



## SWEDEN – 2022

### Key findings

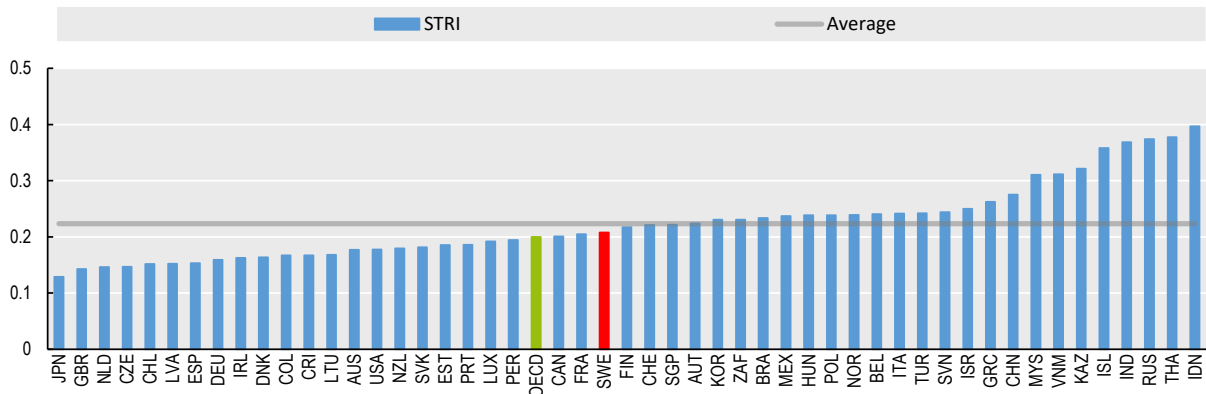
- The 2022 STRI of Sweden is relatively high compared to the OECD average but below the average of all countries in the STRI sample, increased compared to 2021.
- Legal services are the most open services sector in Sweden while maritime transport is the most restricted.

### 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 Sweden is relatively low compared to the STRI sample average (Figure 1).

**Figure 1. Average STRI across countries, 2022**



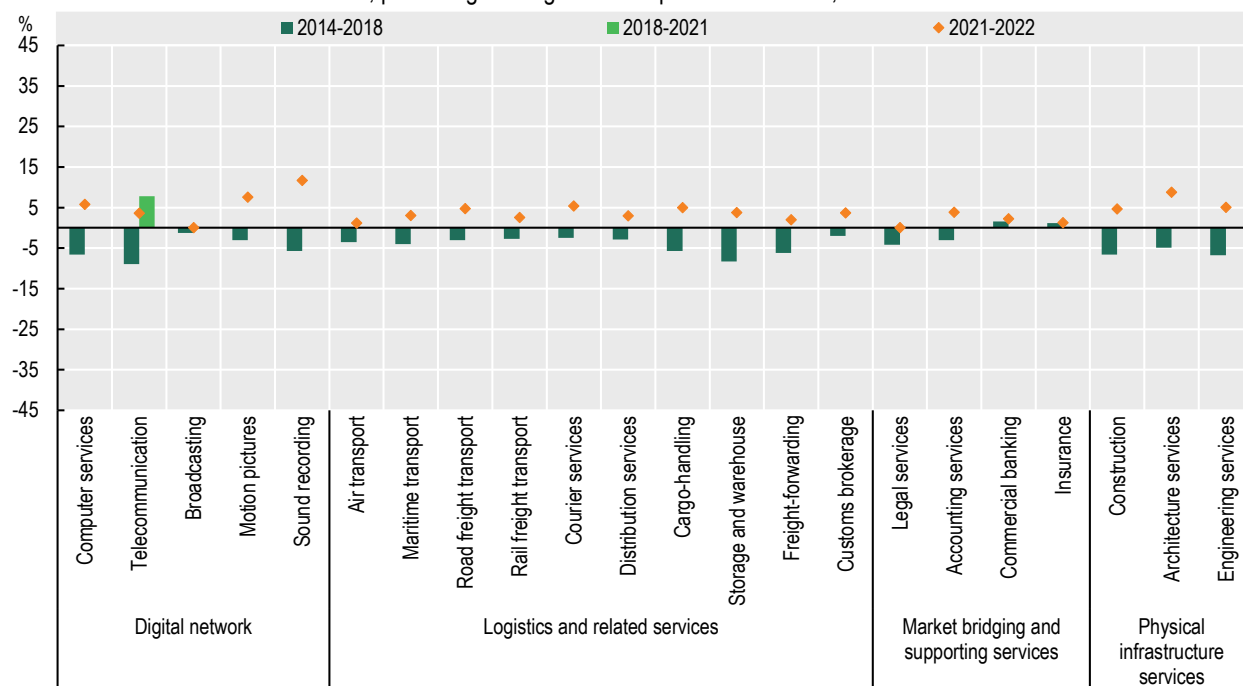
Note: The STRI indices take values between zero and one, one being the most restrictive. The STRI database records measures on a Most Favoured Nation basis. Air transport and road freight cover only commercial establishment (with accompanying movement of people). The indices are based on laws and regulations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

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 (Figure 2). In 2022 STRI increased for all sectors except broadcasting and legal services due to new EU-wide measures affecting access to procurement markets.

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

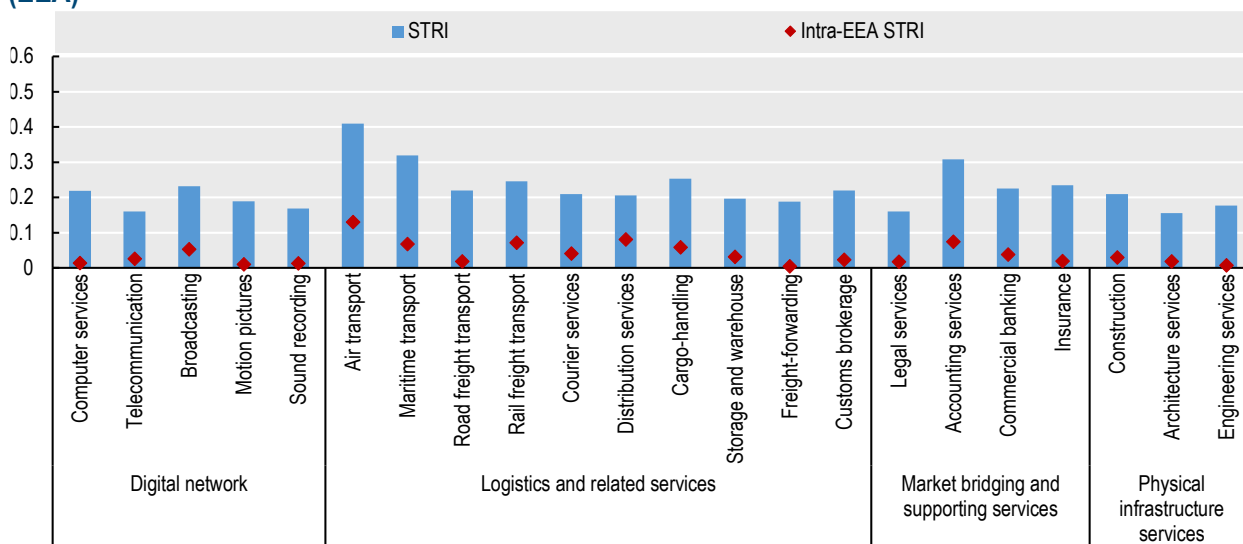
Services Trade Restrictiveness Index, percentage change over the period 2014-2018, 2018-2021 and 2021-2022



OECD (2022). 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)**

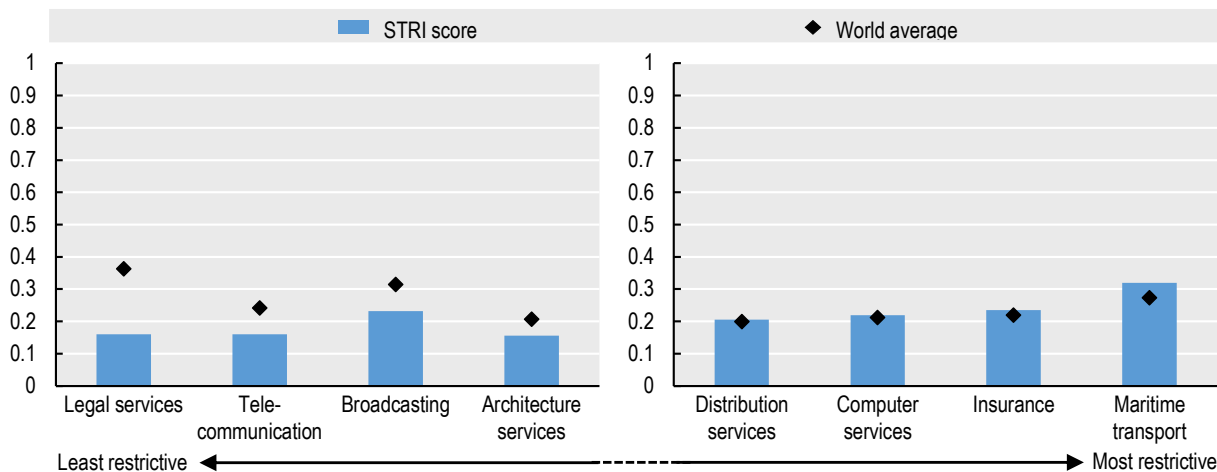


Note: The traditional STRI indicates the level of restrictiveness on a Most-Favoured Nation basis towards third countries, and the intra-EEA STRI indicates the level of restrictiveness towards EEA members. Intra-EEA STRI covers 24 countries (Austria, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Iceland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden).

Source: OECD (2022). STRI database.

Legal services, telecommunications, broadcasting and architecture services are the sectors with the lowest score relative to the average STRI across all countries (Figure 3). Distribution services, computer services, insurance and maritime transport 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 Sweden**

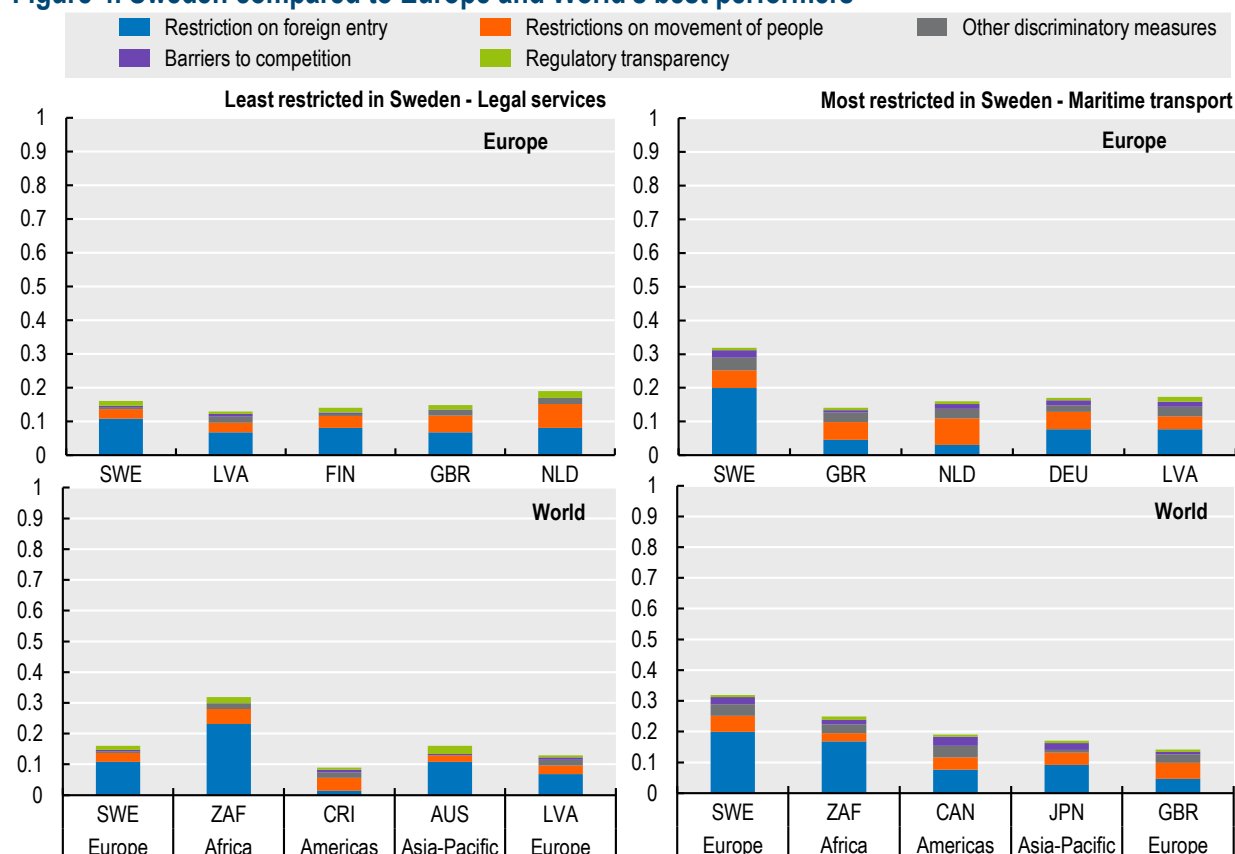


Note: Selection was made based on how far the sectors' score were from the world average score, as a percentage difference

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

Source: OECD (2022). STRI database.

Legal services are the least restricted sector in Sweden compared to the sample average, and indeed one of the lowest in Europe. The composition of the scores suggest that low restriction of movement of people and regulator transparency is the key feature compared to other countries. Maritime transport is the most restricted services sector in Sweden compared to the sample average. The restriction on foreign entry and other discriminatory measures are significant compared to best performers. Some of the measures that contribute the most to the score include statutory monopoly on port services, one needs to own or register vessel under national flags, foreign flagged ships are excluded from cabotage (Figure 4).

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

Source: OECD (2022). STRI database.

## Recent policy changes

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.

Several recent changes affecting Sweden were due to changes in EU law. From the 1st of July 2021, the EU abolished the VAT de minimis regime for goods valued under 22 EUR. This provision was transposed in Sweden by Law 1994:1551 (Freedom of taxation from import tax law). In the context of the COVID-19 pandemic, Regulation 2020/459 waived the 80/20 grandfathering rule for airport slot allocations between 1 March 2020 and 27 March 2021. Accordingly, airport coordinators are required to consider slots allocated for this period as having been operated by the air carrier to which they were initially allocated. 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](mailto:stri.contact@oecd.org)

