NORWAY – 2021

Key findings

- The 2021 STRI of Norway is relatively high compared to other countries in the STRI sample, and remains unchanged compared to 2020.
- The regulatory environment in Norway has been relatively stable over the past years with a few important reforms in the past years. For instance, 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 insurance 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 2021 STRI of Norway is relatively high compared to other countries in the STRI sample (Figure 1).

**Figure 1. Average STRI across countries, 2021**

Note: 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 in force on 31 October 2021. The STRI regulatory database covers the 38 OECD countries, Brazil, China, India, Indonesia, Kazakhstan, Malaysia, Peru, Russia, 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. Source: OECD STRI and TiVA databases (2021).
The STRI outcomes 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 2017 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 2017-2020 were also visible in several sectors affecting transport and distribution supply chains. The regulatory environment in 2020-21 was stable across all sectors.

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

Services Trade Restrictiveness Index, percentage change over the period 2014-2017, 2017-2020 and 2020-2021

![Graph showing the evolution of STRI indices by sector in Norway](image)


Services trade barriers are significantly lower within the European Economic Area across all services sectors (Figure 2b). Norway maintains an open market for services suppliers from other EEA Members.
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).


Legal services, architecture services, rail freight transport and broadcasting are the sectors with the lowest score relative to the average STRI across all countries (Figure 3). Commercial banking, sound recording, air transport and insurance 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}


Legal services are the least restricted service sectors in Norway compared to Europe and the other best performers elsewhere while insurance are the most restricted (Figure 4).
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.

More information

» Access all country notes, sector notes, and interactive STRI tools at http://oe.cd/stri
» Read more about services trade policies and their impacts in Services Trade Policies and the Global Economy
» Contact the OECD Trade and Agriculture Directorate with your questions at stri.contact@oecd.org