



## FREEDOM OF INVESTMENT PROCESS

**Inventory of investment  
measures taken between  
16 February 2017 and  
15 September 2017**

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The “**Freedom of Investment**” (FOI) process hosted by the OECD Investment Committee monitors investment policy developments in the 58 economies that participate in the process.

The present report was prepared for the Freedom of Investment Roundtable 27 held on 17 October 2017. It follows on from earlier reports, available at [www.oecd.org/daf/inv/investment-policy/g20.htm](http://www.oecd.org/daf/inv/investment-policy/g20.htm).

More information about the FOI process is available

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## 1. 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 58 economies invited to the Roundtables, the OECD Secretariat establishes inventories of recent developments and makes them available to the public.<sup>1</sup>
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 February 2017 and 15 September 2017.
3. The present report contains three parts:
  - [Section 2](#) summarises the investment policy developments that have taken place in the reporting period.
  - [Section 3](#) contains a full inventory of policy measures that economies invited to participate in the Roundtables have taken in the reporting period.
4. Sections 3 and 4 will be posted on the FOI website as periodic monitoring reports, while section 2 will not be published, as its purpose is solely to support FOI discussions.
5. An [annex](#) describes the methodology applied to establish this inventory.

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<sup>1</sup> The reports can be found at: [www.oecd.org/daf/investment/foi](http://www.oecd.org/daf/investment/foi). [In this report, Kazakhstan and Ukraine are included for the first time.](#)

## 2. Investment Policy Developments between 16 February 2017 and 15 September 2017

6. During the reporting period between 16 February 2017 and 15 September 2017, 14 of the 58 economies invited to participate in the *Freedom of Investment* Roundtables modified their investment policies. These include Argentina, Australia, Brazil, P.R. China, Egypt, Greece, Iceland, India, Latvia, Lithuania, Mexico, Thailand, and Tunisia.

7. Three of the 58 economies – Germany, Japan, and the Russian Federation – clarified or modified their investment policies related to national security. In some other countries or economies, such as Latvia, Lithuania, the Netherlands, the United Kingdom and the European Union, changes to investment policies related to national security or new policies were being considered.

8. 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 2017 and 15 September 2017**

	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		•

	Investment-specific measures	Investment measures related to national security
Jordan		
Kazakhstan		
Korea		
Latvia	•	
Lithuania	•	
Luxembourg		
Malaysia		
Mexico	•	
Morocco		
Netherlands		
New Zealand		
Norway		
Paraguay		
Peru		
Poland		
Portugal		
Romania		
Russian Federation		
Saudi Arabia		
Slovak Republic		
Slovenia		
South Africa		
Spain		
Sweden		
Switzerland		
Thailand	•	
Tunisia	•	
Turkey		
Ukraine		
United Kingdom		
United States		
European Union		

### 3. Reports on individual economies – Investment measures (16 February 2017–15 September 2017)

Description of Measure	Date	Source	
<b>Argentina</b>			
<i>Investment policy measures</i>	On 18 July 2017, Argentina established a procedure for the levying of a capital gains tax applicable for foreigners, based on a legislative basis adopted in 2013. The application of the tax was suspended two days later, on 20 July 2017 for a period of 180 days.	18 July 2017; 20 July 2017	<a href="#">Resolución General 4095-E</a> , Administración Federal de Ingresos Públicos
<i>Investment measures relating to national security</i>	None during reporting period.		
<i>Other developments</i>	None during reporting period.		
<b>Australia</b>			
<i>Investment policy measures</i>	Effective 9 May 2017, Australia introduced an “annual charge on foreign owners of under-utilised residential property”. Foreign owners of residential property will be required to pay an annual charge – the amount of which is equivalent to the relevant foreign investment application fee imposed on the property at the time it was acquired by the foreign investor – if the residential property is not occupied or genuinely available on the rental market for at least six months per year.	9 May 2017	<a href="#">Budget 2017-2018, Budget Measures – Budget Paper No. 2</a> 2017-2018, 9 May 2017, p. 27.
	The surcharges on foreigners’ real estate at federal level adds to surcharges imposed by some States of Australia, in particular New South Wales and Victoria.		
	Also as of 9 May 2017, Australia prohibits property developers to sell more than 50% of new residential housing developments to foreigners.	9 May 2017	<a href="#">Budget 2017-2018, Budget Measures – Budget Paper No. 2</a> 2017-2018, 9 May 2017, p. 31. “ <a href="#">Budget 2017 changes</a> ”, FIRB website, undated.
	On 1 July 2017, a series of changes to Australia’s foreign investment framework entered into effect. The changes enhance and streamline the operation of the foreign investment framework by simplifying aspects of the regulations and the fee framework. Details on the changes are set out in publically available Guidance Notes.	1 July 2017	“ <a href="#">1 July amendments to streamline and enhance Australia’s foreign investment framework</a> ”, FIRB website, undated.
	Also effective on 1 July 2017, Australia increased most fees that foreign investors pay when seeking approval to purchase residential real estate by 10% to fund the Critical Infrastructure Centre.		“ <a href="#">Budget 2017 changes</a> ”, FIRB website, undated.
<i>Investment measures relating to national security</i>	None during reporting period.		

	Description of Measure	Date	Source
<i>Other developments</i>	None during reporting period.		
<b>Austria</b>			
<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.		
<b>Belgium</b>			
<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.		
<b>Brazil</b>			
<i>Investment policy measures</i>	In May 2017, the National Council for Energy Politics (CNPE) changed the regulatory framework of Brazil's oil industry. This change aims at reducing national content requirements for the exploration of oil and natural gas fields in future bidding rounds.	9 May 2017	<a href="#">Resolution 07/2017</a> , Official Gazette, 5 May 2017
<i>Investment measures relating to national security</i>	None during reporting period.		
<i>Other developments</i>	None during reporting period.		
<b>Canada</b>			
<i>Investment policy measures</i>	On 21 April 2017 a <a href="#">Non-Resident Speculation Tax (NRST)</a> became effective for the Greater Golden Horseshoe Region in Canada. The NRST is a 15% tax on the purchase or acquisition of an interest in residential property located in this area by individuals who are not citizens or permanent residents of Canada or by foreign corporations and taxable trustees. It applies in addition to the general land transfer tax in Ontario. Binding agreements of purchase and sale signed on or before 20 April 2017, and not assigned to another person after 20 April 2017, are not subject to the NRST. Exemptions and rebates in relation to the NRST may be available if certain criteria are met.	21 April 2017	" <a href="#">Land Transfer Tax</a> ", Ontario Ministry of Finance website, undated.
	During the reporting period, Canada increased the net benefit review threshold for inward foreign investment twice. Effective 24 April 2017, the net benefit review threshold for direct acquisitions of control by private investors from WTO countries are reviewed if the enterprise value of the Canadian businesses reaches or exceeds CAD 800 million, up from CAD 600 million previously.	24 April 2017; 22 June 2017	<a href="#">Investment Canada Act – Thresholds</a> , Canada government website. <a href="#">Budget 2017 &amp; Bill C-44</a> .

	Description of Measure	Date	Source
	The same threshold applies when a private non-WTO investor acquires an enterprise that had immediately previously been controlled by a WTO investor. Effective 22 June 2017, the threshold was further increased to CAD 1 billion.		
<i>Investment measures relating to national security</i>	None during reporting period.		
<i>Other developments</i>	With the provisional entry into force of the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) on 21 September 2017, a review threshold of CAD 1.5 billion in enterprise value applies to investments by private investors from EU Member States and other trade agreement partner countries with relevant most-favoured nation provisions (i.e., Chile, Colombia, Honduras, Mexico, Panama, Peru, Republic of Korea and the United States).	21 September 2017	Canada-European Union Comprehensive Economic and Trade Agreement & <a href="#">Bill C-30: Investment Canada Act – Thresholds</a> , Canada government website; “ <a href="#">EU-Canada trade agreement enters into force</a> ”, European Commission press release, 20 September 2017.
	On 5 October 2017, the bill <a href="#">to amend the Canada Transportation Act and other Acts respecting transportation and to make related and consequential amendments to other Acts</a> passed its second reading. Once in effect, it would increase the limit of foreign equity holdings in Canadian airlines at 49%, up from currently 25%. The Canadian Minister of Transport had <a href="#">announced</a> the planned change in November 2016.	5 October 2017	<a href="#">Bill C-49</a> .
<b>Chile</b>			
<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.		
<b>P.R. China</b>			
<i>Investment policy measures</i>	On 17 February 2017, the National Development and Reform Commission (NDRC) and the Ministry of Commerce (MOFCOM) jointly released Order No. 33 of 2017 - Revision of Catalogue of Priority Industries for Foreign Investment in Central and Western Regions. The new Catalogue lists 639 priority industrial items, including 173 newly-added, 34 deletions, and 84 modifications. It entered into force on 20 March 2017.	20 March 2017	Ministry of Commerce of the People's Republic of China, <a href="#">NDRC and MOFCOM jointly released the (Order No.33) Catalogue of Priority Industries for Foreign Investments in the Central and Western Regions</a> , 17 February 2017.
	On 30 July 2017, the Ministry of Commerce issued revisions to the rules applicable to foreign funded enterprises. The changes simplify the procedures for foreign invested enterprises.	30 July 2017	<a href="#">Decision of the Ministry of Commerce of the People's Republic of China No. 2 of 2017 on Amending the Interim Measures for the Establishment and Change of Record Management by Foreign-funded Enterprises</a> , 30 July 2017.
	On 3 July 2017, China opened access to the mainland bond market through Hong Kong, China under the Bond-Connect scheme. The scheme allows qualified investors to access	3 July 2017	“ <a href="#">Joint Announcement of the People's Bank of China and the Hong Kong Monetary Authority</a> ”,

	Description of Measure	Date	Source
	China's government, agency, and corporate bond markets without having to set up accounts in mainland China. Qualified investors include central banks, sovereign wealth funds, and other major financial institutions.		16 May 2017; "Joint Announcement of the People's Bank of China and Hong Kong Monetary Authority", 2 July 2017.
	On 10 July 2017, a <a href="#">revised foreign investment negative list applicable for the 11 free trade zones</a> came into effect. It replaces a negative list that came into effect in 2015. The new list lifts restrictions in sectors such as mining, manufacturing, transportation, information, commercial service, finance, scientific research, and culture.	10 July 2017	<a href="#">Notice of the General Office of the State Council on Printing and Distributing the Special Administrative Measures for Foreign Investment Admission (Negative List) (2017) for the Free Trade Experimental Zone</a> , State Council, 16 June 2017.
	On 28 July 2017, an updated version of the <i>Investment Industry Guidance Catalogue</i> came into effect. The new catalogue, issued jointly by NDRC and MOFCOM, replaces the 2015 version of the Catalogue. The 2017 Catalogue introduces a negative list structure; investment in areas that are not on the negative list do not require approval but only filing of an acquisition.	28 July 2017	<a href="#">Investment Industry Guidance Catalogue 2017</a> , NDRC/MOFCOM, 28 June 2017.
	On 4 August 2017, the State Council issued a <a href="#">notice by the NDRC, MOFCOM and PBoC on further guidance and regulation of overseas investment</a> . The notice contains guiding principles for outbound foreign investment and lists sectors in which outbound investment is encouraged, limited or prohibited.	4 August 2017	<a href="#">State Council note [2017] No.74</a>
	On 16 August 2017, the State Council issues a notice on measures to promote foreign investment in certain industry sectors in China. The notice calls for certain reform steps including: the full implementation of pre-establishment national treatment with a negative-list approach; enhanced market access in certain sectors, especially linked to transport, to foreign capital; the development of a conducive tax policy; and improvements of the investment environment.	16 August 2017	<a href="#">Notice of the State Council on Several Measures to Promote Foreign Investment Growth</a> , Guo Fa [2017] No. 39, 16 August 2017.
<i>Investment measures relating to national security</i>	None during reporting period.		
<i>Other developments</i>	None during reporting period.		
<b>Colombia</b>			
<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.		
<b>Costa Rica</b>			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	None during reporting period.		

	Description of Measure	Date	Source
<i>Other developments</i>	None during reporting period.		
<b>Czech Republic</b>			
<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.		
<b>Denmark</b>			
<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.		
<b>Egypt</b>			
<i>Investment policy measures</i>	On 1 June 2017 a new investment law came into effect in Egypt. The law sets out rules for investment incentives, responsible business conduct, and different types of free trade zones, among others. At the end of the reporting period, implementing regulations had not been adopted.	1 June 2017	<a href="#">Investment Law No. 72 of 2017</a>
	On 14 June 2017, the Central Bank of Egypt removed limits on international currency transfers. Hitherto, the annual cap per person was the equivalent of USD 100 000. The change fulfils a commitment that the Egyptian authorities had made in January 2017 as documented in a compendium of IMF documents.	14 June 2017	<a href="#">Circular dated 14 June 2017 regarding lifting limits of foreign currency transfers</a> “ <a href="#">Arab Republic of Egypt</a> ”, <a href="#">IMF Country Report No. 17/17</a> , January 2017.
<i>Investment measures relating to national security</i>	None during reporting period.		
<i>Other developments</i>	None during reporting period.		
<b>Estonia</b>			
<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
<b>Finland</b>			
<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.		
<b>France</b>			
<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.		
<b>Germany</b>			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	<p>On 18 July 2017, an amendment to the Foreign Trade and Payments Ordinance entered into effect.</p> <p>The changes substantiate the scope of the cross-sectoral review mechanism, referring to foreign direct investment that may threaten public order or security. The amendments describe the increasing importance and vulnerability of key infrastructure and specify that threats to public order or security may arise from foreign ownership in companies that host critical infrastructure, produce industry-specific software for it, work with surveillance mechanisms, cloud-computing-services or telematic infrastructure.</p> <p>The scope of the sector-specific review mechanism now covers some additional defense-related industries, such as sensor and electronic warfare technologies.</p> <p>Finally, the rules of administration of the review procedures have been adjusted with a view to the growing number and complexity of acquisitions.</p>	18 July 2017	<a href="#">Neunte Verordnung zur Änderung der Außenwirtschaftsverordnung</a> , 14 July 2017.
<i>Other developments</i>	None during reporting period.		
<b>Greece</b>			
<i>Investment policy measures</i>	<p>On 1 September 2017, Greece modified some of the capital controls the country had introduced in July 2015. Among others, the monthly withdrawal limit for individuals has been set at EUR 1 800; previously, the cap was at EUR 840 per two-week period. Also, funds in domestic bank accounts that have been received from abroad can henceforth be sent abroad in full, and 50% of such funds can be withdrawn in cash. Special rules apply to shipping companies.</p>	1 September 2017	<a href="#">Official Gazette No. 2723</a> , 3 August 2017
<i>Investment measures relating</i>	None during reporting period.		

	Description of Measure	Date	Source
<i>to national security</i>			
<i>Other developments</i>	None during reporting period.		
<b>Hungary</b>			
<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.		
<b>Iceland</b>			
<i>Investment policy measures</i>	On 14 March 2017, Iceland lifted most restrictions on foreign exchange transactions and cross-border movement of domestic and foreign currency that the country had introduced in 2008. Iceland left in place certain restrictions on specified transactions to reduce the likelihood of carry trade.	14 March 2017	<a href="#">“New Rules on Foreign Exchange”</a> , Seðlabanki media release, 12 March 2017; <a href="#">Rules no. 200/2017 on Foreign Exchange</a>
	On 31 March 2017, Iceland’s Central Bank introduced new rules on the liquidity ratio for banks. These rules contain specific requirements concerning the minimum liquidity coverage ratio in foreign currencies.	31 March 2017	<a href="#">“New Central Bank rules on Liquidity Coverage Requirements”</a> , Seðlabanki media release no.11/2017, 31 March 2017.
	On 27 June 2017, Iceland introduced restrictions on carry trade-related risk and foreign issuance of króna-denominated bonds. The restrictions exclude hedging-related derivatives trading in connection with the issuance of krónur denominated bonds from the exemption for hedging-related derivatives trading with financial undertakings in Iceland. Several other amendments, again with the aim of reducing carry-trade, were also introduced.	27 June 2017	<a href="#">“Amendments to the Rules on Foreign Exchange - Restrictions on carry trade-related risk and foreign issuance of króna-denominated bonds”</a> , Seðlabanki media release, 26 June 2017.
<i>Investment measures relating to national security</i>	None during reporting period.		
<i>Other developments</i>	None during reporting period.		
<b>India</b>			
<i>Investment policy measures</i>	Effective 16 February 2017, the Reserve Bank of India allowed Multilateral and Regional Financial Institutions in which India is a member, to invest in INR-denominated bonds issued outside India (“Masala Bonds”).	16 February 2017;	<a href="#">“Issuance of Rupee denominated bonds overseas – Multilateral and Regional Financial Institutions as Investors”</a> , RBI/2016-17/233 A. P. (DIR Series) Circular No.31;
	Effective 7 June 2017, the Reserve Bank of India modified the provisions in respect of maturity period, all-in-cost ceiling and recognized lenders of such bonds.	7 June 2017;	
	On 3 October 2017, further changes with respect to Masala bonds came into effect. Henceforth, these bonds are no longer subject to the limits applicable to foreign portfolio investors, but are solely subject to limits set for external commercial borrowing (ECB).	3 October 2017	
			<a href="#">“Issuance of Rupee denominated bonds overseas”</a> , RBI/2016-17/316 A. P. (DIR Series) Circular No.47;
			<a href="#">“Investment by Foreign Portfolio Investors in Corporate Debt Securities – Review”</a> , RBI/2017-18/64 A.P. (DIR Series) Circular

	Description of Measure	Date	Source
	<p>On 3 March 2017, the Reserve Bank of India made amendments in the Foreign Exchange Management Regulations 2000 (Transfer or issue of Security by a Person Resident outside India). According to the new regulations, a company that has received foreign investment can be converted into a Limited Liability Partnerships under the automatic route if it is engaged in a sector where FDI is permitted up to 100% under the automatic route and there are no FDI-linked performance conditions. Previously, it was required to obtain prior government approval for such conversion.</p> <p>On 31 March 2017, the Reserve Bank of India announced an increase in the limits applicable to investments by foreign portfolio investors in Indian government securities to a total of INR 2.58 trillion, up from IDR 2.41 trillion set in September 2016.</p> <p>On 3 July 2017, the Reserve Bank of India further increased these limits to INR 2.75 trillion with effect as of 4 July 2017. On the same day, the framework for the issuance of bonds was slightly altered to favour longer term bonds.</p> <p>On 28 September 2017, the caps were increased anew, effective 3 October 2017, to INR 2.89 trillion.</p> <p>On 5 June 2017, the Indian Government announced the abolition of the Foreign Investment Promotion Board (FIPB), a government entity through which inward investment proposals were routed to obtain required government approvals from involved ministries. With the abolition of the single-window FIPB, the approval responsibilities are directed to individual ministries and government bodies for the individual concerned sectors, and a procedure for the interagency coordination has been determined. The <i>Office Memorandum</i> through which the changes are made does not have force of law.</p> <p>The plan to abolish the FIPB had been announced in the <a href="#">Union Budget Session 2017</a> in February 2017.</p> <p>On 29 June 2017, the Government of India issued a <a href="#">Standard Operating Procedure for FDI Proposals</a>. The document sets out the responsibilities of government agencies for approval of FDI, the documents that investors need to file, timeframes for a government response and procedural issues.</p> <p>On 28 August 2017, India issued a new consolidated FDI policy circular, which became effective the same day.</p>	<p>3 March 2017</p> <p>31 March 2017; 4 July 2017; 3 October 2017</p> <p>5 June 2017</p> <p>29 June 2017</p> <p>28 August 2017</p>	<p>No. 05. “<a href="#">Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) (Second Amendment) Regulations 2017</a>”, Reserve Bank of India (Notification), 3 March 2017.</p> <p>“<a href="#">Investment by Foreign Portfolio Investors in Government Securities</a>”, RBI/2016-17/265 A.P.(DIR Series) Circular No. 43; “<a href="#">Investment by Foreign Portfolio Investors (FPI) in Government Securities Medium Term Framework – Review</a>”, RBI/2017-18/12 A.P.(DIR Series) Circular No. 1; “<a href="#">Investment by Foreign Portfolio Investors (FPI) in Government Securities Medium Term Framework</a>”, RBI/2017-18/68 A.P.(DIR Series) Circular No. 7.</p> <p><a href="#">Office Memorandum</a> F.No. 01/01/FC12017 -FIPB, Ministry of Finance; <a href="#">Budget 2017-2018</a>, Speech by the Minister of Finance, 1 February 2017</p> <p><a href="#">Standard Operating Procedure for FDI Proposals</a>, No. 1/8/2016-FC-1, Department of Industrial Policy &amp; Promotion, Ministry of Commerce &amp; Industry</p> <p>“<a href="#">Consolidated FDI Policy Circular of 2017</a>”, Department of Industrial Policy &amp; Promotion, Ministry of Commerce &amp; Industry</p>
<p><i>Investment measures relating to national security</i></p> <p><i>Other developments</i></p>	<p>None during reporting period.</p> <p>None during reporting period.</p>		
<b>Indonesia</b>			
<p><i>Investment policy measures</i></p>	<p>None during reporting period.</p>		

	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.		
<b>Ireland</b>			
<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.		
<b>Israel</b>			
<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.		
<b>Italy</b>			
<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.		
<b>Japan</b>			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	On 1 October 2017, changes to Japan's rules on the review of inward foreign investment came into effect. The changes are based on a reconsideration of threats to national security, changes to the business environment and the spread of critical technologies, including dual-use technologies. The new rules: extend the review mechanism to acquisitions of non-listed companies, which were hitherto not covered by the rules, and introduce the post-investment administrative measures in case of breaches of the rules.	1 October 2017	Notification to the OECD [DAF/INV/RD(2017)4]; <a href="#">“Promulgation of the Cabinet and Ministerial Orders and the Public Notices for the Enforcement of the Revised Foreign Exchange and Foreign Trade Act”</a> , METI media release, 14 July 2017.
<i>Other developments</i>	None during reporting period.		

Description of Measure	Date	Source
<b>Jordan</b>		
<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.	
<b>Kazakhstan</b>		
<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.	
<b>Korea</b>		
<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.	
<b>Latvia</b>		
<i>Investment policy measures</i>	On 1 July 2017, an amendment of the rules on the acquisition or agricultural land in Latvia came into effect. The change increases the exigence of Latvian language command of foreigners that wish to acquire agricultural land in Latvia to “B2” level.	<a href="#">Law on privatization of land in rural areas</a> , art. 28
<i>Investment measures relating to national security</i>	None during reporting period.	
<i>Other developments</i>	None during reporting period.	
<b>Lithuania</b>		
<i>Investment policy measures</i>	On 27 June 2017, amendments to the <a href="#">Law on Markets in Financial Instruments</a> came into effect. The changes remove restrictions for shareholders of central securities depositories.	Notification to the OECD; <a href="#">Amendments XIII-462 to the Law on Financial Markets of the Republic of Lithuania No. X-1024</a>
	On 12 July 2017, part of the <a href="#">Amendments to the Law on Personal and Property Safety No. IX-2327</a> came into effect. The law determines the rules that govern foreign ownership and participation of private security firms.	Notification to the OECD; <a href="#">Amendments to the Law on Personal and Property Safety No. IX-2327</a>

	Description of Measure	Date	Source
<i>Investment measures relating to national security</i>	On 12 July 2017, a new <a href="#">Patent Attorneys Law</a> entered into effect. The new law removes the nationality requirements for patent agent services.	12 July 2017	Notification to the OECD; <a href="#">Patent Attorneys Law No. XIII-546</a>
	None during reporting period.		
<i>Other developments</i>	<p>On 26 September 2017, Lithuania's parliament held a reading of the <a href="#">Draft Law on the Acquisition of Agricultural Land No. Draft Law Amending IX-1314</a>. The envisaged changes seek to lift some of the restrictions for the acquisition of agricultural land by foreigners. At the end of the reporting period, the draft law had not been passed.</p> <p>Towards the end of the reporting period, Lithuania's parliament was considering or preparing to consider a series of legislative changes. These include, among other a <a href="#">Draft Law on Enterprises and Facilities of Strategic Importance to National Security and other Enterprises of Importance to Ensuring National Security</a>; and a <a href="#">Draft Law of Banks</a>, which seeks to abolish the reciprocity requirement and the requirement of permanent residency for at least one of the heads of the bank administration.</p>	26 September 2017	<a href="#">Draft Law on the Acquisition of Agricultural Land No. Draft Law Amending IX-1314</a>
<b>Luxembourg</b>			
<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.		
<b>Malaysia</b>			
<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.		
<b>Mexico</b>			
<i>Investment policy measures</i>	<p>On 27 March 2017, the System of Legal Affairs for Foreign Investment and its rules of use (SAJIE) was published in the Official Gazette. SAJIE is a website that allows investors to submit legal procedures stated in the Foreign Investment Law, such as 'authorization by the Foreign Investment National Commission' or 'authorization of the establishment of foreign legal entities in Mexico'. Under this system, foreign investors can now submit legal procedures established in the Foreign Investment Law, by only using an electronic signature, which will have the same legal effect as a hand written signature of the issuer.</p> <p>Effective 27 June 2017, Mexico increased foreign ownership limits in scheduled and non-scheduled domestic</p>	<p>27 March 2017</p> <p>27 June 2017</p>	<p><a href="#">"Competitividad y Normatividad / Inversión Extranjera Directa"</a>, Government of Mexico, 14 June 2017;</p> <p><a href="#">"Sistema de Asuntos Jurídicos para la Inversión Extranjera"</a></p> <p><a href="#">Decreto por el que se adiciona un inciso y) a la fracción III del</a></p>

	Description of Measure	Date	Source
	air transport service; non- scheduled international air transport service in air taxi modality; and specialized air transport service to 49%, up from 25% previously.		<a href="#">artículo 7o., y se deroga la fracción II del artículo 7o. de la Ley de Inversión Extranjera.</a> , 26 June 2017.
<i>Investment measures relating to national security</i>	None during reporting period.		
<i>Other developments</i>	None during reporting period.		
<b>Morocco</b>			
<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.		
<b>Netherlands</b>			
<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.		
<b>New Zealand</b>			
<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.		
<b>Norway</b>			
<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.		
<b>Paraguay</b>			
<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.	
<b>Peru</b>			
	<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.	
<b>Poland</b>			
	<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.	
<b>Portugal</b>			
	<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.	
<b>Romania</b>			
	<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.	
<b>Russian Federation</b>			
	<i>Investment policy measures</i>	None during reporting period.	
	<i>Investment measures relating</i>	On 1 July 2017, the President of the Russian Federation signed Federal Law No. 155-FZ of 1 July 2017 On	1 July 2017 <a href="#">“Amendments to law on the privatisation of state property and</a>

	Description of Measure	Date	Source
<i>to national security</i>	<p>Amendments to Article 5 of the Federal Law on Privatisation of State and Municipal Property and to the Federal Law On Procedures for Foreign Investment in Business Entities of Strategic Importance for National Defence and State Security. This Federal Law prohibits legal entities that are registered in a state or territory that are on the Finance Ministry list of states and territories offering preferential tax treatment and/or not requesting the disclosure and provision of information regarding financial transactions (offshore zones), as well as legal entities that are controlled by an offshore company or groups that include an offshore company, from taking part in the privatisation of state and municipal property. This Federal Law also extends the provisions of the <i>Federal Law No. 57-FZ of 29 April 2008 On Procedures for Foreign Investment in Business Entities of Strategic Importance for National Defence and State Security</i> to include these legal entities' investment in business entities of strategic importance for national defence and state security, as well as these legal entities' transactions with regard to these business entities.</p>	30 July 2017	<p><a href="#">on procedures for foreign investment in business entities of strategic importance for national defence and state security</a>", Presidential Executive Office, 1 July 2017.</p>
	<p>On 30 July 2017, Federal Law No. 165-FZ of 18 July 2017 <i>On Amendments to Article 6 of the Federal Law on Foreign Investment in the Russian Federation and to the Federal Law On the Procedure for Foreign Investment in Business Entities of Strategic Importance for National Defence and State Security</i> came into effect. Under the Federal Law, by decision of the Chairman of the Government Commission on Monitoring Foreign Investment in the Russian Federation, transactions that are made by foreign investors with regard to Russian business entities must be subject to prior approval in accordance with the <i>Federal Law No. 57-FZ of 29 April 2008 on the Procedure for Foreign Investment in Business Entities of Strategic Importance for National Defence and State Security</i>. The law also establishes the legal consequences for deals that violate this requirement. The list of types of activities that are strategically important for national defence and state security has been clarified and extended. Legal norms that establish the procedure for determining the commitments of foreign investors related to ensuring national defence and state security have been adjusted.</p>	30 July 2017	<p><a href="#">"Amendments to laws on foreign investment and procedure for investing in business entities of strategic importance for national defence"</a>, Presidential Executive Office, 19 July 2017.</p>
<i>Other developments</i>	None during reporting period.		
<b>Saudi Arabia</b>			
<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.		
<b>Singapore</b>			
<i>Investment policy measures</i>	None during reporting period.		
<i>Investment measures relating to national security</i>	None during reporting period.		

	Description of Measure	Date	Source
<i>Other developments</i>	None during reporting period.		
<b>Slovenia</b>			
<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.		
<b>Slovak Republic</b>			
<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.		
<b>South Africa</b>			
<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.		
<b>Spain</b>			
<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.		
<b>Sweden</b>			
<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
<b>Switzerland</b>		
<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.	
<b>Thailand</b>		
<i>Investment policy measures</i>	In the reporting period, Thailand changed some of the rules related to foreign exchange controls. Among these changes was a relaxation, effective on 5 June 2017 that: simplified documentation requirements for outward remittances; allow commercial banks to grant Thai Bath (THB) denominated loans to non-resident companies for investment in Thailand or in neighbouring countries; relaxes rules on the daily balance limit of THB non-resident accounts; and widen the uses for non-resident accounts.	5 June 2017; 13 September 2017  <a href="#">Guidelines and procedures note 31 May 2017, FTC. (21) Wor. 834/2560;</a> <a href="#">Improved reporting on the Thai Baht Speculation Measures, FTC. (21) Wor. 856/2560;</a> <a href="#">Improved reporting on the Thai Baht Speculation Measures, FTC. (21) Wor. 857/2560;</a> <a href="#">Criteria and procedures for conducting business as a licensed person No.6;</a> <a href="#">Guidelines (F) (21) Wor. 40/2560.</a>
<i>Investment measures relating to national security</i>	None during reporting period.	
<i>Other developments</i>	None during reporting period.	
<b>Tunisia</b>		
<i>Investment policy measures</i>	On 4 April 2017 Tunisia's new code for investments entered into force. Adopted by parliament on 17 September 2016 and <a href="#">initially scheduled to enter into force on 1 January 2017</a> , the law aims at further liberalise the legal framework for investments. The new law repeals a requirement for pre-approval of certain foreign investments and guarantees equal treatment between foreign and domestic investors. It notably sets out the principles of free acquisition and exploitation of non-agricultural land by investors. A decree identifying the sectors in which foreign investment requires approval is planned for January 2018. The new law also provides for free transfer of funds and greater liberty to recruit foreign key personnel, now capped at 30% of key personnel. It further sets up a Higher Council for Investment and a Tunisian fund for investment in order to strengthen the institutional governance of investments in Tunisia.  Four implementing decrees complement the law.	4 April 2017  <a href="#">Loi No. 2016-71 du 30 septembre 2016, portant loi de l'investissement;</a> <a href="#">Décret gouvernemental du 9 mars 2017 fixant la composition et les modalités d'organisation du conseil supérieur de l'investissement, l'organisation administrative et financière de l'instance tunisienne de l'investissement et du fonds tunisien de l'investissement et les règles de son fonctionnement;</a> <a href="#">Décret gouvernemental du 9 mars 2017 relatif aux incitations financières au profit des investissements réalisés dans le cadre de la loi de l'investissement;</a> <a href="#">Décret gouvernemental portant création, organisation et modalités de fonctionnement d'une unité de gestion par objectifs pour la réalisation du projet de révision</a>



Description of Measure	Date	Source
	<p>United Kingdom. The proposed rules would notably require that the offeror make specific statements of intention with regard to the offeree company's research and development functions, the balance of the skills and functions of the offeree company's employees and management, and the location of the offeree company's headquarters and headquarters functions. Also, the proposed rules foresee that statements of intention are made earlier in the process.</p>	
<b>United States</b>		
<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.	
<b>European Union</b>		
<i>Investment policy measures</i>	None during reporting period.	
<i>Other developments</i>	<p>On 13 September 2017, the European Commission issued a "<a href="#">Proposal for a Regulation of the European Parliament and of the Council establishing a framework for screening of foreign direct investments into the European Union</a>" and an accompanying "<a href="#">Commission Staff Working Document</a>". The proposal responds to "concerns associated with some concerns about foreign investors, notably state-owned enterprises, taking over European companies with key technologies for strategic reasons, and that EU investors often do not enjoy the same rights to invest in the country from which the investment originates."</p> <p>The draft Regulation that is being proposed would establish a framework for the Member States, and in certain cases the Commission, to screen foreign direct investments in the European Union, while allowing Member States to take into account their individual situations and national circumstances. It also sets rules that foreign investment review mechanisms established by individual Member States have to respect.</p>	<p><a href="#">Proposal for a Regulation of the European Parliament and of the Council establishing a framework for screening of foreign direct investments into the European Union – 2017/0224 (COD);</a></p> <p><a href="#">Commission Staff Working Document – SWD(2017) 297 final.</a></p>

## 4. Annex: Methodology – Coverage, definitions and sources

*Reporting period.* The reporting period of the present inventory is from 16 February 2017 and 15 September 2017. An investment measure is counted as falling within the reporting period if new policies 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. Measures that were taken after the reporting period but before the finalisation of the present inventory were also included, and will be mentioned in the next inventory as well.

*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.
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