



SWEDEN – 2023

Key findings

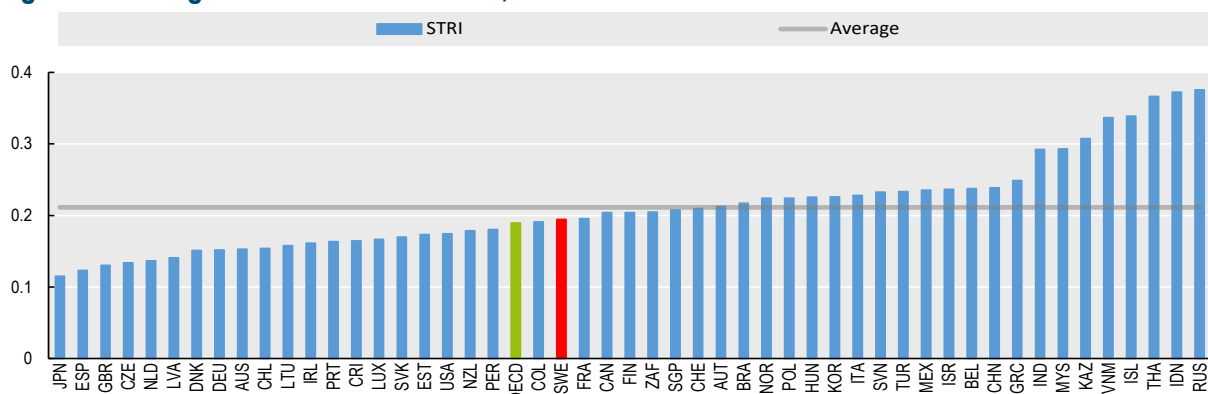
- The 2023 STRI of Sweden is above the OECD average and relatively low compared to most countries in the STRI sample. The index has remained unchanged compared to 2022.
- Sweden's regulatory environment has become slightly more restrictive over the past years.
- Legal services are the most open services sector in Sweden while maritime transport is the most restricted, relative to the sectoral average.

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 Sweden is above the OECD average and relatively low compared to all countries in the STRI sample. The index has remained unchanged compared to 2022.

Figure 1. Average STRI across countries, 2023ⁱ



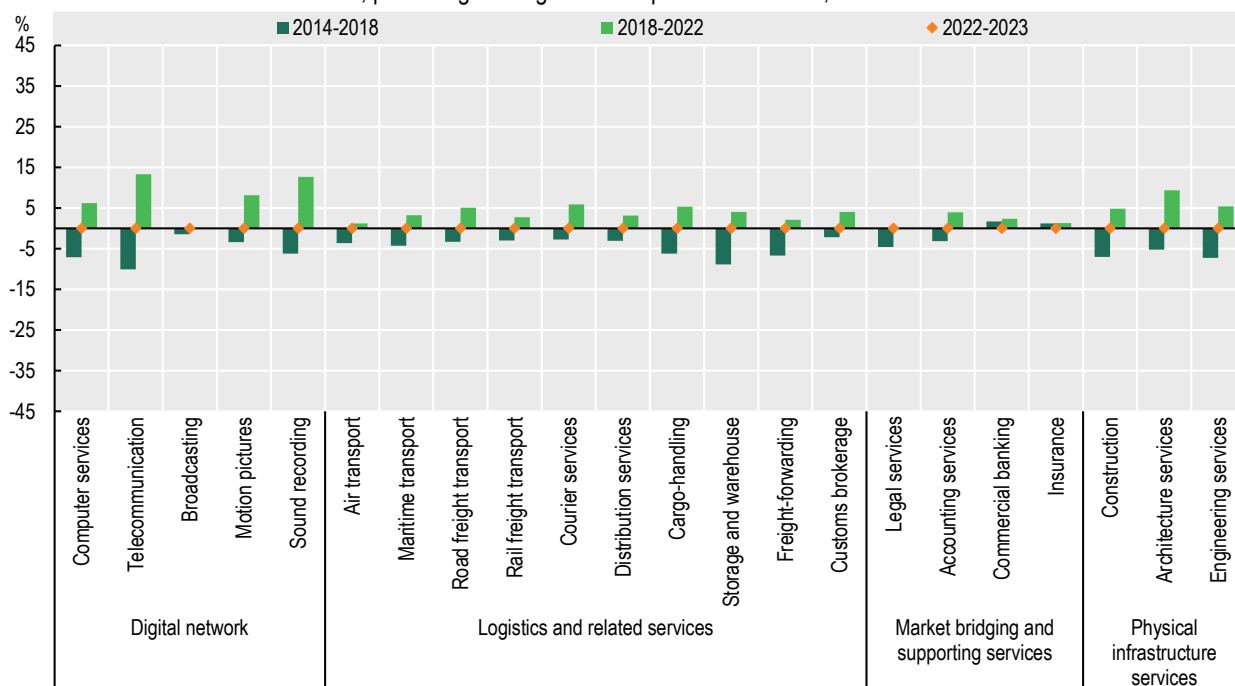
OECD (2023). STRI and TIVA databases.

Sweden requires that at least half of the board members and the manager (CEO) in corporations are residents in Sweden or in the European Economic Area (EEA) and limits the establishment of branches for non-EEA companies. 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. These categories may stay in the country for up to 24 months on their first entry permit. Rights of access to public procurement are limited to regional trade agreement partners and members of the WTO's Government Procurement Agreement. 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, a minimum amount of capital must be deposited in a bank or with a notary in order to register a business.

Sweden has progressively introduced reforms over the past years, in particular reducing work visa related administrative hurdles. This contributed to easing the conditions for trade in several sectors between 2014 and 2018 (Figure 2). In 2022, the STRI increased for all sectors except broadcasting and legal services due to new EU-wide measures affecting access to procurement markets. Since 2022, the sector indices remained unchanged.

Figure 2. Evolution of STRI indices by sector in Sweden

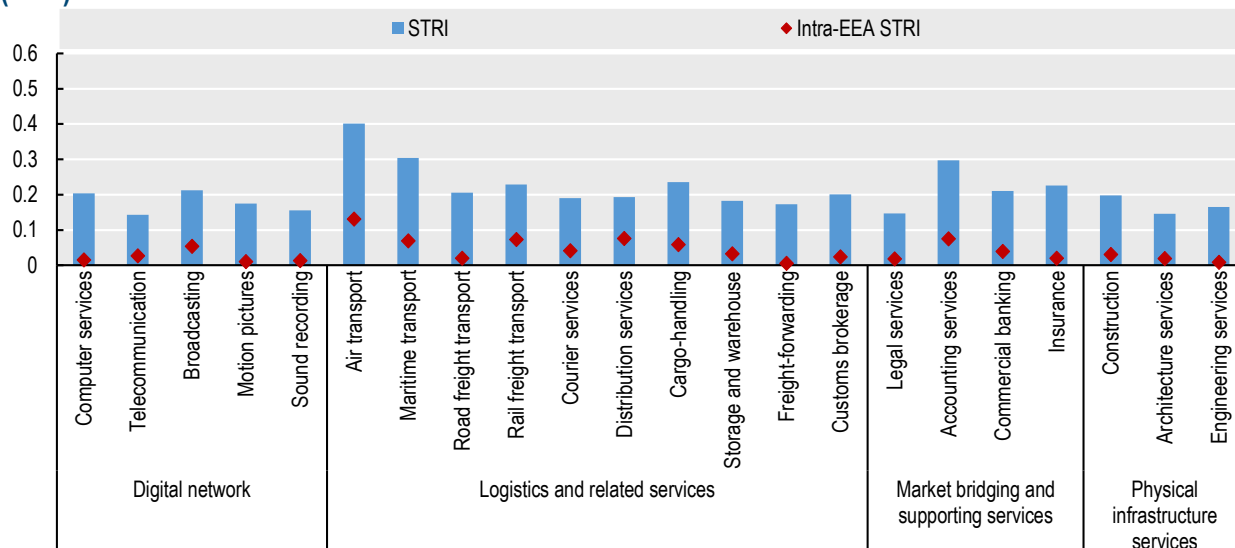
Services Trade Restrictiveness Index, percentage change over the period 2014-2018, 2018-2022 and 2022-2023



OECD (2023). STRI database.

Services trade barriers are significantly lower within the European Economic Area across all services sectors (Figure 2b). Sweden 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)

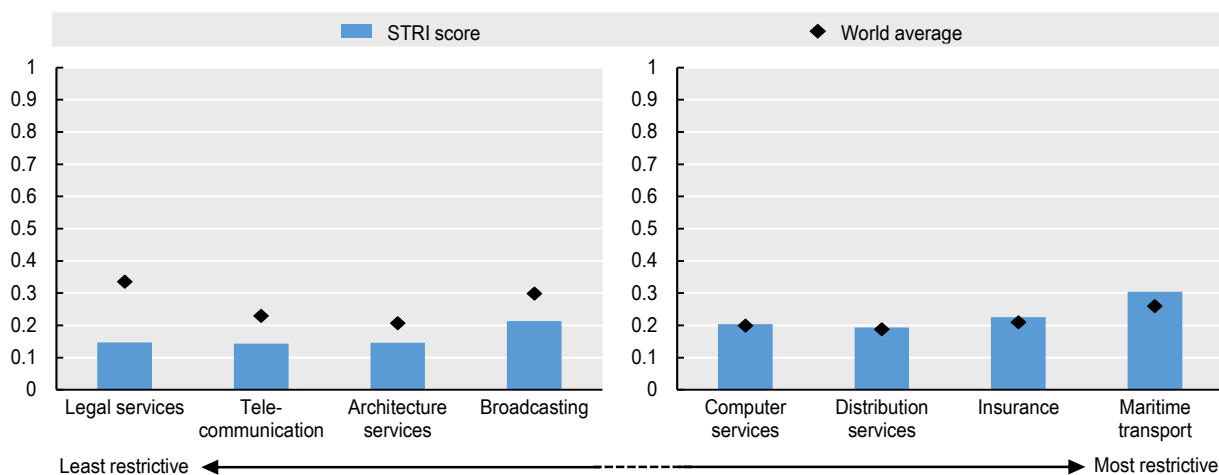


Note: The traditional STRI indicates the level of restrictiveness on a most favoured nation (MFN) basis towards third countries, and the intra-EEA STRI indicates the level of restrictiveness towards EEA members. Intra-EEA STRI covers 24 countries (Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, 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 Sweden's sectors relative to the respective sector's world average. Legal services, telecommunications, architecture services and broadcasting are the sectors with the relatively lowest scores. Conversely, computer services, distribution, insurance and maritime transport are the sectors with the relatively highest scores.

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



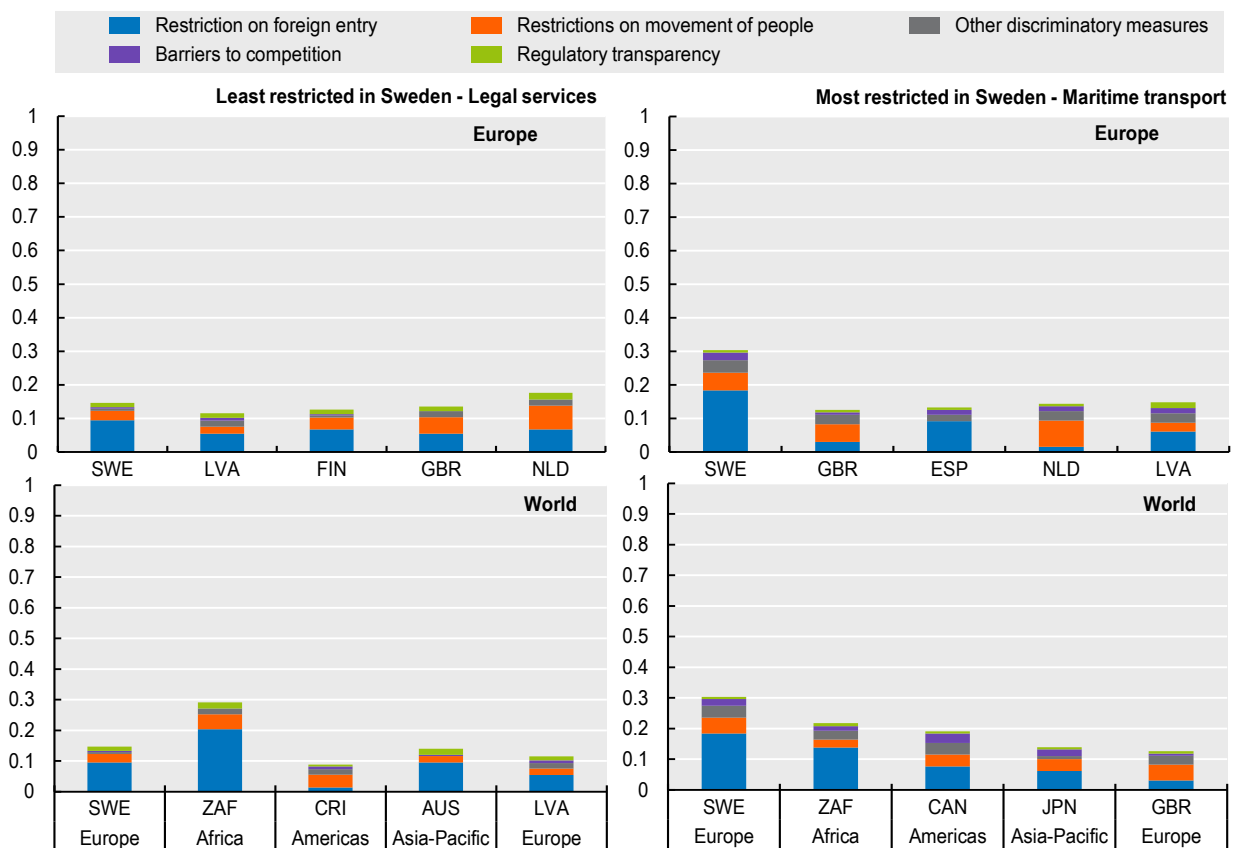
Note: Selection was made based on how far the sectors' score were from the world average score, as a percentage difference

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

Source: OECD (2023). STRI database.

Legal services are the least restricted sector in Sweden compared to the average STRI across all countries, and indeed one of the most open in Europe. The composition of the indices suggests that low barriers in the areas of movement of people and regulatory transparency is the key feature compared to other countries. Maritime transport is the most restricted services sector in Sweden compared to the sample average. In this sector, restrictions on foreign entry and other discriminatory measures are significant compared to best performers. A statutory monopoly on port services contributes to the index in this sector. Additionally, only vessels that are majority owned by Swedish citizens or legal persons can fly the Swedish flag, and foreign flagged ships are excluded from cabotage (Figure 4).

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



Source: OECD (2023). STRI database.

Recent policy changes

Several recent changes affecting Sweden 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.