

Executive Summary

Introduction

The Trade in Services Benchmarking Study has been carried out by the Envision Consulting Group (EnConsult) for the Ministry of Industry and Trade, under the auspices of the Ministry of Planning and International Cooperation. The objective of the benchmarking study is to assess and benchmark selected service industry sectors and sub sectors' positions in order to identify potential growth opportunities that could result from trade liberalisation; identify constraints to the development of the sectors; and make appropriate recommendations for reform.

Twelve of the country's top experts in the sectors/sub sectors under consideration were recruited to carry out the study for their respective sectors.. As a departure from previous studies, the analysts for the studies are experts in the field and as such, provide valid insights into the nature of the sector from a micro point of view that goes beyond those found in the more traditional approach of recruiting a macro analyst to investigate at the micro level.

The study is extremely complex due to the comprehensive nature of the project in terms of scope and depth; a total of thirteen service sectors/sub-sectors are being analyzed. For the most part, each sector / sub-sector is the subject of a separate report that comprises a full scope of work.

Data Collection

There is a dire need for delineated sub-sector specific data collection for the sectors/sub sectors under review. Data collection across sectors and sub sectors differs substantially based upon the availability of official and unofficial sources. Sectors and sub sectors that are subject to regulatory agency review and/or have an active or required membership in sector/sub sector associations, such as transport, construction, A/E services, and financial services, have data sources that can be utilized in sector/sub sector assessment. However, for some sectors, especially those in the business services sector, such as, management consulting services, advertising, and printing and publishing, and others, such as commission agent's services, official government statistics are not collected for the sub sectors; but rather are grouped into the general "services category" for statistical representation. Other sources of data for these sectors were in some cases literally non existent and interview was utilized to gather information.

For management consulting services that, beyond not being designated in an official sub category of data collection, does not have an organizational body that collects statistics on membership, data was virtually non existent outside of interview sources. Advertising, while not delineated in official collection, does have an active association from which data beyond interviews was accessed. Convention Services, although coded as a business service, is closely associated with the tourism sector and although no sub-sector specific data is collected for the sector, the tourism sector itself is represented by active associations in addition to the Ministry of Tourism so that data was available in terms of traditional tourist activities. However, for the MICE sector, the largest and most lucrative activity within the convention services sub sector, no formal collection by associations or official bodies is produced. In some cases, such as that of the commission agents sub sector, proxy was utilized to gauge sector activity. On the other extreme, the business services sub sector computer and computer related services has been actively studied and documented by both private and public initiatives.

Restrictiveness

Restrictions on sector/sub sector health and growth stems from three sources: restrictions caused by the general business environment; legislative and administrative restrictions, and, for the purposes of this study, restrictions that were bound under the GATS negotiated by Jordan in terms of market access and national treatment.

Environmental factors for Jordan, and its rank among other economies, are documented in publications such as the World Bank Doing Business Report and the World Economic Forum Global Competitiveness Report. The factors that affect the general business environment are non-discriminatory for all firms. These non-discriminatory measures affect the competitiveness of the sectors: in all sector/sub sector reports, experts noted that changes to the business environment could drastically improve the competitiveness of the sectors/sub-sectors both domestically and internationally. Although the factors affect sector health and growth, they do not affect trade in services directly. Section 3.0 of each report documents the affect of the general business environment on the respective sector/sub sector.

Legislative and regulatory restrictions are common, not only in those sectors/sub sectors with regulatory agencies, but in sectors that have legislatively mandated associations. Sectors/sub sectors with significant regulatory restrictions are financial services (banking and insurance) and transport. These two sectors also have significant capital requirements that limit new business. The construction and related services sector and the architectural and engineering services sector have significant restrictions placed on the sub sectors by the legislatively mandated sub sector specific associations. Advertising and the printing and publishing sub sectors have legislatively enacted registration and content restrictions placed on them. Wholesale/Retail Trade services and well as courier services are affected by, and in cases hampered by, customs procedures. At the other end of the spectrum, the financial services sector has few restrictions and management consulting has none. Section 4.0 of each report documents the affect of the legislative and regulatory requirements on the respective sector/sub sector.

Foreign equity limitations still apply in most sectors/ sub sectors, except in the courier service sub sector and in the insurance sub sector where this stipulation was phased out. Nationality requirements still hold in business services, including professional services; construction and engineering services; wholesale/retail distribution services; restaurants; air catering; travel agencies and tour operators; hospitals; and maritime transport

A listing of general foreign equity restrictions and nationality requirements per sector/sub-sector are given below in Table 1 below. These restrictions are delineated in Section 5.0.

Table 1: Restrictions on Foreign Equity and Nationality Requirements

| Sector/Sub Sector | Foreign equity Limitation | Nationality Requirements |
|----------------------------------|--|---|
| Business Services | | |
| Advertising | Foreign ownership limited to 49% | -Limited liability companies have to have a Jordanian majority on the Board of Directors -Director of the advertising agency has to be Jordanian national |
| Computer & Related Services | JD 50,000 capital minimum unless it is a public shareholding company | Managing Director must be a Jordanian resident. |
| Convention Services | 50% foreign equity limitation JD 50,000 capital minimum | |
| Management Consulting | 50% ownership | none |
| Printing and publishing | 50 % foreign equity limitation | -Publishing of periodicals restricted to Jordanian natural persons -Director of printing an publishing firms must be a Jordanian national |
| Communication Services: | | |
| Courier Services | None | None |
| Construction and A/E : | | |
| Architecture/Engineering | -50% foreign equity limitation -At least 50% of the ownership of the firm must be held by engineers | -Non-Jordanian engineers or firms can provide services through contractual association with Jordanian firms |
| Construction | 50% foreign equity limitation | -Non- Jordanian engineers or firms can provide services through contractual association with Jordanian firms -Number of non-Jordanian engineers employed in the firm cannot exceed twice the number of qualified Jordanian engineers |
| Distribution Services | | |
| Commission Agents | -50% foreign equity limitation -Foreign investment not less than JD50,000 unless it is a public shareholding company | -Majority of the Board of Directors must be Jordanian |
| Wholesale/Retail Trade | -Foreign investment not less than JD 50,000, -50% foreign equity limitation | |
| Financial Services | | |
| Banking | 100% foreign ownership permitted | Obtain Central Bank Approval before hiring non-Jordanians |
| Insurance | 100% foreign ownership permitted | Non-Jordanian employees must pass needs test |
| Transport Services | | |
| Air transport | -Cabotage is not permitted, -Some services restricted to foreign equity limitations | |
| Road Transport | -Foreign equity is prohibited in road passenger and freight transport services, other services are limited to 50% foreign equity | |
| Maritime | 50% foreign equity limitation | General Manager of shipping agencies must be Jordanian |
| Tourism Services | | |
| Travel agency and tour operators | 50% foreign equity limitation | Foreign operators have to use a local provider, director of a travel agency must be a Jordanian national |
| Other services | -Foreign investment not less than JD50,000 unless it is a public shareholding company -50% foreign equity limitation | |

Otherwise, for the most part, services are unbound for Mode 1- cross border supply, Mode 2 - consumption abroad, and 3. Mode -commercial presence. On the other hand, Mode (4) - the presence of natural persons - is bound by a myriad of restrictions dependent upon visa agreements with the countries in question and as put forth in Jordan's horizontal commitments.. Section 5.0 presents these restrictions for the respective sector/sub sectors.

Measuring Restrictiveness

According to the Terms of Reference put forth for this study, it is imperative to measure the amount of restrictiveness in each of the sectors/sub sectors under review. To this end various techniques were utilized to garner the information put for in each individual study.

To further document the restrictiveness in each sector/sub sector, a Findlay Warren (FW) type index was developed. To date the Findlay Warren methodology has been developed for only seven sectors. Of the Group A, higher priority sectors, only Distribution Services has been the subject of a Findlay Warren type of analysis in a study by Kaleeswaran Kalirajan (2000) prepared for the Australian Productivity Commission.

Group A Sector/ Sub Sectors

Business and Professional Services

- Advertising services
- Convention services
- Management consulting services
- Printing and publishing

Distribution Services

- Commission Agents' services
- Wholesale trade services
- Retailing services

Transport

- Road transport - passenger
- Road transport - freight
- Rental of commercial vehicles with operator
- Maintenance and repair of road transport equipment
- Supporting services for road transport services
- All transport modes cargo-handling services
- All transport modes storage and warehouse services
- All transport modes freight transport agency services

However based on the information and data provided by the Benchmarking Study consultants, an FW type of restrictiveness indices have been calculated for all of the above sectors.¹

In regards to the Group B sectors, only Banking (but not insurance) and Engineering (but not Construction) have had Findlay Warren type indices constructed.

Group B Sectors/Sub sectors

- Engineering Services (including architectural, integrated engineering, urban planning and landscape architectural services) + Construction and related engineering services

¹ Mr. Murray Smith, international consultant assisting the project, developed the indicies for the study

- Financial Services (insurance and banking)
- Tourism services (hotels and restaurants, travel agencies and tour operator services and tourist guide services)
- Computer and related services + courier services)

Since only three of the twenty two sectors or sub sectors have had Findlay Warren indices calculated, it has been necessary to develop Findlay Warren indices based on the methodology used by Findlay Warren. This methodology is outlined briefly below.²

We have used the variation in the FW approach which focuses on the discriminatory Restrictions on Establishment (Investment) and Restrictions on Cross Border Trade. Other factors, such as business environment factors have not been included since they do not affect trade in services directly.

Summary of the Findlay Warren Methodology

The FW methodology calculates indices of restrictiveness based on estimates of the actual restrictions operating in or affecting the sector or sub sector. Because the Findlay Warren approach uses actual restrictions to trade and investment (rather than simply a positive list of GATS commitments) and weighting/scoring systems that are based on judgment about the economic impact of different restrictions, the indices so derived tend to be more accurate reflections of the actual sizes of barriers than other approaches. On the other hand, the Findlay Warren approach requires more subjective judgment in the construction of indices. A more elaborate weighting/scoring system obviously requires more subjective judgment. What is not as obvious is that the selection of various types of government policies to be included in the list of barriers for the calculation of indices also involves subjective judgment.

In practice the FW indices have been calculated according to estimates of the economic effects of the restrictions on trade in services according to the four GATS modes of supply. The FW indices that have been developed in various studies attach more weight to restrictions on mode 3 -- establishment and investment --, and less weight to restrictions on mode 4 -- temporary entry. Traditionally more weight is attached to mode 3 restrictions as being the most important restrictions on trade in services. In the case of mode 4 most countries have similar restrictions so the differential effects are less. The weights among the four modes of supply add to one producing an index of 1 for a sector which is completely restricted.

The following summarises the approach taken to restrictions on FDI.

² A literature review is available on request.

Table 2: Components of an index of FDI restrictions

| Type of restriction | Weight |
|--|--------|
| <i>Foreign equity limits on all firms</i> | |
| No foreign equity permitted | 1.000 |
| Less than 50 per cent of foreign equity permitted | 0.500 |
| More than 50 per cent and less than 100 per cent foreign equity permitted | 0.250 |
| Foreign equity permitted | 0.0 |
| <i>Foreign equity limits on existing firms</i> | |
| No foreign equity permitted | 0.500 |
| Less than 50 per cent of foreign equity permitted | 0.250 |
| More than 50 per cent and less than 100 per cent foreign equity permitted | 0.125 |
| Foreign equity permitted | 0.0 |
| <i>Screening and approval</i> | |
| Investor required to demonstrate net economic benefits | 0.100 |
| Approval unless contrary to national interest | 0.075 |
| Notification (pre or post) | 0.050 |
| <i>Control and management restrictions</i> | |
| All firms | 0.200 |
| Existing firms | 0.100 |
| <i>Input and operational restrictions such as performance requirements</i> | |
| All firms | 0.200 |
| Existing firms | 0.100 |

Source: Leanne Holmes and Alexis Hardin,³

Below are the FW restrictiveness measures for the sectors and sub sectors under consideration for this study.

³ "Assessing Barriers to services sector investment", in Christopher Findlay and Tony Warren (eds), *Impediments to Trade in Services: Measurement and Policy Implications*, New York: Routledge.

Table 3: Restrictiveness Index Scores for Business Services Sector Jordan: Restrictions on establishment

| | Form of establishment | Foreign partnership or joint venture | Investment and ownership by foreign professionals | Investment and ownership by non-professional investors | Nationality or citizenship requirements for staff | Residency and local presence | Quotas or economic needs tests on the no. of foreign professionals and firms | Licensing and accreditation of foreign professionals | Restrictions on establishment total |
|--------------------------------|------------------------------|---|--|---|--|-------------------------------------|---|---|--|
| Advertising services | 0.0000 | 0.0500 | 0.0500 | 0.0500 | 0.1000 | 0.0000 | 0.0000 | 0.0000 | <i>0.2500</i> |
| Convention services | 0.0000 | 0.1250 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | <i>0.1250</i> |
| Management consulting services | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | <i>0.0000</i> |
| Printing and publishing | 0.0000 | 0.0500 | 0.0500 | 0.1000 | 0.1000 | 0.0000 | 0.0000 | 0.0000 | <i>0.3000</i> |

Table 4: Restrictiveness Index Scores for Business Services Sector Jordan: Restrictions on Cross-border Trade and Total Restrictiveness

| | Activities reserved by law to the profession | Licensing requirements on management | Other restrictions | Restrictions on ongoing operations total | Restrictiveness index total |
|--------------------------------|---|---|---------------------------|---|------------------------------------|
| Advertising services | 0.0000 | 0.0000 | 0.0000 | <i>0.0000</i> | <i>0.2500</i> |
| Convention services | 0.0000 | 0.0000 | 0.0000 | <i>0.0000</i> | <i>0.1250</i> |
| Management consulting services | 0.0000 | 0.0000 | 0.0000 | <i>0.0000</i> | <i>0.0000</i> |
| Printing and publishing | 0.0000 | 0.0000 | 0.0000 | <i>0.0000</i> | <i>0.3000</i> |

Notes: The foreign restrictiveness index scores range from 0 to 1. The higher the score, the greater are the restrictions for an economy.

Table 5: Restrictiveness Index Scores for Distribution Services Sector Jordan: Restrictions on establishment

| | Restrictions on commercial land | Direct investment in distribution firms | Restrictions on large-scale stores | Factors affecting investment | Local government requirements | Temporary Entry of Persons | Restrictions on establishment total |
|---|--|--|---|-------------------------------------|--------------------------------------|-----------------------------------|--|
| Commission Agents | 0.0500 | 0.0500 | 0.0000 | 0.0000 | 0.0000 | 0.0500 | <i>0.1500</i> |
| Wholesale Trade | 0.0100 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0100 | <i>0.0200</i> |
| Retail Services 631, 632, 6111, 6112, 6113, 6121 | 0.0500 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0100 | <i>0.0600</i> |

Table 6: Restrictiveness Index Scores for Distribution Services Sector Jordan: Restrictions on Cross-border Trade and Total Restrictiveness

| | Wholesale import licensing | Limits on promotion of retail products | Statutory government monopolies | Licensing requirements on management | Temporary movement of people | Restrictions on cross-border trade | Index total |
|---|-----------------------------------|---|--|---|-------------------------------------|---|----------------------|
| Commission Agents | 0.0000 | 0.0000 | 0.0000 | 0.0500 | 0.0070 | <i>0.0570</i> | <i>0.2070</i> |
| Wholesale Trade | 0.0000 | 0.0000 | 0.0000 | 0.0100 | 0.0070 | <i>0.0170</i> | <i>0.0370</i> |
| Retail Services 631, 632, 6111, 6112, 6113, 6121 | 0.0000 | 0.0000 | 0.0000 | 0.0100 | 0.0070 | <i>0.0170</i> | <i>0.0770</i> |

Note The foreign restrictiveness index scores range from 0 to 1. The higher the score, the greater are the restrictions for an economy.

Table 7: Restrictiveness Index Scores for Transport Sector Jordan: Restrictions on establishment

| | Form of commercial presence | Direct investment in transport service suppliers | Restrictions on establishment total |
|--|------------------------------------|---|--|
| Road transport - passenger 7211 | 0.1500 | 0.2500 | <i>0.4000</i> |
| Road transport - freight 7212 | 0.1500 | 0.2500 | <i>0.4000</i> |
| Rental of commercial vehicles with operator | 0.1500 | 0.0000 | <i>0.1500</i> |
| Maintenance and repair of road transport equipment | 0.0000 | 0.0000 | 0.0000 |
| Supporting services for road transport services 742 | 0.0000 | 0.0000 | 0.0000 |
| All transport modes cargo-handling services 742 | 0.0000 | 0.0000 | 0.0000 |
| All transport modes storage and warehouse services 742 | 0.0000 | 0.0000 | 0.0000 |
| All transport modes freight agency services 742 | 0.0000 | 0.0000 | 0.0000 |

Table 8: Restrictiveness Scores for Distribution Services Sector Jordan: Restrictions on Cross-border Trade and Total Restrictiveness

| | Airport and Port Regulation | Government permits | Cabotage Restrictions | Temporary movement of people | Restrictions on ongoing operations total | Foreign index total |
|--|------------------------------------|---------------------------|------------------------------|-------------------------------------|---|----------------------------|
| Road transport - passenger 7211 | 0.0333 | 0.0200 | 0.1500 | 0.0029 | <i>0.1529</i> | <i>0.7590</i> |
| Road transport - freight 7212 | 0.0190 | 0.0400 | 0.1500 | 0.0029 | <i>0.1529</i> | <i>0.7648</i> |
| Rental of commercial vehicles with operator | 0.0000 | 0.0000 | 0.0000 | 0.0028 | <i>0.0028</i> | <i>0.1557</i> |
| Maintenance and repair of road transport equipment | 0.0000 | 0.0475 | 0.0000 | 0.0028 | <i>0.0028</i> | <i>0.0532</i> |
| Supporting services for road transport services 742 | 0.0523 | 0.0000 | 0.0000 | 0.0005 | <i>0.0005</i> | <i>0.0533</i> |
| All transport modes cargo-handling services 742 | 0.0285 | 0.0475 | 0.0000 | 0.0029 | <i>0.0029</i> | <i>0.0818</i> |
| All transport modes storage and warehouse services 742 | 0.0475 | 0.0475 | 0.0000 | 0.0029 | <i>0.0029</i> | <i>0.1008</i> |
| All transport modes freight agency services 742 | 0.0475 | 0.0475 | 0.0000 | 0.0029 | <i>0.0029</i> | <i>0.1008</i> |

Note: The foreign restrictiveness index scores range from 0 to 1. The higher the score, the greater are the restrictions for an economy.

Table 9: Restrictiveness Index Scores for Construction Sector and Architectural/Engineering Services Jordan: Restrictions on establishment

| | Form of establishment | Foreign partnership or joint venture | Investment and ownership by foreign professionals | Investment and ownership by non-professional investors | Nationality or citizenship requirements | Licensing and accreditation of foreign professionals | Permanent movement of people | Restrictions on establishment total |
|---------------------------|------------------------------|---|--|---|--|---|-------------------------------------|--|
| Architectural/Engineering | 0.0000 | 0.0000 | 0.1000 | 0.1000 | 0.0500 | 0.1000 | 0.0080 | <i>0.3580</i> |
| Construction | 0.0000 | 0.1250 | 0.1000 | 0.1000 | 0.0500 | 0.0000 | 0.0080 | <i>0.3830</i> |

Table 10: Restrictiveness Index Scores for Construction Sector and Architectural/Engineering Services Jordan: Restrictions on Cross-border Trade and Total Restrictiveness

| | Licensing requirements on management | Other restrictions | Temporary movement of people | Restrictions on ongoing operations total | Foreign index total |
|---------------------------|---|---------------------------|-------------------------------------|---|----------------------------|
| Architectural/Engineering | 0.0000 | 0.0000 | 0.0050 | <i>0.0050</i> | <i>0.3630</i> |
| Construction | 0.0000 | 0.0000 | 0.0050 | <i>0.0050</i> | <i>0.3880</i> |

Note: The foreign restrictiveness index scores range from 0 to 1. The higher the score, the greater are the restrictions for an economy.

Table 11: Restrictiveness Index Scores for Financial Services Jordan: Restrictions on Establishment

| Code | Licensing of banks | Direct investment | Joint venture arrangements | Permanent movement of people | <i>Restrictions on establishment total</i> |
|-----------|--------------------|-------------------|----------------------------|------------------------------|--|
| Banking | 0.0000 | 0.0000 | 0.0000 | 0.0040 | <i>0.0040</i> |
| Insurance | 0.0000 | 0.0000 | 0.0000 | 0.0040 | <i>0.0040</i> |

Table 12: Restrictiveness Index Scores for Construction Sector and A/E Services Jordan: Restrictions on Cross-border Trade and Total Restrictiveness

| Code | | Raising funds by banks | Lending funds by banks | Other business of banks - insurance and securities services | Expanding the number of banking outlets | Composition of the board of directors | Temporary movement of people | <i>Restrictions on ongoing operations total</i> | <i>Foreign index total</i> |
|-----------|--|------------------------|------------------------|---|---|---------------------------------------|------------------------------|---|----------------------------|
| Banking | | 0.0000 | 0.0000 | 0.0050 | 0.0000 | 0.0000 | 0.0000 | <i>0.0050</i> | <i>0.0090</i> |
| Insurance | | 0.0000 | 0.0000 | 0.0050 | 0.0000 | 0.0000 | 0.0000 | <i>0.0050</i> | <i>0.0090</i> |

Source: McGuire, G. and Schuele, M. 2000, 'Restrictiveness of international trade in banking services', in Findlay, C. and Warren, T. (eds) 2000, Impediments to Trade in Services: Measurement and Policy Implications, Routledge, London and New York.

Notes: The domestic and foreign restrictiveness index scores range from 0 to 1. The higher the score, the greater are the restrictions for an economy.

Table 13: Restrictiveness Index Scores for Computer Related Services and Courier Services Jordan: Restrictions on establishment

| | Form of establishment | Foreign partnership or joint venture | Investment and ownership by foreign professionals | Investment and ownership by non-professional investors | Nationality or citizenship requirements | Permanent movement of people | Restrictions on establishment total |
|-------------------------------|------------------------------|---|--|---|--|-------------------------------------|--|
| Computer and Related Services | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0040 | <i>0.0040</i> |
| Courier Services | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0040 | <i>0.0040</i> |

Table 14: Restrictiveness Index Scores for Computer Related Services and Courier Services Jordan: Restrictions on Cross-border Trade and Total Restrictiveness

| | Fee setting | Licensing requirements on management | Other restrictions | Temporary movement of people | Restrictions on ongoing operations total | Foreign index total |
|-------------------------------|--------------------|---|---------------------------|-------------------------------------|---|----------------------------|
| Computer and Related Services | 0.0000 | 0.0000 | 0.0000 | 0.0050 | <i>0.0050</i> | <i>0.0090</i> |
| Courier Services | 0.0000 | 0.0000 | 0.0000 | 0.0075 | <i>0.0075</i> | <i>0.0115</i> |

Note: The foreign restrictiveness index scores range from 0 to 1. The higher the score, the greater are the restrictions for an economy

Table 15: Restrictiveness Index Scores for the Tourism Sector Jordan: Restrictions on Establishment

| | Form of establishment | Foreign partnership or joint venture | Investment and ownership by foreign investors | Nationality or citizenship requirements | Permanent movement of people | Restrictions on establishment total |
|------------------------------------|------------------------------|---|--|--|-------------------------------------|--|
| Hotels and hotel restaurants | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0040 | <i>0.0040</i> |
| Restaurants | 0.0000 | 0.0000 | 0.1000 | 0.0000 | 0.0040 | <i>0.1040</i> |
| Travel agencies and tour operators | 0.0000 | 0.0000 | 0.1000 | 0.1000 | 0.0080 | <i>0.2080</i> |
| Tourist guides | 0.0000 | 0.0000 | 0.1000 | 0.1000 | 0.0080 | <i>0.2080</i> |

Table 16: Restrictiveness Index Scores for Computer Related Services and Courier Services Jordan: Restrictions on Cross-border Trade and Total Restrictiveness

| | Restrictions on Foreign Owned Operations | Temporary movement of people | Restrictions on ongoing operations total | Foreign index total |
|------------------------------------|---|-------------------------------------|---|----------------------------|
| Hotels and hotel restaurants | 0.0000 | 0.0025 | <i>0.0025</i> | <i>0.0065</i> |
| Restaurants | 0.0000 | 0.0025 | <i>0.0025</i> | <i>0.1065</i> |
| Travel agencies and tour operators | 0.0500 | 0.0075 | <i>0.0575</i> | <i>0.2655</i> |
| Tourist guides | 0.0500 | 0.0075 | <i>0.0575</i> | <i>0.2655</i> |

Note: The foreign restrictiveness index scores range from 0 to 1. The higher the score, the greater are the restrictions for an economy

Table 17: Restrictiveness Indices

| Sector/Sub Sector | Restrictions on establishment total | Restrictions on ongoing operations total | Foreign index total |
|--|--|---|----------------------------|
| Business Services: | | | |
| Advertising services | 0.2500 | 0.0000 | 0.2500 |
| Computer and Related Services | 0.0040 | 0.0050 | 0.0090 |
| Convention services | 0.1250 | 0.0000 | 0.1250 |
| Management consulting services | 0.0000 | 0.0000 | 0.0000 |
| Printing and publishing | 0.3000 | 0.0000 | 0.3000 |
| Communication Services: Courier | 0.1040 | 0.0075 | 0.0115 |
| Architectural /Engineering | 0.3580 | 0.0050 | 0.3630 |
| Construction | 0.3830 | 0.0050 | 0.3880 |
| Distribution Services: | | | |
| Commission Agents | 0.1500 | 0.0570 | 0.2070 |
| Wholesale Trade | 0.0200 | 0.0170 | 0.0370 |
| Retail Services | 0.0600 | 0.0170 | 0.0770 |
| Financial Services: | | | |
| Banking | 0.0040 | 0.0050 | 0.0090 |
| Insurance | 0.0040 | 0.0050 | 0.0090 |
| Transport: | | | |
| Road transport - passenger 7211 | 0.4000 | 0.1529 | 0.7590 |
| Road transport - freight 7212 | 0.4000 | 0.1529 | 0.7648 |
| Rental of commercial vehicles with operator | 0.1500 | 0.0028 | 0.1557 |
| Maintenance and repair of road transport equipment | 0.0000 | 0.0028 | 0.0532 |
| Supporting services for road transport services 742 | 0.0000 | 0.0005 | 0.0533 |
| All transport modes cargo-handling services 742 | 0.0000 | 0.0029 | 0.0818 |
| All transport modes storage and warehouse services 742 | 0.0000 | 0.0029 | 0.1008 |
| All transport modes freight agency services 742 | 0.0000 | 0.0029 | 0.1008 |
| Tourism: | | | |
| Hotels and hotel restaurants | 0.0040 | 0.0025 | 0.0065 |
| Restaurants | 0.1040 | 0.0025 | 0.1065 |
| Travel agencies and tour operators | 0.2080 | 0.0575 | 0.2655 |
| Tourist guides | 0.2080 | 0.0575 | 0.2655 |

Table 18 : Ranking Foreign Index Total of Sub Sectors

| Sub Sector | Foreign index total |
|--|----------------------------|
| Management consulting services | 0.0000 |
| Hotels and hotel restaurants | 0.0065 |
| Computer and Related Services | 0.0090 |
| Banking | 0.0090 |
| Insurance | 0.0090 |
| Courier | 0.0115 |
| Wholesale Trade | 0.0370 |
| Maintenance and repair of road transport equipment | 0.0532 |
| Supporting services for road transport services | 0.0533 |
| Retail Services | 0.0770 |
| All transport modes cargo-handling services | 0.0818 |
| All transport modes storage and warehouse services | 0.1008 |
| All transport modes freight agency services | 0.1008 |
| Convention services | 0.1250 |
| Restaurants | 0.1065 |
| Rental of commercial vehicles with operator | 0.1557 |
| Commission Agents | 0.2070 |
| Advertising services | 0.2500 |
| Travel agencies and tour operators | 0.2655 |
| Tourist guides | 0.2655 |
| Printing and publishing | 0.3000 |
| Architectural /Engineering | 0.3630 |
| Construction | 0.3880 |
| Road transport - freight | 0.7648 |
| Road transport - passenger | 0.7590 |

The above table ranks the sub sectors in ascending order according to their foreign index total. The management consulting services sub sector ranks the lowest with a foreign index total of zero. Other less restrictive sub sectors include the Hotels and hotel restaurants sub sector, which ranked second place with an index total of 0.006, and the computer and related services, banking, and insurance sectors which shared the same rank of 0.0090.

The two most restrictive sectors were in the road transport subsectors, with both freight and passenger road transport deriving an index of 0.7590 and 0.7648, respectively. This is not surprising since foreign equity is prohibited in road passenger and freight transport services.

The most surprising index ranking is that of convention services. With out regulation or association rules, the sub sector is considered restrictive due to the restrictions JEDCO places on the holding of exhibitions.