30 June 2017

Seventeenth Report on G20 Investment Measures[1]

When the global financial crisis broke out in 2008, G20 Leaders committed to resisting protectionism in all its forms at their 2008 Summit in Washington. At their subsequent summits in London, Pittsburgh, Toronto, Seoul, Cannes, Los Cabos, St Petersburg, Brisbane, Antalya and Hangzhou, they reaffirmed their pledge and called on WTO, OECD, and UNCTAD to monitor and publicly report on their trade and investment policy measures.

The present document is the seventeenth report on investment and investment-related measures made in response to this call.[2] It has been prepared jointly by the OECD and UNCTAD Secretariats and covers investment policy and investment-related measures taken in between 15 October 2016 and 15 May 2017.

I. Development of FDI flows

After a strong rise in 2015, global FDI inflows lost growth momentum in 2016, declining to USD 1.75 trillion. Inflows to G20 Members reached a record of approximately USD 1.2 trillion for the first time.[3]

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1 This report is issued under the responsibility of the Secretary-General of the OECD and the Secretary-General of UNCTAD. It has no legal effect on the rights and obligations of member states of the WTO, OECD, or UNCTAD. Nothing in this report implies any judgment, either direct or indirect, as to the consistency of any measure referred to in the report with the provisions of any WTO, OECD, or UNCTAD agreement or any provisions thereof. As its previous report, this document distinguishes between measures related to foreign direct investment (prepared jointly by OECD and UNCTAD) and measures related to other international capital flows (prepared solely by OECD).

2 Earlier reports by WTO, OECD and UNCTAD to G20 Leaders are available on the websites of the OECD and UNCTAD. A summary table of all investment measures taken since 2008 is also available on those websites.

3 The most recent figures are available in UNCTAD, World Investment Report 2017: Investment and the Digital Economy, June 2017 and OECD, FDI in Figures, April 2017.

II. Investment policy measures

1. *Foreign direct investment-specific measures*

Seven G20 Members have introduced investment policy measures specific to foreign direct investment (FDI) in the reporting period.

Four countries took measures that pointed towards greater openness to foreign investment: Brazil eased administrative procedures related to foreign investment and allowed foreign capital participation in the previously restricted pre-salt oil industry; Canada increased screening trigger thresholds; P.R. China amended its catalogues of Priority Industries for Foreign Investment in the Central and Western Regions; India liberalised foreign investment in financial services, among other measures. In addition, Mexico introduced the System of Legal Affairs for Foreign Investment that allows investors to submit legal procedures electronically.

On the other hand, some countries introduced new policies that constitute new restrictions to international investment. Australia and Canada introduced new fees and taxes relating to the acquisition or possession of residential real estate by foreigners or non-residents; for Canada, these are limited to a relatively small geographic area. Australia also introduced a quantitative restriction on the acquisition of certain real estate assets by foreigners. China restricted certain outward investment by specific State-owned enterprises. Indonesia introduced a new cap on foreign capital participation in payment transaction processing. A more detailed description of the measures is available in Annex 1 below.

2. *Investment measures related to national security*

Only one G20 Member – Canada – took new investment measures related to national security in the reporting period. The policy change brought greater clarity on the application of an existing policy.

3. *Investment policy measures not specific to FDI*[4]

Four G20 Members took investment policy measures not specific to FDI in the reporting period. Such measures relate to the degree to which economies are integrated in global financial markets.

Most of the measures in this category in the reporting period – taken by Argentina, P.R. China, India, and the Republic of Korea – constitute relaxations of the rules for international capital flows to or from these countries. A description of these measures is available in Annex 2 of this report.

G20 Members have expressed interest in better understanding and articulating the linkages between capital account openness, growth and resilience. Appropriate disciplines and policy instruments, such as those included in the OECD Codes of Liberalisation, can help ensure open and orderly capital movements that are needed to support inclusive growth and sustainable development. The OECD is reviewing the *Code of Liberalisation of Capital Movements*, and a standing invitation has been issued to all G20 members to participate actively in this work.[5] This issue has been discussed by G20 Finance Ministers and in the International Financial Architecture Working Group in the G20. An

[4] This section on "Investment policy measures not specific to FDI" has been prepared by the OECD under the responsibility of the Secretary-General of the OECD. Annex 2 provides information on the coverage, definitions and sources of the information contained in this section.

[5] A Seminar on open and orderly capital movements co-organised by the OECD and Germany as the then incoming G20 Presidency took place on 25 October 2016 at the OECD with broad participation from G20 Members. The most recent update report to the G20 provides an overview of the progress of discussions.

important development in this field is that Argentina and Brazil have just announced their decision to adhere to the Codes, to which 11 G20 Members and most EU member States, are already members.

4. International Investment Agreements

During the reporting period, G20 Members concluded six new bilateral investment treaties (BITs)[6] and three new "other IIAs".[7] During the same period, the termination of at least 10 BITs entered into effect.[8] As of 15 May 2017, there were 2,958 BITs and 369 "other IIAs".

III. Overall policy implications

For the first time in years, this regular inventory of formal investment policy measures records a relatively greater proportion of restrictions to international investment over the reporting period – only one measure however introduces a new foreign ownership ceiling in an industrial sector. G20 Members have resorted to restricting measures in the reporting period for a variety of policy reasons. Previous reports had consistently shown a solid orientation of G20 investment policy measures towards further liberalisation and easing of conditions for international capital flows in respect to measures both specific to FDI and not specific to FDI.

Moreover, the findings in this inventory do not reflect other – formal or informal – steps and announcements that G20 Member governments have made recently and that are likely to have an impact on international investment.

Given the relatively low number of measures that were taken in the reporting period, it is too early to interpret the findings as foreshadowing a trend. Nonetheless, these findings should focus policymakers' attention to the commitments by G20 Leaders in favour of an open world economy, and promotion of global investment,[9] and the thrust of the *Guiding Principles for Global Investment Policymaking*, endorsed in September 2016 at the G20 Leaders Summit in Hangzhou, which call for open, non-discriminatory, transparent and predictable conditions for investment.[10]

The findings in this report confirm the importance of regular policy monitoring and public reporting in this area to hold governments to their commitments.

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6 These are the BITs between: Saudi Arabia and Jordan (signed on 27 March 2017), Japan and Israel (signed on 1 February 2017), Turkey and Mozambique (signed on 24 January 2017), Turkey and Moldova (signed on 16 December 2016), Argentina and Qatar (signed on 6 November 2016), Turkey and Rwanda (signed on 3 November 2016).

7 "Other IIAs" encompass a variety of international agreements with investment protection, promotion and/or cooperation provisions – other than BITs. They include free trade agreements (FTAs), regional trade and investment agreements (RTIAs), economic partnership agreements (EPAs), cooperation agreements, association agreements, economic complementation agreements, closer economic partnership arrangements, agreements establishing free trade areas, and trade and investment framework agreements (TIFAs). Unlike BITs, "other IIAs" may also cover plurilateral agreements. The "other IIAs" that were concluded in the reporting period are the Intra-MERCOSUR Cooperation and Facilitation Investment Protocol (signed on 7 April 2017), the United States-Paraguay Trade and Investment Framework Agreement (TIFA) (signed on 13 January 2017), and the EU-Canada Comprehensive Economic and Trade and Agreement (CETA) (signed on 30 October 2016).

8 These include – with respective dates when the termination became effective – the BITs concluded by India with Austria (24 March 2017), Australia (23 March 2017), Denmark (13 May 2017), Hungary (29 March 2017), Italy (23 March 2017), Netherlands (1 December 2016), Oman (22 March 2017); and the BITs concluded by Indonesia with Argentina (19 October 2016), Pakistan (2 December 2016) and Spain (18 December 2016).

9 G20 Leaders' Communique Hangzhou Summit, 4-5 September 2016.

10 The G20 Guiding Principles for Investment Policymaking cover nine areas: (I) Anti-protectionism, (II) Non-discrimination, (III) Investment protection, (IV) Transparency, (V) Sustainable development, (VI) the Right to regulate, (VII) Investment promotion and facilitation, (VIII) Responsible business conduct, and (IX) International cooperation.

Annex 1: Recent investment policy measures related to FDI (15 October 2016 to 15 May 2017) – Reports on individual economies

	Description of Measure	Date	Source
Argentina			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Australia			
Investment policy measures	Victoria and New South Wales introduced or increased land tax surcharges of foreign owners of real estate. In Victoria, the land tax surcharge on foreigners was increased to 1.5% effective from 1 January 2017; the tax surcharge had initially been introduced on 1 January 2016 at a rate of 0.5%; it is levied only on absentee foreign owners, but excludes Australian and New Zealand nationals. New South Wales introduced a 0.75% land tax surcharge for absentees – foreign owners of real estate under specific conditions – effective for the 2017 land tax year.	1 January 2017	For Victoria: Guidelines Issued under Section 3b of the Land Tax Act 2005, Victoria Government Gazette No. G 33 Thursday 20 August 2015; Land Tax Act 2005 (No. 88 of 2005) as amended as at 29 June 2016; Absentee owner surcharge, State revenue office, 1 January 2017. For New South Wales: New South Wales 2016-17 Budget Speech, 21 June 2016; "Land tax surcharge", Office of State Revenue, NSW government.
	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	Budget 2017-2018, Budget Measures – Budget Paper No. 2 2017-2018, 9 May 2017, p. 27.
	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	Budget 2017-2018, Budget Measures – Budget Paper No. 2 2017-2018, 9 May 2017, p. 31.
Investment measures relating to national security	None during reporting period.		
Brazil			
Investment policy measures	On 30 November 2016, changes to the laws affecting Brazil's pre-salt oil industry came into effect. The changes allow the National Council for Energy Politics (CNPE) to tender concessions to operators other than the national oil company Petrobras, which now holds the right of first refusal for 30 days. Previous legislation required that Petrobras, be the sole operator of all pre-salt fields and to hold a minimum of 30% equity in each of those blocks. In May 2017, the CNPE introduced a further change to the regulatory framework (Resolution 07/2017). This change aims at reducing national content requirements for the exploration of oil and natural gas fields in future bidding rounds.	30 November 2016; 9 May 2017	Lei No. 13.365, Official Gazette, 30 November 2016
	On 30 January 2017, Brazil simplified the registration of Foreign Direct Investment. Henceforth, only the Brazilian recipient entity is responsible for the registrations – the	30 January 2017	Central Bank of Brazil, "Resolução nº 4.533, de 24/11/2016", 26 November 2016

	Description of Measure	Date	Source
	foreign investor is no longer required to appoint representatives that will respond for the registration to register – and the recipient entity may appoint a representative to carry out the registration. A financial and economic statement was also put in place for companies with assets or net worth equal to or greater than R$250 million – the new statement follows the new simplified system and will improve the collection of data for the compilation of the Balance of Payments by the Central Bank.		
Investment measures relating to national security	None during reporting period.		
Canada			
Investment policy measures	As of 21 April 2017, the Non-Resident Speculation Tax (NRST) is effective. The NRST is a 15% tax on the purchase or acquisition of an interest in residential property located in the Greater Golden Horseshoe Region by individuals who are not citizens or permanent residents of Canada or by foreign corporations (foreign entities) 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	"*Land Transfer Tax*", Ontario Ministry of Finance website, undated.
	Effective 24 April 2017, Canada increased the net benefit review threshold for inward foreign investment. From that date, 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. The same threshold applies when a private non-WTO investor acquires an enterprise that had immediately previously been controlled by a WTO investor.	24 April 2017	Investment Canada Act – Thresholds, Canada government website.
	As part of Budget 2017, this threshold is scheduled to increase to CAD 1 billion in 2017; the required legislative amendments are currently before Parliament. The new threshold will come into effect on the date of Royal Assent of the bill C-44.		Budget 2017 & Bill C-44.
	When the Canada-European Union Comprehensive Economic and Trade Agreement (CETA) comes into force, private investors from those countries 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) will receive a threshold of CAD 1.5 billion in enterprise value.		Canada-European Union Comprehensive Economic and Trade Agreement & Bill C-30
Investment measures relating to national security	On 19 December 2016, the Canadian Government issued *Guidelines on the National Security Review of Investments* under the *Investment Canada Act*. The Guidelines provide information to investors about the administration of the Act's national security review process and include factors that the Government considers when assessing whether an investment poses a national security risk.	19 December 2016	"Guidelines on the National Security Review of Investments". "Attracting global investments to develop world-class companies", Government of Canada news release, 19 December 2016.
P.R. China			
Investment policy measures	On 7 January 2017, the *State-owned Assets Supervision and Administration Commission* (SASAC) issued regulatory rules on outbound investments by central state-owned firms. SASAC also announced the release of a list of projects that Central state-owned enterprises would not be allowed to invest in. By the end of the reporting period on 15 May 2017, the list had not been made public.	7 January 2017	"Measures for the Supervision and Administration of Overseas Investment of Central State-Owned Enterprises", SASAC, Order No.35, 7 January 2017.
	On 17 January 2017, China's State Council announced a series of 20 measures to further liberalise inward foreign	17 January 2017;	"Notice on Several Measures on Increasing of Openness to Foreign

	Description of Measure	Date	Source
	investment, set out in the "*Circular On Several Measures on Expanding the Opening to and Active Use of Foreign Investment*". They include lifting and relaxation of investment restrictions in sectors including financial and other services, certain manufacturing and mining sectors, among others, and would be achieved through a future revision of the *Catalogue for the Guidance of Foreign Investment Industries* (the *Catalogue*) and other policies.		Investment and Active Use of Foreign Investment", Guo Fa [2017] No. 5.
	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, NDRC and MOFCOM jointly released the (Order No.33) Catalogue of Priority Industries for Foreign Investments in the Central and Western Regions, 17 February 2017.
Investment measures relating to national security	None during reporting period.		
France			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Germany			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
India			
Investment policy measures	Effective 25 October 2016, India liberalised foreign investment in financial services. Henceforth, foreign investment in 'other financial services' up to 100% is authorised under the automatic route, that is, without approval procedure. 'Other Financial Services' will include activities which are regulated by any financial sector regulator.	25 October 2016	Press note 6 (2016), Department of Industrial Policy and Promotion, Ministry of Commerce and Industry; "*Foreign investment in Other Financial Services*", RBI/2016-17/90, A.P. (DIR Series) Circular No.8.
	On 25 January 2017, the Reserve Bank of India announced the prohibition of direct investments by an Indian party in countries identified by the FATF as "non co-operative countries and territories".	25 January 2017	"*Prohibition on Indian Party from making direct investment in countries identified by the Financial Action Task Force (FATF) as 'Non Co-operative countries and territories'*", RBI/2016-17/216, A.P. (DIR Series) Circular No.28, 25 January 2017.
	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	3 March 2017	"*Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) (Second Amendment) Regulations 2017*", Reserve Bank of India (Notification), 3 March 2017.

	Description of Measure	Date	Source
	was required to obtain prior government approval for such conversion.		
Investment measures relating to national security	None during reporting period.		
Indonesia			
Investment policy measures	On 10 November 2016, Indonesia's central bank issued *Regulation No. 18/40/PBI/2016 concerning the Implementation of Payment Transaction Processing*. The regulation caps direct and indirect foreign ownership in principals and clearing/end-settlement processors (card and e-money), and payment gateway service providers to 20%; previously, there was no foreign ownership ceiling in this area. The new limit applies to: new companies in the electronic payment services sector; existing companies that expand into this sector; and existing companies in this sector that change ownership.	10 November 2016	Regulation No. 18/40/PBI/2016 concerning the Implementation of Payment Transaction Processing, 10 November 2016
Investment measures relating to national security	None during reporting period.		
Italy			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Japan			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Republic of Korea			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Mexico			
Investment policy measures	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.	27 March 2017	"*Competitividad y Normatividad / Inversión Extranjera Directa*", Government of Mexico,14 June 2017; "*Sistema de Asuntos Jurídicos para la Inversión Extranjera*"
Investment measures relating	None during reporting period.		

	Description of Measure	Date	Source
to national security			
Russian Federation			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Saudi Arabia			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
South Africa			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
Turkey			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
United Kingdom			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
United States			
Investment policy measures	None during reporting period.		
Investment measures relating to national security	None during reporting period.		
European Union			
Investment policy measures	None during reporting period.		

Methodology for the inventory presented in Annex 1 — Coverage, Definitions and Sources

Reporting period. The reporting period of the present document is from 15 October 2016 to 15 May 2017. 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.

Definition of investment. For the purpose of the inventory presented in Annex 1, international investment is understood to include only foreign direct investment. Investment policy measures not specific to FDI are not included in this inventory but shown in Annex 2 of this report.

Definition of investment measure. For the purposes of this annex, 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. Reporting on such policy measures has no legal effect on the rights and obligations of member states of the WTO, OECD, or UNCTAD.

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 and UNCTAD monitors these measures to help governments adopt policies that are effective in safeguarding security and to ensure that they are not disguised protectionism.

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 and UNCTAD Secretariats;
- other publicly available sources: specialised web sites, press clippings etc.

Investment measures included in this report have been verified by the respective G20 members.

Annex 2: Recent investment policy measures not specific to FDI (15 October 2016 to 15 May 2017) – Reports on individual economies[11]

Description of Measure	Date	Source
Argentina		
Effective 5 January 2017, Argentina shortened the holding period for foreign capital to zero days by modifying Decree No. 616/2005. Previously, and since 17 December 2015, investors had to hold capital for at least 120 days.	5 January 2017	Resolución 1 - E/2017, Ministerio de Hacienda, Mercado Cambiario, 4 January 2017; Modificación. Decreto N° 616/2005, Official Gazette, 5 January 2017
Australia		
None during reporting period.		
Brazil		
None during reporting period.		
Canada		
None during reporting period.		
P.R. China		
On 29 November 2016, the People's Bank of China promulgated the *Notification on Further Clarifications on Overseas RMB Loans by Domestic Enterprises*. The notice requires pre-registration of RMB-denominated loans and requires a shareholding relationship between a China-based lender and a foreign borrower.	29 November 2016	*Notification on Further Clarifications on Overseas RMB Loans by Domestic Enterprises*, People's Bank of China, 29 November 2016.
As of 1 January 2017, individuals are required to apply the acquisition of foreign exchange of any amount.	1 January 2017	*Notice re Improving Individual Foreign Exchange Business Information System*, SAFE Hui Fa [2016] No. 34, 30 December 2016.
On 26 January 2017, the State Administration of Foreign Exchange (SAFE) widened the scope of domestic foreign exchange loan settlement and facilitated foreign exchange management of multinational companies operating in China.	26 January 2017	"Further Promoting the Reform of Foreign Exchange Management and Improving the Realistic Compliance Audit", State Administration of Foreign Exchange, Circular [2017] No. 3, 26 January 2017.
France		
None during reporting period.		
Germany		
None during reporting period.		

[11] This inventory has been established by the OECD Secretariat under the responsibility of the Secretary-General of the OECD.

Description of Measure	Date	Source
India		
On 20 October 2016, the Reserve Bank of India announced that Foreign Venture Capital Investors would henceforth be allowed to invest in equity, equity linked instruments or debt instruments issued by an unlisted Indian company provided that the company is a start-up or that it is engaged in one of ten sectors (biotechnology, hardware and software development, nanotechnology, seed research and development, research and development of new chemical entities in pharmaceutical sector, dairy industry, poultry industry, production of bio-fuels, larger hotel-cum-convention centres and infrastructure sector).	20 October 2016	"Investment by a Foreign Venture Capital Investor (FVCI) registered under SEBI (FVCI) Regulations, 2000", RBI/2016-17/89, A.P. (DIR Series) Circular No.7.
On 27 October 2016, the Reserve Bank of India set out the conditions under which start-ups may take out External Commercial Borrowings (ECB). The possibility had been opened in the Fourth Bi-monthly Monetary Policy Statement for the year 2016-17 released on 4 October 2016.	27 October 2016	"*External Commercial Borrowings (ECB) by Startups*", RBI/2016-17/103, A.P. (DIR Series) Circular No.13.
On 3 November 2016, the Reserve Bank of India announced that Indian banks may henceforth issue Rupee denominated bonds overseas within the limit set for foreign investment in corporate bonds.	3 November 2016	"*Issuance of Rupee denominated bonds overseas by Indian banks*", RBI/2016-17/107, A.P. (DIR Series) Circular No.14.
On 17 November 2016, the Reserve Bank of India announced the liberalisation of foreign portfolio investment in unlisted corporate debt securities under certain conditions. Previously, such foreign portfolio investment was only allowed for companies in the infrastructure sector.	17 November 2016	"*Investment by Foreign Portfolio Investors (FPI) in corporate debt securities*", RBI/2016-17/138, A.P. (DIR Series) Circular No.19.
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 IDR 2.58 trillion, up from IDR 2,41 trillion set in September 2016.	31 March 2017	"*Investment by Foreign Portfolio Investors in Government Securities*", RBI/2016-17/265 A.P.(DIR Series) Circular No. 43
Indonesia		
None during reporting period.		
Italy		
None during reporting period.		
Japan		
None during reporting period.		
Republic of Korea		
On 1 January 2017, the Republic of Korea introduced a foreign currency liquidity coverage ratio (LCR), which requires commercial banks to hold 60% of their foreign exchange debt in high-quality liquid assets (HQLA) to withstand a 30 day net cash outflow in systemic risks. The ratio will be increased gradually to 70% in 2018 and 80% in 2019.	1 January 2017	Banking Supervision Regulation 2016-44, 5 December 2016, Article 63-2.
Mexico		
None during reporting period.		
Russian Federation		
None during reporting period.		

Description of Measure	Date	Source
Saudi Arabia		
None during reporting period.		
South Africa		
None during reporting period.		
Turkey		
None during reporting period.		
United Kingdom		
None during reporting period.		
United States		
None during reporting period.		
European Union		
None during reporting period.		

Methodology for the inventory presented in Annex 2 — Coverage, Definitions and Sources

Reporting period. The reporting period of the present document is from 15 October 2016 to 15 May 2017. 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.

Definition of investment. For the purpose of the inventory presented in Annex 2, international investment is understood to include all international capital movements; however, measures specifically concerning foreign direct investment are not reported in this Annex, but rather in Annex 1 of the present document.

Definition of investment measure. For the purposes of this Annex 2, investment measures consist of any action that either (i) imposes or removes differential treatment of foreign or non-resident investors compared to the treatment of domestic investors in like situations; or (ii) imposes or removes restrictions on international capital movements.

Reporting on international capital movements has no legal effect on the rights and obligations of member states of the WTO, OECD, or UNCTAD.

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.

Investment measures included in this report have been verified by the respective G20 members.

Annex 3: G20 Members' International Investment Agreements[12]

	BITs			Other IIAs			Total IIAs as of 15 May 2017
	Concluded between 15 October 2016 and 15 May 2017	Effectively terminated between 15 October 2016 and 15 May 2017	As of 15 May 2017	Concluded between 15 October 2016 and 15 May 2017	Effectively terminated between 15 October 2016 and 15 May 2017	As of 15 May 2017	
Argentina	1	1	56	1		17	73
Australia		1	17			18	35
Brazil			19	1		18	37
Canada			32	1		20	52
China			129			20	149
France			104	1		68	172
Germany			135	1		68	203
India		7	73			13	86
Indonesia		3	43			15	58
Italy		1	84	1		67	151
Japan	1		28			20	48
Republic of Korea			94			19	113
Mexico			32			15	47
Russian Federation			80			6	86
Saudi Arabia	1		24			13	37
South Africa			40			11	51
Turkey	3		98			21	119
United Kingdom			106	1		68	174
United States			46	1		68	114
European Union				1		66	66

Source: UNCTAD's IIA Navigator (http://investmentpolicyhub.unctad.org/IIA).

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[12] The total number of IIAs has been revised as a result of retroactive adjustments to UNCTAD's IIA Navigator (http://investmentpolicyhub.unctad.org/IIA).