



CONAPRI

Consejo Nacional de Promoción de Inversiones
Venezuelan Council for Investment Promotion

Venezuela:

**A country of OPPORTUNITIES
for productive INVESTMENT
Infrastructure**

www.conapri.org

Important Advantages

- Venezuela has a lot of **NATURAL RESOURCES**
- Is a **DYNAMIC MARKET** with purchase capacity
- It is **OPEN TO OTHER MARKETS** in the Continent
- It has a **FAVORABLE LEGAL FRAMEWORK** for investors
- It has subscribed investment's **PROTECTION AND PROMOTION AGREEMENTS**



Favorable Investment Legal Framework

National Constitution (Article 301): The national constitution grants national and foreign companies the same conditions .

Decree 2095: Foreign Investment Registry.

Investment Promotion and Protection Law:

- Protects national and foreign investments.
- Contemplates the relation between the Bilateral Investments Agreements and the law.
- Gives national treatment to foreign investments.

General Tax Incentives:

- Industries, services and research: 10% discount over Tax Income due to new investments.
- VAT restitution for **exportation** production.
- **Tourism:** 75% Tax Income discount over the amount of new investments destined to infrastructure, tourism and manpower employment (must be subscribed in the National Tourism Registry)
- Possibility to sign up legal stability contracts.
- 10% reduction on taxes in asset investments, projects and activities destined towards preservation and improvement of the environment.

According to the objectives of this panel, the legal framework for investments in projects related to water, health and transport, is directly related to the public procurement system, as is the government (central, regional or local), who has most of the projects.

In the case of the water sector, it is important to emphasize that the public sector has total control of operations and services, however, the private sector could participate with the construction, provision of equipment and maintenance.

In the cases of health and transport, there are different forms of participation for the private sector, who can make 100% private investment or through co-partnerships (public/private). These areas can be 100% operated by private companies (there are some regulations for public transport fares).

National Service Contracts (NSC): a functional and decentralized body attached administratively to the Central Planning Commission, to exercise authority in technical matters covered by the law of contracts.

National Register of Contractors (NRC): a unit of the NSC, which aims to centralize and organize, under the terms of the law on public procurement, the information necessary for the legal, financial, technical expertise and sorting specialty for natural or legal persons, domestic and foreign, wishing to conduct a recruitment to the State.

Public Contracts Law: regulates the activity of the State for the procurement of goods, services and execution of works.

Methods of Procurement:

Open competition: is the selection of contractors who can participate in the natural and legal persons and foreign nationals, subject to compliance with the requirements established by law.

Contest Closed: exceptional selection process of the contractor in which participants are invited to submit bids by the contracting authority, based on their technical, financial and legal.

Direct recruitment: procedure of selection of the contractor, in which he is selected by the contracting authority (with or without a reasoned act) in accordance with this Law.

Infrastructure Projects and Construction Development Plan in the economic and Social Council of the Nation 2007-2013

Larger infrastructure of schools:

Rescue and expansion of infrastructure for rural areas and production in:

Expansion and maintenance of roads, transportation and preservation:

Investment in expansion and maintenance of roads in rural areas

Investment in water systems (aqueducts)

Investment in water treatment

Developing towns:

Investment in the construction of rural housing in conjunction with users

Investment in the construction of and expansion of health services and educational

Investment in the construction of and expansion of leisure services together with users.

Infrastructure Projects and Construction n Development Plan in the economic and Social Council of the Nation 2007-2013

Mass transit system, Caracas - La Guaira (buses)

Mixed system, Caracas - Guarenas - Guatire (bus and metro)

National railway system (passengers and cargo)

Trolebus Merida (ecological bus)

Mass transit system, Barquisimeto (ecological bus)



Infrastructure Projects and Construction and Development Plan in the economic and Social Council of the Nation 2007-2013

Continue the Metro Los Teques,
Metro cable sector Central Park -
San Agustín (subway and cable
car)

Mass transit in the Municipality
Caroná (ecological bus)

Mass transit Maracay (ecological
bus)

Metro de Maracaibo (first stage)
(subway)

