



Gateway to Asia Pacific

A guide to doing business in Asia
and the Pacific Region

Virtual Round Table Series

Asia Pacific Working Group 2017

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Asia Pacific is an economic region that cannot be ignored by businesses with an international outlook. By all measurements the Asian market is already huge and growing in wealth, size and complexity at an astonishing rate.

Figures from the OECD show that the population of Asia and the Pacific region reached 4.3 billion people in 2014, equivalent to 60 per cent of the world's total. The region also hosts two of the most populous countries in the world; China (1.4 billion) and India (1.25 billion). Even with a modest growth rate of 0.9 per cent, this meant that the region added 40 million people to its population between 2013 and 2014.

Figures from the Asian Development Bank show that the Asia Pacific region generated two-fifths of global GDP in 2015, much of that in megacities with populations of more than 10 million, of which Asia has 17 out of a global total of 28.

Tokyo (37.8 million), Delhi (24.9 million) and Shanghai (23 million) are the three most populous cities in the world – all Asian.

Investors are already aware of the incredible potential of the Asian economies and much direct investment has already taken place in the region. Figures from the World Bank show that the Asia Pacific region received USD450 billion of foreign direct investment (FDI) in 2016, more than 26 per cent of the global total.

This figure is only set to increase given the demographic make-up of many Asian countries, particularly those in Southern Asia. The Philippines, for example, has a population of more than 100 million with an average age of 23.5 years.

The potential is there, but investing blindly is never a great idea. In each jurisdiction there are regulatory and cultural barriers that must be overcome before considering any kind of transaction. Research and due diligence must be undertaken into specific markets or potential local partners, ensuring funds are invested wisely.

If the process is approached correctly there are huge opportunities for bold investors with vision and perseverance, and plenty of help available from trade bodies and other incentivised bodies.

With all this in mind, IR Global brought together nine of its members from various Asian jurisdictions to share their wealth of expertise on doing business in their respective countries.

The following feature includes contributions from professionals in China, India, Taiwan, Philippines, Hong Kong, Papua New Guinea, Australia, United Arab Emirates, Japan and New Zealand.



The View from IR

Samuel Roberts

SNR. BUSINESS DEVELOPMENT MANAGER

Our Virtual Series publications bring together a number of the network's members to discuss a different practice area-related topic. The participants share their expertise and offer a unique perspective from the jurisdiction they operate in.

This initiative highlights the emphasis we place on collaboration within the IR Global community and the need for effective knowledge sharing.

Each discussion features just one representative per jurisdiction, with the subject matter chosen by the steering committee of the relevant working group. The goal is to provide insight into challenges and opportunities identified by specialist practitioners.

We firmly believe the power of a global network comes from sharing ideas and expertise, enabling our members to better serve their clients' international needs.



PAPUA NEW GUINEA

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Michael Sullivan's main areas of practice are oil & gas, mining, securities, public companies and banking and finance.

His work has included the negotiating, drafting and settling of complex documents used in the oil and gas industry including gas agreements with the State, joint venture agreements, unitisation agreements and cost sharing agreements.

Michael has worked on every major oil and gas project in PNG over the last 10 years including the Hides Gas to Electricity Project, the Unitisation of the Moran oil field and the proposed PNG Queensland Gas Project.

Prior to joining Leahy Lewin Lowing Sullivan Lawyers, Michael spent 12 years working in the oil and gas industry as general counsel and group secretary for Oil Search Limited, the largest oil and gas company in Papua New Guinea. He also spent 12 months as executive general manager legal and general counsel for Lihir Gold.

Michael is a qualified company secretary and a public notary in New South Wales and admitted to practice as a solicitor in England and Wales and Australia as well as in Papua New Guinea.



UAE

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Theodoros Kringou received his education at St Francis College in Brooklyn, New York, where he received a B.Sc. in Management and later completed his MBA at the Maastricht School of Management.

His professional career started in 1995 as a Business Information Executive at Amer World Research Ltd, and from 1996 until 2001, he worked in several key positions at The Bank of Cyprus Factors Ltd including Credit Collections Officer, Credit Assessment and Business Information Officer and later as Business Information Manager. During 2001-2004 he worked in BOC Ventures Ltd as an Investment Consultant.

Theo is the Founder and Managing Director of Infocredit Group Ltd and ICG Middle East Commercial Services DMCC (Dubai, U.A.E.). In addition, he is the Director of The CorPro Ltd and First Cyprus Credit Bureau Ltd (FCCB) and a Member of the Board of Directors of the Nicosia Chamber of Commerce and Industry (NCCI) since September 2011 and also a member of the Board of the Cyprus Mediation Association.

In November 2013, he became a Certified Mediator.



NEW ZEALAND

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Mark Copeland is a senior New Zealand commercial lawyer. He is the founder and principal director of New Zealand full-service commercial and real estate law firm Mark Copeland Lawyers.

Mark developed his career as a partner in top-level, award-winning corporate, commercial and specialist property law firms in Auckland and Rotorua. He has acted for a wide range of clients, from private individuals to government entities and major international corporations, advising on all aspects of commercial, agri-business and real estate laws.

Mark is a Chartered Member of the NZ Institute of Directors, a member of the Rural Panel of the Arbitrators & Mediators Institute of New Zealand (AMINZ), a director of several companies and a past member of the Advisory Board of the Bank of New Zealand for the Central Plateau Region.

Mark is the Vice Chair of the Legal and Ethics Committee of the International Paralympics Committee based in Bonn, Germany, immediate Past-President and Chairman of Paralympics New Zealand and the Chair of the Sir Edmund Hillary Outdoor Education Centres of New Zealand (Hillary Outdoors).



JAPAN

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Dana Evan Marcos, a long term resident of Japan, is a New York admitted lawyer and has been with Kuroda Law Offices since 2013.

Dana abides by a client-centred philosophy devoted to client satisfaction. He rises to the challenge of improving the quality of services that cater to each client's specific needs, and does so by actively reaching out to clients, timely answering their questions, and anticipating relevant issues.

His practice involves technology and intellectual property-related licensing transactions. He also works with his firm's M&A lawyers as an integrated team with expertise in key areas such as intellectual property, antitrust, and finance. In addition, he handles arbitration and litigation matters, particularly those involving international issues, and advises clients regarding cross-border and domestic dispute resolution matters.

He has a particular interest in fintech, a fast growing sector in Japan, and advises on financial services regulations that apply to fintech services.

Dana was the Chief Editor of Securities Regulation in Japan (2005, 2006 editions), and frequently gives seminars on US legal issues. He is a Tokyo IP Inn member.



HONG KONG

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Clinton Morrow qualified and practiced in Queensland, Australia prior to moving to Hong Kong and starting with Charltons where he qualified as a Hong Kong lawyer and is now a Partner.

Clinton's practice focuses on corporate finance and commercial transactions, including public offerings and placings, structuring, mergers and acquisitions, takeovers and cross-border corporate transactions, financing and security transactions, licensing matters and regulatory compliance. He has acted across a number of sectors with a particular focus on cross-border mining and information technology infrastructure transactions.

Clinton was named as a Leading Lawyer and Rising Star in Corporate and M&A by Asia Law & Practice in 2016 and a Leading Lawyer and Rising Star in Capital Markets, Corporate and M&A in 2017 by Asia Law & Practice and a finalist Young Lawyer of the Year for the Asian Legal Business Awards in 2016 and 2017. He holds a double degree of Law (with Honours) and International Business.



PHILIPPINES

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Valeriano del Rosario is the managing partner of VeraLaw and has extensive education and business experience in the U.S. and Europe.

Val, as he is known, was educated at George-town Preparatory School and New York University, returning to the Philippines in order to obtain his law degree at the Ateneo College of Law with honours. He holds a Masters degree in maritime law from the University of Wales, Institute of Science & Technology, United Kingdom, and spent three years at the law firm of Sinclair Roche and Temperley in the City of London.

His firm has been involved in the arrest and release of ships, ship and mortgage registration, cargo claims, and ship collision and salvage. Val works with Japanese ship owners, advising and assisting them through the web of regulations, in order for them to be able to establish a presence in the Philippines.

On the commercial law side, he has recently assisted a Philippine client through a complicated mediation involving company subsidiaries, litigated in the States of Delaware and California, and the Philippines.

Val was President of the Maritime Law Association of the Philippines in the year 2000.



CHINA / TAIWAN

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Juan Carlos divides his time between Taipei and Shanghai, providing strategic advice and practical operational support to U.S., European and Latin American clients in market entry and expansion activities, cross-cultural commercial negotiations, strategic partner selection, business dispute mediation, corruption investigations, background checks, and M&A transactions in China and Taiwan.

Juan's multi-cultural background, business acumen and deep understanding of global market trends and the local business environment in Greater China allow him to effectively bridge language, cultural, and business mentality gaps commonly encountered by foreign and Chinese investors during business negotiations and disputes. He is adept at developing win-win scenarios in complex situations by addressing all business and legal issues while catering to the cultural sensitivities and personality types of all decision makers in the room.

Juan holds an International MBA from National Chengchi University, Taipei and a B.S. with Honours in Information Systems Engineering from Universidad Latinoamericana de Ciencia y Tecnología in San José, Costa Rica.



AUSTRALIA

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Grant Sefton is an experienced practitioner in corporate and commercial law at a national and international level, having had in excess of 30 years' experience in these fields in Australia. His clients include a host of leading public and private sector clients throughout Australia.

Grant is principal of Seftcorp Law, with a focus on Corporate and Commercial Law, International Dealmaking, Mergers & Acquisitions and Innovation Law.

Until recently, Grant was a founding partner of the Newcastle office of national legal firm Moray & Agnew Lawyers, where he was national coordinator of its commercial law practice. Seftcorp Law is now a consultant to Moray & Agnew.

Grant has been a member of IR Global for over 5 years and is co-chair of its Asia-Pacific Group. He has previously served on the committees for the Dealmaker and Commercial Law Groups.

Grant is chair of Hunter Angels, which invests in start-up and early stage innovative enterprises, and is an experienced angel investor.

He is also a founding director of Hunter Founders Forum, which is dedicated to facilitating investment opportunities in innovative enterprises.



INDIA

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Ramanand Mundkur is the managing partner of Mundkur Law Partners and heads its M&A and corporate disputes practices.

He has over twenty years of international work experience, having previously worked with the International Monetary Fund in Washington DC, the United Nations in Geneva, and Arthur Andersen in India before setting up MLP in 2007.

Ramanand holds a master's degree from Harvard Law School, where he was a Langdon E. Gammon fellow and a Myer and Etta Dana scholar, and he also won seven gold medals when graduating at the top of his class from India's leading National Law School. Ramanand is qualified to practice law in both India and New York.

Mundkur Law Partners is a boutique, multi-award winning law firm that consistently ranks among India's top 40 law firms. The firm specialises in complex, multi-party and cross-border assignments, adding exceptional value when developing client strategies.

QUESTION 1 - CULTURE

Are there any cultural points that someone considering doing business in your jurisdiction should be aware of?

Hong Kong –Clinton Morrow (CM) Hong Kong is a historically open economy, and has been a Special Administrative Region of the People's Republic of China since 1997. Hong Kong has significant autonomy from Mainland China, and the city has a strong reputation for ease of doing business and free trade. Hong Kong is also the world's most services-oriented economy, and its services sectors account for more than 90 per cent of GDP. Because of its international composition, cultural barriers are blurred in Hong Kong, and business practices vary depending on whether you are dealing with a local or a multinational firm.

When compared to its European or American counterparts, Hong Kong's business culture is traditionally more formal and places more emphasis on hierarchy. Upon introduction, one is expected to greet the most senior members first. Business cards are normally exchanged immediately, and cards are to be offered and received with both hands. Cards printed with Chinese on one side and English on the other are especially appreciated.

However, in general, business professionals in Hong Kong are used to doing business with both Western and Asian partners and are used to being culturally flexible depending on who they are dealing with. In terms of language, almost all business professionals speak excellent English, which is the usual language of business. Cantonese is Hong Kong's most widely spoken language and many business professionals also speak Mandarin (also known as Putonghua, the language of Mainland China). Almost all information, including announcements and government and business websites, is provided in English as well as Chinese.

With regards to work schedule, Saturday is a working day and many businesses have their offices open on Saturday mornings. Holidays in Hong Kong include both Chinese holidays, such as Chinese New Year and Mid-Autumn Festival, and Western holidays, such as Christmas and Easter.

China/Taiwan –Juan Madrigal (JM) China and Taiwan share a common cultural heritage. They have a Confucian style of societal structure within which everyone has a place and clear obligations to different people in the hierarchy. Relationships are important to accelerate or facilitate transactions and for career advancement, and it is very important to understand how these relationships work in order to manage potential risks. For example, we have seen IP leakage cases in large organisations because an employee felt an obligation to help a former classmate who was asking about their technology.

Foreign investors should also invest time in advance to understand traditional Chinese negotiation tactics and prepare accordingly. For example, a Chinese counterpart will often exploit the western partner's sense of urgency. They may structure an entire visit around this, since they know the western negotiator is expected to return with a deal. It is common for the Chinese counterpart to spend most of the time negotiating unimportant issues or reopening settled discussions, only to make their 'real' demands at the last minute, which often results in the western party agreeing to disadvantageous terms to avoid going home empty-handed.

Finally, we often caution western decision makers against taking leave of their common sense in China. People are often coached to be culturally sensitive and flexible when doing business in China because things work differently there. This is generally good advice, but taken to the extreme, it can result in companies and executives doing things in China that they would never do in other places, such as structuring transactions in a way that surrenders control to the local partner or blurring ethical lines in day-to-day operations, because a local partner or employee says that is how it is done in China.

China is a unique market which may require adjustments to products and services in order to succeed, but foreign investors should strive to maintain ethical consistency in decision making and operation practice wherever they are in the world.

Philippines –Valeriano Del Rosario (VDR) The Philippines is very much Asian in this respect. Personal relationships probably count for more than a big name coming through the door. You can be a well-recognised name, but unless you have that personal relationship with somebody, or you are introduced by somebody, people will be scared to deal with you as a partner because they don't know what makes you tick.

Going back to foreign ownership, it is usually 60/40 in favour of a Filipino investor, particularly with public utility companies such as telecoms. If you want to get into telecoms and you are a big name, people will say 60/40, but the big carrier in the Philippines, which is Philippines Long Distance Telephone (PLDT), has found a solution. This has been challenged by the government and litigated all the way to our Supreme Court, which found in favour of PLDT.

Foreign investors from Hong Kong were dealing with PLDT for a long time and they found a way to secure more than 40 per cent. The foreign investors acquired the lion's share, and it succeeded because if you work with somebody whom you know, they will do the necessary to make your business succeed. It's legal, but you are sailing very close to the wind. The formula is applicable to other types of business as well. The Foreign Investments Act Negative List provides good guidance on businesses, subject to foreign equity ceiling. If the business is not included in the negative list, then the law allows the business to be owned 100 per cent by foreigners.

Australia –Grant Sefton (GS) In Australia the business style is open, with low levels of formality. Personal relationships do matter, however there is more emphasis on getting the deal done. For some that process might seem a little more abrupt than in other Asian countries.

Australia is a large and multicultural country, and etiquette and business practices vary widely. Personal relationships are important and they can be developed easily with the right approach.

Contract law forms an important part of most business relationships and contracts are often extensive and thorough. Once a business relationship is established under a contract, it is expected that the parties will comply with the wording and intent of the contract, unless amended by agreement of the parties. It is important to properly structure business relationships based on good contracts.

There is also a focus on legislative support for individual liberties. Workplace health and safety laws, employment laws and privacy laws are all strong and need to be understood and complied with.

India –Ramanand Mundkur (RM) India is a very large and extremely diverse country. The phrase 'Indian culture' is, therefore, more often than not, an overbroad generalisation that conveys little and loses a lot of the richness that India's diversity offers.

Business culture in India is no different. Older family-run businesses may be conservative and family-oriented in their discussions with business partners, while a number of young start-ups prefer more liberal (and possibly aggressive) approaches to doing business. Businesses in north India (or north Indians doing business in the south) are likely to have very different approaches to social interactions and hospitality than south Indian businesses (or south Indians doing business in the north). While most business interactions tend to be relationship-based, younger business people are likely to be equally comfortable with a transactional approach to business interactions.

The most common legal structure for doing business in India that most foreign investors should look for is a limited liability company with a share capital. Although foreign investment into limited liability partnerships has been permitted for a few years, these entities are not used as frequently by foreign investors. Foreign investors can also look at the possibility of setting up branch, project or liaison offices in India—but require prior approval from the Reserve Bank of India (the country's central bank), before doing so. Foreign investment into sole proprietorship concerns or into partnerships that do not have limited liability is not permitted under current regulations.

Japan –Dana Evan Marcos (DEM) Japanese society is complex, structured, hierarchical and group-oriented. Companies and investors when first trying to enter the Japanese market often cite common barriers such as the slowness of the purchasing process, finding a common language of communication with customers, finding the right contact persons, and customisation of the products. Along with patience, there are a few basic steps to follow to make the entire process more effortless.

Business travellers visiting a Japanese firm for the first time should be accompanied by an interpreter or bilingual assistant, unless you know the party you will be meeting is adept at speaking English. Inform them in advance, so that you can give them the opportunity to let you know if they feel they are comfortable meeting you without one.

A first meeting with a representative of a Japanese company tends to be very formal. A foreign visitor is likely to meet at the office, or at a restaurant. It is considerate to use the last name of a person and only use first names when invited to do so. If someone bows to you, respond by bowing to the same level, with eyes lowered. It is likely though that Japanese executives will offer a handshake to their Western counterparts. Business cards should be written in both English and Japanese. Present your card with both hands with the Japanese side facing up. Similarly, receive a card with both hands and take a few moments to read it.

The host in Japan will order the meal and pay. Business may be discussed at dinner during these events. If you are comfortable using chopsticks go ahead and do so, but do not be afraid to ask for a fork and knife. At the same time, it would not be unusual for your hosts to take you to a Western-style restaurant anyway. Always allow someone else to pour your drink for you. If you prefer something other than alcohol, feel free to state so. Your hosts will likely ask you ahead of time if you have any dietary restrictions.

A gift is also of importance. Buy the gift in advance, and have it reflect something from your hometown, if possible. High-end or well-known brand gifts will also be appreciated. Ensure that the gift is elegantly wrapped. You may present the gift near the end of the meeting. It is not unusual for the gifts to be opened later, as opposed to in front of the gift-giver.

Papua New Guinea –Michael Sullivan (MS) PNG is a very divided country, so individual tribe and clan loyalty is more important to most Papua New Guineans than loyalty to their country. There is also a general divide and distrust between Papua New Guineans who live in the highlands and those live in coastal areas.

PNG's rugged terrain makes for many isolated communities who speak their own distinct language. Although English is commonly spoken, there are more than 700 different languages spoken in PNG. This in turn affects the development of a cohesive work force and a unified approach to dealing with problems.

Poor organisational skills and a tropical mentality make effective office work difficult for many Papua New Guineans.

Ownership of land is a particularly difficult issue in PNG with much of the available land being customary land that may not be divided, sold or mortgaged. This can make wealth creation difficult. Finally, a growing nationalism in PNG and a determination to localise as many positions as possible, can make it difficult for non-Papua New Guineans to work in PNG.

UAE –Theodoros Kringou (TK) UAE is a member of the Gulf Cooperation Council (GCC) countries in which Islam dominates all aspects of life.

Nowadays UAE is a multinational business centre and the presence of many ethnic groups led Emiratis to be tolerant of other social customs, but they remain however conscious of their own customs as markers of cultural identity. In the same way, foreigners are required to respect the local traditions and beliefs.

Unlike many other jurisdictions, working days in UAE start from and including Sunday till Thursday. Friday and Saturday are the rest days under the Labour Law. In the event that an employee is required to work on a Friday, they are entitled to receive time off in lieu or basic salary on the hours worked plus a supplement equal to 50 per cent of their basic salary.



Islamic holidays include Eid al-Fitr (2 days) and Eid al-Adha (three days) as well as Ramadan. Ramadan lasts for 30 days and is considered by Muslims as the month of fasting during which they refrain from consuming food, drinking liquids and smoking. As per the UAE Labour Law, working hours should be reduced by two hours per day during Ramadan and does not differentiate between fasting and non-fasting employees.

New Zealand –Mark Copeland (MC) New Zealand culture values fairness, ingenuity, practicality, modesty, restraint and informality. English is the everyday language but Māori and sign language are also recognised as official languages. New Zealand aspires to be a multi-cultural society, with record immigration numbers over the last five years from all over the world adding greatly to this goal. We accord a special significance to Māori culture, reflecting Māori's status as the indigenous people of the land.

New Zealanders can be somewhat reserved, especially with people they do not know. Once they develop a personal relationship, they are generally very friendly, outgoing and social. Expect to receive respect from people and try to focus on being honest, direct, and demonstrating a sense of humour. Locals will trust you until they are given a reason not to.

With regard to doing business, most people will want to interact on a first name basis as quickly as possible. Meetings should be planned at least one week in advance by telephone, fax or email and it is generally easier to schedule meetings with senior level managers if you are coming from another country.

When presenting your business case, use facts and figures. Emotions and feelings are not important in the New Zealand business climate and New Zealanders are interested in what people 'can do', not what they say they can do. Gifts aren't generally exchanged in business situations, but if invited over to someone's home, it is polite to bring a small gift such as chocolate, wine, or pastries.

When engaging in commercial negotiations you should take your time and start the negotiation with a realistic figure. It is not a bargaining culture and New Zealanders do not expect to haggle over the price. Be direct and expect the same in return. Kiwis appreciate brevity and are not impressed by more detail than is required.

QUESTION 2 - TRANSPARENCY

How easy is it to do business in your jurisdiction, and are issues with transparency or corruption easily resolvable?

Japan –DEM Japan ranks among the least corrupt countries in the world. Companies face very low risks of corruption in Japan. Foreign businesses looking to either establish a physical presence in Japan, or to do business with a domestic company can rest assured that Japan's governance and society are modernised so that the likelihood of encountering corruption is virtually non-existent.

Japan has ratified the OECD Anti-Bribery Convention. Also, Japan's Act on Elimination and Prevention of Involvement in Bid-Rigging authorises the Japan Fair Trade Commission (JFTC) to demand that central and local government commissioning agencies take corrective measures to prevent continued complicity of officials in bid-rigging activities, and to report such measures to the JFTC.

The direct exchange of cash for favours from government officials in Japan is extremely rare. Examples of Japanese anti-corruption legislation includes the Penal Code and the Unfair Competition Prevention Act. The Penal Code forbids facilitation payments.

Businesses both domestic and international find that the legal system is efficient in settling disputes and challenging regulations. When enforcing contracts, for example, if simple matters are excluded, it is not unusual for cases to take one to two years to reach a decision at first instance if the defendant takes a combative stance against the plaintiff's claims, which is less than in some other OECD countries.

There is a very low risk of corruption and bribery for companies when acquiring licences and other public services in Japan when dealing with local government offices. Japan is ranked among the countries where informal payments and bribes in connection with public utilities occur the least. Concerning land administration, property rights are among the most well-protected in the world.

UAE –TK United Arab Emirates has become an international hub for trading and operations with significant improvements in the ease of doing business including simplification of procedures, introduction of the latest technology systems and reducing or either eliminating minimum capital requirements.

In addition to the ease of doing business, many steps were implemented to enhance transparency. In particular, protection of the interest of the minority shareholders was one of the major initiatives considered, specifically for onshore businesses of which the majority of the capital must be owned by local nationals.

Further to that, all seven Emirates of the UAE have adopted measures to create a more favourable environment for overseas investors. In particular, three of the Emirates, Dubai, Abu Dhabi and Sharjah have very flexible rules regarding the acquisition of real estate property by foreigners.

Moreover, the Government of the UAE has recently passed a new Companies Law, including 18 draft laws covering insolvency and arbitration laws as well as foreign investment law. The new laws are intended to address a range of issues that are regarded as hampering foreign investment in the UAE.

Oil and gas remain the key sectors for foreign investments. Abu Dhabi has however launched a policy for attracting foreign direct investments in order to organise and restructure certain public services such as water and electricity distribution as well as the collection and transport of household wastes.

New Zealand –MC New Zealand is a safe place to invest and do business. It is currently ranked first of 189 countries by the World Bank for ease of starting a new business and for protecting minority investors, and second for ease of doing business. Major exports include dairy products, tourism, meat, timber and minerals. New Zealand also has developing industries in export education, boat building, IT, horticulture, wine and film. Our stock exchange is the first in the world to open trading each day – two hours ahead of Sydney, three hours ahead of Tokyo, four hours ahead of Beijing, 12 hours ahead of London and 17 hours ahead of New York. The currency is based on the New Zealand dollar, which is freely floated against all major currencies.

New Zealand welcomes foreign investment and recognises the positive economic and social contribution it brings to New Zealanders. New Zealand consistently ranks highly as an attractive investment destination, with numerous studies identifying the ease of business, low level of corruption, high quality of regulations, adherence to the rule of law, significant investor protection and protection of personal freedoms accorded to investors in New Zealand.

The risk of corruption for businesses in New Zealand is minimal. The country routinely finds itself among the least corrupt countries in the world, according to all major ranking institutions and indexes. Transparent institutions and rigorous law enforcement effectively curtail corruption. The regulatory environment is favourable for businesses, and acquiring licenses or public services often takes only one day. Active and passive bribery in the private and public sector are prohibited by the NZ Crimes Act and the Secret Commissions Act. Public officials may not ask for or accept gifts, and facilitation payments are illegal, except for a narrow exception for foreign public officials.

Philippines –VDR We have a Board of Investment under the Department of Trade and Industry that was created to advise people on the activities open to foreign investors and incentives available to certain types of business investment. The Philippine Government, however, has a lot of inertia and you don't run fast here. In our firm we have a large ratio of paralegals to lawyers and their job is to follow papers around in Government offices. They push these application forms from one table to another, to another, making sure they keep moving. If they don't do this, deals get stranded and don't move for a long time until the next time somebody follows it up.

There is always this inertia and, oftentimes, it is an opportunity for corruption. One way to get around this is to deploy paralegals, who push on almost a daily basis.

Australia –GS Australia is one of the least corrupt countries in the world and has a strong record of preventing and exposing corruption in the region. The International Corruption Perception Index for the public sector lists Australia as the 13th least corrupt nation in the world.

The World Bank Index places Australia 15th in the world for ease of doing business. When issues arise in Australia, businesses normally favour a pragmatic solution to resolve the problem. Internal and external business conflicts are often successfully resolved through discussion and negotiation. In circumstances where some form of formal dispute resolution is needed, we have a well-developed and transparent judicial, arbitration and mediation system, although in some circumstances it can be time consuming and expensive.

China/Taiwan –JM China is an emerging economy and headlines about corruption are no secret to anyone. This is an issue at most levels, but our general impression is that the situation has improved somewhat in recent years, and is likely to improve further as the economy evolves.

In the meantime, we cannot overstate the importance of conducting proper due diligence and background checks in China. This applies to M&A targets and potential joint venture partners, but also to investors, service providers, key employees, and any third party that interacts with your organisation.

We have received numerous queries over the years from foreign investors ready to invest tens or hundreds of millions of dollars with Chinese partners they barely know. Investors must ask themselves questions such as; do we really know these partners? What is the source of their wealth? Are they politically exposed? Where did they go to school? Do they have a criminal record? How about their immediate family or known business associates? Have we checked the local media for negative news? Do they have a positive reputation among past and current partners, suppliers or competitors? With a combination of desktop searches of media sources and public databases and physical intelligence gathering, all these questions can be answered, and an informed partner selection decision can be made.

Finally, once a partner is selected, investors must remain engaged in the management and monitoring of the China operations. We have seen many cases where the selection of the wrong partner or a lack of management involvement in China results in disastrous financial losses and irreversible reputational damage to a foreign business, and sometimes, it can even jeopardise the viability of the entire business.

Hong Kong –CM Transparency International's Corruption Perception Index of 2016 ranked Hong Kong as the 15th least corrupt place among 176 countries and the 2nd lowest in Asia.

Hong Kong prides itself on its robust anti-corruption regime and clean public services. An anti-corruption strategy combining law enforcement, prevention and education implemented by the Independent Commission Against Corruption (ICAC) has kept corruption effectively in check in Hong Kong's public and private sectors. The main anti-corruption law is the Prevention of Bribery Ordinance which prohibits public and private sector bribery. In 2016, over 41,000 business employees and nearly 35,000 public officers attended integrity training, and around 3,700 corruption prevention studies have been conducted in the past four decades. The ICAC also provides free advice to companies on how to prevent corruption.

A key advantage of Hong Kong is its commitment to the rule of law which is upheld by an independent judiciary. Its legal system is based on English common law and Hong Kong enjoys autonomous executive and legislative powers. Hong Kong's extensive mediation and arbitration services provide rulings that may be enforced in a number of jurisdictions.

Furthermore, transparency in Hong Kong is facilitated by the free flow of information. Timely and reliable information is provided by a free press which is guaranteed by Hong Kong's constitution. Access to the internet is unrestricted, and information about government services is easily available online. Hong Kong's telecoms infrastructure is very affordable, and the broadband and 4G networks cover almost the whole territory, which means that international business can be done efficiently and with ease.

India –RM The situation has been improving significantly in India over the last few years. With many approval processes moving online, and a concerted effort to crack down on corruption and tax evasion, doing business in India has been steadily becoming easier and more transparent.

The problem has not been entirely rectified, as anecdotal evidence suggests that transparency in some areas remains problematic (such as real estate purchases in some cities, and obtaining local clearances). This said, the government has been making efforts to make laws dealing with corruption and tax evasion more stringent, including through amendments to whistle-blower and anti-corruption laws. Business practices have also changed significantly in companies that need to comply with US FCPA and UK Anti-Bribery requirements. There is, therefore, cause to be optimistic in this area too.

QUESTION 3 - YOUR JURISDICTION

What is special about your jurisdiction? Why should an investor or entrepreneur choose your country as a gateway to Asia?

India –RM Over the last year, India has emerged as the fastest growing large economy in the world. This is no accident.

India's pro-business government has introduced a slew of reforms over the last few years. These reforms include an overhaul of the indirect tax law that has greatly simplified and consolidated the earlier web of federal and state taxes into a single, nation-wide goods and service tax, and changes to bankruptcy and insolvency laws that have made it easier and commercially efficient to shut-down businesses.

There have also been significant amendments to arbitration laws that promote time-bound institutional arbitration to resolve commercial disputes, and liberalised foreign investment rules that make it easier to invest in India.

The Government has also been actively promoting start-ups through its 'Start-Up India' initiative, and local manufacturing through the 'Make in India' initiative.

But even these radical reforms and initiatives pale in significance as reasons to invest when one considers the more fundamental and durable features that make India such an attractive and popular investment destination. More than 50 per cent of India's 1.3 billion people are below the age of 25. English is the language of business and commerce and the language of the courts in India. India has a strong democratic polity with a stable and unshakeable adherence to the rule of law.

Papua New Guinea –MS PNG is a very resource rich country. Oil, natural gas, gold, copper, nickel and coal are all present in considerable quantities. In addition, agricultural crops such as cocoa, coffee, vanilla bean and oil palm all do well in PNG.

Geographically, PNG is well located and convenient in terms of access to the markets of China, Japan and Korea.

The PNG legal system works well and is easily understood by anyone familiar with English common law and tradition. The widespread use and understanding of English in PNG is also helpful.

Finally, PNG is in a convenient time zone vis a vis China, Japan, Korea, Singapore, Indonesia, Australia and New Zealand.

China/Taiwan –JM China is likely to be a key market for most foreign companies with global ambitions. Traditionally foreign products and services have been popular in China as symbols of status and quality, however as the country continues its transition to a consumption economy, we expect that there will be a shift towards heavy localisation of foreign products and China-specific innovation. This is already evident in the way large foreign tech giants have had trouble getting a foothold in China, in some cases because of government regulations, but in many other cases because local Chinese competitors have a better understanding of the market and are able to react quickly to cater to the ever-changing and evolving tastes of the Chinese consumer.

Another example is a significantly reduced appetite for foreign concepts by Taiwanese and Chinese venture capital firms focused in the food and beverage industry, which are now placing their bets on Chinese concepts that can be easily scaled to hundreds of outlets nationwide within 18 months, instead of western food concepts.

We can certainly imagine a future where products and services will have to be designed for China from the ground up, and Chinese home-grown innovation starts influencing the way products and services are produced in other markets, therefore an R&D centre in China for certain industries might be indispensable in the future.



Valeriano De Rosario pictured at the IR 'On the Road' 2017 Conference in Singapore.

Taiwan is a great test market for products and services aimed at mainland China since the local population shares a similar cultural background but is also attuned to Japanese and western tastes. We have seen many foreign companies that choose to launch their products or services in Taiwan first and make all necessary adjustments in this market before a larger investment is made to tackle China. This is a particularly useful strategy for start-ups, since they can raise a smaller round of funding to develop and/or launch a product in Taiwan, and use success in Taiwan as proof-of-concept to raise a larger round to enter China.

Hong Kong –CM Hong Kong's key advantage over other jurisdictions is that it offers easy access to business opportunities in Mainland China. The Pearl River Delta region is a major manufacturing region located immediately to the north of Hong Kong which has excellent transport connections with Hong Kong. Hong Kong has long acted as China's international financial centre and as the gateway for international funds to invest in China.

More recently, Hong Kong has become the gateway for Chinese investors to invest internationally: as China continues to open up, Hong Kong and businesses operating in Hong Kong stand to benefit first. In recent years Hong Kong has been given increasing access to Chinese investors through mutual-market access schemes such as the Mutual Recognition of Funds scheme which allows Hong Kong-domiciled retail funds to be sold in Mainland China under a simplified authorisation procedure.

Hong Kong enjoys a low and simple tax regime where profits tax is capped at 16.5 per cent. Employees pay salaries tax which is charged at the lower of a flat rate of 15 per cent or at progressive rates up to 17 per cent. Property tax is 15 per cent on the value of land or buildings in Hong Kong although companies operating in Hong Kong can be exempted from property tax if they pay profits tax. Hong Kong does not impose sales or VAT tax, withholding tax, capital gains tax, tax on dividends or estate tax. There are no foreign exchange controls in Hong Kong and no restrictions on transferring money. Hong Kong does not impose barriers to trade and there are no tariffs or quotas.

Comprehensive laws are in place for protecting intellectual property which derive from Hong Kong legislation, case law and international treaties.

Philippines –VDR One of the best reasons to come to the Philippines is language. All the laws are in English and everybody speaks in English. The other reason is the nature of the Philippine people. Most Filipinos like to make foreign visitors feel good.

A lot of the clients we have go through the mill, but once their businesses are established and they are proper expats they love it. Many retire here, because of the lifestyle, and that includes Germans, Japanese and Scandinavians.

A lot of people eventually decide they are retiring in the Philippines and people will not exclude you because you are a foreigner. You will be made to feel welcome in the community, and your staff will make you feel they want you to be part of their family.

Infrastructure is a weakness though. The airport is a little shabby and the government is building more roads to solve traffic problems.

The Philippines is also a member of ASEAN, so people like to manufacture here because they have tariff free entry into the other ASEAN countries.

Australia –GS Many investors and entrepreneurs establish in Australia because of our open economy, with high levels of deregulation, low barriers for foreign trade, low foreign currency controls and free trade agreements with many countries. We have a strong economy, having recently recorded 26 years without a recession, which is a world record.

Australia has an excellent lifestyle, with stable government, a pleasant climate, clean water and air and good health and education. We have a well-educated workforce. There are strong and well established legislative, judicial and financial structures.

As one of the world's most multicultural nations, many cultures are represented, including Asian. Also we have high levels of immigration from many places around the world, particularly from Asian countries. There are many languages spoken, which facilitates entry into the wider Asian market.

Australia is a resource rich country and a major exporter of agricultural products, minerals and gas. Our services sector is enjoying strong demand from many Asian nations, particularly in education, finance, professional services and information technology.

New Zealand –MC New Zealand is second amongst OECD countries for the competitiveness of its taxes overall according to the Tax Foundation's 2016 International Tax Competitiveness Index (ITCI). Transparency International's 2017 Corruption Perception Index ranked New Zealand the least corrupt country in the world.

New Zealand's unmatched quality of life and thriving but stable business environment makes it an ideal destination for savvy investors and entrepreneurs. The New Zealand Government actively promotes growth and innovation with a range of business and migrant-friendly policies.

There are investment opportunities in many fields, in both traditional business sectors and in new, often highly innovative areas. Just some of the areas where New Zealand is doing exceptionally well include information and communications technology, tourism, film and special effects production, biotechnology, agricultural research, and wood-based technology.

New Zealand benefits greatly from its ties in the Asia-Pacific Region – The Association of Southeast Asian Nations (ASEAN), of which it is a part, was the equivalent of the world's sixth largest economy in 2016. By 2025, about two-thirds of the world's middle class will be in Asia. As a result, Asia-Pacific is becoming much more integrated, whether from tourism, from education or from trade.

New Zealand is rightly positioned to benefit greatly from such growth, in particular as barriers to trade are decreased. Asia already has the Free Trade Area of the Asia-Pacific (FTAAP) and Regional Comprehensive Economic Partnership (RCEP) deals on the table, which put in place building blocks for Asia to trade amongst itself, but which are also expected to increase intra-Asia trade.

Japan –DEM Japan is a highly developed and globally connected country, with its people, companies, and products known for their integrity and productivity, reliability, and quality. Japan's legal system and its enforcement of intellectual and industrial property rights has a reputation for its transparency and fairness. The multi-cultural Japanese workforce is multilingual, highly educated, highly motivated, and highly productive.

With the growing East Asian and South Asian markets, integration between countries in the region is continuing to strengthen and Japan remains an important location for regional headquarters and R&D bases to support foreign-affiliated companies' entry into the local and other Asian markets.

Getting around in Japan, and traveling from one city to another is easy via advanced subway and train systems, and an almost endless supply of taxis. Even getting around the great metropolis of Tokyo is a low stress affair. It is not uncommon for visitors to schedule a meeting at a corporate headquarters in Tokyo during the morning, and then board the shinkansen to Nagoya, or Osaka, for a late afternoon visit, to another office, or factory. Traffic jams are almost unheard of because many people use the trains and subways to commute to work, so visitors are often surprised to find even main streets are virtually empty at certain times of the day.

Visitors to Japan, especially those coming to the Tokyo area and other big cities will find that English is spoken, although at different levels depending on the situation. In Kuroda Law Offices, for example, in addition to Japanese, we also have speakers whose first languages are English, German, Mandarin, and Taiwanese. We often represent clients in dealing with government offices, opening bank accounts, filing with local bureaus, negotiating with other parties, and with real estate transactions.

UAE –TK The UAE is a very progressive and stable country with a functional governing system. The effective tax system as a free-tax jurisdiction and the strong financial institutions, led to the acceptance of UAE as a regional hub in pursuit of innovation and excellence.

Since its establishment, the United Arab Emirates has been transformed into one of the most prosperous and highly advanced societies. The advantageous geographical location between Asia and Europe makes the transportation efficient, cheaper and easier.

Although Arabic is the official language of the UAE, English is the most spoken language. However, as a multinational business centre, there are lot of expatriates in the UAE who speak many other languages including Chinese, Malayalam and Hindi, among others.

UAE is a tax-free jurisdiction with no corporation tax (except of financial institutions and oil sector entities), no personal tax, no imports and exports tax, free repatriation of capital and profits and numerous double tax treaties signed, many of them with OECD countries.

There is currently no sales tax or Value Added Tax. VAT will be however imposed by January 1st, 2018 at the standard rate of 5 per cent. Important to note though at this point that various services including financial services, supplies of residential properties, international transportation, education services, healthcare services, local passenger transportation and insurance services will all be exempted from the VAT and many goods and services will be zero-rated. So, the overall impact of the VAT at least at this point is expected to be limited for the UAE market.

Moreover, UAE became a FATCA partner since 2015 and signed an intergovernmental agreement with the United States setting out the guidelines for the application of FATCA by financial institutions regulated by the UAE Central Bank, the Insurance Authority, the Emirates Securities and Commodity Authority (ESCA) and the Dubai International Finance Centre (DIFC).

With investments of trillions of dollars in the construction sector, UAE has now a modern infrastructure with the latest technologically developed systems, that has made it a regional transportation centre.

QUESTION 4 - ACCESS

What help exists for overseas investors in terms of expert partners, trade networks or government incentives? Would you recommend a local business partner?

Australia –GS The Australian Trade and Investment Commission (Austrade) assists foreign companies to establish and build their business in Australia. They have offices in more than 50 countries around the world, with Austrade representatives in these offices able to converse in the local languages. It is relatively easy to get the right support and guidance for investment prospects from Austrade, and from the well-developed Australian professional services sector and the many international chambers of commerce. Australia has high levels of foreign investment, and Government policy strongly supports such investment. Various incentives are available for foreign investment from Federal and State Governments.

Local partners are a great idea for improving access to markets and smoothing out the regulatory and cultural hurdles. Most relationships with local partners include one or more well-developed contracts, such as a joint venture, distributor, license or shareholder agreement. Provided they are well-structured, there is normally no problem with establishing and developing formal relationships, or terminating them if required.

Seftcorp Law is always happy to facilitate introductions to local suitable partners and to assist in the review and due diligence of local partners, as we have done many times in the past.

UAE –TK In an effort to improve the ease of doing business, UAE has encouraged the establishment of one-stop shops as intermediaries that assist foreign investors on the incorporation procedure as well as on everything relating to the business activities (i.e. book-keeping, bank account opening, advisory etc.).

To this, and through our affiliate ICG Middle East Commercial Services DMCC (ICG MECOS), which is located in Dubai we have introduced a new line of business focusing on corporate services in the UAE.

Our long term physical presence in the UAE, gives us the advantage of a deep understanding of the local economy, laws, procedures and very importantly the culture. In turn, this enables us to provide full assistance and business support.

Further to the one stop-shops, overseas investors looking for investment opportunities in the UAE may refer to the several Chambers of Commerce and Industry of the Emirate in which they are interested to operate to obtain assistance and all the information they want to know for the specific Emirate. There are seven Chambers of Commerce and Industry in the UAE, one for each Emirate.

In addition, it is important to note the presence of numerous Embassy Trade Departments in the United Arab Emirates to which foreign investors may refer to for full guidance and assistance.

There are numerous other professional bodies in the UAE that provide essential information and invaluable support. One of them is the Dubai FDI, which is part of the Department of Economic Development in Dubai.

Philippines –VDR The Government is actively courting foreign investment, they have a board where you can go in and they will tell you what areas are open to foreign investment. They have smart people and are very helpful, and as long as you are not on the negative list you don't need a local partner. Uber are fully foreign-owned because it is a service company.

The Philippines has 100 million people with an average age of 23. They are young, well-educated and like western things. There is a lot of money to be made in the Philippines in the right industry.

There are a range of trade networks with many foreign chambers of commerce trying to push ideas and make life easier for their investors with visa requirements, banking regulations and things like that. We would recommend a local partner because people come in and think they know everything because they have spoken to someone. In the Philippines, personal relationships count for a lot and in the business world gossip goes around.

China/Taiwan –JM Government agencies and officials are generally very accessible in Taiwan and it is relatively easy to start a conversation about a specific project with the right people at the right level. There are also multiple government agencies focused on promoting exports and attracting foreign investment. The American Chamber of Commerce is very strong, as is its European counterpart, and in some cases they are able to assist with government relations. They are excellent resources.

Industry associations in both Taiwan and China are an excellent resource for investors looking to take a systematic approach to identifying a supplier or a distributor. The leadership at these associations is usually fairly accessible and can provide valuable insight to help investors select the right partner.

We would recommend working with a local partner, because they have an understanding of the local market that foreign investors do not have. Due diligence is particularly important for companies using Taiwan as a gateway market to China, since they would be selecting a partner for two markets instead of one.

Hong Kong –CM The Closer Economic Partnership Arrangement (CEPA) is a free trade agreement concluded between China and Hong Kong which has opened up China's markets for Hong Kong goods and services. Hong Kong service suppliers can benefit from greater liberalisation measures in China's service industries as compared to foreign investors. Foreign investors who establish a business in Hong Kong are also able to take advantage of the benefits offered by CEPA.

Hong Kong is a founding member of the World Trade Organization (WTO) and participates actively in its activities. It is also a member of the Asia-Pacific Economic Cooperation (APEC) and the Pacific Economic Cooperation Council (PECC). Hong Kong belongs, in its own right, to the Asian Development Bank (ADB) and the World Customs Organization (WCO). It is an associate member of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and has been an observer of the Trade Committee of the Organization for Economic Cooperation and Development (OECD) since 1994.

The Hong Kong Government does however provide a number of loan and funding schemes to support small and medium-sized enterprises in areas such as innovation and technology and design.

Invest Hong Kong is a Hong Kong government body which works with overseas entrepreneurs, small and medium-sized enterprises as well as multinationals that want to establish operations in Hong Kong. It offers free advice and support to companies. There are a number of foreign chambers of commerce in Hong Kong which can offer support and networking opportunities.

India –RM The Government of India and many state governments have set up 'facilitation cells' to assist overseas investors. Almost all of these cells have an online presence and information on investing in India is easy to access and understand.

With English as the language of commerce, a local partner is not critical. However, given the size and diversity of the economy, local knowledge frequently helps save time and money with operations in India. This local knowledge can be obtained by identifying suitable business executives that can run the business in India, through interactions with professional service providers (local lawyers, accountants and tax advisors) or even from non-resident Indians working abroad.

Japan –DEM The Ministry of Economy, Trade and Industry (METI) and the Japan External Trade Organization (JET-RO) are the primary agencies responsible for assisting foreign firms looking to invest in Japan.

The government of Japan explicitly promotes inward foreign direct investment. As Tokyo builds up towards the 2020 Summer Olympics, government initiatives include programs aimed at reducing wait times for immigration procedures, introducing free Wi-Fi for foreign visitors, and providing multi-lingual signs and displays in stores, roads, railways and hospitals.

Japan's national government has instituted some exciting incentive programs such as the National Strategic Special Zone Initiatives, to increase foreign entrepreneurs interested in founding their own business. Deregulation, special tax treatment (for corporate income tax), financial assistance and other measures have made it easier for business start-ups in many designated cities.

Approved cities are eligible implement the 'Start-up Visa (Entrepreneurial Incentives for Foreigners)' to incentivise foreigners to be business entrepreneurs. Applying for and being approved for the 'Business Manager' visa, which is required for foreigners intending to start a business in Japan, will be eased for foreigners in cities such as Tokyo, and Fukuoka,

Japan is a member economy of APEC and engages with the 20 other members on trade and economic issues. Japan and ASEAN Member States, continue to discuss and negotiate provisions for investment, with the goal of improving the efficiency and competitiveness of the investment environment of Japan and those ASEAN Member States.

On July 6, 2017 the European Union and Japan reached an agreement in principle on the main elements of the EU-Japan Economic Partnership Agreement, right before the start of the G-20 Summit in Hamburg.

Papua New Guinea –MS PNG does not have a well-developed system for helping potential foreign investors. Some limited help is available from the Investment Promotion Authority and from PNG embassies and consulates abroad.

The PNG Government does offer income tax and other incentives to major projects however this is on a case by case basis and is usually heavily negotiated. Working with a local business partner can help however this is not a legal requirement.

Flexibility, a sense of humour, a willingness to take risks and a long term view are key to business success in PNG.

New Zealand –MC Overseas persons can own assets and operate businesses in New Zealand, although overseas entities will need to obtain a New Zealand tax number and may be required to register for NZ Goods and Services Tax. Overseas companies and limited partnerships which intend to carry on business directly in New Zealand need to register with the New Zealand Companies Office.

NZX operates the two main capital markets in New Zealand. The NZX Main Board, New Zealand's principal market for equity securities, has around 160 issuers, which allows investors to trade in some New Zealand's largest and most well-known companies, while the NZX Debt Market, allows investors to trade in a wide variety of debt securities, including New Zealand government bonds.

There are several governmental bodies that can assist overseas investors to set up or manage investments in New Zealand.

The New Zealand Trade and Enterprise (NZTE) is the Government's national economic development agency. It can respond to enquiries on any aspect of investing in New Zealand through its network of investment managers around the world. NZTE promotes New Zealand as an investment destination and helps potential investors take advantage of opportunities. NZTE also matches high-growth New Zealand businesses in strategic sectors to international investors.

The NZTE also has a specialist division called The Investment Team, that helps international corporate investors. It provides a single contact point for major international investors, and can facilitate vital communication between investors and their prospective New Zealand partners and Government agencies.

If you wish to operating a business in New Zealand, you may need to apply to the Overseas Investment Office (OIO) for consent if your investment involves 'sensitive' land such as foreshore or seabed, fishing assets or business assets worth more than NZD100 million.

Mark Copeland Lawyers is always happy to make introduction to these agencies for investor clients.

QUESTION 5 - REGULATION

What are the major regulatory barriers to entering your marketplace?

Papua New Guinea –MS The Investment Promotion Act 1992 ("IP Act") is the major regulatory barrier to individuals and companies commencing business operations in Papua New Guinea ("PNG"). A foreign enterprise, including a PNG company owned or controlled by non-citizens of PNG, must be certified under the IP Act to carry on business in PNG (IP Act section 25(1).

As a general rule, an isolated transaction will not itself amount to carrying on business in PNG, however, every business starts with an initial transaction and a particular transaction that is the first in a series of similar transactions may amount to carrying on business.

Subject to certain exceptions, if there is a change in the ownership, shareholding or beneficial ownership or control of a foreign enterprise carrying on business in PNG, the company must, within 14 days of the date of the change, apply for a fresh certification under the IP Act (IP Act section 32).

A foreign enterprise having been granted a certificate under the IP Act to carry on business in PNG may apply to the Authority in the prescribed form and on payment of the prescribed fee for a variation of its activity, or its location of carrying on business in an activity, or any other prescribed term or condition of a certificate (IP Act section 33).

The certification process is time consuming and intrusive and usually takes 3 months or longer to complete. The PNG Government has given little thought as to why it is necessary for foreign enterprises to provide the information which they are requested to provide as a part of the certification process.

Once a foreign enterprise is certified to carry on business in PNG, it must then complete and file half yearly reports with the Investment Promotion Authority concerning the conduct of its business during the preceding six months.

Other regulatory barriers to foreign investment in PNG include the Central Banking (Foreign Exchange & Gold) Regulation and the Income Tax Act.

Despite various attempts at liberalising these controls, foreign exchange control is still part and parcel of doing business in PNG. There is a general shortage of foreign currency and the PNG Government uses foreign exchange control as a means of supporting of what is otherwise a relatively weak currency, the PNG Kina. A tax clearance certificate is required before a PNG resident may transfer the foreign currency equivalent of K200,000 offshore provided that if the transfer is to a designated tax haven, the transfer of any amount requires a tax clearance certificate. It can take several months or longer to convert into foreign currency and export from PNG large quantities of PNG Kina.

Unlike many third world countries, PNG taxes businesses and individuals quite heavily. Although large projects (particularly in the petroleum sector) can attract significant income tax concessions, tax rates in PNG are generally high – 30 per cent for companies and up to 47 per cent for individuals.

Foreign investors also need to be aware of the Fairness of Transactions Act 1993 ('FTA'). A transaction to which the FTA applies may be reviewed by a court on the application of any party, if the Court is satisfied that the transaction was not genuinely mutual or was manifestly unfair to a party. Unless the Court is satisfied that the transaction "was entered into on equal footing in all material respects", a transaction will fall foul of the FTA.

Any contract that a foreign investor enters into in PNG other than on an equal footing with the other party could be reviewed under the FTA.

Philippines –VDR The biggest barrier in the Philippines are the foreign ownership restrictions. The constitution does not allow foreign companies to own land, but, having said that, they can lease for up to 50 years.

The bright spot for the Philippines is our knowledge workforce. We provide workers around the world, with nurses going to the UK, USA and Singapore, while the retail and construction industries in the Middle East have a lot of Filipinos.

People who want to invest here target opportunities where they can take advantage of the English speaking population in businesses such as legal process outsourcing and business process outsourcing. There is a decent turnover of this type of work in the Philippines which is worth quite a few billion dollars.

The problem is always foreign ownership, but with a substantial investment this can be resolved.

We are opening up mining sites now with 100% ownership for a substantial investment. Retail was always very tightly regulated, but now with a substantial investment you can own your own establishment. Toys R Us operate their own shops as do several boutiques including Prada and Zara.

We do follow a negative list though where certain industries are excluded from direct foreign investment or ownership.

Australia –GS Australia has relatively low barriers for doing business, and there is a focus on lowering barriers for open trade and investment. There are free trade agreements with many countries, including Asian countries, and we are actively negotiating with many others.

The Foreign Acquisitions and Takeovers Act regulates large investments by foreign investors in Australia. Under that Act, the Foreign Investment Review Board (FIRB) regulates foreign investment of 20 per cent or more in any business valued over AUD252 million. That amount is higher for certain countries with which Australia has a free trade agreement. There are special rules for foreign government investors. FIRB can prohibit investments that aren't in the national interest.

There are also special rules relating to the acquisition of real property, including agribusiness, and there are some tax rules applying to foreign investors, such as a foreign resident capital gains withholding tax.

The Competition and Consumer Act contains restrictions on acquisition of corporations or assets that have the effect of substantially lessening competition in any marketplace.

China/Taiwan –JM In China's case, like the Philippines, the story is one of improvement. The economy has opened up during the last few decades, and we would expect this trend to continue. Foreign investment is still forbidden or restricted in a number of sensitive industries, and it is unclear whether, or when, these restrictions will be relaxed. Certain M&A transactions are subject to anti-monopoly and national security review processes.

Foreign exchange controls can pose a significant challenge since restrictions are sometimes tightened or relaxed with little or no notice in response to central government policy changes.

One practical implication for foreign companies is that they must ensure their Chinese counterpart is actually able to pay in foreign currency before entering into a transaction. We have recently seen an uptake in queries from foreign companies having trouble collecting payment for legitimate and properly documented transactions because the Chinese party's bank refuses to execute the wire transfer, citing central government policy changes. Options are very limited at that point, therefore we recommend either requesting payment in advance or proof that the Chinese party has sufficient convertible currency offshore to meet the payment obligation.

Multinational companies should also adjust their global cash management strategy for the contingency that funds held by their China subsidiary might not be available for use overseas in the short term. Transactions should be structured accordingly.

Hong Kong –CM Hong Kong was listed as the freest economy in the 2017 Index of Economic Freedom by the Heritage Foundation/Wall Street Journal among 186 countries for the 23rd consecutive year, and it scored particularly highly in terms of business, trade, investment and financial freedom. In general, businesses face considerably less regulatory barriers to entering Hong Kong's marketplace as compared to other markets.

100% foreign ownership of Hong Kong companies is allowed except in a few specific industries, such as broadcasting. There are no restrictions on shareholders' nationality (or jurisdiction of incorporation in the case of corporations) or on foreigners holding shares in a Hong Kong-incorporated company

Foreign investors will often establish a Hong Kong private limited company which has less onerous disclosure obligations than a public company, but cannot have more than fifty shareholders or raise funds from the public. Setting up a company in Hong Kong is a quick and inexpensive process.

The concentration of banks in Hong Kong is among the highest in the world and seventy of the world's largest banks have established operations in Hong Kong. The Hong Kong Monetary Authority (HKMA) operates a three-tier system for authorising deposit-taking institutions.

Hong Kong has stringent anti-money laundering and counter-terrorist financing legislation which has been implemented to ensure Hong Kong's adherence to international standards to fulfil its obligations under the Financial Action Task Force recommendations.

Some small and medium-sized enterprises have reported experiencing difficulties in opening bank accounts. The HKMA has noted that in some instances this has been due to banks failing to adopt a risk-based approach in conducting customer due diligence procedures and has been actively working with banks to improve the situation.

New Zealand –MC Overseas Investment Office (OIO) consent may be required if target businesses possess significant business assets, where the cost of a business acquisition, or the value of the applicable New Zealand assets, exceeds NZD100 million. It is also required for an interest in sensitive land, or a fishing quota.

All applicants for consent are required to meet the investor criteria of business experience and acumen, financial commitment and good character. They must not be ineligible individuals under the Immigration Act.

Transactions occurring outside New Zealand may still require OIO consent if the target business has interests in land or other assets in New Zealand. OIO implications for offshore transactions should be assessed early in the transaction process to ensure that timeframes do not cause unnecessary delays.

The consent application process is administered by the OIO and governed by the Overseas Investment Act 2005 (the Act) and accompanying regulations. The overall consent decision rests with the relevant Ministers. Potential investors should engage legal advisors early in the investment process to assess whether consent is needed and to ensure that there are no unnecessary delays.

Consent is usually granted subject to various conditions with which the applicant must comply. Often the conditions will reflect the nature of the benefits claimed to support the transaction in the consent application.

Japan –DEM During the last 15 years, the Japanese government has been working on removing a range of trade barriers, but, despite this, regulatory barriers do exist in many areas.

Cross-border M&A is sometimes difficult in Japan because of attitudes toward outside investors and inadequate corporate governance mechanisms that protect entrenched management over the interest of shareholders. Several aspects of Japan's commercial law regime, and a relative lack of financial transparency and disclosure also cause problems.

M&A lawyers at Kuroda Law Offices work as an integrated team to overcome these barriers, with experts in key areas such as intellectual property, antitrust, and securities, completing transactions in industries such as renewable energy, technology, consumer products, and life sciences.

Japan has actively taken steps to support many industries, such as breaking down trade barriers, with the goal of further attracting foreign companies. Japan has changed many laws concerning ownership restrictions imposed on foreign investors, for instance there are currently no restrictions on foreign ownership of real estate. Share ownership restrictions are imposed on foreign investors in areas such as broadcasting and aeronautics, because of security or other considerations.

UAE –TK The United Arab Emirates (UAE) maintains a free exchange and liberal trading system. However, there are some considerations, issues and questions confronting companies as they establish, operate and grow a business in the Middle East market.

In particular, some of the major regulatory barriers to entering the UAE marketplace are the enforced local ownership rules as well as the Shari'a law and its influence on the whole local market.

Following the UAE Federal Law, UAE offers three different types of companies as per their legal structure and ownership such as the Limited Liability Company (LLC), Free Zone Company (FZC) and the Offshore or International Business Company (IBC). Based on the foreign ownership restrictions contained in the Commercial Companies Law (CCL), it is required that at least 51 per cent of the share capital of a Limited Liability Company should be owned by UAE National(s), whereas the CCL does not apply to the other types of companies of which 100 per cent foreign national ownership is allowed.

With regards to the establishment of branches or representative offices of foreign companies in the UAE, then an approval from the Ministry of Economy is required as well as a commercial licence from the Department of Economic Development of the Emirate in which the office will be established. The license is renewable on an annual basis.

In addition, the influence of the Shari'a law to the whole UAE market is considered as one of the major barriers of entry. The Shari'a law is technically applicable to both Muslims and non-Muslims, however is generally not applied to the family law of non-Muslims, or to their inheritance. Moreover, there is also the Dubai International Financial Centre (DIFC) Courts, an independent English-language common law system, with jurisdiction governing civil and commercial disputes nationally, regionally and worldwide. In April 2015, the DIFC Courts announced a wills and probate registry which made UAE as the first jurisdiction in the Middle East region where a non-Muslim individual has the ability to register a will under internationally recognised common law principles.

India –RM Foreign investment into India is freely allowed in most sectors. There are a few sectors where investment above a certain shareholding requires prior government approval (e.g. telecommunications, broadcasting and defence manufacturing), plus a handful of sectors where foreign investment is prohibited (e.g. gambling, and tobacco manufacture).

In this context, one set of regulatory issues that requires the close attention of investors into the Indian market is India's foreign exchange rules affecting capital account transactions. At the time of entry, these rules affect investment structures, the nature of investments (debt or equity), and the pricing of these investments (interest rates, loan tenures and equity valuations). At the time of exit, these rules require exits to be based on the fair market value of the investment, and preclude equity investments from being provided assured returns.

Recent changes to India's laws have made it easier to do business in India. However, there are certain aspects on which investors should seek professional guidance. For instance, India recently introduced a general anti-avoidance rule into its tax laws: investors should therefore seek advice of Indian tax or legal experts if their investments are likely to involve complex structures. In certain high value transactions, depending on the nature of the acquirer or target, anti-trust approvals may also be required.

As in other countries, when setting up new businesses in India, investors should also put in place processes to address corporate and regulatory compliance requirements. For instance, Indian companies (even companies that are 100 per cent foreign owned) require at least one director on their boards to be a resident of India. Companies are also required to have a physical registered office in India, file regular corporate and employee-related returns, and register with local authorities.

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