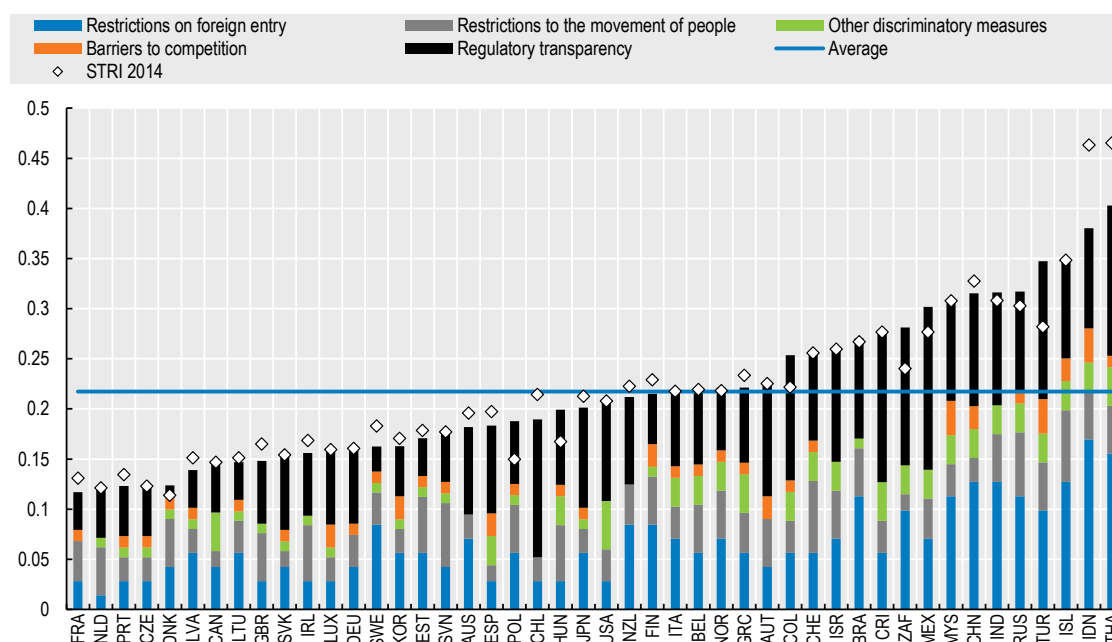
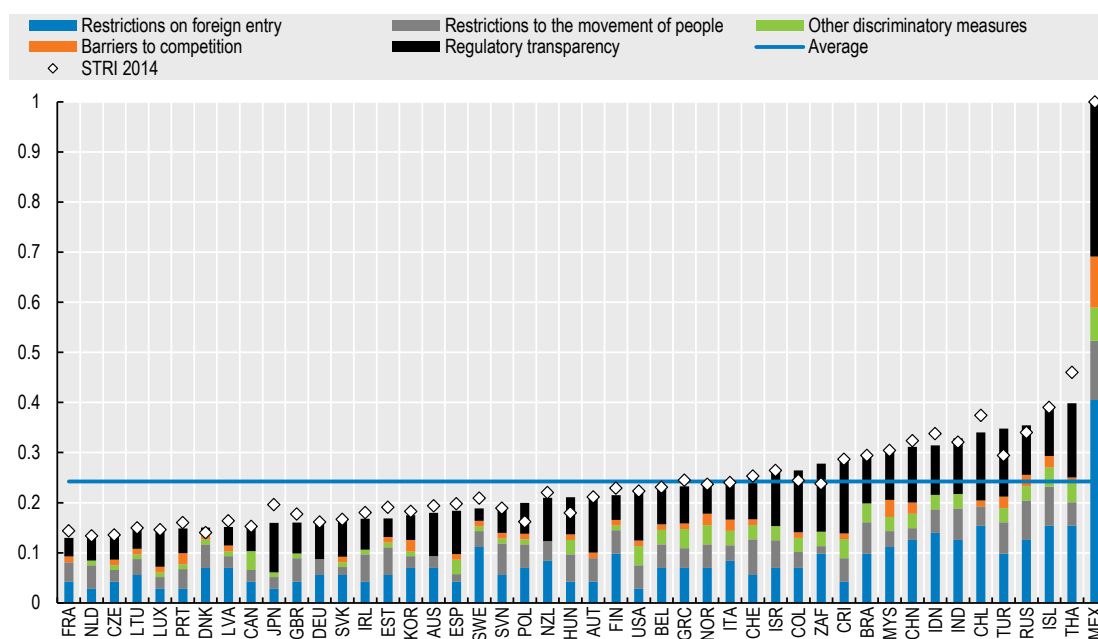


Figure B.15. Logistics customs brokerage services, 2019



Market Bridging and Supporting Services

Figure B.16. Commercial banking services, 2019

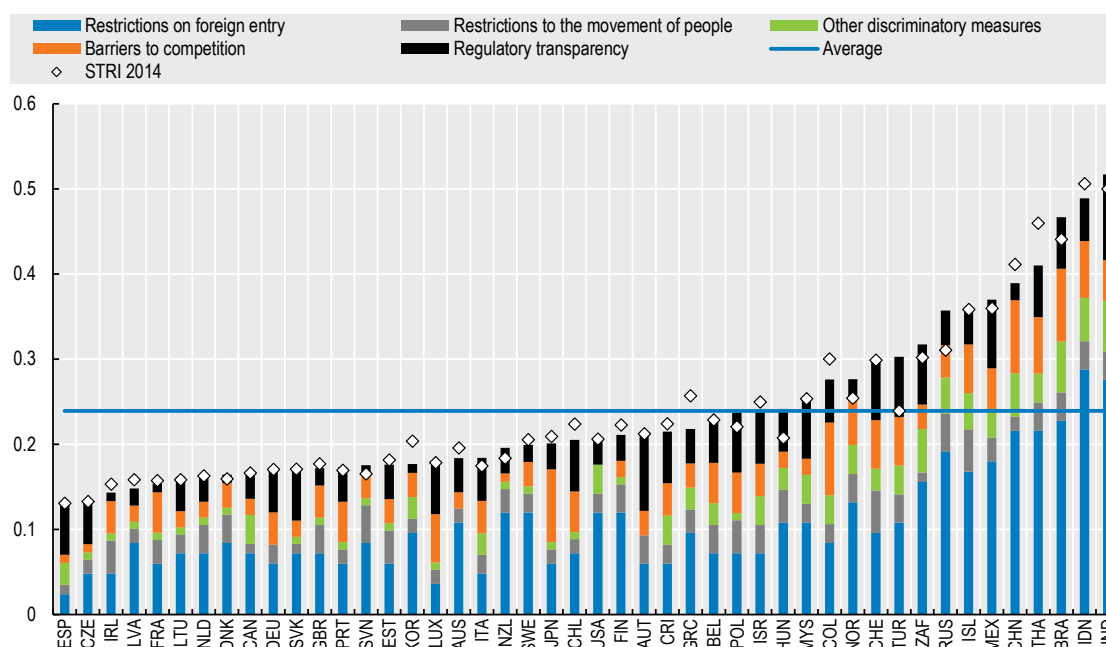


Figure B.17. Insurance services, 2019

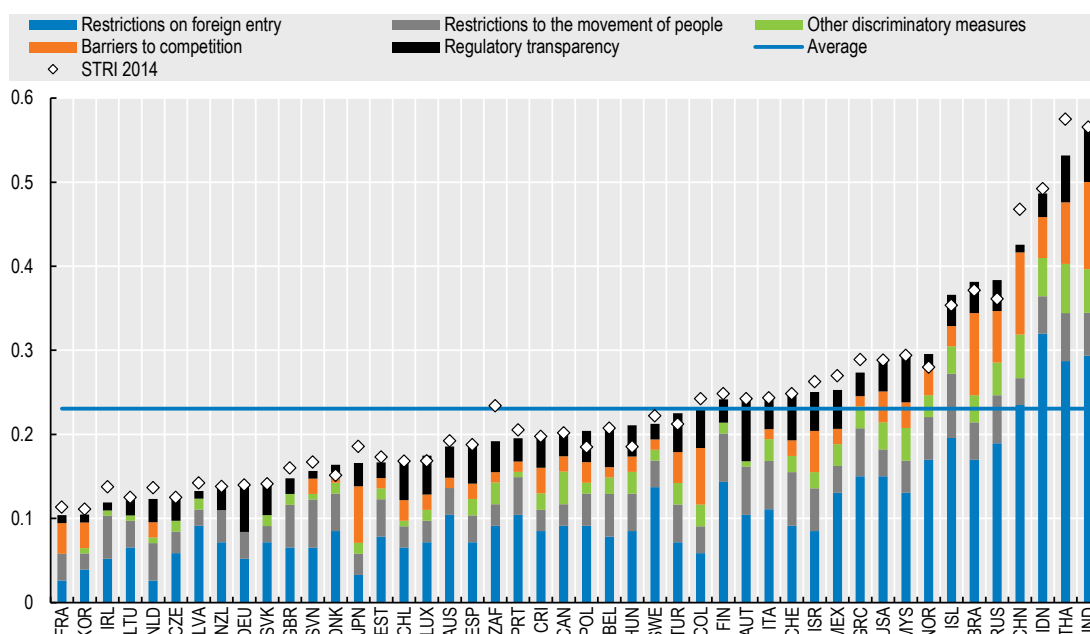


Figure B.18. Legal services, 2019

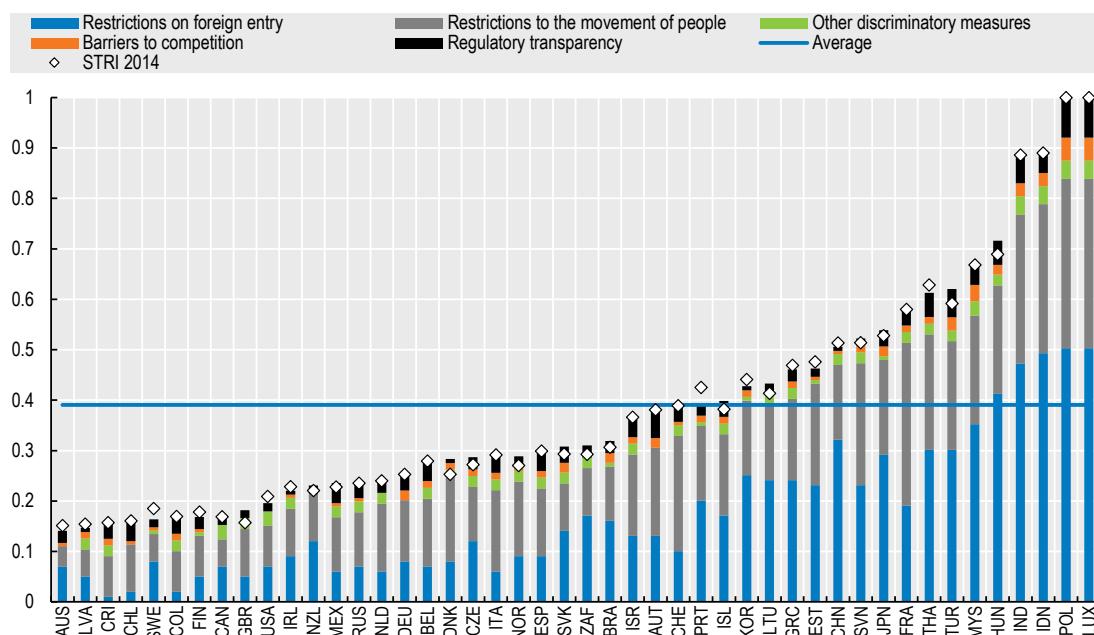
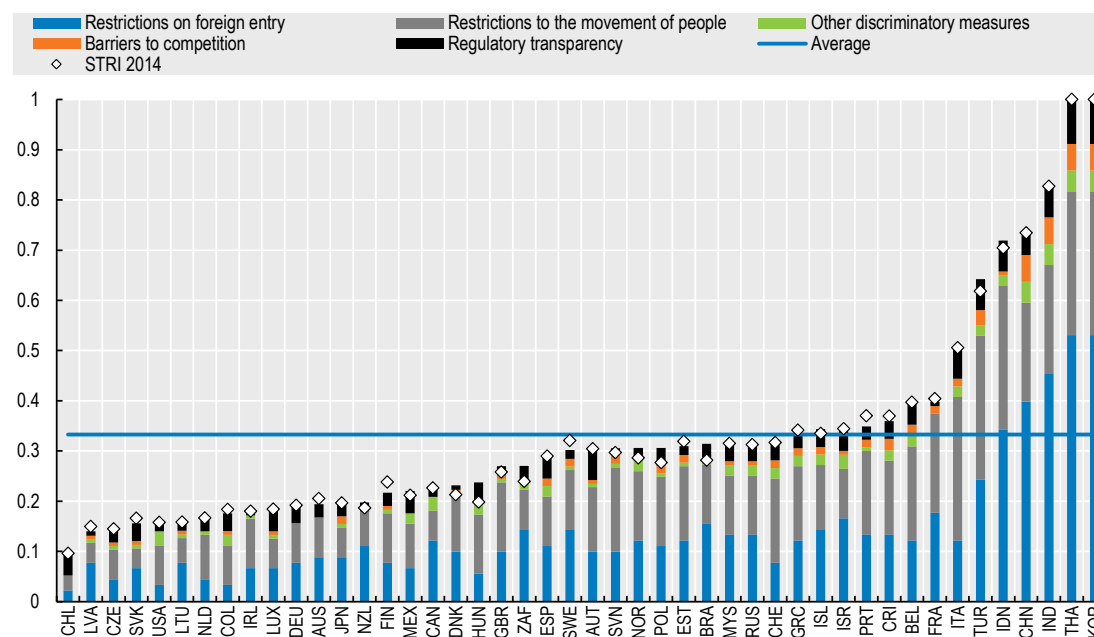


Figure B.19. Accounting and auditing services, 2019



Physical Infrastructures Services

Figure B.20. Construction services, 2019

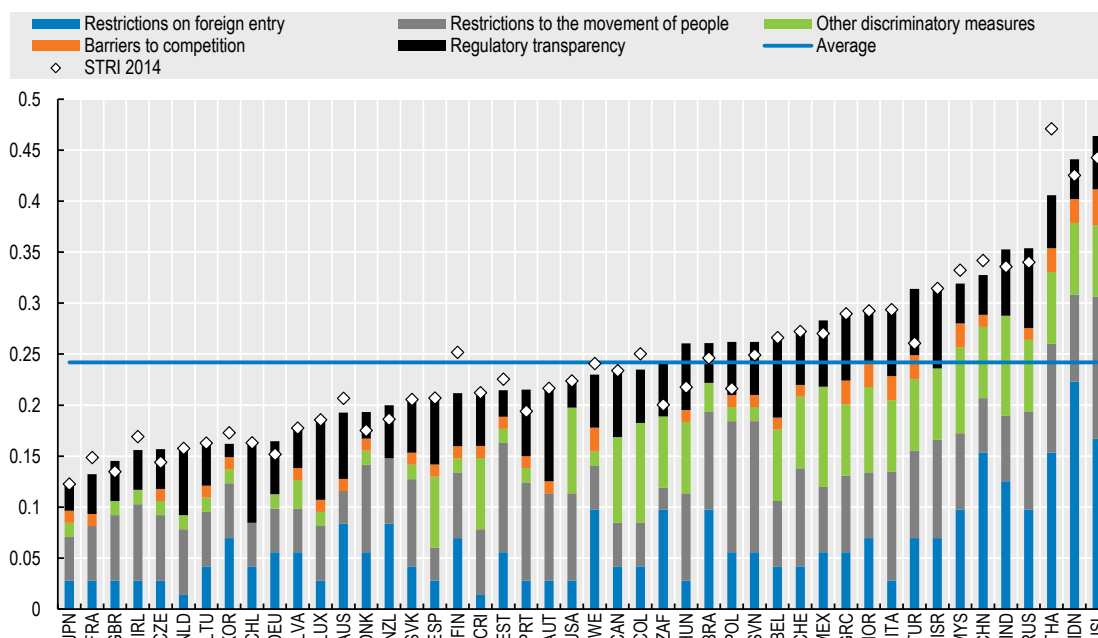


Figure B.21. Architecture services, 2019

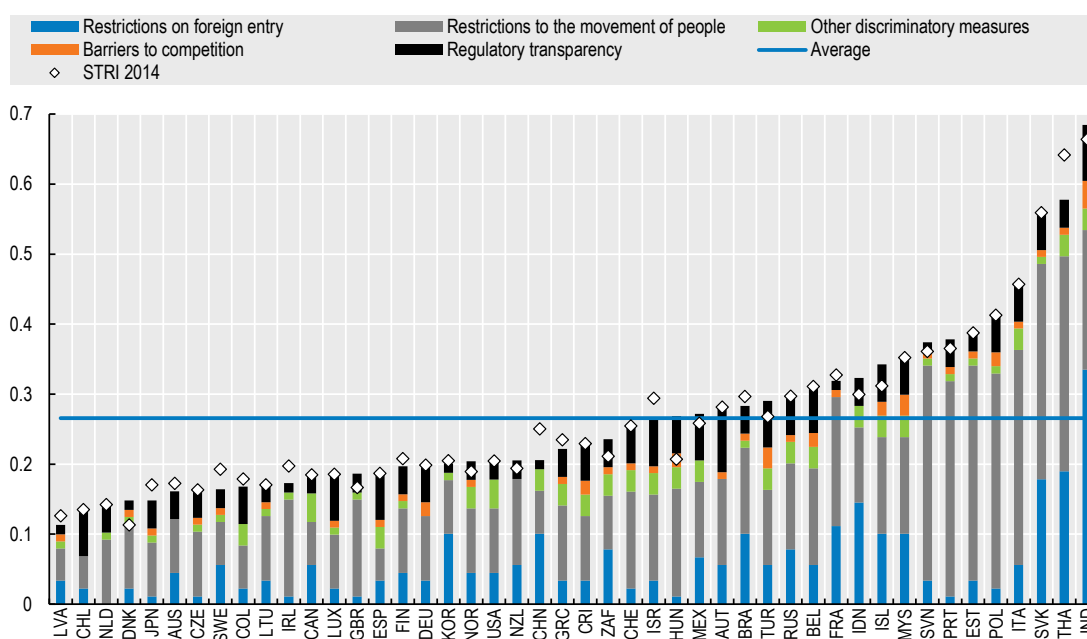
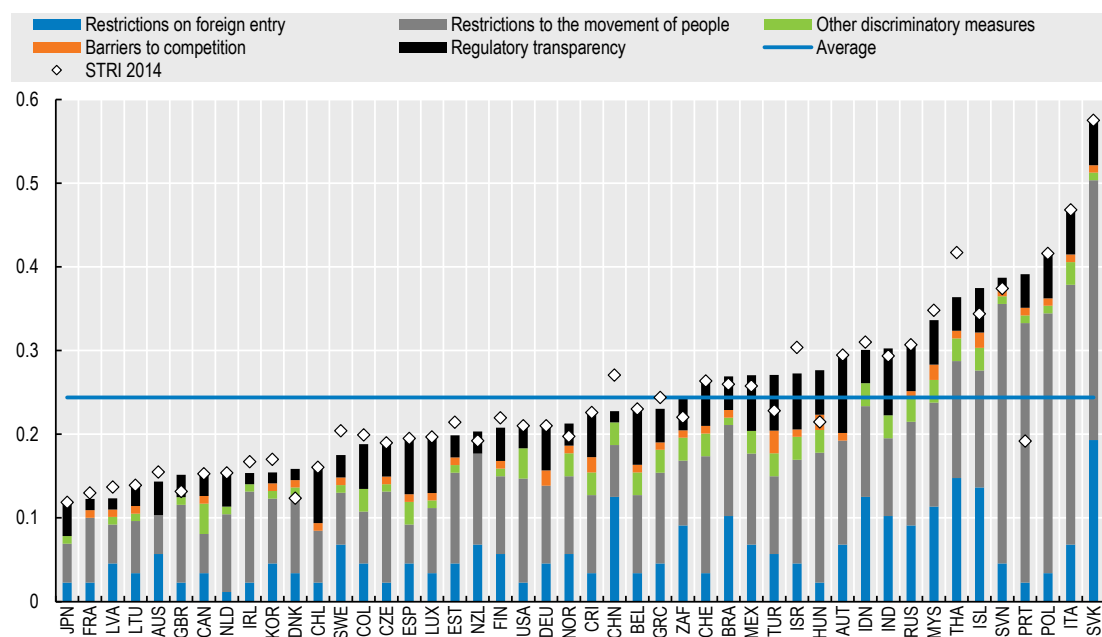
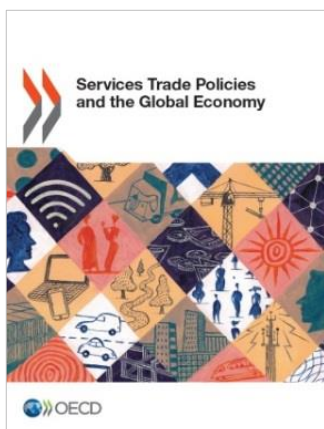


Figure B.22. Engineering services, 2019



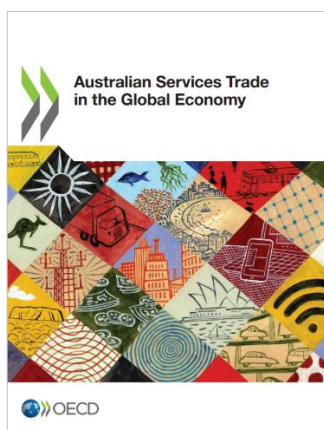
Annex C. Supplementary information



The STRI analytical findings, presented in *Services Trade Policies and the Global Economy*, demonstrate the potential gains from strategic regulatory reforms such as:

- Scaling back restrictions on foreign entry and barriers to the movement of professionals that discriminate against foreign services providers.
- Adopting strategic reforms across a spectrum of trade, investment and competition policies to facilitate trade in services.
- Targeting bottlenecks in transportation and logistics services to reduce trade costs.

Available at <https://doi.org/10.1787/9789264275232-en>



This book presents an in-depth analysis of the contribution of services to the Australian economy, the regulatory environment of the services sector and its performance in an international context.

The analysis highlights the importance of co-ordinated domestic policy action, priorities for promoting behind-the-border regulatory reforms in strategic international markets, and the benefits of an ambitious bilateral, plurilateral and multilateral trade policy agenda that contributes to rules-based certainty and predictability in services trade globally.

Available at <https://doi.org/10.1787/9789264303911-en>

STRI online tools

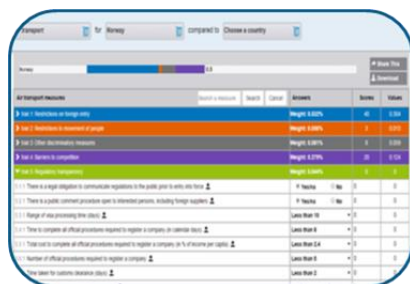
The STRI webpage (<http://oe.cd/stri>) is a single window to the STRI regulatory database, interactive tools such as Compare Your Country and Policy Simulator, methodological notes, and links to analytical OECD Trade Policy Papers on services trade.

Compare your country (<http://oe.cd/stri-cyc>)



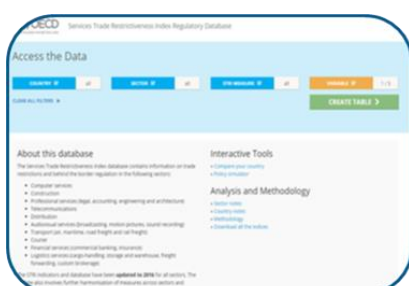
This interactive website can be used to compare services trade restrictiveness across 22 sectors in 45 OECD countries and partner economies. Key economic indicators are projected onto a world map to give a comparative view of the importance of services in the countries covered by the STRI.

Policy simulator (<http://sim.oecd.org/>)



The policy simulator provides all STRI information by country and by sector. It can be used to understand how the STRI indices are calculated, to analyse the contribution of each policy measure to the index, to compare countries in detail, and to simulate the impact of a policy change on the index value. Simulations can be saved and shared with other users, and the relevant data can be downloaded.

Online STRI regulatory database (<http://oe.cd/stri-db>)



The online STRI regulatory database displays complete and up-to-date regulatory information collected for the sector composite indices. This qualitative database contains information on trade restrictions and behind-the-border regulations in the 22 STRI services sectors. The database entries are documented with reference to the sources (title and articles of the relevant law), with an internet link to each legal source.

STRI Composite Indices on OECD.Stat (<http://oe.cd/stri-stat>)



The STRI indices are easily accessed and extracted from OECD.Stat (under the heading: Industry and Services, subheading: Services Trade Restrictions). In addition to the five policy areas, the indices are presented by four additional classifications: GATS market access/national treatment and domestic regulation/other, GATS modes of supply, Discriminatory versus non-discriminatory measures, Firm's establishment versus on-going operations. The indices of regulatory heterogeneity based on the same information included in the STRI regulatory database are also available under this section.

STRI mobile application (available for iOS and Android devices)



This mobile application features an integrated policy simulator function with downloadable data for offline use. Built-in quick links guide users to other STRI tools and materials. The application is available on Apple's App Store and Google Play Store.

