FREEDOM OF INVESTMENT PROCESS

Inventory of investment measures taken between 16 February 2013 and 15 September 2013

OECD

October 2013

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 19 held on 15 October 2013. 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 their inception in 2006. To support the 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 2013 and 15 September 2013.

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

INVESTMENT POLICY DEVELOPMENTS BETWEEN 16 FEBRUARY 2013 AND 15 SEPTEMBER 2013

During the reporting period between 16 February 2013 and 15 September 2013, only a few countries modified their investment policies. Only 8 countries – out of the 55 economies invited to participate in the *Freedom of Investment* Roundtables – introduced investment policy measures in the reporting period. Large emerging economies – Brazil, Russia, India and South Africa – were among the countries that were most active in changing their investment policies.

The overwhelming majority of the policy measures introduced in the reporting period pointed towards greater openness for international investment. Some of the liberalisation measures reverted temporary measures that had been introduced recently – even in the reporting period itself – to address risks associated with volatile capital flows.

In addition, two countries – Austria and Germany – modified their investment policies relating to national security. This echoes earlier observations that security-related investment policies are again attracting more attention after the period of relative calm in this policy area following the financial and economic crisis. In addition to these two countries' modifications of policies that directly address national security concerns, three other countries took measures that influence control of which investors have access in their territory (Australia, Canada and Russia).

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 2013 and 16 September 2013

	Investment-specific measures	Investment measures related to national security	No policy change in the reporting period
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			•
Serbia			•
Slovak Republic			•
Slovenia			•
South Africa	•		
Spain			•
Sweden			•
Switzerland			•
Tunisia			•
Turkey			•
United Kingdom			•
United States	•		
European Union			•

REPORTS ON INDIVIDUAL ECONOMIES – INVESTMENT MEASURES (16 FEBRUARY 2013 – 15 SEPTEMBER 2013)

	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 1 March 2013, the Protocol on Investment to the Australia-New Zealand Closer Economic Relations Trade Agreement (ANZCERTA) entered into effect. Among other provisions, the Protocol increases the threshold that triggers inward investment screening procedures: New Zealand private investors undertaking business acquisitions henceforth benefit from the higher screening threshold of AUD 1,078 million (indexed annually), up from AUD 248 million. In exchange, the screening threshold for Australian private investors in New Zealand is now NZD 477 million (around AUD 390 million, and indexed annually), up from NZD 100 million (around AUD 80 million).	1 March 2013	"*Milestone in Investment Ties with New Zealand*", Joint media release, 1 March 2013.
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	On 26 February 2013, amendments to the review mechanism of foreign investment projects in Austria came into effect through a modification of Austria's Foreign Trade Law. The amendments to the review mechanism, which had initially been introduced on 8 December 2011, reduce the list of sectors in which the review mechanism applies; provides for rules to address potential attempts to circumvent the authorisation requirement; clarifies what constitutes controlling interest; and introduces a requirement to make the type of decision taken on an application public.	8 December 2011, 26 February 2013	Außenwirtschaftsgesetz 2011, BGBl. I Nr. 112/2011. BGBl. I Nr. 37/2013. Notification by Austria to the OECD DAF/INV/RD(2012)6. Notification by Austria to the OECD DAF/INV/RD(2013)3.
Other developments	None during reporting period.		

	Description of Measure	Date	Source
Belgium			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Brazil			
Investment policy measures	On 1 April 2013, Brazil exempted from the financial transaction tax (*Imposto sobre Operaçoes Financieras*, IOF) certain operations by financial institutions contracted as of 2 April 2013 that concern the acquisition, production or lease of capital goods as well as working capital related to: the production of consumer goods for export, electric energy, export structures for bulk liquids, engineering, technological innovation, and to investment projects to increase technological and productive capacity in areas of high knowledge intensity as well as engineering and logistics infrastructure projects.	1 April 2013	*Presidential Decree 7.975* of 1 April 2013.
	By decree dated 4 June 2013, Brazil abolished the financial transaction tax (IOF) on the settlement of foreign exchange transactions by foreign investors.	4 June 2013	*Presidential Decree 8.023* of 4 June 2013.
	By decree dated 12 June 2013, Brazil also abolished the 1% tax on operations involving foreign exchange derivatives made from 13 June 2013 onwards.	12 June 2013	*Presidential Decree 8.027* of 4 June 2013.
	On 25 June 2013, Brazil's Central Bank cut reserve requirements for short positions in foreign exchange held by financial institutions. The measure took effect on 1 July 2013.	25 June 2013; 1 July 2013	Banco Central do Brasil, Circular Nº 3.659, 25 June 2013.
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Canada			
Investment policy measures	On 26 June 2013, changes to the Investment Canada Act (ICA) received Royal assent. The changes introduce the possibility for the Minister (Industry Canada) to decide – in the context of 'net benefit' reviews under the ICA – that an entity is controlled by one or more state-owned enterprises even though it would qualify as Canadian-controlled under the criteria established by the act; this decision can be made retroactively for any date after the 29 April 2013. The amendments also introduce a definition of the term "state-owned enterprise" for the purpose of the Act; a definition of State-owned enterprises had already been established on 7 December 2012 in a "*Statement Regarding Investment by Foreign State-Owned Enterprises*", but the definition in the ICA expands the scope of SOEs further to include, inter alia individuals that are acting under the direction or influence of a foreign state.	26 June 2013	An Act to Implement Certain Provisions of the Budget Tabled in Parliament on March 21, 2013 and other Measures, Statutes of Canada 2013, Chapter 33. "*Statement Regarding Investment by Foreign State-Owned Enterprises*", Industry Canada announcement, 7 December 2012.
Investment measures relating to national security	None during reporting period.		

	Description of Measure	Date	Source
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	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	China announced to launch a free trade zone in Shanghai on 29 September 2013, named the *China (Shanghai) Experimental Free Trade Zone (CEFTZ)*. The CEFTZ is officially labelled as a pilot project. Although specific regulations had yet to be released at the end of the reporting period, the CEFTZ will supposedly include some degree of liberalisation of capital flows – lower entry requirements for foreign financial companies, a freer foreign exchange market, and capital account opening –, while insofar remaining separated from the rest of Chinas economy.		
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	None during reporting period.		

	Description of Measure	Date	Source
security			
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.		
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			
Other developments	None during reporting period.		
France			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	In late March 2013, a planned acquisition by Yahoo of a 75% stake in French video site company Dailymotion from France Telecom-Orange failed following an intervention by the French government. France hold 27% of France Telecom-Orange. Reportedly, the French government would	March 2013	

	Description of Measure	Date	Source
	have agreed to an acquisition of a 50% stake but did oppose that Yahoo take a majority stake in Dailymotion, which is considered to be one of France's most successful start-ups of recent years.		
	The Banque Publique d'Investissment (BPI), which since early 2013 took over the roles of several French public funds, notably the former Fonds Stratégique d'Investissement (FSI), published its "*doctrine d'intervention*" in June 2013. The doctrine essentially confirms the features of the former FSI's investment approach, but also contains a general exception under which, if the situation warrants, the BPI could make investments outside the framework of the doctrine. The Director General of the BPI explained to the French Parliament that this exception in the doctrine could be used to "*defend Danone or Valeo if they were attacked, or to buy Eramet in the case that Areva would want to sell it*." All company names are associated with operations of the French government or the FSI to prevent a foreign takeover.	June 2013	*Doctrine d'intervention de Bpifrance – June 2013.* *Assemblée Nationale, Commission des affaires économiques, Compte rendu de la séance du 15 mai 2013.*
Germany			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	On 1 September 2013, changes to the German review mechanism for foreign investment came into effect. The changes, introduced through an amendment to the Foreign Trade and Payments Act (*Außenwirtschaftsgesetz* or AWG) and the Foreign Trade and Payments Regulation (*Außenwirtschaftsverordnung* or AWV): reduce the information that needs to be submitted to the Ministry – a description of the main features of the investment is henceforth sufficient where full documentation was required earlier –; and allow the Ministry to give clearance before the end of the one-month review period. The changes also clarify that the Ministry is authorised to review an investment in a company that has in the past produced a specific type of cryptographic equipment and is still in the possession of the related technology, even though the company is no longer producing such cryptographic equipment.	1 September 2013	Außenwirtschaftsverordnung, 2 August 2013, BGBl. I p. 2865.
Other developments	None during reporting period.		
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	None during reporting period.		

	Description of Measure	Date	Source
developments			
Iceland			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
India			
Investment policy measures	On 1 April 2013, the Reserve Bank of India simplified foreign investment by registered FIIs in Government Securities and Corporate Debt. On 24 January 2013, Circular No.80 had increased the limit for investments by FIIs and long term investors in government securities to USD 25 billion and for corporate debt to USD 51 billion.	24 January 2013; 1 April 2013	"*Foreign investment in India by SEBI registered FIIs in Government Securities and Corporate Debt*", RBI/2012-13/465, A.P. (DIR Series) Circular No.94.
	On 23 April 2013, India relaxed conditions for outward investment by the Navratna Public Sector Undertakings (PSUs) and ONGC Videsh Ltd (OVL) and Oil India Ltd (OIL) in entities in the oil sector. Henceforth, these companies are allowed to invest in overseas incorporated entities in the oil sector under the automatic route, while the authorisation had previously only covered investments in unincorporated entities in this sector.	23 April 2013	"*Investment by Navratna Public Sector Undertakings (PSUs), OVL and OIL in unincorporated entities in oil sector abroad*", RBI/2012-13/480, A.P. (DIR Series) Circular No. 99.
	On 23 May 2013, the Insurance Regulatory and Development Authority announced that Indian insurance companies were henceforth allowed to open offices outside India to offer life insurance, general insurance or reinsurance. Only companies that have been operating in India for at least three years and that exceed certain capital thresholds are eligible to establish foreign insurance companies or branches.	23 May 2013	"*Guidelines for opening of foreign insurance company (including branch office) outside India by an Indian insurance company registered with the IRDA*", Insurance Regulatory and Development Authority, IRDA/NL/GDL/OOO/093/05/2013, 23 May 2013.
	On 3 June 2013 and 4 July 2013, the States of Himachal Pradesh and Karnataka, respectively, were added to the list of Indian States in which foreign ownership in multi-brand retail is allowed to up to 51%.	3 June 2013; 4 July 2013	Press Note Nr. 1 and Press Note Nr. 3, Department of Policy and Promotion, Ministry of Commerce and Industry, 4 July 2013.
	On 3 June 2013, and on 22 August 2013, the Indian Government modified definitions in the framework for foreign direct investment in India: It introduced a definition of Group company – related to the exercise of control by two or more companies – and amended the definition of the term "control" for the purpose of calculating the total foreign investment in Indian companies.	3 June 2013; 22 August 2013	Press Note Nr. 2 and Press Note Nr. 4, Department of Policy and Promotion, Ministry of Commerce and Industry, 22 August 2013.
	On 12 June 2013, the Reserve Bank of India increased the ceiling for investments by Foreign Institutional Investors (FIIs) in Indian Government securities to USD 30 billion, up from USD 25 billion.	12 June 2013	"*Foreign investment in India by SEBI registered Long term investors in Government dated Securities*", RBI/2012-13/530 A.P. (DIR Series) Circular No.111
	On 8 July 2013, the Reserve Bank of India prohibited Indian banks to carry out proprietary trading in currency futures.	8 July 2013	"*Risk Management and Inter Bank Dealings*", RBI/2013-14/127 A.P. (DIR Series) Circular No. 7
	On 11 July 2013, the Reserve Bank of India authorised Indian banks to acquire shares in the Society for Worldwide Interbank Financial Telecommunication (SWIFT), a Belgium company, without prior approval.	11 July 2013	"*Overseas Investments – Shares of SWIFT*", RBI/2013-14/131 A.P. (DIR Series) Circular No.8.

	Description of Measure	Date	Source
	In the reporting period, the Reserve Bank of India made a series of changes to the policies governing External Commercial Borrowing (ECB). They include:		
	– On 26 June 2013, the Reserve Bank of India allowed the borrowing of foreign currency for additional acquisitions. In addition to the raising such funds for investment such as import of capital goods, new projects, or modernization, imports of services, technical know-how and license fees henceforth also constitute eligible investments for which enterprises may resort to ECB.	26 June 2013	"*External Commercial Borrowings (ECB) Policy – Import of Services, Technical know-how and License Fees*", RBI/2012-13/552 A.P. (DIR Series) Circular No.119.
	– On 15 July 2013, the Reserve Bank of India expanded the application of its ECB policy scheme. Henceforth companies other than consistent foreign exchange earners in the manufacturing, infrastructure and the hotel sectors may benefit under certain conditions from a scheme that allows them to borrow abroad in foreign currency.	15 July 2013	"*External Commercial Borrowings (ECB) Policy Repayment of Rupee loans and/or fresh Rupee capital expenditure – USD 10 billion Scheme*", RBI/2013-14/137 A.P. (DIR Series) Circular No.12.
	– On 4 September 2013, the Reserve Bank of India relaxed use limitations for funds in foreign currency borrowed under ECB rules.	4 September 2013	"*External Commercial Borrowings (ECB) from the foreign equity holder*", RBI/2013-14/221 A.P. (DIR Series) Circular No.31.
	On 5 August 2013, the Reserve Bank of India authorised resident Indians to make overseas direct investment in a Joint Venture (JV) or Wholly Owned Subsidiary (WOS) outside India. Investment in entities that carry out real estate, banking or financial services are not permitted, however. Furthermore, such investments are only allowed to the amount of UED 75,000 per year.	5 August 2013	"*Foreign Exchange Management (Transfer or Issue of any Foreign Security) (Amendment) Regulations, 2013*", Reserve Bank of India, Notification No. FEMA.263/RB-2013
	On 14 August 2013, the Reserve Bank of India reduced the ceiling for overseas direct investments by resident Indians to USD 75,000 per year, down from USD 200,000. Also, the use of such remittances for the acquisition of real estate outside India was prohibited.	14 August 2013	"*Liberalised Remittance Scheme for Resident Individuals- Reduction of limit from USD 200,000 to USD 75,000*", RBI/2013-14/181 A. P. (DIR Series) Circular No.24.
	Likewise on 14 August 2013, the Reserve Bank of India reduced the limit of overseas direct investment of an Indian Party in all its Joint Ventures (JVs) and / or Wholly Owned Subsidiaries (WOSs) abroad that does not require prior authorisation from 400% to 100% of the net worth of the Indian Party. Overseas direct investment in excess of 100% of the net worth requires Reserve Bank approval. On 4 September 2013, the Reserve Bank of India revised these guidelines. The previously applicable limit of 400% of the net worth of the Indian Party was reinstated as the cap for financial commitments funded by way of External Commercial Borrowing (ECB) raised by the Indian Party.	14 August 2013; 4 September 2013	"*Overseas Direct Investments*", RBI/2013-14/180 A. P. (DIR Series) Circular No.23, 14 August 2013; "*Overseas Direct Investments – Rationalization/Clarifications*", RBI/2013-14/220 A.P. (DIR Series) Circular No.30 "*RBI clarifies its recently revised Overseas Direct Investment Guidelines*", Press Release : 2013-2014/483, 4 September 2013.
	On 19 August 2013, the ceiling of foreign direct investment in Asset Reconstruction Companies (ARCs) was increased from 49% to 74% subject to the condition that no sponsor may hold more than 50% of the shareholding in an ARC. Simultaneously, the prohibition on investment by Foreign Institutional Investors was removed.	19 August 2013	"Foreign Investments in Asset Reconstruction Companies (ARC)", RBI/2013-14/191 A.P. (DIR Series) Circular No.28.
	On 22 August 2013, amendments to India's policies on foreign investment in multi-brand retail entered into effect. The changes relax several performance requirements that foreign investors are required to meet for investments in multi-brand retail.	22 August 2013	Press Note Nr. 5, Department of Policy and Promotion, Ministry of Commerce and Industry, 22 August 2013.
	On 22 August 2013, the Ministry of Commerce and Industry amended several provisions related to caps on FDI applicable for foreign investment in India and modified some applicable approval mechanisms. Sectors in which foreign ownership limits were increased	22 August 2013	Press Note Nr. 6, Department of Policy and Promotion, Ministry of Commerce and Industry, 22 August 2013.

	Description of Measure	Date	Source
	include telecom services and Asset Reconstruction Companies – where 100% foreign ownership is now permitted, up from 74% – as well as credit information companies – where 74% foreign ownership is henceforth permitted, up from 49%. Foreign investment in the defense sector beyond 26% is also permitted upon approval by the Cabinet Committee on Security and under specific conditions. In other sectors, including petroleum and natural gas, courier services, single brand retail, commodity exchanges, credit information companies, infrastructure companies in the securities market and power exchanges, government approval requirements have been relaxed. The compulsory divestment of 26% within 5 years in the tea sector in favour of an Indian, in order to not exceed 74% foreign ownership, was also dropped.		
	On 6 September 2013, the Reserve Bank of India announced the liberalisation of investments of non-residents including – Non Resident Indians – in listed Indian companies on the stock exchange under the FDI scheme – that is, without prior RBI approval – where the investor has already acquired and holds the control of the company.	6 September 2013	"*Purchase of shares on the recognised stock exchanges in accordance with SEBI (Substantial Acquisition of Shares and Takeover) Regulations*", RBI/2013-14/232 A.P. (DIR Series) Circular No. 38, 6 September 2013.
	On 10 September 2013, the Reserve Bank of India announced a liberalisation of Indian banks' access to overseas foreign currency borrowings. These banks may henceforth borrow funds from their Head Office, overseas branches and correspondents and overdrafts in nostro accounts up to a limit of 100% of their unimpaired Tier I capital, up from 50% previously.	10 September 2013	"*Overseas Foreign Currency Borrowings by Authorised Dealer Banks – Enhancement of limit*", RBI/2013-14/240 A.P. (DIR Series) Circular No. 40, 10 September 2013
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Indonesia			
Investment policy measures	None during reporting period.		
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	None during reporting period.		

	Description of Measure	Date	Source
measures			
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Italy			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	On 22 March 2013, Italy's *Fondo Strategico Italiano* Spa (FSI) announced the increase of its capital by EUR 1 billion to EUR 4.35 billion. As part of the operation, Banca d'Italia, Italy's central bank joined the Cassa depositi e prestiti Spa (CDP) and Fintecna Spa (società interamente posseduta da CDP) 2.3% as owners of the fund. Also on 22 March 2013, the FSI concluded an agreement on an investment of the fund in Finiper, a company that owns retail outlets in Italy. The investment did not materialise in the reporting period, however. As to the reason for the FSI's investment, the press release announcing the investment states that the retail sector in Italy is highly fragmented but strategic for the Italian agro-food sector. The FSI's investment would allow Finiper to grow and allow a consolidation in the sector. The investment of an unknown amount would provide the FSI with a 20% stake in Finiper; the investment would be made through an increase of Finiper's capital. According to publicly available information, only two investments, in an Italian pharma company and in an Italian fibreoptic network operator, have so far been concluded, and a couple of others were considered.	22 March 2013	"*Sottoscritto l'aumento di capitale FSI da € 1 mld a € 4,3 mld e conferita da Banca d'Italia, azionista stabile di minoranza, la partecipazione del 4,5% in Generali*", Fondo Strategico Italiano press release, 22 March 2013. "*Marco Brunelli e FSI siglano un accordo per l'ingresso di FSI nel Gruppo Finiper*", Fondo Strategico Italiano press release, 22 March 2013.
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.		

	Description of Measure	Date	Source
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.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Malaysia			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
Mexico			
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.		
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.		
Other developments	None during reporting period.		
New Zealand			
Investment policy measures	On 1 March 2013, the Protocol on Investment to the Australia-New Zealand Closer Economic Relations Trade Agreement (ANZCERTA) entered into effect. Among other provisions, the Protocol increases the threshold that triggers inward investment screening procedures: New Zealand private investors undertaking business acquisitions henceforth benefit from the higher screening threshold of AUD 1,078 million (indexed annually), up from AUD 248 million. In exchange, the screening threshold for Australian private investors in New Zealand is now NZD 477 million (around AUD 390 million, and indexed annually), up from NZD 100 million (around AUD 80 million).	1 March 2013	"*Milestone in Investment Ties with New Zealand*", Joint media release, 1 March 2013.
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	In a decision by the EFTA Court delivered on 16 July 2012 and made public on 8 April 2013, the EFTA court found that Norway was in breach of the EEA agreement by	25 May 2011	"*E-9/11 - EFTA Surveillance Authority v The Kingdom of Norway*", EFTA Court

	Description of Measure	Date	Source
	maintaining in force restrictions on the rights of persons and undertakings established in EEA States to own holdings and exercise voting rights in financial services infrastructure institutions in Norway. Norwegian laws limit foreign ownership in stock exchanges and securities depositories to 20% of the shares and voting rights with very limited exemptions. The EFTA Surveillance Authority had argued when it brought the case against Norway in 2011, that a general ban of ownership above 20% without any prior assessment of the suitability of the owner is not justified to ensure functioning and transparent financial markets and that the rules currently in place incompatible with the EEA rules on free movement of capital and the freedom of establishment.		judgement, 16 July 2012. "*Stock Exchange Ownership: Norway to be brought to court for breach of EEA law*", EFTA Surveillance Authority press release PR(11)35, 25 May 2011.
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.		
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	Effective 1 March 2013, the Central Bank of Russia	1 March 2013	"*Required Reserve Ratios Set for*

	Description of Measure	Date	Source
measures	abolished the gap between reserve requirements on credit institutions' liabilities to non-resident legal entities and to individuals. This step abolishes the differentiation of reserve requirements that the Central Bank of Russia had introduced on and gradually increased with effect of 1 February 2011, 1 March 2011 and 1 April 2011.		*Credit Institutions*", Central Bank of the Russian Federation website.
	On 14 March 2013, the Russian Federation passed amendments to certain federal laws in order to ban the opening of branches of foreign banks in the territory of Russia. The changes do not concern Russian subsidiaries of foreign banks and of representative offices of foreign banks.	14 March 2013	Federal Law of 14 March 2013 No.29-FZ
	On 12 April 2013, the Russian Federation amended the law "On Banks and Banking Operations". The amendment prohibits the Central Bank to impose restrictions on banking operations for foreign banks with participation of investors from OECD countries. Hitherto, the Central Bank was allowed to limit operations of those foreign banks, whose countries of domiciliation impose restrictions on local branches of Russian banks.	12 April 2013	
	On 24 June 2013 changes to Decree No. 1243‑r entered into effect. The Decree specifies which technologies are "critical technologies". Companies that possess exclusive rights to the results of intellectual activity in "critical technologies" are strategic for the purpose of Federal Law No. 57-FZ on Foreign Investments in Business Sectors of Strategic Importance.	24 June 2013	
Investment measures relating to national security	None during reporting period.		
Other developments	On 14 May 2013, the State Duma approved in first reading the draft Federal Law "*On the Procedures of Foreign Investments in the Business Entities of Strategic Importance for National Defence and State Security*" (No.57-FZ). The amendments are aimed at further eliminating administrative barriers and simplifying the procedures for processing investment proposals by foreign investors. Once in force, the amendments would: clarify procedures for approval of transactions with regard to subsoil users when the Russian Federation loses control over them; do away with the requirement of preliminary approvals of transactions, when buyers are organizations controlled by the Russian Federation, the constituent territories of the Russian Federation, and citizens of the Russian Federation who do not have dual citizenship and are tax residents; clarify rules on voting agreements among foreign investors in strategic companies; exclude from the list of strategic activities that use infectious agents by economic entities that are mainly involved in food production; and abolish the requirement for foreign investors to obtain approval for transactions with regard to subsoil activities if foreign investors already possess at least 75% of the target company, and for intra-group transactions with regard to such strategic companies. At the end of the reporting period on 15 September 2013, the bill had not been passed into law.	14 May 2013	"*The State Duma made a present for the anniversary of No. 57-FZ Federal Law*", Federal Antimonopoly Service of the Russian Federation Press release, 14 May 2013.
	In February 2013, the Russian Government reportedly approved and submitted to the Duma a bill amending the Federal Law on SMEs giving foreign investors the right to establish SMEs in Russia without restrictions on their share in statute capital.		EU Commission Market Access Database Russia.
Saudi Arabia			
Investment policy measures	None during reporting period.		
Investment	None during reporting period.		

	Description of Measure	Date	Source
measures relating to national security			
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	On 27 February 2013, the South African Reserve Bank published changes to its foreign exchange control policies, which had initially been announced as part of the 2013 Budget. Henceforth, as part of the "Gateway to Africa" policy, each company listed at the Johannesburg Stock Exchange (JSE) may establish one subsidiary holding company for holding African and offshore operations without it being subject to foreign exchange restrictions. The purpose is to incentivise companies to manage their African and offshore operations from South Africa, maximising the benefits to South Africa's economy. To benefit from the exemption, the Holding companies will be subject to the following conditions: They must be South African tax residents and be incorporated and effectively managed and controlled in South Africa; transfer from the parent company to the subsidiary will be allowed up to ZAR 750 million per year; subsidiaries may freely raise and deploy capital offshore, provided these funds are without South African guarantees; subsidiaries will be allowed to operate as cash management centres for South African multinationals; local income generated from cash management will be freely transferrable; subsidiaries may choose their functional currency or currencies, and operate foreign currency accounts and a rand-denominated account for operational expenses; appropriate governance and transparency arrangements will be required.	27 February 2013	Exchange Control Circular 5 of 2013
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		

	Description of Measure	Date	Source
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.		
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.		

	Description of Measure	Date	Source
Investment measures relating to national security	None during reporting period.		
Other developments	None during reporting period.		
United States			
Investment policy measures	On 18 April 2013, the Federal Communications Commission adopted and released an order that provides greater investment flexibility by streamlining the policies and procedures that apply to foreign ownership of common carrier and certain aeronautical radio station licensees, that is, companies that provide fixed or mobile telecommunications service over networks that employ spectrum-based technologies. Measures adopted in the order also apply to foreign ownership of aeronautical en route and aeronautical fixed (“aeronautical”) radio station licensees.	18 April 2013	“*Federal Communications Commission – Second Report and Order”*, Federal Communications Commission, FCC 13-50, 18 April 2013
	On 13 September 2013, a Final Rule by the United States Federal Deposit Insurance Corporation (FDIC) was issued; it is scheduled to come into effect on 15 October 2013. The Final Rule clarifies that deposits in branches of United States banks located outside the United States are not FDIC-insured deposits, even if these deposits are also payable at an office within the United States. The Final Rule was adopted in response to the release of a Consultation Paper by the United Kingdom Prudential Regulation Authority (PRA, formerly Financial Services Authority, FSA) issued in September 2012. The Consultation Paper addresses the implications of national depositor preference regimes in countries outside the European Economic Area (“EEA”). It proposes, among others, to forbid branches of firms from non-EEA jurisdictions that are subject to national depositor preference regimes from accepting deposits in the United Kingdom unless they take steps to ensure that United Kingdom depositors are not disadvantaged by it.		“*Rules and Regulations*”, Federal Register Vol. 78, No. 178, 13 September 2013; “*Addressing the implications of non-EEA national depositor preference regimes”*, United Kingdom Financial Services Authority, CP12/23, September 2012.
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 2013 to 15 February 2013. 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.

Emergency measures with potential impacts on international capital movements. Earlier inventories in this series listed emergency measures, including *ad hoc* rescue and restructuring operations for individual firms and various schemes that gave rise to capital injections and credit guarantees as well as emergency schemes that provided cross-sectoral aid to companies. As almost all such measures related to the crisis that broke in 2008 have now been phased out and the mechanisms and implications of the unwinding process have been described in detail in earlier reports, this inventory does not list the status of earlier emergency measures and their unwinding. Any new emergency measures that participants in the FOI Roundtables may take in the future will again be reported in this series of inventories.

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 and verification. 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.