

Services Trade Restrictiveness Index: Logistics freight forwarding services

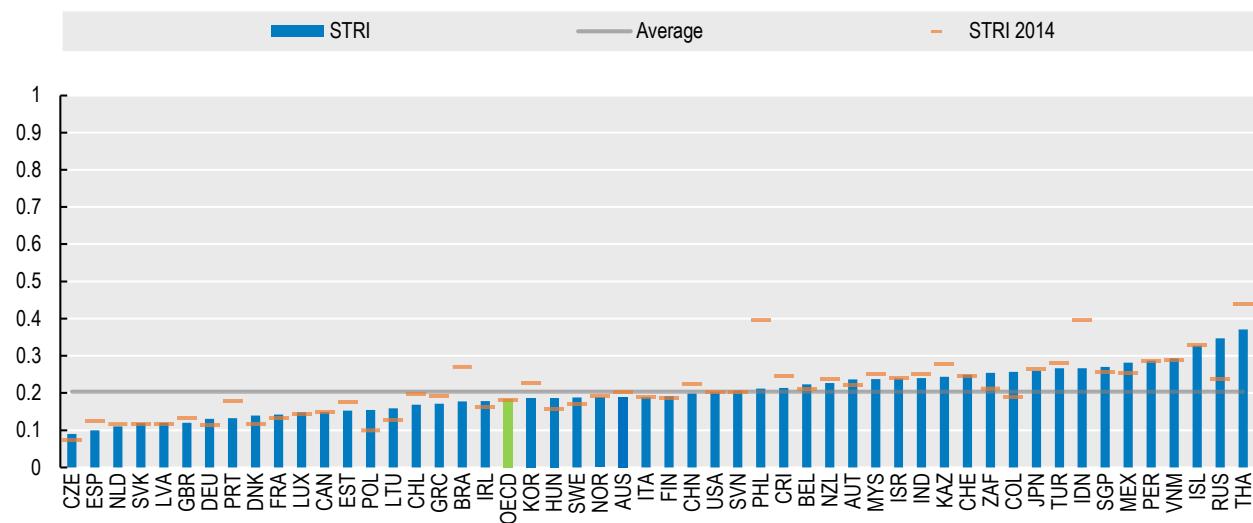
Key findings

- The average 2024 STRI in the logistics freight forwarding 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 0.09 and 0.37.
- The best performing countries in the sector are Czechia, Spain and the Netherlands. Most reforms in 2024 were recorded in Greece.
- In this sector, barriers related to regulatory transparency are most prominent in OECD economies and amount to 35% of all restrictions, whereas in non-OECD economies, restrictions on foreign entry are most prominent and amount to 37% of all restrictions.

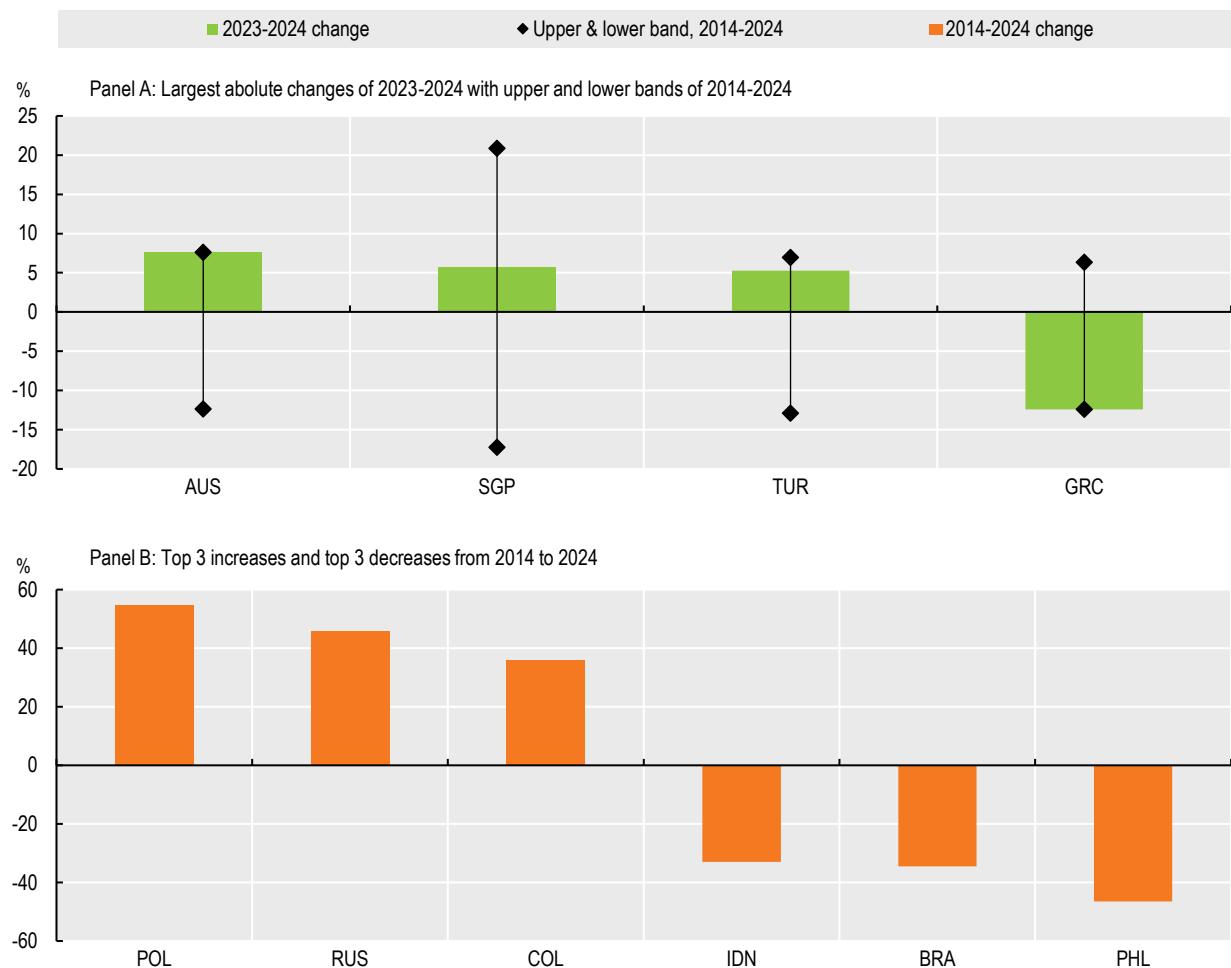
Logistics services in the STRI are defined as cargo-handling services (ISIC 5224), storage and warehousing services (including customs warehouse services) (ISIC 5210), freight transport agency services and customs brokerage services (ISIC 5229). Since the regulatory framework for these four sub-sectors can be different in many countries, separate indices are developed for each of them.

The 2024 STRIs in the logistics freight forwarding sector range between 0.09 and 0.37, with a sample average of 0.20 (Figure 1). There are 28 countries below and 23 countries above the average. The best performing countries in the sector are Czechia, Spain and the Netherlands.

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 (8%), Singapore (6%), Türkiye (5%), and Greece (-12%). Since 2014, on the one hand, countries that have had the strongest restrictive trends in the logistics freight forwarding services sector include Poland (55%), the Russian Federation (46%) and Colombia (36%). On the other hand, strong liberalisation has taken place in Indonesia (-33%), Brazil (-35%), and Philippines (-46%).

Figure 1. STRI in logistics freight forwarding services, 2024

Source: OECD (2024). STRI database.

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

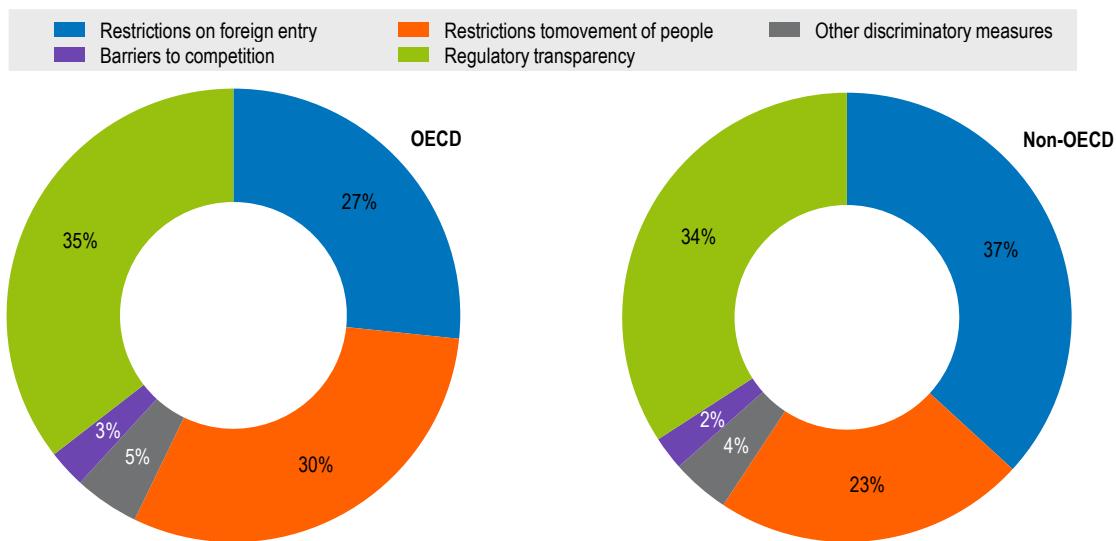
Note: Selection criteria for Panel A was based on largest absolute changes since 2023. Panel B selection shows the three largest increases and the three largest decreases in the STRI since 2014.

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 logistics freight forwarding sector, barriers related to regulatory transparency are most prominent in OECD economies and amount to 35% of all restrictions, whereas in non-OECD economies, restrictions on foreign entry are most prominent and amount to 37% of all restrictions.

Figure 3. STRI for logistics freight forwarding 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 local presence requirements for cross-border service provision, acquisition and use of land and real estate, and screening requirements for foreign investments. 33 out of the 51 countries covered maintain foreign investment screening mechanisms that do not explicitly rule out the consideration of economic motives or interests, up from 29 countries in 2023. A licence or authorisation is required to enter the market in 29 countries.

Restrictions to the movement of people are relatively common across the board. Temporary cross-border movement of contractual services suppliers, intra-corporate transferees, and independent services suppliers is conditional on labour market testing or similar economic considerations in many countries. The initial work or residency permits for contractual services suppliers and independent services suppliers also often have a relatively short duration.

Other discriminatory measures and barriers to competition do not appear widespread in logistics freight forwarding. Under other discriminatory measures, barriers related to accessing public procurement markets for foreign tenderers remain the most common challenge. Minimum capital requirements are the most common barrier to competition.

Restrictions related to regulatory transparency, however, are significant in the sector. The most common restrictions in this area relate to the temporary entry/transit of crew. 40 countries do not have visa on arrival or visa exemption for the temporary entry/transit of truck drivers, whereas 17 countries do not offer either option for aircrew. In addition, in 29 countries, individual licences or registration are required for warehousing, freight forwarding, and customs brokerage services, thereby limiting the ability of providers to integrate their activities.

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

Policy area	Measure	Countries having a restriction ¹
Restrictions on foreign entry	Acquisition and use of land and real estate by foreigners is restricted	35
	Screening exists without exclusion of economic interests	33
	Memo: Licence/authorisation is required to enter the market	29
	Local presence is required for cross-border supply	18
	Board of directors: at least one must be resident	17
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
	Labour market tests or similar economic considerations: independent services suppliers	35
	Limitation on duration of stay for contractual services suppliers (months)	34
	Limitation on duration of stay for independent services suppliers (months)	32
Other discriminatory measures	Public procurement: Procurement regulation explicitly prohibits discrimination of foreign suppliers	44
	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
	National standards on transport packages deviate from international standards	2
Barriers to competition	Minimum capital requirements	35
	National, state or provincial government control at least one major firm in the sector	12
	Restrictions on advertising	5
	Prices or fees are regulated	2
	Publicly-controlled firms are exempted from the application of the general competition law	1
Regulatory transparency	Visas on arrival or visa exemption are available for temporary entry/transit of crew: truck drivers	40
	Memo: Applications in electronic format are accepted	36
	Range of visa processing time (days)	32
	Individual licensing/registration requirements are imposed on warehousing, freight forwarding and customs brokerage services	29
	Visas on arrival or visa exemption are available for temporary entry/transit of crew: aircrew	17

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.
- » Read more on evidence from ten years of monitoring services trade policies through the STRI in [Revitalising Services Trade for Global Growth](#).
- » 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>
- » Learn more about current services trade issues on the [OECD website](#).
- » Contact the OECD Trade and Agriculture Directorate with your questions at stri.contact@oecd.org.

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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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