



FREEDOM OF INVESTMENT PROCESS

**Inventory of investment
measures taken between
16 September 2015 and
15 February 2016**

The “**Freedom of Investment**” (FOI) process hosted by the OECD Investment Committee monitors investment policy developments in the 54 economies that participate in the process.

The present report was prepared for the Freedom of Investment Roundtable 24 held on 15 March 2016. It follows on from earlier reports, available at 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

1. 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 54 economies invited to the Roundtables, the OECD Secretariat establishes inventories of recent developments and makes them available to the public.¹

2. 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 September 2015 and 15 February 2016.

3. The present report contains two parts:

- Part I summarises the investment policy developments that have taken place in the reporting period between 16 September 2015 and 15 February 2016.
- Part II contains a full inventory of policy measures that economies invited to participate in the Roundtables have taken in the reporting period. The annex describes the methodology applied to establish this inventory.

4. 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 SEPTEMBER 2015 AND 15 FEBRUARY 2016

5. During the reporting period between 16 September 2015 and 15 February 2016, eight of the 54 economies invited to participate in the *Freedom of Investment* Roundtables modified their investment policies. These include Argentina, Australia, P.R. China, Greece, Hungary, Iceland, India and the Russian Federation.

6. Only one country, Poland, formally changed its investment policies related to national security. Poland enacted legislation to establish a new mechanism for review of investment in specific sectors of its economy. Legislation planned by China² had not been finalised by the end of the reporting period.

7. In addition to this formal change of investment policy related to national security, there were a number of other noteworthy developments in this area: Specific acquisitions and proposals for acquisitions by foreigners triggered debate about the adequacy of existing policies in Australia following a long-term lease of a port by a Chinese company. In the context of the debate in Australia, new, stricter policies have been announced for the near future with the stated goal to enhance control over the acquisition of “strategic assets”, but no bill had been made public by the end of the reporting period. Also in Australia, a major proposal for the acquisition of agricultural land by two Chinese bidders was rejected.

8. In the United States, a proposal by a Chinese investor for a subsidiary of a Dutch company in an *a priori* unsuspecting sector – LEDs for lighting applications – was abandoned as the United States’ CFIUS had signalled opposition. The decision follows the acceptance by CFIUS, in September 2015, of a planned acquisition of a French telecommunications firm by a Finnish company. Both transactions touch upon U.S.-based assets or business operations, but none of the involved companies is American. Finally, a challenge brought by investors in a windfarm project against a divestment order by CFIUS in the United States – the first challenge of this kind – was settled between CFIUS and the investors.

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

² See the previous report, covering the period 16 February 2015 – 15 September 2015, available on the FOI webpage.

Table 1. Investment and investment-related measures taken between 16 September 2015 and 15 February 2016

| | 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 SEPTEMBER 2015 – 15 FEBRUARY 2016)**

| | Description of Measure | Date | Source |
|--|--|------------------|---|
| Argentina | | | |
| <i>Investment policy measures</i> | Effective 17 December 2015, Argentina relaxed the restrictions on foreign currency transactions. | 17 December 2015 | <i>Comunicación "A" 5850</i> , Banco Central de la República Argentina, 17 December 2015. |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| Australia | | | |
| <i>Investment policy measures</i> | On 1 December 2015, changes to Australia's rules for inward foreign investment came into effect. Changes include the lowering of the screening threshold for foreign investment in agribusiness to AUD 55 million (with exceptions for investors from some countries with which Australia has concluded FTAs); the introduction of fees payable by foreign investors for reviews of their investment proposals and stricter penalties, now including criminal sanctions in case of breaches of review obligations and ownership restrictions. Treasury received 1000 FIRB applications for non-residential assets immediately preceding the 1 December 2015 commencement of the new framework. | 1 December 2015 | <i>"Stronger foreign investment regime comes into force"</i> , Treasurer Media release, 1 December 2015. <i>"Foreign Investment Reforms Factsheet: Reform overview"</i> , FIRB, undated; <i>Joint DFAT/Austrade Submission to the Senate References Committee Inquiry into the Foreign Investment Review Framework</i> , undated, p.14. |
| | On 20 December 2015, the FTA that Australia had concluded with P.R. China (ChAFTA) on 17 June 2015 entered into effect. The agreement offers Chinese investors preferential treatment over most other countries' investors with respect to the trigger thresholds for the application of Australia's foreign investment review mechanism. | 20 December 2015 | <i>"Historic China-Australia FTA enters into force"</i> , Minister of Trade and Investment media release, 20 December 2015 |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | On 5 October 2015, an agreement was reached on the Trans-Pacific Partnership agreement (TPP). The TPP contains preferential liberalisation commitments. Once in effect, Australia will apply the trigger threshold of AUD 1094 million to investors from TPP Parties for the purpose of the foreign investment review mechanism. Investors from other countries (except those to which Australia has granted similar preferential treatment as part of FTAs with these countries) are subject to review if the investment exceeds AUD 252 million. | | TPP – Annex I on non-conforming measures (Australia) |
| | On 19 November 2015, the Australian Treasurer announced that a major investment proposal by Chinese bidders for large areas of agricultural land would not be in the national interest, which led to the withdrawal of the bids. | 19 November 2015 | <i>"Statement on decision to prevent sale of S. Kidman & Co. Limited"</i> , Treasurer media release, 19 November 2015. |
| | The Australian Treasurer announced at a press conference on 10 December 2015 plans to amend rules on the | 10 December 2015 | Transcript of the Treasurer Press Conference, 10 December 2015. |

| Description of Measure | Date | Source |
|--|--|---|
| | acquisition by foreigners of “strategic critical infrastructure assets” at a state and territory level in order to subject them to FIRB reviews. An interim report by the Senate Economics References Committee on the matter was released on 4 February 2016. | |
| Austria | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Belgium | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Brazil | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Canada | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | On 5 October 2015, an agreement was reached on the Trans-Pacific Partnership agreement (TPP). The TPP contains preferential liberalisation commitments. Once in effect, Canada will apply a trigger threshold for its net-benefit test of CAD 1.5 billion to investors from TPP Parties; investors from non-Parties will have their investment reviewed if they exceed much lower thresholds of CAD 600 million currently (the trigger threshold increases gradually increasing to up to CAD 1 billion in 2019). | TPP – Annex I on non-conforming measures (Canada) |
| Chile | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment</i> | None during reporting period. | |

| Description of Measure | Date | Source |
|--|---|--|
| <i>measures relating to national security</i> <i>Other developments</i> | None during reporting period. | |
| P.R. China | | |
| <i>Investment policy measures</i> | On 16 September 2015, the People's Bank of China (PBC) announced that it would require banks to deposit a 20%, non-interest bearing reserve requirement on forward sales of foreign exchange with their non-bank clients in non-interest bearing accounts with the PBC. | 16 September 2015 “Q&A on Recent Macro-prudential Measures relating to FX Derivatives Transactions”, The People’s Bank of China, 16 September 2015 |
| | On 25 November 2015, a first group of foreign central banks and similar institutions was given access to the Chinese inter-bank foreign exchange market. A further group of foreign central banks and similar institutions followed suit on 12 January 2016. | 25 November 2015 “First Group of Foreign Central Banks and Similar Institutions Entering the Chinese Inter-bank Foreign Exchange (FX) Market”, People’s Bank of China press release, 25 November 2015; “PBC Official Answered Press Questions on Access of Foreign Central Banks and Similar Institutions to the Inter-bank Foreign Exchange Market”, People’s Bank of China, 6 November 2015. |
| | In November and December 2015, the People’s Bank of China announced the expansion of the <i>Renminbi Qualified Domestic Institutional Investor (RQDII)</i> investment scheme with Singapore (on 17 November 2015), Malaysia (on 23 November 2015) and Thailand (on 17 December 2015). Under the scheme, domestic investors are allowed to acquire assets offshore until certain quotas are reached. The quota for Singapore was increased to RMB 100 billion, and the initial quotas for Thailand and Malaysia were set to RMB 50 billion each. | 17 December 2015 “RMB qualified foreign institutional investors (RQFII) pilot areas to expand to Thailand”, People’s Bank of China press release, 17 December 2015. |
| | On 25 January 2016, pilot rules on macro-prudential management of cross-border financing came into effect. The rules, issued by the People’s Bank of China and applicable to enterprises established in one of the pilot free-trade zones and to a set of eligible banks established in China, determine under which conditions an entity established in China may seek financing in RMB or foreign currency by a non-resident. The pilot scheme replaces, to the extent of its application, the quota system by a risk-weighted system. | 25 January 2016 “Pilot Scheme for Macro Prudential Management of Cross Border Financing within Expanded Parameters”, People’s Bank of China press release, 22 January 2016. |
| | On 25 January 2016, the People’s Bank of China applied a deposit reserve requirement on offshore financial institutions’ onshore deposits. The measure had initially been introduced in December 2014, but the reserve requirement rate had since then been 0. Foreign central banks and similar institutions are exempted from the application of the reserve requirement. | 25 January 2016 “PBC Normalizes Deposit Reserve Requirement on Offshore Financial Institutions’ Onshore Deposits”, People’s Bank of China press release, 18 January 2016. |
| | On 4 February 2016, the State Administration of Foreign Exchange (SAFE) relaxed rules on inward foreign investment under the Qualified Foreign Institutional Investor (QFII) programme, which allows foreign institutional investors to invest in Chinese securities. SAFE abolished individual quotas under this programme, which capped the volume individual investors could place in China, and replaced it by a cap of USD 5 billion and a cap relative to the volume of the investors’ assets under management. | 4 February 2016 Announcement No. 1 of 2016, State Administration of Foreign Exchange, 4 February 2016 |
| <i>Investment measures relating to national</i> | None during reporting period. | |

| | Description of Measure | Date | Source |
|--|---|------------------|--|
| <i>security</i> | | | |
| <i>Other developments</i> | On 19 October 2015, China's State Council published the <i>Opinions on Implementing the Negative List System for Market Access</i> , according to which China intends to implement a unified national negative list system for foreign investment in 2018, with implementation on a trial basis in certain areas as early as December 2015. | 19 October 2015 | State Council Opinions on Implementing the Negative List System for Market Access, Guo Fa [2015] No. 55. |
| | On 20 December 2015, the FTA that Australia had concluded with P.R. China (ChAFTA) on 17 June 2015 entered into effect. The agreement offers Chinese investors preferential treatment over most other countries' investors with respect to the trigger thresholds for the application of Australia's foreign investment review mechanism. | 20 December 2015 | "Historic China-Australia FTA enters into force", Minister of Trade and Investment media release, 20 December 2015 |
| Colombia | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| Costa Rica | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| Czech Republic | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| Denmark | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| Egypt | | | |
| <i>Investment policy</i> | None during reporting period. | | |

| | Description of Measure | Date | Source |
|-----------------|--|--|---|
| <i>measures</i> | | | |
| | <i>Investment measures relating to national security</i> | None during reporting period. | |
| | <i>Other developments</i> | None during reporting period. | |
| Estonia | | | |
| | <i>Investment policy measures</i> | None during reporting period. | |
| | <i>Investment measures relating to national security</i> | None during reporting period. | |
| | <i>Other developments</i> | None during reporting period. | |
| Finland | | | |
| | <i>Investment policy measures</i> | None during reporting period. | |
| | <i>Investment measures relating to national security</i> | None during reporting period. | |
| | <i>Other developments</i> | None during reporting period. | |
| France | | | |
| | <i>Investment policy measures</i> | None during reporting period. | |
| | <i>Investment measures relating to national security</i> | None during reporting period. | |
| | <i>Other developments</i> | None during reporting period. | |
| Germany | | | |
| | <i>Investment policy measures</i> | None during reporting period. | |
| | <i>Investment measures relating to national security</i> | None during reporting period. | |
| | <i>Other developments</i> | None during reporting period. | |
| Greece | | | |
| | <i>Investment policy measures</i> | During the reporting period, Greece progressively relaxed some of the restrictions on capital movements it had imposed on 28 June 2015. On 28 September, the Church of Greece and other charities were allowed to withdraw larger amounts, and real estate owners were allowed to withdraw certain amounts from their deposits. In early December, Greece lifted some restrictions related to the stock market. Further relaxations, related to reimbursement of loans and | 28 June 2015; 28 September 2015 |
| | | | “Act of Cabinet Having the Effect of Law - Bank holiday of short duration” of 28 June 2015. |

| | Description of Measure | Date | Source |
|--|---|--|---|
| | withdrawals to pay bills of the State, came into effect in early January 2016.FFAR | | |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| Hungary | | | |
| <i>Investment policy measures</i> | On 1 January 2016, two decrees by Magyar Nemzeti Bank – Hungary’s central bank – related to foreign exchange positions of banks operating in Hungary – including Hungarian branches of foreign banks – came into effect. The decrees, which had been notified to the European Systemic Risk Board in April and were adopted on 7 July 2015 seek to address currency and maturity mismatches in assets and liabilities of credit institutions. The decrees tighten the foreign exchange funding adequacy ratio (FFAR) and introduce a foreign exchange coverage ratio (FECR). After the tightening of the FFAR, outstanding swaps can no longer be included in the ratio and the required level of the FFAR will be progressively raised to 100%. The new FECR regulation will limit the on-balance sheet currency mismatch at 15% of the balance sheet total. | 1 October 2015 | “MNB introduces new regulations to reduce external vulnerability”, Central bank of Hungary press release, 7 July 2015; Letter from the Central Bank of Hungary to the European Systemic Risk Board of 14 April 2015, ref. 57868-2/2015 |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| Iceland | | | |
| <i>Investment policy measures</i> | In the reporting period, Iceland took steps to prepare the unwinding of capital controls that the country had introduced in 2008. The Central Bank of Iceland granted the three largest failed commercial banks, Kaupthing hf., Glitnir hf., and LBI hf. exemptions from the Foreign Exchange Act in connection with the proposed composition agreements with their creditors and the conclusion of the winding-up proceedings of the failed banks. On 8 January 2016, the Central Bank announced that it had granted an exemption from the Foreign Exchange Act to pension funds and other domestic custodians of pension savings to permit them to invest up to ISK 20 billion in financial instruments issued in foreign currency in the first four months of 2016. A similar authorisation, for ISK 10 billion, was given in July 2015. | 28 October 2015; 8 January 2016 | “Central Bank concludes assessment of preliminary composition proposals”, Central Bank of Iceland media release, 28 October 2015; “Pension funds receive limited authorisation for foreign investment”, Central Bank of Iceland media release, 8 January 2016. |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| India | | | |
| <i>Investment policy measures</i> | On 30 November 2015, a revised framework for India’s external commercial borrowing (ECB) policy entered into effect, following a public consultation beginning on 23 September 2015. The new ECB policy: imposes fewer restrictions on end uses and allows higher all-in-cost ceiling. for long term foreign currency borrowings; imposes fewer | 29 September 2015; 30 November 2015 | <i>External Commercial Borrowings (ECB) Policy – Revised framework</i> , Reserve Bank of India Circular RBI/2015-16/255, A.P. (DIR Series) Circular No.32, |

| | Description of Measure | Date | Source |
|--|---|-------------------------------------|---|
| | restrictions on INR denominated ECBs; expands the list of overseas lenders to include long-term lenders (insurance companies, pension funds, sovereign wealth funds); and establishes a negative list of end-use restrictions applicable in case of long-term ECB and INR denominated ECB. On 29 September 2015, the RBI had already announced relaxations on the issuance of INR-denominated bonds overseas. | | 30 November 2015; “ <i>External Commercial Borrowings (ECB) Policy - Issuance of Rupee denominated bonds overseas</i> ”, Reserve Bank of India Circular RBI/2015-16/193, A.P. (DIR Series) Circular No.17, 29 September 2015. |
| | Effective 1 October 2015, India authorised FDI, up to 100%, under the automatic route, in White Label ATM (WLA) Operations. Hitherto, foreign investment in White Label ATM Operations was allowed only through the government approval route. | 1 October 2015 | Press note 11 (2015), Department of Industrial Policy & Promotion, Ministry of Commerce and Industry. |
| | On 12 October 2015 and 1 January 2016, increased ceilings for foreign portfolio investors’ investment in Indian Government Securities came into effect. An overall cap of such investment for any central government security is set at 20% of the outstanding stock of this security. | 12 October 2015; 1 January 2016 | “ <i>Investment by Foreign Portfolio Investors (FPI) in Government Securities</i> ” Reserve Bank of India Circular RBI/2015-16/198, A.P. (DIR Series) Circular No 19, 6 October 2015. |
| | On 24 November 2015, India liberalised rules on inward FDI in several sectors. These include: manufacturing, LLPs, defense, plantations, teleports, cable networks, mobile TV, terrestrial broadcasting, air transport, helicopter services, ground handling, maintenance and repair, flight training, satellites operation, credit information, duty free shops and construction development. In some of these sectors, FDI had been prohibited previously, in others, limitations and conditions applied. Also, the investment limit that can be approved automatically by the Foreign Investment Promotion Board (FIPB) was lifted from previously INR 30 million to INR 50 million. | 24 November 2015 | Press note 12 (2015), Department of Policy and Promotion, Ministry of Commerce and Industry. |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | According to an interim order of the Supreme Court of India, foreign law firms may not be permitted to open Liaison Offices in India, and such permissions already granted may not be renewed. However, in early January 2016, Finance Minister Jaitley expressed his support for enabling foreign lawyers to establish a presence in India in the Joint Statement of the 8 th United Kingdom-India Economic and Financial Dialogue. | 29 October 2015; 19 January 2016 | “ <i>No fresh permission/ renewal of permission to LOs of foreign law firms- Supreme Court’s directions</i> ”, Reserve Bank of India Circular RBI/2015-16/215, A. P. (DIR Series) Circular No. 23, 29 October 2015; <i>8th UK-India Economic and Financial Dialogue: Joint Statement</i> , 19 January 2016. |
| Indonesia | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | On 12 January 2016, the Indonesian government announced amendments to the “negative investment list” (DNI) for foreign investment Presidential Decree No. 39 of 2014 “on the List of Business Fields Closed and Business Fields Open with Conditions to Investment in the Investment Sector”). The changes will open additional sectors of the economy to foreign investment or increase the ceilings for foreign ownership. These sectors include notably e-commerce, the film industry, some subsectors of the tourism industry, sugar and rubber manufacturing, cold-storage and pharmaceuticals. | 12 January 2016 | “ <i>Government to Revise Negative Investment List</i> ”, Cabinet Secretariat news release, 12 January 2016 “ <i>Matangkan Panduan Investasi E-Commerce, BKPM Koordinasi Lanjutan Dengan Kemendag dan Kemkominfo</i> ”, BKPM press release (in Bahasa), 8 December 2015. |

| Description of Measure | Date | Source |
|--|-------------------------------|---|
| | | <p>“BKPM Promosikan Revisi DNI ke Investor Amerika”, BKPM news item (in Bahasa) 15 February 2016.</p> |
| Ireland | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Israel | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Italy | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Japan | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Jordan | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |

| Description of Measure | Date | Source |
|--|-------------------------------|--------|
| Korea | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Latvia | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Lithuania | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Luxembourg | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Malaysia | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Mexico | | |
| <i>Investment policy measures</i> | None during reporting period. | |

| Description of Measure | Date | Source |
|--|-------------------------------|--------|
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Morocco | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Netherlands | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| New Zealand | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Norway | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Peru | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |

| | Description of Measure | Date | Source |
|--|---|----------------|--|
| Poland | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |
| <i>Investment measures relating to national security</i> | On 1 October 2015, Poland's new legislation <i>On Control of Certain Investments</i> came into effect. The legislation establishes a mechanism of State review of certain investments in a closed list of entities by foreigners or domestic investors. Entities are included in the list if they exercise certain economic activities that are sensitive for public policy or public security and in light of market share, scale of their business activity, and their proximity to fundamental interests of the society. | 1 October 2015 | Notification by Poland to the OECD in DAF/INV/RD(2016)1. |
| <i>Other developments</i> | None during reporting period. | | |
| Portugal | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| Romania | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| Russian Federation | | | |
| <i>Investment policy measures</i> | On 1 January 2016 Federal Law 305 entered into effect. The law prohibits ownership or control over 20% in the share capital of media companies by: foreign States, international organisations, Russian nationals who have a nationality of another State, foreign natural and legal persons, as well as Russian legal persons that are more than 20% foreign-owned. The previous cap of foreign control was 50% and applied to TV and radio only, while the reduced limit also covers print and Web media. The law had been signed on 14 October 2014. | 1 January 2016 | Федеральный закон от 14 октября 2014 г. № 305-ФЗ "О внесении изменений в Закон Российской Федерации "О средствах массовой информации". |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| Saudi Arabia | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |

| | Description of Measure | Date | Source |
|--|--|------|--|
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| Slovak Republic | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| Slovenia | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| South Africa | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | On 15 December 2015, the Protection of Investment Act, 2015 was published in the Government Gazette of South Africa. The purpose of the act is to protect investment in a manner which balances the public interest and the rights and obligations of investors. The act contains a series of provisions similar to those typically found in investment treaties and has been passed in the context of the termination by South Africa of a series of such treaties in the past years. | | Government Gazette of the Republic of South Africa, 15 December 2015 |
| Spain | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |
| <i>Investment measures relating to national security</i> | None during reporting period. | | |
| <i>Other developments</i> | None during reporting period. | | |
| Sweden | | | |
| <i>Investment policy measures</i> | None during reporting period. | | |

| Description of Measure | Date | Source |
|--|---|---|
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Switzerland | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Tunisia | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| Turkey | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| United Kingdom | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | None during reporting period. | |
| United States | | |
| <i>Investment policy measures</i> | None during reporting period. | |
| <i>Investment measures relating to national security</i> | None during reporting period. | |
| <i>Other developments</i> | On 22 October 2015, the Federal Communications Commission adopted and released a notice of proposed | 22 October 2015 <i>Notice of proposed rulemaking, Federal Communications</i> |

| Description of Measure | Date | Source |
|--|--|--|
| <p>rulemaking that would simplify the foreign ownership approval process for broadcast licensees. While the present rules, under which direct ownership of a broadcast station is restricted to U.S. citizens or to entities in which non-U.S.-citizens own no more than 20%, would not change, rules on indirect ownership would be adjusted by extending the rules developed for foreign ownership reviews for common carrier and certain aeronautical licensees to the broadcast context. The proposal also seeks to enable the FCC to allow a broadcast licensee for its U.S. controlling parent to have 100% foreign ownership and for any non-controlling named foreign investor to increase its interest in the U.S. parent up to and including a non-controlling interest of 49.99% at some time in the future.</p> <p>On 22 January 2016, Dutch company Royal Philips announced that Philips and a Chinese-led consortium had terminated an agreement pursuant to which the consortium led by GO Scale Capital would acquire an 80.1% interest in a Philips subsidiary because concerns expressed by the Committee on Foreign Investment in the United States (CFIUS) could not be resolved. The Philips subsidiary, <i>Lumileds</i>, produces LEDs for lighting applications. <i>Lumileds</i> has U.S. patents and manufacturing and research-and-development facilities in the United States.</p> <p>In December 2015, Ralls Corporation, a U.S. company affiliated to China's Sany Group, settled a court case in which Ralls Corp had challenged a 2012 divestment order of a wind farm project by the President of the United States based on national security grounds.</p> | <p>Commission, FCC 15-137.</p> <p>22 January 2016</p> <p>December 2015</p> | <p>Commission, FCC 15-137.</p> <p><i>"Philips and consortium led by GO Scale Capital terminate Lumileds transaction"</i>, Philips release, 22 January 2016.</p> <p><i>"Sany Group Suing Obama Case Reached Full Reconciliation"</i>, Sany press release, 11 December 2015.</p> |
| <h2>European Union</h2> | | |
| <p><i>Investment policy measures</i></p> | <p>None during reporting period.</p> | |
| <p><i>Other developments</i></p> | <p>None during reporting period.</p> | |

ANNEX: METHODOLOGY – COVERAGE, DEFINITIONS AND SOURCES

Reporting period. The reporting period of the present inventory is from 16 September 2015 to 15 February 2016. 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.