

OECD Trade and Agriculture Directorate

STRI Country Notes 2015

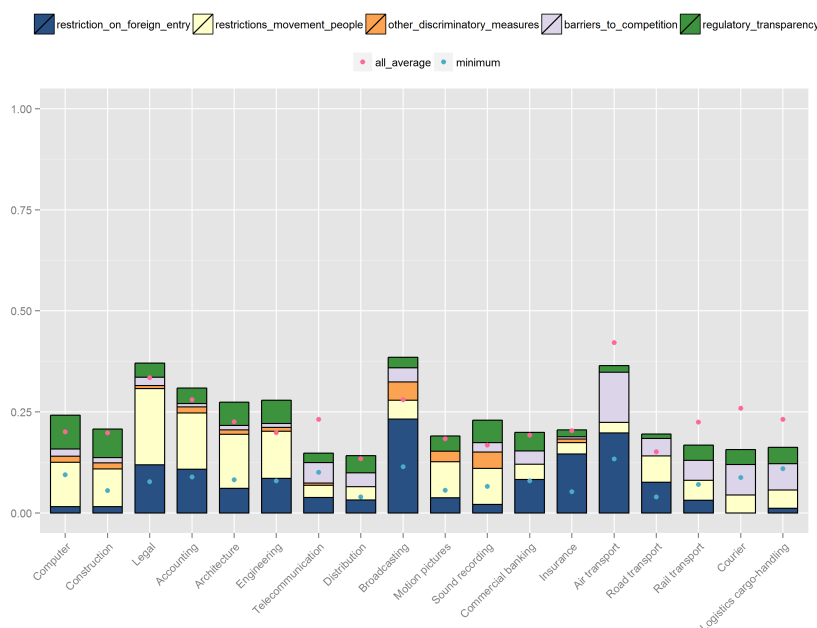


1

OECD Services Trade Restrictiveness Index (STRI): Austria

Austria exported services worth USD 67.0 billion and its services import value was USD 53.2 billion in 2014. Travel is Austria's largest services exports and the largest services imports category is transportation services. Austria's score on the STRI index in the 22 sectors is shown below, along with the average and the lowest score among the 42 countries included in the STRI database for each sector.

1.1 STRI by sector and policy area, 2015



Austria has a higher score than average on the STRI in 13 out of 21 sectors (maritime transport is excluded for landlocked countries). A general regulation that contributes to the STRI in all sectors is economic needs tests for temporary services providers who may stay in the country for up to 12 months on their first entry permit while certain types of intra-corporate transferees, such as senior level persons in charge of supervision or direction, are exempted from such labour market tests. There are no legal requirements for public comments procedures open to interested person including foreign suppliers obligations to consult with stakeholders during the preparation of laws and regulations at the federal level although it is a common practice to have such consultation procedures. Acquisition of land or real estate by foreigners is subject to authorisation.

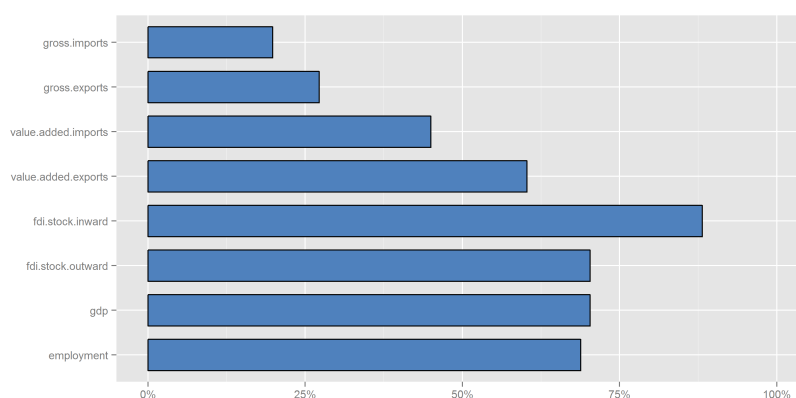
1.2 The sectors with the lowest STRI scores

Logistics freight forwarding, Distribution and Logistics customs brokerage are the three sectors with the lowest STRI scores. In the logistics sectors, air crew and seaman are exempt from visa requirements while truck drivers are not. Distribution services consist of wholesale and retail trade. Only a couple of sector-specific regulations in this sector are recorded under barriers to competition, such as including restrictions on opening hours.

1.3 The sectors with the highest STRI scores

The sectors with the highest STRI scores are Broadcasting, Legal and Air transport. In broadcasting, Austria employs foreign equity restrictions. Austria requires that the majority of the shares in broadcasters must be owned by Austrian or EEA nationals. Eligibility for some subsidies for audio-visual work is restricted to productions with significant Austrian participation. The EU Audio-visual Media services directive requires that broadcasters reserve at least half of transmission time for European works. Austria's score in broadcasting is substantially higher than the average for this sector.

1.4 Efficient services sectors matter



Services account for 27% of Austria's gross exports, but 60% of value-added exports, indicating that Austria's exports of goods rely intensively on services inputs. Cost effective state of the art services are therefore of utmost importance for the competitiveness of the Austrian industrial sector. The services share of inward investment is relatively high in Austria. The STRI profile suggests that Austria can further improve efficiency by focusing on those sectors, such as professional services, that are essential inputs to other goods and services providers such as professional services. Services account for 69% of employment, which implies that earnings and aggregate demand depends crucially on productivity in the services sector.

1.5 More information

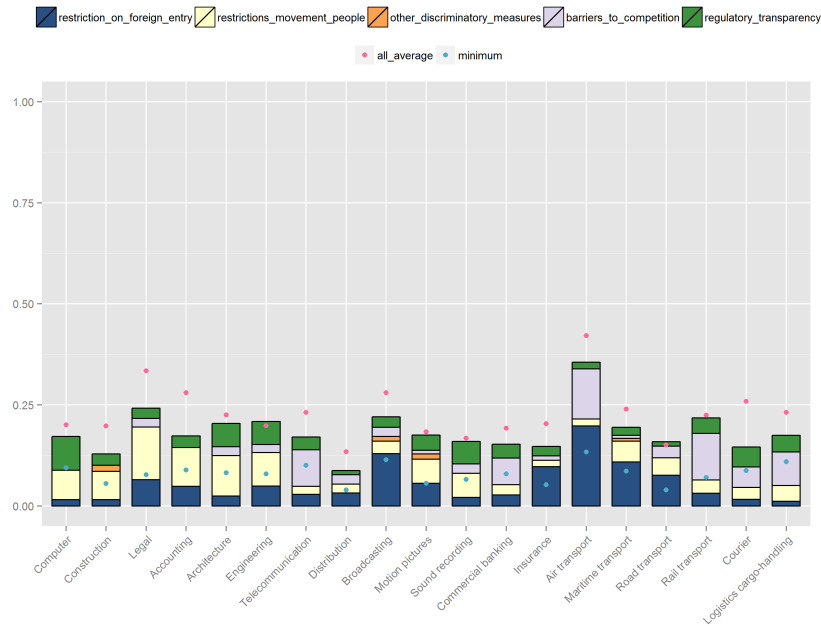
- Access all of the country notes, sector notes and interactive STRI tools on the OECD website at <http://oe.cd/stri> (<http://oe.cd/stri>)
- Contact the OECD Trade and Agriculture Directorate with your questions at stri.contact@oecd.org (<mailto:stri.contact@oecd.org>) (<mailto:stri.contact@oecd.org>)

2

OECD Services Trade Restrictiveness Index (STRI): Germany

Germany exported services worth USD 277.7 billion and its services import value was USD 329.6 billion in 2014. Business services are Germany's largest services exports and the largest service imports category is travel. Germany's score on the STRI index in the 21 sectors is shown below, along with the average and the lowest score among the 42 countries included in the STRI database for each sector.

2.1 STRI by sector and policy area, 2015



Germany has a higher score than average on the STRI in 2 out of 22 sectors (maritime transport is excluded for landlocked countries). A general regulation that contributes to the STRI in all sectors is restrictions on temporary movement of people. Germany applies labour market tests to independent services suppliers. Temporary movement of contractual services suppliers is also restricted. Some groups of temporary services suppliers may be allowed to remain in the country up to 36 months on their first entry permit, while others may stay for only 3 months. There is at least one major state-owned enterprise in banking, broadcasting, courier, motion pictures, rail freight and road freight transport services.

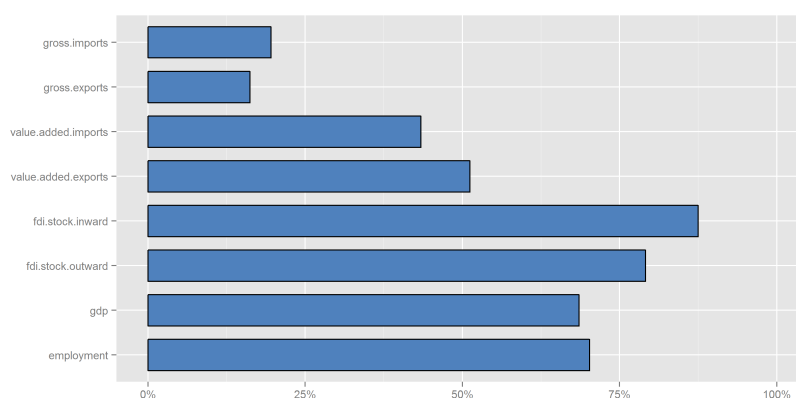
2.2 The sectors with the lowest STRI scores

Distribution, Logistics freight forwarding and Logistics customs brokerage are the three sectors with the lowest STRI scores. Distribution services consist of wholesale and retail trade. Only a couple of sector-specific regulations are recorded under barriers to competition, such as restrictions to opening hours. In the logistics sectors, air crew and seaman are exempt from visa requirements while truck drivers are not. Moreover, they cannot obtain multiple entry visas. Another restriction in the freight forwarding sector comes from the fact that a major freight transport service provider is controlled by the national government.

2.3 The sectors with the highest STRI scores

The sectors with the highest STRI scores are Air transport, Legal and Broadcasting. Air transport is the only service sector in which Germany employs foreign equity restrictions. Air carrier alliances are partly exempted from anti-trust legislation and a couple of other barriers to competition contribute to the index. It is noted that air transport takes the highest average STRI score among the 18 sectors included, and Germany scores below the average.

2.4 Efficient services sectors matter



Services account for 16% of Germany's gross exports, but 51% of value-added exports, indicating that Germany's exports of goods rely intensively on services inputs. Cost effective state of the art services are therefore of utmost importance for the competitiveness of the German industrial sector. Germany has a largely open economy to trade in services, and this is supported by the fact that the services share of inward investment is relatively high in Germany. Germany could further improve the efficiency of its economy by prioritising reforms that enhance competition in services markets, particularly by focusing on the remaining horizontal measures that affect all types of services and the few sectors where a higher STRI is observed.

2.5 More information

- Access all of the country notes, sector notes and interactive STRI tools on the OECD website at <http://oe.cd/stri> (<http://oe.cd/stri>)
- Contact the OECD Trade and Agriculture Directorate with your questions at stri.contact@oecd.org (<mailto:stri.contact@oecd.org>) (<mailto:stri.contact@oecd.org>)