

# Services Trade Restrictiveness Index: Computer services

## Key findings

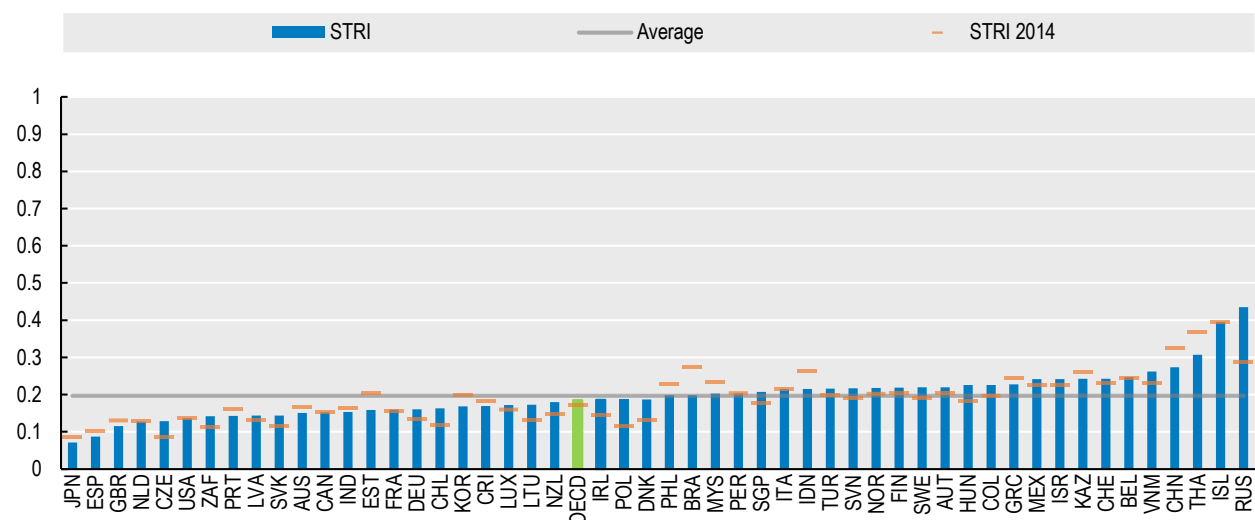
- The average 2024 STRI in the computer services sector is 0.20 out of a maximum of 1 (most trade restricted) indicating a relatively low overall level of restrictiveness. However, individual country scores diverge considerably, ranging between 0.07 and 0.43.
- The best performing countries in the sector are Japan, Spain and the United Kingdom. Most reforms in 2024 were recorded in Greece.
- In this sector, barriers related to restrictions to the movement of people are the most prominent in OECD economies, amounting to 36% of all restrictions. In non-OECD economies, restrictions on foreign entry are relatively more prominent, representing 44% of all restrictions.
- OECD estimates suggest that halving the distance to best practice in this sector is associated with a reduction in the costs of cross-border trade in computer services between 7% and 14% for the average country included in the STRI database.

Computer services are defined as computer programming, consultancy and related activities and information service activities (ISIC Rev 4 code 62 and 63). Major exporters are the European Union, India and the United States. The importance of computer services has grown significantly in the past decades driving the development of a data-driven global economy. Computer services are mainly traded business to business. Supply of services across borders are prominent in this sector, especially as the quality of the communication infrastructure improves worldwide. Nonetheless, cross-border supplies are often complemented with technical expertise for installation, use and maintenance requiring travel for computer engineers and other technical experts.

The 2024 STRIs in the computer services sector range between 0.07 and 0.43, with a sample average of 0.20 (Figure 1). There are 25 countries below and 26 countries above the average. The best performing countries in the sector are Japan, Spain and the United Kingdom.

Several countries introduced regulatory changes affecting the STRIs in 2024 and more so since 2014 (Figure 2). In 2024, the STRIs in this sector saw the biggest policy changes in Australia (11%), Singapore (8%), and Greece (-11%). Since 2014, on the one hand, countries that have had the strongest restrictive trends in the computer services sector include Poland (62%), the Russian Federation (51%) and Czechia (49%). On the other hand, strong liberalisation has taken place in Japan (-18%), Estonia (-23%), and Brazil (-28%).

Figure 1. STRI in computer services, 2024



Source: OECD (2024). STRI database.

Figure 2. Change in the last year and since 2014, by country



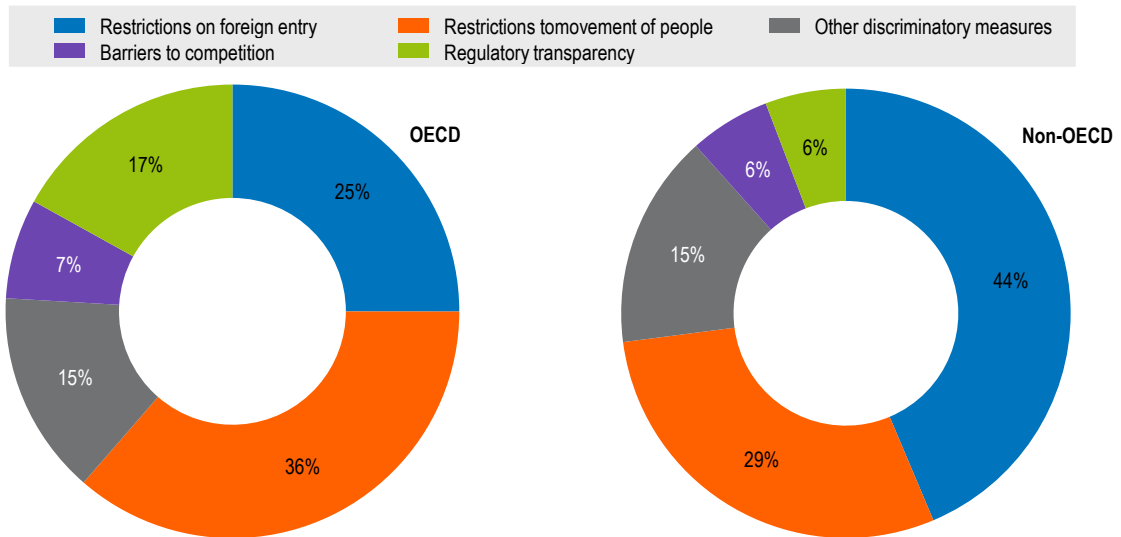
Note: Selection criteria for Panel A was based on largest absolute changes since 2023. Panel B selection show the three largest increases, and the three largest decreases in the STRI since 2014.

Source: OECD (2024). STRI database.

The measures in the STRI database are organised under five policy areas (Figure 3). Restrictions on foreign entry include barriers related to establishing and operating companies such as foreign equity limits or requirements on board of directors and cross-border data flows. Restrictions on the movement of people cover barriers that affect the temporary entry of foreign services providers through quotas, labour market tests and short durations of stay. Other discriminatory measures include discrimination of foreign services suppliers as far as taxes, subsidies and public procurement are concerned. Barriers to competition include information on anti-trust policy, government ownership of major firms and the extent to which government-owned enterprises are exempt from competition laws. Regulatory transparency includes information on consultations and dissemination prior to laws and regulations entering into force. It also records information on obtaining a license or a visa.

In the computer services sector, barriers related to restrictions to the movement of people are the most prominent in OECD economies, amounting to 36% of all restrictions. In non-OECD economies, restrictions on foreign entry are relatively more prominent, representing 44% of all restrictions, compared to 29% in restrictions to the movement of people.

**Figure 3. STRI for computer services by policy areas in OECD and non-OECD economies, 2024**



Source: OECD (2024). STRI database.

There are no countries that are fully closed to trade in this sector.

Table 1 lists the most relevant restrictions identified in each policy area. Under restrictions on foreign entry, common impediments to trade relate to screening requirements for foreign investments, acquisition and use of land and real estate, local presence requirements, residency requirements for board members, and data localisation requirements. 37 out of the 51 countries covered maintain foreign investment screening mechanisms applying to computer services that do not explicitly rule out the consideration of economic motives or interests. In 35 countries, discriminatory treatment applies against foreign firms regarding the acquisition and use of land and real estate for commercial and residential purposes.

Computer services can easily be traded across borders through electronic networks. However, cross-border trade needs to be supported by visits to the premises of the customer, both through business travel for technical support and for longer visits to work with clients, for instance on organisational reforms to maximise the benefit of new software. Restrictions to the movement of people, however, remain a significant impediment in this sector. 33 countries have a relatively short duration of initial work or residency permits for contractual services suppliers, and the entry of contractual services suppliers and intra-corporate transferees is conditional on labour market testing or similar economic

considerations in 38 and 35 countries, respectively. A license to practice for professionals in this sector (e.g. computer engineers) is required in 11 countries.

Under other discriminatory measures, barriers related to accessing public procurement markets for foreign tenderers remain the most common challenge. Barriers to competition do not appear widespread in computer services. Apart from general requirements related to minimum capital for new companies in 30 countries, eight countries record state owned enterprises among the major services suppliers in the sector and five apply stringent conditions on advertising. Under barriers related to regulatory transparency, lengthy and complex regulatory procedures related to obtaining a business visa contribute to the index for many countries. In addition, the public consultation process for new legislative instruments falls short of best practice in nine countries.

**Table 1. Top 5 most relevant measures by policy area, 2024**

Policy area	Measure	Countries having a restriction <sup>1</sup>
Restrictions on foreign entry	Screening exists without exclusion of economic interests	37
	Acquisition and use of land and real estate by foreigners is restricted	35
	Local presence is required for cross-border supply	20
	Board of directors: at least one must be resident	16
	Certain data must be stored locally	12
Restrictions to movement of people	Labour market tests or similar economic considerations: contractual services suppliers	38
	Labour market tests or similar economic considerations: intra-corporate transferees	35
	Limitation on duration of stay for contractual services suppliers	33
	Memo: Licence or authorisation is required to practice	11
	Other restrictions to movement of people	7
Other discriminatory measures	Public procurement: Procurement regulation explicitly prohibits discrimination of foreign suppliers	43
	Access to the procurement market is conditional on reciprocity	30
	Public procurement: The procurement process affects the conditions of competition in favour of local firms	24
	Public procurement: Explicit preferences for local suppliers	21
	Memo: The procurement process below the value thresholds affects the conditions of competition in favour of local firms	21
Barriers to competition	Minimum capital requirements	30
	National, state or provincial government control at least one major firm in the sector	8
	Restrictions on advertising	5
	Prices or fees are regulated	1
	Publicly-controlled firms are exempted from the application of the general competition law	1
Regulatory transparency	Memo: Licensing and authorization fees are transparent	50
	Memo: Participation in the WTO Reference Paper on Services Domestic Regulation	46
	Range of visa processing time	32
	Number of documents needed to obtain a business visa	28
	There is an adequate public comment procedure open to interested persons, including foreign suppliers	9

Note: The count for “memo” type of measures, which are not scored in the STRI, indicates the number of positive answers recorded for that measure across the 51 countries covered. The topmost relevant measures are selected on the basis of the following criteria: (1) most restricted horizontal measures (i.e. same answer across sectors), (2) most restricted sector-specific measures, (3) key measures or (4) memos affecting the score of other measures through hierarchy rules.

Source: OECD STRI database (2024).

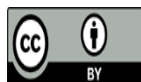
## More information

- » Access all country notes, sector notes, and interactive STRI tools at [oe.cd/servicestrade](https://oe.cd/servicestrade).
- » Read more on evidence from ten years of monitoring services trade policies through the STRI in [Revitalising Services Trade for Global Growth](#).
- » Learn more about current services trade issues on the [OECD website](#).
- » Calculation based on: Benz, S. and A. Jaax (2020), "The costs of regulatory barriers to trade in services: New estimates of *ad valorem* tariff equivalents", *OECD Trade Policy Papers*, No. 238, OECD Publishing, Paris, <https://doi.org/10.1787/bae97f98-en>
- » Contact the OECD Trade and Agriculture Directorate with your questions at [stri.contact@oecd.org](mailto:stri.contact@oecd.org).

This work is published under the responsibility of the OECD Working Party of the Trade Committee and was prepared for publication by the OECD Secretariat.

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 made public by 31 October 2024 and in force on 31 December 2024. The STRI regulatory database covers the 38 OECD Members, Brazil, China, India, Indonesia, Kazakhstan, Malaysia, Peru, the Philippines, the Russian Federation, 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

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