FREEDOM OF INVESTMENT PROCESS

Inventory of investment measures taken between 16 February and 15 September 2014

OECD

November 2014

The “Freedom of Investment" (FOI) process hosted by the OECD Investment Committee monitors investment policy developments in the 55 economies that participate in the process.

The present report was prepared for the Freedom of Investment Roundtable 21 held on 14 October 2014. It follows on from earlier reports, available at http://www.oecd.org/daf/inv/investment-policy/g20.htm.

More information about the FOI process is available at www.oecd.org/daf/investment/foi.

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INTRODUCTION

Monitoring and exchange of information on investment policy developments has been a regular feature of the *Freedom of Investment* (FOI) Roundtables hosted by the OECD Investment Committee since the Roundtables' inception in 2006. To support policy dialogue on these developments among the 55 economies invited to the Roundtables, the OECD Secretariat establishes inventories of recent developments and makes them available to the public.[1]

The present report is part of an on-going response to this mandate. It uses the established methodology applied in earlier reports and covers developments between 16 February 2014 and 15 September 2014.

The present report contains two parts:

- Part I summarises the investment policy developments that have taken place in the reporting period between 16 February 2014 and 15 September 2014.

- Part II contains a full inventory of policy measures that economies invited to participate in the Roundtables have taken in the reporting period.

An annex describes the methodology applied to establish this inventory.

[1] The reports can be found at: www.oecd.org/daf/investment/foi.

PART I: INVESTMENT POLICY DEVELOPMENTS BETWEEN 16 FEBRUARY 2014 AND 15 SEPTEMBER 2014

During the reporting period between 16 February 2014 and 15 September 2014, ten of the 55 economies invited to participate in the *Freedom of Investment* Roundtables – modified their investment policies. The overwhelming majority of measures that were recorded in the reporting period involved relaxation of conditions for international investment.

Where relaxations concerned foreign direct investment (FDI), the policy change was in several cases driven by difficulties in certain industry sectors to access capital to remain competitive; liberalisation of FDI was chosen to remedy this situation.

Two countries, France and Italy, modified or specified their investment policies relating to national security, in the case of France in connection with a specific investment proposal.

In addition to these two policy changes in the area, the reporting period witnessed increasing interest in the design, scope, use and applicability of mechanisms to control foreign investment with respect to national security and related concerns. This renewed interest in review mechanisms and their functioning had already been noted in the previous report and follows a period of relative silence in this area during the years following the 2008 financial and economic crisis.

In the current reporting period, for instance, the government of the United Kingdom publicly considered the application of such a test in relation to a specific investment proposal in the pharmaceutical sector (the proposal was withdrawn little later). Germany also subjected to review – and approved – an investment proposal under the enhanced investment screening mechanism for national security concerns in the reporting period; this was presumably the first application of the screening mechanism that the country introduced in 2009.

Table 1 provides an overview over which countries took investment policy measures or investment policy measures related to national security.

Table 1. Investment and investment-related measures taken between 16 February 2014 and 15 September 2014

	Investment-specific measures	Investment measures related to national security
Argentina		
Australia	•	
Austria		
Belgium		
Brazil	•	
Canada		
Chile		
P.R. China	•	
Colombia		
Costa Rica		
Czech Republic		
Denmark		
Egypt		
Estonia		
Finland		
France		•
Germany		
Greece		
Hungary		
Iceland	•	
India	•	
Indonesia	•	
Ireland		
Israel		
Italy		•
Japan		
Jordan		
Korea		
Latvia		
Lithuania		
Luxembourg		
Malaysia	•	
Mexico	•	
Morocco		
Netherlands		
New Zealand		
Norway		
Peru		
Poland		
Portugal		
Romania		
Russian Federation		
Saudi Arabia		
Slovak Republic		
Slovenia		
South Africa	•	
Spain		
Sweden		
Switzerland		
Tunisia		
Turkey		
United Kingdom		
United States	•	
European Union		

PART II: REPORTS ON INDIVIDUAL ECONOMIES – INVESTMENT MEASURES (16 FEBRUARY 2014 – 15 SEPTEMBER 2014)

	Description of Measure	Date	Source
Argentina			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Australia			
Investment policy measures	On 8 August 2014, the *Qantas Sale Amendment Act 2014* received Royal assent. The Act eases some foreign ownership restrictions on Australian flag carrier Qantas insofar as ownership by a single foreign investor may now exceed 25% and aggregate ownership by foreign airlines may now exceed 35%. However, foreigners may, cumulatively, still not own more than 49% in Qantas.	8 August 2014	*Qantas Sale Amendment Act 2014*
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Austria			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Belgium			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		

	Description of Measure	Date	Source
Brazil			
Investment policy measures	Effective 4 June 2014, Brazil reduced the scope of application of the 6% financial transaction tax (*Imposto sobre Operaçoes Financieras*, IOF) levied on the settlement of certain foreign exchange transactions. Hitherto, the 6% tax was levied on the settlement of certain foreign exchange transactions for the inflow of funds into Brazil with maturities of up to 360 days. The 6% tax henceforth only applies to inflow of funds into the country, including through simultaneous operations related to foreign loans contracted directly or by issuing bonds on the international market with minimum average maturities of 180 days.	4 June 2014	Presidential Decree Nº 8.263 of 3 June 2014.
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Canada			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Chile			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
P.R. China			
Investment policy measures	On 1 March 2014, the amended Company Law, promulgated by the Standing Committee of the National People's Congress on 28 December 2013, took effect. The amended law applies to Chinese joint ventures with foreign investors. It removes the requirement that the contribution in cash by all shareholders shall not be less than 30 percent of the registered capital of the company. On the other hand it removes the requirements of paying the initial capital contribution by all shareholders upon establishment of the company. It also removes the previous minimum contribution requirement for shareholders.	1 March 2014	"Amendments To The PRC Company Law". Mondaqu.com, 9 April 2014.
	On 4 July 2014, the Circular Concerning Foreign Exchange Administration for Domestic Residents Conducting Overseas Financing and Round-trip Investments via Special Purpose Companies (Huifa No. 37 [2014]) by the State Administration of Foreign Exchange (SAFE) took effect, replacing Circular 75 [2005]. According to this information, the Circular facilitates the convertibility of cross-border	4 July 2014	"Transforming Foreign Exchange Administration of Round-trip Investments to Further Facilitate Cross-border Investments and Financing", State Administration of Foreign Exchange release, 4 July 2014

	Description of Measure	Date	Source
	capital transactions. The Circular reportedly: expands the channels for capital by allowing purchases and payments in foreign exchange by domestic residents to be used to establish overseas special purpose companies and overseas working capital and eliminating the restrictions on domestic companies' overseas lending to special purpose companies; relaxing restrictions on the utilization of funds from overseas financing, abolishing the mandatory rules on the repatriation of funds, and allowing funds from overseas financing and other related funds to be retained for overseas use.		
	Foreign investors are allowed, since 25 July 2014, to wholly own hospitals in Beijing, Tianjin and Shanghai and the provinces of Jiangsu, Fujian, Guangdong and Hainan as part of a pilot test.	25 July 2014	"Notice on the establishment of foreign-owned hospitals", Ministry of Health and Family Planning, 27 August 2014
	On 1 August 2014, the China (Shanghai) Pilot Free Trade Zone (FTZ) regulation came into effect. The new regulation, which fulfilled the mandates provided by the decision of the National People's Congress and Framework Plan of China (Shanghai) Pilot FTZ of the State Council, established reforms in the FTZ, such as the negative list for foreign investment, measures to facilitate customs clearance procedures and rules to boost financial liberalisation in the zone. On 7 January 2014, the People's Bank of China, China's central bank, had released *Opinions on Financial Measures to Support the China (Shanghai) Pilot Free Trade Zone* (FTZ). The Opinions allow a series of policy changes applicable in the FTZ with a view to move towards capital account convertibility and advance foreign exchange administration reform. These include the possibility for residents and non-residents to establish accounts in local and foreign currency in the FTZ and use them for certain transactions. Also, cross-border investment is allowed and delinked from approval procedures that would apply outside the FTZ. The FTZ had officially been opened on 29 September 2013. Since the opening of the FTZ, a series of liberalisations have been announced, including: Foreign enterprises in the zone with a registered capital of no less than CYN 1 million can apply for investment in the value-added telecom business sector (15 April 2014); Companies registered in the FTZ or Chinese and foreign individuals working there for more than a year can open free trade accounts with banks, insurers and brokerages in Shanghai with greater freedom to move money on- and off-shore (22 May 2014); and the negative list that contains restrictions on foreign investment in the FTZ has been shortened (1 July 2014).	1 August 2014	"Shanghai FTZ regulation passed", News&Information, 28 July 2014. "The PBC Releases Opinions on Financial Measures to Support the China (Shanghai) Pilot Free Trade Zone"
	On 10 January 2014, the State Administration of Foreign Exchange dispatched the Circular of the State Administration of Foreign Exchange on Further Improving and Adjusting Foreign Exchange Administration Policies under the Capital Account. The Circular simplifies and relaxes certain aspects of the foreign exchange administration for the capital account. These measures include: the simplification of transfers of domestic non-performing assets to overseas investors; the relaxation of management of upfront expenses for overseas direct investments by domestic institutions; relaxing management of overseas lending by domestic enterprises; simplifying management of profit remittances by domestic institutions; Simplifying management of foreign exchange sales and payments of personal property transfers; and did away with the requirement to periodically renew *the License for Foreign Exchange Operations* in the Securities Business for securities companies.	10 January 2014	"Circular of the State Administration of Foreign Exchange on Further Improving and Adjusting Foreign Exchange Administration Policies under the Capital Account", State Administration of Foreign Exchange, Huifa No. 2 [2014], 10 January 2014.
Investment	None during reporting period.		

	Description of Measure	Date	Source
measures relating to national security			
Other developments	None during reporting period.		
Colombia			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Costa Rica			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Czech Republic			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Denmark			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Egypt			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		

	Description of Measure	Date	Source
Estonia			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Finland			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
France			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	On 14 May 2014, the Minister of Economy issued a decree amending the articles of the law that inter alia regulates foreign investment. The decree amends the list of activities subject to review for foreign investors equipment, services and products that are essential to safeguard national interests in the areas of public order, public security and national defence, as follows: i) sustainability, integrity and safety of energy supply (electricity, gas, hydrocarbons or other sources of energy); ii) sustainability, integrity and safety of water supply; iii) sustainability, integrity and safety of transport networks and services; iv) sustainability, integrity and safety of electronic communications networks and services; v) operation of a building or installations of vital importance as defined in articles L. 1332-1 and L.1332-2 of the Code of Defence; and vi) protection of public health.	14 May 2014	Code Monétaire et Financier, Articles L151-3 and R153-2; Decree No. 2014-479 of 14 May 2014.
Other developments	None during reporting period.		
Germany			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	According to media reports referring to statements from the Federal Ministry of Economic Affairs and Energy, the Ministry approved on 22 August 2014 the sale of energy infrastructure enterprise DEA to a Luxembourg-incorporated investment vehicle, LetterOne, owned by a Russian investor. In June 2014, the Ministry had subjected the proposed sale DEA to scrutiny under the country's review process, given that DEA owns and operates energy infrastructure in Germany. Media report that a key consideration was the fact that the investor LetterOne was a	22 August 2014	

	Description of Measure	Date	Source
	European company.		
Greece			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Hungary			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Iceland			
Investment policy measures	On 19 June 2014, amendments to the Rules on Foreign Exchange came into effect. The Rules on Foreign Exchange determine the scope of capital controls that Iceland has introduced in 2008 in the wake of the financial crisis. The amendments to the rules clarify and restrict the possibilities of Icelanders to buy insurance offered for sale in Iceland by foreign insurance companies and the corresponding possibilities of foreign insurers to offer such insurance. While the capital controls did not restrict trade in services, including insurance, they amendments reduce the possibility to buy or sell insurance contracts entailing saving or accumulation of capital abroad. The restrictions include existing contracts that have been signed after the capital controls took effect in 2008; a four-month adaptation period is granted so as to give service providers the scope to adapt their arrangements for payment of premiums to the new rules. On 11 September 2014, the central Bank of Iceland announced an agreement regarding contracts offered by Allianz Iceland to their customers. The agreement enables the foreign insurance company and its customers in Iceland to retain their current contractual relationship without any changes. Agreements would also be used as a reference for potential arrangements undertaken by resident entities wishing to offer comparable products. The agreement stipulates that insurance companies will import foreign currency to Iceland to cover more than half of the future premium payments to be exported on the basis of current contracts over the term of the agreement. If the company enters into new contracts, it will import foreign currency in an amount matching the future premium payments to be exported on the basis of those contracts over the term of the agreement.	19 June 2014; 11 September 2014	"*Rules no. 565/2014 on Foreign Exchange*", 18 June 2014; "*Rules on Foreign Exchange amended to mitigate the effects of halting unauthorised saving abroad*", Central Bank of Iceland news release No. 20/2014, 17 June 2014; "*Agreement on insurance contracts providing for saving abroad; cf. the Rules on Foreign Exchange, no. 565/2014*", Central Bank of Iceland news release No. 30/2014, 11 September 2014.
Investment measures relating to national security	None during reporting period.		
Other	None during reporting period.		

	Description of Measure	Date	Source
developments			
India			
Investment policy measures	On 25 March 2014, the Reserve Bank of India established a framework for investments under a new scheme called “Foreign Portfolio Investment” scheme. Under the scheme, a FII and a QFI may purchase and sell shares and convertible debentures of Indian companies through registered broker on recognised stock exchanges in India as well as purchase shares and convertible debentures which are offered to the public. The individual and aggregate investment limits for the RFPIs shall be below 10 per cent or 24 per cent respectively of the total paid-up equity capital or 10 per cent or 24 per cent respectively of the paid-up value of each series of convertible debentures issued by an Indian company. Further, where there is composite sectoral cap under FDI policy, these limits for RFPI investment shall also be within such overall FDI sectoral caps.	25 March 2014	"*Foreign Portfolio Investor - investment under Portfolio Investment Scheme, Government and Corporate debt*", RBI/2013-14/533 A.P. (DIR Series) Circular No.112.
	On 7 April 2014, the Reserve Bank of India restricted the scope of Government dated securities that foreign institutional investors can invest in. Henceforth, these investors were only allowed to invest in Government dated securities having residual maturity of one year and above. On 23 July 2014, the Reserve Bank of India modified the conditions again; under the overall limit of USD 30 billion, it allocated a new tranche of USD 5 billion to securities with residual maturities of at least three years, and requires that any future investment in government bonds be also made in bonds with a minimum residual maturity of 3 years.	7 April 2014; 23 July 2014	"*Foreign investment in India in Government Securities*", RBI/2013-14/556 A.P. (DIR Series) Circular No.118, “*Foreign investment in India by SEBI registered Long term investors in Government dated Securities”,* RBI/2014-15/145, A. P. (DIR Series) Circular No. 13
	On 16 April 2014, India allowed foreign investment in Limited Liability Partnerships (LLP) under certain conditions.	16 April 2014	“*Foreign Direct Investment (FDI) in Limited Liability Partnership (LLP)*”, RBI/2013-14/566, A.P. (DIR Series) Circular No. 123
	On 23 July 2014, the Reserve Bank of India restricted the scope of Government dated securities that foreign institutional investors can invest in. Henceforth, a new tranche of USD 5 billion under the overall limit of USD 30 billion is allocated to securities with residual maturities of at least three years, and requires that any future investment in government bonds be also made in bonds with a minimum residual maturity of 3 years.	23 July 2014	“Foreign investment in India by SEBI registered Long term investors in Government dated Securitie*s”,* RBI/2014-15/145, A. P. (DIR Series) Circular No. 13
	Effective 26 August 2014, India liberalised its foreign direct investment (FDI) policy in the defence sector. The FDI cap has been raised from 26% to 49%, under the Government route. Further, FDI above 49% is allowed subject to approval of the Cabinet Committee on Security, wherever it is likely to result in access to modern and ‘state-of-art’ technology in the country.	26 August 2014	Press note 7 (2014), Department of Policy and Promotion, Ministry of Commerce and Industry, 26 August 2014.
	Effective 27 August 2014, India liberalised foreign direct investment in railway infrastructure, a sector that was hitherto closed to FDI. Henceforth, 100% FDI under the automatic route is permitted in construction, operation and maintenance of (i) suburban corridor projects through public-private partnerships, (ii) high speed train projects, (iii) dedicated freight lines, (iv) rolling stock including train sets, and locomotives/coaches manufacturing and maintenance facilities, (v) railway electrification, (vi) signaling systems, (vii) freight terminals, (viii) passenger terminals, (ix) infrastructure in industrial park pertaining to railway line/sidings including electrified railway lines and connectivity to main railway line and (x) mass rapid transport systems subject to meeting sectoral laws and with the condition that FDI beyond 49% in sensitive areas a from security point of view will be	27 August 2014	Press note 8 (2014), Department of Policy and Promotion, Ministry of Commerce and Industry, 27 August 2014.

	Description of Measure	Date	Source
	approved by the Cabinet Committee on Security on a case to case basis.		
	On 28 August 2014, the Reserve Bank of India relaxed limitations on the manner in which a non-resident can purchase and sale government securities. While hitherto, government securities could only be purchased directly from the issuer or through registered stock broker on a recognised Stock Exchange in India, such limitations do no longer apply.	28 August 2014	"*Purchase and sale of securities other than shares or convertible debentures of an Indian company by a person resident outside India*", RBI/2014-15/197, A.P. (DIR Series) Circular No.22
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Indonesia			
Investment policy measures	On 23 April 2014, the government of Indonesia amended the list of business fields open or closed to foreign investors; the new negative list became effective on 24 April 2014. Among others, the new decree increased the foreign investment cap in several industries, including for pharmaceuticals to 85% from 75%, venture capital operations to 85% from 80% and power plant projects carried out as a public-private partnership to 100% from 95%. However it also restricted foreign ownership ceiling in several industries. For example, onshore oil production facilities in which foreign investors could own up to 95% are no longer open to foreign investment and the foreign capital ownership for data communications system services was reduced to 49%, down from 95%. The changes only apply to new investments, not to existing ones. The new decree substitutes the previous decree, Presidential Decree No. 36 of 2010.	24 April 2014	Presidential Decree No.39/2014, Indonesia Investment Coordinating Board, 23 April 2014.
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Ireland			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Israel			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		

	Description of Measure	Date	Source
Italy			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	On 21 March 2014, the Decree of the President of the Republic of 19 February 2014 n. 35 came into effect. The decree sets out the competence and procedures for the exercise of the special powers to review and restrict foreign investment in the defence and national security sector. According to the decree, the investigation and the proposal whether to block an investment proposal is assigned to the Ministry of Economy and Finance for the companies in which it holds shares, directly or by means of other companies in which it holds shares and to the Ministry of Defence or to the Ministry of Interior for the other companies. The decree also provides for the procedural rules for monitoring the effective exercise of the special powers as well as sanctions to be applied in case of non-compliance with its obligations.	21 March 2014	"*Regolamento per l'individuazione delle procedure per l'attivazione dei poteri speciali nei settori della difesa e della sicurezza nazionale, a norma dell'articolo 1, comma 8, del decreto-legge 15 marzo 2012, n. 21*", Presidential Decree of 19 February 2014 n. 35, Italian Republic's Official Gazette, 20 March 2014.
	On 7 June 2014 and 1 August 2014 three decrees that regulate the functioning of the investment review mechanism that ensures the protection of public safety and national essential security interests in Italy came into effect: The Decree of the President of the Republic (D.P.R.) of 25 March 2014, n.86, which came into effect on 7 June 2014, lays down the rules for the exercise of the special powers relating to strategic assets in the fields of energy, transport and communications, as identified in art. 2 par. 1 of Decree Law (D.L.) 21/2012, also with reference to the definition of the organisational arrangements for carrying out the preparatory activities for the exercise of the special powers, in accordance with Art 2, par. 9 of the D.L. On the same day, Decree of the President of the Republic (D.P.R.) of 25 March 2014, n.85, came into effect. This Regulation identifies the assets of strategic importance in the fields of energy, transport and communications. It also defines the scope of application of the discipline of these special powers. On 15 August 2014, Decree of the President of the Council of Ministries (D.P.C.M.) of 6 June 2014, n.108 became effective. The measure identifies the activities of strategic importance for the system of national defence and security, including key strategic activities for which the special direction and control powers of art.1, par. 1, of D.L. 21/2012 can be exercised. It repealed the previous D.P.C.M. 253/2012, as amended by D.P.C.M. 129/2013.	7 June 2014; 15 August 2014	Decree of the President of the Republic (D.P.R.) 25 March 2014, n. 86 – Regulation identifying the procedures for the activation of the special powers in the fields of energy, transport and communications, in accordance with Article 2, paragraph 9 of the Decree-Law 15 March 2012, n. 21; Decree of the President of the Republic (D.P.R.) 25 March 2014, n. 85 - Regulation identifying the assets of strategic importance in the fields of energy, transport and communications, in accordance with Article 2, paragraph 1, of Decree-Law 15 March 2012, n. 2; Decree of the President of the Council of Ministries (D.P.C.M.) 6 June 2014, n. 108 - Regulation identifying the activities of strategic importance for the system of national defence and security, in accordance with Article 1, paragraph 1, of Decree-Law 15 March 2012, n. 21, converted into law with amendments by Law 11 May 2012, n. 56.
Other developments	By decree of the Ministry of the Economy and Finance dated 2 July 2014, the scope of industry sectors in which Italy's *Fondo Strategico Italiano* Spa (FSI) may invest was extended. Henceforth, these "strategic" sectors also include tourism and hotels, the agro-food and distribution, as well as management of cultural and artistic assets. The existing list, to which these sectors were added, covered more traditional "strategic" sectors such as defense, security, infrastructure, transport, communications, energy, financial services, research and public services. The same decree allows the fund to invest in companies that are not incorporated in Italy, but which operate in "strategic" sectors and control enterprises that operate in Italy, provided that these companies have a minimum turnover of EUR 50 million per annum and at least 250	2 July 2014	"*Si amplia l'attivita' del Fondo Strategico Italiano*", Ministry of the Economy and Finance media release No. 171, 10 July 2014; "*Il MEF amplia l'operatività di FSI*", FSI media release, 11 July 2014.

	Description of Measure	Date	Source
	employees.		
Japan			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Jordan			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Korea			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Latvia			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Lithuania			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Luxembourg			
Investment policy measures	None during reporting period.		

	Description of Measure	Date	Source
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Malaysia			
Investment policy measures	On 9 June 2014, Malaysia allowed foreign corporations to wholly own or establish unit trust management companies in Malaysia.	9 June 2014	Prime Minister's speech at Invest Malaysia 2014, para 47.
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Mexico			
Investment policy measures	On 13 August 2014, the Federal Telecommunications and Broadcasting Law and the Public Broadcasting System Law entered into effect. The Federal Telecommunications and Broadcasting Law establishes the regulatory framework for the participation of direct foreign investment up to 100% in telecommunications and satellite communications, and up to 49% in the broadcasting sector, subject to reciprocity from the country of the ultimate investor. To obtain a concession for broadcasting services involving the participation of foreign investment, the prior favorable opinion from the National Commission of Foreign Investments is required. The reform is part of the Constitutional Reform in telecommunications, radio and television broadcasting established by decree that entered into effect on 12 June 2013.	13 August 2014	*Decreto por el que se expiden la Ley Federal de Telecomunicaciones y Radiodifusión, y la Ley del Sistema Público de Radiodifusión del Estado Mexicano; y se reforman, adicionan y derogan diversas disposiciones en materia de telecomunicaciones y radiodifusión*. Federal Official Gazette on 14 July, 2014.
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Morocco			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Netherlands			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		

	Description of Measure	Date	Source
Other developments	None during reporting period.		
New Zealand			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Norway			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Peru			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Poland			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Portugal			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		

	Description of Measure	Date	Source
Romania			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Russian Federation			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Saudi Arabia			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Slovak Republic			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Slovenia			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
South Africa			
Investment policy measures	In the South African Reserve Bank's Exchange Control Circular No.3 of 2014, dated 27 February 2014, announces an extension of the "Gateway to Africa" policy and, to this	27 February 2014	Exchange Control Circular No. 3 of 2014, 27 February 2014.

	Description of Measure	Date	Source
	effect, corresponding relaxations of exchange controls. Whereas the policy, initially announced in February 2013 allowed companies listed at the Johannesburg Stock Exchange (JSE) to establish one subsidiary holding company for holding African and offshore operations without it being subject to foreign exchange restrictions, the new policy introduced in February 2014: increases the ceilings for transfers of listed holding companies; allows unlisted companies to create holding companies with similar privileges. Additional new policies announced in the circular include: the exemption of foreign member funds – collective investment schemes or alternative investment funds – from macroprudential limits; the possibility for unlisted companies to list offshore under certain conditions, and, for listed companies, to list secondary listings.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Spain			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Sweden			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Switzerland			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Tunisia			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		

	Description of Measure	Date	Source
Other developments	None during reporting period.		
Turkey			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
United Kingdom			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
United States			
Investment policy measures	On 1 June 2014, a final rule approved by the Federal Reserve Board on 18 February 2014 entered into effect. The rule affects supervision and regulation of foreign banking organisations operating in the United States. The requirements in the final rule seek to bolster the capital and liquidity positions of the U.S. operations of foreign banking organisations. The rule requires foreign banking organisations with U.S. non-branch assets of USD 50 billion or more to establish a U.S. intermediate holding company over its U.S. subsidiaries. The foreign-owned U.S. intermediate holding company will generally be subject to the same standards applicable to domestically owned U.S. bank holding companies. Foreign banking organisations with total consolidated worldwide assets of USD 50 billion or more, but combined U.S. assets of less than USD 50 billion, will be subject to enhanced prudential standards including liquidity, capital, risk-management, and stress-testing requirements.	1 June 2014	Board of Governors of the Federal Reserve System, Final Rule; press release, 18 February 2014.
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
European Union			
Investment policy measures	None during reporting period.		
Other developments	None during reporting period.		

ANNEX: METHODOLOGY – COVERAGE, DEFINITIONS AND SOURCES

Reporting period. The reporting period of the present inventory is from 16 February 2014 to 15 September 2014. An investment measure is counted as falling within the reporting period if new policies were prepared, announced, adopted, entered into force or applied during the period. Items listed as "other developments" contain investment policy-related developments that occurred or became known during the reporting period and that may be of interest for the investment policy community at the Freedom of Investment Roundtable.

Definition of investment. For the purpose of this report, international investment is understood to include all international capital movements, including foreign direct investment.

Definition of investment measure. For the purposes of this report, investment measures consist of any action that either: imposes or removes differential treatment of foreign or non-resident investors compared to the treatment of domestic investors in like situations; or: that imposes or removes restrictions on international capital movements.

National security. International investment law, including the OECD investment instruments, recognises that governments may need to take investment measures to safeguard essential security interests and public order. The investment policy community at the OECD monitors these measures to help governments adopt policies that are effective in safeguarding security and to ensure that they are not disguised protectionism.

Other developments. The inventory also lists, in the category "Other developments", developments that do not constitute an investment measure, as defined above, but appear nonetheless to be of interest to the investment policy community.

Sources of information. The sources of the information presented in this report are:

- official notifications made by governments to various OECD processes (e.g. the Freedom of Investment Roundtable or as required under the OECD investment instruments);
- information contained in other international organisations' reports or otherwise made available to the OECD Secretariat;
- other publicly available sources: specialised web sites, press clippings etc.