LEGALINK

INTERNATIONAL BUT PERSONAL

FIVE ADVANTAGES OF DOING BUSINESS IN...

FOR PRIVATE CLIENTS AND CORPORATE ENTITIES

INTRODUCTION

The Legalink Companies, Trust and Taxation Practice Group has compiled this guide by asking its members to give 5 reasons why an investor would want to do business within their jurisdictions. It makes interesting reading, giving an “on the ground” picture of the positive aspects of the business environment in 34 jurisdictions giving information that is true to the hallmark of Legalink... **”International but Personal”.**

This guide would also allow members to identify legal synergies or “best friends” jurisdictions in order to propose to their private or corporate clients solutions “beyond the borders”.

This presentation will be periodically updated and jurisdictions will be added.

Andrew Demetriou
Nicolas Bernardy

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AUSTRALIA
PIPER ALDERMAN

1. Australia has a safe and stable investment environment, strong rule of law and respect for property rights. The quality of governance in Australia is among the best in the world.

2. The Australian Government recognises that foreign direct investment has helped build Australia's economy and welcomes foreign investment. The Australian Government offers special visa pathways for entrepreneurial and high net worth individuals.

3. Australia remains one of the world's easiest places to do business* (14th overall and 4th of economies of more than 20 million population).

4. Australia has a strong and growing economy, a talented and diverse workforce and an abundance of safe haven assets which are inflation hedging and generate uncorrelated returns.

5. Australia is strategically located in the fast-growing Indo-Pacific region with access to existing stable and burgeoning markets and has strong geographic, trade and cultural links with the region.

World Bank 2018 Doing Business Survey
Piper Alderman is an Australian law firm with a national footprint. We advise on a broad range of corporate and commercial transactions for major Australian and international corporations, fund managers and high net worth families and private clients. We regularly advise on in-bound foreign direct investment, including investment and tax structuring, foreign investment approvals, due diligence and transaction execution.

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AUSTRIA
FIEBINGER POLAK & PARTNERS RECHTSANWÄLTE GMBH

Five good reasons for private individuals to reside in Austria:

— no gift tax

— no estate tax

— no property tax

— one of the best places to live (Vienna just voted top city worldwide by The Economist and the annual Mercer study 2018).

— member of EU, so safe, reliable, rule of law.

Five reasons for corporate entities to base seat in Austria:

— traditional hub to Eastern Europe

— taxwise linked through a dense web of double taxation treaties

— easy sourcing of skilled labour (but high labour cost)

— very efficient corporate system, easy incorporation , low minimum form and annual tax requirements.

— member of EU, so safe, reliable, rule of law.

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FLANDERS
FIT https://www.flandersinvestmentandtrade.com/invest/en

BRUSSELS
http://hub.brussels/en/

WALLONIE
AWEX http://en.investinwallonia.be/home?lng=en

Suggestions:
Are you a high net worth individual?
Think about Estate and Succession planning, asset protection, private foundation, family wealth management companies, retirement, family offices, citizenship,...

Are you a non-domestic resident?
Think About Relocation, exit tax, tax regime for non-domestic residents, Ex- Patriate / Non – Domiciled Investment Incentives / Taxation,...

Are you active in the private equity field?
Think about Private Equity Investment Vehicles, partnerships,...

Do you want to start/support charities or philanthropic activities?
Think about Foundation, special tax status,...

Do you want to make Real Estate Investments?
Think about Incentives / Taxation / Exit,...

Do you want to create, develop or exploit IP?
Think about IP protection, R&D, royalties,...

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Are you looking for a jurisdiction where you can easily set-up companies?
Think about Ease of Establishment, Affordable Running Costs, Nominee Directors / Shareholders, Affordable Legal and Audit Fees, Holding Company Jurisdiction, Flexible Banking Polices,...

Are you looking for fiscal security and stability?
Think about Transfer/Advance Pricing Arrangement, Beneficial taxation, Tax rulings,...

Do you need support to start or develop your activities?
Think about Government Initiatives for Specific Economic Sectors, External Initiatives e.g. China Belt and Road for Specific Economic Sectors, Advantages Arising from National or International Membership of National or International Trade Groupings, Trade Alliances and/or Trade Initiatives,...

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BRAZIL
FELSBERG ADVOGADOS

1. A country of opportunities and a strong need for a modernized infrastructure

Brazil is a market of over 200,000,000 consumers, which is growing and has a strong need for infrastructure.

There is a current concern to improve the infrastructure, which is reflected in the passing of new legislation in the past months for the privatization of certain governmental assets (e.g., Fortaleza, Salvador, Porto Alegre and Florianópolis Airports) and in the awarding of concessions on a reasonably realistic schedule.

For the coming years there are several opportunities in infrastructure, such as:

(i) Investment Partnerships Program (PPI): Law 13,334 of September 13th 2016, provides for a framework under which projects on different regimes (common concessions, PPPs, authorized projects, etc.) shall evolve over the next few years;

(ii) Airports: The federal government intends to privatize relevant airports in Brazil, such as Maceió, State of Alagoas, João Pessoa, State of Paraíba and Santos Dumont Airport, in Rio de Janeiro;

(iii) Eletrobras: The federal government officially announced its intention to privatize the electricity company Eletrobras;

(iv) Privatization or restructuring of water and sanitation state companies: The privatization of this sector gained a new impulse in 2018 and should represent a great opportunity for private investors to take over this sector, in which private participation is still low (only 6% of operations are carried out by private companies in Brazil);

(v) Railways: The railway system in Brazil is still precarious and inconsistent with its territory and freight needs. By 2015, it had only 30,000 Km (23,000 km in operation), as compared with 228,000 Km in the United States;

(vi) Public lighting: The federal government is also supporting municipalities to implement long-term PPPs for their public lighting needs; and

(vii) Other opportunities: There are many other opportunities under the power and attributions of the federal, state and municipal administrations, including without limitation, opportunities in urban mobility (subways, monorails, rapid bus systems), social infrastructure (public hospitals, public schools, housing and projects, etc.), municipal concessions (waste management services, cemeteries, public parks, convention centres, etc.).

BRAZIL | FELSBERG ADVOGADOS

1. Fight against corruption makes compliant foreign investors become more competitive
Prosecution against corruption criminal offenses has already put highly placed public officers and companies' officers in jail. The fight against corruption shall continue for the foreseeable future. Brazil and the investor community will benefit from a cleaner and fairer business and governmental environments. Indeed, foreign investors who are concerned about operating in a compliant manner become more competitive, as they do longer have to compete with companies that gain markets by making use of corruption practices.

2. Equal treatment to foreigners in a legal certain environment
Brazilian Constitution provides for that foreign entities are equal to nationals. Thus, except for a few exceptions justified by the sensitive nature of the area of the investment, there are no limitations for foreigners to invest in Brazil.

Furthermore, as a democracy, the principle of legality is observed as well as other basic principles that give a foreign investor a certain comfort to invest in the country, such as the non-retroactivity of the law, the immediate application of the law, the access to justice, etc.

In terms of IP protection, it is noteworthy that trademark and patents benefit from protection in compliance with international standards. Indeed, Brazil is a signatory of the main international intellectual property treaties (such as the Paris, Bern and Rome Conventions, and TRIPS).

3. Tax incentives
The use of tax incentives is a significant feature of the Brazilian business environment. Generally, tax concessions may be granted by Federal, State and/or Municipal tax authorities to encourage foreign and local investments, as well as to promote specific economic sectors and local social development.

Such incentives – which usually are comprised of tax exemptions, reductions, suspensions and/or special regimes – reduce the overall corporate tax burden, creating an investor-friendly environment. In most cases, taxpayers are required to comply with specific regulations, conditions and ancillary obligations. Besides the tax reductions, in certain areas investors may also be granted with other incentives, such as free-lease of land, urbanized road system, water supply and telecommunications networks, sanitary sewer and rainwater drainage, among others.

It is worth mentioning that Brazil has a main Free Trade Zone in the State of Amazonas (Zona Franca de Manaus – "ZFM"). Within the ZFM, several tax benefits are granted for industrial

BRAZIL | FELSBERG ADVOGADOS

companies, and they are applicable to (i) Import Tax; (ii) Federal Excise Tax ("IPI"); (iii) Federal Social Contributions ("PIS/COFINS"); (iv) Income Tax ("IRPJ/CSLL"); (v) State VAT ("ICMS"); and/or (vi) Property Tax ("IPTU").

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CHILE
GRASTY QUINTANA MAJLIS

1. Legal and political

Chile offers a very business-friendly legal and political environment, oriented to promote economic growth and free trade. Chile is part of commercial and economic agreements with more than 60 countries, and is an active member of several international organizations, such as APEC, OECD, WTO and WIPO (the World Intellectual Property Organization).

Local initiatives are also frequently taken to promote foreign investment. An example of that is Law 20.848, which establishes the legal framework for direct foreign investment in Chile. Among other things, the law commands the President to define a development and promotion strategy for foreign investment, created a ministers' committee on the matter, and created the Foreign Investment Promotion Agency.

Regarding tax, Chile offers an attractive landscape for foreigners, even considering the reforms that have been implemented in the last couple of years. Current tax measures, like accelerated depreciation, tax exemptions on numerous transactions, and the possibility to obtain tax credits from many others, have proven to be very effective in helping to make foreign investment easier in Chile, especially for first-time investors.

Chilean corporate legislation also offers many different structures to choose from when incorporating a business entity in our country. The most popular are sociedades anónimas (stock corporations), sociedades de responsabilidad limitada (limited liability partnerships) and sociedades por acciones (companies limited by shares), but there are several other kinds of entities available. The incorporation process is fairly simple, and, since 2013, in some cases can even be completed electronically, in one day, under the system called "Empresa en un día".

2. Economic

According to data from the World Bank Group, its GDP has grown more than 8 times between 1990 and 2017. This has allowed, among other things, to significantly reduce the country's poverty levels, from 26% in 2000 to 7.9% in 2015.

Our country has a wide variety of natural resources. Chile is globally known for its mining industry – approximately 28% of the world's copper production, 54% of the world's lithium reserves, among others – but its agricultural, fishing and food industries (particularly fruit, salmon, and wine) have also contributed to Chile's vibrant economy, which has registered international-trade surpluses each year, consecutively, since 1999, reaching almost USD 7 billion in 2017.

Nonetheless, Chile is very earnest regarding its fiscal behavior. It has maintained a stable, moderate fiscal spending (on average, 19.9% of the GDP between 1990 and 2000, and 20.8% between 2001 and 2015), very conservative fiscal debt (negative between 2005 and 2015, 0.9% of the GDP in 2016, and 4.4% in 2017), and sober monetary policies (annual inflation has fluctuated between 0.353% and 4.395% since 2009, and should not exceed 4% this year).

3. Energy, tourism and infrastructure

The Chilean territory is unique in its variety. Warm weather and desert in the north, cold weather and rain in the south, and a Mediterranean weather in the center, our environment is suitable for all kinds of investments.

In the north, the Antofagasta, Atacama and Coquimbo regions are ideal for solar energy investments. In 2016, Chile became Latin America's biggest solar energy producer. Investors from China, Europe and the United States have already begun operating in our country, with projects like Cielos de Tarapacá and Tamarugal Solar. The north also has tremendous potential for the production of geothermal energy, and, in the south, there are many Australian, European and American investments in the hydro-energy sector, especially between the O'Higgins and the Bío-Bío regions, with significant potential in the Aysén region.

Chile also has world class tourist attractions all around its territory, which are visited by foreign tourists more and more every year – especially Argentinians and Brazilians, though Europeans and Asians showed impressive increases last year (6.3% and 22.9%, respectively) –. In 2017, our country received almost 6.5 million tourists, 14.3% higher than 2016, and the industry registered sales for USD 4.2 billion in 2017, 35.6% higher than the previous year. Nonetheless, the number of foreign tourists visiting our country this year is expected to increase in approximately 8-9%, to more than 7 million visitors.

Our country's top quality transportation infrastructure also allows these industries to continue to grow. Chile's 77,764 kilometers of highways (including 2,387 kilometers of freeways) are among the best of the region, and our ports are also recognized as some of the more efficient in Latin America and the Caribbean, moving more than 46 million tons during 2017 – an increase of more than 4% in comparison to 2016, and 8.51% higher than 2015 –.

4. Social and technological

Chile's population is highly technologized. A survey conducted in 2016 showed that browsing through the internet is the fourth most frequent amusement activity engaged by Chilean people.

Chile's population, according to the 2017 census, is 17.574.003. According to a study conducted by the Telecommunications Undersecretary, there were 19.4 million internet connections registered at the end of 2017, of which 16.3 million were mobile internet connections (and 93.1% of them were through smartphones). This means that there is tremendous potential in Chile for the development of digital marketing and e-commerce. There are currently 5.5 million e-commerce users in Chile, and sales reached USD 4 billion in 2017, and are estimated to reach USD 8 billion in 2020. Even though Brazil is the leader in Latin America, Chile has the highest average amount spent on e-commerce, at USD 223 per capita.

Accordingly, technological development is also one of our government's top current priorities. In the last couple of years, following the example of privates and other countries, the Chilean government has implemented several initiatives toward the digitalization of its institutions. The issuance of certificates by the Civil Registry, the filing of claims before the National Consumer Agency, the filing of affidavits and information before Ministry of Environment, and – most remarkably – the filing and processing of lawsuits before the Courts, are just a few of many other processes that have been almost completely digitalized, in an effort to lower the costs, and improve the quality of the service provided by those entities; and there are many more to come.

The Chilean government is also constantly promoting the development of innovation. Many government institutions, such as the Ministry of Economy and the Corporation for the Promotion of Production (CORFO), actively finance business, scientific, technological and entrepreneurship projects through specific public agencies (mainly Innova Chile and the National Commission for Scientific and Technological Research, CONICYT). The government has also created agencies like Start-Up Chile, an institution that promotes innovative, sustainable entrepreneurship projects, which has been recognized as one of the world's top ten agencies of its kind, currently participates in more than 1.300 startup projects, and is valued in approximately USD 1.4 billion.

Finally, Chilean society is slowly turning multicultural due to migration. Chile's prosperity and sociopolitical stability has attracted thousands of immigrants, who have moved to our country looking for a better future. Between 2005 and 2015, there was a 200% increase in the number of immigrants in Chile (mainly from Haiti, Colombia and Venezuela), and, currently, that number approximately amounts to 1.1 million.

CHILE | GRASTY QUINTANA MAJLIS

Chilean migration law is very accessible for foreigners, especially technicians and professionals, who can easily obtain work authorizations and different kinds of visas to live in Chile. However, because of the issues that migration can cause (regarding housing, healthcare, education, etcetera), some reforms were implemented this year – and others are currently being discussed in Congress – to stablish a clearer and more organized migration legislation.

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COLOMBIA
MUÑOZ, TAMAYO & ASOCIADOS

1. Attractive Business Environment

In the last decade Colombia's GDP has doubled, showing a strengthening in the macroeconomic variables and presenting a dynamic performance in the economic development. Colombia is also leading in sustainable growth in the Latin America region.

Because of the Peace Treaty with FARC, signed in 2016, it is expected that during the following 10 years the Colombian industry sector will have an additional expected growth of 20%, agriculture by 22% and the construction sector by 40%.

Considering that in Colombia there is a large variety of sectors that present opportunities for investment, the Government made significant efforts in providing a safe and stable environment for investment.

Recently Colombia joined the Organisation from Economic Co-operation and Development (OECD), which will help public institutions in Colombia to meet standards of the developed world.

2. Active and strong trade platform

Colombia has strong and extensive trade relations with over 180 countries. Our integration with eight free trade agreements in force, four more that have been signed and are pending ratification, and two additional ones under negotiation, establishes Colombia as a solid export platform to different economic areas in the world.

2.1.Free Trade Agreements in force:

- Andean Community - constitutes a free trade agreement with Bolivia, Ecuador and Perú.
- The United States - Colombia Trade Promotion Agreement (FTA).
- Central American Northern Triangle (El Salvador, Guatemala, and Honduras).
- Pacific Alliance(founding member, along withMéxico,PerúandChile).
- Panama - Colombia Agreement.
- Canada – Colombia Free Trade Agreement.
- Colombia – European Free Trade Agreement (EFTA) .
- Colombia – European Union Association agreement.

Additionally, Colombia has also included investment protection chapters in FTAs with Chile, México, Canada, EFTA countries, El Salvador, Honduras, Guatemala, and the United States.

2.2.Agreements signed – Not yet in force:

- Colombia - South Korea Free Trade Agreement.
- Colombia – Costa Rica Free Trade Agreement.
- Colombia - Panama Free Trade Agreement.
- Colombia – Israel Free Trade Agreement.

2.3.Agreements under negotiation:

- Turkey
- Japan
- The Pacific Alliance, in which Colombia is a Founding Member, is negotiating with Australia, Canada, New Zealand and Singapore.

2.4.Bilateral Investment Treaties (BITs) in force:

In addition, to promote trade and investment, Colombia has Bilateral Investment Treaties (BITs) with the following countries:

- Switzerland.
- Perú.
- Spain.
- China.
- India.
- Japan.
- United Kingdom.

Additional BITs have been signed but are not yet in force with:

- BLEU (Belgium-Luxembourg Economic Union).
- Brazil.
- Chile.
- Cuba.
- France.
- Republic of Korea.
- Singapore.
- Turkey.
- United Arab Emirates.

COLOMBIA | MUÑOZ, TAMAYO & ASOCIADOS

3. Post-conflict Growth: Tourism and Exports

Since the signature of the Peace Treaty with FARC there has been an upward trend for tourism in the country which is having a positive impact in the generation of foreign income. Between January and July 2018, the tourism rate grew 32.9% in comparison with the same period in 2017.

It is also expected that exports will grow 12% yearly until 2024, reaching USD$61.400 million. This growth will have a positive impact in industries like agriculture, infrastructure, mines and energy, among other.

4. Skilled and Efficient Workforce

Colombia's labour market is one of the most efficient in Latin America, according to the 2017–2018 Global Competitiveness Report from the World Economic Forum. Colombia presents the highest enrolment rates in education delivering highly qualified and skilled workforce.

5. Colombia is a strategic location for business

Due to its strategic location, Colombia has full access to global markets. It is a point of connection between the countries of the northern and southern hemispheres and, on the other hand, it has extensive coasts on the Atlantic and Pacific oceans. This location allows it to be the gateway to South America and be the only country in South America with ports on both oceans that allow for maritime connections with the rest of America, Europe and the countries of the Pacific Basin.

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CYPRUS
IOANNIDES DEMETRIOU LLC

There are many reasons why a potential business or individual investor should look to Cyprus to locate their business, family offices or even themselves and their family:

Political / Geographical

EU Eurozone Member at the Crossroads of Four Continents

Cyprus is a full member of the European Union and in the Eurozone. It is fully compliant with all EU laws and regulations relating to the protection of investments and individual liberties.

Since the 2013 economic crisis, Cyprus has regularized its banking sector with Cypriot banks having amongst the highest liquidity ratios in Europe and has also come out of the EU/IMF Supervision Programme. The Cypriot economy is enjoying steady GDP growth, 3.9% in 2017 envisaged at 4.5% in 2018 and +5% in 2019, and Cyprus has re-entered the financial markets.

Unemployment is on a downward spiral and vital sectors of the economy such as services, tourism and construction are enjoying high growth.

Cyprus' geographical location has, over the centuries, made it a prize for conquerors and occupiers. Today it makes Cyprus a strategic business location. It is the most Eastern outpost of Europe and is at the crossroads of Western and Eastern Europe and Eurasia and the Middle East.

Its non-aligned status has helped Cyprus create excellent trading relationships with the former CIS states including, most notably, Russia, Ukraine, the former Yugoslavian states and the countries of the Middle East, including Israel and Lebanon.
It also enjoys close relations with all Western European countries and North America.

An Established, Mature Business Centre
Cyprus' history as a business centre spans almost 50 years. In that time, Cyprus has developed into a modern and effective business location. It is ultra-competitive in terms of costs of establishment and maintenance of business structures and has one of the world's most favourable tax regimes, which is also fully EU and OECD approved.

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Cyprus offers first class professional services in the fields of legal, accounting and banking services at competitive rates, with all major international accountancy firms represented in the country.

Premium office accommodation and cutting-edge telecommunications provide an ideal environment for businesses to operate and flourish in. The availability of a highly educated and qualified local labour force (Cyprus enjoys the highest per capita percentage of university graduates in Europe) is also a major positive.

Cyprus offers a variety of EU approved incentives for Cyprus Registered Business Entities, their Management Personnel, Cyprus Registered International Trusts, Funds, Asset Managers, Shipping Companies and High Net Worth Individuals.

Cyprus enjoys political stability and is a parliamentary democracy with full separation of power between the executive and the legislature. Cyprus has an established independent legal and judicial system with the basis of law being the English Common Law.

The business language of Cyprus is English.

Taxation

- Cyprus provides an unrivalled range of tax incentives for business as well as for foreign direct investment into Cyprus.

- One of the lowest corporate tax rates in the EU at 12.5%.

- An attractive Double Tax Treaty network covering more than 60 countries.

- Access to all EU Tax Directives.

- Dividend income exemption based on relaxed conditions.

- Capital gains tax exemption.

- No withholding tax on outgoing dividend, interest or royalty payments.

- Gains from trading in securities are tax exempt.

• Notional interest deduction available for equity investment into Cypriot companies.

• Foreign Exchange gains or losses are tax neutral.

• An attractive personal tax regime for international professionals and non-domiciled individuals.

• No succession or inheritance taxes.

• No immovable property taxes.

• A competitive Intellectual Property regime.

• Tailor-made provisions for the investment funds industry.

• Competitive Tonnage Tax for Shipping companies and an approved EU open registry.

• Tax deductions for investment into start-ups.

Personal tax system

The Cyprus personal income tax rates are progressive and reach a top marginal tax rate of 35% on taxable income in excess of €60,000.

Income of up to €19,500 is not subject to tax.

As an incentive to the establishment of foreign businesses in Cyprus as well as to the employment of foreign management in Cyprus businesses, there is a 50% exemption from Cyprus personal income tax on the remuneration from any employment exercised in Cyprus by an individual who was not a resident of Cyprus before the commencement of the employment. The exemption is available for 10 years where the annual remuneration exceeds €100,000.

Non-domiciled (non-dom) individuals are not taxed on their income from dividends and interest.

All citizens of the EU who wish to reside and work in Cyprus need to apply for an EU Registration Certificate. This is a simple, one-off procedure, which does not need renewal.

Non-EU nationals wishing to reside and work in Cyprus need to apply for a Temporary Employment and Residence Permit at the Civil Registry and Migration Department. These permits are usually issued for a period of 1 year and upon expiry, they are renewed.

Incentives for Foreign Investors

Successive Cypriot governments have encouraged a wide range of foreign investments into Cyprus. The acquisition of citizenship by way of investments is worthy of particular mention due to streamlined procedures and short time frame it takes to apply for and obtain citizenship.

Advantages of the Cyprus Citizenship by Investment Scheme

- The application period is uniquely short. The usual period from the time that the application is lodged is six months.

- Full EU citizen rights, including but not limited to unrestricted right to live, work, own and operate a business, traveland study anywhere in the EU.

- Citizenship and the above rights are extended and granted to the applicant, the spouse, all financially dependent children up to the age of 28 and the applicant's parents.

- No dividend tax on world-wide income for non-domiciled tax residents. Cyprus has very low rate of corporate income tax.

- Visa-free travel to 157 countries.

- Unlike many other citizenship schemes, Cyprus allows dual citizenship.

- Additionally Cyprus in a reflection of its cosmopolitan outlook and environment does not require applicants to undertake examinations in history or Greek language.

- Unlike many other citizenship schemes, Cyprus does not require applicants to make any donations.

- The Cyprus citizenship by investment schemes, unlike other citizenship schemes does not impose an obligation on the part of the applicant or any member of his/her family to reside in Cyprus.

Mandatory Conditions and Requirements of the Cyprus Citizenship by Investment Scheme

- The Scheme minimum investment is set at €2 mln ($2.2 mln) excluding VAT.

- The scheme set out in the Citizenship by Investment law requires the mandatory acquisition of personal immovable property by each investor worth at least €500,000 (except where investment is made in residential property/properties worth €2 million or more).

- The investment must be maintained for a minimum period of only 3 years. After that, the investor is free to monetise the investment and take the investment monies out of Cyprus.

Possible Investments

The following types of investments are possible:

Residential Properties

Residential Properties provide the opportunity to acquire citizenship at the lowest cost.

The minimum investment is €2 million excluding VAT. It is assumed that the property will be used as a residence for at least the first three years and cannot therefore be rented out.Applicants who purchase a residential property with a value of €2 million excluding VAT or more do not need to purchase any additional residence.

Commercial Properties

Investments in commercial properties do allow for the properties to be rented out. The minimum investment is set at €2 million excluding VAT and applicants must also acquire private property at €500.000 excluding VAT.

Own or Cyprus business

An applicant may also invest in his own business or in an existing Cypriot business of whatever nature.

In this case, the minimum investment is set at €2 million excluding VAT and applicants must also acquire private property at €500.000 excluding VAT.

Living and Working in Cyprus

A Wonderful Place to Live and Raise a Family

CYPRUS | IOANNIDES DEMETRIOU LLC

Doing business in a location invariably involves residing in the location.

Cyprus scores very highly indeed in this category.

In Cyprus you one enjoy a high standard of living, thanks to the sunny weather, the beach and mountains within easy reach and the lowest reported crime rate in the EU.

According to the last census, some 173,000 foreign nationals live and work in Cyprus, accounting for 22% of the population. Cyprus is therefore a very diverse and cosmopolitan place to live in. Cypriots are by nature friendly and hospitable.

Climate

Cyprus is the sunniest country in Europe with over 324 days of sun annually. No matter what the season, the sun shines throughout the year, particularly from April to September when the daily average exceeds 11 hours. In addition to the sunny beaches, Cyprus is home to the Troodos Mountains. Located in the centre of the island, with an altitude of almost 2,000m above sea-level, Troodos is covered with snow in the winter months. The short distances mean enthusiasts can ski on the slopes in the morning and enjoy a swim or a drink by the sea in the afternoon.

Leisure Activities

The ubiquitous sunshine means that all residents have plenty of opportunities to enjoy their free time.

Environment

According to the European Environmental Agency, Cyprus also has the cleanest beaches in Europe while Eurostat data show that Cyprus has the lowest reported crime rate in the European Union.

Leisure Activities

Cyprus has leisure activities catering for all ages, tastes and incomes. Both the beach and mountains are within an hour's drive, from the capital, Nicosia. The weekend can be spent windsurfing in Pissouri Bay, snorkeling in the caves of Ayia Napa, diving in Protaras, hiking and cycling in Troodos, watching turtles in the Akamas peninsula, visiting ancient sites and churches or simply dining and partying in the cities.

In the summer, you will find open-air theatre and concerts in the major towns, while the annual events such as the carnival and wine festival in Limassol and the beer festival in Nicosia draw large crowds.

Cypriots are known for their love of food and eating together, so there are a wide variety of restaurants throughout the island, ranging from the traditional tavernas to international cuisine.

Ongoing investments in marinas across the island, a new casino resort with satellites in each town, as well as new hotels, offer continually improving attractions and leisure activities.

Cyprus Transport and infrastructure

Air transport links have been growing and today more than 70 airlines fly to and from Cyprus. Major destinations in Europe and the Middle East can be reached from the international airports in Larnaca and Paphos. The road quality is good with highways connecting the main cities and the roads are less congested in Cyprus than in many other European cities. Nicosia, the country's capital as well as government and business centre, is located in the centre of Cyprus. Limassol, the country's main trade centre and one of the busiest ports in the Mediterranean, is located right on the southern coast and is approximately one hour's drive from Nicosia. Cyprus main international airport located in Larnaca is approximately 30 minutes away from each of these two main centres. Paphos on the west side of the island hosts the second airport of Cyprus.

Healthcare

As an EU Member, Cyprus offers excellent healthcare services at a lower cost than most other EU countries. There are six public general hospitals, a state-of-the-art oncology centre and a centre of excellence in neurology and genetics. Cyprus also boasts over 70 private hospitals and healthcare clinics across the island, accounting for more than half of all patient discharges. In the private sector patients also have direct access to an abundance of specialists.

Education

While Greek is primarily the language used in public schools, English is taught everywhere throughout primary and secondary level. Catering to its diverse population, Cyprus has some 20 reputable English-speaking primary and secondary schools, providing excellent levels of education, as well as pre-school kindergartens for Greek, English, and Russian speaking toddlers. This means many students go on to meet the entry requirements for third degree education in the UK and US. The local colleges and universities are recognised internationally and most of them also teach in English. It is worth mentioning that Universities in Cyprus attract thousands of international students each year and they have a very good reputation. For example the

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University of Cyprus (UCy) has been ranked among the top 200 universities in Europe, according to the Times Higher Education World University Rankings 2016-17. The University of Nicosia started the first medical programme in Cyprus in 2011 by offering the St George's, University of London graduate-entry course.

The European University Cyprus is renowned for its investment in high tech innovation as well as its engagement with industry and society and the Frederick Institute of Technology (FIT) which is one of the oldest higher educational institutions in Cyprus offering a broad range of diploma, degree and master courses in the areas of science, business, tourism, arts, media and education. For those wishing to further their education abroad they can do it, in Europe, UK or the United States. As such Cyprus has a multilingual and highly educated workforce in Cyprus, with the highest percentage of university graduates per capita in Europe. Cyprus is the second top spender in education relative to GDP in the EU.

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CZECH REPUBLIC
FELIX A SPOL. ATTORNEYS AT LAW

1.Our legislative environment is favourable to business.

The Czech Republic ranked a wonderful 30th in the World Bank's assessment ofthe quality of the business environment, called "Doing Business." This ranking examines the effect of laws and regulations on business activities in 190 countries from around the world. Further, the Czech Republic has made starting a business cheaper by introducing lower fees for simple limited liability companies.

2. A bridge between the East and the West.

The Czech Republic perfectly embodies the idea of bridging the Eastern and Western world. Membership in the European Union gives the Czech Republic, a former Eastern-Bloc country, a unique and strategic position, especially for those who want to invest in the East but still stay in the West, and vice versa. Czech businessmen are capable of working with a wide range of clientele. The Czech Republic has a minimum unemployment rate, low inflation, and high economic stability, deriving, among other things, from the fact that the Czech economy, with 70% of its exports to Germany, is directly linked to Europe's biggest economic power.

3. Life in the Czech Republic is easy.

The Czech Republic is the 7th safest country in the world. The Czech passport is the 8th most powerful in the world in 2018, getting you to 170 countries without the need for a visa. It has a functional system of public schools as well as easily accessible medical healthcare paid by the state. Employees have state-funded pension insurance. Within the EU, you may bring workforce from other member countries to the Czech Republic without complicated administrative requirements.

4. The Czech Republic boasts very good infrastructure.

The importance of multi-modal transportation is undoubtedly growing in Europe as well as globally. The Czech Republic is part of a strategic corridor as well as part of a planned logistical triangle between the Baltic, Adriatic and Northern seas. We have one of the densest railway systems in the world. Railroad transportation, along with road transportation, form the backbone of the interstate transportation system. The country has excellent road and railroad connections with cities all over Europe. The international Praha-Ruzyne airport, the second largest airport in Central Europe, connects the Czech Republic with 120 destinations around the world. The easy accessibility of the country is given by its strategic position at the very heart of Europe.

CZECH REPUBLIC | FELIX A SPOL. ATTORNEYS AT LAW

5. The Ministry of Industry and Trade provides maximum support to all foreign investors.

Foreign investors have free access to comprehensive consultancy services by the Czech Invest Agency (part of the Czech Ministry of Industry and Trade), which has been developing a system of incentives for foreign investments for 26 years.

Through its services and development programs, Czech Invest contributes to the growth of businesses funded by foreign investors, to whom it provides consultancy and advice before they enter the Czech market, and helps them bring their investment projects to life. It also provides After Care services to foreign investors already active on the Czech market by providing them with a database of Czech suppliers and facilitating state investment incentives and contacts with government authorities, local as well as national. Through regional offices and foreign representatives, Czech Invest is active in all regional cities of the Czech Republic and in key destinations around the world.

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FRANCE
BERSAY ET ASSOCIÉS

Introduction

The facts speak for themselves: France brings in more than 1,100 foreign investments every year and is Europe's leading recipients of foreign investment in the manufacturing sector.
Hard to believe? Not that hard for companies that see the advantages of France's highly-skilled workforce and research tax credit, not to mention its extensive infrastructure, energy mix, and prime location at the heart of the euro zone and the European Single Market (500 million consumers).

1. World-class infrastructure

1st Europe's leading business aviation airport (Le Bourget) and leading airport for freight / 2nd in terms of passenger traffic (Paris Charles de Gaulle).
2nd longest high-speed rail network in Europe
France is ranked third in Europe for its national road system, with more than 11,450 km of motorways (7,115 miles). (Eurostat, 2016)
Second largest electricity supply in the EU. (WEF, 2017)

2. A leading and open economy

France is the world's fifth largest economy, the second biggest consumer market in Europe and the world's seventh largest foreign investor. It offers a wide array of business opportunities for investors and has a proven track record of attracting and retaining foreign companies and key talent.

Contribution Of Foreign Companies To The French Economy

- 16 % of value added in the French economy,
- 30 % of all French exports,
- More than 45% of the equity of companies listed on the CAC 40 is owned by non-residents,
- Nearly 21% of business enterprise R&D is conducted by foreign companies.

France Welcomes Foreign Talent And Investment

France is the leading host country for foreign investment in industry (EY, 2016).

FRANCE | BERSAY ET ASSOCIÉS

3. A deep talent pool

High hourly labour productivity rate, ahead of Germany and the United Kingdom. (The Conference Board, 2017).

1.6 million scientists and engineers and 44% of 25- to 34-year-olds have a tertiary education qualification, compared with 30.5% in Germany and 25.6% in Italy. (OECD, Education at a Glance, 2017)

Some of the best business schools in the world.

Three of the six best establishments offering Master's courses in management are French. (FT, 2017)

New and innovative players such as 42, a coding school in Paris, train 900 developers per year.

Fourth leading host country in the world with 309, 600 foreign nationals enrolled in higher education. (UNESCO, Atlas Project, 2016)

France is a 'Startup Nation' with no fewer than 12,000 startups and the largest startup campus in Europe, Station F, located in Paris.

4. A strategic position

Europe was the world's second largest market in 2017. France, with more than 67 million inhabitants, has a direct access to more than 500 million consumers in the European Single Market.

Largest concentration of headquarters in Europe. (Fortune Global 500)

Free movement of capital & persons (workers), etc. : Rome treaty

France offers a central European location providing easy access to EMEA and African markets.

5. A highly creative, innovation-friendly business environment

The best place in Europe for R&D tax incentives and effective corporate tax rate on R&D operations.

30% of eligible R&D expenses constitutes a tax credit up to €100 million, and 5% above this threshold.

Foreign companies have increased their R&D spending in France by 9% a year since 2007.

France is the leading source country of high-flying tech firms in the EMEA. (Deloitte, 2016)

France is the leading source country in Europe of institutions among the 100 most innovative organizations in the world. (Clarivate Analytics, 2016)

13 Fields Medals: France is the second leading source country of Fields Medal winners.

6. A leading financial center in Europe

In 2017, France was the leading European market for venture capital, with €2.7 billion funds

raised (Q1-Q3) ahead of the United Kingdom. (Dealroom, 2017)
Paris is a leading financial market place in the euro zone with more than 800,000 direct jobs and 400,000 indirect jobs in the financial industry (Paris region).
The European Banking Authority will be located in Paris after Brexit

7. A favourable tax environment

France has embarked on a process of significantly lowering the corporate tax rate, which will fall from 33.33% to 25% by 2025, bringing it into line with the EU average rate.
Capital gains are subject to an effective tax rate of 3.36% and dividends to an effective tax rate of 1.4%.
France has a very attractive tax regime for innovative companies :

- Tax credit: 30% up to EUR 100 millions of the R&D total expenditures, and 5% above this ceiling;
- Tax rebate after 3 years in cases where the Company does not owe any corporate tax during a year when R&D expenditures have been incurred;
- Immediate tax rebate for New companies and Young innovative companies and SME.

Expatriates enjoy a tailor-made tax regime applicable for eight years, offering an income tax exemption of between 30% and 50% of their total pay.

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GERMANY
JAKOBY RECHTSANWÄLTE

1. Economy

Investors profit from Germany being Europe's largest and the world's fourth largest economy (in terms of GDP). Germany also offers a large domestic market (ca. 83 million inhabitants) and excellent access to growing markets in the enlarged European Union with currently 28 member states. Germany is a founding member state of the European Union and part of the Eurozone. Located at the heart of Europe, Germany is a prime logistics market, ranked 1st in the World Bank's 2018 Logistics Performance Index. Germany has highly developed energy and telecommunications infrastructures and transportation networks.

Germany is the world's number three exporter and also one of the top regions for foreign investors. German economy is highly competitive (ranked 5th in the Global Competitiveness Index of the World Economic Forum) with high productivity rates, renowned product quality and decreasing unit labour costs.

A series of social and market reforms over the last two decades have further contributed to Germany's further economic growth.

2. Strong sector of small and medium sized businesses

Even though renowned for some of the world's largest stock-market-listed companies, the German economy is characterized by privately owned small to medium-sized enterprises ("SMEs"). The vast majority of all German businesses are SMEs. This adds to the flexibility and competitiveness of German industry and opens up opportunities for foreign investors. Many of Germany's SMEs are highly specialized firms which are international market leaders in their field (so-called "hidden champions").

3. Real Estate investment opportunities

The German real estate market has been vibrant over the last decade and it can be assumed that good opportunities will persist for developers as well as companies and individuals interested in investing in German commercial and/or residential real estate. Access to the German real estate market is easy as there are no specific restrictions for foreign investors whatsoever. Due to the German land register system and notarial services, acquisition of German real estate is transparent and safe.

4. Stability, reliable regulatory framework and efficient court system

GERMANY | JAKOBY RECHTSANWÄLTE

Germany's economic and political frameworks ensure the necessary security for business investment. The German legal and civil service institutions and regulations ensure reliable and efficient service and dispute resolution. Contractual agreements are secure and intellectual property is protected. German companies can be set up easily and there are no restrictions for foreign individuals as directors and foreign individuals and/or companies as shareholders.

5. Education system, Research & Development

Germany has a world class education system with more than 400 universities and currently almost 3 million students (among them ca. 400.000 foreign students). Germany is also renowned for its so-called system of dual vocational training, combining apprenticeships in a company and vocational education at a vocational school in one course.

Germany is Europe's top location for research. German Research & Development is backed by substantial federal funding. Germany is Europe's leading patent applicant and can be considered as one of the leading global forces in enabling the development of high-tech solutions.

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INDIA
DUA ASSOCIATES

1. Political Stability and Rule of Law

- Largest democracy in the world.
- Sovereign, socialist and democratic republic with a parliamentary system of government. India has a federal government with twenty-nine (29) states and seven (7) Union Territories.
- India conducts the largest election process anywhere in the world which upholds the highest democratic principles.
- India is part of the common wealth group of countries and has a judicial system which is independent of the legislature and the executive as the country is based on the three pillar governance system. It seeks to ensure the fair enforcement of law, rules and regulations. The judicial system of India is stratified into various levels where at the apex is the Supreme Court of India, which is followed by High Courts at the State level, District Courts at the district level and Lok Adalats at the Village and Panchayat Level. Under the Constitution of India, the Supreme Court of India is the final court of appeal. Further, there are numerous quasi-judicial bodies which are involved in dispute resolutions. These quasi-judicial bodies are the Tribunals and Regulators which are set up to resolve disputes and improve the efficiency of the judicial system in India. The tribunals have the powers to settle matters pertaining to sectors such as electricity, telecom, consumer protection, income-tax, insurance, securities/ shares etc. There are parallel forms of resolving disputes such as arbitration, mediation and conciliation. Arbitration in India is binding and remains one of the most preferred form of dispute resolution by foreign investors in India. Commercial arbitration has become popular in India, particularly in relation to large commercial contracts.

2. Economic environment

- 3rd largest economy in the world on purchasing-power parity basis.
- The International Monetary Fund's World Economic Outlook 2018 has placed India's growth rate at 7.4% which is the fastest growth rate for major economies of the world. Average growth rate of 7.5% from 2004 to 2013, now growing faster than China's economy.
- India jumped forty-two places from 142 to 100 to break into the top 100 for the first time in the World Bank'sEase of Doing BusinessReport (EODB), 2018. India leaped 53 and 33 spots in the taxation and insolvency indices, respectively, on the back of administrative reforms in taxation and passage of the Insolvency and Bankruptcy Code (IBC), 2016. It also made strides on protecting minority investors and obtaining credit, and retained a high rank on

getting electricity, after a 70 spot rise in EODB, 2017 due to the Government's electricity reforms. The rankings reflect the Indian Government's reform measures on a wide range of indicators.

- India ranks among the top 10 host economies for Foreign Direct Investment (FDI), according to the United Nations Conference on Trade and Development(UNCTAD) 2018 World Investment Report. FDI inflows were at its highest at USD 44.5 billion in 2016. Since 1991, the Indian Governments of date have increasingly liberalised FDI opportunities for foreign investors. FDI up to 100% is permitted in almost all the sectors under the automatic route for investment, that is, without the prior approval of Reserve Bank of India or the Indian Government. Only a select few sectors continue to remain under approval route for investment, such as multi-brand retail trading and banking.
- India ranks 40th on the Global Competitiveness Index 2017-18.
- India ranks as one of the top medical tourism destinations in the world due to its highly acclaimed doctors, medical facilities and low-cost medical support.
- Current Government's reforms and key programs include 'Smart Cities', 'Industrial Corridors', 'Make-In-India', 'Ayushman Bharat', 'Digital India', 'Skill India'. All these programs create a positive business enabling environment.
- 95% of 1.2 billion Indians are covered under the Aadhar Scheme, one of world's largest social security program.
- Goods and Services Tax (GST), the biggest tax reforms since India's independence, paves way for a common national market by integrating various indirect taxes.

3. Market and Business Opportunity

- 2nd largest country in the world by population.
- Largest English speaking country in the world.
- Out of 1.2 billion people, about 600 million are under the age of 24 being the biggest young population in the world.
- India has the largest group of scientists and technicians in the world.
- India's growth is largely driven by domestic demand, which is fueled by a rapidly burgeoning middle class. With incomes rising and exposure to better living standards, inflexion points for various products and services are being created.
- As per Boston Consulting Group, Goldman Sachs, McKinsey Global Institute, rising affluence is the biggest driver of increasing consumption in India. India's consumer story will be led by 129 million urban mass consumers and private consumption in India will be four times by 2025.
- As per McKinsey Global Institute, over the nextthree decades, more than 350 million Indians

will move into cities.

- India needs $245 billion by the year 2034 to improve healthcare delivery through traditional methods.
- India has an abundance of natural resources.
- Over the next two decades, more than $1.5 trillion investments have been planned for infrastructure.

- Investments planned across the key government initiatives in various sectors:
  - Highways (Bharatmala & NHDP) - $ 106.5 billion
  - Railways- $ 131.7 billion
  - Ports- $ 61.5 billion (Port development) + $ 123 billion (Port-led Industrialisation)
  - Airports - $ 58 billion
  - Industrial Corridors- $ 100 billion (DMIC - phase I)
  - Smart Cities- $ 14.6 billion

4. Geographic Strategic Location

- Spread over an area of 3.3 million sq km, India is the seventh largest country in the world, occupying a major portion of the South Asian subcontinent. Extending from the Himalayas in the north, it stretches southwards to the Tropic of Cancer into the Indian Ocean surrounded between the Bay of Bengal on the south-east and the Arabian Sea on the south-west.
- Centre of global maritime trade to move from the Pacific to the Indian Ocean Region. India and China will be the largest manufacturing hubs of the world by 2030.
- Connectivity to Central Asia and Europe via the International North-South Transport Corridor (INSTC).
- In the next five years, India to have greater economic influence across the Asia-Pacific Region.

5. Social & Cultural Heritage and Diversity

- India has 22 official languages, however there are about 122 languages spoken by more than 10,000 speakers.
- Indian civilization is one of the four ancient civilizations of the world. India is a land of culture and values which keeps alive its history of the past several millenniums.
- India is the birthplace of Hinduism, Jainism, Buddhism and Sikhism and has deep spiritual teachings that have deeply impacted global thinking.
- World Economic Forum Travel and Tourism Competitiveness Report ranks India as 10th best for 'price competitiveness' in the world.
- Indian food is a misnomer and the diversity in food varieties are enormous. Food preparations differ from State to State and there is no other place in the world with the range of cuisine.

INDIA | DUA ASSOCIATES

- The climate of India comprises a wide range of weather conditions across a large geographic scale and varied topography, making generalizations difficult. The large land area of India hosts climatic subtypes such as deserts, humid tropical regions for rainforests as well as island territories. The nation is a recipient of all seasons and they last from: winter (December, January and February), Spring (March, April) Summer (May and June), a monsoon rainy season (July and September), and Autumn (October and November).

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ISLE OF MAN
LAURENCE KEENAN ADVOCATES & SOLICITORS

Historical Background: LOCATION: - POLITICAL/LEGAL

a) The Isle of Man is one of three Crown Dependencies situated within the British Isles. The other two being Guernsey and Jersey.

It does not and never has formed part of the United Kingdom (Scotland, England, Wales and Northern Ireland) nor is it a member of the European Union.

Currently it enjoys the free movement of goods and services to the EU through Protocol Three of the Treaty of Rome.

But as at the date of this article (09.10.18) "who knows what tomorrow will bring with Brexit?"

b) The Island is situated in the Irish Sea almost equal in distance between the Island of Ireland and the UK mainland and has excellent transport and tele/digital connections with the UK and beyond.

c) The Island has its Parliament (the longest continuous Parliament dating back to the Viking days). It has its own Common Law Legal system.

d) The Island has been a highly regarded and well-regulated international business centre for many years.

e) The Isle of Man has a developed legal jurisdiction and law covering Trusts and Foundation. They are similar to these existing in other common law jurisdiction. Common with such jurisdiction the professionalism and expertise of the practitioner in these areas of law reflect the global client base they serve.

So what do we offer may be different to other International Business Sectors?

There is a positive commitment from the public and private sectors to create an environment where any prospective company or individual should feel "this is where I can achieve my dreams, fulfil my plans", but in a legal and regulated and respected jurisdiction.

Of course similar sentiments will be found in other International Business/Financial Centres.

At the end of the day while tax, language and infrastructure, support services and potential grants and loans may be significantly important, equally crucial is the quality of life, housing, welfare, health service and education and the effectiveness of services and access to them across the public / private interaction.

The Isle of Man meets all these factors to a high level.

The above is confirmed by the fact that many professionals who have come to the Island for a couple of years to start up a business or work within one of the sectors often decide to stay on longer than originally intended and on occasions permanently.

This has resulted in a wide and diverse pool of qualified professionals available to provide a consultancy service or as potential employees.

Now some basic facts:-

1. Tax

The Isle of Man operates a stable economy with a clear and simple tax regime for both companies and individuals. It is not a tax haven or heaven…

A common misconception by individuals lacking knowledge of different tax regimes even between the Member States of the European Union.

(a) Individuals

There is no Capital Gains Tax, Death Duty or Inheritance Tax, Withholdings Tax or Wealth Tax in the Isle of Man.

Individual tax rates range from a lower rate of 10% to a higher rate of 20% and an election for a tax cap of £125,000.00 on personal income is available. (Conditions apply)

(b) Companies

The standard rate of corporate tax in the Isle of Man is 0%.

A 10% tax rate is applied to corporate income received by way of banking business and retail business with profits above £500,000.00.

There are exceptions to this particularly in respect of certain investment vehicles where the rate is 20%.

The Isle of Man prides itself on its efforts to implement the international standards on exchange of information on tax matters with more than (37) T.I.E.A in operation and prospective further agreements under negotiation in place with countries jurisdiction across the world.

In recent years there has been growing number of such requests being received many of which are actioned and disclosure obtained and provided to the other contracting parties.

The Island is committed to maintaining and complying with international standards regarding compliance and transparency and is proud of its credentials as an OECD 'whitelisted' jurisdiction for transparency and is internationally recognised by the IMF, FATF, EU Code of Conduct and other international bodies as meeting its international obligations.

(c) Personal Financial Services

As a world renowned financial centre, the Isle of Man is proud of its reputation for providing high quality financial products and services to individuals.

A range of institutions provide financial and asset management services including, but not limited to:

- International Tax Planning;
- Asset Structuring and Management;
- Portfolio Management;
- Pension Scheme including individual Pensions for employees operating in multiple jurisdictions or who by virtue of their work move between Countries;
- Multicurrency Banking and Payment Services;
- Family Trusts/PTC's;
- Philanthropy;
- Fund Management.

(d) As with many common law jurisdiction the Island is a recognised centre for fiduciary and corporate services.

2.Government Assistance

There are a number of initiatives and schemes available to businesses looking to relocate or start up in the Isle of Man via the Department of Enterprise.

These initiatives are designed to encourage investments in new technologies and working practices and support entrepreneurs to become more competitive.

Whether a company is starting up, expanding or relocating to the Isle of Man the Department of Enterprise offers grants, loans and equity assistance opportunities.

The Isle of Man Companies Registry is easily accessible, with a variety of different company structuring options available to individuals and companies.

3.Broad range of business sectors

The Isle of Man has fostered an environment where a broad range of business sectors have had the freedom to flourish including but not limited to:-

- Aviation Services;
- Clean Tech and Energy;
- E-Business;
- E-Gaming;
- Financial Services;
- Manufacturing;
- Ship and Yacht Management; and
- Space – related business.

Angel networks promote and support entrepreneurs to develop and grow their businesses. This is beneficial from both an economic and social perspective.

The Isle of Man has developed pragmatic regulations in a number of different areas which provides a business centric approach while upholding international standards of compliance.

The Isle of Man Financial Services Authority is the Island's financial services regulator; they are keen to work with developing sectors to ensure that regulation balances the appropriate degree of protection for the customers of financial services providers, reduce financial crime and maintain confidence in the Isle of Man financial services sector while also allowing business the freedom to flourish.

In addition to the Companies Registry, the Isle of Man Aircraft Registry together with the Isle of Man Ship Registry and Gambling Supervision Commission provide sector specific regulation, guidance and support.

4.Standard of Living

(a) Education

The Isle of Man offers excellent levels of education with 32 primary schools and 5 secondary schools. The Department of Education and Children also provide financial support for higher education and vocational learning.

The University College Isle of Man offers a broad range of opportunities for further and vocational learning for pupils of school age and professionals looking to enhance their skill set.

These include studying to degree level through its partnership with universities in the United Kingdom. It is an Island after all and not everyone can for a variety of reasons leave home to study in the United Kingdom.

There is also a well-regarded independent school providing teaching at both junior and senior levels with the senior college teaching the International Baccalaureate.

(b) Healthcare

The Isle of Man Government also affords its residents unparalleled access to health and social care. There are many practitioners on Island providing private consultations and services as well as National Health Services.

As you would expect the Island has long established relationships with major hospitals in the United Kingdom, who provide support on the Island through visiting Consultants.

There is a strong sense of community spirit in the Isle of Man. Low levels of crime and unemployment, together with easy access to education make the Island an attractive place to raise a family.

(c) Property

The Island has an abundance of premium properties available to purchase. These range from centrally located townhouses to both traditional and contemporary properties situated more rurally. Coastal apartments designed to take advantage of views across the Irish Sea are also available.

There is no bar to foreign ownership or use of the property i.e. “buy to let”, Agricultural/ Commercial Tenants.

(d) Transport

The Island is easily accessible with excellent transport links to major international airports in the United Kingdom, Ireland and mainland Europe, including direct flights to the Continent.

The Island also has a Private Jet Centre, offering bespoke travel services and private charter.

(e) Telecommunications

The Island enjoys 100% broadband coverage and 4G mobile networks making it easy to communicate for both individuals and companies.

The Island has two principal operators and so competition exists, but together they have roaming agents with telecommunications companies throughout the world.

The above is but a short overview of what the Isle of Man has to offer.

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ITALY
COCUZZA E ASSOCIATI STUDIO LEGALE

Anyone who has been to Italy can say with certainty that it is one of the most beautiful countries in the world: breath-taking landscapes and historical monuments are accompanied by one of the best cuisines in the world, and by… really amazing people!
In addition to this, Italy stays on the top in business for the following reasons:

1. “Made in Italy” brand

Italy is worldwide appreciated for its fashion and design products.
The “Made in Italy” brand is well known all over the world, and is a guarantee of quality and design. Ferragamo, Gucci, Valentino, Armani, Versace, Dolce & Gabbana are but a few names of the several Italian fashion designers who are worldwide known and appreciated.
Same is for the furniture design sector represented by Cassina, Minotti, B&B, Poltrona Frau, and many others.
Italian style is a passport to success in the fashion market, and in the furniture design, thanks to artisan tradition and innovation.
Investing in the fashion design and/or in the furniture design will be a success provided you be able to keep the long-standing artisan traditions. In order to convince the skeptics, consider that the world production of high-end women’s footwear is still concentrated in Italy (and the Spanish renowned shoe designer, Manolo Blahnik, knows that: he has had his iconic shoes made by an artisan in the Milan area for years).

2. Real Estate investments

The real estate market is one of the more dynamic in Europe.
In the last ten years the investments gradually grew. In particular, the volume of investments in the real estate sector in 2017 exceeded the historical record of 2007, with over 11.3 billion Euros invested.
Moreover, according to the statistics, also retail continues to be a target for investors, with particular reference to Shopping Centres and High Street, considering their profitability.
In this perspective, Milan stays at the forefront, with stable real estate growth, which makes it able to compete with all the most important cities in Europe.
Actually, thanks to large investments by multinational companies, the urban layout of the city has changed with the construction of new symbols such as Gae Aulenti Plaza, as CityLife, and last but not least as Apple Liberty, a breath-taking project which has requalified an anonymous square in

downtown Milan. Many other requalification interventions are coming such as the Circle Line, a green belt which shall connect some dismissed railway stations.
Nowadays, important companies from all over the world want to have a representative building in Milan.
Consider that new financial tools for real estate are made available, as the possibility, for example, to negotiate lease contracts, whose lease rent is more than Euro 250.000,00, without the restriction of the Italian lease law favourable to the tenants.
And if you want to invest in a villa, you have plenty of choices! It could be an XVIII century villa on the Lake Como (as George Clooney's), or a "casale in Tuscany (as Sting's), or you could pioneer in a "trullo" in Puglia: the choice is wide, and you will never regret this investment.

3. Italy, a logistic hub

Italy has invested for years in the economic growth through the expansion of its infrastructures.
Our country is trying – successfully – to be the logistic hub of Southern Europe for connections to and from Africa, the Middle East and the Far East.
Exports are increasingly an element of growth in our country. In particular, the manufacture industry, the "Made in Italy" brand and Italian famous food and wine are exported in all Europe and the growing markets as the Asian one, thanks to the competitiveness of our transport networks.
Italy's economic growth benefits from this situation, but also all the investors present in the country will be able to easily export in the global market.

4. Food industry: a real strength

The food sector shows growth rates significantly higher than the rest of the Italian economy, and is one of the best investment to do in our country.
Italian food is known and eaten all over the world.
Moreover, new challenges to face are emerging. Firstly, it is difficult to enter the Asian markets (or similar) due to the strong differences in the way of cooking.
Secondly, new investments, which we presume profitable, are necessary to introduce new digital technologies that will revolutionize not only the company facilities and the supply chain, but also the marketing of Italian food.
It is clear that the food industry needs investors, but for these latter there are a lot of opportunities of incomes in a market with a high potential of growth.
Indeed, we cannot ignore the fact that it is certainly one of the most fortunate of the Italian exports: just to give an example, in 2017 according to data from Coldiretti (the agriculture operators association) export of food products reached a record turnover of 41 billion euros.
Also consider the internal market: Italians do not eat to live, but literally live to eat. We really

appreciate good food, and its culture behind, and we spend for it a lot of money every year.

5.Competitive workforce

Italian workers are prepared due to the education and the know-how passed down from one generation to the next.
In particular, the quality of Italian higher education is excellent: more than 20 different universities rank in the top 500 academic institutions in the world, and over 300,000 students graduate every year.
Moreover, research and innovation are widely integrated into industrial processes, with renowned excellences in different fields of life sciences (i.e. neurosciences), physics and engineering (e.g. robotics), social sciences, and humanities (e.g. high-tech archaeology).
Thanks to our education system, Italian researchers, whose performance in publishing high-quality and widely-quoted papers is recognized as one of the best in global academics, lead and actively contribute to several European Research networks – such as the CERN physics labouratory – and top level transnational research centres.
Nonetheless, Italian hourly labour costs are below the Eurozone average: they are lower than other countries like France or Germany and, a unique case in Europe, they decreased in 2017.

6.Italian administration

A comprehensive reform strategy is in place to build a friendly business climate, simplifying and adapting regulations, improving education and justice.
Robust tax credit schemes help companies improve their competitiveness: a 50% tax credit for private investments in research and development (including highly qualified personnel), a 40% deduction for investment in capital goods, which is raised to 150% for investments in digitalization and Industry 4.0 solutions (high tech solutions). As a result of 2016's "Industria 4.0" national plan, Italy has now the 2nd most attractive fiscal environment among developed countries for digital investments (Digital Tax Index, 2017).
Besides the plan, and a comprehensive policy strategy for high-tech innovative start-ups, in the last few years the labour code has been overhauled, more flexibility to conclude tax agreements has been introduced, the exploitation of oil and gas resources has been eased, and dedicated business courts for foreign investors have been set up.
As you can understand, international investors are welcoming in our country!

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LIECHTENSTEIN
GASSER PARTNER RECHTSANWÄLTE

1. Tax Benefits

Liechtenstein is interesting as a business location not only for local residents but also for those who live abroad. Non-residents of all nationalities can set-up a company in the Principality. Liechtenstein has Double Taxation Treaties (DTT) and Tax Information Exchange Agreements (TIEA) with a range of countries, including Germany, Switzerland, Austria and the US. Foreign legal entities and special dedications to assets without legal personality are subject to income tax with their domestic income (limited tax liability). All legal entities that manage, exclusively, private assets in pursuit of their purpose and carry on no economic activity may be qualified as a private asset structure (PVS), which guarantees a favourable tax treatment. All legal person which has received the status of PVS is subject merely to the minimum income tax in the amount of CHF 1.200.-. The current VAT rate is 7,7%. Compared to value added tax rate levied by other countries, Liechtenstein has a favourable VAT rate. The transfer of assets to trusts or foundations or other asset-holding vehicles is not subject to tax in Liechtenstein.

2. European Economic Area (Eea)

Liechtenstein combines the best of both worlds. Liechtenstein has been a member of the European Economic Area (EEA), unlike Switzerland, for over 20 years and at the same time maintains close ties with Switzerland. This combination forms a model for success which benefits everyone and makes Liechtenstein economy more competitive than ever before. For some it is one of the main arguments in favour of relocating to or setting up a business in Liechtenstein. For others it forms the basis for a long-term commitment to the Principality as an economic hub. Whichever way you look at it, Liechtenstein's close relationship with both the European Economic Area (EEA) and Switzerland opens up unique opportunities for the countrys economy. Companies benefit from the advantages of the EU/EEA single market: goods, services, capital and the free movement of people. Due to its particular geographical situation, Liechtenstein is subject to special provisions regarding the freedom of citizens to travel to and live in the Principality. Its membership of the European Free Trade Association (EFTA) gives the country access to one of the words largest networks of free trade agreements.

3. Foundations & Trusts

Liechtenstein is basically the cradle of the private foundation law in Europe, foundations are recognized and are considered to be a big part of the everyday legal dealings in Liechtenstein. The

Liechtenstein foundation is by far the most popular vehicle for asset protection followed by trust. In addition, foundations are broadly used as holding vehicles or as instruments for the preservation of family enterprise. In contrast to a company, the foundation does not have any owners or shareholders but only beneficiaries or prospective beneficiaries to enjoy the foundation`s income and / or assets. In contrast to most other jurisdictions, Liechtenstein Foundations are not limited to common-benefit purposes but may also have private-benefit purposes or mixed purposes. A variant often selected in this context is the family foundation. In contrast, private-benefit foundations are not obligated to be entered in the public register. They acquire their legal personality through formation. This may be one of the advantages of foundations over trust. Taxation of Liechtenstein foundations is also very favourable. Furthermore, Liechtenstein was the first European country that codified its own genuine trust law. The Liechtenstein trust is based on the common law model and is clearly inspired by the English Trustee Act of 1925.

4. At The Heart Of Europe

Liechtenstein, being a tiny country located in the heart of Europe, is ready to provide an excellent business environment for foreign investors. Enclosed between Switzerland and Austria, Liechtenstein benefits from both neighbouring countries. It is a highly developed location both for specialized industries and for sophisticated banking and financial services for international clients. Although well-known for its banking and financial sector, Liechtenstein is an innovative and export-oriented industrial location. Liechtenstein also boasts swift bureaucracy and solid financial policy without a national debt. Since the creation of the customs treaty with Switzerland in 1924, the two countries have formed a customs union and the Swiss franc has been the official currency of the Principality. Thanks to an economic, customs and currency union formed with Switzerland in 1923, Liechtenstein is today part of one of the world's most stable economic areas. With one business for every nine citizens, Liechtenstein probably has the highest proportion of companies per capita of any country in the world.

5.Legal System And Investment Vehicles

To maintain and increase its international competitive edge, Liechtenstein is continually adapting and developing its legal system. To name but a few examples, tax law, arbitration law, IP law and trust law have been updated within the last couple of years. With low tax rates and a simple taxation system drafted according to the latest European standards, the country seeks to remain attractive to international firms.

6.Liechtenstein As An Attractive Location For Private Clients

The principality of Liechtenstein is a very attractive venue for international clients for an asset protection or estate-planning instrument. The liberal tradition of the Liechtenstein law system allows international clients to arrange different asset protection and succession planning instruments according to their needs. In addition, Liechtenstein is am offshore jurisdiction, which makes it even more suitable for asset protection.

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LUXEMBOURG
BRUCHER THIELTGEN & PARTNERS, AVOCATS À LA COUR

Although one of the smallest states of the European Union, Luxembourg has one of the most performing economies of the Euro zone.

One major reason for this achievement consists in the constant concern of its public authorities to offer investors the most progressive legislative environment which combines flexibility and security.

Depending on your needs, Luxembourg offers various investment or tax savings solutions as well as innovative and efficient financial products and services to meet expectation of both individual and corporate clients.

1. Investment Funds:

The success of Luxembourg in attracting investment funds, and becoming a major financial center, is based above all on investor preference which may be attributed to a number of factors such as:

- Reputation of the Luxembourg brand in the investment fund industry;
- Attractive range of investment fund solutions;
- Regulatory environment including accessibility, knowledge and responsiveness of the regulator;
- Stability ;
- Political, economic and social environment ;
- Legal and tax environment ;
- Ability to achieve tax neutral efficiency for products by considering direct and indirect taxation implications at fund and investor levels ;

- Operational factors such as relocation costs, local infrastructure, and the qualifications and knowledge of the multicultural, multilingual international workforce ;

- Service provider considerations such as their expertise and ability to meet specific local distribution market requirements from Luxembourg ;

- Central location at the heart of Europe with easy access to other financial centers UCIs, except for Reserved Alternative Investment Funds (RAIF), are authorized and supervised by the Commission for the Supervision of the Financial Sector (Commission de Surveillance du Secteur Financier — CSSF).

  The Luxembourg fund industry has, since 1988, been successfully represented and promoted by the Association of the Luxembourg Fund Industry (Association Luxembourgeoise des Fonds d'Investissement— ALFI) and, since 2008, by the agency for the development of the financial center Luxembourg for Finance.

- Are you active in the private equity field? Think about the SICAR

  The SICAR (Société d'investissement en capital à risque) is tailor -made for private equity and venture capital investments. It elegantly combines the advantages of a regulated yet flexible entity with the tax efficiency of a multiple choice of corporate forms or tax transparent partnerships.

  A SICAR may be set-up as a public limited company, a private limited company, a partnership limited by shares, a cooperative company organised as a public limited company, a common limited partnership, or a special limited partnership. The minimum capital of a SICAR, which can be variable or fixed, is set at EUR 1.000.000.-. This capital level has to be reached within a period of 12 months.

  Its shareholders shall be well-informed investors, which means: an institutional investor, a professional investor or any other investor who meets the following conditions: (1) he has confirmed in writing that he adheres to the status of well-informed investor and (2) he invests a minimum of EUR 125.000- in the SICAR, or (3) he has been subject to an assessment made by a credit institution, by an investment firm or by a management company, certifying his expertise, his experience and his knowledge in adequately appraising an investment in risk capital.

The object of a SICAR is investment in venture capital and private equity. Such investment is defined very broadly to include any investment either directly or indirectly in an entity in order to finance its launch, development or listing on a stock exchange.

Any SICAR must be authorised and supervised by the CSSF (Commission de surveillance du secteur financier), which will in particular check the provisions of its articles of incorporation or partnership agreement, and the Luxembourg credit institution chosen to act as custodian bank.

Under some conditions, a SICAR may benefit from the AIFMD passport.

Taxation

Contrary to other Luxembourg investment funds (UCITS, UCIs or SIFS), a SICAR is fully subject to corporate income tax and municipal business tax on income, but it is exempted from wealth tax.

The revenues earned by a SICAR from participations in securities representing risk capital and profits on the sale, redemption, or liquidation of these securities are excluded from the taxable base. As such a SICAR may be completely tax neutral. Income arising from assets held pending the investment in risk capital (i.e. liquid assets) does not constitute taxable income provided such assets are invested in risk capital assets within 6 months. Please note however, that a SICAR is subject to a minimum fixed advance corporate income tax of EUR 3.210.- per year.

There is no withholding tax on dividends distributed by the SICAR and there is no taxation in Luxembourg on capital gains realised by non-residents on the redemption of shares in the SICAR (except if the Saving Directive applies).

As for UCIs, the management services performed to the benefit of a SICAR are exempted from VAT.

A SICAR may benefit from double tax treaties (to be ascertained on a case by case basis), as well as its investors in the case where the SICAR is under the form of a tax transparent partnership.

• Are you a hedge fund manager? Think about the SIF

The SIF (Specialised investment fund) is a regulated, operationally flexible and fiscally efficient multipurpose investment fund regime for international, institutional and/or well-informed investors. It has become an attractive alternative to non-resident private investment funds based in foreign jurisdictions. The SIF regime combines the advantages of a regulated yet flexible entity with the tax efficiency of a multiple choice of corporate forms or tax transparent partnerships or common funds.

A SIF may be set-up as an investment company (SICAV – SICAF) or a common fund (FCP). Investment companies may be set-up under the form of a public limited company, a private limited company, a partnership limited by shares, a cooperative company organised as a public limited company, a common limited partnership, or a special limited partnership. The minimum capital of a SIF, which can be variable or fixed, is set at EUR 1.250.000.-. This capital level has to be reached within a period of 12 monthAs for the SICAR shareholders of the SIF shall be well-informed investors.

The SIF law allows full flexibility with regard to the assets in which a SIF may invest or the investment strategies followed, to the extent that it complies with the principle of risk spreading.

Any SIF shall be authorised and supervised by the CSSF (Commission de surveillance du secteur financier), which will in particular check the provisions of its articles of incorporation or partnership agreement, and the Luxembourg credit institution chosen to act as custodian bank.

Under some conditions, a SIF may benefit from the AIFMD passport.

Taxation

The SIF is exempted from corporate income tax, municipal business tax on income and wealth tax.

The SIF is instead subject to an annual subscription tax of 0.01%, based on the total net assets valued at the end of each calendar quarter. The SIF Law exempts from this tax the portion of assets invested in other Luxembourg UCIs subject to this annual subscription tax.

Dividends paid by a SIF to resident or non-resident investors are exempted from withholding tax, and capital gains made by non-residents are exempted from any Luxembourg tax (except if the Saving Directive applies).

The management services performed to the benefit of a SIF are exempted from VAT.

The SIF may benefit from double tax treaties (to be ascertained on a case by case basis), as well as its investors in the case where the SIF is under the form of a tax transparent partnership or common fund.

2. Are you a high net worth individual? Think about the SPF.

The SPF (Société de gestion de patrimoine familiale) is a private asset management company particularly designed for private investors and individuals that seek an efficient vehicle to manage family wealth.

A SPF may be set-up as a public limited company, a private limited company, a partnership limited by shares or a cooperative company organised as a public limited company.

Its shareholders shall be eligible investors, which means:

(1) private persons, whether resident or non – resident, acting in their capacity as managers of their private patrimony;
(2) wealth management entities (i.e. trusts or foundations…), resident or non-resident, acting exclusively in the interest of a private patrimony of one or several private persons;

(3) intermediaries acting for the account and on behalf of the investors enumerated under a) or b) above.
Its object is strictly limited to the acquisition, holding, management and sale of financial assets: i.e. securities of any kind such as shares, bonds, notes, structured products, derivatives options, warrants, indices and other negotiable securities, as well as cash, precious metals, currencies and any kind of assets held in a bank account.

The SPF is also authorised to contract debts, either with its shareholders or with third parties like banks or other entities, whether resident or non-resident. Please note that there is no maximum debt equity ratio. However, if the total amount of debts contracted by the SPF exceeds 8 times the paid up capital of the company, a subscription tax of 0.25% will be due each year on the part of the debts which exceed the capital.

The SPF cannot carry out any commercial activity, neither hold buildings or intellectual rights, or carry out an activity of management, trade or financial service.

Taxation

The SPF is exempted from corporate income tax, municipal business tax on income and wealth tax.

The SPF is instead subject to an annual subscription tax of 0.25% calculated on the paid-up capital, the capital premium and the debts exceeding 8 times the aggregate amount of paid-up capital and share premium. Such subscription tax may not exceed the amount of EUR 125.000.-.

The SPF is submitted to a registration duty of EUR 75.- at its incorporation and at any amendment of its articles of association.

Dividends paid by a SPF to resident or non -resident shareholders are exempted from withholding tax, and capital gains made by non-resident shareholders are exempted from any Luxembourg tax (except if the Saving Directive applies).

The SPF does not benefit from double tax treaties.

3. Favourable Luxembourg regimes:

Does your company invest in R&D? Think about the new favourable Luxembourg tax regime for IP

A new IP Box Law has been set up recently in Luxembourg. Nevertheless, previously-qualifying IP assets can continue to benefit from the old regime until 30 June 2021.

The new regime will allow a Luxembourg resident company, a Luxembourg permanent establishment of a foreign company or an individual to benefit from a partial exemption of **80% on the net income derived from eligible IP assets** as well as a **100% exemption from net wealth tax**.

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Therefore, for a corporate taxpayer based in Luxembourg city with eligible net income, the new IP Box Law leads to an effective tax rate of 5,202% in accordance with the rate of the corporate income tax applicable as from 2018 (19,26%) and municipal business tax in Luxembourg city (6,75%) for companies with a registered office in Luxembourg city.
The partial tax exemption is notably subject to the following specific conditions :

The benefits of the IP regime are limited to the following assets:

- patents;
- utility models;
- copyrights on computer software;
- supplementary protection certificates for medicinal and plant-protection products; orphan drug designations; and
- extensions of supplementary protection certificates for paediatric medicine.

The new IP Box Law provides that the above-mentioned assets are eligible for the preferential tax regime only if they result from a research and development ("R&D") activity performed by the taxpayers themselves.

The expenditures eligible for the exemption provided for by the new IP Box Law, shall only be the expenditure necessary for R&D activities directly related to the constitution, development or improvement of an eligible asset that is made by the taxpayer for R&D activities carried out by the taxpayer or for payments made by the taxpayer to an entity other than a related entity. The IP Box Law specifies the types of income which may be taken into consideration for partial exemption:

- remuneration for the use, or the granting of the use of an eligible asset (royalties);

- income in relation to the eligible asset that is included in the sale price of a product or service;

- income arising due to the disposal of the eligible asset; and

- indemnities obtained in connection with a judicial or arbitration proceeding relating to the eligible asset.

We will be obviously pleased to to provide you with more details if you are interested in.

• Are you a philanthropist? Think about the Luxembourg regime for philanthropy
Luxembourg has developed a tailor-made framework for philanthropy. The umbrella foundation "Fondation de Luxembourg", created in January 2009 acts as an intermediary between donors and beneficiaries with the aim of promoting private philanthropic commitments. The Foundation can also simplify the process by hosting dedicated funds, which are set up and managed in accordance with the wishes of the donors, but which as a result do not have to set up their own legal structure. The Foundation is a member of the Transnational Giving Europe for Cross-border Giving.

Taxation

The Luxembourg Government and Parliament have taken into consideration the growing demand for philanthropy services in Europe and the trend to enhance the tax benefits of gifts made, to non-profit making organizations.

For instance the registration tax rate on formal bequests and donations to non-profit making associations and foundations has been reduced from 6 to 4% and the registration tax on formal bequests and donations made in favour of foundations regarding university grants and public education bodies has been supressed.

Furthermore, the maximum tax deductible amount for gifts to non-profit making organizations or foundations of public utility, as bee doubled up to a maximum of EUR 1.000.000.- and of 20 % of the net income of the donor. Donors are also allowed to carry forward the tax deduction of special expenses up to 2 years after the gift in case the annual limit is exceeded.

Finally, the initial endowment in cash to a foundation of public utility by its founder is explicitly qualified as a tax deductible expense.

These legislative amendments and reforms have seriously improved, the conditions for charity in Luxembourg and place our country on a level playing field with many other top player countries.

4. Corporate environment

Whether your business is operating across multi-jurisdictions or is Luxembourg focused, you may decide to set-up an entity in Luxembourg due to its exceptional toolbox in terms of entities and instruments.

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Very recently, the Luxembourg company law has been radically modernized. This modernization confirms and reinforces the “business friendly” climate for which Luxembourg is well- known to investors around the globe and bring more flexibility in the Luxembourg corporate environment.

A wide range of companies

Luxembourg offers a wide range of commercial companies with legal personality:

- The société en nom collectif (general corporate partnership/unlimited company),
- The société en commandite simple (common limited partnership),
- The société anonyme (public company limited by shares),
- The société par actions simplifiée (simplified joint-stock company),
- The société en commandite par actions (corporate partnership limited by shares),
- The société à responsabilité limitée (private limited liability company),
- The société coopérative (co-operative company),
- The société européenne (European company),

or which shall not constitute a legal person separate from that of their members :

- The société commerciale momentanée (temporary commercial company),
- The société commerciale en participation (commercial company by participation),
- The société en commandite spéciale (special limited partnership).

Therefore, you will always find the type of company adapted to your needs or have the possibility to choose a company you are used to working with in your home country. For instance the société par actions simplifiée (simplified joint-stock company) was copied from French law, and the société en commandite spéciale (special limited partnership) is similar to well-known and commonly used Anglo-Saxon Limited Partnership.

Flexible rule to organize management and voting rights

Luxembourg law and corporate practice provide for many mechanism in order to organize management of companies or to carry out shareholders’ rights (depending of the type of company incorporated). For instance:

- the articles of association may authorize the management body to suspend the voting rights of shareholders not complying with their obligations,
- shareholders may waive permanently or temporarily the exercise of their voting rights,
- voting agreements, as well as time-limited lock-up clauses providing for restrictions on the transferability of shares, are formally recognized,
- recognition of the possibility to create committees and ability for the management body to delegate a large portion of its powers to a general director or a management committee ,
- possibility to create various classes of shares with different rights, non-voting shares or beneficiary units,
- possibility for companies to redeem their own shares under specific conditions,...

Furthermore, shareholders agreements are common practice in Luxembourg, notably in major (e.g. private equity or joint-venture) transactions where the regulation of the parties' respective rights and duties with respect to their interests in a company is key.

A wide choice of very flexible instruments

The following instruments nay notably be issued by Luxembourg companies:

- Tracking shares,
- Non voting shares,
- Free shares to be allocated to employees or directors,
- The very flexible "beneficiary units" (parts bénéficiaires), which do not form part of the share capital, and whose rights, including in relation to voting and profit sharing, are exclusively determined by the articles, for maximum flexibility,
- Redeemable shares,...

Furthermore, rules on the issuance of bonds and other debt instruments have been recently extended by Luxembourg company law thereby providing greater flexibility for the issuers of such instruments.
For instance, all types of Luxembourg companies may now issue bonds and it is possible to derogate from some or all of these rules in the issue document, for instance by submitting the bonds to a foreign law.

These flexible rules may also apply in whole or in part to the issuance by Luxembourg or foreign companies of securities including debt instruments (e.g. CPECs or PECs) and other convertible securities.

Finally, Luxembourg companies are also frequently used by corporate groups to structure their incentive plans through employee share schemes, management packages, warrants/stock option plans,...

5. Real estate

The Luxembourg real estate market undoubtably represents an investment with high potential and unquestionable resilience to crisis situations, which may be explained by:

- Prosperous economy within the European Union: with a GDP growth forecast of 4%/year, Luxembourg's economic development surpasses the forecasts of its neighbors;

- An ever-growing population: with an annual growth of 2.2%, the increase in the resident population of Luxembourg generates a growing demand for real estate;

- A market which has shown resilience in time of crisis: prices were little impacted by the 2008 financial crisis (down 1% in 2009 followed by a continuous increase of around 5% / year since 2010).

- The current volume of office space for rent is not sufficient to meet the growing demand.

- The number of foreigners in Luxembourg City and its close neighbourhood has never stopped increasing, and the residential rental market will continue to expand in this area;

- The Grand-Duchy has favourable fiscal regime for property owners.

- The economic stability of the country is key to the real estate sector growth and has already attracted new arrivals, especially high-net-worth individuals and investors.

In the third quarter of 2017, dwellings prices rose by 4,9% in one year; on that same reference period, the average prices specifically for new apartments, have known a considerable increase of 6,1%!

Incentives

- **Limited transaction costs:** when purchasing a property in Luxembourg, notarial deeds are in principle subject to a fee of 7% of the price of the property, including 6% registration fees and 1% transcription rights.

However, in order to promote the acquisition of personal property, these expenses are reduced (Bëllegen Akt) for the first purchase of the main residence in Luxembourg. This represents a tax gift of up to 20,000 euros per head or 40,000 euros for a couple, provided you live more than 2 years in your new home. But nothing prevents you to rent this property beyond these 2 years!.

Finally, notary fees are also relatively limited for transfer of ownership.

- **Almost non-existent property tax:** in comparison with some neighboring countries, property taxes are extremely low in Luxembourg (<100 EUR/year).

- **Real-estate capital gains are not taxable on the primary residence:** the potential capital gain realized on the resale of one's principal residence is not taxable, regardless of the amount.

- **Interests on mortgages are tax deductible:** a couple can receive up to 10,000 EUR of deductible loan interest (+ EUR 2,000/child) annually on the acquisition of real estate, whatever the use of the dwelling.

- **Impatriate tax regime:** the aim of this favourable tax regime is to attract foreign, skilled workers to Luxembourg by providing significant tax savings for both impatriates and employers. The regime applies to impatriates coming to Luxembourg, i.e.

  - Employees who are part of an international group and who are assigned to a Luxembourg office of the group.
  - Employees directly recruited abroad.

If the conditions of the impatriate tax regime are met, it is possible to obtain tax relief for certain expenses such as relocation, rent/utilities, home leave trips, tax equalisation, school fees, lump sum for recurring expenses...

- **Inheritance tax regime:** Luxembourg legislation is very favourable for transferring inheritance.

- If the deceased is a resident of Luxembourg, the inheritance is taxed in Luxembourg, with the exception of real estate located abroad.

- If the deceased is not a resident of Luxembourg, the inheritance is not taxed in Luxembourg, with the exception of real estate located in Luxembourg.

- Direct line inheritance ab intestat (i.e. one in which the deceased does not have a last will and testament) is exempt from inheritance tax for Luxembourg residents. The inheritance is then distributed by operation of law.

- The inheritance collected by the surviving spouse who had children with the deceased, is exempt for Luxembourg residents.

Attractiveness for institutional and high-net-worth individuals

Institutional investors are increasingly investigating and entering the Luxembourg real estate market. The stability of the country, its positive economic perspective and its proven resilience to the crisis, together with attractive yields offered by office properties, have now become the main drivers for further foreign institutional investment to arrive.

In addition, the quality of the tenants in Luxembourg and the current low vacancy rates are additional positive aspects that institutional investors private bankers and family offices may consider.

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MALTA
DF ADVOCATES

1.Strong and flexible regulatory framework

Since the early 1990s, Malta has been developing a comprehensive legal and regulatory framework to cater for financial services activities enabling the jurisdiction to develop itself as an international financial services centre of repute. The regulatory framework for financial services which was set up in 1994 and which already reflected European standards at the time, continued to be developed and updated further throughout the years to implement European Union Directives, following Malta's accession to the EU in 2004. In addition to the adoption of EU standards, Malta's dynamic framework and national regimes enable the industry to develop new products and services within a sound regulatory environment.

2.Pro-business approach

The jurisdiction adopts a pro-business and can-do approach. The regulatory body is accessible and open to discussions with the industry and enables innovation. Malta has over the past months been actively developing a regulatory framework for Distributed Ledger Technology and crypto assets to cover both the technological and financial services aspects of this new line of business.

3.Thriving economy and financial sector

Malta has a thriving economy having experienced consistent solid growth over the past years with the outlook remaining favourable. In fact, Malta's GDP growth at a rate of 5.6% will be the European Union's highest in 2018 according to the European Commission, and therefore more than double the European average.

Its financial services sector is well developed and diversified and the island has become an established location for reputable companies intending to carry out international business. With respect to the funds and investment services sector there were, as at June 2018, over 660 funds (including sub-funds) based in the jurisdiction comprising more than EUR11bn of assets, over 160 licensed investment services providers as well as 26 recognised fund administration companies (Source: Net Asset Value – Locally Based Collective Investment Schemes (June 2018) / Statistical Tables 2nd Quarter 2018, issued by the Malta Financial Services Authority).

Malta's robust economy and thriving financial services industry are attracting an increasing number of foreigners to the island which has become a hub for relocation. In fact Malta boasts some of the most successful and most advanced citizenship and residency schemes in the world, with a global passport power rank of 5 according to the passport index and offering one of the most notable residency by investment programmes in the world.

4. Excellent ICT Infrastructure

Malta, situated at the centre of the Mediterranean, offers the right environment for business through amongst other its easy access and excellent ICT infrastructure where companies can avail of satellite technology and high capacity fibre-optic cables.

5.Competitive and reputable

Malta enjoys a strong reputation as a quality and respected EU jurisdiction for financial services where costs remain competitive. Malta was placed amongst the top 20 financial jurisdictions in the World Economic Forum's Global Competitiveness Index 2015-2016. It also experienced positive rankings in the Global Competitiveness Index for 2016-2017 and 2017-2018.

6. Attractive fiscal incentives

The jurisdiction offers a highly efficient fiscal framework avoiding double taxation on taxed company profits which are distributed as dividends. In addition to the favourable tax refund system that is available under Maltese Law there are also attractive tax incentives specifically applicable for high net worth individuals, professional persons and retirees who decide to relocate to Malta.

By virtue of the Tax Refund System, upon the distribution of dividends by a Malta company, non-resident shareholders are typically entitled to apply for tax refunds of the Malta tax paid by the Malta company.The amount of refund depends on the nature of the income derived by the distributing company, whereby non-resident shareholders are able to enjoy an effective tax rate as low as 5%.

Malta companies also benefitfrom afull participating exemption regime which applies to dividends and capital gains derived from a participating holding or from the transfer of part or all of such participating holding.

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NETHERLANDS
EKELMANS & MEIJER ADVOCATEN

PRELIMINARY NOTICE: *Please note that services for attracting and servicing non-Dutch groups and investors for setting up companies in the Netherlands that benefit from specific advantageous tax regimes are typically rendered by the Dutch trust and corporate services industry. In order to be able to render such services, one must obtain and hold a trust services license, issued by De Nederlandsche Bank (the Dutch national bank), which is also the supervisory authority for the trust services industry. Lawyers as a rule do not render these services. Only very few law firms have or are partnered with an organization that is licensed to render trust services. Ekelmans & Meijer Advocaten is not one of those few firms. Ekelmans & Meijer Advocaten does work together with various trust services firms in jointly rendering services to clients who so require.*

1.Very attractive fiscal regime for Research & Development

Consisting of:

a) Substantial tax credits for wage taxes due over wages of personnel involved in R&D: 32 % reduction over first EUR 350k aggregate wage tax and 14 % reduction above wage tax due above that amount.

b) Companies may benefit from an effective tax rate of only 7% for income from intangible assets— including technological innovations—created by the Dutch tax payer and for which R&D tax credit was received.

c) Allowance for Top Syndicates for Knowledge Innovation (TKIs). A TKI is a partnership between public entities and private parties or investors. Cash grants of 40% are available on the private investment costs for the first €20,000 and 25% for the excess. In order to receive TKI allowance, the cash grant has to be invested in the R&D project of the partnership.

d) Innovation Credit. Innovation Credit is a risk-bearing loan from the government, intended for the development phase of a technically new product, process or service, including development of medical products that require a clinical study. Funding may vary from 25% (large companies) to 45% (SMEs) of relevant project costs with a maximum of €10 million, and the remainder being financed by the company's own resources.

NETHERLANDS | EKELMANS & MEIJER ADVOCATEN

2. Almost limitless freedom in incorporating and designing/shaping limited liability corporations and private foundations

Limited liability corporations (*besloten vennootschap; B.V.*) are easily incorporated, have no capital requirements in relation to their size of business and can be designed to meet virtually each purpose. Minimum requirement is that a BV has issued at least one share of a defined value in valid currency, for instance € 0.01. Denomination of shares can also be in any valid non-Dutch currency. All sorts of share classes within the same B.V. are possible, provided a share has at least either some sort of dividend right or some sort of voting right. Shares without voting rights, tracking shares, shares without dividend rights, shares with any kind of mix of voting and dividend rights, various shares with various voting rights on different subjects are possible, etcetera, provided a share with voting right always has the right to vote on at least one member of the management board.

Civil law foundations are not strictly limited to charitable purposes. In fact they are widely used in corporate structuring and family estate planning. For instance, foundations are used quite a lot to hold shares in family businesses, whilst the economic rights related to such shares are held by other persons, for instance family members. Foundations used as such are known as administration offices. This split in formal ownership from economic benefits can be applied to every conceivable situation, regardless of nature and nationality of assets, reason why the Netherlands play an important role in structures centered around asset protection. Dutch civil law foundations can also be designed for almost every purpose, the design thereof being largely left to the founders. The only real limitation is the fact that a foundation may not pay dividend or capital to founders or other members of corporate bodies within the foundation or to any other third party other than those having an idealistic or social purpose. Structuring around this limitation is, however, quite normal, for instance in case of a foundation holding shares, placing the economic rights linked to those shares elsewhere.

3. The Netherlands is a very good place to be

It is good to be Dutch, or at least, it is good to live in the Netherlands:
6th in global happiness index (LAYARD & SACHS)
4th in the world competitiveness index (WORLD ECONOMIC FORUM)
4th in global infrastructure index (WORLD BANK)
3rd in global access to healthcare index (THE ECONOMIST)
3rd in expected trade surplus 2018 after Germany and Japan (REUTERS)

3rd best for doing business (FORBES)
2nd in agricultural exports (WORLDATLAS.COM)
2nd in global pension index (MERCER)
2nd in global innovation index (CORNELL / INSEAD / WIPO)
2nd on list of scores on international comparative lists (WWW.MATHIJSBOUWMAN.NL) 1st in proficiency of English as a second language (EF ENGLISH PROFICIENCY)
1st in driver satisfaction index (WAZE)
1st in competitiveness in EU (WORLD ECONOMIC FORUM)
1st in good country index (THE GOOD COUNTRY)
1st in children's well-being index (UNICEF)
Schools are good, wealth in general is stupendous, the country is very safe.

4. High political stability and no to non-discernible corruption
Whatever happens, the Netherlands will always have a government around the centre of the political spectrum. These governments are remarkable only for being so very unremarkable.

Transparency International ranks the Netherlands, on a similar level with Luxembourg and Canada, high on the list of least corrupt countries, having before them only New Zealand, Denmark, Finland, Norway, Switzerland, Singapore and Sweden. As far as the Netherlands are concerned it is highly unlikely that one will encounter corruption at all within its borders. The Netherlands are home to a far larger number of multinational companies than the size of this small country would warrant, not counting those multinationals registered for tax reasons only. The ranking of the Netherlands in the Transparency International Index is largely due to corruption scandals the Dutch multinationals have become entangled in abroad.

5. Very attractive fiscal regime in general
The Netherlands has a very competitive fiscal climate.

The Dutch tax ruling practice has a 30-year track record and has given many international groups clarity on their tax position when setting up successfully in the Netherlands. And thanks to the Netherlands' stable government and highly accessible and cooperative tax administration, companies can feel confident that any adjustments to this practice will be implemented in such a way that it maintains attractiveness for foreign investors, minimizes impediments for business and guarantees cooperation and transparency from Tax Authorities.

The Netherlands has a competitive statutory corporate income tax rate compared to the rest of Europe: 20 per cent on the first EUR 200,000 and 25 per cent for taxable profits exceeding EUR 200,000. As a matter of fact, the government has announced to lower the tax rates even further to 21% and 16% respectively in the coming years. The Dutch tax system has a number of attractive features for international companies:

- A wide network of nearly 100 bilateral tax treaties to avoid double taxation and to provide, in many cases, reduced or no withholding tax on dividends, interest and royalties.
- An efficient fiscal unity regime, providing tax consolidation for Dutch activities within a corporate group.
- Clarity and certainty in advance on the tax consequences of proposed major investments in the Netherlands.
- No statutory withholding tax on outgoing interest and royalty payments.
- Favourable expat tax program with a 30 per cent personal income tax advantage for qualified, skilled foreign employee.
- A broad participation exemption (100 per cent exemption for qualifying dividends and capital gains), which is vital for European headquarters.

6.Very stable, dependable and non-corrupt court system

No further explanation required, other than that it can be added that for serious disputes within groups of companies the Enterprise Chamber of the Amsterdam Court of Appeal offers a relatively informal and quick way towards fixing problems in corporate groups, for legal costs that are quite low compared to similar proceedings in e.g. the US or the UK

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NEW ZEALAND
LOWNDES

Five Advantages OF DOING business in New Zealand – FOR Private Clients, High NET WORTH Individuals and Corporate Entities

1. Least corrupt country in the world:
New Zealand has been ranked for the last three consecutive years as the least corrupt country in the world by Transparency International[5]. Research conducted by Stanford Graduate School of Business[6] has found that businesses in countries with lower rates of corruption enjoy greater operational efficiency and require significantly fewer employees to get the same job done.

2. Easiest country in the world to do business:
For the second year in a row, New Zealand has claimed top spot in the World Bank Doing Business 2018 report for ease of doing business, ahead of 190 other economies[7]. For the last 10 years, New Zealand has been ranked the easiest jurisdiction in which to set up a new business. Records of all companies established in New Zealand are publicly available online at no cost. Conveyancing of land occurs almost instantly through New Zealand's "Landonline" system, and security interests against debtors are easily recorded in a searchable online database.

3. A country that supports innovation:
New Zealanders are renowned for their "can-do" attitude and ingenuity. From nano fibre face masks made from sustainably caught, left-behind hoki fish skins[8] to lightweight, cost-effective commercial rockets[9], New Zealand is on the cutting edge in terms of innovation. The New Zealand government takes an active role in sponsoring further innovation by providing financial support to innovative companies established in New Zealand via Callaghan Innovation, New Zealand's Innovation Agency[10].

4. Vibrant economy:
New Zealand has a diversified economy with manufacturing and service sectors complementing a world-renowned agricultural industry. New Zealand brands are associated across the globe with purity and excellent craftsmanship. GDP growth in New Zealand was 3.9% in 2016 (compared to 1.8% in the United Kingdom and 1.6% in the United States). Unemployment rates are at a low 4.5%.

NEW ZEALAND | LOWNDES

5.Investor Protections:

In 2013 New Zealand introduced sweeping legislation in the form of the Financial Markets Conduct Act 2013 governing how financial products (including debt securities, equity securities, managed investment products and derivatives) are created, promoted and sold. The legislation governs the ongoing responsibilities of those who offer, deal and trade these financial products, holding all parties who issue or deal in financial products to a fair dealing requirement. Approximately 2,300 New Zealand firms and schemes are required under that legislation to make concise and timely financial reports and are subject to regulatory oversight by the Financial Markets Authority. This legislation and a raft of other consumer protection laws have created, a safe, stable and predictable environment in which to invest or establish a business.

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6 Marguerite Rigoglioso “Research: Corruption Causes Business Inefficiency” Stanford Graduate School of Business (online ed, 1 December 2007), available here.
7 Ministry of Business Innovation & Employment “New Zealand retains top spot for ease of doing business” (online ed, 16 November 2017), available here.
8 New Zealand Story Group “Fush* Skin Face Mask Anyone”, available here
9 Nicole Lawton “Lift off! New Zealand’s Rocket Lab launches first rocket into orbit from Māhia Peninsula”, (21 January 2018), available here.
10 https://www.callaghaninnovation.govt.nz/

PERU
HERNÁNDEZ & CÍA. ABOGADOS

1. Emerging market:
Peru is an emerging market that is growing faster than other emerging economies.

2. New middle classes:
as a consequence of the growth of the economy, new middle classes appeared (pulled up from poverty sectors) that are demanding new services. For example we have seen international investors as large private equity funds investing in Peru in growing consumer areas as private education, health care services, restaurants and travel among other areas.

3. Friendly legal framework for international investors:
Peru has one of the most attractive legal frameworks in emerging markets that has given confidence to international investors over the years. For example, it is permitted the use of foreign currency as euros and U.S. dollars including the use of local bank accounts in such currencies. Additionally, there are no restrictions for convertibility and transferibility of capital, dividends and funds in general, complying with applicable witholding taxes if any.

4. Efficient protection of investments:
Peruvian law protects non-Peruvian investments through mechanisms as Legal Stability Agreements that permit the investor to sign an agreement with the Peruvian Government by which the latest guarantees a 10-year period where certain conditions as the Corporate Income Tax Rate will be freezed for such period for the investor, if the government changes such tax rate. Additionally those Legal Stability Agreements protect the rights of freedom of convertibility and transferibility of currency.

5. International arbitration:
Peruvian law permits international arbitration. The government can also submit to international arbitration.

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PORTUGAL
SÉRVULO & ASSOCIADOS

1. Geographical, Political and Economic framework

Its geographical and political placement justify saying that the Portuguese democratic republic is, indeed, an outstanding country to live and invest in. Located in the southwest of the European continent, Portugal is directly accessible by the Atlantic Ocean (west and south), with numerous ports with advanced commercial capacity (93,9 million tons in goods/year in 2016). On the other side, Portugal is bordered by Spain, being equipped with a developed and far-reaching rail and roadway net, providing full access to the rest of the European economies. The official language of Portugal (Portuguese) is the 7th most spoken language in the world (with almost 219 million speakers), making it easy to communicate with nations from every continent. In fact, Portugal maintains very prosperous cultural and economic bonds with countries such as Brazil, Angola, Mozambique, Cabo Verde, São Tomé e Principe, Guinee-Bissau, Timor-Leste and China (Macau). Concerning languages, it is also very important to mention that 71,8% of the population can speak a second language (data of 2016, age rate 18-64, 59,6% English, 21,5% French and 14,8% Spanish). Being a member of the European Union since 1986, Portugal's currency is the EURO and the European rules on the free movement of goods, capital, services and labour are fully in place. With a population of circa 10M and a GDP of approximately $205B, abundant reasons explain Portugal's 29th rank in the World Bank's 2018 Doing Business Report.

2. Equality in investment access

Portugal treats foreign investment much as the domestic's, with no barriers being lifted to the entry of foreign capitals or to the exit of dividends. Foreign investors are not required to obtain Portuguese citizenship (only the Portuguese Tax ID number), and a Portuguese partner in the intended business is not required.

3. Straightforward company incorporation

It is currently possible to fully incorporate a Private Limited Company in Portugal within 24 hours, either online or in person. Registration of an ltd requires a minimum contribution of 1€ per partner, while a public limited company (plc) must have a minimum share capital of € 50K and at least 5 partners.

4. Better education, fewer labour conflicts

Within 10 years (2007-2017), the number of students concluding a degree with master level

included escalated from 984 to 8.386, having almost 40% of the Portuguese population concluded a university degree presently. Investors will easily find a highly skilled and technically competitive workforce.
According to the EEF's Global Competitiveness Report 2017/2018, the Portuguese Labour legal framework is more flexible than many other European countries. In addition, in the "labour market efficiency", Portugal is ranked 55th in 137 countries worldwide. According to the European Trade Union Institute (yearly average between 2010 and 2016), only approximately 15 days per 1000 employees were spent in labour conflicts, close to the European standard. 76 strikes occurred in 2016, a number significantly lower in the last 18 years (250 strikes in 2000).

5.Tax rates, benefits, investment protection and special regimens
On a broad and simplified overview (i.e., not taking tax benefits, deductions or exemptions into account), companies are taxed 21% on their gross profit (Companies Income Tax, "IRC"). Additional municipal tax (derrama municipal) varying between 1,5% and 7% may be imposed whenever companies' income exceeds certain amounts. Tax benefits and lower tax rates may apply for companies operating in different regions of the country (e.g., in the islands, Madeira and Azores), and various incentives for pursuing certain activities may be granted. It should be made reference to the fact that Portugal has concluded more than more than 60 double tax treaties (preventing double taxation) and more than 50 agreements of investment protection.
On what concerns individuals' taxation ("IRS"), progressive rates may vary between 14,5% and 48% (and a solidarity tax may be imposed). Deductions may also apply.

Due to their impact on investment, two special regimens deserve to be briefly highlighted herein. The first one is the Tax Regimen for Non-Habitual Residents ("NHR"), in place since 2009. Under certain conditions, the NHR is valid for 10 years and may be used by individuals who are willing to register his/her tax residency in Portugal (having to live at least 183 days/year in the territory). Individuals under this regimen will be subject to a reduced 20% rate on personal income tax ("PIT") on certain income sourced in Portugal, and, complying with determined requirements, possibly exempted from paying PIT on income from a foreign source.
The other regimen worth to be mention is the Residence Authorization for Conducting an Investment Activity (commonly known as "Golden Visa"). Under this regimen, a citizen from outside the European Union may be granted a visa to live and work in Portugal (and have access to the Schengen space) by conducting certain investment activities (such as a capital transfer, creation of job positions, purchase or purchase and regenerate real estate property, invest in scientific research, art, culture, heritage or creating a small or medium-size business).

PORTUGAL | SÉRVULO & ASSOCIADOS

For all these reasons it is possible to conclude that Portugal is, indeed, a very attractive jurisdiction for ultra and high net worth individuals and businesses.
For additional information visit www.servulo.com.

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RUSSIA
INTELLECT

5 reasons not to be afraid of doing business in Russia

Russia is the world's largest country, reach in natural resources and talented people. Businesses from all over the world have always been interested in its market and territory. At the same time, historically, Russia's political system has always had a great effect on its economy and other spheres, which sometimes have caused risks for foreign investors.

Nowadays, in the year 2019, Russia faces the same situation, when one may say that it is not the most popular jurisdiction to invest in. However, we would like to give the potential foreign investors some good reasons not to be afraid of Russia as a partner and a place to do business in.

1. Legal System

Since the collapse of the Soviet Union Russia has turned back to the private law-oriented Civil Law system. Now Russian legal system overall is quite within the general framework of Continental European law approach, in many respects conceptually quite understandable to most foreign lawyers familiar with European civil law systems, although still transforming.

Russian law is codified in the form of codes and statutes (laws). Although the courts' jurisprudence is also important for the understanding of how the courts interpret the law, legal precedents are not among the official sources of law.

The system of law is traditionally divided into substantial and procedural law, private and public law.

The main branches of law are codified into the codes. The key codes currently in force are the following:

- Civil Code;
- Civil Procedure Code;
- Commercial Procedure Code;
- Code of Administrative Offences;
- Code of Administrative Judicial Procedure;
- Criminal Code;
- Criminal Procedure Code;
- Tax Code;
- Land Code;
- Family Code;
- Customs Code of Eurasian Economic Union (which is actually an international treaty adopted

by the member states of the union);
- Merchant Shipping Code and others.

There is also a number of specialized laws on certain subjects (e.g., the federal laws 'On Enforcement Proceedings', 'On Insolvency (Bankruptcy)', etc.).

All in all, the sources of Russian law are quite well-systemized, which makes it easier to apply and research them.

It is also worth mentioning that most of the laws are federal, which means they are effective throughout the territory of the Russian Federation. Russia's regions also have some regional law, however, they cover only some certain issues: land law (primarily in terms of land taxes and lease payments), some local tax issues, municipal issues and some others.

Importantly, Russia is a party to many international treaties and conventions important for international commercial relations. Among most notable ones are Convention on the International Sale of Goods (1980), the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards (1958), The Hague Convention Abolishing the Requirement of Legalisation for Foreign Public Documents (Apostille Convention, 1961), the Washington Convention On The Settlement Of Investment Disputes Between States And Nationals Of Other States (establishing ICSID, 1965), the European Convention on Human Rights and many others. Since 2012, Russia is also a member of WTO.

Russia also participates in various regional and bilateral international treaties. First of all, it is a member of the Eurasian Economic Union (together with Armenia, Belarus, Kazakhstan and Kyrgyzstan). The union member states have an integrated single market with single customs territory and other common policies. Russia is a party to a good number of bilateral investment treaties, double taxation agreements and mutual legal assistance treaties with countries all over the world. Under Russian Constitution international treaties to which Russia is a party take precedence over national laws. As a result, international lawyers knowledgeable about the relevant treaties and conventions are de facto quite familiar with some fundamental provisions of the Russian legal system.

Nowadays, Russian law is evolving to factor in the unstoppable digitalization of different spheres of modern society. Various matters of e-commerce have gained legislative regulation; electronic documents and internet technologies are being implemented in dealings with various state authorities (including courts). Recently a new law has been enacted, proposed to regulate crowdfunding, peer-to-peer lending and other new forms of crowd-investing (the Federal Law dated August 02, 2019, No. 259-FZ).

Thus, the modern Russian Law System is quite logical and westernized, which is absolutely a plus when you are considering doing business in this jurisdiction.

2. Corporate forms and procedures

In Russia, there is quite a straightforward and easy procedure for setting up a new commercial entity, which is a good advantage for foreign investors.

Russian corporate laws provide for all commonly known corporate forms of commercial entities: limited liability companies, public and private joint-stock companies. A sole proprietorship (or registered individual entrepreneurship) is quite popular as well, especially among small businesses.

A foreign investor has three basic options to start doing business in Russia: (1) setting up a new company fully or partly owned by the foreign shareholder; (2) buying active business with a share in active company; (3) setting up a representative or a branch of foreign company in Russia.

The most straightforward way to set up a business entity in Russia is registering a limited **liability company** – LLC (Russian abbreviation is **OOO**).

Generally, there are no specific requirements or limitations for foreign investors willing to set up a limited liability company in Russia. The foreign shareholders may fully own the company in Russia, or it may be a joint venture with Russian shareholders.

A standard list of the documents required for the registration of LLC includes the following:

- resolution of the general meeting of shareholders regarding the company formation;
- articles of incorporation of the future company;
- application form (shareholders' signatures are to be notarized);
- documents of the foreign shareholder (excerpt from the trade register for a foreign company).

The shareholders are also required to pay the state registration fee, which is 4,000 Rubles for LLC.

Registration of commercial companies is carried out by the tax authority. The registration procedure usually takes 3 business days.

Since the application form for the registration has to be notarized, there are two practical options available for the foreign shareholders: (1) come to Russia and sign the application form in front of a Russian notary; (2) sign the application form abroad, at the shareholder's place of business, and then such a form, apostilled and translated, may be presented to the Russian registration body.

Another option is to buy a share in an active (or a newly registered) company in Russia. The relevant procedure for the share transfer from the Russian owner to the foreign one is much easier than that of the registration, so this may also be a useful tool to simplify the arrangements.

All the procedures with the registration body may be carried out in an electronic form. All in all, **electronic means of communication** are quite well-developed. For instance, almost any information about a Russian company is publicly available in electronic form at the website of the Russian tax authority (nalog.ru).

Russian corporate laws have been quite modernized recently. As a result, many corporate transactions and shareholders deals may be structured and tailored quite well under Russian law, although just few years ago the English law had an absolute monopoly in this sphere.

3. Taxation

The Russian tax system consists of three levels: the federal, regional and municipal taxes.
As a general rule, **commercial companies** may be subject to the following taxes:

(1) federal taxes:
- VAT;
- corporate income tax;

(2) regional taxes:
- transport tax;
- tax for immovable property (corporate assets tax);

(3) municipal taxes:
- land tax;
- trade fee (only for certain regions, including Moscow and Saint Petersburg).

General **VAT** rate is **20 %**, although some industries may be entitled to apply a lower rate or even tax exemption.

Corporate income tax rate is generally **20 %**, but in certain cases, a company may be subject to a lower rate or exemption.

Russia applies both “at source” and “resident” methods for corporate income tax. Thus, the dividends paid to a foreign company, the shareholder of a Russian company are generally subject to corporate income tax “at source” at the rate of **15 %**. A lower rate may be applied in accordance with a bilateral double taxation agreement: e.g., 10 % or 5 % in accordance with the agreement between Russia and the Republic of Cyprus.

There are also rules for transfer pricing and thin capitalization in the context of the corporate income tax. For instance, Russian tax law indicates certain maximum and minimum loan interest rates for the loans between related companies, as well as the total interest amount for the cases of thin capitalization.

Small businesses may also apply specific tax regime, the so-called **simplified taxation system (STS)**. STS is actually a unified tax applied instead of the three taxes: VAT, corporate income tax and corporate assets tax. STS may be applied either to the gross revenue with the rate of 1-6 %, or to the difference between the gross revenue and expenses with the rate of 5-15 %. Certain STS rates differ from region to region and are determined by the regional authorities (for example, in Moscow, general STS rates are 6 % and 15 %, accordingly).

STS may not be applied by a company 25% or more of which is owned by another company or companies (including a foreign company) as shareholder(s) or participants. In order to address this limitation, in order to apply STS by the Russian subsidiary, the share capital may be distributed among foreign individuals.

Taxes for individuals are generally the following:

- **individual income tax** (**only 13 %** for Russian tax residents and 30 % for non-residents, although a lower rate may be applied in accordance with the double taxation agreement);
- transport tax;
- land tax;
- immovable property tax.

The Russian tax law contains specific rules for **controlled foreign companies (CFC)** – the case when a Russian person owns more than 25 % of the share capital of the foreign company. As a general rule, the income of CFC may, under certain circumstances, be subject to corporate income tax in Russia, as a part of the income of the controlling person (either a company or an individual).

In general, the Russian tax law is compliant with the actual practices of international taxation and OECD practices. However, tax rules should always be taken into consideration when planning the business in Russia, since forewarned is forearmed.

4. Real Estate

Land and other immovable property are among the most valuable assets in almost any country or region. If a physical presence is needed for a certain business (e.g., retail, production, logistics), then the legislation of real estate matters is particularly important.

Russia has a registration system regarding real estate rights, which means that any title in the real

estate must be registered to be recognised (i.e., ownership, as well as any encumbrances, such as pledge, or a lease, or an easement). In accordance with Russian law, title in the real estate is deemed to be transferred at the moment of the relevant record of transfer is made in the Unified State Register of Real Estate. In order for the title to be registered both parties of the transaction need to file an application for the transfer of title to the registration body.
According to Russian law, a purchase agreement for the real estate needs to be in writing in the form of a single document signed by both parties. There is no general requirement for the real estate purchase agreement to be notarized, however, the parties may, upon their mutual agreement, have it notarized.

Russian law provides for the three main types of real estate:

- plots of land;
- buildings and constructions;
- compartments (separate units) in buildings and constructions, as well as parking places.

These types of real estate are considered as separate objects and, therefore, may be owned by different persons.

The Unified State Register of Real Estate contains data about all real estate objects and any titles in it. The information on the register is publicly available and may be obtained in hard copy or in electronic form.

The title's official registration is considered to be a warranty for the potential buyer of a real estate (or a potential creditor, or a tenant) against third parties' claims.

There are just a few restrictions for foreign investors to hold real estate in Russia. Foreign persons are not allowed to hold title in land plots located in the border territories; agricultural-purpose land plots (but they can hold lease of it); and land plots located within the boundaries of sea ports. However, a foreign investor may set up a Russian company in order to own a real estate and, and in that case, some of these restrictions may be overcome.

The potential difficulty of the real estate transactions in Russia is arising from the fact that the legislation in this area is still quite modern. Actually, the laws regulating the immovable property relations have been modified several times during the last 25 years. Due to this reason, a thorough audit of the relevant title should be carried out before any serious transaction regarding real estate is entered into. The required information necessary for such an audit is usually available and may be obtained. Therefore, a good team of legal professionals may help with this task.

5. Judicial System

Any business sometimes faces conflicts and legal disputes, which need to be decided in court. In Russia, commercial court proceedings usually take less time and money than in many other jurisdictions.

Russian judicial system is vertically structured and contains several subsystems. The two main subsystems are commercial courts and the general jurisdiction courts.

The system of commercial courts (in Russian called 'arbitration' or 'arbitrazh' courts, though these are still state courts and not an arbitration in nature) comprises of three levels: first instance courts (one court for each Russian region); appellate courts (one court for several regions); cassation courts (only 10 courts all over Russia).

The commercial courts resolve all commercial disputes (i.e. almost any disputes with commercial entities, either Russian or foreign), as well as tax and administrative disputes concerning the commercial parties. Commercial Procedure Code is applied by the commercial courts.

Other disputes are resolved by the general jurisdiction courts: civil disputes (disputes with citizens, such as consumer claims, family disputes and others), criminal and administrative cases. The general jurisdiction courts system also comprises of three levels. Procedural laws applied by the general jurisdiction courts are the Civil Procedure Code, Code of Administrative Judicial Procedure, Criminal Procedure Code.

Both the commercial courts and the general jurisdiction courts systems are united at the highest level, in the Supreme Court of the Russian Federation. At the Supreme Court, four separate chambers are set up for administrative, criminal, civil and commercial disputes.

There is also a specialized Court on Intellectual Property Rights. The court considers IP cases as a first instance and a cassation instance court.

A certain advantage of the Russian court system is that the procedure is quite expedient. In civil and commercial cases, within 5 days upon the plaintiff's application filed to the court, the judge is obliged to start the proceedings and schedule the first court hearing. The first hearing is usually held within 2 months. An average term of proceedings in commercial courts is about 6 months for the court of the first instance and 2 months for each appellate and cassation courts.

Another advantage is that the trial costs to litigate in Russian (both as far as the court fees and the attorneys' fees are concerned) are quite modest by international standards. And that is one of the reasons of relatively low popularity of the domestic non-state commercial arbitration in Russia.

It is also worth mentioning that Russian courts have adopted latest technologies and electronic means of communication. Required data about court proceedings might be easily found online on official websites: case law is searchable online (texts of all the court decisions and interim injunctions are promptly published online), dates of the court hearings and procedural status are published for public access. All procedural documents may also be filed to the court through the internet. A party to the proceedings may attend the court hearing via video conference from another region of Russia.

Thus, Russia is a modern country actively developing, its legislation is quite up-to-date. A foreign investor looking into Russia may surely consider its legal system as one of the reasons not to be afraid of doing business there.

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SLOVAKIA
PAUL Q LAW

The economy of Slovakia achieved 4.4 % growth in 2018 which makes it one of the fastest growing economies in Europe. This is mainly due to ahigh consumption of households and an investment stability which are both at their historical highs. In addition, in the coming years, further growth in the economy is expected of around 4.5 %.

At present, thanks to a few significant reforms, Slovakia has aclear and relatively simple system of taxes and their administration. Participation of the country in the customs union of the European union generates other benefits like free movement of goods and services, time and cost savings etc.

Slovakia is still able to provide sufficiently skilled and cheap workforce. The price of work is much lower than in the countries of western Europe with acomparable quality of education and experience. In the case of large projects, it is possible to apply to the Slovak government for investment incentives. These applications are mostly successful.

Slovakia is the only country in central Europe that uses the Euro as an official currency. On the base of use of this hard and stable currency, the country offers guarantees like price stability, cheaper cross-border purchases etc.

The country also offers advantageous geographic position in the hearth of Europe in conjunction with constantly evolving infrastructure. Within 500 kilometres from the capital city Bratislava lie 12 other European countries (including Germany and Italy), and all of them are connected with Slovakia by high quality highway network.

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SOUTH AFRICA
FLUXMANS INC.

1. A Functioning Legal And Company Law System:
The South African commercial legal system is one of the best in the world. South African has laws that deal with corruption (Preventionand Combating ofCorrupt Activities Act) and laws that are aimed at combating money laundering (Financial Intelligence Centre Act). Setting up companies in South Africa has become easier. The South African Companies and Intellectual Property Office has through its e-system made it easier to register companies within a relatively short space of time.

2. Tax Benefits:
South Africa has entered into double taxation treaties with a number of countries. With these treaties, a foreign entity doing business in South Africa does not pay tax in both the country of origin and in South Africa. Supply of goods and services are subject to value added tax ("VAT") at the applicable rate. The current VAT rate is 15%. Compared to value added tax rate levied by other countries, South Africa has a favourable VAT rate.

3. Repatriation Of Dividends:
The South African legal and banking system allow for payment of dividends to foreign investors or shareholders. All that is required is for a foreign shareholder to ensure that at the time of investing in South Africa, the interest is noted with the relevant authorities in South Africa. In addition, South Africa has an effective exchange control regime which ensures that investments into South Africa (whether through loan or share capital) are streamlined and formalised.

4. Foreign Employees Visas:
South Africa allows for foreign employees to get employment in South Africa. Foreign nationals with critical skills can obtain employment in South Africa. Furthermore, foreign companies with business operations in South Africa are able to obtain intra-company transfer work visas for their employees to work in their South African operations.

5. Gate Way Into The Rest Of Africa:
South Africa is perfectly located to be used as a gateway for foreign investors to expand their businesses into the rest of Africa. It is easier to travel into South Africa and doing business in and through South Africa will introduce business owners to the most beautiful, majestic and jaw-dropping locations in the continent. After all, South Africa is home to one of the world's greatest icon – The Statesman, Nelson Mandela.

SOUTH AFRICA | FLUXMANS INC.

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SPAIN
VENTURA GARCÉS & LÓPEZ-IBOR ABOGADOS

- Monetary stability since Spain uses the euro (€) as legal tender, a hard currency which protects non-Spanish investors from foreign exchange risk and investment depreciation.

- The life style in Spain is very positive. Spain is the sunniest country in Europe and its climate is among the healthiest in the world. The average temperature is approximately 20 degrees Celsius. The average life expectancy is 83,2 years, the second highest life expectancy in the world after Japan (83,4 years) according to the figures released recently by the OECD.

- Law and order: Spain`s crime rate in 2014 was among the lowest in Europe: 45.1 per 1000 persons compared to 96.8 per 1000 in Belgium and 79,00 per 1000 in Denmark, for example. Only Portugal and Greece have lower rates.

- Spain has achieved high economic growth in 2017 and before (3.7%) Spain has a domestic market of approximately 48 million consumers as of December 2017.

- Spain has quite a tolerant immigration legislation. Foreign employees are subject to the same labour regulations as Spanish employees. However, foreign employees, if they are not naturals of EU or EEA member countries, must have a work and resident authorization to legally work or live in Spain. In spite of this, Spain has a "golden visa" system in order to grant residency permits for those buying Spanish properties or Spanish public debt or generally making direct investments in Spain.

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SWEDEN
HELLSTRÖM

High-ranking

Sweden is continuously ranked as one of the best countries for business in the world. In the year of 2017 Forbes ranked Sweden as the number one best country in the world for business. Forbes graded Sweden as the best of 139 countries on 11 factors: property rights, innovation, taxes, technology, corruption, freedom (personal, trade and monetary), red tape, investor protection and stock market performance.

Stable and competitive economy

Sweden's strong public finances, sound banking system, political stability and well-performing economy make it a robust place to run a business.

The World Economic Forum's Global Competitiveness Report 2017-18 placed Sweden among the top 10 in the world, beating larger EU nations like the UK, France and Spain. In the latest edition of the Global Competitiveness Index Sweden is also the highest-performing of the Nordics, placing ahead of Finland, Norway, Denmark and Iceland.

According to the report, Sweden is among the top 10 for having an image abroad that encourages business development. In general, there is a strong correlation between a country's overall competitiveness ranking and its international image as a place to do business.

The Swedish corporate tax rate is low by international standards and is solely based on a company's annual profit. The corporate tax rate of 22 percent is lower than the EU average, beating countries such as the United Kingdom, Finland and Germany.

Access to the European Union and Nordic market

Sweden joined the European Union already in 1995. As part of the Union, Sweden provides access to a market of 28 countries and 510 million consumers.

As the largest market in Scandinavia, Sweden is the ideal location for centralised construction operations in Northern Europe. For its size, Sweden is one of the world's biggest beneficiaries of foreign investment.

The Nordic economies are among the countries in the Western World with the best macroeconomic performance in the recent ten years. Sweden, Norway, Denmark and Finland are in the top 10 largest economies in the world, with a high level of purchasing power.

SWEDEN | HELLSTRÖM

Innovation

The Innovation Union Scoreboard 2017, an index published by the European Commission, ranks Sweden as the leading EU country for innovation. Reasons for this include a historic tradition of inventors, a commitment to gender equality and a strong belief in the individual. Close collaboration between research institutes and the private and public sectors is another key factor, setting the foundation for global Swedish companies like AstraZeneca, Ericsson and Volvo.
Sweden has an impressive track record as a leading provider of innovative solutions and products in a wide range of industries on a global scale. The ability to work interdisciplinary and link research environments with companies and academia makes Sweden particularly suited for delivering results. The Swedish culture is open and receptive to new ideas and technologies.

Outstanding life quality

Sweden performs very well in many measures of well-being relative to most other countries in the Better Life Index. Sweden ranks above the average in all dimensions: environmental quality, civic engagement, education and skills, work-life balance, health status, subjective well-being, income and wealth, jobs and earnings, housing, personal safety, and social connections.
With the well-developed health care system and free education, Sweden has the best social welfare in the world. You can enjoy free education in some of the world's best universities. In comparison with other developed countries, Sweden is the biggest spender on the social welfare sector in relation to its GDP.
In terms of health, life expectancy at birth in Sweden is 82 years, two years higher than the OECD average of 80 years.
Concerning the public sphere, there is a strong sense of community and high levels of civic participation in Sweden, where 92% of people believe that they know someone they could rely on in time of need, more than the OECD average of 89%.
In general, Swedes are more satisfied with their lives than the OECD average.

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SWITZERLAND
BRATSCHI LTD.

Economic Prosperity

Switzerland is one of the wealthiest countries in the world as far as nominal GDP per capita is concerned. No other country of its size has a greater nominal GDP. Thanks to its strong economic system, Switzerland was ranked as the number one European country in the Index of Economic Freedom and also topped the WEF Global Competitiveness Report. It is of little surprise then, that some of the largest multinational companies in the world, including Nestlé, Glencore, Novartis, Roche, ABB and Adecco, have chosen Switzerland as their headquarters.

Stability

Switzerland is a very stable country with a relatively sleek government and liberal market regulations. In fact, the Swiss Franc has long been the preferred currency for investors in their business transactions. The Franc is known as a strong and reliable currency with a low inflation rate and more resilient against market fluctuations, which other currencies are so often vulnerable too. Moreover, Switzerland, with its long-standing legal system and established principle of neutrality, is widely designated as the applicable place of jurisdiction for resolving disputes in business contracts. Stability has undoubtedly been a leading factor in making the Swiss business environment predictable and safe for investors and companies.

Tax

With a favourable tax climate – one of the lowest among developed countries – for companies, entrepreneurs and individuals alike, Switzerland welcomes foreign investment. In general, companies and individuals can benefit from binding advance tax rulings, eliminating the risk of unwelcome surprises down the road. On the federal level and in most cantons, newly established companies can further benefit from partial or full relief on income tax for up to 10 years.

Innovation

Since 2011 Switzerland has topped the Global Innovation Index ranking every year. Attesting to this, the Federal Institute of Technology (ETH) Zurich has most recently been ranked within the top 10 universities in the world while other Swiss universities are also regularly featured in worldwide rankings. The level of education in Switzerland is very high and a large part of the population does not only speak at least one of the four official national languages (German, French, Italian and Romansh), but is also fluent in English, creating a receptive environment for cosmopolitan citizens and international companies.

SWITZERLAND | Bratschi Ltd.

Quality of Life

Switzerland features an exceptional standard of living and tops world rankings with its low unemployment rate, excellent and inclusive health-care system, high life expectancy and per capita income and wealth. Switzerland sets itself apart from many other countries through its cutting-edge infrastructure with a dense, efficient punctual railway network and three major international airports (Zurich, Geneva and Basel), that can be reached in only 15 minutes from their respective cities. Finally, Switzerland also boasts a stunning natural scenery, a diverse choice of high-class cultural events and fine cuisine.

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TURKEY
GÜN + PARTNERS

Foreign Direct Investment

Turkey's liberal foreign investment policy, which guarantees equal treatment of foreign and local investors, provides confidence to foreign investors. Turkey signs various bilateral and multilateral agreements to establish a favourable environment for economic cooperation by defining standards of treatment for investors and their investments, whilst also offering unique opportunities to foreign investors thanks to its membership to the Customs Union since 1996 and Free Trade Agreements signed with 27 countries.

Investor-friendly Environment

As part of Turkey's increasing endeavours for the facilitation of foreign investment, the Turkish legislator places great emphasis on taking special care of foreign investments following the promotion of a number of legislative interventions over recent years. The general aim is to bring the relevant legislation more in line with European legislation to create a transparent and more familiar legal environment for foreign investors.

With the new Turkish Commercial Code enacted in 2012 (the "TCC"), foreign investors are becoming increasingly attracted to the country due to the many improvements that have been made in respect of transparency, reliability and companies' auditing processes. Among other initiatives, the TCC has enabled foreign investors to establish a business in Turkey without the need for a Turkish business partner. On the other hand, the TCC has also provided favourable options for foreign investors who wish to engage with a Turkish business partner by enabling them to regulate their relationship according to their requirements and needs.

Following settlement of this steady legal ground as a result of the TCC, in 2016, the Law Amending Certain Laws for Improvement of the Investment Environment numbered 6728 was published (the "Amendment Law") to encourage both local and international investors by reducing investment related costs and creating a more investor-friendly environment. In light of this, the Amendment Law made a number of amendments to different laws including but not limited to companies law, enforcement and bankruptcy law, and various tax laws including stamp tax law. As a significant novelty, the Amendment Law reduced the liabilities of investors concerning stamp tax that applies to a wide range of papers including agreements, and investors have been finally relieved from paying large amounts of taxes.

Also, investors can benefit from various investment schemes (i.e. general, regional, large-scale or strategic investment schemes) according to the scope of their planned investments.

TURKEY | GÜN + PARTNERS

Each of these investment schemes provides valuable benefits to foreign investors such as VAT exemption, customs duty exemption, tax reductions, social security premium supports, income tax withholding allowance, interest rate support, land allocation and VAT refund.

Turkish citizenship

As of January 2017, foreign investors can now obtain Turkish citizenship and its combined benefits (such as the access to all Schengen Zone countries, full and superb medical assistance) providing that they meet the stated requirements.

Istanbul Finance Centre and Arbitration

In parallel to the Turkish legislator, the Turkish government is also taking important steps to attract more foreign investors into Turkey with the establishment of the Istanbul Finance Centre. The Government aims to allow foreign investors to issue foreign exchange-based securities as part of the Istanbul Finance Centre project so that they can have leading roles within the country's capital market.

Another recent development that will be of interest to foreign investors is the establishment of the Istanbul Arbitration Centre ("ISTAC") which has already started to provide new and efficient ways to resolve commercial disputes whilst aiming to strengthen Istanbul's position as a regional and international finance centre.

Geographical Position

Turkey's geographical position presents a significant advantage for investors seeking to spread their activities across Europe, the Middle East and CIS countries. As the similarities grow in line with the Gulf countries, many global companies also regard Turkey as an important operation centre and, therefore, manage their operations from the region.

Also, it has been officially revealed that one in every 10 tourists from the UAE chooses Turkey as their next holiday destination, making UAE one of the top markets for the Turkish tourism industry.

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UK
WEIGHTMANS

1. Number 1 destination for inward investment in Europe:

The UK attracts a huge volume of Foreign Direct Investments every year and is the number one destination for inward investment in Europe, with London ranking as the number one global destination. In light of Brexit, the value of the pound has seen a sharp decline and is currently trading against the euro at €1.13. Foreign investors may never get a better opportunity to invest in sterling-linked assets with the current exchange rate meaning they will get a better deal.

2. Skills and recruitment:

The UK has a vast pool of skilled employees with a workforce of more than 30 million people. The UK is one of a few European countries expected to have a labour supply growth in the next 15 years. In addition to its many qualified workers, the UK has a flexible market with regulations designed to protect employees and allows companies to employ staff in a way that suits the needs of their business. Labour costs in the UK are the most competitive in Western Europe.

3. Tax incentives:

The current rate of Corporation Tax in the UK is 19%, this is the one of lowest in the G20. The UK also has double taxation agreements through treaties with other countries, therefore, most UK based companies do not pay Corporation Tax on foreign dividends. Tax credit deductions on Corporation Tax may also be available for companies involved in research and development and companies can apply for a lower rate of Corporation Tax of 10% on profits from patented inventions and certain innovations.

4. Strong infrastructure:

In the UK there are ongoing infrastructure improvements in areas including energy, transport, waste, flood, science, water and telecommunications; a strong infrastructure is important to the overall growth of business in any country. The UK have invested £120 billion to improve the transport systems, despite already having the 2nd largest ports industry in Europe, the largest air transport system in Europe and the most improved rail network in the EU.

5. Intellectual Property

The UK is regarded as offering a sophisticated IP framework and is at the forefront of developing global IP policy. The UK provides a framework for cost-efficient and robust protection, exploitation and enforcement of intellectual property rights, playing a key role in driving business performance and in generating a successful economy.

UK | WEIGHTMANS

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UKRAINE
ASTERS

Investmentin renewables

Besides a very rich natural potential of all renewable energy resources in Ukraine, the main advantage of the investment incentives is a special feed-in (green) tariff.Ukrainian"green" tariff is one of the highest in the world andit will be applicable till2030,thusmakinginvestment into this sector very attractive.

It applies to solar, wind, micro, mini, small hydro installations, housetop, biomass, biogas and geothermal energy.Aspecific"green" tariff is granted upon commissioning of the projectand is based on a down sliding scale depending on the commissioning date, i.e., a higher tariff is issued to an earlier commissioned project, as shown below:

"Green" tariffs, EUR/MWh			
Technology/ Commissioning date	**2018-2019**	**2020-2024**	**2025-2029**
Solar (ground based)	150.25	135.17	120.09
Solar (roof based)	163.71	147.56	130.86
Wind (>2MW)	101.78	90.47	79.16
Biomass	123.86	111.48	99.09
Biogas	123.86	111.48	99.09
Geothermal	150.25	135.17	120.09
Small hydro (0.2-1MW)	139.48	125.48	111.48
Small hydro (1-10MW)	104.47	94.24	83.47

UKRAINE | ASTERS

Advantageous taxation for IT-specialists

With more than 100K highly qualified IT professionals on board, Ukraine constitutes a powerful IT talent pool right in the middle of Europe. The programming skills of Ukrainian developers have been highly assessed by various global programmer charts and rankings.

In addition to the top-notch IT professionals, Ukraine suggests a very favorable "single tax" regime that allows Ukrainian IT developers to benefit from the reduced 5% tax rate payable on theceiling of UAH 5,000,000 (approx. USD 178K).

As a result, a number of the most innovative multinationals have already incorporated their R&D centres in Ukraine, while export of software development services constitutes the third most profitable sector of the Ukrainian GDP.

Advantageous taxation for agricultural businesses

Ukrainian agricultural sector is one of the most progressing in the Ukrainian economy. With more than 1/5 of the world's most fertile black soil Ukraine provides unique opportunities for foreign investors to conduct agricultural business. One of the benefits in this sector is favourable taxation of agricultural companies. Instead of paying 18% corporate profit tax agricultural producers in Ukraine may opt to pay a "single tax" depending on the size, category and location of the used or owned land. A particular single tax may vary from 0.19% to 6.33% of the established land value (subject to indexation). Generally, single taxpayers are also exempt from the Ukrainian land tax.

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URUGUAY
HUGHES & HUGHES

1. Economic, political and juridical stability

In a region in which political and economic turbulences are not precisely infrequent, Uruguay appears as a very stable and predictable jurisdiction both to do domestic business or establish a platform to develop business within the region.

2. Well trained human resources

It is true that Uruguay is a small country in land of giants, with a total population of approx. 3.5 million inhabitants. However, most of the workforce is very well trained and educated, providing the foreign investor an extremely good platform to grow from. Complementing this feature, Uruguay´s immigration laws are pretty flexible, enabling the arrival of foreigners both on a definitive or temporary basis, therefore providing the sufficient human resources for any kind of business endeavours.

3. BITs

Uruguay has more than 30 Bilateral Investment Treaties in force, providing foreign investors ample protection for their investments in Uruguay, such as MFN, fair and equitable treatment, protection from expropriation, free transfer of means and full protection and security. Most of these BITs allow for an alternative dispute resolution mechanism, such as ICSID and UNCITRAL.

4. Free Trade zones

Uruguay´s law provides for the existence of free trade zones, meaning areas of the Uruguayan territory with a special and very beneficial customs and tax regime. From a customs perspective, they are located outside Uruguay; from a tax perspective, both activities and assets performed / located within the zones are tax free. Activities normally developed within the free trade zones are financial services, back office, call centers, logistics, warehousing, etc.

5. Other indicators that make a difference

Uruguay is # 1 in Latin America and Caribbean in:

- Transparency – International Transparency
- Democracy – The Economist

- Equality – WEF
- Corruption Control – World Bank
- Rule of Law – World Justice Project
- Freedom of Press – Reporters without Borders
- Prosperity – Legatum Institute
- Quality of Life – Mercer

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USA - TEXAS
BELL NUNNALLY

The State of Texas

Restrained government, low to no taxes, and reserved regulations make Texas a very attractive place to do business. This year, the media outlet, CNBC, named Texas the top state for business in the United States. The Lone Star State's economy is so large that if Texas was a separate country, it would be the 10th largest economy in the world. Texas operates a 1.6 trillion economy.

1. Low Taxes and Large Grants. Texas encourages establishing business in the State by having low taxes and less onerous regulations. In fact, it has one of the lowest tax burdens in the country. Texas has no state personal income tax and no corporate tax. There are several exemptions and abatements that help businesses establish and prosper within the state. For example, there are sales tax exemptions for manufacturing machinery and equipment, R&D materials, software and computer equipment. Furthermore, there is a solar power incentive program that provides franchise tax exemptions for manufacturers, sellers and installers of solar power. There are also property tax abatements and funding at the local level, including grants.

2. Unparalleled Infrastructure. No U.S. State handles more cargo than Texas. According to the U.S. Census Bureau, Texas handles approximately $2 trillion worth of commodities per year. The infrastructure to handle this commerce is gargantuan:

- 382 airports
- 10,539 miles of railroads, more than any other state
- 16 seaports, including 32 foreign trade zones (FTZ)
- 313,000+ miles of public roads, more than any other state

Texas ports are built for global trade—the 32 foreign trade zones permit the importation of goods without any import quotas, formal customs entry, or other restrictions. Port Houston has now past Rotterdam as the world's largest petrochemical complex. Texas is also home to American Airlines and Southwest, two of the largest airlines in the world. Dallas/Fort Worth International Airport (DFW) and George Bush Intercontinental in Houston (IAH) are major domestic and international hubs.

3. Not Just Oil. While Texas leads the U.S. in oil production, the Lone Star State also leads the nation in high tech imports (even above California). Even with the drop in oil production last year, the Texas economy grew. Known as "Silicon Prairie," Texas exports a variety of high tech goods, including semiconductors, computers and communication hardware. Some of the companies with a large presence in Texas are: Samsung, Ericsson, Compaq Computer, Nokia, MCI, Applied Materials, and DELL.

4. Skilled, Educated Workforce. Texas have a powerful combination of a large, skilled workforce and top Universities to fuel industry. For example Texas has the second-largest workforce of any state—approximately 13 million. Texas has some of the best universities in the world, according to a recent ranking by U.S. News & World Report. These top universities include:

- Texas A&M
- Rice University
- University of Texas at Austin; and
- Southern Methodist University

When it comes to skilled workers, Texas attracts a leading number of residents—about 62,000. This is more than the 10 next highest-ranked counties in the U.S. combined.

5. An Economic Powerhouse. If Texas were a nation, it would rank as the 10th largest economy in the world based in GDP—this is ahead of Canada, Mexico, Spain, Russia, Australia and others. As mentioned above, Texas is leads the nation in terms of exports. It lists Mexico, Canada, China, Brazil and Korea as major trading partners. Texas is home to the following companies:

- Toyota Motor North America (USA Headquarters)
- Exxon Mobil
- NOKIA
- American Airlines
- Southwest Airlines
- Texas Instruments
- Yum China Holdings
- Rolex
- Skagen Denmark
- Ericsson
- Huawei (USA Headquarters)
- Lockheed Martin
- ZTE Corporation

USA - TEXAS | BELL NUNNALLY

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USA – NEW YORK
CARTER LEDYARD & MILBURN LLP

- First-class residential and commercial real estate. The inventory of attractive real estate is growing, and some find it comparatively affordable. It's possible to own real estate relatively anonymously.
- Cosmopolitan and accepting attitude toward people from other places. Xenophobia has no place in New York.
- Cultural attractions (art galleries, museums, music of all genres).
- First-class educational choices. Many people from offshore send their children to Columbia University or New York University as well as to a number of other private universities and secondary schools, to get a great education, to learn colloquial English and to get acculturated.
- Abundance of transportation possibilities. Three major airports (JFK, LaGuardia and Newark) are within sight of Manhattan. Public transit within New York is safe; it's old but no less efficient than transit in other great cities.
- Safety of capital. Capital is safe from expropriation. Our economy is (inexplicably) growing at the moment, and the dollar remains strong.
- Well-developed, fair and generally efficient legal system, which is not biased against people from other places.
- First-class medical facilities.

Entrepreneurs are attracted to New York because:

- It's one of the world's financial and commercial centers. It's the center of technological development on the east coast of North America; the emphasis on technological innovation is accelerating.
- It has an ambitious, hard-working and well-educated work force. It's possible to find staff with language facility besides English.
- Labour laws in New York favor employers. It's possible to add or reduce staff very quickly.
- Its communication facilities are first-class.
- Forming a business entity (corporation, limited liability company, partnership) is easy and inexpensive, and ownership of an entity is confidential.
- New York is a major international port, which makes it a gateway for importing goods to the east coast of North America.

USA – NEW YORK | CARTER LEDYARD & MILBURN LLP

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VIETNAM
INDOCHINA LEGAL LAW FIRM LIMITED

1.Fast-growing economy

As **one of Asia's and the world's fastest growing economies**, Vietnam's GDP is at a 10-year high of 6.8% in 2017, with an average GDP growth rate of 6.26% from 2000 to 2018. Several international forecasts suggest that this trend will continue for the next 15-20 years with predictions for economic growth in 2018 varying from 6.5% by the World Bank, to 7.1% by the Asian Development Bank.

Over the past 20 years, Vietnam has established itself as one of the brightest **manufacturing hotspots** in Asia. Initially the sourcing location of choice for international apparel and footwear producers from the 90s, the country is also now attracting increasing numbers of hi-tech companies, with Samsung being the best case-study after having reportedly invested $17.3 billion in eight factories and one research and development center in Vietnam.

To meet the demands of the country's fast-growing economy by enabling business operation and reducing transactional costs, the Vietnam government continue to expand and upgrade the existing infrastructure system. According to the Asian Development Bank (ADB), Vietnam spends 5.8% of its GDP on infrastructure, the highest in the region. It needs about US$ 480 billion through 2020 for infrastructure investments, with additional projects in the pipeline including eleven power plants with total capacity of 13,200 MW, and about 1,380 km of highways, according to the government. The need for more private funding for infrastructure will become even more pressing in the years to come, with ADB estimating that the State budget will be able to fund just one-third of the $480 billion in planned spending by the end of 2020.

2. Large, young population

With over 95 million residents, Vietnam ranks as the **14th largest population in the world**. By 2030, Vietnam's population will grow to 106 million, as forecasted by Worldometers. The median age in Vietnam is 30.9 years in contrast to 37.3 years in China and 42.6 years in EU. Vietnam also enjoys what is known as the **"golden population structure"**, which means for every two people or more working, there is only one dependent person. In addition, the country invests more in education than other developing countries contributing to a vigorous labour force that is skilled as well.

VIETNAM | INDOCHINA LEGAL LAW FIRM LIMITED

With a sizeable population of nearly 100 million people and an increasingly diversified economy, domestic consumption has become an important area of growth for Vietnam. The **rapid growth of the middle-income population** will create more disposable income and a growing obsession with consumption including e-commerce.

Altogether, these demographic assets provide Vietnam with a unique socio-economic development opportunity to take advantage of its young population, skilled labour force and emerging consumer base with significantly more purchasing power to push its economic growth.

3. Strategic location

Vietnam is **strategically located between South and North Asia with 3,260 km of coastline**, one of the world's major shipping routes. Roughly 40% of cargo transported from the Indian Ocean to the Pacific crosses the East Sea before arriving in China, Japan, South Korea and the United States.

Also, thanks to its location, **Vietnam's tourism industry is booming** and is fast becoming a driving force behind economic growth. In particular, Danang now has all the key ingredients to rival Bali and Phuket which include cultural amenities – including three UNESCO World Heritage Sites, world class golf courses, and quality real estate and hotels.

4. Integration to global economy

The Vietnamese government has made **ceaseless efforts to open and integrate Vietnam's economy into the global economy**. After officially becoming a member of the World Trade Organization (WTO) on 7 January 2007, Vietnam has participated and continues to do so in many international cooperative agreements (it is, for instance, a member of the ASEAN Economic Community and WTO agreements), including more than 90 bilateral trade agreements and nearly 60 bilateral investment promotion and protection agreements as well as various **free trade agreements** (FTAs) with many regional and global partners (such as ASEAN FTA, ASEAN-China FTA, ASEAN-Korea FTA, ASEAN-Japan FTA, ASEAN-Australia and New Zealand FTA).

As one of the three major ASEAN members, Vietnam signed the Trans-Pacific Partnership Agreement in early February 2016 and then signed the revived and revised **Comprehensive and Progressive Agreement for Trans-Pacific Partnership** ("CPTPP" or "TPP 11") to be effective in 2019. The CPTPP is expected to stimulate reforms in areas such as competition, services (including financial services, telecommunications, and temporary entry of service providers), customs, e-commerce, environment, government procurement, intellectual property, investment, labour standards, legal issues, market access for goods, rules of origin, non-tariff measures, trade remedies, etc.

One of Vietnam's most significant FTAs include its **FTA with the European Union (EVFTA)** due for completion by 2018. The EVFTA is the bloc's first comprehensive free trade deal with a developing country in Asia. The tax incentive mechanism of EVFTA will bring great benefits to Vietnamese industries and products. A central benefit is that the structure of exports and the economies of Vietnam and the EU are supplementary, not directly competitive, so businesses can gain from win-win cooperation.

5. Continuing institutional, legal and tax reforms

The Vietnamese government rolls out **red carpet and creates favourable conditions for foreign businesses** to make investments in Vietnam. For the long-term, the government is shifting its focus on high-tech and environmentally friendly investments and projects such as renewable energy and high-tech agriculture. Recently, with the assistance of the World Bank, Vietnam's Ministry of Planning and Investment has drafted their FDI strategy for 2018-2023, focusing on priority sectors and quality of investments, rather than quantity. The draft aims to incentivize and make it easier for investors to invest in high-tech industries.

In Vietnam, incentives are given to both foreign and domestic investment projects in certain industries and locations. **Investment incentives** include:

- Lower corporate income tax (CIT) rates (10% or 17% compared to the standard CIT at a 20% flat rate), exemption from and reduction of CIT;
- Import duties exemption; and
- Exemption or reduction of land use fees/land rental.

- Dividends

No withholding or remittance tax is imposed on profits paid to foreign corporate shareholders.

- Capital gain

Capital gain taxes vary depending on the type of taxpayer as well as subject of the transfer involved in the transaction. Gains derived by a foreign entity from its sale of a Vietnamese non-joint stock company (e.g., limited liability company) are subject to 20% CIT. Meanwhile, gains from a foreign entity's transfer of securities from a public joint stock company is subject to CIT on a deemed basis at 0.1% of the total sales proceeds, or at 20% CIT if involving a private joint stock company.

VIETNAM | INDOCHINA LEGAL LAW FIRM LIMITED

Vietnam is also currently working with international organizations to overhaul customs and importation procedures, including the possible introduction of a customs bond scheme, which will significantly decrease customs processing times.

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