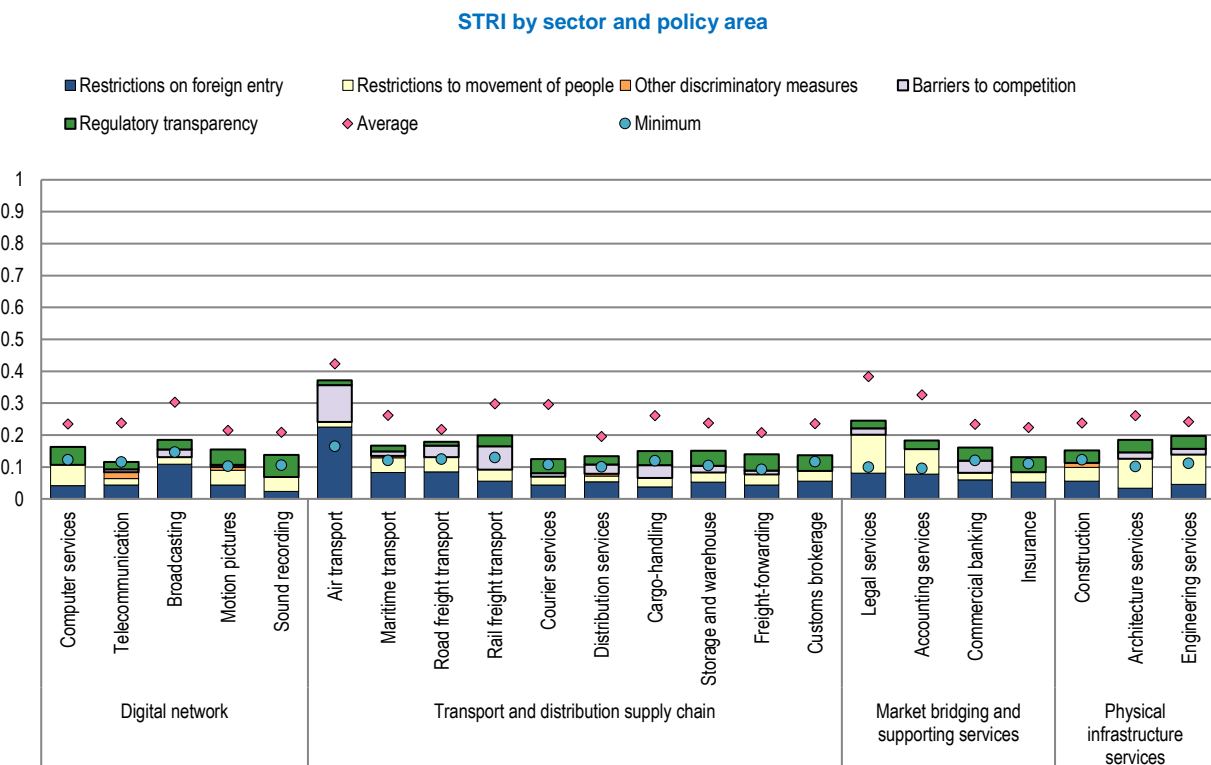


OECD Services Trade Restrictiveness Index (STRI): Germany

Germany exported services worth USD 300 billion and its services import value was USD 322 billion in 2017. Transport and other business are Germany's largest services exports and the largest service imports categories are travel and professional and management consulting services. Germany's score on the STRI index in the 22 sectors is shown below, along with the average and the lowest score among the 45 countries included in the STRI database for each sector.



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 and South Africa. 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).

Horizontal policy measures

Germany has a lower score on the STRI than average in all 22 sectors. Germany applies labour market tests for workers seeking to provide services in the country on a temporary basis as contractual services suppliers or independent services suppliers. Contractual services suppliers may stay in the country for up to three months on their first entry permit while independent services suppliers and intra-corporate transferees can obtain visas for 36 months. The standards for cross-border transfer of personal data are set at the EU level. Transfers to non-EEA economies can take place when these ensure an adequate level of data protection or, in the absence of this, appropriate safeguards (e.g., binding corporate rules or standard data protection clauses) are in place. Moreover, it is relatively burdensome to register a company in Germany, measured by the number of working days and the number of mandatory procedures required. More than eight documents are needed to obtain a business visa. Finally, it is noted that the state retains a prominent role in the economy with at least one major state-owned enterprise in banking, broadcasting, motion pictures, maritime transport, rail freight transport, road freight transport and freight forwarding.

The sectors with the relatively lowest STRI scores

Courier, telecommunications and accounting services are the three sectors with the lowest STRI scores, relative to the average STRI across all countries. The government can give instructions to the regulator in the courier services sector. In the auditing segment of accounting services, foreign professionals are required to take a local examination and to practice local. Domicile is required to obtain a license. The majority of board members in auditing firms must be licensed professionals. The restrictiveness in the telecommunications sector is mostly driven by horizontal measures.

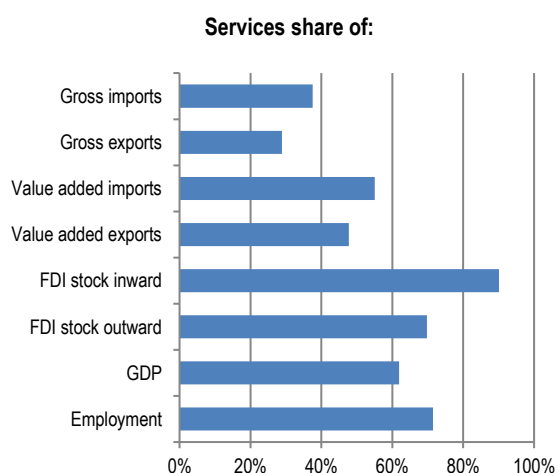
The sectors with the relatively highest STRI scores

Air transport, road freight transport, and engineering services are the three sectors with the highest score relative to the average STRI across all countries. In all three sectors, however, the scores remain below that median. In the air transport services sector, Germany has foreign equity restrictions as a result of common European Union (EU) regulation on air services. Pursuant to this regulation, non-EU nationals cannot own more than 49% in local airlines. Lease of foreign aircrafts with crew from outside the EU can be refused on grounds of reciprocity or conditioned on approval granted on the basis of economic needs. An EU-wide exemption of certain airline arrangements from competition law and regulations on airport slot allocation and slot trading further contribute to the score in this sector. Road freight transport is subject to EU regulation that requires EEA residence for the manager of a road transport operator and partly exempts road carrier agreements from anti-trust regulation. The manager of a company in the engineering sector must be a licensed professional in Germany. There is no established process for the recognition of qualifications obtained abroad and there is no temporary licensing system in place in this sector. Moreover, fees for engineering services are regulated.

Recent reforms

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. 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.

Efficient services sectors matter



Services account for 30% of Germany's gross export, but almost 50% of value-added exports, indicating that Germany's exports of goods rely intensively on services inputs. The services share of inward investment is relatively high and services account for 71% of employment, which implies that earnings and aggregate demand depends crucially on productivity in the services sector. The information and communication technology revolution opens new opportunities for inclusive growth in a services economy like Germany. Innovation and adoption of technology relies on access to knowledge and to the networks, people, goods and services that carry the knowledge around the world. In this context, Germany could benefit from more open markets for services trade through the temporary movement of natural persons.

More information

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