



GERMANY – 2023

Key findings

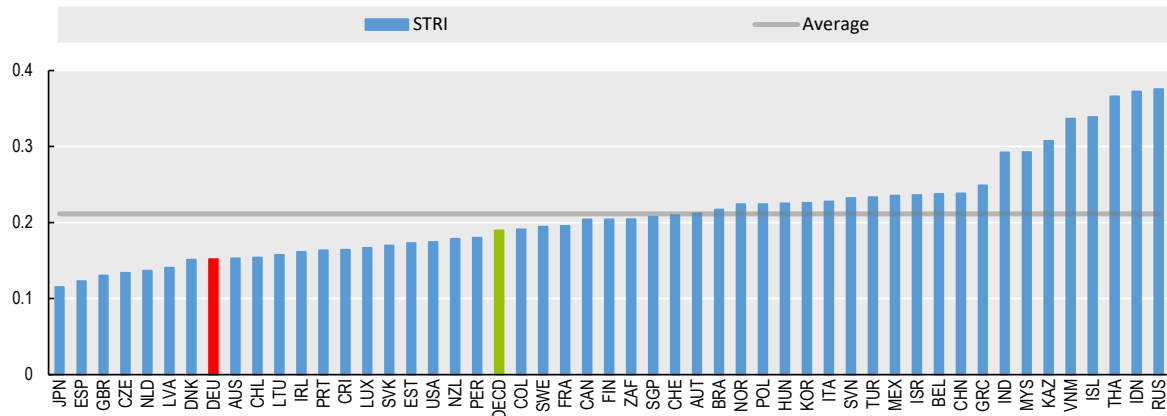
- The 2023 STRI of Germany is below the OECD average and relatively low compared to all countries in the STRI sample. It remains unchanged compared to 2022.
- Germany's regulatory environment for services has been relatively dynamic in recent years.
- Courier services are the most open sector in Germany, while regulation is most trade restrictive regarding road freight transport services compared to the sectoral sample average.
- Despite an overall favourable environment for services trade, restrictions remain related to the movement of people and the registration of businesses.

Recommendation

- Trade in services strengthens resilience across supply chains, facilitating environmental sustainability and promoting greater inclusiveness. To ensure the benefits of open markets and a rules-based international trading system, national and multilateral action is needed to lower barriers and reduce trade costs, promote greater regulatory interoperability, and facilitate the digital transformation of economies.

The 2023 STRI of Germany is below the OECD average, and relatively low compared to other countries in the STRI sample (Figure 1).

Figure 1. Average STRI across countries, 2023ⁱ



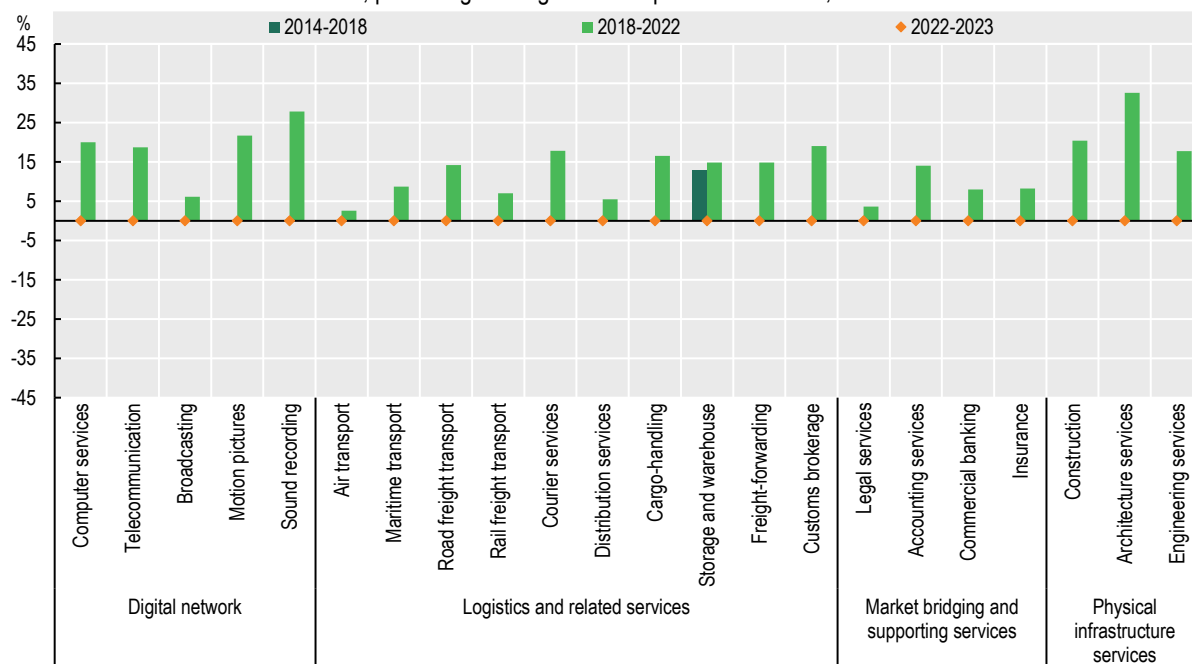
OECD (2023). STRI and TIVA databases.

The 2023 index is explained in large part by a favourable general regulatory environment, but restrictions remain related to the movement of natural persons. 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, and more than eight documents are required to obtain a business visa. 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 are in place, e.g. binding corporate rules or standard data protection clauses. Finally, a minimum amount of capital must be deposited in a bank or with a notary to register a business.

In 2023, the indices in all sectors remained unchanged compared to 2022 (Figure 2). Germany's barriers towards services had increased slightly in 2022 compared to 2021 due to new EU-wide measures regulating access to procurement markets in all sectors except broadcasting and legal services. A previous increase in services restrictiveness in 2019 resulted from a slowdown in the processing of business visa applications.

Figure 2. Evolution of STRI indices by sector in Germany

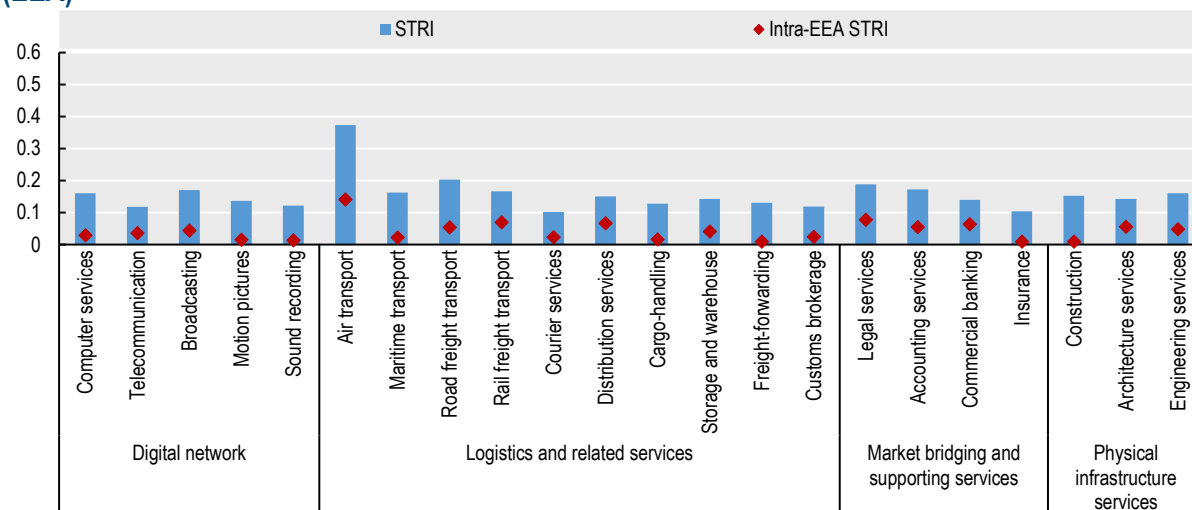
Services Trade Restrictiveness Index, percentage change over the period 2014-2018, 2018-2022 and 2022-2023



OECD (2023). STRI database.

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

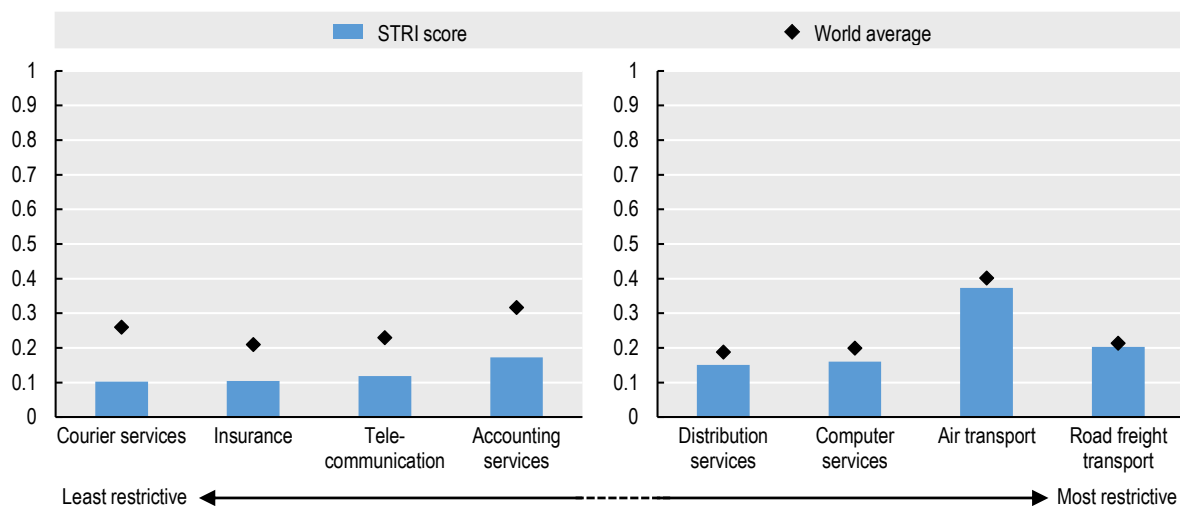
Figure 2b. Regulatory barriers affecting services trade within the European Economic Area (EEA)



Note: The traditional STRI indicates the level of restrictiveness on a most favoured nation (MFN) 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 (2023). STRI database.

Figure 3 ranks Germany's sectors relative to the respective sector's world average. Courier services, insurance, telecommunications, and accounting services are the sectors with the relatively lowest scores. Conversely, distribution services, computer services, air transport, and road freight transport are the sectors with the relatively highest scores.

Figure 3. Sectoral breakdown - The least and most restricted sectors in Germany compared to world average



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

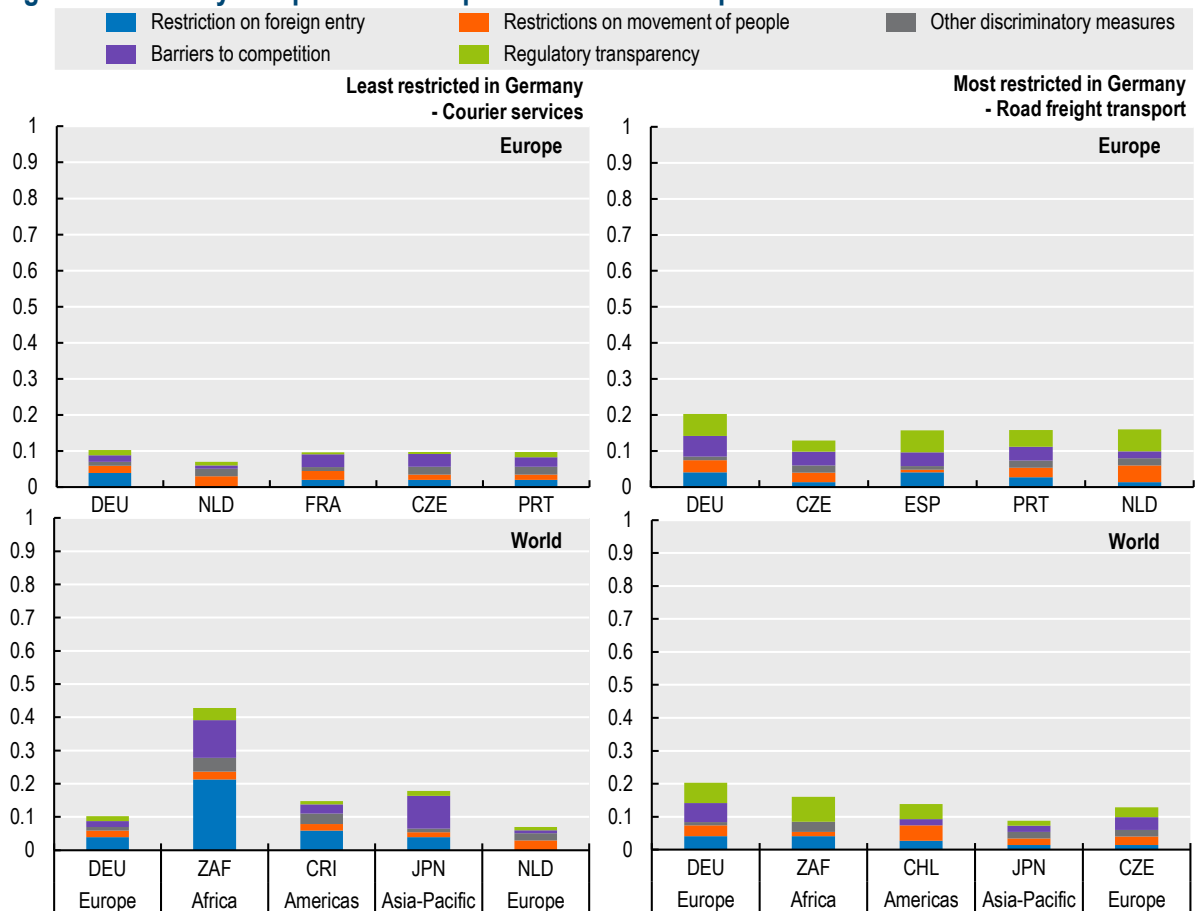
i.e. $(STRI_{country, sector} - STRI_{world average, sector}) / STRI_{world average, sector}$

Source: OECD (2023). STRI database.

Courier services are the least restricted in Germany compared to the average STRI across all countries. Amongst other things, no major provider of postal or courier services is controlled by the government in Germany.

On the other hand, road freight transport services is the most restricted services sector in Germany compared to the average STRI across all countries. Restrictions on foreign entry, restrictions to the movement of people and regulatory transparency account for the difference compared to best performers. Some of the measures that contribute the most to the score for this sector include labour market tests for different types of services providers (Figure 4).

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



Source: OECD (2023). STRI database.

Recent policy changes

Recent reforms affecting services trade barriers in Germany include the introduction of online registration and declaration of VAT for a wide range of activities through the One-Stop-Shop (OSS) in 2021.

In addition, several recent changes affecting Germany were due to changes in EU law. In August 2022, Regulation 2022/1031 (EU) entered into force, aiming to regulate access of third-country (non-EU) goods and services to the EU's public procurement and concession markets. At this stage, no implementing act restricting access to the EU procurement market has been adopted by the European Union. The Regulation applies to public procurement and concessions where the EU has not undertaken market access commitments in an international agreement.

In air transport, a series of temporary rules allowing airlines to retain historic slots, despite not using their slots according to the 80/20 grandfathering rule, were in place from 1 March 2020 to 25 March 2023 on grounds of reduced air traffic levels due to the COVID-19 pandemic. As of 26 March 2023, such slot relief rules are no longer in force.

In telecommunications, maximum Union-wide voice termination rates defined by Commission Delegated Regulation (EU) 2021/654 took effect on 1 July 2021. These maximum termination rates do not, however, generally apply to calls originating from countries outside the EU.

From 1 July 2021, the EU abolished the VAT de minimis regime for goods valued under EUR 22. In maritime transport, Commission Regulation (EU) 2020/436 extended the existing block exemption to

liner shipping consortia from competition law until April 2024.

More information

- » Access all country notes, sector notes, and interactive STRI tools at <http://oe.cd/stri>
- » Read more about [Services Trade Policies and the Global Economy](#)
- » More information about measuring the regulatory environment for services trade in the Intra-EEA region: oe.cd/intraeeaSTRI
- » Contact the OECD Trade and Agriculture Directorate with your questions at stri.contact@oecd.org

ⁱNote: 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 2023. The STRI regulatory database covers the 38 OECD Members, 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.