

Centre on Transnational Corporations

**SUPPLEMENT TO
NATIONAL LEGISLATION AND REGULATIONS
RELATING TO
TRANSNATIONAL CORPORATIONS**



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NOTE

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FOREWORD

This report is a supplement to National Legislation and Regulations relating to Transnational Corporations. 1/ It was prepared in response to the request by the Commission on Transnational Corporations to continuously update such a study. 2/ New material was introduced on the basis of replies received from Governments to note verbales of the Secretary-General, and of laws and regulations enacted after the publication of the original survey.

The present report includes information on the national legislation and regulations of 18 countries. New material is presented for 14 countries - nine developing countries (Bahrain, China, Liberia, Mali, Morocco, Oman, Somalia, Sudan, Viet Nam) and five developed market economy countries (Finland, Iceland, Ireland, New Zealand, Sweden). For four countries (Chile, Hungary, Mauritania, Saudi Arabia), the information provided constitutes an extensive updating of material previously published.

The material included in this supplement is presented in a format similar to that used for the annexes to the first study.

1/ United Nations publication, Sales No. E.78.II.A.3.

2/ Economic and Social Council, Official Records, Sixty-first Session, Supplement No. 5 (E/5782), p. 4.

ABBREVIATIONS

ACAST	Advisory Committee on the Application of Science and Technology to Development
ANCOM	Andean Common Market
ASEAN	Association of South-East Asian Nations
BLEU	Belgium Luxembourg Economic Union
CACM	Central American Common Market
CARICOM	Caribbean Community
CMEA	Council for Mutual Economic Assistance
EAC	East African Community
EC	European Communities
ECE	Economic Commission for Europe
ECLA	Economic Commission for Latin America
EEC	European Economic Community
ESCAP	Economic and Social Commission for Asia and the Pacific <u>3/</u>
GATT	General Agreement on Tariffs and Trade
IBRD	International Bank for Reconstruction and Development (World Bank)
ICC	International Chamber of Commerce
ICSID	International Centre for Settlement of Investment Disputes
IMF	International Monetary Fund
LAFTA	Latin American Free Trade Association
OAMPI	African and Malagasy Industrial Property Office
OAS	Organization of American States
OAU	Organization of African Unity
OCAM	African and Malagasy Common Organization
OECD	Organisation for Economic Cooperation and Development
OEEC	Organisation for European Economic Co-operation
RCD	Regional Co-operation for Development
UDEAC	Central African Customs and Economic Union
UNCTAD	United Nations Conference on Trade and Development
UNESCO	United Nations Educational, Scientific and Cultural Organization
WIPO	World Intellectual Property Organization

3/ Prior to 1974, known as Economic Commission for Asia and the Far East (ECAFE).

Annexes

EXPLANATORY NOTES 4/

Tabular presentation

Composition of the tables

The information was compiled directly from the original sources using summaries and paraphrasing of the provisions of laws and regulations relating to or bearing on foreign direct investment. The legislation is presented in terms of broad categories representing issue areas of major concern in the investment process. The developing countries are grouped on a regional basis in accordance with the usual United Nations practice. For each developing region nine basic tables are systematically used. Subtables are included in two instances (tables A.9a and D.8a) to amplify the information in the corresponding main tables. The tables presenting the legislation of eastern European countries were designed along similar lines. Since the scope and content of the investment legislation of the developed countries is more limited and differs in various other respects from those of the legislation of the other countries, a different format was adopted for the presentation of the information.

Table headings

In the case of developing countries, table headings and column headings are as a rule identical for each region. Column subheadings follow systematically, subject to the rules on omission of information, described below. The wording of subheadings may vary somewhat between countries, reflecting either differences in the terminology used in the original source or substantive differences in the methods or scope of regulation.

Comparability of information

The information is paraphrased from the investment legislation most closely approximating the given headings or subheadings. However, the methods or areas of legislation may differ to some extent from country to country. The information for individual countries under a given column heading may therefore not be strictly comparable.

Symbols employed

The following symbols have been used:

- X = Yes
- = No
- ... = Information not available.

4/ For a more detailed presentation of these notes, see National Legislation and Regulations relating to Transnational Corporations, p. 27-30.

System of legal references used in the tables
on developing countries (annex I)

All the material quoted appears with precise citations to the sources of the law. However, a system of abbreviated key references is used within the body of the tables, as follows:

A	Act
ARR	Arrêté
BISD	Basic Instruments and Selected Documents, GATT
BFSP	British and Foreign State Papers
CC	Commercial Code, Company Law
Civ C	Civil Code
CCP	Code of Civil Procedure
CN	Constitution
D	Decree
D-L/DL	Decree Law
Dec	Decision of the Commission of the Cartagena Agreement, the Andean Pact
ETS	European Treaty Series
Ex	Exchange Control Act
Instructs	Instructions
L	Law
LC	Labour Code
LNTS	League of Nations Treaty Series
O	Ordinance
O-L	Ordinance-Law
Pres D	Presidential Decree
Pres Dec	Presidential Decision
RD	Royal Decree
Reg	Regulations
TIAS	United States Treaties and Other International Agreements
Treaty/73	Treaty of Chaguaramas
UDEAC ACTE	Act of the Directing Committee of Central African Customs Union
UNTS	United Nations Treaty Series

Governments are invited to communicate with the United Nations Centre on Transnational Corporations for corrections, additional information and new laws and regulations.

References used in the tables on developed market economy countries (annex III).

The laws and regulations of the developed market economies are indicated by a letter and number, e.g. (A1), corresponding to those shown in the list of sources for each country at the end of annex III.

ANNEX I
SELECTED DEVELOPING COUNTRIES

Tables by region

A. Africa

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Table A.1

Foreign direct investment codes: nature and scope of the principal source of investment legislation, and membership in regional organizations promoting the harmonization of investment regulations among members

Country	Date	Legislation	Scope	Membership in regional organizations
LIBERIA	1973	Investment Incentive Code of Liberia	Private investment régime	...
MALI	1976	Investment Code	Foreign investment régime	...
MAURITANIA	1976	Investment Code	Private investment régime in Mauritania	Arab Economic Union
SOMALIA	1960	Foreign Investments Law	Foreign investments	...

Table A.2

Definitions: foreign direct investment,
foreign investor and foreign enterprise

<u>Country</u>	<u>Definitions</u>
LIBERIA	<u>Foreign investment</u> : not specified. <u>Foreign investor</u> : the Investment Code applies without distinction as to the nationality of the investor. <u>Foreign enterprise</u> : not specified.
MALI	<u>Foreign investment</u> : not specified. <u>Foreign investor</u> : the investment code applies without distinction as to the nationality of the investor. <u>Foreign enterprise</u> : not specified.
MAURITANIA	<u>Foreign investment</u> : not specified. <u>Foreign investor</u> : not specified. <u>Foreign enterprise</u> : not specified.
SOMALIA	<u>Foreign investment</u> : includes the transfer of foreign capital by foreign juridical and natural persons as well as Somali nationals residing abroad to Somalia, reinvestment of funds resulting from previously realized investments in Somalia, investments in the form of machinery, equipment, spare parts, installations, building materials and any other supplies to be used for establishing or enlarging enterprises, on condition that the supplies are not produced in Somalia; transfer of patent rights, trade marks, and licenses to Somalia in connexion with the above types of investments. <u>Foreign investor</u> : foreign juridical and natural persons as well as Somali nationals residing abroad. <u>Foreign enterprises</u> : not specified.

Table A.3

The administration of foreign direct investment:
co-ordination, evaluation and registration

LIBERIA

Co-ordination

Concession and Investment Commission (CIC): established 1966 (L 73 sec. 8).
Membership: representatives of Department of Commerce and Industry (Chairman) and from Treasury Department, National Planning Agency and Department of Agriculture. Functions: CIC evaluates proposals and makes recommendations to the Minister responsible for the sector in which the project is to operate (L 73 sec. 9).

Evaluation

Investment screening: all proposals to set up a completely new enterprise or to expand an existing one by 25 per cent of capital invested to be addressed simultaneously to Chairman of CIC and to the Ministry responsible for the sector in which the project is to operate. Evaluation by Secretariat of CIC, taking into account objectives of L 73, recommendations of responsible Ministry and likelihood that project is to continue profitable operation after incentive period ends. CIC votes on proposal. If accepted, Minister of Finance signs investment incentive contract with investor. If total fixed capital of the project is above \$2 million, Executive Committee of National Planning Council authorization necessary before Minister of Finance signs contract (L 73 sec. 9). Appeal: investor or members of CIC may appeal to Chairman of Executive Committee of National Planning Council against CIC decision (L 73 sec. 9(7)).

Registration: information not available.

MALI

Co-ordination

National Investment Commission: established under the Director of Industries (D 76-128 art. 2-5). Membership: the Minister of Industries (Chairman), representatives of Ministries of Planning, Defence, Finances, and the Directors-General for Industries, Economic Affairs, Customs, Taxes, Mali Development Bank, Manpower Board Planning and Statistics, as well as Presidential representatives, the UNTM and the Secretary-General of the Chamber of Commerce and Industry (O 76-12 art. 3). Functions: review of applications for incentives for investments of at least Mali Francs 150 million (D 76-128 art.2).

Evaluation

Investment screening: applications to Minister of Industries, Chairman of National Investment Commission, who requests technical reviews from interested departments before submitting application to National Investment Commission, which makes a recommendation based on the assessment of the case to the President of the Council of Ministers. Decision by Decree (O 76-31 art. 9).

Registration: information not available.

Table A.3 (Continued)

MAURITANIA

Co-ordination

Investment Commission:(L 76-249 art. 6). Membership: not specified.
Functions: receipt and investigation of applications for incentives.

Evaluation

Application for incentives: to the Investment Commission. Approval: by decree.

Registration: not specified.

SOMALIA

Co-ordination

Committee on Foreign Investments: established 1960 (L 60/10 art. 2).
Membership: the Minister of Planning and Co-ordination (Chairman), and the Directors-General of the Ministries of Finance, Industries, Commerce, the Somali National Bank, Creditor Somalo, Ministry of Planning and Co-ordination and the Somali Development Bank. Functions: receipt and approval of investment applications; resolution of differences between investors and other government agencies; supervision of monetary and fiscal aspects of operations of foreign investors; general monitoring of activities of foreign investors.

Evaluation

Investment screening: applications to the Planning Office of the Presidency of the Council of Ministers transmitted to the Committee on Foreign Investments. Decision of the Committee regarding approval communicated to the applicant within 60 days (L 60/10 art. 5).

Registration

Accomplished by certification within 60 days from Ministry of Planning and Co-ordination to the effect that the investment has already been established in accordance with the provisions of the Law (L 60/10 art. 5).

Table A.4

Establishment: criteria of selection, incentive schemes and terms of establishment

LIBERIA

Criteria of selection

Incentive regimes, qualifying standards: incentives are available for projects falling within priorities established by the National Planning Council (priority sectors, employment, linkages), ensuring permanent employment of Liberians at all levels and carrying out training schemes, allowing Liberians to participate in their ownership, producing local value added of at least 25 per cent and using local raw materials and supplies (L 73 sec. 4).

Incentive schemes

Approved investment project status: incentives may include customs duties and income tax exemptions, as well as lease of land in industrial sites loans and equity participation from government agencies, tariff protection, loss carry forward protection, accelerated depreciation and government purchases (L 73 sec. 5).

Terms of establishment

Establishment: investment incentive contract signed by Minister of Finance for a period of up to five years. Lists all incentives granted and obligations to be respected by approved investor, such as implementation in compliance with contract, employment and training, maintaining a debt-equity ratio not exceeding 3:1, permitting audits and submitting various reports. Beginning of incentive period stated in investment incentive contract. Incentive period cannot be extended, except in exceptional cases and never for more than two years (L 73 sec. 7 and 10).

MALI

Criteria of selection

Qualifying standards: incentives are available for priority enterprises, be they new or existing, national, multinational or foreign, if their investments projects fit with national development programmes, especially in agri-business, steel, manufacturing, water and energy production, tourism, construction and transport. Mining and petroleum regulated by special regimes. Commercial enterprises excluded from scope of investment code. Enterprises usually required to have a 40 per cent value added rate (30 per cent for Malian nationals) (O 76-31 art. 4, 5, 6).

Incentive schemes

Three types of incentive regimes are granted. Regime A: for investments above Franc Malien 150 million; exemption from import duties on equipment, spares, tools and raw materials, from tax on industrial and commercial profits,

Table A.4 (Continued)

MALI (Continued)

from tax on real estate income, from tax on mortmain as well as guarantee of repatriation of invested capital, net profits and salaries of expatriate personnel (O 76-31 art. 12, D 76-128 art. 14). Regime B: for investments of vital importance for the Mali economy and value above FM 500 million to FM 1500 million, according to the sector. All benefits provided under regime A, as well as stability of the tax and customs regime for the duration of the investment convention passed with the Government, guarantee of Bank credits and use of energy resources (O 76-31 art. 14-15 D 76-128 art. 15). Regime C: for investments of at least FM 20 million. Total or partial exemption from some taxes. Incentives cannot be identical to those granted in regime A (O 76-31 art. 12 to 16). Regional development: additional incentives for enterprises under all three regimes established in areas non- or under-industrialized (O 76-31 art. 21).

Terms of establishment

Establishment: access to all incentive schemes subject to a case-by-case screening by the National Investment Commission. Approval by decree in regime A and C, and by investment convention in regime B (O 76-31 art. 11, 14 and 15).

MAURITANIA

Criteria of selection

Incentive regimes, qualifying standards: priority status is granted by the Investment Commission to physical or juridical persons involved in agricultural, industrial, tourist, low cost housing, handicraft and fishing activities and in the production of water and energy, provided the sector of activity is not already saturated. No investment project can be approved if it does not fit in the development plan (L 76-249 art. 9 and 11). Specific standards: incentive status is determined by the level of capital investment, the number of permanent local jobs created and contribution to the economic development plan.

Incentive schemes

Incentives are granted under three status. Category A: investment programme requires a maximum investment of ouguiya 15 million over a maximum of two years and permanent employment for at least ten Mauritanians. Incentives include part or all of (a) partial or total exemption during two years of customs duties on commodities and equipment material necessary for investment and not produced in Mauritania; (b) partial exemption not to exceed 50 per cent for two years of customs duties on spares, raw materials and packing equipment not produced in Mauritania; (c) partial or total exemption, on the Investment Commission recommendation, of taxes mentioned in the approval decree during the first two years of effective operation (L 76-249 art. 4 and 13). Category B: investment programme requires an investment of between ouguiya 15 and 40 million

Table A.4 (Continued)

MAURITANIA (Continued)

over a maximum of three years and permanent employment for at least 20 Mauritaniens. Incentives include (a) total or partial exemption during three years of customs duties on commodities and equipment material necessary for the investment and not produced in Mauritania; (b) partial exemption not to exceed 50 per cent for five years of customs duties on spares, raw materials and packing equipment not produced in Mauritania; (c) partial or total exemption of tax on industrial and commercial profits, provided the profits distributed to shareholders do not exceed 7 per cent per year of the face value of stocks (L 76-249 art. 11 and 14).

Category C: investment programme requires a minimum investment of ouguiya 40 million over a maximum of three years or permanent employment for at least 50 Mauritaniens in the first year of operation. Incentives include same incentives as for category B, extended for five years in the case of paragraph (c) and may be renewed for two more years in the case of paragraphs (b) and (c) (L 76-249 art. 11 and 15). Additional incentives and guarantees: additional incentives and guarantees other than those scheduled in L 76-249 may be granted to enterprises carrying out a project scheduled in the development plan or located outside of Nouakchott or Nouadhibou, or having a large export content, or a high degree of integration or a high value added (L 76-249 art. 4). Enterprises granted priority status may also enjoy land grants outside of Nouakchott and Nouadhibou, as well as exemption from incorporation and contract fees and export levies. In exceptional cases, a monopoly for exploitation or distribution may be granted for a limited time (L 76-249 art. 17). Priority enterprises having invested at least ouguiya 200 million over a maximum of three years are automatically entitled to stabilization of their fiscal charges for seven years (art. 19). In addition, enterprises in category C will be allowed to sign with the Government a convention stabilizing their taxation for up to 20 years.

Terms of establishment

Establishment: investment requires Government approval granted by decree on a case-by-case basis or by a special long-term fiscal convention. Government decree (1) establishes the objectives and scope of investment and the time limit within which it must be carried out; (2) specifies the incentives and guarantees to be granted to the enterprise; (3) lists limitatively the activities for which the approval is granted, as well as the obligations and controls to which the investment is subject (L 76-249 art. 7). Special long-term fiscal convention: the Government signs with category C enterprises, whose investment reaches ouguiya 500 million over a maximum of three years, special conventions stabilizing their fiscal regime for up to 20 years (L 76-249 art. 20-22).

SOMALIA

Criteria of selection

Investment approval, general criteria: investment must come within the plans for the economic development of the country. Preference accorded to productive enterprises, defined as enterprises requiring for their activities the reclamation, irrigation, and improvement of land; the establishment of

Table A.4 (Continued)

SOMALIA (Continued)

factories, workshops, power generators and transmission lines, the drilling of wells, the construction of aqueducts, reservoirs, roads, bridges, and buildings, including hotels, and the construction and use of boats, floating equipment, and aircrafts as well as enterprises engaged in prospecting, testing, analysing, research, and drilling activities in connexion with oil and mineral exploration pursuant to contractual arrangements with the Government of Somalia.

Incentive schemes

Yearly transfers of profits, income, interest, instalment payments and repayments of foreign loans, and revenue accruing from fixed assets or loans, investments and the dividends and interests thereon, up to 30 per cent of the capital invested (for productive enterprises); and 10 per cent (non-productive) for all enterprises, total or partial exemption from the levy of import duties, export duties, excise duty, income tax and municipal tax up to five years; for productive enterprises waiver of registration and mortgage fees by 50 per cent and the grant of other fiscal facilities in connexion with the constitution, merger, etc. of companies and increases in capital.

Terms of establishment

Establishment: investment established upon registration after approval of Committee on Foreign Investments in incentive schemes available to all approved enterprises, with more favourable terms for productive enterprises. In the case of investments in mineral, oil and nuclear development or research, an establishment agreement negotiated between the enterprises in question and the Government of Somalia lays down the conditions for the establishment and operation of the enterprise.

Table A.5

Investment guarantees: basic investment guarantees,
dispute settlement and nationalization

LIBERIA

Basic investment guarantees

Fundamental rights and freedoms: open door policy provides for non-nationalization of private property and free movement of capital.

Government contracts: Government to purchase from approved investment projects provided quantities are sufficient and quality and price acceptable (L73 sec. 5(4) (f)). Investment incentives: no discrimination against approved foreign enterprises. Investment guarantee agreements: two, with the Federal Republic of Germany and the United States.

Dispute settlement: investor entitled to appeal questions of fact or law to Circuit Court from administration decisions and for reinstatement of cancelled investment incentive contract. Investment incentive contract may also specify arbitration instead of appeal. (L73 sec. 13). International conventions: Party to ICSID.

Nationalization and compensation: private property shall not be taken away for public use without fair compensation (CN sec. 13).

MALI

Basic investment guarantees

Fundamental rights and freedoms: not specified in Investment Code.

Investment incentives: no discrimination against foreign firms. Investment guarantee agreements: no information available.

Dispute settlement: an arbitration convention is annexed to each investment convention. All disputes relating to interpretation or implementation of the investment convention to be settled by arbitration. Arbitration decision final (076-31 art. 20). International conventions: Party to ICSID since 1976.

Nationalization and compensation: the right to hold property shall be guaranteed by the Constitution. It may not be taken away except in cases of public necessity as stated in the law (CN 74 art. 14).

MAURITANIA

Basic investment guarantees

Fundamental rights and freedoms: extended to all investment under the Constitution (C 61 art. 33(8)). Investment incentives: no discrimination against foreign firms. Stability: special statutes granted prior to

Table A.5 (Continued)

MAURITANIA (Continued)

the Investment Code remain in force. No retroactive effect (L 76-249, Art. 28). General guarantees: not specified. Arab capital: party to the Arab Investment Convention of 1970 which guarantees the non-discrimination of Arab capital and access to incentives on most-favoured-nation terms. Investment guarantee agreements: with the United States.

Dispute settlement: civil and commercial proceedings governed by the Civil Code. Disputes regarding establishment agreements may be submitted to arbitration and conciliation in the framework of either bilateral agreements or ICSID if the approved enterprise is more than 60 per cent controlled by non-resident foreigners (L 76-249, Art. 27). International conventions: party to the ICSID since 1966.

Nationalization and compensation: not specified in the Investment Code.

SOMALIA

Basic investment guarantees

Non-discrimination: foreign investors guaranteed the same privileges as Somali nationals engaging in the same activities. Investment guarantee agreements: one with the United States, signed 1962, entered into force 1964.

Dispute settlement: disputes between investors and the Government of Somalia to be settled by consultation and direct agreement; failing such agreement, the dispute shall be submitted to arbitration. International convention: party to ICSID since 1967.

Nationalization and compensation: property of enterprises duly registered in Somalia not subject to expropriation measures except in cases of public interest or any other administrative forms of compulsory transfer of property. In case of such expropriation, equitable compensation shall be paid.

Table A.6

Ownership and managerial control: blanket regulations,
sector regulations and investment in existing firms

LIBERIA

Blanket regulations

Local ownership: no investment incentive contracts granted unless they leave an option open to Liberians to participate in the enterprise by purchasing shares (L 73 sec. 4). Managerial control: trend toward Liberianization in all employee categories including management.

Sector regulations

Prohibited sectors: information not available.

Investment in existing firms

Take-overs: investment incentive contracts may be assigned only with the prior written consent of the Concession and Investment Commission (L73 sec. 15).

MALI

Blanket regulations

Local participation: no restrictions specified in Investment Code.

Sector regulations: no restrictions specified in Investment Code.

Take-overs: information not available.

MAURITANIA

Blanket regulations

Foreign ownership: no restrictions specified.

Sector regulations: no restrictions specified in Investment Code.
Special provisions apply to iron ore and hydrocarbons (L59/060, L61/106).

Investment in existing firms

Take-overs: transfer of an approved investment must receive prior Government authorization (L 76-249 art. 26).

Table A.6 (Continued)

SOMALIA

Blanket regulations

State or local participation: information not available.

Sector regulations

Prohibited sectors: information not available.

Investment in existing firms

Take-overs: no restrictions specified.

Table A.7

Finance: capitalization, debt financing
and repatriation

LIBERIA

Capitalization: information not available.

Debt financing: approved investment projects must maintain a debt/equity ratio not exceeding 3:1 (L73 sec. 7).

Capital and profit repatriation: no foreign exchange controls.

MALI

Capitalization: investment applications must include information on capitalization including domestic and foreign credit (O 76-31 art. 8).

Debt financing: information not available.

Repatriation: Investment Code guarantees total repatriation for new investments, net profits and within reasonable limits for salaries of foreign employees (O 76-31 art. 7).

MAURITANIA

Capitalization: information not available.

Reinvestment: reinvestment of profits will entitle investor to a tax reduction (L 76-249 art. 18).

Debt financing: information not available.

Repatriation

Capital and profit repatriation: capital and profit repatriation is guaranteed for physical and juridical persons who have carried out an investment financed through convertible currency after control of foreign exchange authorities. If investment is in kind, repatriation will be carried out according to provisions of approval decree or convention signed with the Government (L 76-249 art. 16).

SOMALIA

Capitalization

Foreign exchange: foreign capital and external credit generally acceptable.

Capital goods: imported machinery, equipment, spare parts, installations, building materials and any other supplies in connexion with the establishment

Table A.7 (Continued)

SOMALIA (Continued)

or enlargement of the investment are acceptable. They may be granted total or partial customs and fiscal exemptions. Intangibles: the capitalization of technology, transfer of patent rights, trade marks and licenses to Somalia acceptable with the approval of the Committee on Foreign Investments.

Reinvestment: reinvestments of profits encouraged; such reinvestments do not require authorization unless they reach an aggregate amount which is greater than that of the initial capital registered for the firm in question.

Debt financing

Domestic credit: foreign enterprises may contract medium- and long-term debts by direct borrowing or issue of bonds in Somalia. For enterprises wholly foreign-owned, there is a borrowing ceiling of 50 percent of registered capital; for enterprises which are at least 30 percent Somali owned, such borrowing may reach a maximum of 100 percent of registered capital. Partly or wholly owned foreign enterprises cannot subscribe to shares of other local or foreign enterprises in Somalia without authorization from the Secretary of Finance (L60/10 art. 10). Foreign credit: foreign borrowing requires authorization by the Committee on Foreign Investments; authorization granted only for loans intended for defined productive purposes of general interest to the economy of the country (L60/10 art. 11).

Repatriation

Capital and profit repatriation: approved investments are guaranteed repatriation to the country of origin of profits after tax, income, interest, instalment payments and repayment of foreign loans, and revenue accruing from fixed assets or loan investments and the dividends and the interest actually received on shares and bonds acquired or subscribed to in Somalia on productive investments up to 30 percent of the capital invested per annum (L60/10 art. 7). Income repatriation: foreign personnel employed in duly registered foreign enterprises are authorized to transfer freely to their country of origin or customary residence up to 50 percent of their salaries, wages, gratuities, and allowances paid to them in Somalia for any legitimate reasons whatsoever by the enterprises employing them; higher amounts of transfers up to 75 percent may be authorized by the Committee on Foreign Investments (L60/10 art. 17).

Table A.8

Technology transfer, employment and competition

LIBERIA

Technology transfer

Protection of industrial property: not member of WIPO. Not party to the Paris Convention. Aliens receiving patents must put them into active operation within three years of issuance or abandon them to the public. Every patent contains a grant of a term not more than 20 years. Trademark protection granted for 15 years and may be renewed for an additional 15.

Employment

Expatriate employment: employment of foreign labour prohibited except in administrative, supervisory or technical capacity whenever there is a shortage of qualified Liberians capable of supplying the needs of the employer. Special work permit required for foreigners. Training and social programmes: the investment incentive contract requires the investor to employ and train Liberians on a systematic basis in skills required at all levels. Remuneration: foreign employees may not be paid at wages different from those paid Liberians for similar work, except allowances for differentials to compensate for the alien's expatriation.

Competition: the Liberian Government has occasionally granted monopolies to maintain a stable line of business for importers, especially in technical equipment areas where after-sales servicing is important.

MALI

Technology transfer: information not available.

Protection of industrial property: not member of WIPO. Not party to the Paris Convention.

Employment

Expatriate employment: no restrictions specified in Investment Code. Training and social programmes: investment conventions and agreement decrees usually include enterprise obligations relating to training (076-31 art. 15).

Competition: information not available.

Table A.8 (Continued)

MAURITANIA

Technology transfer

Protection of industrial property: member of WIPO and OAPI. Party to the Paris Convention as amended at Lisbon, 1958. Repatriation of royalties and fees: no apparent restrictions.

Employment

Expatriate employment: no restrictions specified in the Investment Code. Training and social programmes: information not available.

Competition: no provisions.

SOMALIA

Technology transfer

Protection of industrial property: present legislation based on Italian law. International conventions: not member of WIPO. Not party to any industrial property treaty. Licensing agreements: no information available. Royalties and fees: no information available.

Employment

Expatriate employment: no restrictions specified for skilled personnel; unskilled foreign personnel shall in no case exceed five per cent of the Somali personnel employed by the enterprise. Training: no requirements specified.

Competition: information not available.

Table A.9

Corporate taxation and income allocation

LIBERIA

Corporate taxation: progressive tax rate on net income from 5 percent on first \$5,000 to 45 percent for net income over \$1,000,000. Withholding taxes: dividends of mining companies subject to a 50 percent tax.
Bilateral tax treaties: information not available.

Income allocation: information not available.

MALI

Corporate taxation: information not available.

Income allocation: information not available.

MAURITANIA

Corporate taxation: corporate income tax of 40 percent plus a lump sum tax of 1 percent of turnover, with a minimum of 60,000 ouguiya. Withholding taxes: information not available. Regional tax agreements: party to the OCAM General Convention on Fiscal Cooperation and Double Taxation of 1971.

Income allocation: information not available.

SOMALIA

Corporate taxation: information not available.

Income allocation: information not available.

Table A.9a

Fiscal incentives: indirect taxes, direct taxes
and establishment agreements

LIBERIA

Indirect taxes

Approved investments: eligible for customs duties exemptions of up to 90 percent on approved imports of machinery and equipment, raw materials, semi-finished products and other necessary supplies, as well as full rebate on import duties.

Direct taxes

Approved investments: eligible for 50 percent exemption, and 100 percent exemption for profits reinvested into fixed assets.

Establishment agreements not practised in Liberia.

MALI

Indirect taxes

Incentive regime A: incentives to establishment may include: Import duties: up to three years exemption on equipment and spares, up to 10 years on raw materials. Registration fees: may be paid in three years. Incentive regime B: all incentives under regime A, plus stabilization of customs regime during the period of the Investment Convention. Incentive regime C: incentives may include exemption from import duties for equipment for investments of up to Franc Malien 50 million.

Direct taxes

Incentive regime A: incentives to establishment may include: tax on industrial and commercial profits and patents: exemption for up to five years after the beginning of operations. Tax on real estate income: exemption for five to 10 years; mortmain tax: exemption for five to 10 years. Incentive regime B: all incentives under regime A plus stabilization of tax regime during the period of the Convention (O 76-31 art. 12-14). Incentive regime C: exemption from tax on industrial and commercial profits for projects whose value is between Franc Malien 50 and 150 million (D 76-128 art. 8-13).

Establishment agreements: under regime B (investment of major importance): Conventions between the Government and the enterprise for a maximum duration of 20 years, which may be extended for five additional years, grant all advantages listed under regime B, plus stabilization of tax and customs regime for the duration of the convention and other incentives and specify modalities of operation of enterprise and obligations accepted by both parties (O 76-31 art. 14).

Table A.9a (Continued)

MAURITANIA

Indirect taxes

Approved enterprises: partial or total exemption of customs duties on (1) commodities and equipment material and (2) spares, raw materials and packing equipment for periods of between two and seven years depending on category.

Direct taxes

Category A: partial or total exemptions of taxes mentioned in the approval decree for the two first years of operation. Category B: partial or total exemption of tax on industrial and commercial profits, provided the distributed profits do not exceed 7 percent per year of the face value of stocks for the first five years operation. Category C: same as Category B, with an additional period of two years.

Priority enterprises: priority enterprises whose total investment reads ouguiya 200 million over a maximum of three years will be automatically granted total stabilization for their taxes for seven years (L 76-249 art.19).

Special long-term fiscal conventions: Category C enterprises whose investment programme reaches ouguiya 500 million over a maximum of three years are entitled to sign special long-term conventions stabilizing their fiscal regime for no more than 20 years (L 76-249 art. 20-22).

SOMALIA

Indirect taxes

Partial or total exemption may be granted by the government when it is considered necessary in the national interest, for a period not exceeding five years (L 60/10 art. 13).

Direct taxes

Partial or total exemption may be granted by the government when it is considered necessary in the national interest, for a period not exceeding five years (L 60/10 art. 13).

Establishment agreements: not practised in Somalia.

Table A.10

Information and control: supervision, disclosure and sanctions

LIBERIA

Supervision: Concession and Investment Commission reviews annually each investment incentive contract and may recommend cancellation to the Chairman of the Executive Committee of the National Planning Council (L 73 sec. 9(5)).

Disclosure

Publication of agreements: not specified. Financial reporting: investor must submit annually a confidential report to the Concession and Investment Commission to enable it to judge compliance with investment incentive contract, balance sheet, and profit and loss statement (L 73 sec. 7). Auditing: investor must permit audits to ascertain compliance with investment incentive contract (L 73 sec. 7).

Sanctions

Breach of commitment: Concession and Investment Commission may cancel an investment incentive contract for misrepresentation, fraud or other illegal acts, misuse of import duty exemption privilege, liquidation of investment, failure to submit the required reports, and failure to start operations within the time stipulated (L 73 sec. 12). Right of appeal: investor has right to appeal questions of fact or law to Circuit Committee from administration decision or to agree to arbitration (L 73 sec. 13).

MALI

Supervision: approved enterprises are supervised by the Minister of Industries and are required to submit annually a balance sheet, a trading account, a profit and loss sheet, a redemption and reserve table, and an annual implementation report (O 76-31 art. 18).

Disclosure

Publication of agreements: not specified. Financial reporting: not specified.

Sanctions

In case of serious discrepancies between original operating plans and annual implementation reports, or of breach of commitments, sanctions may include withdrawal of agreement (O 76-31 art. 19).

MAURITANIA

Supervision: not specified in investment code.

Disclosure

Publication of agreement: decree of approval and establishment agreement

Table A.10 (Continued)

MAURITANIA (Continued)

published in Journal Officiel. Financial reporting: complete general and analytical accounts required for all approved enterprises, which must file them annually with the ministries in charge of finance, planning and their sector of activity (L 76-249 art. 25).

Sanctions

Breach of commitment: enterprise failure to meet any of the obligations imposed by the decree of approval will result in withdrawal of approval by decree, upon the advice of the Investment Commission and after hearing the entrepreneur (L 76-249 art. 8). Right of appeal: withdrawal of approval may be appealed either through arbitration or conciliation within the framework of bilateral investment protection agreements of the ICSID (L 76-249 art.8).

SOMALIA

Supervision: not specified in investment law. However, Committee on Foreign Investment may re-examine any registration of foreign capital already made with a view to ascertaining whether conditions of registration prescribed in present law are fulfilled (L 60/10 art. 6).

Disclosure

Publication of agreements: not specified in investment law. Financial reporting: information not available.

Sanctions

Not specified in investment law. However, the Committee on Foreign Investment has the right to cancel or modify as it deems fit any registration of capital already made (L 60/10 art. 6).

SOURCES

LIBERIA

Key

L 73 Investment Incentive Code.

MALI

CN 74 Constitution of 2 June 1974, promulgated by decree No. 03-PG-RM of 1 July 1974.

O 76-31 Ordinance No. 76-31/CMLN of 30 March 1976 abrogating and replacing Ordinance No. 29/CMLN of 29 May 1969 instituting the Investment Code.

D 76-128 Decree No. 76-128 PG-RM of 7 May 1976 implementing O 76-31 of 30 March 1976 instituting the Investment Code.

MAURITANIA

CN 61 Constitution, 20 May 1961, Journal Officiel, 3 June 1961.

L 59/060 Law No. 59-060 of 10 July 1959 instituting a long-term fiscal status applicable to companies with iron ore deposit concessions.

L 61/106 Law No. 61-106 of 12 June 1961 instituting a long-term fiscal status for hydrocarbons research and exploitation.

L 76-249 Investment Code (Law No. 76-249 of 16 October 1976).

SOMALIA

L 60/10 Law No. 10 of 18 February 1960 on foreign investment.

O 55/1 Ordinance No. 1 of 22 January 1955 on industrial inventions.

O 55/2 Ordinance No. 2 of 22 January 1955 on industrial designs.

O 55/3 Ordinance No. 3 of 22 January 1955 on trademarks.

DL 68/3 Decree Law No. 3 of 3 March 1968 on the extension and modification of the Law on Foreign Investment.

L 68/17 Law No. 17 of 15 June 1968 on the conversion into law of Decree Law No. 3 of 3 March 1968.

D 69/33 Supreme Revolutionary Council Decree No. 33 of 25 December 1968 on the amendment of the Law on Foreign Investment.

B. Asia

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Table B.1

Foreign direct investment codes: nature and scope of the principal source of investment legislation, and membership in regional organizations promoting the harmonization of investment regulations among members

Country	Date	Legislation	Scope	Membership in regional organisations
CHINA	1979	Law on joint ventures using Chinese and foreign investments	Foreign investment regime	. . .
VIET NAM	1977	Regulations concerning foreign investment	Foreign investment regime	CMEA

Table B.2

Definitions: foreign direct investment,
foreign investor and foreign enterprise

Country

Definitions

CHINA

Foreign investment: includes cash, capital goods and industrial property rights (L 79, art. 5). Foreign investor: no specific definition. Foreign company: no specific definition.

VIET NAM

Foreign investment: introduction in Viet Nam and use for the construction of new enterprises, modernization of technical equipment or extension of existing enterprises, of all kinds of equipment, industrial property rights, and capital in foreign currency or in merchandise (Arr. 115, art. 2). Foreign investor: enterprises, corporations, private or state organizations, international organizations or individuals meeting the requirements of the foreign investment regulations (Arr. 115, art. 3). Foreign company: not specified. Mixed enterprise or corporation: legal entity set up by a foreign investor and a Vietnamese state economic organization under the form of limited company or limited liability company according to Vietnamese law and operating according to the corporation contract and its charter (Arr. 115, art. 7).

Table B.3

The administration of foreign direct investment:
co-ordination, evaluation and registration

CHINA

Co-ordination

Foreign Investment Commission: established 1979. Membership: not available.
Functions: responsible for reviewing application for joint venture contracts and agreements and articles of association of joint ventures (L 79, art. 3).

Evaluation

Investment screening: all joint venture applications screened by the Foreign Investment Commission. Decision required within 3 months (L 79, art.3).

Registration: authorized joint ventures must register with the General Administration for Industry and Commerce (L 79, art. 3).

VIET NAM

Co-ordination

No specific government foreign investment organization.

Evaluation

Applications are received by the Ministry of Foreign Trade. Case by case evaluation. Minister of Foreign Trade may grant permit within three months of reception of application (Arr. 115, arts. 17 and 18).

Registration

Mixed enterprises and corporations, as well as private enterprises specialized in the production of goods exclusively for export must register their charters at the Ministry of Foreign Trade and Finance (Arr. 115, arts. 7 and 8). In addition, all foreign investors must register their investment act and the cessation of their investments at the Ministries of Foreign Trade and Finance (Arr. 115, arts. 20 and 23).

Table B.4

Establishment: criteria of selection, incentive schemes and terms of establishment

CHINA

Criteria of selection

Foreign establishment, general criteria: joint ventures with foreign participation are authorized in order to expand international economic co-operation and technological exchange, on the basis of equality and mutual benefit (L 79, art. 1).

Incentive schemes

Incentives: up-to-date technology entitles joint ventures to reduction of, or exemption from, income tax for first two to three profit-making years.
Incentives to reinvestment: reinvestment of profits entitles foreign participant to refund on part of taxes paid (L 79, art. 7). Regional development: information not available. Export industries: joint ventures are encouraged to market their production outside China through direct channels, their associated agencies or Chinese foreign trade organizations. Joint ventures may set up affiliated agencies outside China (L 79, art. 9).

Terms of establishment

Establishment: joint ventures obtain Foreign Investment Commission's authorization, take the form of limited liability company and register with General Administration for Industry and Commerce. Contract period of a joint venture may be agreed upon between the participants according to line of business and circumstances, and may be terminated before the date of expiration by consultation and agreement between the participants and authorization of Foreign Investment Commission (L 79, arts. 3, 4, 12 and 13).

VIET NAM

Criteria of selection

Information not available.

Incentive schemes

Mixed enterprises and corporations: enjoy total or partial exemption from income tax during the first years of operation, depending on sector of activity, location and amount of investment on a case-by-case basis. Exemption spelled out in investment permit. Also total or partial exemption of customs duties on equipment, spares, raw materials, fuels, etc. Total or partial exemption from export tax. In addition, in case of unexpected and unavoidable losses, possible reduction of income tax (Arr. 115, art.11).
Private enterprises specialized in the production of goods exclusively for exports: may, in addition to the above, use Vietnamese and foreign employees

Table B.4 (Continued)

VIET NAM (Continued)

and technicians, have direct contact with foreign economic organizations, and receive protection for their industrial property rights (Arr. 115, art. 12). Production sharing cooperation: no incentives provided except exemption from export tax (Arr. 115, art. 9). Additional incentives: Government may grant, if necessary, more favourable incentives (Arr. 115, art. 26).

Terms of establishment

Foreign investment in Viet Nam may take the following forms: (a) production sharing co-operation; (b) mixed enterprises or corporation; (c) private enterprises specialized in the production of goods exclusively for export (Arr. 115, art. 5). Investment permit must be granted by the Ministry of Foreign Trade. Investment act must be registered at the Ministries of Foreign Trade and Finance (Arr. 115, arts. 17 and 18). Charter of mixed enterprises or corporations must include its name, those of the parties, its object, its programmes of work and development, its capital, its regulations regarding management organs, the appointment and replacement of key managers, the distribution and use of profits, and rules on its liquidation or sale (Arr. 115, art. 7).

Table B.5

Investment guarantees: basic investment guarantees,
dispute settlement and nationalization

CHINA

Basic investment guarantees

Investment guarantees: resources invested by foreign investors in joint ventures, profit due to them and other lawful rights and interests are protected by Chinese law (L 79, art. 2). Investment guarantee agreements: information not available.

Dispute settlement: disputes between Chinese and foreign participants are settled by conciliation or arbitration by an arbitral body of China or through an arbitral body agreed to by the parties (L 79, art. 14). International conventions: not party to ICSID.

Nationalization: not specified.

VIET NAM

Basic investment guarantees

General guarantees: investment guaranteed for 10 to 15 years from the day when the investment permit is granted, or for a longer period in exceptional cases. Also guarantees of repatriation of capital and profits (Arr. 115, art. 10). Investment guarantee agreements: information not available.

Dispute settlement: conflicts between corporations with foreign investment in Viet Nam and Vietnamese economic organizations or Vietnamese workers of these corporations or Vietnamese citizens to be settled either through the Economic Arbitration Council, or by the appropriate departments of the Ministry of Labour, or by the competent courts according to the nature of the conflict and Vietnamese law. Conflicts arising from contractual arrangements between the foreign and the Vietnamese parties to be settled by the Foreign Trade Arbitration of the Vietnamese Chamber of Commerce, unless the parties have decided otherwise in the investment contract (Arr. 115, arts. 24 and 25). International conventions: not party to ICSID.

Nationalization and compensation: investment law guarantees non-nationalization for 15 years, and longer in exceptional cases, and fair compensation to be agreed to by both parties. Payment in currency of investment within a reasonable period of time (Arr. 115, art. 10).

Table B.6

Ownership and managerial control: blanket regulations,
sector regulations and investment in existing firms

CHINA

Blanket regulations

Foreign participation: at least 25 per cent foreign participation in joint venture required, (L 79, art. 4). Managerial control: composition of board of directors stipulated in joint venture contract and articles of association. Chairman of the board must be Chinese and one or two vice chairmen are appointed by foreign participants. Joint venture contract and articles of association empower board of directors to settle all important questions through consultations and respect for principles of equality and mutual benefit (L 79, art. 6).

Sector regulations

Information not available.

Investment in existing firms

Transfer of one participant's share in the registered capital shall take place only with the consent of the other participants in the joint venture (L 79, art. 4, para. 4).

VIET NAM

Blanket regulations

Foreign participation: can neither exceed 49 per cent of the capital of the mixed enterprise or corporation, nor constitute less than 30 per cent (Arr. 115, arts. 7 and 3). Managerial control: must be spelled out in the charter of the mixed enterprises or corporations (Arr. 115, art. 7).

Dissolution and liquidation: any enterprise or corporation with investment in Viet Nam whose dissolution has occurred at the expiration of the investment contract or for any other reason must wind up, according to Vietnamese law, the investment contract and its charter. Rights of Vietnamese employees to be protected according to Vietnamese law (Arr. 115, art. 21).

Sector regulations

Closed sectors: those reserved to the government (Arr. 115, art. 4).

Open sectors: foreigners may invest in natural resources, agriculture, industry construction and transportation (Arr. 115, art. 4).

Investment in existing firms

Takeovers: information not available.

Table B.7

Finance: capitalization, debt financing
and repatriation

CHINA

Capitalization

Capital contribution: each party may contribute cash, capital goods, industrial property rights, etc. The technology or equipment contributed by the foreign partner must be advanced and appropriate. The local contribution may include the right to the use of a site, and must be specified in the joint venture contract and valued jointly by the participants in the joint venture (L 79, art. 5, para. 4).

Repatriation

Capital and profit repatriation: capital, profits, and dividends may be transferred through the Bank of China in the currency specified in the investment contract in accordance with foreign exchange regulations (L 79, art. 10). Non-repatriation: foreign participants encouraged to deposit with the Bank of China any part of the foreign exchange they are entitled to repatriate (L 79, art. 10). Personal income: income earned by a foreign worker may be remitted abroad, after payment of income tax.

VIET NAM

Capitalization

Capital goods: all kinds of equipment and industrial property rights are included in definition of foreign investment. Must be valued in a currency mutually agreed upon and included in the corporation contract (Arr. 115, art. 2).

Reinvestment: Government encourages reinvestment of profits through total or partial exemption of income tax according to the amount and the sector of investment (Arr. 115, art. 10).

Foreign exchange: capital in foreign currency or goods valued in foreign currency (if the Vietnamese partner deems it necessary) is included in definition of foreign investment (Arr. 115, art. 2).

Debt financing: information not available.

Repatriation

Capital repatriation: guaranteed in case of sale, liquidation or purchase of the enterprise by the Government (Arr. 115, art. 10). Profit repatriation: guaranteed after payment of taxes and constitution of a reserve fund (Arr. 115, art. 10).

Table B.8

Technology transfer, employment and competition

CHINA

Technology transfer

Administration: the China International Trade Investment Company co-ordinates the use of foreign investment and technology. Technology transfer: must be truly advanced and appropriate to China's needs. In cases of losses caused by deception through the intentional provision of outdated equipment or technology, compensation shall be paid for the losses.

Competition: no information available.

VIET NAM

Technology transfer

Protection of industrial property: all kinds of industrial property rights listed in the investment contract are protected (Arr. 115, art. 13).

International conventions: not party to the Paris Convention.

Employment

Expatriate employment: permitted only if authorized by the Ministry of Foreign Trade when no Vietnamese national is available (Arr. 115, art. 12, para. 2).

Competition: information not available.

Table B.9

Corporate taxation, income allocation and fiscal incentives

CHINA

Corporate taxation: not specified. Bilateral tax treaties: information not available.

Income allocation: information not available.

Fiscal incentives

Direct tax benefits: two to three years exemptions in corporate income tax for joint ventures equipped with up-to-date equipment. Reinvestment of profits entitles foreign participant to refund on taxes paid (L 79, art. 7).

VIET NAM

Corporate taxation: income tax rates are 30 per cent of taxable profits for sectors involved exclusively in exports, 40 per cent for economic activities requiring a high level of technology and large investments, and 50 per cent for other economic sectors (Arr. 115, art. 15).

Income allocation: information not available.

Fiscal incentives

Direct tax benefits: total or partial exemption from income tax on a case-by-case basis during the first years of operation, depending on the economic sector and the amount invested (Arr. 115, art. 11). Indirect tax benefits: total or partial exemption from import duties on equipment, spares, raw materials, fuels necessary for the operation of the enterprise, and from the export tax on products the enterprise is permitted to export (Arr. 115, art. 11).

Table B.10

Information and control: supervision, disclosure and sanctions

CHINA

Supervision: joint ventures are required to register with Foreign Investment Commission.

Auditing and reporting

Reporting: production and business programme of joint ventures shall be filed (L 79, art. 9). Financial reporting: information not available.

Auditing: information not available.

Sanctions

Provision of obsolete technology: in case of losses caused by deception through the intentional provision of obsolete technology or equipment, compensation shall be paid for the losses (L 79, art. 5).

VIET NAM

Supervision: Ministries of Foreign Trade, Finance and Labour and the Banque d'Etat of Viet Nam supervise the implementation of the foreign investment regulations (Arr. 115, art. 27).

Disclosure

Financial reporting: foreign investors required to implement Vietnamese accounting plan (Arr. 115, art. 14).

Sanctions

Infringement of legal and contractual obligations: depending on the gravity of the offence, fines or withdrawal of some of the incentives. In case of unjustified interruption of the implementation of the contract, the investment permit may be withdrawn without compensation; in this case, the foreign investor will assume all the expenses related to the liquidation (Arr. 115, arts. 16 and 22).

SOURCES

CHINA

Key

L 79

Law on Joint Ventures using Chinese and Foreign
Investment of 1 July 1979.

VIET NAM

Arr. 115

Arrêté No. 115 of 18 April 1978.

C. Asian Middle East and North Africa

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Table C.1

Foreign direct investment codes: nature and scope of the principal source of investment legislation, and membership in regional organizations promoting the harmonization of investment regulations among members

Country	Date	Legislation	Scope	Membership in regional organizations
BAHRAIN		No specific foreign investment law		
MOROCCO	1973	Law establishing incentives for industrial investments		Arab Economic Union
OMAN	1974	Foreign Business and Investment Law	Foreign direct investment regime	
SAUDI ARABIA	1979	Foreign Capital Investment Law	Foreign investment	
SUDAN	1974	Industrial Investment Act	Industrial projects	Arab Economic Union
	1973	Economic Services Investment Act	Services	
	1976	Agricultural Investment Act	Agricultural projects	

Table C.2

Definitions: foreign direct investment,
foreign investor and foreign enterprise

BAHRAIN

Foreign direct investment: not specified. Foreign investor: not specified.
Foreign enterprise: not specified.

MOROCCO

Foreign direct investment: not specified. Foreign investor: not specified.
Foreign enterprise: not specified.

Moroccan manufacturing enterprises: any production enterprise owned either by Moroccan individuals or by corporations where at least 50 percent of the capital is held by Moroccan individuals or corporations (L 73-413 art.2).
Moroccan shipping and mining enterprises: any shipping or mining enterprise owned either by Moroccan individuals or by corporations where at least 50 per cent of the capital is held by Moroccan individuals or corporations (L 73-410 art.2; L 73-412 art,2). Moroccan handicraft enterprises: any enterprise owned either by Moroccan individuals or corporations where 100 per cent of the capital is held by Moroccan individuals or corporations (L 73-409 art. 2).

OMAN

Foreign investment: not specified. Foreign investor: not specified.
Foreign enterprises: not specified.

Omani national investor: defined as the Sultanate Government or one of its agencies, Omani nationals whether residents or not, and Omani commercial enterprises provided there is an Omani majority, which varies according to economic sectors (FBIL art. 4).

SAUDI ARABIA

Foreign investment: recognized foreign investment includes money, bonds, securities, machinery and equipment, spare parts, raw materials, products, means of transportation, patent and trademark rights etc., owned by foreign individuals and corporations (RD M4 art. 1). Foreign investor: not specified.
Foreign company: not specified.

SUDAN

Foreign direct investment: information not available. Foreign investor: information not available.
Foreign enterprise: information not available.

Table C.3

The administration of foreign direct investment:
co-ordination, evaluation and registration

BAHRAIN

Co-ordination: no centralized agency for foreign investment. No government incentives.

Evaluation

Investment screening: foreign investors and their Bahraini counterparts must apply to the Ministry of Commerce and Agriculture to set up a commercial company.

Registration

Registration of companies: both Ministry of Finance and National Economy and Commercial Registrar are responsible for controlling foreign companies and the issuance of licenses.

MOROCCO

Co-ordination: no specific institution administering foreign investment.

Evaluation

Investment screening: no formal screening process. The Ministry of Industry, and the ministries in charge of handicraft, shipping, tourism and mining, each in its own field, receive investment programmes and forward them to other government agencies to implement investment incentives (L73-413, art.3; L73-409, art. 3; L73-410, art. 3; and D73-413). Manufacturing: Commission created by D73-408 includes representatives of the Prime Minister, President, and of the Ministry of Finance and other interested departments, as well as Department of Planning. It evaluates investment programmes and, within 30 days of reception of investment programme, submits proposals to the Prime Minister on incentives to be granted and conditions to be respected by the investor. Mining: Commission created by D73-410 includes Director of Mines, President and representatives of the Departments of the Interior, Public Works and Communications, Finance, Public Health, Education and Planning. It evaluates infrastructure aspect of mining investment programme from technical and financial aspects and decides which infrastructure projects can be undertaken by the Government. Investor notified by Minister of Mines within four months. Shipping: Commission created by D73-407 includes representatives of the Prime Minister, President, and of Ministers in charge of Finance and Merchant Marine. It decides within 30 days of reception of application whether to grant equipment bonus (for purchase of new or used cargo or passenger ships, or fishing boats or fishing equipment) and, should the conditions arise, selectivity bonus for purchase of new specialized ships. Approval: granted either by returning investment programme with annotation

Table C.3 (Continued)

MOROCCO (Continued)

"conforme" within 30 days (D73-413 art. 2) or by convention signed by Ministers of Finance and Minister in charge of interested department, and investor (L73-413 art. 4), or in the case of mining, by letter of Director of Mines (D73-410). Appeal: if after 30 days following submission of investment programme investor has not received his investment programme with annotation "non conforme", he may refer the matter to the Prime Minister's Office, which will ensure that the file is handled according to D73-413 art.2.

Registration

Registration of companies: all businesses required to immatriculate, whether Moroccan-owned or not (Law of 1 September 1926).

OMAN

Co-ordination

Committee for Foreign Capital Law Investment. Membership: the Minister of Development, his Under-Secretary, representatives from the Department of Finance and the Ministry of Communications and Public Works (FBIL art. 9). Functions: to advise the Minister of Development on granting approval or economic development project status on complaints and disputes arising out of the application of FBIL, on revisions and amendments of FBIL. Recommendations of Committee for Foreign Capital Law (CFCI) are of an advisory nature and do not bind Minister of Development (FBIL art. 9).

Evaluation

Investment screening: applications for authorization to invest filed with Ministry of Development, who grants approval after taking into account recommendations of CFCI and on the basis of the best interests of the Sultanate. Decision must be taken within 30 days of completion of application file. (FBIL art. 2 and 8). Right of appeal: if the Minister of Development refuses to grant an authorization, or to act on an application, applicant may appeal to the Council of Ministers. Council's decision is final (FBIL art. 13).

Registration

Registration of companies: all companies in which Omanis do not own 51 percent of the capital are required to register with the Directorate General of Commerce (MD 10/77 art. 2).

Table C.3 (Continued)

SAUDI ARABIA

Co-ordination

Foreign Capital Investment Committee: the Office of Foreign Capital Investment at the Ministry of Industry and Electricity. Membership: the Deputy Minister of Industry and Electricity, Chairman and representatives from the Ministry of Finance and the National Economy, the Ministry of Agriculture and Water, the Ministry of Planning, the Director General of Industrial Affairs of the Ministry of Commerce and the Ministry of Petroleum and Minerals (RD 17/3 art. 4). Functions: receipt and review of applications for investment, control of compliance, consideration of complaints and disputes regarding the application of the law, recommendation of penalties and consideration of legislation for the application of the law (RD M/4 arts. 4 and 5).

Evaluation

Investment screening: applications for investment to the Office of Foreign Capital Investment at the Ministry of the Economy. Review and recommendations by the Foreign Capital Investment Committee and approval by the Minister of Industry and Electricity (RD M/4 arts. 2 and 3).

Registration

Registration of companies: all companies, including foreign firms, must sign the register of commerce in the district in which they are located (CC/72 arts. 16, 195 and 201). Implementation of the Investment Law: Minister of Industry and Electricity shall issue implementation rules (RD M/4 art. 11).

SUDAN

Co-ordination: Advisory Committee for Industrial Development (ACID) and Advisory Committee for the Development and Encouragement of Agricultural Investment (ACDEAI). Membership of ACID: Under Secretary of Ministry of Industrial Mining, President, 7 representatives of Ministries of Finance and National Economy, Local Government, Council of National Planning, Bank of Sudan, Central Electricity and Water Corporation, Department of Industrial Development and 4 experienced members, including one representative of Sudan Manufacturers Association (A 74-57 sec. 6). Membership of ACDEAI: Under Secretary of Ministry of Agriculture, Food and National Resources, President and 10 representatives of Ministries of Irrigation and Hydro-electric Power, Industry and Mining, People's Local Government, Finance, Planning and National Economy, of the Bank of Sudan, of the Agricultural Bank, the Secretary General of Land, the Regional Director for Agriculture "Southern Region", in addition to three other members with competence and experience appointed by the Minister of Agriculture (A 76 sec. 6). Functions: Both ACID and ACDEAI receive, review and appraise investment applications and make recommendations to the appropriate minister (A 74-57 sec. 6, A 76 sec. 6).

Table C.3 (Continued)

SUDAN (Continued)

Evaluation

Investment screening: applications for foreign investment are submitted to the Ministries of Industry and Mining, and of Agriculture, Food and Natural Resources, and screened and approved by the ACID and ACDEAI (A 74-57 sec. 6).

Approval procedure: recommendation of ACID by majority of the votes of members present (A 74-57 sec. 6, para. 1(a) and 7).

Registration

Registration of companies: done under provisions of Companies Ordinance Act, 1927, as amended, and at discretion of Ministry of Industry and Mining.

Table C.4

Establishment: criteria of selection, incentive schemes and terms of establishment

BAHRAIN

Criteria of selection: information not available.

Incentive schemes: no government incentives.

Terms of establishment

Establishment: all companies and partnerships, except joint ventures, must be registered in Bahrain, have Bahraini nationality and a minimum of 51 percent of their capital owned by Bahrainis, except by special government permission when the foreign company is either involved in a major Bahraini development project or when local capital is insufficient to reach 51 percent of the capital. Companies assume legal status only after publication in official gazette of decree of incorporation.

MOROCCO

Criteria of selection: enterprises planning to operate in, or to extend their operations in, assembling passenger cars, commercial trucks, agricultural tractors, manufacturing tyres and tubes, refining edible oil, producing and refining sugar and its by-products, cement, oil refining and flour milling must conclude agreements with the Government to benefit from incentives listed in L 73-413. Government may grant additional incentives (L 73-413 art. 4, D 73-409).

Incentive schemes

Qualifying standards: incentives are awarded under regular and convention régimes. Regular régime: manufacturing enterprises whose investment programme includes production equipment worth at least DH 100,000, tax excluded, and handicraft plants, in which investment per job created does not exceed DH 5,000, and tourist enterprises described in L 73-411 art. 2 or mining corporations whose investment programme includes equipment for research and production valued at a minimum of DH 100,000, tax excluded, as well as shipping enterprises, are entitled to incentives (L 73-413 art. 1; L 73-409 art. 1; L 73-411 art. 3; L 73-412 art. 3; L 73-410 art. 2). Convention régime: all new manufacturing enterprises whose investment programme exceeds DH 30,000,000 and existing manufacturing enterprises planning to operate or extend their operations in sectors listed in D 73-409, and handicraft enterprises whose investment programme exceeds DH 5,000,000, and tourist enterprises whose investment programme exceeds DH 30,000,000, land excluded, and mining enterprises whose investment programme exceeds DH 30,000,000, including infrastructure, must conclude agreements with the Government, which may grant them incentives in addition to those scheduled in the regular régime (L 73-413 art. 4; L 73-409 art. 4; L 73-411 art. 4; L 73-412 art. 4).

Table C.4 (Continued)

MOROCCO (Continued)

Additional incentives may be negotiated for large-scale investment programmes in the framework of conventions between investors and the Government. In the case of mining investments exceeding DH 500,000, in production equipment and creating at least 50 jobs, Government may participate up to 50 percent of the total infrastructure project, provided its participation does not exceed 15 percent of the total investment, L 73-412 art. 14. Tax incentives to establishment: include exemption from (1) customs duties on new and used equipment, whether imported or acquired locally by purchase or leasing, for five years, unless product can be supplied by Moroccan industries at a price which cannot exceed by more than 20 percent that of imported equipment (L 73-413 art. 5); (2) tax on products (L 73-413 art. 9); (3) tax on profits (IBP) for the 10 first consecutive years of operation, at 100 percent in a number of provinces listed in D 73-412 and at 50 percent in other provinces, except Casablanca where accelerated depreciation can be used (L 73-413 art. 12); (4) patent for 10 years in the case of the tourist industries and 5 years in other sectors (L 73-413 art. 17). Also reduced registration tax for both new corporations and increase in capitalization (L 73-413 art. 11).

Non-tax incentives: include guaranteed transfer of dividends and repatriation of capital in case of liquidation (L 73-413 art. 19) and refunds of two points off interest paid on loans granted by the Banque Nationale pour le Développement Economique (BNDE) for manufacturing (L 73-413 art. 21), shipping (L 73-410 art. 9) and mining (L 73-412 art. 17); of five points off interest rates to be paid on loans granted by the Crédit Immobilier et Hôtelier (CIH) to tourist enterprises. Interest rate limited to 6 per cent or loans granted by the CIH.

Terms of establishment

Regular régime: approval of investment programme is notified by Ministry in charge of sector of investment which informs all interested government departments. Investor may be required to obtain all necessary administrative authorizations for the creation or extension of the enterprises or for the importation of equipment, subject to import licence (D 73-413 art. 3).

Convention régime: convention between Government and investor defines the technical and economic conditions of the investment programme (L 73-413 art. 4, L 73-409 art. 4, L 73-411 art. 4, L 73-412 art. 4).

OMAN

Criteria of selection

Investment screening, general criteria: trade or business to be conducted through an Omani commercial company, should have a capital of more than OR 25,000,000 as well as an Omani national as a member of the Board of Directors. Share of the capital owned by Omanis varies according to economic sector. Project must also be in the best interest of the country (FBIL art. 3 and 8).

Table C.4 (Continued)

OMAN (Continued)

Incentive schemes

Incentives to establishment: projects in which non-Omani capital is invested may be declared "Economic Development Projects" and be exempted from taxes on revenue and income for five years (FBIL art. 10).

Terms of establishment

Establishment: investment established by Minister of Development authorized on recommendation of the CFCI (FBIL art. 9).

SAUDI ARABIA

Criteria of selection

Investment screening, general criteria: investment in economic development projects (which excludes petroleum and mineral projects) which include a component in foreign technical know-how (RD M/4 art. 2). Development projects to be defined by the Minister of Industry and Electricity within the framework of the development plan (RD M/4 art. 3).

Incentive schemes

Incentives to establishment: approved foreign investment entitled to all privileges enjoyed by national capital. Conditions: Saudi capital participation of at least 25 percent. Benefits: 10-year tax exemption from income and corporate tax, from the commencement of production for approved industrial and agricultural projects, five years for other projects. Approved companies allowed to own real estate in Saudi Arabia.

Terms of establishment

Establishment: investment established by approval of the Minister of Industry and Electricity on the recommendation of the Foreign Capital Investment Committee (RD M/4 art. 2).

SUDAN

Criteria of selection

Investment encouraged if it is of strategic importance, relies on local raw material and promotes the production thereof, replaces imports and provides exports, creates directly or indirectly employment opportunities for the Sudanese, contributes to economic co-operation and integration with Arab and African states, increased the national income (A 74-57 sec. 5), contributes to self-sufficiency in agriculture, provides agricultural exports, diversifies agricultural production, contributes to fair geographical distribution and

Table C.4 (Continued)

SUDAN (Continued)

increase in living standards in the Sudan and to linkages with industries (A 76 sec. 6) or contributes to the realization of the economic plans or accelerates economic growth (PO 73-14 sec. 4). Regional development: special consideration to enterprises located in some areas (PO 73-14 sec. 6) and in some suburbs (A 76 sec. 10(5)).

Incentive schemes

Tax incentives: new industrial investments may be exempted from payment of the business profits tax for 5 to 15 years, depending on level of profits and level of increase of capital, of customs duties on imported equipment provided it is not already available in the country, and from excise duties on domestic raw materials (A 74-57 sec. 10). New agricultural investments may be exempted from payment of the business profits tax for a maximum of 10 years within certain conditions (A 76 sec. 8). Investment under Economic Services Act may be exempted from payment of the business profits tax for 3 to 6 years. Other incentives: depreciation allowances based on replacement values of up to 175 percent of cost, with additional allowances for multiple shift operation (A 74-57 sec. 10), allocation of land for industrial or service establishments at a reduced price (A 74-57 sec. 10, PO 73-14 sec. 9) or for a period of 25 years, subject to renewal, in the case of agricultural projects (A 76 sec. 10), supply of electric power at a reduced rate (A 74-57 sec. 11, A 76 sec. 14), and priority in obtaining financing by Sudanese banks (A 74-57 sec. 10).

Terms of establishment

Investment approved by licence granted by the Ministers of Industry and Mining (A 74-57 sec. 7), or of Agriculture (A 76 sec. 2) or of National Economy (PO 73-14 sec. 11). Investor entitled to concessions facilities and guarantees contained in each act. No establishment can be set up without a licence. Purpose, location and capacity for which licence was granted cannot be changed without Minister's approval.

Table C.5

Investment guarantees: basic investment guarantees,
dispute settlement and nationalization

BAHRAIN

Basic investment guarantees: information not available. Investment
guarantee agreements: none.

Dispute settlement

General: information not available. International conventions: not
party to ICSID.

Nationalization

Nationalization and compensation: information not available.

MOROCCO

Basic investment guarantees

Fundamental rights and freedoms: right of ownership is guaranteed. The
scope and exercise of this right may be limited by the law if the needs of
economic and social development require it (CN art. 15). Non discrimination:
all incentives and guarantees under investment code extended to local as well
as to foreign investors. Investment guarantee agreements: seven bilateral
agreements signed with the BLEU, Canada, Egypt, France, the Federal Republic of
Germany, the Netherlands and the United States.

Dispute settlement

International Convention: party to ICSID. Arab investment: party to the
Arab Convention on Dispute Settlements concerning Arab investments in host
countries, 1974 (Council of the Arab Economic Union).

Nationalization

Nationalization and compensation: expropriation may take place only in cases
and in the form prescribed by the Law (CN art. 15).

OMAN

Basic investment guarantees

Fundamental rights and freedoms: information not available. Emigrant and
Arab capital: information not available. Investment guarantee agreements:
information not available.

Table C.5 (Continued)

OMAN (Continued)

Dispute settlement

Investment disputes: the Committee for the Settlement of Commercial Disputes is empowered to deal with all disputes arising from commercial activities. Decisions are final and not subject to appeal (CCL art. 173-189).
International agreements: not party to ICSID.

Nationalization

Nationalization and compensation: not specified in FBIL.

SAUDI ARABIA

Basic investment guarantees

Non-discrimination: all privileges enjoyed by national capital under the Ordinance for the Protection and Encouragement of National Industries are extended to approved foreign firms (RD M/4 art. 7). Investment guarantee agreements: none.

Dispute settlement

Investment disputes: settled under commercial law. Petitions regarding the application of the Foreign Investments Law are examined by the Committee on the Investment of Foreign Capital and submitted to the appropriate authorities (RD M/4 art. 5). A Commission for the Settlement of Commercial Companies Disputes is also available, composed of three members expert in company law (Dec. 185/65 art. 232).

Nationalization

Nationalization: information not available.

SUDAN

Basic investment guarantees

Fundamental rights and freedoms: constitutional guarantee of equality before the law.(CN/73 art.38.) Non-discrimination: guarantee of non-discrimination concerning the granting of licenses, concessions and facilities between national and foreign investors, and between public and private sectors (S 74-57, sec.15, PO 73-14, sec. 10). Arab capital: party to the Arab Investment Convention of 1970 which guarantees the non-discrimination of Arab capital and access to incentives of most-favoured-nation terms. Government contracts: government contracts are awarded in priority to local products which have been granted total protection (A 74-57, sec. 12). Investment guarantee agreements: treaties with the United States, 1959; the Federal Republic of Germany, 1964; the Netherlands, 1970; and Switzerland, 1974.

Table C.5 (Continued)

SUDAN (Continued)

Nationalization

Nationalization and compensation: invested capital shall not be nationalized except by a court decision, when the interest of the country so requires, and after providing the investor with just compensation. Property should be appraised within six months of nationalization order and compensation should be made in five annual payments in the same currency brought in for the investment. Disputes concerning the appraisal of the investment to be submitted to a three-member committee of arbitration (investor and Government each represented by a member who select a third member to chair the committee) (A 74-57, sec. 16, A 76 sec. 20).

Table C.6

Ownership and managerial control: blanket regulations,
sector regulations and investment in existing firms

BAHRAIN

Blanket regulations

Local participation: 51 percent Bahraini ownership is required for all companies incorporated in Bahrain. Branches of foreign companies incorporated elsewhere may be 100 percent foreign owned. Managerial control: a majority of members of the Board of Directors must be Bahraini, except when the capital is completely or in majority from a foreign company. A special government permission is then required.

Sector regulations

Closed sectors: ownership of land and buildings is restricted to Bahrainis and citizens of Kuwait and Saudi Arabia.

Investment in existing firms

Take-over regulation: no restrictions on acquisitions and mergers as long as participation percentages are not violated. Shares originally owned by Bahrainis can only be purchased by Bahrainis.

MOROCCO

Blanket regulations

Local participation: Moroccan individuals or corporations must, depending on the field of activity, either hold at least 50 percent of the share capital and constitute a majority of the Board of Directors, or hold all the capital or have exclusively Moroccan partners.

Sector regulations

Closed sectors: public services activities. Open sectors: manufacturing, mining, tourism export industries, shipping and commercial activities.

Investment in existing firms

Investment in existing firms is allowed within 50 percent of the share capital for "Moroccanized" enterprises enjoying incentives granted under the investment code. No restrictions otherwise.

Table C.6 (Continued)

OMAN

Blanket regulations

Local participation and ownership: commercial companies must have at least one Omani member of the Board and the share of capital and profits of Omani nationals must be at least 66.66 percent in the mass media sector, 50 percent in public services (utilities and transport), real estate and air transportation, and 35 percent in all other businesses (FBIL art. 3). All banks locally incorporated must have a 50 percent Omani shareholding.

Sector regulations

Closed sectors: information not available. Open sectors: information not available.

Investment in existing firms

The purchase of equity in Omani commercial companies requires the approval of the Minister of Development (FBIL art. 7b).

SAUDI ARABIA

Blanket regulations

Local capital participation: incentives are conditional on a minimum 25 percent local ownership, but no ownership requirements are imposed at establishment (RD M/4 art. 7). In the ore industry and banking, foreign participation cannot exceed 40 percent.

Sector regulations

Closed sectors: all mineral sectors reserved to the state. Foreigners are not allowed to have local agencies or to register as commercial agents (RD M/2 art. 5). Open sectors: not specified in the Investment Code.

Investment in existing firms

Takeovers: a foreign company cannot buy a Saudi company without a licence from the Foreign Capital Investment Committee. No restrictions on mergers.

SUDAN

Blanket regulations

Local participation: no participation requirements, but projects with Sudanese capital participation are preferred.

Table C.6 (Continued)

SUDAN (Continued)

Sector regulations

No requirements.

Investment in existing firms

Notice of the sale, renting or cession of any establishment licensed under A 74-57 should be given to the Minister of Industry and Mining within one month.

Table C.7

Finance: capitalization, debt financing and repatriation

BAHRAIN

Capitalization

Foreign exchange: no exchange control requirement. Capital goods and intangibles: when a contribution to the capital of an enterprise consists of services or equipment this contribution must be evaluated by an appointed official expert.

Debt financing: information not available.

Repatriation: no restrictions on the repatriation of capital, profits, dividends, royalties, fees and salaries, with the exception that under the Banking Control Law, banks are subject to special rules regarding payment of dividends and remittance of their profits.

MOROCCO

Capitalization: information not available.

Debt financing: information not available.

Repatriation

Capital repatriation: guaranteed up to the amount of capital invested. Capital gains repatriation is subject to authorization of the Foreign Exchange Office (L 73-413 art. 19). Profit repatriation: guaranteed for non-residents without limitation after payment of taxes (L 73-413 art. 20).

OMAN

Capitalization: information not available.

Debt financing: information not available.

Repatriation: no exchange control requirements.

SAUDI ARABIA

Capitalization

Foreign exchange: money, funds bonds and security included in the definition of foreign capital under the Investments Code. Capital goods: machinery, equipment, spare parts, raw materials, products, and means of transportation are included in the definition of foreign capital under the Investment Code. Evalutaion: information not available.

Table C.7 (Continued)

SAUDI ARABIA (Continued)

Debt financing: information not available.

Repatriation

Capital and profits repatriation: no exchange control requirements are imposed on the repatriation of profit and capital by residents or non-residents.

SUDAN

Capitalization: information not available.

Repatriation

Capital repatriation: in case of liquidation, the repatriation of the net capital originally imported and registered at the Bank of Sudan needs Government approval. Repatriation in the currency in which capital was imported and at the rate of exchange applicable at the time of transfer (A 74-57 sec. 18, PO 73-14 sec. 10(2), A 76 sec. 12). Profits repatriation: all profits may be repatriated after payment of all taxes, duties and obligations to the Government (A 74-57 sec.18, PO 73-14 sec. 10(1), A 76 sec. 11). Reinvestment repatriation: reinvested profits may also be repatriated PO 73-14 sec. 10(2).

Table C.8

Technology transfer, employment and competition

BAHRAIN

Technology Transfer

Protection of industrial property: not member of WIPO and not party to any industrial property treaty. Bahrain adheres to patent, design, and trademark laws of the United Kingdom. Protection is ensured as long as the registration is effective in the United Kingdom. If the United Kingdom registration expires, so does the Bahraini. Re-registration is required in the United Kingdom first, and then in Bahrain. Royalties and fees payment: no restrictions.

Employment

Expatriate employment: employees required to have at least two per cent of their employees and labourers as Bahrainis. In case of vacancies or new positions, employers must notify the Ministry of Labour and Social Affairs.

Competition laws and regulations: no antitrust laws.

MOROCCO

Technology transfer

Protection of industrial property: regulations of French origin are currently still in effect. International conventions: party to the Paris Convention. Member of WIPO.

Employment

Expatriate employment: work permits necessary for foreigners. Employers apply for work permits.

Competition laws and regulations: information not available.

OMAN

Technology transfer

No industrial property legislation in Oman. Not member of WIPO.

Employment

Expatriate employment: Labour Law requires that Omanis be employed whenever possible and given preference in filling positions for which they are qualified. Employment of foreign nationals subject to approval of the Ministry of Labour.

Competition: information not available.

Table C.8 (Continued)

SAUDI ARABIA

Technology Transfer

Protection of Industrial Property:

Not a member of WIPO nor is it party to any industrial property treaty. A trademark is protected for a ten-year period upon registration.

Employment

Expatriate employment: employment subject to the labour regulation (RD M/4 art. 8). Employment permits required for non-Saudis and issued by Ministry of Labour and Social Affairs. Training: new Foreign Investment Law aims at encouraging technology transfer in Saudi Arabia by requiring foreign technical know-how for all foreign investment (RD M/4 art. 2).

Competition: no monopoly or antitrust laws.

SUDAN

Technology transfer

Protection of industrial property: Sudan's Trade Marks Ordinance closely follows United Kingdom law. Not a member of any international trademark protection organization. No patent law.

Employment

Expatriate employment: labour permits granted to aliens only if no qualified Sudanese is available. Priority is given to resident rather than to incoming alien nationals of Arab and African states.

Competition: information not available.

Table C.9

Corporate taxation, income allocation and fiscal incentives

BAHRAIN

Corporate taxation

National taxation: apart from taxes on oil companies, there is no direct taxation on income, sales, capital gains, earnings and salaries, or on interest, dividends, payments or fees. Companies directly involved in the production and extraction of crude petroleum and other natural hydrocarbons are subject to income tax at the rate of 85 percent.

Income allocation: no information available.

Fiscal incentives: no government incentives in the form of grants or loans to foreign corporations.

MOROCCO

Corporate taxation

Corporate income tax: profits tax (IBP) varies from 40 to 48 percent of profits. Total or 50 percent exemption from the first 10 years of operation, depending on the location of the investment. Bilateral tax treaties: seven conventions for the avoidance of double taxation concluded with Austria, Belgium, Canada, Finland, France, the Federal Republic of Germany, Italy, Netherland, Norway, Spain, Sweden, Tunisia and the United States. The convention with the United States limits taxes on interest and royalties to no more than, respectively, 15 and 10 percent.

Income allocation: information not available.

Fiscal incentives

Direct tax benefits: exemption from profits tax (IBP) and patent for, respectively, 10 and 5 years. Indirect taxes benefits: exemption from customs duties.

OMAN

Corporate taxation: progressive income tax from 0 to 45 percent in the case of total taxable income of OR 400,001 to 500,000 and 50 percent for amounts in excess of OR 500,001 (ITD art. 2). Withholding taxes: no withholding tax in Oman. Bilateral tax treaties: information not available.

Income allocation: information not available.

Table C.9 (Continued)

OMAN (Continued)

Fiscal incentives

Direct tax benefits: projects declared "Economic Development Projects" are exempt from income tax for five years. Direct tax benefits: also customs duties of two per cent or less on imports.

SAUDI ARABIA

Corporate taxation: income tax applicable only to non-Saudi enterprises and individuals. Corporate income tax rates vary from 25 percent on the first SR 100,000 to 45 percent on amounts over SR 1,000,000. Withholding taxes: no dividend withholding tax as such but if dividends are paid out of profits which have not been taxed, the paying company is required to deduct income tax at corporate rates. Bilateral tax treaties: no agreements concerning income and capital are presently in force. Multilateral tax treaties: not party to the AEU Agreement for the avoidance of double taxation and the prevention of tax evasion.

Income allocation: information not available.

Fiscal incentives

Direct tax benefits: 10-year tax holiday approved for industrial and agricultural projects; five years for other approved projects. Exemption period shall commence from the date on which production starts (RD M/4 art.7).

SUDAN

Corporate taxation: income tax on profits of public limited companies: 25 percent on first S\$1,000; 40 percent on next 10,000; 50 percent on next 30,000; 60 percent on balance. Tax rates on private companies and all other bodies: same rates except 50 percent on next 10,000 and 60 percent on balance. Withholding: dividends not normally taxed at shareholder level. Holding company, partnership or individual receiving dividends will pay tax on its aggregate profits including such dividends but after getting tax credit for tax already paid by the distributing company. No non-resident withholding taxes in Sudan.

Fiscal incentives

Direct tax benefits: exemption from the business profits tax for up to 15 years. (A 74-57 sec. 10). Indirect tax benefits: full exemption of duties on imported inputs and of excise taxes on domestic raw materials. (A 74-57 sec. 10).

Table C.10

Information and control: supervision, disclosure and sanctions

BAHRAIN

Supervision: Directorate of Commercial and Companies Affairs of the Ministry of Commerce and Agriculture.

Disclosure

Publication of agreements: information not available. Financial reporting: shareholding and limited liability companies are required to file annually audited financial statements. Auditing: auditing is carried out by professional accounting firms which must be registered in the Commercial Registry of the Ministry of Finance and National Economy. Foreign companies usually apply accounting standards used in the United States and the United Kingdom.

Sanctions: information not available.

MOROCCO

Supervision

The Ministry of Finance and the relevant department ensure that equipment imported duty free for investment purposes shall not be used for purposes other than those for which it was imported. Enterprises benefitting from one or more of the advantages provided for in the Investment Code are subject to controls and inspections (L 73-413 art. 6 and 23).

Disclosure

Publication of agreements: information not available. Financial reporting: all business enterprises must file a balance sheet and income statement within three months of their annual closing. Auditing: only Sociétés Anonymes are required by law to appoint an auditor. No strict requirements about independence and qualifications of auditor or scope of audit report.

Sanctions

Infringement of legal and contractual obligations: abuse of import exemption may be punished by fines up to five times the amount for which exemption has been granted and by temporary or permanent cancellation of exemption (L 73-413 art. 7). Investment incentives may be withdrawn by Minister of Finance whenever investment programmes are not carried out in conformity with their stated purpose (L 73-413 art. 23; L 73-409 art. 22; L 73-409 art. 16; L 73-411 art. 21; L 73-412 art. 19).

Table C.10 (Continued)

OMAN

Supervision: the Minister of Development is authorized to examine all books and records of Omani commercial companies, have access to all premises and to interview all employees and officers (FBIL art. 11).

Disclosure

Publication of agreements: information not available. Financial reporting: information not available. Auditing: statutory audits are required of all joint stock companies and of some of the limited liability companies.

Sanctions

Infringement of the investment law: the Minister of Development inspects all Omani commercial companies subject to FBIL to ascertain their compliance with it. If written notice to correct violations is not heeded within a certain period of time, he may withdraw provisionally or permanently his approval to the company. If violation relates to minimum Omani participation, Omani Government is deemed to be owner of the share of the capital and profits which should have been owned by Omani nationals according to the law for the entire period the company has been operating unlawfully (FBIL art. 12).

SAUDI ARABIA

Supervision

Supervision: the Committee on the Investment of Foreign Capital shall issue rules for the implementation of the Investment Law, and sanction violations of the law (RD M/4 arts. 10 and 11). Licensing: no information available. Company reporting: at least a daily journal, and audited inventory of assets, reports of company operations and financial statements to be kept (Dec 185/65 art. 123). Auditing: auditors must be independent and licensed in Saudi Arabia (Dec 185/65 art. 130).

Disclosure

Publication of agreements: not specified. Financial reporting: all documents to be filed with the Office of the Commercial Register and the Department of Companies within 30 days of the general meeting. Prior to the meeting, the balance sheet, profit and loss, director's and auditor's reports to be published in the local press (Dec 185/65 arts. 61 and 89).

Sanctions

Infringement of the Investment Law: withdrawal, with due warning, of the investment permit, or of all or part of the privileges provided by the Investment Code. The defaulting establishment may appeal the Minister's decision within 30 days at the Grievances Board. Grievances Board verdict is final (RD M/4 art. 10).

Table C.10 (Continued)

SUDAN

Supervision: Ministers of Industry and Mining, and of Agriculture, Food and Natural Resources each supervise compliance with the law. Means of review not specified.

Disclosure: information not available.

Sanctions

Infringement of investment and licensing obligation: failure to establish enterprise or start operations, violation of the conditions upon which licence was granted, giving false information to obtain licence, cessation of work for one month or more without sufficient cause, may lead to cancellation of licence, concessions and facilities. Other violations are punishable by fine of up to S£ 200 depending on the gravity of violation and unjust gains obtained by enterprise (A 74-57 sec. 14 and 19; A 76 sec. 22; PO 73-14 sec. 11).

Appeal: investor may, within 15 days (30 days in A 76) of notification to cancel licence, apply for revision of that decision. Minister shall decide within 30 days of presentation of application (A 74-57 sec. 14; A 76, sec. 22).

SOURCES

BAHRAIN

Key

- L 75/28 Law No. 28/1975 on Commercial Companies.
- R 77/25 Resolution No. 25/1977 regarding permission to incorporate joint stock companies exempted from certain provisions of the Law on Commercial Companies.
- R 76/17 Resolution No. 17/1976 organizing the registration of joint stock companies.
- R 76/18 Resolution No. 18/1976 concerning the model memorandum and articles of association of joint stock companies.
- D 61/1 Decree No. 1/1961 concerning the Commercial Registry.
- D 76/34 Decree No. 34/1976 concerning the Commercial Registry.

MOROCCO

- CN/72 Constitution of 10 March 1972.
- I. 73-413 Law No. 73-413 of 13 August 1973 establishing incentives for industrial investments.
- L 73-409 Law No. 73-409 of 13 August 1973 establishing incentives for handicraft investments.
- L 73-408 Law No. 73-408 of 13 August 1973 establishing incentives for exporting industrial or handicraft enterprises.
- L 73-410 Law No. 73-410 of 13 August 1973 establishing incentives for maritime investments.
- L 73-411 Law No. 73-411 of 13 August 1973 establishing incentives for tourist investments.
- L 73-412 Law No. 73-412 of 13 August 1973 establishing incentives for mining investments.
- D 73-413 Decree No. 73-413 of 14 August 1973 establishing conditions for the submission of investment programmes and methods of their transmittal for the implementation of investment.
- D 73-408 Decree No. 73-408 of 14 August 1973 fixing the conditions for the submission of investment programmes and the methods of establishment of other conventions referred to in art. 4 of the laws establishing incentives for industrial mining, tourist and handicraft investments.

SOURCES (Continued)

Key

MOROCCO (Continued)

- D 73-409 Decree No. 73-408 of 14 August 1973 defining the industrial sectors referred to in art. 4 of the laws establishing incentives for industrial incentives.
- D 73-411 Decree No. 73-411 of 14 August 1973 defining the sectors referred to in art. 1 of Law 73-408 establishing incentives for exporting industrial or handicraft enterprises.
- D 73-410 Decree No. 73-410 of 14 August 1973 fixing the composition and the methods of operation of the Commission referred to in art. 4 of Law 73-412 establishing incentives for mining incentives.
- D 73-412 Decree No. 73-412 of 14 August 1973 issued for the implementation of art. 11 of Law 73-411 establishing incentives for tourist incentives.
- D 73-407 Decree No. 73-407 establishing the composition and the methods of operation of the Commission referred to in art. 10 of Law 73-410 establishing incentives for maritime investments and the methods of payment of equipment and selectivity (bonuses).
- L 73-323 Law No. 73-323 of 6 June 1973 creating the Industrial Development Board (Office pour le Développement industriel).
- L 73-210 Law No. 73-210 of 2 March 1973 concerning the exercise of certain activities, modified by Law No. 73-339 of 7 May 1973.
- D 73-220 Decree No. 73-220 of 8 May 1973 concerning the implementation of Law No. 73-210.
- L 76-275 Law No. 76-275 of 16 February 1977 amending and completing Law No. 73-411 of 13 August 1973 establishing incentives for tourist investments.
- L 26 Law of 1 September 1976 making the registration of merchants and trading corporations in the registry of trade compulsory.

OMAN

- CRL Commercial Register Law 1974
- CCL Commercial Companies Law 1974
- SBIL Foreign Business and Investment Law 1973
- ITD Income Tax Decree 1971

SOURCES (Continued)

Key OMAN (Continued)

DCSP Decree on contract signing procedures for the Sultanate 1974

DA Decree on Associations formed by the Decree for the Sultanate 1974

MD 10/77 Ministerial Decision No. 10/77, dated 19 May 1977

RD 48/76 Royal Decree No. 48/76

SAUDI ARABIA

LC/69 The Labour Law, Um-al-Qura No. 2299 of 28 November 1969

RD M6/65 Royal Decree No. M6, 1965, The Regulations for Companies, Um-al-Qura No. 2080 of 23 July 1965

RD M/4 Royal Decree No. M4, 1 January 1979, Foreign Capital Investment Code

Royal Order No. 21/1/4470, 18 June 1956, Regulations for the Commercial Register and Rules for their Implementation, published in Um-al-Qura No. 1648 of 6 Rabi II 1376

Regulations for the Commercial Register, 18 June 1956, Um-al-Qura No. 1640 of 9 November 1956

RD M/2 Royal Decree No. M/1, 1 January 1978, regulating the relationship between foreign contractors and their Saudi agents

SUDAN

A 27 Companies Ordinance Act, 1927

A 56-8 The approved Enterprises (Concessions) Act, 1956 (1956 Act No. 8)

A 69-8 Trade Marks Act, 1969

Banks Nationalization Act, 1970

The Petroleum Resources Act, 1972

Mines and Quarries Act, 1972

Manpower Act, 1973

SOURCES (Continued)

SUDAN (Continued)

Key

- PO 73-14 The Organization and Encouragement of Investment in
Economic Services Act (1973 PO No. 14)
- A 74-57 The Development and Encouragement of Industrial
Investment Act, 1974 (A 74-57)
- A 74-93 The Sudan Development Corporation Act, 1974 (Act No. 93)
- A 76 The Promotion of Agricultural Investment Act, 1976

D. Western hemisphere

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Table D.1. Foreign direct investment codes: nature and scope of the principal source of investment legislation, and membership in regional organizations promoting the harmonization of investment regulations among members

Country	Date	Legislation	Scope	Membership in regional organizations
CHILE	1977	Foreign Investment Law	The foreign investment regime in Chile	-

Table D.2

Definitions: foreign direct investment,
foreign investor and foreign enterprise

CHILE

Foreign investment: transfer to Chile, through a foreign investment contract, of foreign capital in a freely convertible currency, tangible assets in any form or condition, technology in its various forms, credits related to foreign investment, capitalization of foreign credits and debts in freely convertible currencies, capitalization of profits which qualify for remittance abroad (DL 600/77 arts. 1 and 2).

Foreign investor: foreign individuals and legal persons, and Chileans resident and domiciled abroad who transfer capital to Chile (DL 600/77 arts. 1 and 3).

National investor: Chilean individual or legal person and foreign individual or legal person resident and domiciled in Chile who has transferred capital to Chile. Subregional investor: a national investor from any ANCOM-member country (Dec 46, art. 1).

Foreign enterprise: not specified in the Foreign Investment Law.

National enterprise: not specified in the Foreign Investment Law.

Transnational enterprise: the subregional TNC comprises a company established in an ANCOM-member state with the participation of at least two ANCOM-member countries, each holding at least 15 per cent of capital, and a maximum of 40 per cent foreign participation, the majority subregional holding to be reflected in the technical, financial, administrative and commercial management of the enterprise (Dec 46, arts. 10 to 13).

Table D.3

The administration of foreign direct investment:
co-ordination, evaluation and registration

CHILE

Co-ordination

Foreign Investment Committee and Executive Secretariat (DL 600/77 arts. 12-14 and 16). Membership: the Minister of Economy, Development and Reconstruction (Chairman); the Ministers of Finance and Foreign Affairs; Ministers representing the sectors for which investment application are made; and the Director of the National Planning Board (DL 600/66 art. 13). Functions: the Foreign Investment Committee is the only body allowed on behalf of Chile to accept the entry of foreign capital under DL 600/77. Foreign Investment Committee Executive Secretariat: assists the Foreign Investment Committee in the exercise of its powers and obligations. Part of the Ministry of Economy, Development and Reconstruction. Functions: receives studies and reports on foreign investment applications; acts as administrative body of the Committee; performs information, registration, statistical and co-ordination functions; centralizes the information and the results of the control exercised by the public institutions with respect to the obligations of foreign investors; reports to the appropriate authorities the misdeeds or violations that have come to its attention; carries out and expedites the procedures before the different public institutions that must report or grant their authorization for the approval of the investment applications; investigates in Chile and abroad regarding the reliability of the applicants; promotes foreign investment.

Evaluation

Investment screening: applications are reviewed by the Executive Secretary of the Foreign Investment Committee. If approved, authorization for foreign investments will be formalized by investment contracts signed by the President of the Foreign Investment Committee and by the foreign investor (DL 600/77 art. 3). Foreign investments not requiring the approval of the Committee are authorized by the Executive Secretary of the Committee, with its President's prior approval (DL 600/77, arts. 16 and 17). Foreign investors may request the Committee to cancel regulations they deem to be discriminatory; if no administrative means to remove the discrimination are taken, foreign investors may go to court to settle the matter (DL 600/77, art. 17).

Foreign exchange: all contracts involving foreign exchange transactions must be approved by the Central Bank. Licensing agreements: Licensing agreements are reviewed by the Foreign Investment Committee which will evaluate technology when it can be capitalized (DL 600/77, art. 1).

Registration

Registry of foreign investment: the Foreign Investment Committee registers all matters dealing with foreign investment (DL 600/77, art. 15 (c)). Registry of licensing agreements: authorized technology transfer registered with the Central Bank (DL 1272/71).

Table D.4

Establishment: criteria of selection, incentive schemes and terms of establishment

CHILE

Criteria of selection

Selection of investments: broad criteria for the authorization of foreign investment in mining, industry, services, agriculture, transportation, construction, financing, etc. The subregional TNC, establishment criteria: joint agricultural development programmes, sectoral programmes of industrial development, infrastructure development and the rationalization of production in existing industries (Dec 46, art. 8).

Incentive schemes

Incentives to establishment: the holders of foreign investment may be guaranteed in their investment contracts stability for the sales and services tax and custom régime during the period in which the approved investment is being finalized (DL 600/77, art. 8).

Terms of establishment

Terms of settlement

The investment contracts state the period during which the foreign investor must bring in the capital. This period will not exceed eight years for mining investments and three years for the remainder. The Foreign Investment Committee may, by unanimous agreement of its members, extend, in the case of mining investments, this period to twelve years when prior exploration is required. The Foreign Investment Committee's approval is required for investment (a) with a total value exceeding US\$5,000,000; (b) in sectors or activities normally performed by the State or by public services; (c) in mass media; and (d) by a foreign State or a foreign public institution. The remaining investments are authorized by the Executive Secretary of this Committee (DL 600/77 arts. 5, 16 and 17). Legal standing: the investment contract extends to foreign investment the régime accorded national investments under domestic law.

Table D.5

Investment guarantees: basic investment guarantees,
dispute settlement and nationalization

CHILE

Basic investment guarantees

Fundamental rights and freedoms: constitutional guarantees specifically extended to foreigners (Constitutional Act No. 3, 1976, art. 1).

Non-discrimination: the Investment Law guarantees non-discrimination concerning tax and tariff liabilities, foreign exchange regulation, and the sale and distribution of production. The discrimination of foreign investment is explicitly defined and a right of appeal against discrimination guaranteed (DL 600/77, arts. 8, 9 and 10). Access to markets: no restrictions against foreign firms. State contracts: no restrictions specified against authorized investment. The subregional TNC is guaranteed equal treatment in respect of state purchases under Decision 46 (art. 30). Incentive schemes: not specified in the Foreign Investment Law. Investment guarantee agreements: one, with the Federal Republic of Germany.

Dispute settlement: civil and commercial proceedings subject to civil law procedures. Foreigners are accorded a specific right of appeal against discrimination through the Foreign Investment Committee, and in last resort to regular courts (DL 600/77, art. 1). International agreements: not party to the ICSID.

Nationalization

Nationalization and compensation: constitutional guarantee against the deprivation of property, except by legislative enactment with due compensation (CN art. 10, DL 2186/78).

Table D.6

Ownership and managerial control: blanket regulations,
sector regulations and investment in existing firms

CHILE

Blanket regulations

Local participation: no participation requirements are specified in the Foreign Investment Law. Foreign investment will be subject to the general juridical régime applicable to national investment; no discrimination either direct or indirect shall exist (DL 600/77, art. 9). ANCOM liberalization programme regulations related to progressive divestment not applied in practice as a consequence of Chile's withdrawal from ANCOM.

Sector regulations

Closed sectors: minerals, metals, guano, salt, coal and hydrocarbon deposits are reserved to the State but may be exploited by concession (CN art. 10). Foreign investment is prohibited in the extraction of gas and petroleum and the production of radioactive materials (L 9618/50 art. 1; L 16,319/65 art. 5).

Table D.7

Finance: capitalization, debt financing and repatriation

CHILE

Capitalization

Foreign exchange: freely convertible exchange to be sold to the Central Bank of Chile, or to an authorized institution. Transacted at the highest rate at the bankers' market (DL 600/77 art. 2(a)). Capital goods: physical assets, in all their forms and conditions. Valuation in accordance with general procedures applicable to imports (DL 600/77 art. 2(a)). Intangible goods: technology in all its forms, when it can be capitalized; must be valued within 120 days by the Foreign Investment Committee, taking into account its real price on the international market; should this not have been done within that period, the value assigned will be that declared by the investor in a sworn statement. The holding, use or possession of technology which forms part of a foreign investment may not in any circumstances be ceded separately from the entity to which it was contributed, nor will it be subject to mortization or depreciation (DL 600/77 art. 2(c)).

Debt financing

Domestic credit: credits related to foreign investments may be authorized (DL 600/77 art. 2(d)), but access to domestic credit by foreign investments covered by this decree law may be limited (DL 600/77 art. 11). Foreign credit: foreign credits and debts in freely convertible currencies may be capitalized provided that the indebtedness has been duly authorized (DL 600/77 art. 2(e)).

Repatriation

Capital repatriation: foreign investors may transfer abroad their capital and net income arising therefrom. No time limit for the exercise of this right. Capital may not be remitted until three years have elapsed since it was brought in. Remittance abroad of capital and net income will be subject to a régime not less favourable than that which may be in force for the cover of importations in general. Rate of exchange applicable to the transfer abroad of capital and profit will be the highest on the bankers' market (DL 600 art. 4). Foreign exchange required to effect the remittance of capital, or part thereof, may only be acquired with the proceeds of the sale of shares or rights pertaining to the foreign investment, or the sale or liquidation of the enterprises bought or created with such investment (DL 600 art. 5). Net proceeds of the sales or liquidations are free of any tax, impost or charge up to the amount of the investment authorized by the Committee. Any excess thereof will be subject to the regular tax régime (DL 600 art. 6).

Table D.8

Technology Transfer, employment and competition

CHILE

Technology transfer

Protection of industrial property: patents are valid from 5 to 15 years and trademarks for 10 years, renewable for a further 10 years. Beverages and food, pharmaceuticals, chemicals and financial and commercial systems are not patentable (L 958/31). International agreements: not party to the Paris Convention.

Employment

Expatriate employment: at least 85 per cent Chilean employment required, commanding an equivalent share of the payroll. Specialist technicians, foreigners married to Chileans or persons resident for more than 10 years may be considered Chilean for the purpose of the employment quota.

Competition

Restrictive business practices: regulated by DL 211/1973 and DL 280/1973 on economic offences. No legislation against unfair competition. Provisions in the Civil Code providing claims for damages constitute the only means of redress (Civil Code, art. 2, 314).

Table D.8a

Transfer of technology: administration, ineligible agreements
and screening criteria

CHILE

Administration: information not available.

Ineligible agreements: information not available.

Screening criteria: information not available.

Table D.9

Corporate taxation, income allocation and fiscal incentives

CHILE

Corporate taxation: foreign investments may have included in their respective contracts a clause to the effect that, for a period of 10 years from the start-up of operations, they will be subject to a fixed over-all income tax at the rate of 49.5 per cent on taxable income (DL 600/77 art. 7). Foreign investment and the entities in which it may participate are subject to the general indirect taxation and customs régimes affecting national investment.

Withholding taxes: dividends, royalties, technical assistance fees and interest taxed at 40 per cent, with the exception of a zero dividend tax on stock issues sold after five years. Royalties of special interest to Chile benefit from a 20 per cent tax reduction, while "unproductive" royalty payments are taxed up to 80 per cent.

Regional tax agreements: Chile has ratified Decision 40, the agreement on double taxation between ANCOM-member states.

Income allocation: information not available.

Fiscal incentives: foreign investments brought in under DL 600/77 may be awarded a tax stabilization clause for the period during which the agreed investment is being finalized regarding the sales and services tax and custom régimes regarding importation of machinery and equipment not produced in the country (DL 600/77, art. 8). Foreign investment and entities in which it may participate may not be subject to any discrimination, either direct or indirect (DL 600/77, art. 9, para. 1).

Table D.10

Information and control: supervision, disclosure and sanctions

CHILE

Supervision: co-ordinated by the Foreign Investment Committee and the Executive Secretariat (DL 600/77 art. 15 (d)). Registration: requirements not available.

Disclosure

Publication of agreements: contracts between the foreign investors and the Chilean Government are authenticated by a notary public. Financial reporting: all companies required to file audited financial statements annually with the Superintendent of Insurance Companies, Joint Stock Corporations and Stock Exchanges, which must be published in a local newspaper. Auditing: professional accountants must hold Chilean degrees. The Superintendent may require inspection of audits.

Sanctions

Infringement of legal and contractual obligations: not specified in the Foreign Investment Law. Failure to register: information not available.

SOURCES

CHILE

- Key
- CN Constitution of the Republic of Chile.
- CivC Civil Code of Chile
- DL 600/77 Decree Law No. 600, 11 March 1977, The Foreign Investment Law, Diario Oficial, 18 March 1977.
- D 1272/61 Decree Law No. 1272, 7 September 1961, concerning the approval of contracts containing obligations to pay foreign currencies, Diario Oficial No. 84, 1961, p. 277.
- L958/31 Law No. 958, 8 June 1931, Law on the Protection of Industrial Property.
- L 31/25 Law No. 31, 1925, concerning the protection of industrial property.
- D 1239/67 Decree No. 1239, 21 July 1967, the Commercial Code of 31 May 1966.
- D 1102/67 Decree No. 1102, 27 July 1967, The Civil Code of 31 May 1966.
- DL 2186/78 Decree Law No. 2186, Organic Law on Expropriation Procedures, Diario Oficial, 9 June 1978.
- Regional conventions.
- ANCOM Decision 46: Standard Code on Multinational Enterprises and Regulations for the Treatment Applicable to Subregional Capital, Decision No. 46 of the Commission of the Cartagena Agreement, Lima, 1971.
- ANCOM Decision 40: Decision concerning the alleviation of double taxation, Decision No. 40 of the Commission of the Cartagena Agreement, November 1971.

ANNEX II

SELECTED EASTERN EUROPEAN COUNTRIES

Annex II

Selected eastern European countries

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Table 1.

Foreign direct investment codes: nature and scope of the principal source of investment legislation, and membership in regional organizations promoting the harmonization of investment regulations among members

Country	Date	Legislation	Scope	Membership in regional organizations
HUNGARY	1972	Decree on Economic Association with Foreign Participants	Establishment and operation of foreign direct investment in Hungary	CMEA

Table 2.

Definitions and procedures for the evaluation and
registration of investment

HUNGARY

Definitions

The Economic Association: established with the permission of the Minister of Finance by Hungarian economic organizations and foreign enterprises or juridical persons, in the form of an unlimited liability partnership, shareholding company, limited liability company or joint enterprise (D 28/72 art. 1).

Evaluation

Applications for investment: requires approval by the Minister of Finance following the submission of the articles of association and the data necessary for determining the activities of the Association (D 28/72 art. 3 (1 and 3)).

Registration

Registration: approved associations must obtain licences as prescribed by statutory rules (D 28/72 art. 3 (2)).

Table 3.

Establishment: criteria of selection, incentive schemes and terms of establishment

HUNGARY

Criteria of selection

Objectives of the Economic Association: the mutual interests of the parties concerned for producing, trading and services activities, aimed at the preferable development of the level of technology and that of the economy (D7/77 art. 1).

Incentive schemes

Tax incentives: the Minister of Finance may grant a more favourable tax treatment to any association (D7/77, art. 5). Tax rebates on reinvestment are available upon request to the Ministry of Finance (D 28/72 art. 7(4)).

Terms of establishment

Establishment: the economic relations of the Association are governed by the memorandum and articles of association approved by the Minister of Finance (D 28/72 art. 3). Activities subject to Company Laws No. XXXVII of 1875 and V of 1930 as amended (D 28/72 art. 14). The economic relations of the Association with Hungarian producing enterprises are governed by contract other than the memorandum of association (D 28/72 art. 2).

Table 4.

Investment guarantees: basic investment guarantees,
dispute settlement and nationalization

HUNGARY

Basic investment guarantees: not specified.

Dispute settlement: not specified.

Nationalization

Compensation for damages: the National Bank may guarantee compensation for damages resulting from acts of State relating to the foreigner's contribution, up to the amount of that contribution, if provision has been made to that effect in the memorandum of association approved at establishment (D 28/72 art. 11).

Table 5.

Ownership and managerial control: blanket regulations,
sector regulations and investment in existing firms

HUNGARY

Blanket regulations

Local participation: foreign participation should generally not exceed 49 per cent (D 38/72 art. 4). Exceptions possible in the field of finances (banks and services) with the permission of the Minister of Finance (D 7/77 art. 2). Worker participation: the association may set aside an employee's participation fund not to exceed 15 annual wages (D 7/77 art. 6).

Sector regulations

Prohibited sectors: sectors open to foreign investment determined in the screening process at establishment.

Table 6.

Finance: capitalization, debt financing and repatriation

HUNGARY

Capitalization: information not available.

Debt financing: information not available.

Repatriation

Capital repatriation: guaranteed repatriation of the foreign partner's share, to the amount and in the currency specified in the memorandum of association (D 28/72 art. 11 (4)). In case of the winding up of the association, the foreign partner's share of capital is transferred free of tax (D 28/72 art. 13). Profits and fees: guaranteed repatriation of those sums specified in the memorandum of association (D 28/72 art. 11 (1)). Personal income: foreign employees may repatriate 50 percent of income (D 28/72 art. 8).

Table 7.

Technology transfer, employment and competition

HUNGARY

Technology transfer: information not available.

Employment: information not available.

Competition: information not available.

Table 8.

Corporate taxation and fiscal incentives

HUNGARY

Corporate taxation: company tax of 40 percent on profits. No additional tax or payment having a tax character will be charged to the association on the results of its economic operations (D 7/77 art. 4 and 5). The association is exempt from levies on its tied-up assets, the wage-development tax, and the centralized portion of the depreciation allowance (D 28/72 arts. 7 and 8).

Fiscal incentives

Direct tax incentives: The Minister of Finance may grant a more favourable tax treatment to any association (D 7/77 art. 5). Tax rebates on reinvestment are available upon request to the Ministry of Finance (D 28/72 art. 7(4)).

Table 9.

Information and control:
supervision, disclosure and sanctions

HUNGARY

Supervision: the association is subject to the provisions of the Company Laws No. XXXVII of 1875 and V of 1930, as amended (D 28/73 art. 4(2)).

Disclosure: not specified.

Sanctions: in case the association performs any activities other than those laid down in the approved memorandum of association or articles of association, the Minister of Finance may order the association to disband (D 7/77 art. 6).

SOURCES

HUNGARY

Key

- CC/1875 Law No. XXXVII, 1875, the Law of Unlimited Liability Partnership.
- CC/30 Law No. V, 1930, the Law of Companies Limited by Shares and Limited Liability Companies.
- D 19/70 Decree No. 19, 1970, Decree on Economic Associations.
- D 28/72 Decree No. 28, 1972 (X. 3) PM, Decree on Economic Associations with Foreign Participation of 3 October 1972, Magyar Kazlony, No. 76 of 3 October 1972.
- D 7/77 Decree No. 7, 1977 (V. 6) PM on the amendment of D 28/72 (X 3) PM on Economic Associations with foreign participation.
- D 1/77 Decree No. 1, 1977 on permanent representations of foreign banking institutions.

ANNEX III

SELECTED DEVELOPED MARKET ECONOMY COUNTRIES

Annex III

Selected developed market economy countries

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Table 1.

Foreign direct investment legislation: nature and scope of the principal source, membership in regional organizations

Country	Date	Legislation	Scope	Membership
WESTERN EUROPE AND UNITED STATES OF AMERICA				
FINLAND		No specific foreign investment law		OECD, EFTA
ICELAND		No specific foreign investment law		OECD, EFTA
IRELAND		No specific foreign investment law		OECD, EC
SWEDEN		No specific foreign investment law		OECD, EFTA
OTHER COUNTRIES				
NEW ZEALAND		Overseas investment regulations	Foreign investment	OECD

Table 2.

Laws and regulations relating to the admission of foreign direct investment

Region and country	Authorization requirement		Exclusion or restricted admission of foreign investment	
	General requirement	Requirements in special cases	Closed sectors	Restricted sectors
WESTERN EUROPE AND UNITED STATES OF AMERICA				
FINLAND	No authorization required. A foreign company founded and registered in Finland is, once established, treated similarly as companies controlled and owned by Finns. National treatment is granted to a company of another EFTA signatory State.		Postal and telecommunications services, radio and TV broadcasting, import and export of alcohol and certain grains are reserved for the State or State-owned enterprises.	Commercial and credit mortgage banks, atomic energy production, trading in real estate and foreign currency are reserved for Finnish citizens and corporations. Restrictions exist also for foreigners in pharmacy, insurance, air transportation and coastal shipping. Finnish management is required in hotels and restaurants, mass media, shipping, pharmaceuticals, etc.
ICELAND	All commercial and industrial enterprises must be registered in Iceland and have their venue there. Board Members must have Icelandic nationality and residence, and at least 51 per cent of the capital must be owned by persons resident in Iceland. Dispenses are granted to			Restrictions exist in the case of fishing, energy resources, transportation, restaurants, hotels and tourism, and real estate.

Table 2. (continued)

Region and country	Authorization requirement		Exclusion or restricted admission of foreign investment	
	General requirement	Requirements in special cases	Closed sectors	Restricted sectors
ICELAND (continued)	nationals of EFTA concerning nationality, residence and capital. Each case is considered on its own merits.			
IRELAND	No authorization required.	The consent of the Irish Land Commission and of the Ministry of Industry and Commerce is required for the purchase of real estate outside urban areas, except if the buyer is a citizen of Ireland or has been a resident for seven years.	Air, passenger bus and rail transport. Sugar production. Electricity generation and distribution. Telephone and mail services.	Banking and insurance. Mineral development.
SWEDEN	A licence must be granted by the Bank of Sweden for incoming direct investment in each individual case (S 1, 2).	Under Swedish law a special licence must be granted in each case for the acquisition of real estate, site leasehold or mineral deposits by foreign and certain Swedish corporations having the same legal status as foreign corporations. These include those limited companies where 20 per cent of voting rights or 40 per cent or more of share capital can be acquired by foreigners according to the company articles. (S.3). Nor may a foreign corporation acquire without such a licence a business or part of a business from an entity	Banking (S 8).	Mining (S 3, 15). Share investment operations (S 5). Credit status information (S 12). Coastal and inland shipping (S 16). Domestic airways (S 18). Ownership of periodical (S 19). Manufacture of military equipment (S 20). Fisheries (S 22).

Table 2.(continued)

Region and country	Authorization requirement		Exclusion or restricted admission of foreign investment	
	General requirement	Requirements in special cases	Closed sectors	Restricted sectors

SWEDEN
(continued)

which is not a foreign corporation. It may not acquire tied shares in a joint stock corporation, i.e., shares coming under a proviso in company articles ("aliens proviso"). This implies that the free shares must equal less than 40 per cent of share capital and less than 20 per cent of voting rights for the total shares of the company. An aliens proviso may not be deleted from company articles without special permission.

Foreign and certain Swedish corporations having the same legal status as foreign corporations may not, without a special licence, acquire a Swedish vessel or part thereof (S 17).

Region and country	Authorization requirement		Exclusion or restricted admission of foreign investment	
	General requirement	Requirements in special cases	Closed sectors	Restricted sectors

OTHER COUNTRIES

NEW ZEALAND

Authorization of the Overseas Investment Commission is required for all companies incorporated overseas wishing to register (under the Companies Act 1955) or carry on business in New Zealand.

Non-New Zealand citizens who are not ordinarily resident in New Zealand (i.e., persons who have not resided in New Zealand for at least 2 1/2 out of the last 3 years preceding the date of any proposed land acquisition and who do not intend to continue to reside permanently in New Zealand), may not acquire certain categories of land without consent under the Land Settlement Promotion and Land Acquisition Act of 1952.

Non-New Zealand companies (i.e., companies incorporated outside New Zealand or companies incorporated in New Zealand with 25 per cent or more of their shares owned or controlled by non-New Zealand companies or persons) also require consent.

Table 3.

Procedures for the authorization of foreign direct investment

Region and country	General procedures		Procedures in cases of takeover bids
	Evaluation	Terms of authorization	
WESTERN EUROPE AND UNITED STATES OF AMERICA			
FINLAND		Government may attach conditions to the approval of the articles of association of a company or an amendment involving an alteration of its purpose or an increase in its stock if the effect of these changes is the introduction of foreign capital or of a company with foreign capital in a restricted industry.	
ICELAND			Acquisition by non-residents of Icelandic securities and other assets with foreign funds is allowed. Securities held in Iceland by non-residents must be registered, and all transactions and operations concerning them are subject to licensing.
IRELAND	Evaluation is based on: 1. export possibilities; 2. high value added; 3. majority of male labour employment; 4. strong growth potential; and 5. high utilization of natural resources.	Information not available.	Purchases of unquoted Irish securities by persons not residing in Ireland or in the UK require Central Bank permission.

Table 3. (continued)

Region and country	General procedures		Procedure in cases of takeover bids
	Evaluation	Terms of authorization	
WESTERN EUROPE AND UNITED STATES OF AMERICA (continued)			
SWEDEN	<p>No special criteria govern the examination of applications for licences according to foreign exchange legislation (S 1, 2).</p> <p>Permission to delete the aliens proviso in company articles may not be granted if the acquisition of a company's shares by a foreign corporation is derogatory to substantial public interests (S 3).</p>		No special procedure.
OTHER COUNTRIES			
NEW ZEALAND	<p>The issue of any shares in a New Zealand incorporated company to an "overseas person" requires consent under the Overseas Investment Regulations 1974 and the Exchange Control Regulations 1965. Also, the transfer of existing shares in such companies to non-residents requires consent under the latter regulations. The acquisition by "overseas persons" of the major business assets used by a company to carry on</p>	<p>Consent of the Overseas Investment Commission is required before any overseas person may acquire shares in a New Zealand incorporated company if those shares, together with any others held by the purchaser or his nominee, give the overseas person the right to control 25 per cent or more of the voting power of any general meeting of the company.</p>	

Table 3. (continued)

Region and country	General procedures		Procedures in cases of takeover bids
	Evaluation	Terms of authorization	
OTHER COUNTRIES (continued)			
NEW ZEALAND (continued)		business in New Zealand, where the value of those assets exceeds \$NZ100,000, is also subject to authorization.	

Table 4.

Laws and regulations relating to the establishment and operation of foreign enterprises

Country and region	Terms of establishment	Incentive benefits	Domestic and foreign borrowing	Taxation	Repatriation of capital and profits
WESTERN EUROPE AND UNITED STATES OF AMERICA					
FINLAND		All incentive investments available to foreign enterprises, except subsidies for product development, which are granted in principle only to corporations which are not under a "significant" amount of foreign control.	Foreign borrowing requires authorization of the Bank of Finland.	A foreign enterprise cannot deduct from its assets the proportion of its liabilities that must be regarded as an investment in the business in Finland. Tax authorization may reassess the pricing of internal transactions between the foreign subsidiaries and its parent company.	All capital movement by domestic and foreign enterprises in and out of Finland are subject to control by the Bank of Finland.
ICELAND	No restrictions on legal form of establishment. All companies need to be registered.	Information not available.	Restrictions on foreign borrowing apply equally to domestic and foreign enterprises.	Equal treatment for domestic and foreign enterprises.	Transfer of capital by residents requires approval which is granted only in exceptional cases. Non-residents need authorization to transfer abroad proceeds from sale of their assets.

Table 4. (continued)

Country and region	Terms of establishment	Incentive benefits	Domestic and foreign borrowing	Taxation	Repatriation of capital and profits
WESTERN EUROPE AND UNITED STATES OF AMERICA (continued)					
IRELAND	No restrictions concerning legal form of establishment. Companies incorporated outside Ireland which establish a plan of business within Ireland must file with the Registrar of Companies certified copies of the documents of constitution, as do companies incorporated in Ireland.	Domestic and foreign investors are treated alike in qualifying for incentives.	No exchange control on inward and outward capital movement between Ireland and the UK. Capital movements between Ireland and other countries require Central Bank permission.	Equal treatment of foreign and domestic enterprises.	No restrictions for investment from the United Kingdom. Repatriation of capital and profits from investments from other countries is guaranteed if Central Bank permission has been obtained.
SWEDEN	A foreign legal entity may form a joint stock corporation only after a special licence has been obtained (S 4). Swedish citizenship is required for members of boards in joint stock corporations (S 4), economic associations (S 7), banking companies (S 8), savings banks (S 9), rural credit		Access to bank credit and the capital market. Authorization from the Riksbank is required when domestic loans are granted against the guarantee of a non-resident. In 1975, the practice of the Riksbank with regard to the authorization of loans to existing foreign-owned		

Country and region	Terms of establishment	Incentive benefits	Domestic and foreign borrowing	Taxation	Repatriation of capital and profits
WESTERN EUROPE AND UNITED STATES OF AMERICA (continued)					
SWEDEN (continued)	<p>societies (S 10), credit companies (S 11) and insurance companies (S 13). A foreign corporation may not without a licence form a trading company or own part of such a company (S 6). A licence must be obtained by a foreign company wishing to carry on business via a branch establishment (S 21). The licence may be granted on certain conditions or with specific instructions. The branch establishment must have a managing director and be registered with the competent public authority. A statement of the administration of the managing director and of the accounts of the branch establishment must be examined by a Swedish chartered auditor. Every year the</p>		<p>companies against the guarantee of non-residents was changed in the case of financing of investment in fixed assets. The change implies that at least 50 per cent of the part of the investment which corresponds to the foreign interest in the enterprise has to be financed by transfers of funds from abroad. Investments amounting to less than S.Kr. 1 million are exempted.</p>		

Table 4.(continued)

Region and country	Terms establishment	Incentive benefits	Domestic and foreign borrowing	Taxation	Repatriation of capital and profits
WESTERN EUROPE AND UNITED STATES OF AMERICA (continued)					
SWEDEN (continued)	<p>managing director is to send to the registration authority not only the statement of accounts and administration and the auditor's report for the branch establishment, but also the corresponding documents for the foreign corporation as a whole in as far as these are made public in the home country of the corporation.</p> <p>Foreign banking companies may carry on banking operations after special permission has been obtained, but such operations may not include deposits or lending business (S 8).</p> <p>A foreign insurance institution may carry on insurance operations after special permission has been obtained (S 14).</p>				

Table 4.(continued)

Region and country	Terms of establishment	Incentive benefits	Domestic and foreign borrowing	Taxation	Repatriation of capital and profits
OTHER COUNTRIES					
NEW ZEALAND			<p>The consent of the Commission is required before any overseas person (including incorporated companies) may borrow or raise money in New Zealand. Borrowing overseas by all incorporated companies requires consent under the Overseas Investment Regulation 1965. Consent under the latter regulation is required by individuals to borrow overseas.</p>	<p>Non-resident companies are taxed in the same way as resident companies except for an additional tax of 5 per cent on their income and liability to a withholding tax.</p>	<p>Automatically approved provided satisfactory evidence of original capital or of benefit is available.</p>

Table 5.

Legislation on restrictive business practices

Country	Legislation	Provisions of the laws
WESTERN EUROPE AND UNITED STATES OF AMERICA		
FINLAND	Act on the Promotion of Economic Competition (25 May 1973).	Agreements, decisions or other arrangements made or carried out by any group of entrepreneurs that make it obligatory to limit or restrict business activities or to apply fixed prices or fixing rules must be notified to the National Board of Trade and Consumer Interests. An entrepreneur must also notify the Board if he has a monopoly or a dominant position in a field of economic activity such that competition in this field does not exist or is limited. The Competition Ombudsman or any entrepreneur affected by this situation proposes to the Competition Council that negotiations be initiated. If these negotiations fail, the Competition Council will notify the Council of State which may forbid the enforcement of a restriction of competition and impose a fine if the order is disobeyed.
ICELAND	Information not available.	
IRELAND	(1) Restrictive Practices Act, 1972. (2) Mergers, Takeovers and Monopolies (Control) Act, 1978.	The Restrictive Practices Commission set up in 1972 holds public inquiries into conditions relating to the supply and distribution of goods and the provision of services. The Commission may also make fair practice rules for market sectors and study methods of competition, structures of markets and relevant legislation. Any proposed merger or takeover where the value of gross assets or annual turnover of any two enterprises exceeds a certain amount is valid unless the Government has been notified, which can either indicate it does not propose to oppose it or prohibit it, except on conditions

Country	Legislation	Provisions of the laws
WESTERN EUROPE AND UNITED STATES OF AMERICA (continued)		
IRELAND (continued)		specified, or a period of three months has elapsed without the Government opposing it by order. Any such order must list all reasons for doing so and must be presented to both Houses of Parliament. The Mergers, Takeovers and Monopolies (Control) Act empowers the Government to break up a monopoly or to make its continued existence subject to conditions.
SWEDEN	Information not available.	
OTHER COUNTRIES		
NEW ZEALAND	Information not available.	

SOURCES

Region and country	Key	Source
WESTERN EUROPE AND UNITED STATES OF AMERICA		
FINLAND	(FI 1)	Law on Foreign Exchange, 29 December 1972.
	(FI 2)	Act on the Right of Aliens and Some Corporate Bodies to Own and Administer Real Property and Shares, 31 May 1974.
	(FI 3)	Act on the Right of an Alien to Membership in a Partnership and Personally Responsible Membership in a Limited Partnership, 18 April 1973.
	(FI 4)	Joint Stock Company Act, 2 May 1895.
	(FI 5)	Act on Middleman Relations Concerning Shares, 28 July 1939.
	(FI 6)	Act on Joint Stock Housing Companies, 5 February 1926.
	(FI 7)	Banking Act, 29 August 1969.
	(FI 8)	Act on the Right of a Foreign Insurance Company to Conduct Insurance Business in Finland, 27 May 1933.
	(FI 9)	Tax Act, 12 December 1958.
	(FI 10)	Income and Wealth Tax Act, 31 December 1974.
	(FI 11)	Act on the Right of Establishment, 27 September 1919.
	(FI 12)	Paragraph 3 of the Act on the Right of Establishment refers to the following laws, among others, regulating the line of business they concern:
	(FI 13)	Aviation Act, 11 December 1964/595;
	(FI 14)	Act on Mines, 17 September 1965/503;
	(FI 15)	Act on Nuclear Energy, 25 October 1957/356;
	(FI 16)	Statute on Real Estate Brokers, 29 February 1968/140;
	(FI 17)	Statute on Travel Agencies, 9 July 1968/442.
ICELAND	(IC 1)	Law No. 77 of 27 June 1921 on Limited Companies.
	(IC 2)	Law No. 33 of 19 June 1922 on Fishing.
	(IC 3)	Law No. 34 of 21 May 1964 on Air Transport.
	(IC 4)	Law No. 19 of 6 April 1966 on Immovables.

SOURCES (continued)

Region and country	Key	Source
ICELAND (continued)	(IC 5)	Law No. 58 of 29 April 1967 on Energy Resources.
	(IC 6)	Law No. 41 of 21 May 1968 concerning Commercial Activities, as amended by Law No. 7 of 13 February 1970.
	(IC 7)	Law No. 79 of 13 August 1971 on Industry.
IRELAND	(IR 1)	Insurance Act 1936.
	(IR 2)	Exchange Control Act 1954/1974.
	(IR 3)	Prices Act 1958 and amendments.
	(IR 4)	Companies Act 1963.
	(IR 5)	Registration of Business Names Act 1963.
	(IR 6)	Amendments Act 1965.
	(IR 7)	Industrial Development Act 1969.
	(IR 8)	Restrictive Practices Act 1972.
SWEDEN	(IR 9)	Mergers, Takeovers and Monopolies (Control) Act, 1978.
	(SWE 1)	Foreign Exchange Act (1939:350).
	(SWE 2)	Foreign Exchange Decree (1959:264).
	(SWE 3)	Act (1916:156) on certain limitations of the right to acquire real estate.
	(SWE 4)	Swedish Companies Act (1975:1385).
	(SWE 5)	Swedish Investment Companies Act (1974:931).
	(SWE 6)	Act (1968:551) on certain limitations of the right to found Swedish trading companies etc.
	(SWE 7)	Act (1951:398) on Economic Associations.
	(SWE 8)	Swedish Banking Act (1955:183).
	(SWE 9)	Swedish Savings Banks Act (1955:146).
	(SWE 10)	Swedish Rural Credit Societies Act (1956:216).
(SWE 11)	Swedish Credit Companies Act (1963:76).	

SOURCES (continued)

Region and country	Key	Source
SWEDEN (continued)	(SWE 12)	Credit Status Information Act (1973:1173).
	(SWE 13)	Swedish Insurance Operations Act (1948:433).
	(SWE 14)	Act (1950:272) on the right of foreign insurance institutions to carry on insurance operations in Sweden.
	(SWE 15)	Act (1949:658) on the compulsory purchase in certain cases of mining rights etc.
	(SWE 16)	Decree of November 10, 1774 concerning foreign shipping in Sweden and Finland.
	(SWE 17)	Act (1939:259) on the prohibition in certain cases of the sale or chartering of ships etc.
	(SWE 18)	Air Navigation Act (1957:297).
	(SWE 19)	Freedom of the Press Act.
	(SWE 20)	Act (1935:395) on control of the manufacture of military equipment etc.
	(SWE 21)	Act (1968:555) on the right of aliens and foreign companies to carry on business in Sweden.
	(SWE 22)	Fishing Rights Act (1950:596).
	OTHER COUNTRIES	
NEW ZEALAND	(N 1)	Land Settlement Promotion and Land Acquisition Act 1952.
	(N 2)	Companies Act 1955.
	(N 3)	Reserve Bank of New Zealand Act 1964.
	(N 4)	Capital Issues (Overseas) Regulations 1965.
	(N 5)	Land Settlement and Land Acquisition Amendment Act 1968.
	(N 6)	Overseas Investment Act 1973.
	(N 7)	Overseas Investment Regulations 1974.
	(N 8)	Commerce Act 1975.
	(N 9)	Exchange Control Regulations 1965.
	(N 10)	Exchange Control (Overseas Remuneration) Regulations 1964.