Under the Investment Incentives Enactment 1975, an industry is eligible for *'Pioneer Company Status'* where the Brunei Economic Development Board declares that :

(a) the industry which the company operates is not being carried on in Brunei on a commercial scale suitable to local economic or development requirements;

(b) there are favourable prospects for further development of the industry, including development for export and

(c) it is expedient, in the public interest, to encourage the development or establishment of the concerned industry.

An Industry is eligible for *'Approved Industry Status'* where the Economic Development Board is satisfied that the increased manufacture of the product would be of economic benefit to the State or that such manufacture would be in public interest.

China

Under the Law on Joint Ventures using Chinese and Foreign Investment 1979 and Regulations for the Implementation of this Law, Sino-Foreign Joint Ventures are entities with a legal status established jointly by foreign companies with Chinese companies subject to authorization by the Chinese Government and to jurisdiction and protection of the Chinese Law. In general, the Chinese side provides a site, workshops, raw materials, cash or special skills as the investment while the foreign side provides technology, equipment, industrial property or cash in foreign currencies.

The joint ventures permitted are mainly in the following industries :

(a) energy development, the building material, chemical and metallurgical industries;

(b) machine manufacturing, instrument and meter industries and offshore oil exploitation equipment manufacturing;

(c) electronics and computer industries and communication equipment manufacturing;

(d) light textiles, foodstuff, medicine, medical apparatus and packing industries;

(e) agriculture, animal husbandry and agriculture;

(f) tourism and service trade.

Under the Regulations for Implementation of the Law on Joint Ventures, applications to establish joint ventures shall not be approved

if the project involves any of the following conditions; deteriment to China's sovereignty; violation of Chinese law; non-conformity with the requirements of the development of Chinese national economy; environmental pollution; and obvious inequity in the agreements, contracts and articles of association signed, impairing the rights and interests of one party.

Under the Joint Venture Law, a joint venture takes the form of a *limited liability company*. The equity contribution by the foreign participant should not be less than 25 per cent.

India

According to the Industrial Policy statement of 1980 and the Technological Policy of 1983, foreign investment is permitted on a selective basis in the field of high priority industries and in areas where the import of foreign capital and technologies is considered advantageous to the economy. Joint ventures are therefore, allowed if they are export-oriented or directly related to transfer of technology. Consequently, foreign investment not accompanied by foreign technology is not allowed. However, this policy was relaxed in 1980 in respect of investors from oil-exporting developing countries in specified industries and non residents Indian (NRIs) under certain conditions. Foreign equity participation without accompanying of technology is allowed in these cases.

The normal ceiling for investment is 40 per cent of the total equity. Higher equity participation upto 74 per cent can be considered provided the venture has a turnover of not less than 60 per cent in exports or a turn-over of not less than 75 per cent of industries in areas of national priority, involving sophisticated or closely guarded technology. Majority share holding at levels of over 74% can be approved on merit provided 100 per cent of the turnover is in exports. Government regulations also stipulate that foreign share capital should be in cash without being linked to tied import of machinery and equipment or to payment of know-how, trade marks and brand names etc.

The Government of India policy framework does not normally permit joint ventures in fields like banking, finance, commerce and trading. If the foreign equity is 40 per cent or less, the joint venture is treated on a par with domestic firms; borrowing from local banks and public financial institutions is freely allowed. All other facilities and benefits available to national companies are also available to joint ventures.

Indonesia

Under the Foreign Capital Investment Act of 1967, as amended in 1970, fields of activity which are closed to foreign investment exercising full control are those of importance to the country and in which the lives of a great many people are involved such as : harbours; production, transmission and distribution of electricity to the public, telecommunication, shipping, aviation, drinking water; public railways, development of atomic energy; mass-media and industries performing a vital function in national defence. In addition, the Government may further determine other specified spheres of activity to be closed to further foreign investment. The Decree No. 22 of 31 May 1986 sets out the Priority Rating List of Business Sectors for domestic and foreign investment. Areas open to foreign investment are subject to annual revisions.

In the context of joint ventures, the general rule is that a foreign investor must form a joint venture with an Indonesian partner. At the outset, at least 20 per cent of the shares of the joint venture company must be held by the Indonesian partner. However, exceptions are made where foreign investment valuing at least US $ 10 million is located in isolated areas and 85 per cent of its production is exported. Under Decision 12/SK/1986, Indonesian participation may initially be 5 per cent, but must further increase to 20 per cent within five years from the start of commercial production. Within 10 years thereafter, the foreign partner should offer the Indonesian partner the opportunity to increase his participation to 51 per cent. This requirement is also applicable to financing the capital expansion of an existing investment.

Iraq

The legal regime applied to foreign investment makes a distinction between Arabs and non-Arabs. Arab investors are treated on an equal footing with Iraqi investors. Non-Arab investments in Iraqi companies are not permitted.

The Arab Investment Law No. 46 of 1988 encourages Arab investment in industry, agriculture, services and tourism. This law also applies to new projects established by Arab investors. The participation of Iraqi nationals is optional and is limited to a maximum investment of 40 per cent of the project's capital. Non-Arab foreign investment is prohibited. The minimum investment is 5,00,000 Iraqi dinars.

Under the Law for Industrial Investment in the Mixed and Private Sectors, 1982 the maximum nominal capital which an industrial enterprise is permitted to have is : for mixed joint stock companies, no limit; for joint stock companies in which the share of the public sector is at least 20 per cent and no more than 50 per cent, 7 million Iraqi dinars; for other joint stock companies, 5 million Iraq dinars; for limited liability companies, 2.5 million Iraqi dinars. The debt-equity ratio may not exceed 150 per cent, except that there is no limit for joint stock companies.

Malaysia

There are no specific restrictions on foreign investment in Malaysia. Foreign investment is encouraged especially in : export-oriented industries; labour-intensive industries; resource-based industries with special emphasis on timber, rubber, palm-oil and tin-based products; agro-based industries, with a special emphasis on food industries; industries that will lead to technological development and the improvement of skills among Malaysian workers; industries able to integrate with existing industries, and the tourism industry.

In keeping with the objective of ensuring increased Malaysian participation in manufacturing activities, the Government policy encourages projects undertaken on a joint venture basis. Under the New Guidelines for Equity Participation for various types of industries 1986 in manufacturing activities, the following percentages of foreign equity are permissible : for projects which export 80 percent or more of their production, or which export 50 per cent or employ 350 full-time Malaysian workers where the application is made during the period 1 January 1986 and 31 December 1990, and the products do not compete with products presently manufactured locally for the domestic market, up to 100 per cent; for projects which export 51 percent to 79 percent of their output, up to between 51 percent to 79 percent; for projects which export 20 percent to 50 percent of their output, upto between 30 per cent to 50 per cent; for projects which export less than 20 percent of their output, upto 30 percent; for high technology industries given preference by the Government, up to 51 percent; and for projects involving the processing of non-renewable resources, upto 100 percent.

Where foreign equity is less than 100 percent, the balance of the equity to be taken up by Malaysians should be allocated according to the following; for projects initiated by foreigners and where no local partners have been identified, the balance of the equity will be reserved for nationals. However, in the case where 70 per cent or less of the equity is held by foreigners, only 30 per cent will be reserved for nationals and the remaining will be reserved for foreigners; for projects initiated by nationals on a joint venture basis with foreigners, the balance will be reserved for nationals.

Nepal

Under the Industrial Policy of 1981, foreign investment is encouraged in order to promote capital inflow, general technical expertise and improved productivity. Priority areas for foreign investment are determined by the Government and are limited to medium and large industrial enterprises. The Foreign Investment and Technology Act of 1982 defines Medium Industry' as an industry with a fixed asset value of more than 2 million rupees but not exceeding 10 million rupees and 'Large Industry' as an industry with a fixed asset value of more than 10 million rupees. The Act classifies industries as follows : production oriented industry; energy oriented industry; agro-based special industry; mineral excavation and processing industry; tourism industry; service industry; entertainment industry; and assembling industry.

Under the Industrial Policy, foreign investors are permitted to have a majority shareholding in medium-scale enterprises. In the case of large-scale enterprises, the foreign investment may amount to 100 percent. An industrial enterprise financed by foreign investment must be incorporated as a limited liability company in Nepal.

Pakistan

The Foreign Private Investment (Promotion and Protection) Act, 1976, seeks to promote foreign private investment in any industrial undertaking : (a) which does not exist in Pakistan and the establishment thereof is desirable; (b) which is not being carried on in Pakistan on a scale adequate to the economic and social needs of the country; or (c) which will contribute to the development of capital, technical

and managerial resources of Pakistan; the discovery, mobilization or better utilization of national resources; the strengthening of the balance of payments of Pakistan; increasing employment opportunities in Pakistan; or the economic development of the country in any other manner.

The Industrial Investment Schedule of the Fifth Plan lists the priority industries for joint ventures with foreign investors. In the Schedule, particular attention has been paid to industries which have visible export potential; industries producing capital and intermediate goods; downstream of major industries like the Pakistan Steel Mills; industries requiring sophisticated technology or of high capital intensive in nature. Foreign investors can also invest or collaborate with public sector agencies for the establishment of heavy capital goods industries.

There is no legal limitation on the extent of foreign equity participation in projects approved by the Government. The Government, however, expects that at least the rupee expenditure required would be met from local equity capital. Even 100 per cent foreign investment can be considered if the industry is useful to the economy. Cases of 60 to 70 per cent ownership are not uncommon.

Philippines

The Omnibus Investment Code of 1987 has established two schemes, namely, preferred areas of investment with incentives (Registered Enterprises) and investment, without any incentive. The Code defines 'Registered Enterprise', *inter alia,* as a corporation or other entity incorporated and/or organized under existing laws and registered with the Board of Investments. A corporation organized under the Philippine laws is treated as a Philippine national if at least 60 per cent of its capital stock is owned and held by citizens of the Philippines.

'*Pioneer Enterprise*' is a registered enterprise

(i) engaged in manufacture, processing or production of goods, products, commodities or raw materials that have not been or are not being produced in the Philippines; or

(ii) which uses a design, formula, scheme, method, process or system of production or transformation of any element, substance or raw materials into another raw material or finished goods which is new and untried in the Philippines; or

(iii) engaged in the pursuit of agricultural, forestry and mining activities and/or services deemed by the Board of Investments highly essential to the attainment of the national goals

(iv) which produces non-conventional fuels or manufactures equipment which utilizes non-conventional sources of energy or uses or converts to coal or other non-conventional fuels or sources of energy in its production, manufacturing or processing operations provided that the final product in any of the foregoing instances involves or will involve substantial use and processing of domestic raw materials, whenever available, taking into account the risks and magnitude of investment. (Art. 17).

The Board of Investments brings out annually an Investment Priorities Plan. The plan includes the specific activities and generic categories of economic activity where investments are to be encouraged and the corresponding products and commodities to be grown processed or manufactured pursuant thereto for the domestic or export market.

To qualify for the status of a registered enterprise, the foreign investor must establish the following :

(i) that it proposes to engage in a pioneer project which, considering the nature and extent of capital requirements, processess technical skills and relative business risks involved, is, in the opinion of the Board of Investments of such a nature that it cannot be readily and adequately carried out by Philippine nationals;

(ii) that it obligates itself to attain the status of a Philippine national within 30 years from the date of registration, or within such longer period as the Board may require, taking into account the export potential of the project, provided that a registered enterprise which exports 100 per cent of its total production need not comply with this requirement;

(iii) that the pioneer area it will engage in is one that is not within the activities reserved by the Constitution or other laws of Philippines to Philippine citizens or corporations owned and controlled by Philippine citizens.

Without any incentive a foreign investor may invest :

(i) in any registered enterprise to the extent that the total investment made by him therein would not affect its status as a registered enterprise under the law;

(ii) in a non-registered enterprise to the extent that the total investment made by him therein shall not exceed 40 per cent of the

outstanding capital of that enterprise. If such an investment exceeds 40 per cent, the enterprise is required to obtain prior permission from the Board of Investment.

Qatar

Under Act No. 3 of 1985 concerning the participation of non-Qatari capital in economic activities, fields of foreign investment include:

(a) Minor trades such as tailoring, hairdressing, iron and metal working, upholstering, ordinary repair work and other similar trades.

(b) Certain large industrial and agricultural projects, if they have one or more Qatari partner, provided that not less than 51 percent of the company's capital is Qatari-owned. Large industrial and agricultural projects include the following: industrial or agricultural projects with an invested capital of not less than a quarter of a million Qatari Riyals and a permanent work-force of not less than 10 persons; projects that require specialized foreign management and in which the foreign party insists on participation in return for agreeing to undertake such management; medium and heavy industries that require a high level of technical expertise; projects for the production of feedstock, cereals, vegetables, fruits, sugar and cotton, excluding the food industries; air-conditioned greenhouse projects; projects for the production of meat, fish, eggs and milk, excluding the dairy produce industry; and other additional projects in accordance with the requirèmens of public interest.

Under the 1985 Act, a project is not considered industrial unless the cost of raw materials of local origin, local labour and other local production costs involved in the manufacturing process represent not less than 40 per cent of the total production cost.

Under the 1985 Act, foreigners may also be permitted to invest capital with a view to promoting economic development, facilitating the rendering of a public service or providing a public utility in the field of industry, agriculture, mining , energy, tourism or contracting activities.

Joint venture companies are required to be registered in the Commercial Register maintained by the Ministry of Economy and Commerrce.

Republic of Korea

The foreign Capital Inducement Act 1966 (as amended in 1983) has adopted a negative list system in that it enumerates only those industries in which foreign investment is prohibited or temporarily restricted. This means that of the 999 industries categorized, only those that are restricted or prohibited are listed, all other industries being left open to foreign investment. The prohibited projects include those which are carried on by public organisations, such as water supply and sewerage, mail service, telegraph and telephone services, railroad transporation, manufacturing of tobacco, projects hazardous to health and the environment; objects against policy such as casinos; and publication of newspapers, radio broadcasting.

"*Restricted Projects*" include government related businesses; high energy consumption businesses; businesses using proportion of imported materials; luxury businesses; businesses affecting farmers and fishermen; and infant industries.

As of June 1988, 788 of the 999 industries, i.e., 78.9% of the total, were open to foreign investment. In the case of the manufacturing sector, in particular, 509 of 522 industries, or 97.5% per cent, were open to foreign investment.

The guidelines for foreign Investment, effective from 7 January 1988 are as follows:

(1) The minimum allowable amount of foreign investment shall be equivalent of US $ 100,000. This amount may be reduced to US $ 50,000 when the foreign investor introduces technology and enters into a joint venture agreement with a domestic small or medium- sized company to form a new small or medium-sized enterprise. There is no restriction on additional investment.

(2) Approval of the Minister of Finance is required in wholesale and retail trade sector which are not prohibited or restricted.

(3) The Minister of Finance approves foreign investment in the following areas provided a joint venture is formed with an existing Company either authorised or licensed for that area of business:

Construction;

Non-life insurance;

Distilling of ethyl alcohol, manufacture of *ginseng* wine and *soju* and *cheongju* (taditional Korean liquors).

The Minister approves foreign investment in the followisng industrial sectors only for joint ventures with an existing domestic company in the same line of business:

Manufacture of diesel engines (above 320 H.P.);

Manufacture of cultivators, tractors, rice planters, binders, combines and sprayers;

Manufacture of excavators, loaders, bulldozers, cranes and motorgraders;

Manufacture of transformers, circuit-breakers, gas insulated substations (GIS), disconnecting switches among ultra high voltage (above 554 KV) and heavy electric machinery;

Manufacture of optical fibres, optical fibre-covered wires and cables;

Manufacture of motor vehicles;

Manaufacture of electronic switching systems;

Manufacture of textile fabrics;

Manufacture of silicon steel, manganese, steel and silicon-manganese alloy steel;

Bleaching, dyeing and finishing textiles;

Manufacture of vegetable oils and fats, and de husking and milling cereals;

Manufacture of beans and similar products; and

Manufacture of starches.

There are no specific restrictions on equity participation. Even 100 per cent foreign ownership is allowed on a case by case basis. Foreign-invested enterprises are considered as domestic enterprises under the Korean Law.

Sri Lanka

There are two legal regimes applicable to foreign investments in Sri Lanka.The first includes the Greater Colombo Economic Commission Act, 1978 (amended in 1983) which is applicable to investments authorized by the Greater Colombo Economic Commission Area (Area Enterprise) and the investments licensed to be set up outside the Commission area by the Greater Colombo Economic Commission (lincensed Enterprise). The second includes, *inter alia*, the regulations generally applied to investments outsides the Commission Area except the Licensed Enterprise.

"*Area Enterprise*" means an enterprise with which the Greater Colombo Economic Commission has entered into an agreement and which carries on or is proposing to carry on business within the Greater Colombo Area. "*Licensed Enterprise*" means an enterprise with which the Greater Colombo Economic Commission has entered into an agreement and which carries on or proposes to carry on any business outside the Greater Colombo Area.

There are no specific provisions with respect to areas of foreign investment. In the public sector, foreign investment is allowed on a case-by-case basis as well as that in the private sector and is advantageous in the national interest.

The Commission has elaborated a list of areas suitable for investment in the Greater Colombo Area. This list includes: garment manufacture; cosmetics and pharmaceuticals; photographical and optical equipment; rubber based products; leather products; coconut-based products; small metal articles; electronic items; fibre glass, boats computer applications; fine mechanics; light engineering; wooden products; household equipment; precious stones; food processing; tea-based products; light electrical engineering; insurance; and banking including off-shore banking.

Areas of investment outside the Greater Colombo Area include industrial and mineral exports (graphite, ilemnite, essential oils coir fibre bristle, cocunut shell charcoal); new industrial exports, (beedies, sauces, pickles, chutneys, liquor, wheat bran, garments, batik, leather etc.); new agricultural exports (pine apple, passion fruit, cut flowers, manioc chips and animal foods, bees' honey, mulberrry, lemon grass); agriculture exports (cinnamon, cardamom, pepper, cocoa, tobacco); fishing industry, and tourist industry.

For investment in the Greater Colombo Area, there are no specific restrictions on equity participation. Even 100 per cent foreign ownership is allowed. Foreign investment outside the Commission Area should take the form of joint ventures where the majority of shares in equity is usually held by Sri Lankan partners. The proportion, however, would differ depending on the capital intensity and level of technology of the project and the quantity of output that would be exported. Employment generation, scope for technology transfer and the export potential are the main criteria for approval of projects.

Singapore

There are virtually no restrictions to foreign investment in Singapore, except that public utilities and telecomunication services are reserved for the government. Areas of investment of the greatest potential for future growth include services, banking and financial services, manufacturing (electronics, biotechnology, optics and related areas); and international trade.

There are no restrictions on equity investment participation. However, for investment in retail and marine services, the Department of Trade usually insists on majority local participation. There are certain restrictions concerning acquisition of shares in Singapore Incorporated Banks by foreigners.

Under the Economic Expansion Incentives (Relief from Income Tax) Act, 1985, certain types of companies are given relief from income tax. These are as follows : (a) companies which are desirous of producing a pioneer product activity (*Pioneer Enterprise*); (b) companies which are engaged in any qualifying activity (*Pioneer Service Company*); (c) Companies intending to incur new capital expenditure for the purpose of the manufacture or increased manufacture of an approved product in case the expenditure exceeds US $ 10 million (*Expanding Enterprise*); (d) a pioneer service company intending to substantially increase the volume of that service *(Expanding Service Company)* (e) companies which are manufacturing or propose to manufacture any export product in case export sales of the export product will not be less than 20 per cent of the value of its total sales and will not be less than US$ 100,000 (*Export Enterprise*); (f) companies engaged in international trade in qualifying manufactured goods or Singapore domestic produce and the export sales of those goods or produce exceed or are expected to exceed US $ 10 million per annum *(International Trading Company)*; Industries which raise a loan of not less than US $ 200,000 from a non-resident person for purchase of a productive equipment (Approved foreign loans for productive equipment); companies entering into an agreement with a non-resident person whereby royalty or technical assistance fees or contributions to research and development costs are payable to the non-resident person (*Approved Royalties, Fees and Development contribution*); (i) companies desirous of using in Singapore a new technology in relation to a product, process or service *Technology Company*; (j) companies intending to incur fixed capital expenditure of not less than US $ 2 million for the establishment or improvement of warehousing facilities or for the purpose of providing technical or engineering services (*Warehousing Company or Servicing Company*); (k) companies which carry out a project for the manufacture or increased manufacture of any product; the provision of specialized engineering or technical services; research and development; construction operations etc. reducing the consumption of potable water (*Aproval Investment Allowance*); (l) companies or firms intending to provide consultancy services in connection with or in respect of any overseas project in case where that part of its consultancy revenue which is attributable to those services exceeds or is expected to exceed US $ 1 million per annum (*Consultancy Company*).

Syrian Arab Republic

The Syrian Arab Republic encourages the mixed and private sectors to play a more effective role within the context of general State planning. The scope of the mixed sector has been expanded and emphasis has been placed on productive projects in this sector.

Under Legislative Decree No. 10 of 1986, Syrian joint stock companies may be established in the vegetable and animal sectors provided the participation of the public sector amounts to not less than 25 per cent of their capital. The maximum holding by any individual non-public-sector shareholder must not exceed 5 per cent of the total shareholding in the company's capital.

Under Decree No. 35 of 1986, defining the scope for investment in the industrial sector, the industries listed in this Decree constitute the private and mixed industrial sector activities for which licences may be granted. Industrial sectors include; food industries; textile industries; chemical industries and engineering industries.

Thailand

The major law governing foreign investment in Thailand is the Alien Business Law, 1972. It provides for three categories of business: A, B and C. Business categories 'A' and 'B' are closed to aliens. Businesses in these categories include agricultural business, commercial business and service business. Business in Category 'C' is open to aliens subject to Ministerial Regulation. However, the authorities have established a policy of issuing no new permits to new alien businesses in this category unless they are convinced that such new businesses could not be competently conducted by firms in which the majority ownership is Thai. Businesses in category 'C' include (a) commercial businesses (All wholesale trade except in items included in category 'A', all exporting, retailing of machinery, equipment and tools, selling of food or beverages for promotion of tourism); industrial and handicraft businesses (manufacturing of animal feed, vegetable oil refining, textile manufacturing including yarn spinning, dyeing and fabric printing, manufacturing of glassware including light bulbs, manufacturing of food bowls and plates, manufacturing of stationery and printing paper, rock salt, mining; (c) service business (Service business not included in category 'A' or category 'B'). Businesses which are not listed in the Alien Business Law are open to aliens except as may be provided in other laws, such as relating to commercial banks, commercial fishing, aircraft, commercial transportation, commercial export and mining.

There is no general rule of foreign equity participation, However, under the Investment Promotion Act, 1977, a project will be approved based on the following conditions: for a proposed industrial investment, the products of which will be mainly sold within the country, it will normally be required that Thai nationals hold not less than 51 per cent of the total registered capital; for projects in the field of agriculture, animal husbandary, fishing, mineral prospecting, mining and services, not less than 60 per cent of the shares will normally be required to be held by Thai nationals; and for investments in manufacturing where not less than 50 per cent of production will be exported, a majority of the capital may be held by foreign investors, and where the production will be entirely exported, foreign investors may hold 100 per cent of the capital.

Vietnam

Under the Law on Foreign Investment enacted in 1987, foreign investment is welcome in Vietnam for contractual business co-operation, or for the establishment of a joint venture or an enterprise with 100 per cent foreign invested capital. The State encourages investment in the following sectors; implementation of major economic programmes, export production and production of import-substitution products; high-technology industry using skilled labour; intensive investment for exploitation and exhaustive utilization of possibilities and for raising the output capacities of the existing economic establishments; labour-intensive production using materials and natural resources available in Vietnam; building of infrastructure; and foreign currency-earning services; tourism, ship-repair, airport, seaport services and other services.

Yemen Arab Republic

The main regulation relating to foreign investment in Yemen is Act No. 1 of 1975 concerning the promotion and regulation of investment. It defines *'project'* as any venture or institution established, in the name of an individual or body corporate, with national and/or foreign capital and which operates in the field of industrial or agricultural production, tourism or any other economic sector which helps to increase national production. A *'national project'* refers to a project in which 90 per cent or more of the capital is owned by nationals. A *'mixed project'* means any project in which more than 10 per cent but less than 90 per cent of the total capital is foreign based. A *'foreign project'* means any project in which 90 per cent or more of the capital is foreign-owned.

Subject to the approval of the Government, foreign capital may be employed in all fields of investment, in particular, industrial projects, agricultural projects, animal-resource projects and tourist projects.

For industrial projects, the value of the machinery and equipment needed for production, excluding land and buildings, must be not less than 250,000 Yemeni Rials in the case of national projects; 250,000 US dollars or their equivalent in the case of foreign projects, and 125,000 US dollars in the case of mixed projects.

AFRICA

Arab Republic of Egypt

The new Investment Code (Law No. 230 of July 1989) defines *'Egyptian capital'* as investment capital owned by an individual or a body corporate the majority of whose capital is owned by Egyptians. The term *'Arab Capital'* means investment capital owned by an individual holding the nationality of an Arab State or by a body corporate the majority of whose capital is owned by persons holding the nationality of an Arab State. The expression *'foreign capital'* means investment capital owned by an individual holding the nationality of a non-Arab State or by a body corporate the majority of whose capital is owned by persons holding the nationality of a non-Arab State. The term *'Investment Capital'* means (a) freely convertible foreign currency invested in Egypt; (b) machinery equipment, raw materials, commodities and means of transport imported from abroad to establish or expand an enterprise; (c) intangible assets held by persons resident abroad for use in the enterprises, such as patents, trademarks, the profits on an enterprise transferable abroad provided they are used to suppplement or increase its own capital or invest in another enterprise; (d) local currency paid out in Egyptian pounds by an individual or body corporate, the majority of whose capital is owned by Egyptians; (e) domestic intangible rights and asssets for use in the establishment or expansion of an enterprise; and (f) profits on the domestic capital provided that they are used to supplement or increase the capital of the enterprise concerned or to invest in another enterprise.

The Investment Code lists the following fields for investment: reclamation and cultivation of uncultivated and desert land; industry; tourism; and housing and construction. The Council of Ministers is authorised to add other areas of investment, according to the country's needs and economic situation, requiring advanced technology or aimed at increased exports and reducing imports or intensifying the use of manpower.

Egyptian, *Arab* or *foreign* capital may be invested separately or jointly in the areas of investment included in the Code. If required in public interest, the Prime Minister may specify certain areas in which Arab and/or foreign capital may not be invested otherwise than jointly with Egyptian capital and its proportional participation.

Ghana

Under the Investment Code of 1985, the role envisaged for foreign investment includes, assistance to the economy in terms of development of natural resources; employment creation; contributing to the rural development effort to achieve balanced development; transfer of technology and managerial skills to citizens; and provision of linkages between different sectors of the economy.

Priority sectors for foreign investment under the Code include: (a) agricultural processing and preservation of agricultural produce; live stock rearing; land provision for agricultural services; (b) export-oriented manufacture; manaufacturing industries that use predominantly local raw materials; and manufacturing industries that