

# OECD Services Trade Restrictiveness Index (STRI)

## NORWAY – 2020

### Key findings

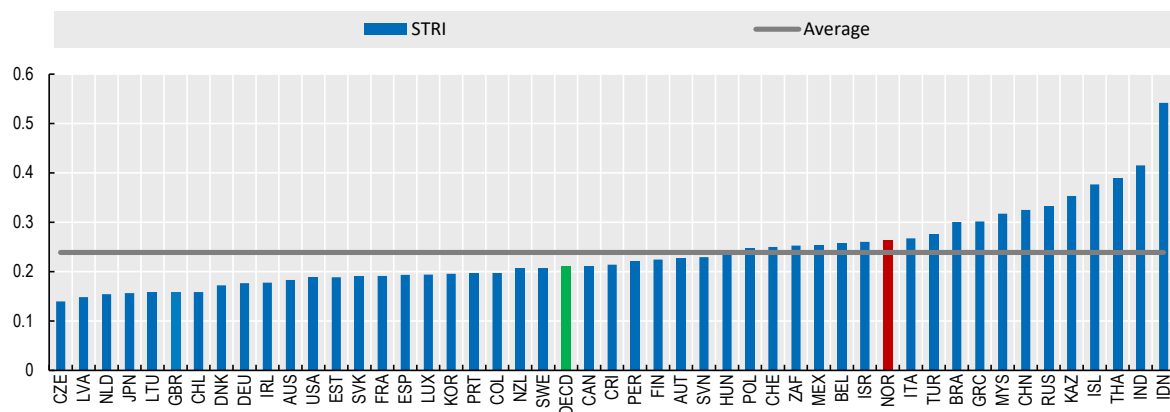
- The 2020 STRI of Norway is above the OECD average but has decreased compared to 2019.
- The regulatory environment in Norway has been relatively stable over the past years. Reforms introduced in 2020 with respect to the *de minimis* regime for small value consignments contributed to lowering Norway's STRI scored in several sectors in the transport and distribution supply chains.
- Legal services is the most open services sector in Norway while air transport services is the most restricted.

### Recommendation

- 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, Norway could benefit from more open markets for services trade.

The 2020 STRI of Norway is above the OECD average but it has decreased compared to 2019 (Figure 1).

Figure 1. Average STRI across countries, 2020

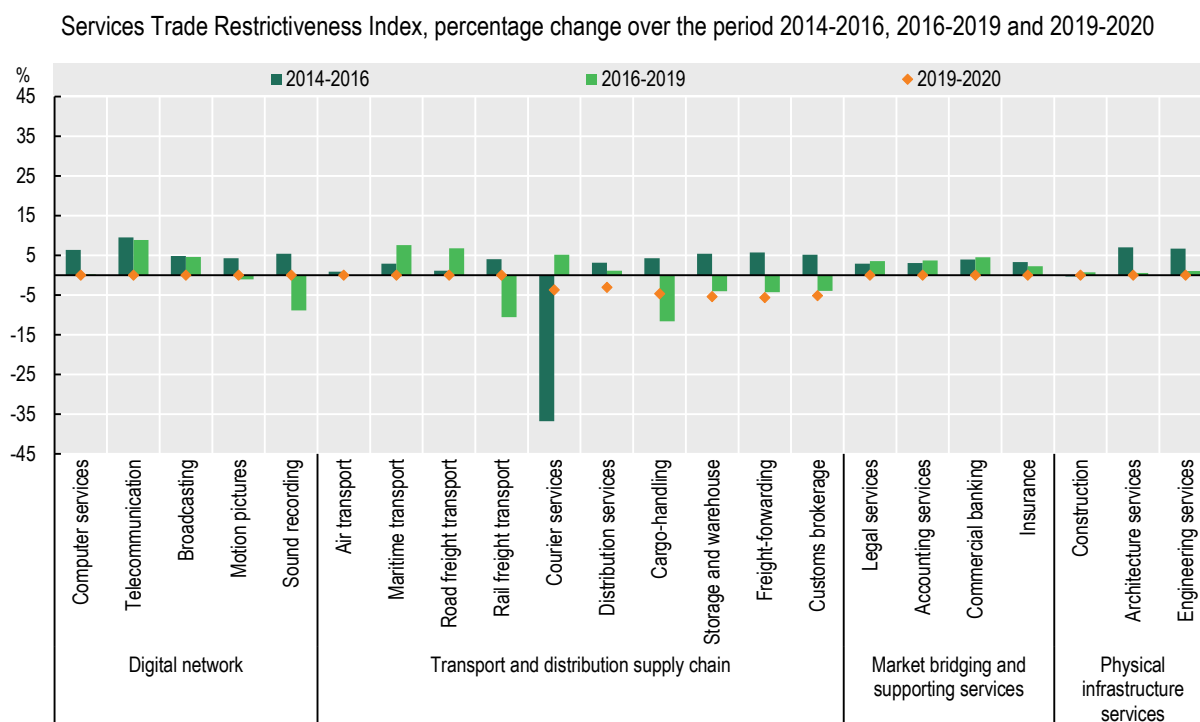


Note: The STRI indices take values between zero and one, one being the most restrictive. The STRI database records measures on a Most Favoured Nations basis. Air transport and road freight cover only commercial establishment (with accompanying movement of people). The indices are based on laws and regulations in force on 31 October 2020. The STRI regulatory database covers the 37 OECD countries, Brazil, China, Costa Rica, India, Indonesia, Kazakhstan, Malaysia, Peru, Russia, South Africa, and Thailand.  
Source: OECD STRI and TiVA databases (2020).

The 2020 STRI can be explained in large part by general regulations that apply to all sectors in the economy. At least half of the board members and the manager (CEO) in corporations must be residents of Norway or the European Economic Area (EEA). Wage parity with local employees is required for natural persons seeking to provide services in the country on a temporary basis as intra-corporate transferees, contractual services suppliers or independent services suppliers. The duration of stay is limited to 24 months on their first entry permit. Rights under the public procurement act are limited to partners in regional trade agreements and members of the WTO's Government Procurement Agreement. A minimum amount of capital must be deposited in a bank or with a notary in order to register a corporation. 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. Finally, the state retains a prominent role in the economy. There is at least one state-owned enterprise among the ten largest companies in construction, telecommunications, distribution, broadcasting, commercial banking, insurance, courier services, logistics and rail and road transport. In certain cases, the government can also overrule the decision of the regulatory body.

The regulatory environment in Norway has been relatively stable over the past years with moderate increases in the STRI scores between 2014 and 2019 across most sectors (Figure 2). The highest level of liberalisation was in courier services in 2016, which contributed to lowering Norway's STRI by more than 35%. Liberalisations in 2019-2020 were also visible in several sectors affecting transport and distribution supply chains.

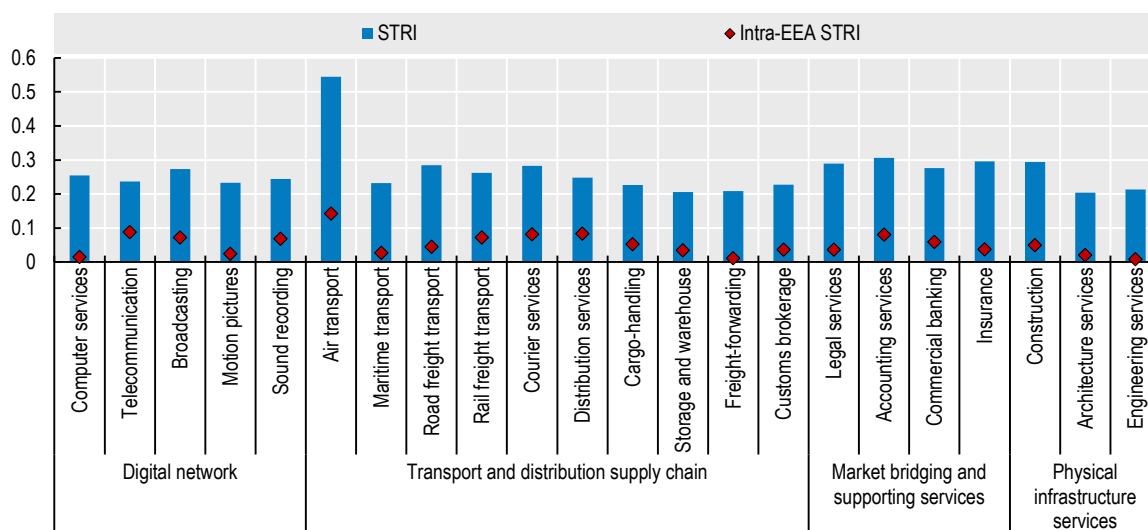
**Figure 2. Evolution of STRI scores by sector in Norway**



Source: OECD STRI database (2020).

Norway participates in the EU Single Market through the European Economic Area (EEA). Services trade barriers are significantly lower within the EEA across all services sectors (Figure 2b). Norway maintains an open market for services suppliers from other EEA member states.

**Figure 2b. Regulatory barriers affecting services trade within the European Economic Area (EEA)**



Note: The traditional STRI indicates the level of restrictiveness on Most-Favoured Nation basis towards third countries, and the intra-EEA STRI indicates the level of restrictiveness towards EEA members. Intra-EEA STRI covers 24 countries (Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Iceland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden).

Source: OECD STRI database (2020).

Legal services, architecture services, rail freight transport and logistics storage and warehouse are the sectors with the lowest score relative to the average STRI across all countries (Figure 3). Road freight transport, construction, insurance and air transport are the sectors with the highest score relative to the average STRI across all countries.

**Figure 3. Sectoral breakdown – The least and most restricted sectors in Norway**



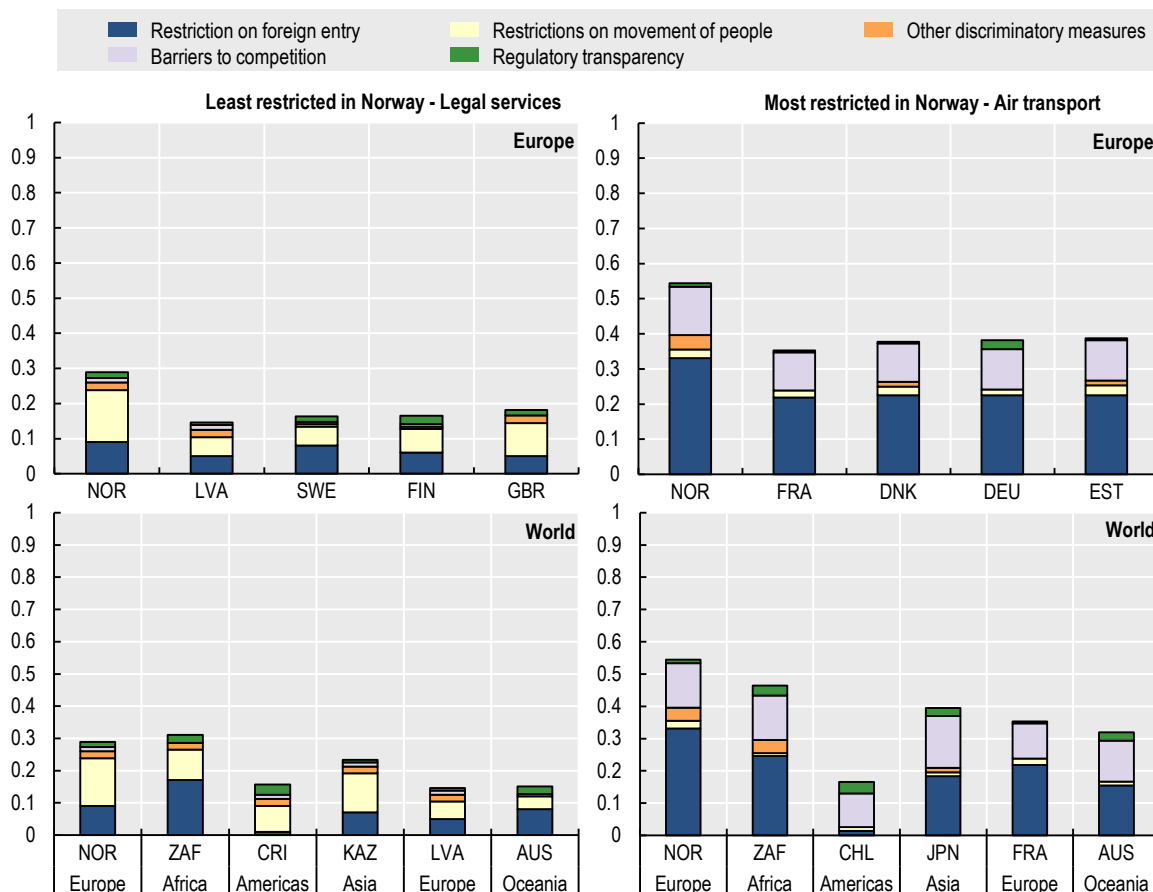
Note: Selection was made based on how far the sectors' score were from the world average score, as a percentage difference

i.e.  $(STRI_{country, sector} - STRI_{world average, sector}) / STRI_{world average, sector}$

Source: OECD STRI database (2020).

Legal services are the least restricted services sector in Norway compared to Europe and the other best performers elsewhere while air transport are the most restricted (Figure 4).

**Figure 4. Norway compared to Europe and World's best performers**

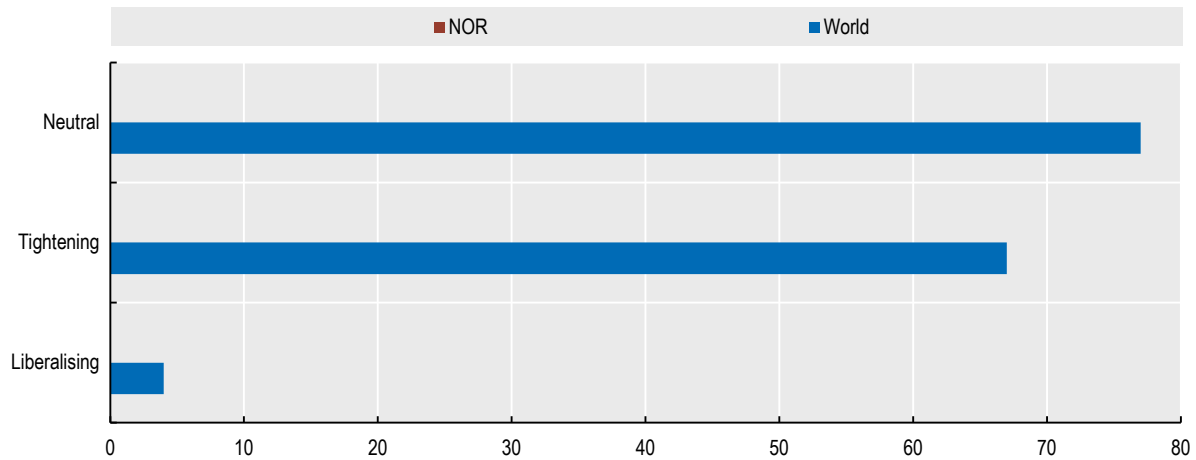


Source: OECD STRI database (2020).

### Special focus: Impact of COVID-19-related measures on the stringency of services regulations

While Norway has adopted several measures in response to the COVID-19 crisis, these were either temporary in nature or not directly relevant for the measures considered in the STRI database. Many countries have tightened their regulatory framework following the COVID-19 shock, by tightening their investment screening process or their visas requirements (Figure 5).

Figure 5. COVID-19 related measures in Norway and in the world



Source: OECD STRI database (2020).

### Key reforms

In 2020, Norway changed its *de minimis* regime for small value consignments. From 1 April 2020, foreign sellers of goods with value lower than NOK 3 000 (about USD 340) per unit are eligible to use a simplified VAT scheme – the VAT on Electronic Commerce (VOEC). At the same time, the threshold for customs duties has been raised from NOK 350 (about USD 40) to NOK 3 000 for goods where the obligation to collect Norwegian VAT is handled through the VOEC scheme. As of 1 January 2019, a new investment screening mechanism is in effect covering investments in certain companies whose activities are essential to national security interests. The government sold all its shares in Scandinavian Airlines (SAS) in 2018. A new law on copyright protection entered into force in 2018, which improved the protection of rights holders.

### More information

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