



AUSTRIA – 2022

Key findings

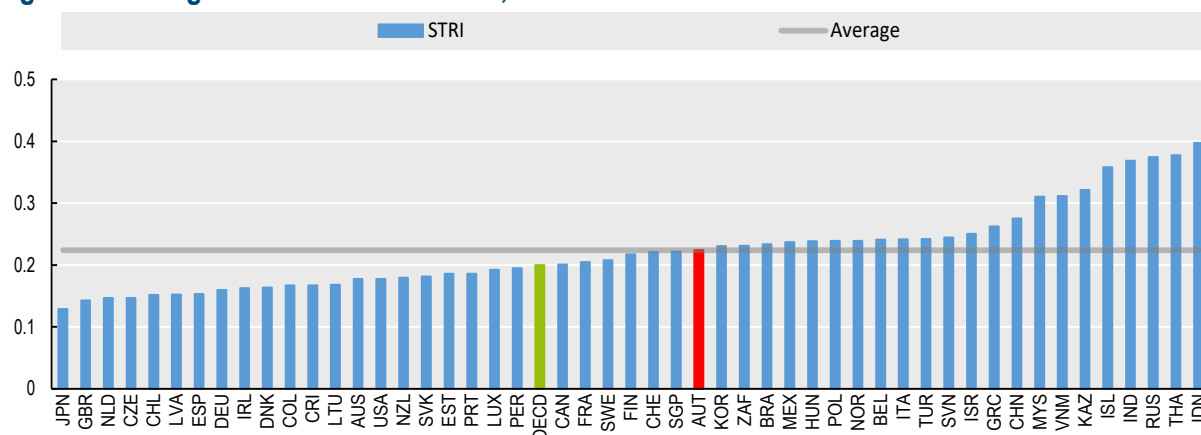
- The 2022 STRI of Austria is above the OECD average but relatively low compared to most non-OECD countries in the STRI sample. In most sectors, the indices remain unchanged compared to 2021.
- Austria's regulatory environment for services has been relatively stable over the past years.
- While the overall regulatory framework provides favourable conditions for trade in services, restrictions remain in several policy areas, for example regarding screening of foreign direct investments.

Recommendation

- Open and well-regulated services markets are essential to facilitate economic recovery, strengthen resilience to future shocks, and promote a more sustainable trading system. To ensure that the benefits of open markets and a rules-based international trading system are preserved, policy makers should focus on minimising barriers that increase trade costs for services providers, weaken the gains from digital transformation and undermine competitiveness.

The 2022 STRI of Austria is relatively low compared to other countries in the STRI sample (Figure 1).

Figure 1. Average STRI across countries, 2022



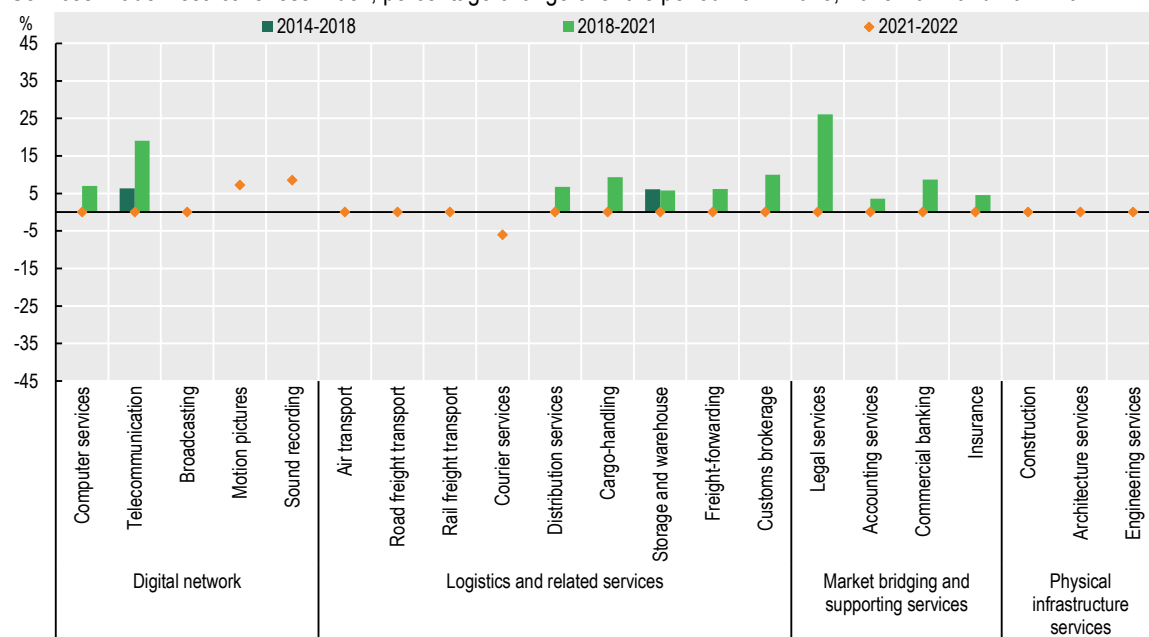
Note: The STRI indices take values between zero and one, one being the most restrictive. The STRI database records measures on a Most Favoured Nation basis. Air transport and road freight cover only commercial establishment (with accompanying movement of people). The indices are based on laws and regulations in force on 31 October 2022. 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. Source: OECD (2022). STRI and TiVA databases.

The 2022 indices are partly shaped by horizontal measures applying to all sectors. For example, labour market tests are applied for workers seeking to provide services in the country on a temporary basis as intra-corporate transferees, contractual services suppliers or independent services suppliers. In addition, sector-specific restrictions contribute to the STRI score of Austria. Regarding sound recording and broadcasting services, eligibility for some subsidies is limited to productions in which the directors and majority of the cast and crew are Austrian nationals. Furthermore, commercial presence in Austria is required to provide engineering services.

The Austrian regulatory framework for services trade has been relatively stable in recent years (Figure 2). Yet, thirteen services sectors have experienced increases in the level of restrictiveness since 2014.

Figure 2. Evolution of STRI indices by sector in Austria

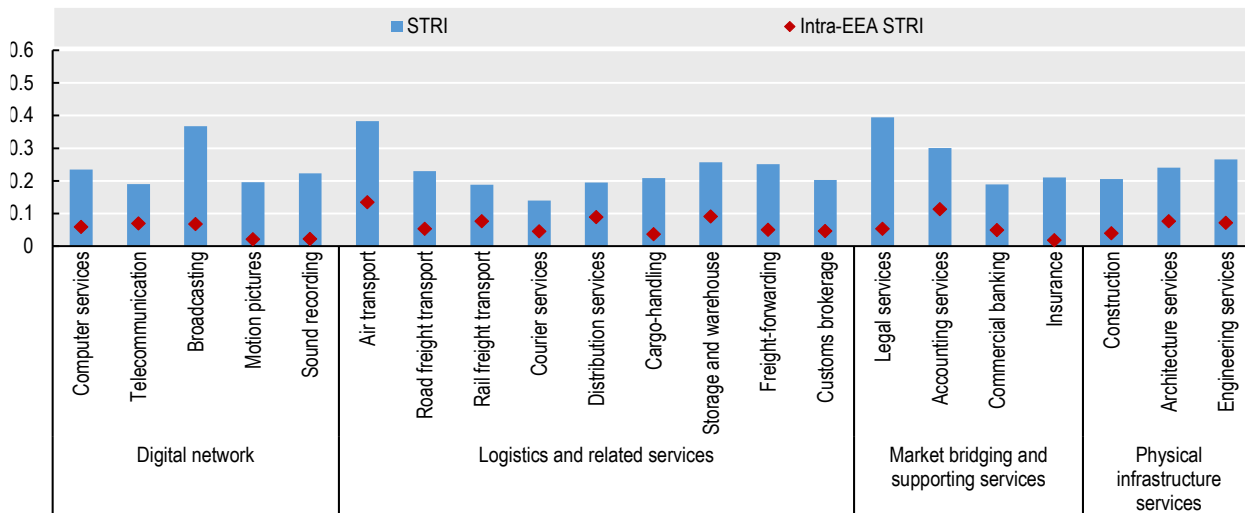
Services Trade Restrictiveness Index, percentage change over the period 2014-2018, 2018-2021 and 2021-2022



Source: OECD (2022). STRI database.

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

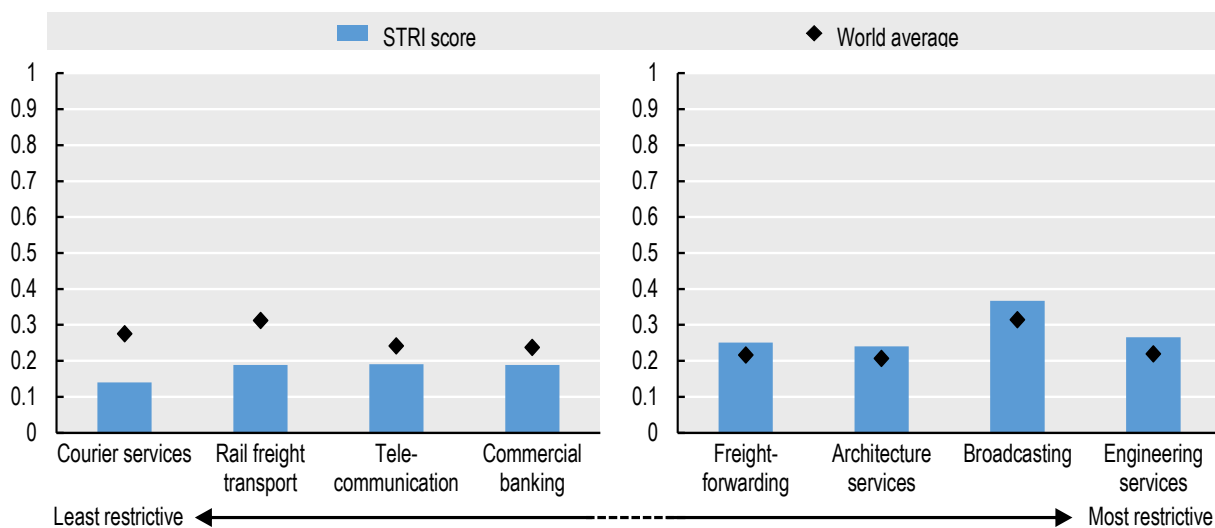
Figure 2b. Regulatory barriers affecting services trade within the European Economic Area (EEA)



Note: The traditional STRI indicates the level of restrictiveness on a Most-Favoured Nation 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 (2022). STRI database.

Courier services, rail freight transport, telecommunications, and commercial banking services are the sectors with the lowest score relative to the average STRI across all countries (Figure 3). Conversely, logistics freight forwarding, architecture services, broadcasting, and engineering services are the sectors with the highest score relative to the average STRI across all countries covered by the STRI database.

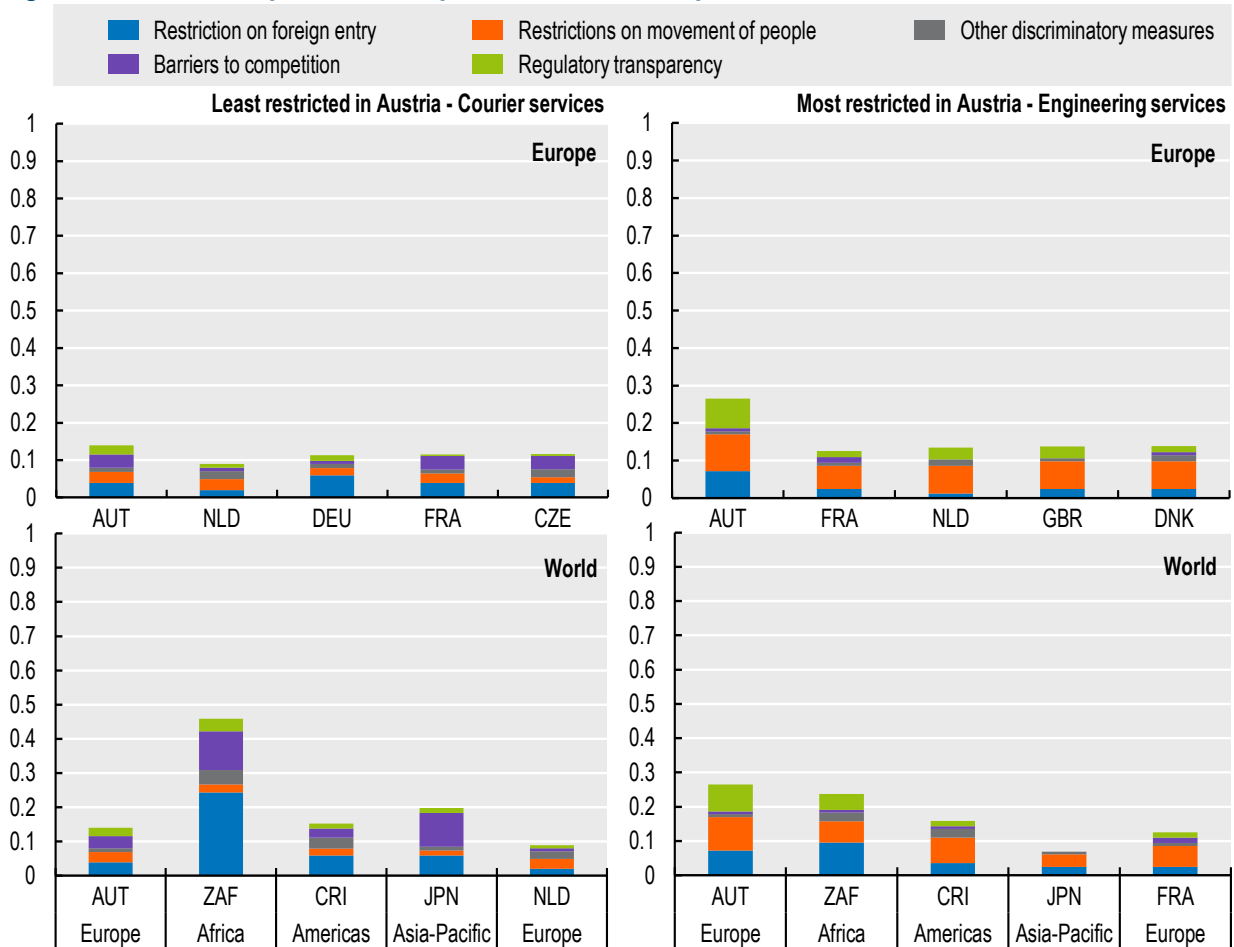
Figure 3. Sectoral breakdown - The least and most restricted sectors in Austria



Note: Selection was made based on how far the sectors' score were from the world average score, as a percentage difference
i.e. $(STR I_{country, sector} - STR I_{world average, sector}) / STR I_{world average, sector}$
Source: OECD (2022). STRI database.

Courier services are the least restricted in Austria. Compared to its regional best performing peers in Europe, the Austrian regulatory framework for this sector could be improved regarding regulatory transparency. Compared to the rest of the world, the composition of the scores suggests that barriers to competition and restrictions on the movement of people are particularly relevant in the case of Austria. Examples of the measures that contributed to Austria's score in this sector include government control of major firms, minimum capital requirements, and limitations on the duration of stay for contractual services suppliers. Engineering services are the most restricted services sector in Austria. Restrictions on foreign entry and on the movement of people are significant compared to best performers. The manager as well as the majority of board members of an engineering company must be licensed professionals. Foreign engineers have to take a local examination and commercial presence in Austria is required to provide engineering services (Figure 4).

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



Source: OECD (2022). STRI database.

Recent policy changes

In telecommunications, a local presence requirement for the cross-border supply of services was introduced in 2021. Regarding legal services, the maximum foreign equity share allowed was reduced to 25% for domestic as well as international law in 2020. Moreover, the new Austrian investment control act, which entered into force in July 2020, expanded the scope of the screening of foreign investments. Screening exists without exclusion of economic interests in 14 services sectors in Austria.

Several recent changes affecting Austria were due to changes in EU law. In August 2022, EU Regulation 2022/1031 entered into force aiming to regulate access of third-country (non-EU) goods and services to the EU's public procurement and concession markets. No relevant measure has been adopted by the European Union at this stage. It applies to public procurement and concessions where the EU has not undertaken market access commitments in an international agreement.

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

From 1 July 2021, the EU abolished the VAT de minimis regime for goods valued under 22 EUR. In air transport, EU Regulation 2020/459 waived the 80/20 grandfathering rule for airport slot allocations. In December 2021, the Commission adopted an extension to the slot relief rules to cover the 2022 summer scheduling season, running from 28 March 2022 until 29 October 2022. In maritime transport, Regulation 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 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