



NEW ZEALAND – 2023

Key findings

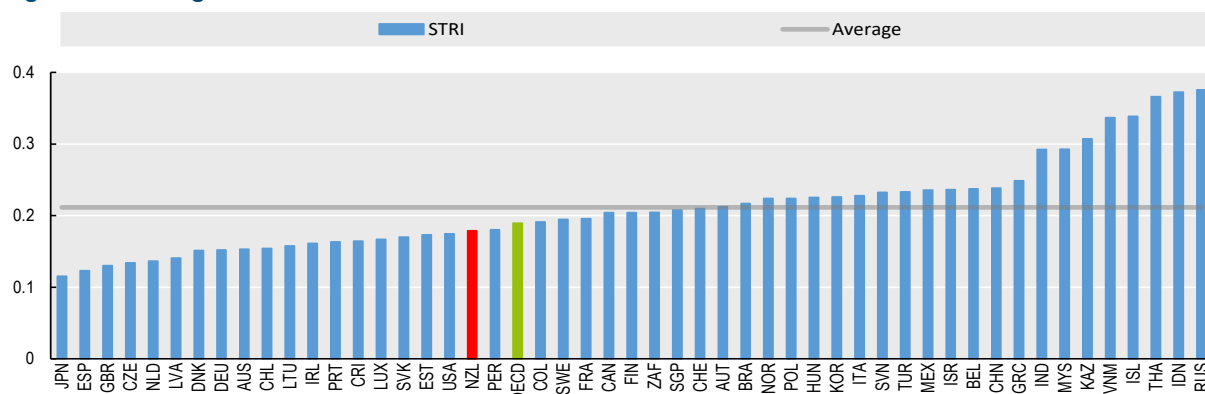
- The 2023 STRI of New Zealand is below the OECD average and low compared to all countries in the STRI sample. The indices have increased slightly compared to 2022.
- Broadcasting services are the sector with the lowest score compared to the average while logistics freight forwarding services is the highest, relative to the sectoral average.
- Despite the overall favourable environment for services trade, restrictions remain related to the movement of people. New Zealand applies a relatively short duration of stay for natural persons seeking to provide services in the country on a temporary basis and the time for processing a business visa is significantly longer than best practice.

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 New Zealand 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



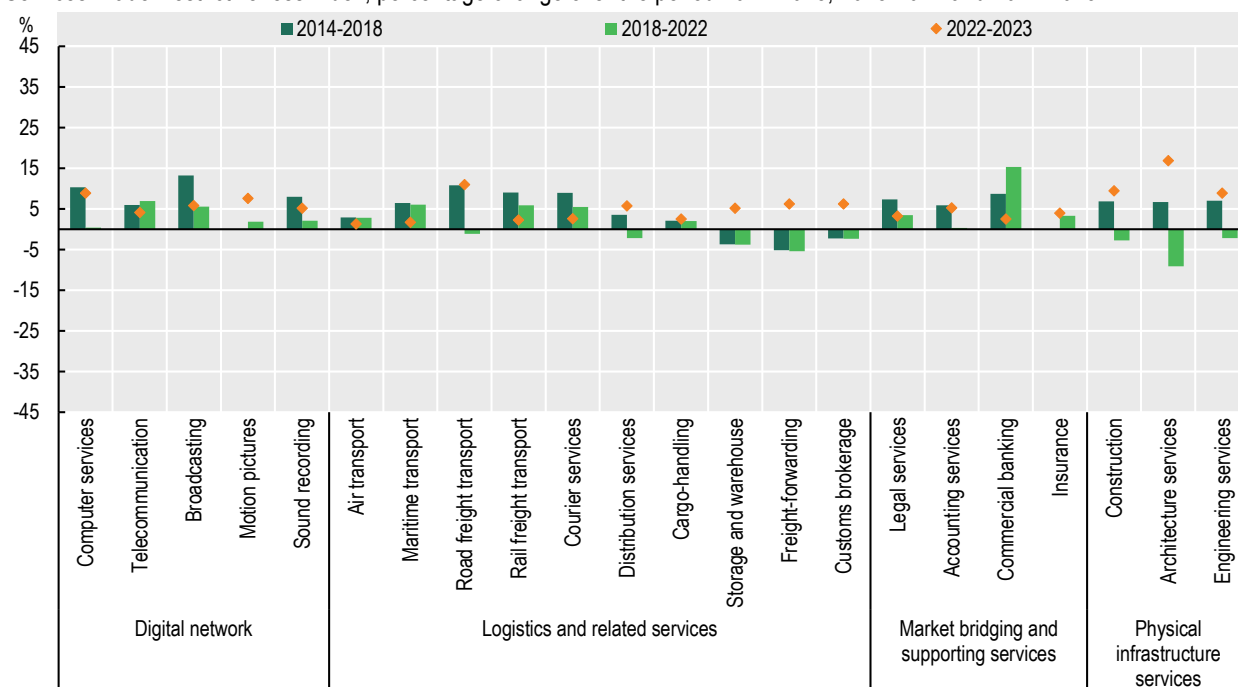
OECD (2023). STRI and TiVA databases.

The 2023 index is explained in large part by an overall favourable regulatory framework, but restrictions remain related to the movement of natural persons. The duration of stay for contractual or independent services suppliers is only 12 months and 24 months respectively. Intra-corporate transferees are exempted from this limitation.

New Zealand's STRIs have increased moderately over the past years (Figure 2). For instance, increases in services restrictiveness resulted from the introduction of a residency requirement for a company director in 2015 and the establishment of a national interest assessment for foreign direct investment in strategically important businesses in 2020. In 2023, the indices increased slightly across the board due to an increase in the business visa processing time.

Figure 2. Evolution of STRI indices by sector in New Zealand

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



OECD (2023). STRI database.

Figure 3 ranks New Zealand's sectors relative to the respective sector's world average. Broadcasting, accounting services, insurance and legal services are the sectors with the relatively lowest score. Conversely, commercial banking, logistics storage, logistics cargo-handling and logistics freight-

forwarding are the sectors with the relatively highest score.

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



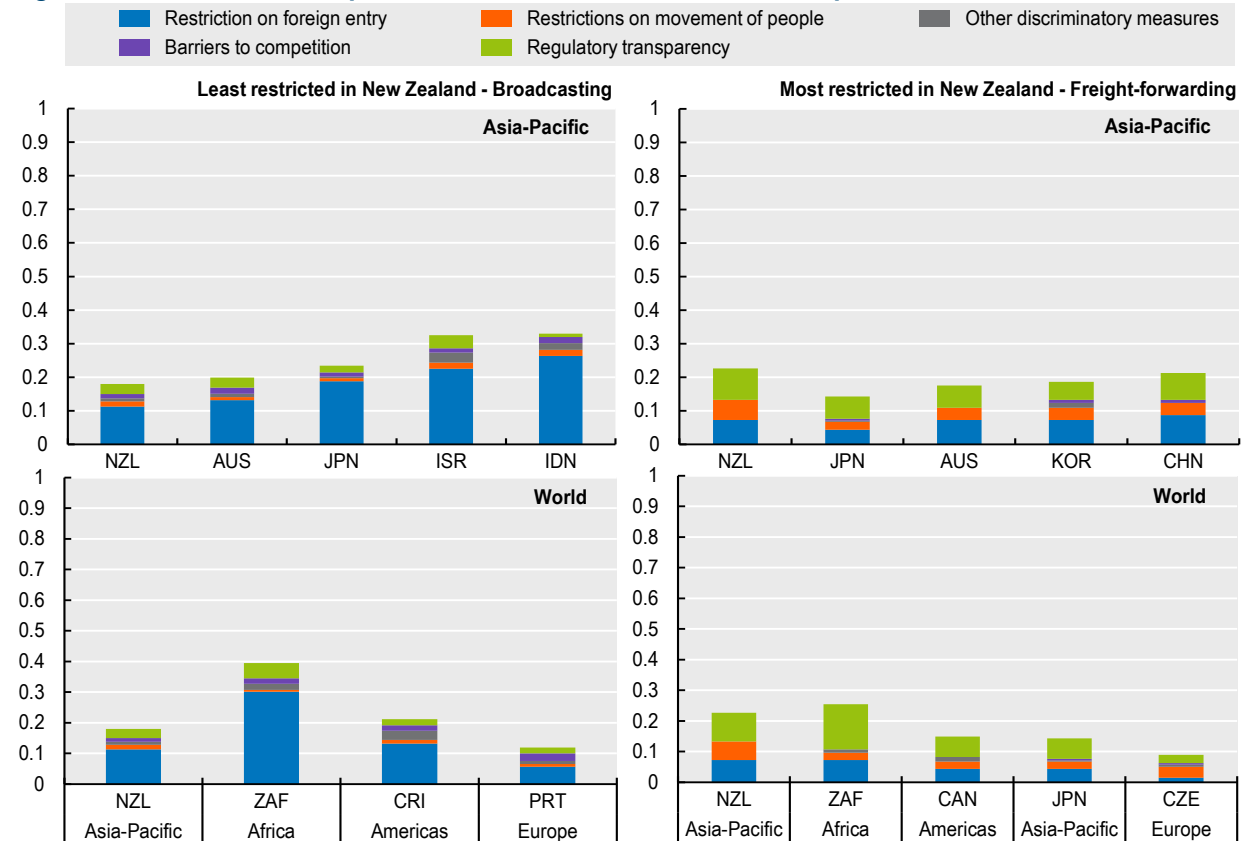
Note: Selection was made based on how far the sectors' score were from the world average score, as a percentage difference

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

Source: OECD (2023). STRI database.

Broadcasting is the least restricted service sector in New Zealand compared to the Asia-Pacific region. The composition of the scores indicates that barriers on foreign entry are low compared to other countries. The policies that contributed to this score include the absence of foreign equity restrictions and quotas for broadcast time. Logistics freight forwarding is the most restricted services sector in New Zealand. Restrictions on foreign entry are significant compared to best performers (Figure 4).

Figure 4. New Zealand compared to Asia-Pacific and World's best performers



Source: OECD (2023). STRI database.

Recent policy changes

In 2023, the number of days to obtain a business visa increased considerably, affecting business travellers across services sectors.

In May 2020, New Zealand introduced a national interest assessment for foreign direct investment in strategically important businesses. In June 2020, New Zealand introduced interest rate regulation for consumer credit contracts.

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 APEC region: <https://apecservicesindex.org/>
- » Contact the OECD Trade and Agriculture Directorate with your questions at stri.contact@oecd.org

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 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.