

The Netherlands

RISK & COMPLIANCE REPORT

DATE: March 2018

Executive Summary - Netherlands

Sanctions:	None
FAFT list of AML Deficient Countries	No
Higher Risk Areas:	US Dept of State Money Laundering Assessment Conduit for Offshore Financial Centres

Major Investment Areas:

Agriculture - products:

grains, potatoes, sugar beets, fruits, vegetables; livestock

Industries:

agroindustries, metal and engineering products, electrical machinery and equipment, chemicals, petroleum, construction, microelectronics, fishing

Exports - commodities:

machinery and equipment, chemicals, fuels; foodstuffs

Exports - partners:

Germany 26.3%, Belgium 14.1%, France 8.8%, UK 8%, Italy 4.5% (2012)

Imports - commodities:

machinery and transport equipment, chemicals, fuels, foodstuffs, clothing

Imports - partners:

Germany 13.9%, China 12%, Belgium 8.4%, UK 6.7%, Russia 6.4%, US 6.1% (2012)

Investment Restrictions:

The Netherlands' trade and investment policy is among the most open in the world, with combined merchandise exports and imports exceeding GDP.

FDI is concentrated in growth sectors including information and communication technology (ICT), biotechnology, medical technology, electronic components, and

machinery and equipment. Investment projects are predominantly in value-added logistics, machinery and equipment, and (luxury) foods.

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Section 1 - Background

The Dutch United Provinces declared their independence from Spain in 1579; during the 17th century, they became a leading seafaring and commercial power, with settlements and colonies around the world. After a 20-year French occupation, a Kingdom of the Netherlands was formed in 1815. In 1830 Belgium seceded and formed a separate kingdom. The Netherlands remained neutral in World War I, but suffered invasion and occupation by Germany in World War II. A modern, industrialized nation, the Netherlands is also a large exporter of agricultural products. The country was a founding member of NATO and the EEC (now the EU) and participated in the introduction of the euro in 1999. In October 2010, the former Netherlands Antilles was dissolved and the three smallest islands - Bonaire, Sint Eustatius, and Saba - became special municipalities in the Netherlands administrative structure. The larger islands of Sint Maarten and Curacao joined the Netherlands and Aruba as constituent countries forming the Kingdom of the Netherlands.



Section 2 - Anti – Money Laundering / Terrorist Financing

FATF status

The Netherlands is not on the FATF List of Countries that have been identified as having strategic AML deficiencies

Compliance with FATF Recommendations

The last Mutual Evaluation Report relating to the implementation of anti-money laundering and counter-terrorist financing standards in The Netherlands was undertaken by the Financial Action Task Force (FATF) in 2011. According to that Evaluation, The Netherlands was deemed Compliant for 6 and Largely Compliant for 22 of the FATF 40 + 9 Recommendations. It was Partially Compliant or Non-Compliant for 2 of the 6 Core Recommendations.

Key Findings from latest Mutual Evaluation follow-up (2014)

In February 2014, the FATF recognised that the Netherlands had made significant progress in addressing the deficiencies identified in the 2011 mutual evaluation report and should be removed from the regular follow-up process. The Netherlands was placed in the regular follow-up process as a result of partially compliant (PC) ratings for certain core and key Recommendations in its mutual evaluation report of February 2011.

The February 2014 follow-up report contains a detailed description and analysis of the actions taken by the Netherlands in respect of the core and key Recommendations rated PC in the 2011 mutual evaluation report.

Since the adoption of its mutual evaluation report in 2011, the Netherlands has focused its attention on:

- Strengthening the preventive AML/CFT legislative framework with the amendment of the Money Laundering and Terrorist Financing Prevention Act (*Wet ter Voorkoming van Witwassen en Financiëren van Terrorisme [WWFT]*), in particular in relation to the following preventive measures and the financial intelligence unit:
 - A range of Customer Due Diligence requirements, including beneficial ownership requirements;
 - The suspicious transaction reporting requirement;
 - The protection from criminal and civil liability for entities filing suspicious transaction reports;
 - The exchange of information between supervisors, and
 - The legal framework for the financial intelligence unit.

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- The amendment of the Criminal Code to introduce an autonomous terrorist financing offence.
- The Dutch Ministry of Finance and the four statutory AML/CFT supervisors issued and further updated guidance material with the aim to assist institutions with their implementation of the amended WWFT and the Sanctions Act.

The annex to the 2nd follow-up report is based on a report from the Netherlands on actions taken to address the deficiencies related to the other (non-core/key) Recommendations rated PC or NC in the MER. The information in this Annex was presented for information and was not discussed or approved by the FATF Plenary.

US Department of State Money Laundering assessment (INCSR)

Netherlands is categorised by the US State Department as a Country/Jurisdiction of Primary Concern in respect of Money Laundering and Financial Crimes.

OVERVIEW

The Netherlands is a major financial center and, consequently, an attractive venue for laundering funds generated from illicit activities, including those related to the sale of cocaine, cannabis, and synthetic and designer drugs, such as ecstasy. The Netherlands has a prosperous and open economy, which depends heavily on foreign trade.

Six islands in the Caribbean fall under the jurisdiction of the Kingdom of the Netherlands: Bonaire, Sint Eustatius, and Saba are special municipalities of the Netherlands; Aruba, Curacao, and Sint Maarten are autonomous countries within the Kingdom. The Netherlands provides supervision for the courts and for combating crime and drug trafficking within the Kingdom.

VULNERABILITIES AND EXPECTED TYPOLOGIES

Financial fraud, especially tax evasion, is believed to generate a considerable portion of domestic money laundering activity. There are a few indications of syndicate-type structures in organized crime and money laundering, but there is virtually no black market for smuggled goods. Few border controls exist within the Schengen Area of the EU, although Dutch authorities run special operations in the border areas with Germany and Belgium and in the Port of Rotterdam to minimize smuggling. The Netherlands is an open economy and is a large hub for the international financial sector. Underground remittance systems, such as hawala, operate in the Netherlands. Criminal networks increasingly use cyber currencies to facilitate illegal activity.

KEY AML LAWS AND REGULATIONS

Every three years, the government commissions an independent audit of Dutch policy. The Government of the Netherlands continues to correct noted deficiencies and to make progress in improving its AML regime. The law has comprehensive KYC and STR regulations, which apply to many actors in the financial sector, including pawnshops and brokers in high-

value goods. On January 1, 2017, new legislation entered into force expanding the predicate crimes for money laundering to include the possession of stolen goods.

On March 31, 2017, the government presented a legislative proposal to create a special registry listing the ultimate beneficial owners (UBO) of companies and legal entities. The proposal is part of the Dutch implementation of the fourth EU Anti-Money Laundering Directive. The proposed UBO registry will be run under the Chamber of Commerce and aims to prevent money launderers from hiding behind legal entities. On October 13, 2017, the cabinet submitted legislation to Parliament to implement the EU's Fourth Anti-Money Laundering Directive.

There is a MLAT between the Netherlands and the United States.

The Netherlands is a member of the FATF.

AML DEFICIENCIES

The Dutch FIU enjoys an international reputation for professionalism. The FIU is an independent, autonomous entity under the National Police Unit. It is expected that the ongoing reorganization of the National Police, scheduled for completion in 2018, will enhance the flexibility and effectiveness of law enforcement in responding to money laundering cases. The police closely cooperate with the Dutch Tax Authority's investigative service. The Anti-Money Laundering Center, established in 2013, combines expertise from government agencies, such as the FIU, the National Police, the Tax Authority, knowledge institutions, private sector partners, and international organizations. Seizing financial assets of criminals continues to be a priority for law enforcement.

ENFORCEMENT/IMPLEMENTATION ISSUES AND COMMENTS

The Netherlands utilizes an "unusual transaction" reporting system. Designated entities are required to file unusual transaction reports (UTRs) with the FIU on any transaction that appears "unusual" (applying a broader standard than "suspicious"), or when there is reason to believe a transaction is connected with money laundering. The FIU analyzes UTRs and forwards them to law enforcement for criminal investigation. Once the FIU forwards the report, the report is then classified as a STR. The Netherlands does not require all covered entities to report all transactions in currency above a fixed threshold. Instead, different thresholds apply to various specific transactions, products, and sectors. In 2015, the latest year for which data was available, the courts convicted 1,168 persons for money laundering.

On April 26, 2017, a district court in Utrecht sentenced a man to 30 months in prison for his part in a criminal organization that conducted underground banking. He transferred large sums of cash between anonymous third parties without keeping records. The court determined he handled between U.S. \$9 and U.S. \$11 million. Two accomplices were also convicted, but not for membership in the organization.

Current Weaknesses in Government Legislation (2013 INCRS Comparative Tables):

According to the US State Department, the Netherlands conforms with regard to all government legislation required to combat money laundering.

EU White list of Equivalent Jurisdictions

The Netherlands is on the EU White list of Equivalent Jurisdictions

World Governance indicators

[To view historic Governance Indicators Ctrl + Click here and then select country](#)

Failed States Index

[To view Failed States Index Ctrl + Click here](#)

Offshore Financial Centre

The Netherlands is not considered to be an Offshore Financial Centre

US State Dept Narcotics Report 2017 (introduction):

The Netherlands is a significant transit country for illicit drugs, especially cocaine, entering through the port of Rotterdam. The Netherlands remains an important producer of synthetic drugs, primarily MDMA (ecstasy), of which the majority is believed to be exported. Most large-scale production is tied to outlaw motorcycle gangs. The volume of Internet-facilitated trafficking of synthetic drugs has increased significantly. Usage of new psychoactive substances is generally low, except for 4-fluoramphetamine and phenylethylamine.

The Dutch Opium Act prohibits the possession, commercial distribution, production, import, and export of all illicit drugs. The act distinguishes between “hard” drugs (e.g., heroin, cocaine, ecstasy), and “soft” drugs (cannabis products). Sales of less than five grams of cannabis products are “tolerated” (illegal but not prosecuted) in regulated establishments called “coffee shops.”

The Dutch government encourages local governments to implement a residency requirement that limits coffee shop purchases to residents of the Netherlands. Enforcement is a local matter, with most municipalities adhering to this requirement, except in a few cities, including Amsterdam.

In 2015, the Opium Act was amended to criminalize facilitation and preparation of cannabis cultivation, effectively banning stores that specialize in products used to cultivate cannabis, such as grow lights. The law is still under judicial review.

In June, Dutch authorities in the port of Rotterdam discovered four metric tons (MT) of cocaine in a shipment from Costa Rica, constituting the port’s second largest cocaine interception. Overall in 2016, authorities seized 43 MT of cocaine destined for the Netherlands, including 14 MT at the country’s ports. Cocaine traffickers consider the Netherlands a reliable transportation hub. Passengers on flights from the Dutch Caribbean, Suriname, and Venezuela are subject to “100 percent screening” for drugs.

Dutch and U.S. law enforcement agencies maintain close operational cooperation, with principal attention given to South American cocaine-trafficking organizations and drug-related money laundering activities. The United States and the Netherlands have fully operational extradition and mutual legal assistance agreements.

The Royal Netherlands Navy patrols the Dutch Caribbean for counternarcotics operations. The Netherlands has a memorandum of understanding with the United States, which enables the deployment of U.S. Coast Guard Law Enforcement and Airborne Use of Force Detachments on Royal Netherlands Navy vessels to suppress illicit trafficking in the waters of the Caribbean. The Netherlands is a party to the Caribbean Regional Maritime Agreement and a partner in the U.S. Joint Interagency Task Force South. The Netherlands is a member of the Maritime Analysis and Operation Centre-Narcotics.

US State Dept Trafficking in Persons Report 2016 (introduction):

The Netherlands is classified a Tier 1 country - is a country whose government fully complies with the Trafficking Victims Protection Act's (TVPA) minimum standards.

The Netherlands is a source, destination, and transit country for men, women, and children from the Netherlands, Eastern Europe, Africa, and South and East Asia subjected to sex trafficking and forced labor, such as inland shipping, offshore oil exploration, agriculture, horticulture, catering, food processing, domestic servitude, and forced criminal activity. Vulnerable populations include Dutch girls enticed by young male traffickers ("loverboys," who establish sham love relationships with vulnerable girls before intimidating them into sexual exploitation), unaccompanied children seeking asylum, women dependent on residency status obtained through fraudulent or forced marriages, domestic workers of foreign diplomats, Roma, and vulnerable women and men recruited in Eastern Europe, Africa, and Asia. There were reports of Dutch citizens engaging in child sex tourism abroad. In January 2016, media reported police and social workers found concrete signs of human traffickers recruiting in asylum centers, allegedly targeting women for prostitution and men for forced labor.

The Government of the Netherlands fully meets the minimum standards for the elimination of trafficking. The government investigated, prosecuted, and convicted a significant number of traffickers, and authorities identified a significant number of victims. The government has continued implementing the national referral mechanism plan created in 2014, including creating guidelines and training for identifying and referring victims to care, and setting standard operating procedures for key ministries. There is a government-wide taskforce that coordinates policy. National legislation requires law enforcement officers to refer victims to protection services. The government continued awareness campaigns aimed at educating vulnerable populations and businesses, and the independent anti-trafficking rapporteur monitored government efforts.

US State Dept Terrorism Report 2016

Overview: The Netherlands continued to respond effectively to the global terrorist threat in the areas of border and transportation security, counterterrorist financing, countering violent extremism (CVE), and bilateral and multilateral counterterrorism cooperation. In its March 2013 quarterly terrorism threat assessment, the Office of the National Coordinator for Security and Counterterrorism (NCTV) raised the national threat level from "limited" to "substantial" (the second highest rank), where it has remained throughout 2016. In 2014, the Dutch government released a *Comprehensive Action Program to Combat Jihadism* (Action Program) with measures to halt the flow of foreign terrorist fighters to Syria and elsewhere. The plan focused on risk reduction, travel intervention, disruption of recruiters, countering radicalization to violence, addressing the use of social media, and information exchange and cooperation. In September 2016, the government announced an additional increase of US \$10.5 million in structural counterterrorism spending in 2017, which will grow to US \$23 million by 2019.

The Netherlands is implementing UN Security Council resolution (UNSCR) 2178 to prevent potential foreign terrorist fighters from leaving the country. The government has pursued criminal cases against prospective and returned foreign terrorist fighters and against foreign terrorist fighter recruiters. The government has a multi-agency strategy to counter radicalization to violence, which focuses on community involvement at the local level.

The Netherlands is a member of the Global Coalition to Defeat ISIS, and has liaisons embedded in U.S. Central Command, at various operational command centers, and at the Strategic Communications Cell. In 2016, the Netherlands conducted air strikes in Iraq and Syria, provided force protection of coalition partners, and contributed military personnel and trainers in Iraq. The Netherlands and Turkey co-chair the Coalition's Foreign Terrorist Fighters Working Group.

Legislation, Law Enforcement, and Border Security: The Netherlands continued to use counterterrorism legislation and legislative supplements to the criminal code to address terrorism. On April 1, legislation entered into force that allows the government to strip Dutch nationality from dual nationals convicted on the charge of "preparing to commit a terrorist act." On June 1, legislation entered into force to limit the availability of chemical precursors for explosives. Under this law, private individuals can no longer purchase precursors without a license and companies have to report suspicious transactions, disappearances, and thefts. Government agencies working on counterterrorism include: NCTV; the national police; the prosecutor's office; local governments; the General Intelligence and Security Service (AIVD); and the Ministries of Security and Justice, Interior and Kingdom Relations, Foreign Affairs, Social Affairs and Employment, and Defense.

A reorganization of the national police to improve operational capacity and effectiveness has been underway since 2013 and is scheduled to be completed in 2018. The government prioritizes community policing and the first-line role of local police officers. Within the national police organization, the Central Criminal Investigations Service is the specialized counterterrorism unit. The National Prosecutor's Office also has dedicated counterterrorism prosecutors.

The Netherlands has continued to strengthen its border security. Dutch ports of entry have biographic and biometric screening capabilities. The government coordinates and freely shares information related to foreign terrorist fighters with INTERPOL and Europol. Authorities share information about individual travelers through the Schengen Information System 2, the Visa Information System, and the system for fingerprints of asylum seekers and illegal immigrants (EURODAC). The Netherlands collects Advance Passenger Information data for flights coming from selected points of embarkation outside the European Union (EU). The Netherlands is also working towards implementation of the EU Passenger Name Record (PNR) Directive.

The Netherlands remains committed to effective cooperation with the United States on border security. The Port of Rotterdam was the first European port to participate in the Container Security Initiative.

Significant law enforcement actions related to counterterrorism included:

- On March 27, authorities in Rotterdam arrested a French suspect identified as Anis B. Police found 45 kilos of ammunition in the suspect's apartment. French authorities had a warrant for his arrest for participation in a terrorist organization. The Dutch government extradited Anis B. to France on August 4.
- On July 13, a Dutch woman appeared on Kurdish television, saying she had escaped from ISIS with the help of the Peshmerga. She claimed her Palestinian-German husband had forced her and her children to depart for the Middle East. Shortly after her appearance on television, however, doubts emerged about her story. Upon her return to the Netherlands, the Dutch police interviewed her and placed her under arrest. At year's end, she remained under detention pending further investigation.
- On December 9, Dutch authorities announced they had arrested a 30-year-old Rotterdam resident, Jaouad A., on suspicion of preparing to commit an act of terrorism. Authorities found an AK-47 and two ammunition magazines, along with highly explosive fireworks, an ISIS flag, several cell phones, and €1,600 (US \$1,680) in cash in his residence.

Countering the Financing of Terrorism: The Netherlands is a member of the Financial Action Task Force (FATF), and is one of the Cooperating and Supporting Nations of the Caribbean Financial Action Task Force, an FATF-style regional body. The Financial Intelligence Unit – Nederland (FIU-Netherlands) is a member of the Egmont Group of Financial Intelligence Units. At the end of 2016, the Netherlands was working to implement the Fourth EU Money Laundering Directive. The Netherlands has worked to designate terrorist organizations and individuals, as well as to interdict and freeze assets. The Netherlands also participated in the counterterrorist financing working group of the Defeat-ISIS Coalition.

Dutch authorities monitor financial transactions and freeze the assets of persons on terrorist watchlists. While the Dutch implement UN Security Council 1267 listings under EU regulations, they also do so under their own national laws, which immediately freeze assets when an individual or entity is listed at the United Nations (UN). The government publishes the list of individuals or entities in its official journal, but keeps private the information on the amount of assets frozen or seized. As of December 2016, the government had frozen the assets of 89 individuals and three organizations. On March 16, a district court convicted a man for sending nearly US \$17,750 to his brother who was fighting in Syria. The suspect used money transfer services to transfer the funds overseas.

Non-profit organizations are not required to file reports about suspicious transactions but may choose to apply to a private entity for a "seal of approval" certification for their financial transactions. Law enforcement can access this entity's data bases with a court order. The FATF concluded that the requirements to obtain this "seal of approval" are stringent. These requirements include knowing donors and beneficiaries and having safeguards to make sure directors and employees do not have a conflict of interests.

International Sanctions

None applicable

Bribery & Corruption

Index	Rating (100-Good / 0-Bad)
Transparency International Corruption Index	82
World Governance Indicator – Control of Corruption	95

Corruption does not represent a constraint to business in the Netherlands. Petty corruption is almost non-existent, and the public administration is transparent, efficient and holds high ethical standards. The Dutch Penal Code makes it illegal for anyone to give or receive a bribe in the public or private sector, including a foreign public official. Dutch and foreign companies and their subsidiaries can be held liable for corruption offences committed by individuals working on their behalf and can be ordered to pay up to 10% of their turnover. Facilitation payments are not permitted, while gifts and hospitality may be considered illegal depending on the intent and benefit obtained. The legal framework to fight corruption generally complies with the provisions of the major anti-corruption conventions. Despite increased efforts to crack down on transnational bribery, the country has been criticised by the OECD for insufficient investigation and prosecution activities. Bribery is not widespread in the Netherlands. **Information provided by GAN Integrity.**

Corruption and Government Transparency - Report by US State Department

The Netherlands fully complies with international standards on combating corruption. Transparency International ranked the Netherlands 8th on its 2013 Corruption Perception Index.

The Netherlands signed and ratified the UN Anticorruption Convention and is a party to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Anti-bribery legislation to implement the 1997 OECD Anti-Bribery Convention (ABC) became effective in 2001. The anti-bribery law reconciles the language of the ABC with the EU Fraud Directive and the Council of Europe Convention on Fraud. It makes corruption by Dutch businessmen in landing foreign contracts a criminal offense.

At a national level, the Ministry of the Interior and Kingdom Relations and the Ministry of Security and Justice have taken steps to enhance regulations to combat bribery in public procurement and in the issuance of permits and subsidies. Most companies have internal controls and/or codes of conduct that prohibit bribery.

Several agencies combat corruption. The National Integrity Office serves as a knowledge center, develops new instruments for tracking problems, and identifies trends on matters of

integrity. The Independent Commission for Integrity in Government is an appeals board for whistleblowers in government and law enforcement agencies.

Section 3 - Economy

The Netherlands, the sixth-largest economy in the European Union, plays an important role as a European transportation hub, with a persistently high trade surplus, stable industrial relations, and moderate unemployment. Industry focuses on food processing, chemicals, petroleum refining, and electrical machinery. A highly mechanized agricultural sector employs only 2% of the labour force but provides large surpluses for food-processing and underpins the country's status as the world's second largest agricultural exporter.

The Netherlands is part of the euro zone, and as such, its monetary policy is controlled by the European Central Bank. The Dutch financial sector is highly concentrated, with four commercial banks possessing over 90% of banking assets. The sector suffered as a result of the global financial crisis and required billions of dollars of government support, but the European Banking Authority completed stringent reviews in 2014 and deemed Dutch banks to be well-capitalized. To address the 2009 and 2010 economic downturns, the government sought to stimulate the domestic economy by accelerating infrastructure programs, offering corporate tax breaks for employers to retain workers, and expanding export credits. The stimulus programs and bank bailouts, however, resulted in a government budget deficit of 5.3% of GDP in 2010 that contrasted sharply with a surplus of 0.7% in 2008.

The government of Prime Minister Mark RUTTE has since implemented significant austerity measures to improve public finances and has instituted broad structural reforms in key policy areas, including the labour market, the housing sector, the energy market, and the pension system. As a result, the government budget deficit at the end of 2015 dropped to 2% of GDP. Following a protracted recession during which unemployment doubled to 7.4% and household consumption contracted for nearly three consecutive years, 2014 saw fragile GDP growth of 1% and a rise in most economic indicators. Growth picked up in 2015 as households boosted purchases through reduced saving. Drivers of growth included increased exports and business investments, as well as newly invigorated household consumption.

Agriculture - products:

grains, potatoes, sugar beets, fruits, vegetables; livestock

Industries:

agro industries, metal and engineering products, electrical machinery and equipment, chemicals, petroleum, construction, microelectronics, fishing

Exports - commodities:

machinery and equipment, chemicals, fuels; foodstuffs

Exports - partners:

Germany 24.5%, Belgium 11.1%, UK 9.3%, France 8.4%, Italy 4.2% (2015)

Imports - commodities:

machinery and transport equipment, chemicals, fuels, foodstuffs, clothing

Imports - partners:

Germany 14.7%, China 14.5%, Belgium 8.2%, US 8.1%, UK 5.1% (2015)

Banking

Banking and financing are important service industries in the Netherlands providing funds for international as well as domestic trade. Three Dutch bank conglomerates - ABN Amro, Rabobank, and ING Bank, dominate the Dutch financial sector. They account for about 75 percent of total lending. International financial services providers in the Netherlands play on a level legal field. The Finance Ministry and Central Bank grant full national treatment to foreign banks.

According to the Finance Ministry, Dutch legislation implements all existing EU law and regulations on the provision of financial services. Foreign financial service providers face no special conditions or restrictions, and receive national treatment. However, one provision of the Dutch 1992 Banking Act does reflect the EU Banking Directive's "reciprocity" provision. The Finance Ministry says this section has never been used, and that all applications from non-EU parent banks are handled on a national treatment basis. Banking facilities for international transactions available in the Netherlands generally meet or exceed US standards.

Stock Exchange

The Amsterdam Stock Exchange is considered the oldest in the world. It was established in 1602 by the Dutch East India Company (Verenigde Oostindische Compagnie, or "VOC") for dealings in its printed stocks and bonds. It was subsequently renamed the Amsterdam Bourse and was the first to formally begin trading in securities.

The European Option Exchange (EOE) was founded in 1978 in Amsterdam as a futures and options exchange. In 1983 it started a stock market index, called the EOE index, consisting of the 25 largest companies that trade on the stock exchange.

In 1997 the Amsterdam Stock Exchange and the EOE merged, and its blue chip index was renamed AEX, for "Amsterdam EXchange". It is now managed by Euronext Amsterdam.

Dutch financial markets are fully developed and operate at market rates, facilitating the free flow of financial resources. The Netherlands is an international financial center for the foreign exchange market and for Eurobonds and bullion trade. The flexibility that foreign companies enjoy in conducting business in the Netherlands extends into the area of currency and foreign exchange. There are no restrictions on foreign investors' access to sources of local finance. In 2007, the New York Stock Exchange merged with Euronext, which also operates the Dutch exchange in Amsterdam. Dutch financial institutions have been hurt by the global credit crisis, leading to the nationalization of Dutch banking leader ABN Amro/Fortis and the provision of capital injections and other support measures to other large financial institutions since October 2008, including the ING Group, SNS Bank, and insurance company Aegon.

Section 4 - Investment Climate

Executive Summary

The Netherlands consistently ranks among the world's most competitive industrialized economies. It offers an attractive business and investment climate and remains a welcoming location for business investment from the United States and elsewhere.

Distinguishing strengths of the Dutch economy include the Netherlands' stable political and macroeconomic climate, a highly developed financial sector, strategic location, well-educated and productive labor force, and high quality physical and communications infrastructures. Investors in the Netherlands take advantage of its highly competitive logistics industry, anchored by the largest port and fourth-largest airport in Europe. In telecommunications, the Netherlands has the highest internet penetration in the European Union (EU) and hosts the largest data transport hub in the world.

The Netherlands is the largest recipient and source of foreign direct investment in the world and the largest historical recipient of direct investment from the United States. This position reflects the Netherlands' competitive economy and a tax climate that many corporations find favorable. The Dutch economy is characterized by a high degree of foreign investment, in a wide range of sectors including logistics, information technology, and manufacturing.

Since the financial crisis, the Dutch government has begun implementing significant reforms in key policy areas, including the labor market, the housing sector, the energy market, the pension system, and health care. Reflecting common Dutch practices, these reform policies were crafted following close consultations with key stakeholders, including business associations, labor unions, and civil society groups.

Following a protracted recession that ended in late 2013 and anemic GDP growth of 0.8 percent in 2014, the macroeconomic outlook in the Netherlands has changed for the better in 2015. The Dutch economy is currently considered to be experiencing stable growth and the Dutch government projects economic growth of 1.8 percent of GDP in 2016 and 2.0 percent in 2017. Projected drivers of growth include increased exports and business investments, as well as newly invigorated domestic consumption.

- The Netherlands is the top destination of U.S. FDI abroad, just over \$753 billion out of a total of \$4.9 trillion U.S. FDI worldwide. This amounts to over 15% of U.S. FDI.
- Dutch investors contribute \$305 billion FDI to the United States. Over 10% of the \$2.9 trillion of inward FDI destined for the United States originates from the Netherlands.

Table 1

Measure	Year	Index or Rank	Website Address
TI Corruption Perceptions index	2015	5 of 168	http://www.transparency.org/cpi/2015#results-table

World Bank's Doing Business Report "Ease of Doing Business"	2016	28 of 189	doingbusiness.org/rankings
Global Innovation Index	2015	4 of 141	globalinnovationindex.org/content/page/data-analysis
U.S. FDI in partner country (\$M USD, stock positions)	2014	753 billion	http://bea.gov/scb/pdf/2015/07%20July/0715_direct_investment_positions.pdf
World Bank GNI per capita	2014	51,890	data.worldbank.org/indicator/NY.GNP.PCAP.CD

1. Openness To, and Restrictions Upon, Foreign Investment

Attitude toward Foreign Direct Investment

The Netherlands is the sixteenth largest economy in the world and the fifth largest in the European Monetary Union (the Eurozone), with a gross domestic product (GDP) of nearly \$800 billion (€700 billion). According to the International Monetary Fund (IMF), the Netherlands is the largest source and recipient for foreign direct investment (FDI) in the world, though the Netherlands is not the ultimate beneficial destination for the majority of this investment. The government of the Netherlands maintains liberal policies toward FDI and adheres to the Organization for Economic Cooperation and Development (OECD) Investment Codes and relevant Guidelines.

The Netherlands is the recipient of eight percent of all FDI inflow into the EU. Of all EU member states, it is the top recipient of U.S. FDI, at over 15 percent of all U.S. FDI abroad as of 2014. The Netherlands has become a key export platform and pan-regional distribution hub for U.S. firms. Roughly 60 percent of total U.S. foreign-affiliate sales in the Netherlands are exports, with the bulk of them to other EU members.

In 2014, foreign companies made inward direct investments worth 664 billion U.S. dollars or 82.2% of the Netherlands' GDP. As a result, the Netherlands is the world's tenth-largest recipient of foreign investment. Foreign investors provide 15% of Dutch employment in the private sector (935,310 jobs).

Dutch tax authorities provide a high degree of customer service to foreign investors. Transparent, precise tax guidance lets investors know what to expect regarding long-term tax obligations. Advance Tax Rulings (ATR) and Advance Pricing Agreements (APA) are guarantees given by local tax inspectors regarding long-term tax commitments for a particular acquisition or greenfield investment. More detailed description of Dutch tax policy for foreign investors can be found at <http://investinholland.com/incentives-and-taxes/> and <http://investinholland.com/incentives-and-taxes/fiscal-climate/>.

Dutch corporations and branches of foreign corporations are subject to a corporate tax rate of 25 percent on taxable profits, which puts the Netherlands in the medium third of the

corporate tax bracket in the EU. Profits up to €200,000 (approximately \$230,000) are taxed at a rate of 20 percent. Dutch corporate taxation generally allows for the exemption of dividends and capital gains derived from a foreign subsidiary. Surveys into the corporate tax structure of EU member states observe that both the corporate tax rate and the effective corporate tax rate in the Netherlands are average. Nevertheless, the Dutch corporate tax structure ranks among the most competitive in Europe given other beneficial tax measures. No local Dutch income taxes are levied on corporations. The Netherlands also has no branch profit tax and does not levy a withholding tax on interest and royalties.

Maintaining an investment-friendly reputation is a high priority for the Dutch government, which provides public information and institutional assistance to prospective investors through the Netherlands Foreign Investment Agency (NFIA) (<http://investinholland.com/>). Additionally, an EU format information gateway, <http://www.answersforbusiness.nl>, provides information on regulations, taxes, and investment incentives that apply to foreign investors in the Netherlands.

The NFIA maintains six regional offices in the United States (in Washington, DC; Atlanta; Boston; Chicago; New York City; and San Francisco). The American Chamber of Commerce in the Netherlands (<http://www.amcham.nl>) also promotes U.S.-Dutch business interests.

Other Investment Policy Reviews

The Netherlands has not recently undergone an investment policy review by the OECD, World Trade Organization (WTO), or United Nations Committee on Trade and Development (UNCTAD).

Laws/Regulations on Foreign Direct Investment

Commercial laws and regulations accord with international legal practices and standards, and apply equally to foreign and Dutch companies. The rules on acquisition, mergers, takeovers, and reinvestment are nondiscriminatory. The Social Economic Council (SER), an official advisory body consisting of employers' representatives, labor representatives and independent experts appointed by the government, administers Dutch mergers and acquisitions rules. SER rules are intended to protect the interests of stakeholders and employees. They include requirements for the timely announcement of mergers and acquisitions (M&A) and for discussions with trade unions.

Business Registration

The Netherlands ranks 28 out of 189 on the World Bank's "Doing Business Index" (www.doingbusiness.org/data/exploreeconomies/netherlands/starting-a-business/). All companies must register with the Chamber of Commerce business registry (see <http://www.kvk.nl/english/business-register/>) as well as register for a fiscal number with the tax administration and allows expedited registration for SMEs with under 50 employees. The EU format website www.answersforbusiness.nl – maintained by the Dutch government – provides clear-cut guidance on establishing a business in the Netherlands: <http://www.answersforbusiness.nl/guide/starting-business>.

The Dutch American Friendship Treaty gives American citizens preferential treatment to operate a business in the Netherlands, providing ease of establishment that most other non-

EU nationals do not enjoy. U.S. entrepreneurs applying under the Dutch American Friendship Treaty do not need to satisfy a strict, points-based test and do not have to demonstrate innovative and distinguishing entrepreneurial pre-conditions. Instead, U.S. entrepreneurs setting up a sole proprietorship need only register with the Chamber of Commerce and demonstrate a minimum investment of €4,500. A two-year residence permit can then be issued, with the possibility of renewal for five subsequent years.

Industrial Promotion

FDI tends to be concentrated in growth sectors including information and communication technology (ICT), biotechnology, medical technology, electronic components, and machinery and equipment. Investment projects are predominantly in value-added logistics, machinery and equipment, and food.

As part of the austerity measures that the government has implemented since 2012, government has focused on forging public/private financing agreements in areas where investment is deemed to be of strategic value. With this so-called "Top Sectors" policy, government, academia, and industry works together to determine where co-financed investment in R&D will go. The "top sectors" policy identifies nine areas (creative industries, logistics, horticulture, agriculture & food, life sciences, energy, water, chemical industry, and high tech) for the focus of the government's industrial policy. For more information see paragraph 5 and <https://www.government.nl/topics/enterprise-and-innovation/contents/encouraging-innovation>.

Limits on Foreign Control and Right to Private Ownership and Establishment

With few exceptions, the Netherlands does not discriminate between national and foreign individuals in the establishment and operation of private companies. The government has divested its complete ownership of many public utilities, but in a number of strategic sectors, private investment, including foreign investment, may be subject to limitations or conditions. These include transportation, energy, defense and security, finance, postal services, public broadcasting, and the media.

Air transport is governed by EU regulation and subject to a bilateral agreement between the United States and the EU. U.S. nationals can invest in Dutch/European carriers as long as the airline remains majority-owned by EU governments or nationals from EU member states. Additionally, the EU and its member states reserve the right to limit U.S. investment in the voting equity of an EU airline on a reciprocal basis to that allowed by the United States for foreign nationals in U.S. carriers.

Privatization Program

There are no ongoing privatization programs in the Netherlands. Government-controlled entities will maintain dominant positions in gas and electricity distribution, rail transport, and the water sector. The government nationalized ABN AMRO Bank and ASR insurance

company in 2008 due to the global financial crisis. In February 2013, it nationalized the bank and insurance company SNS Reaal due to steep losses in the bank's real estate portfolio. In November 2015, ABN Amro regained its status as a publicly traded company.

Screening of FDI

The Netherlands has no formal foreign investment screening mechanisms and no foreign ownership quotas, with the exception of certain limitations in the strategic "top sectors" (transportation, energy, defense and security, finance, postal services, public broadcasting, and the media). There is no requirement for Dutch nationals to have an equity stake in a Dutch registered company.

Competition Law

Structural and regulatory reforms are an integral part of a major reorientation of Dutch economic policy. Market competition is being strengthened through laws aimed at stimulating market forces, liberalization, deregulation, and legislative quality, along with a tightening of competition policy.

As an EU and Eurozone member, the Netherlands is firmly integrated in the European regulatory system with national and European institutions exercising authority over specific markets, industries, consumer rights, and competition behavior of individual firms.

The Authority for Consumers and Markets (ACM) provides regulatory oversight in three key areas: consumer protection, post and telecommunications, and market competition.

2. Conversion and Transfer Policies

Foreign Exchange

The Netherlands is a founding member of the EU and one of the initial participants in the Eurozone. Monetary policy is under the supervision of the European Central Bank, and the president of the Dutch Central Bank (DNB) sits on the European Central Bank's Governing Council.

There are no restrictions on the conversion or repatriation of capital and earnings (including branch profits, dividends, interest, royalties), or management and technical service fees, with the exception of the nominal exchange license requirement for nonresident firms.

Remittance Policies

The Netherlands does not limit foreign exchange for remittances with waiting periods or other measures. Similarly, there are no limitations on the inflow or outflow of funds for remittances of profits or revenue. The Netherlands, as a Eurozone member, does not engage in currency manipulation tactics.

The Netherlands has been a member of the FATF since 1990 and - because of the membership of its Caribbean territories with the Caribbean FATF (C-FATF) - is also one of the cooperating and supporting nations of the C-FATF.

With the promulgation of additional, preventative anti-money laundering and counterfeiting legislation, the Netherlands has remedied many deficiencies that were revealed in a 2011 Mutual Evaluation Report. As a result, FATF removed the Netherlands from its "regular follow-up process" in February 2014. The Bureau of International Narcotics and Law Enforcement's

2015 International Narcotics Control Strategy Report (INCSR) lists the Netherlands as a "country of primary concern," largely because the country is a major financial center and consequently an attractive venue for laundering funds generated by illicit activities. More information can be found at <http://www.state.gov/j/inl/rls/nrcrpt/2015/vol2/239095.htm>.

3. Expropriation and Compensation

The Netherlands maintains strong protection on all types of property, including private and intellectual property, and the right of citizens to own and use property. Expropriation of corporate assets or the nationalization of industry requires a special act of parliament, as seen in the nationalization of ABN AMRO during the 2008 financial crisis. In the event of expropriation, the Dutch government follows customary international law, providing prompt, adequate and effective compensation and ample process for legal recourse. The U.S. Mission to the Netherlands is unaware of any recent expropriation claims involving the Dutch government and U.S. or other foreign-owned property.

4. Dispute Settlement

Legal System, Specialized Courts, Judicial Independence, Judgments of Foreign Courts

Dutch contract law is based on the principle of party autonomy and full freedom of contract. Signing parties are free to draft an agreement in any form and any language, based on the legal system of their choice.

Dutch corporate law provides for a legal and fiscal framework that is designed to be flexible. This element of the investment climate makes the Netherlands especially attractive to foreign investors.

Bankruptcy

Dutch bankruptcy law is governed by the Dutch Bankruptcy Code, which applies both to individuals and companies. The code covers three separate legal proceedings: bankruptcy, which has a goal of liquidating the company's assets; receivership, aimed at reaching an agreement between the creditors and the company; and debt restructuring, which is only available to individuals.

The World Bank's Doing Business Index ranks the Netherlands as number 11 in resolving insolvency. The Netherlands ranks better than the OECD average on time, cost, and recovery rate on bankruptcies.

Investment Disputes

The Dutch civil court system has a chamber dedicated to business disputes called the Enterprise Chamber. This facility is unique among EU member states and has received positive reviews from institutional and private investors. The Enterprise Chamber includes judges who are experts in various commercial fields as well as the legal profession. They resolve a wide range of corporate disputes, including conflicts regarding corporate control.

International Arbitration

The Netherlands has maintained a treaty of Friendship, Commerce and Navigation with the United States since 1956 that provides for national treatment and free entry for foreign investors, with certain exceptions. This Dutch-American Friendship Treaty (DAFT) allows Americans to apply to work on a self-employed basis on the same conditions as EU citizens. The Embassy is not aware of any American company raising an investment dispute with the Netherlands over the last 10 years.

ICSID Convention and New York Convention

As a member of the International Center for the Settlement of Investment Disputes (ICSID), the Netherlands accepts binding arbitration between foreign investors and the state. The Netherlands is one of the initial signatories of the New York Arbitration Convention (UNCITRAL) and permits local enforcement of arbitration judgments decided in other signatory countries.

The Hague is the seat of the Permanent Court of Arbitration (PCA), an intergovernmental organization that is not a court, but like ICSID is a facilitator of independent arbitral tribunals to resolve conflicts between PCA member states, including the United States.

Duration of Dispute Resolution – Local Courts

The Enterprise Chambers' stated aim is to be able to provide a judgment within six to eight weeks after legal arguments have concluded. In its 2014 annual report, the Enterprise Chamber states that an entire case from submission to final verdict takes an average of three to 12 months, depending on the type of dispute being handled by the court.

5. Performance Requirements and Investment Incentives

WTO/TRIMS

The Netherlands is a member of the WTO and does not maintain any measures that are inconsistent with obligations under Trade Related Investment Measures (TRIMs).

Investment Incentives

General requirements to qualify for investment subsidy schemes apply equally to domestic and foreign investors. Industry-specific, targeted investment incentives have long been a tool of Dutch economic policy to facilitate economic restructuring and to promote economic priorities. Such subsidies and incentives are available to foreign and domestic firms alike and are spelled out in detailed regulations. Subsidies are in the form of tax credits that are disbursed through corporate tax rebates or direct cash payments if there is no tax liability. For an overview of government subsidies and investment programs, see: <http://english.rvo.nl/subsidies-programmes>.

Research and Development

The Dutch government pursues a program designed to stimulate research and development investment in the nine top sectors. The program's goals are to improve the Dutch knowledge-intensive industries, to reach a top five ranking among global knowledge-based economies by 2020, to increase the percentage of R&D efforts to 2.5 percent of GDP by 2020, and to establish sector-specific Innovation Consortia wherein both public and private sectors

participate with a budget over \$500 million. In a joint effort with academia and the private sector, the government has instituted a preferential policy that releases over \$1 billion of additional funding for R&D and product innovation in the top sectors.

Nearly a quarter of all firms in the Netherlands are active in one of the top sectors, which generate 21 percent of overall employment and account for 27 percent of value added. These sectors account for 40 percent of Dutch exports and over 95 percent of R&D expenditures on proprietary research within the Netherlands. By 2015 the government share in the national top sector program is expected to amount to \$2 billion.

Although much coordination of investment support is executed at the Ministry and NFIA level, several regional development agencies also advise both business and local authorities on the best use of regional development funds.

Performance Requirements

There are no trade-related investment performance requirements in the Netherlands. In addition, general requirements to qualify for investment subsidy schemes apply equally to domestic and foreign investors. There are no requirements for employment of local capital or managerial personnel.

Data Storage

The Dutch government does not follow "forced localization" policy, and does not require foreign IT providers to turn over source code or to provide access to surveillance. The Dutch Data Protection Authority monitors and enforces Dutch legislation on the protection of personal data (<https://autoriteitpersoonsgegevens.nl/en>). Dutch legislation on data protection is derived mainly from EU directive 95/94/EC and the Council of Europe's Strasbourg Treaty on Data Protection, both of which are in advanced stages of updating.

The Dutch Data Protection Authority (DPA) recognized U.S. firms that registered and self-certified with the U.S.-EU Safe Harbor program for transfer of personal data between the European Union and the United States (see <http://export.gov/safeharbor/eu/index.asp>). The Dutch government in general supports the EU-U.S. Privacy Shield, the successor agreement to the Safe Harbor program (see <https://www.commerce.gov/privacyshield>), although the DPA joined other EU data protection bodies in requesting resolution of concerns and further clarifications before implementation. On March 9, 2015, the Dutch Data Protection Agency signed an MOU with the FTC to improve cooperation between the two supervisory bodies.

6. Protection of Property Rights

Real Property

The Netherlands fully complies with international standards on protection of real property. The World Bank's Doing Business Report ranked the Netherlands 30th in "registering property." The number of procedures is at the OECD average, while processing time of 2.5 days is nearly ten times faster than the OECD average time.

The Netherlands' Cadastre, Land Registry and Mapping Agency (Cadastre) was established in 1832 and collects and registers administrative and spatial data on real property. The

Cadastre is publicly available and can be accessed online (<https://www.kadaster.nl/web/english.htm>).

Intellectual Property Rights

IPR: With the implementation of EU Directive 2004/48 on the enforcement of intellectual property rights, IPR holders have several instruments at their disposal to enforce their rights in civil court.

The Netherlands is a member of the World Intellectual Property Organization (WIPO), has signed on to the Paris Convention for the Protection of Industrial Property, and conforms to accepted international practice for the protection of technology and trademarks.

Despite its participation in the negotiations on the Anti-Counterfeiting Trade Agreement (ACTA) treaty, the Netherlands, like other EU member states, has stated it will not sign the treaty in its current form. The EU has requested the European Court of Justice to advise on the compatibility of ACTA with existing European treaties, in particular with the EU Charter of Fundamental Rights.

The Netherlands is not listed in United States Trade Representative's (USTR's) Special 301 Report, but it is listed as hosting infringing websites in USTR's Notorious Markets list: <http://eb.e.state.sbu/sites/tpp/IPE/Pages/Special301NotoriousMarkets.aspx>.

Copyright: The Netherlands has implemented the European directive 98/44/EC in 2006, bringing domestic legislation in line with the WIPO 1996 Copyright Treaty (WCT) and the WIPO Performance and Phonogram Treaty (WPPT). Policy makers agree on the need to raise public awareness of IPR rules and regulations and to strengthen enforcement.

Patents: The Netherlands is a signatory to the European Patent Convention, which provides for a centralized Europe-wide patent protection system. The Netherlands has been a staunch supporter of the forthcoming single, harmonized European patent procedure that will allow for easier application in just three languages.

Patents for foreign investors are granted retroactively to the date of the original filing in the home country, provided the application is made through a Dutch patent lawyer within one year of the original filing date. Dutch patents are valid for 20 years. Legal procedures exist for compulsory licensing if the patent is inadequately used after a period of three years, but these procedures have rarely been invoked.

Because the Netherlands and the United States are both parties to the Patent Cooperation Treaty (PCT) of 1970, patent rights in the Netherlands may be obtained if a PCT application is used. In addition to possible civil remedies, all IPR laws contain penal bylaws and reference to the Criminal Code. In 2012, parliament passed legislation that strengthened the oversight and coordination of seven different collective institutions that concern themselves with the control, administration, and remuneration of commercial use of works under IPR holdership.

The Dutch government has recognized the need to protect intellectual property rights, and law enforcement personnel have worked with industry associations to find and seize pirated software. Dutch IPR legislation currently in place explicitly includes computer software as intellectual property under copyright statutes.

The Netherlands has resisted criminalizing online copyright infringement for personal use, instead placing a surcharge on the sales of blank media such as CDs, DVDs, and USB storage devices to remunerate rights holders. However, a ruling by the Court of Justice of the European Union in April 2014 requires the government to change this policy and ban online infringement. The Dutch government has affirmed it will comply with the ruling, but has yet to provide details on how it will proceed to do so.

For additional information about treaty obligations and points of contact at local IP offices, please see WIPO's country profiles at <http://www.wipo.int/directory/en/>.

Resources for Rights Holders

Contact at American Embassy The Hague:

Christina Hardaway

Economic Officer

Telephone: +31 (0)70 310 2270

E-mail: HardawayCED@state.gov

Country-Specific Resource:

BREIN Foundation

<http://www.anti-piracy.nl/english.php>

P.O. Box 133

2130 AC Hoofddorp

The Netherlands

Telephone: +31 (0)23 799 7870

American Chamber of Commerce in the Netherlands:

P.O. Box 15783

1001 NG Amsterdam

Tel: +31 (0)20 7951840

Email: office@amcham.nl

Local lawyers list: http://amsterdam.usconsulate.gov/legal_assistance3.html

7. Transparency of the Regulatory System

As an EU member and as a Eurozone country, the Netherlands is firmly integrated in the European regulatory system, with national and European institutions exercising authority over specific markets, industries, consumer rights, and competition behavior of individual firms.

Financial markets are regulated in an interconnected EU and national system of prudential and behavioral oversight. The domestic regulators are the Dutch Central Bank (DNB) and the Netherlands Authority for the Financial Market (AFM). Their EU counterparts are the European Central Bank (ECB) and the European Securities and Markets Authority (ESMA).

Traditionally, public consultation in the drafting of new laws is achieved by invitation of various civil society bodies, trade associations and organizations of stakeholders. Also, the SER (which seats representatives from employers' organizations, employees' organizations and academic experts) has a mandate to provide the government with advice. New laws and regulations must be approved by the Second and First Chamber of Parliament.

8. Efficient Capital Markets and Portfolio Investment

The Netherlands is home to the world's oldest stock exchange – established four centuries ago – and to Europe's first options exchange, both located in Amsterdam. The Amsterdam financial exchanges are part of the NYSE Euronext group that operates stock exchanges and derivatives markets in Amsterdam, Brussels, London, Lisbon, New York, and Paris.

Dutch financial markets are fully developed and operate at market rates, facilitating the free flow of financial resources. The Netherlands is an international financial center for the foreign exchange market and for Eurobonds and bullion trade.

The flexibility that foreign companies enjoy in conducting business in the Netherlands extends into the area of currency and foreign exchange. There are no restrictions on foreign investors' access to sources of local finance.

Money and Banking System, Hostile Takeovers

The Dutch banking sector is firmly embedded in the European System of Central Banks, of which the DNB is the national prudential banking supervisor. Supervision of financial institutions and the proper functioning of financial markets is carried out by the AFM, the Dutch securities and exchange supervisor that falls under the EU-wide European Securities and Markets Authority (ESMA).

With the onset of the European Single Supervisory Mechanism, the seven "systemically important" banks in the Netherlands were submitted to the European Banking Authority's Comprehensive Assessment. The seven Dutch banks that were examined – ING Bank, Rabobank, ABN Amro, SNS Bank, BNG Bank, NWB Bank and RBS N.V. – passed the stringent Asset Quality Reviews and the stress tests and were deemed to be well-capitalized.

The Dutch banking sector is approximately four times as large as the Dutch economy, making it one of Europe's largest. The Dutch sector has a high degree of concentration, with the four main banks (ING, ABN AMRO, Rabobank and SNS bank) holding over 90% of total assets. The largest bank, ING, has a balance of €910 billion.

Publicly-traded corporations can protect themselves from hostile takeovers by establishing a separate foundation for the preservation of the business. Such a foundation has the possibility to activate a 'golden share' that allows the foundation a majority vote in shareholders' meetings.

9. Competition from State-Owned Enterprises

The number of enterprises in which the Dutch government maintains an equity stake has been decreasing for decades, but it maintains some ownership in companies that play an important role in strategic sectors. Government-controlled entities retain dominant positions in gas and electricity distribution, rail transport, and the water sector. The Netherlands has an extensive public broadcasting network, which generates its own income through advertising revenues but also receives government subsidies.

For a complete list of all 35 government owned entities, please see <http://www.rijksoverheid.nl/onderwerpen/staatsdeelnemingen/portefeuille-staatsdeelnemingen>.

Private enterprises are allowed to compete with public enterprises with respect to market access, credits, and other business operations such as licenses and supplies. State-owned enterprises (SOEs) operate with government oversight through the appointment of a supervisory board. In some instances, SOEs must consult with the cabinet ministry that oversees them on large investment decisions. As with any other firm in the Netherlands, SOEs must publish annual reports, and their financial accounts must be audited.

OECD Guidelines on Corporate Governance of SOEs

The Netherlands fully adheres to the OECD Guidelines on Corporate Governance of SOEs.

Sovereign Wealth Funds

The Netherlands has no sovereign wealth funds.

10. Responsible Business Conduct

The Netherlands is a global leader on corporate social responsibility (CSR). Principles of CSR are promoted and prescribed through a range of corporate, governmental, and international guidelines. In general, companies closely guard their reputation for CSR, and consumers are increasingly opting for products and services that are produced in an ethically upright and sustainable manner.

As the Netherlands adheres to the OECD Guidelines for Multinational Enterprises, the Dutch Ministry of Economic Affairs houses the National Contact Point (NCP) that promotes the Guidelines and helps mediate any concerns that persons, non-governmental organizations (NGOs), and enterprises may have regarding the implementation of the OECD Guidelines by a specific company. For more information, visit <http://www.oecdguidelines.nl>.

The Dutch government strongly encourages foreign and local enterprises to follow the United Nations Guiding Principles on Business and Human Rights, which states that businesses have a social responsibility to apply the same human rights norms in other countries as they do in the Netherlands. For more information, please see <http://www.businesshumanrights.org/Links/Repository/1024964>.

The Netherlands has strong standards for corporate governance. Publicly listed companies are already required to publish audited financial reports; beginning 2017 these companies will be required by law to include a chapter on Responsible Business Conduct, as per EU directive.

The Ministry of Economic Affairs established in 2004 an independent networking organization on Corporate Social Responsibility, MVO Nederland. MVO Nederland currently has over 2050 members, including SMEs, multinational corporations, NGOs, and local and national administrative bodies. See also: <http://www.csreurope.org/mvo-nederland>.

The government also encourages companies to engage in CSR through incentive programs and by setting high standards for itself. Examples include:

- The government reviews the CSR activities of more than 500 corporations annually. It presents a prestigious award to the company with the highest score on the transparency benchmark.

- The government boosts the development of sustainable products through its own sustainable procurement policy.
- Dutch companies can only join government trade missions if they have endorsed the OECD Guidelines for Multinational Enterprises.
- Companies that observe the OECD Guidelines are eligible for financial support for their international trade and investment activities.
- The government supports the Sustainable Trade Initiative (IDH), which helps companies make their international production chains more sustainable.
- The government conducts sector risk analyses to identify the sectors where problems are most likely to occur and target them for improvements.

11. Political Violence

The Netherlands has a stable political environment. Although political violence rarely occurs in the highly consensus-oriented Dutch society, public debate on issues such as immigration and integration policy has been contentious. While rare, there have been politically and religiously inspired acts of violence, including the 2004 killing of controversial filmmaker Theo van Gogh and the 2002 assassination of the populist politician Pim Fortuyn.

The Dutch economy derives much of its strength from a stable business climate fostered by partnership between unions, business organizations, and the government. Industrial action is rarely regarded as the primary means to settle labor disputes, and strikes are unusual, even amid the recent economic crisis and austerity measures.

12. Corruption

The Netherlands fully complies with international standards on combating corruption. Transparency International ranked the Netherlands 5th on its 2015 Corruption Perception Index.

Anti-bribery legislation to implement the 1997 OECD Anti-Bribery Convention (ABC) became effective in 2001. The anti-bribery law reconciles the language of the ABC with the EU Fraud Directive and the Council of Europe Convention on Fraud. It makes corruption by Dutch businessmen in landing foreign contracts a criminal offense.

At a national level, the Ministry of the Interior and Kingdom Relations and the Ministry of Security and Justice have taken steps to enhance regulations to combat bribery in public procurement and in the issuance of permits and subsidies. Most companies have internal controls and/or codes of conduct that prohibit bribery.

Several agencies combat corruption. The National Integrity Office serves as a knowledge center, develops new instruments for tracking problems, and identifies trends on matters of integrity.

The Independent Commission for Integrity in Government is an appeals board for whistleblowers in government and law enforcement agencies.

UN Anticorruption Convention, OECD Convention on Combatting Bribery

The Netherlands signed and ratified the UN Anticorruption Convention and is a party to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Resources to Report Corruption

Government Agency responsible for combating corruption:

National Integrity Office
Lange Voorhout 13
2514 EA The Hague
The Netherlands
Telephone: +31-(0)70-376-5937
E-mail address: info@integriteitoverheid.nl

Watchdog organization:

Transparency International Nederland
Benoordenhoutseweg 23
2596 BA The Hague
The Netherlands
E-mail address: communicatie@transparency.nl

13. Bilateral Investment Agreements

Bilateral Taxation Treaties

The Netherlands shares bilateral investment treaties (BITs), which afford certain investor protections, with more than 100 countries in Asia, Latin America, Africa, and Eastern Europe including: Albania, Algeria, Argentina, Armenia, Bahrain, Bangladesh, Belarus, Belize, Benin, Bolivia, Bosnia-Herzegovina, Brazil, Bulgaria, Burkina Faso, Burundi, Cambodia, Cameroon, Cape Verde, Chile, China, Costa Rica, Croatia, Cuba, Czech Republic, Dominican Republic, Ecuador, Egypt, El Salvador, Eritrea, Estonia, Ethiopia, Gambia, Georgia, Ghana, Guatemala, Honduras, Hong Kong, Hungary, India, Indonesia, Ivory Coast, Jamaica, Jordan, Kazakhstan, Kenya, Kuwait, Laos, Latvia, Lebanon, Lithuania, Macau, Macedonia (FYROM), Malawi, Malaysia, Mali, Malta, Mexico, Moldova, Mongolia, Montenegro, Morocco, Mozambique, Namibia, Nicaragua, Nigeria, Oman, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Romania, Russia, Senegal, Serbia, Singapore, Slovak Republic, Slovenia, South Africa, South Korea, Sri Lanka, Sudan, Surinam, Tajikistan, Tanzania, Thailand, Tunisia, Turkey, Uganda, Ukraine, Uruguay, Uzbekistan, Venezuela, Vietnam, Yemen, Zambia, and Zimbabwe.

For an updated list and the legal status of these agreements, please see

<https://www.rijksoverheid.nl/onderwerpen/internationaal-ondernemen/documenten/rapporten/2010/02/22/ibo-landenlijst>.

The Netherlands has a bilateral taxation treaty with the United States (see

<http://www.irs.gov/Businesses/International-Businesses/Netherlands---Tax-Treaty-Documents>).

14. Foreign Trade Zones/Free Ports/Trade Facilitation

The Netherlands has no free trade zones (FTZs) or free ports in the sense of territorial enclaves where commodities can be processed or reprocessed tax-free. However, FTZs exist for bonded storage, cargo consolidation, and reconfiguration of non-EU goods. This reflects the key role that transport, transit, logistics, and distribution play in the Dutch economy. Dutch customs authorities oversee a large number of customs warehouses, free warehouses, and free zones along many of the Netherlands trade routes and entry points.

Schiphol Airport handles over 1.5 million tons of goods for distribution. Specific premises in the Schiphol area are designated customs-free zones. The Port of Rotterdam is Europe's largest seaport by volume, handling over 37 percent of all cargo shipping on Europe's Le Havre – Hamburg coastline and processing nearly 466 million tons of goods in 2015. Many agents operate customs warehouses under varying customs regimes on the premises of the Port of Rotterdam.

15. Foreign Direct Investment and Foreign Portfolio Investment Statistics

Table 2: Key Macroeconomic Data, U.S. FDI in Host Country/Economy

	Host Country Statistical source		USG or international statistical source		USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
	Year	Amount	Year	Amount	
Economic Data					
Host Country Gross Domestic Product (GDP) (\$M USD)	2014	\$719,768	2014	\$879,300	www.worldbank.org/en/country
Foreign Direct Investment	Host Country Statistical source		USG or international statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other
U.S. FDI in partner country (\$M USD, stock positions)	2014	\$731,993	2014	\$753,224	BEA data
Host country's FDI in the United States (\$M USD, stock positions)	2014	\$426,092	2014	\$304,848	BEA data
Total inbound stock of FDI as % host GDP	2014	459%	2014	533%*	(*based on IMF total FDI figures 2014)

Table 3: Sources and Destination of FDI

IMF data on inward and outward direct investment for the Netherlands is consistent with DNB reporting on FDI.

Direct Investment from/in Counterpart Economy Data					
From Top Five Sources/To Top Five Destinations (US Dollars, Millions)					
Inward Direct Investment			Outward Direct Investment		
Total Inward	4,013,479	100%	Total Outward	4,833,186	100%
United States	818,337	20%	United Kingdom	686,888	14%
Luxembourg	712,172	18%	Luxembourg	652,359	13%
United Kingdom	407,733	10%	United States	476,352	10%
Bermuda	227,283	6%	Switzerland	295,224	6%
Germany	225,933	6%	Germany	264,044	5%

"0" reflects amounts rounded to +/- USD 500,000.

Table 4: Sources of Portfolio Investment

IMF data on portfolio investments for the Netherlands is consistent with DNB reporting on FDI.

Portfolio Investment Assets								
Top Five Partners (Millions, US Dollars)								
Total			Equity Securities			Total Debt Securities		
All Countries	1,739,980	100%	All Countries	828,023	100%	All Countries	911,957	100%
United States	418,188	24%	United States	300,601	36%	Germany	211,162	23%
Germany	235,446	14%	Luxembourg	77,240	9%	France	157,088	17%
France	188,098	11%	Ireland	79,920	9%	United States	117,586	13%
United Kingdom	115,343	7%	United Kingdom	65,390	8%	United Kingdom	49,953	5%
Luxembourg	97,650	6%	Japan	39,421	5%	Italy	46,788	5%

Section 5 - Government

Chiefs of State and Cabinet Members:

For the current list of Chief of State and Cabinet Members, please access the following - [Central Intelligence Agency online directory of Chiefs of State and Cabinet Members of Foreign Governments](#)

Legal system:

civil law system based on the French system; constitution does not permit judicial review of acts of the States General

International organization participation:

ADB (nonregional member), AfDB (nonregional member), Arctic Council (observer), Australia Group, Benelux, BIS, CBSS (observer), CD, CE, CERN, EAPC, EBRD, ECB, EIB, EITI (implementing country), EMU, ESA, EU, FAO, FATF, G-10, IADB, IAEA, IBRD, ICAO, ICC (national committees), ICRM, IDA, IEA, IFAD, IFC, IFRCs, IGAD (partners), IHO, ILO, IMF, IMO, IMSO, Interpol, IOC, IOM, IPU, ISO, ITSO, ITU, ITUC (NGOs), MIGA, NATO, NEA, NSG, OAS (observer), OECD, OPCW, OSCE, Paris Club, PCA, Schengen Convention, SELEC (observer), UN, UNAMID, UNCTAD, UNESCO, UNHCR, UNIDO, UNMISS, UNRWA, UNTSO, UNWTO, UPU, WCO, WHO, WIPO, WMO, WTO, ZC

Section 6 - Tax

Exchange control

There are no exchange controls currently in force in The Netherlands.

Treaty and non-treaty withholding tax rates

Netherlands has signed **126 agreements (97 DTC and 29 TIEA agreements)** providing for the exchange of information.

Jurisdiction	Type of EOI Arrangement	Date Signed	Date entered into Force	Meets standard	Contains paras 4 and 5	
Albania	DTC	22 Jul 2004	15 Nov 2005	Unreviewed	No	
Andorra	TIEA	6 Nov 2009	1 Jan 2011	Yes	Yes	
Anguilla	TIEA	22 Jul 2009	1 May 2011	Yes	Yes	
Antigua and Barbuda	TIEA	2 Sep 2009	1 Mar 2010	Yes	Yes	
Argentina	DTC	27 Dec 1996	11 Feb 1998	Yes	No	
Armenia	DTC	31 Oct 2001	22 Nov 2002	Unreviewed	No	
Aruba	DTC	28 Oct 1964	1 Jan 1965	Yes	No	
Australia	DTC	17 Mar 1976	27 Sep 1976	Yes	No	
Austria	DTC	1 Sep 1970	21 Apr 1971	Yes	Yes	
Azerbaijan	DTC	22 Sep 2008	18 Dec 2009	Unreviewed	No	
Bahamas, The	TIEA	4 Dec 2009	1 Dec 2010	Yes	Yes	
Bahrain	DTC	16 Apr 2008	24 Nov 2009	Yes	Yes	
Bangladesh	DTC	13 Jul 1993	8 Jun 1994	Unreviewed	No	
Barbados	DTC	28 Nov 2006	12 Jul 2007	Yes	Yes	
Belarus	DTC	26 Mar 1996	31 Dec 1997	Unreviewed	No	
Belgium	DTC	5 Jun 2001	31 Dec 2002	Yes	Yes	
Belize	TIEA	4 Feb 2010	1 Jan 2011	Yes	Yes	
Bermuda	TIEA	8 Jun 2009	1 Feb 2010	Yes	Yes	
Bosnia and Herzegovina	DTC	22 Feb 1982	6 Feb 1983	No	No	
Brazil	DTC	8 Mar 1990	22 Nov 1991	No	No	
Bulgaria	DTC	6 Jul 1990	11 May 1994	Unreviewed	No	
Canada	DTC	27 May 1986	21 Aug 1987	Yes	No	
Cayman Islands	TIEA	8 Jul 2009	29 Dec 2009	Yes	Yes	
China	DTC	13 May 1987	5 Mar 1988	No	No	
Chinese Taipei	DTC	27 Feb 2001	16 May 2001	Unreviewed	No	
Cook Islands	TIEA	23 Oct 2009	7 Sep 2011	Yes	Yes	
Costa Rica	TIEA	29 Mar 2011	1 Jul 2012	Yes	Yes	
Croatia	DTC	23 May 2000	6 Apr 2001	Unreviewed	No	
Curaçao	DTC	28 Oct 1964	1 Jan 1965	Yes	No	
Czech Republic	DTC	4 Mar 1974	5 Nov 1974	Yes	Yes	
Denmark	DTC	1 Jul 1996	6 Mar 1998	Yes	No	
Dominica	TIEA	11 May 2010	1 Mar 2012	No	Yes	
Egypt	DTC	21 Apr 1999	20 May 2000	Unreviewed	No	
Estonia	DTC	14 Mar 1997	8 Nov 1998	Yes	No	
Ethiopia	DTC	10 Aug 2012	not yet in force	Unreviewed	Yes	
Finland	DTC	28 Dec 1995	20 Dec 1997	Yes	No	
Former Yugoslav Republic of Macedonia	DTC	11 Sep 1998	21 Apr 1999	Yes	No	
France	DTC	16 Mar 1973	29 Mar 1974	Yes	No	
Georgia	DTC	21 Mar 2002	21 Feb 2003	Unreviewed	No	
Germany	DTC	12 Apr 2012	not yet in force	Yes	Yes	
Germany	DTC	16 Jun 1959	18 Sep 1960	Yes	No	
Ghana	DTC	10 Mar 2008	12 Nov 2008	Yes	No	
Gibraltar	TIEA	23 Apr 2010	1 Dec 2011	Yes	Yes	
Greece	DTC	16 Jul 1981	17 Jul 1984	Yes	No	

Jurisdiction	Type of EOI Arrangement	Date Signed	Date entered into Force	Meets standard	Contains paras 4 and 5	
Grenada	TIEA	18 Feb 2010	20 Jan 2012	Yes	Yes	
Guernsey	TIEA	25 Apr 2008	11 Apr 2009	Yes	Yes	
Hong Kong, China	DTC	22 Mar 2010	24 Oct 2011	Yes	Yes	
Hungary	DTC	5 Jun 1986	25 Sep 1987	Yes	No	
Iceland	DTC	25 Sep 1997	27 Dec 1998	Yes	No	
India	DTC	30 Jul 1988	21 Jan 1989	Yes	Yes	
Indonesia	DTC	29 Jan 2002	31 Dec 2003	Yes	No	
Ireland	DTC	11 Feb 1969	12 May 1970	Yes	No	
Isle of Man	TIEA	12 Oct 2005	24 Jul 2006	Yes	Yes	
Israel	DTC	2 Jul 1973	9 Sep 1974	No	No	
Italy	DTC	8 May 1990	3 Oct 1993	Yes	No	
Japan	DTC	25 Aug 2010	29 Dec 2011	Yes	Yes	
Jersey	TIEA	20 Jun 2007	1 Mar 2008	Yes	Yes	
Jordan	DTC	30 Oct 2006	16 Aug 2007	Unreviewed	No	
Kazakhstan	DTC	24 Apr 1996	5 Feb 1997	Unreviewed	No	
Korea, Republic of	DTC	25 Oct 1978	17 Apr 1981	No	No	
Kosovo	DTC	22 Feb 1982	6 Feb 1983	No	No	
Kuwait	DTC	29 May 2001	23 Apr 2002	Unreviewed	No	
Kyrgyzstan	DTC	21 Nov 1986	27 Sep 1987	Unreviewed	No	
Latvia	DTC	14 Mar 1994	29 Jan 1995	Unreviewed	No	
Liberia	TIEA	27 May 2010	1 Jun 2012	Yes	Yes	
Liechtenstein	TIEA	10 Nov 2009	1 Dec 2010	Yes	Yes	
Lithuania	DTC	16 Jun 1999	31 Aug 2000	Yes	No	
Luxembourg	DTC	8 May 1968	20 Oct 1969	Yes	Yes	
Malawi	DTC	18 Jun 1969	30 Jan 1970	No	No	
Malaysia	DTC	7 Mar 1988	2 Feb 1989	Yes	Yes	
Malta	DTC	18 May 1977	9 Nov 1977	Yes	No	
Marshall Islands	TIEA	14 May 2010	8 Nov 2011	Yes	Yes	
Mexico	DTC	27 Sep 1993	13 Oct 1994	Yes	Yes	
Moldova, Republic of	DTC	3 Jul 2000	1 Jun 2001	Unreviewed	No	
Monaco	TIEA	11 Jan 2010	1 Dec 2010	Yes	Yes	
Mongolia	DTC	8 Mar 2002	17 Oct 2003	Unreviewed	No	
Montenegro	DTC	22 Feb 1982	6 Feb 1983	No	No	
Montserrat	TIEA	10 Dec 2009	1 Dec 2011	Yes	Yes	
Morocco	DTC	12 Aug 1977	10 Jun 1987	No	No	
New Zealand	DTC	15 Oct 1980	18 Mar 1981	Yes	No	
Nigeria	DTC	11 Dec 1991	9 Dec 1992	No	No	
Norway	DTC	12 Jan 1990	31 Dec 1990	Yes	No	
Oman	DTC	5 Oct 2009	28 Dec 2011	Unreviewed	Yes	
Pakistan	DTC	24 Mar 1982	4 Oct 1982	Unreviewed	No	
Panama	DTC	6 Oct 2010	1 Dec 2011	Yes	Yes	
Philippines	DTC	9 Mar 1989	20 Sep 1991	No	No	
Poland	DTC	13 Feb 2002	18 Mar 2003	Yes	No	
Portugal	DTC	20 Sep 1999	11 Aug 2000	Yes	No	
Qatar	DTC	24 Apr 2008	25 Dec 2009	Yes	Yes	
Romania	DTC	5 Mar 1998	29 Jul 1999	Unreviewed	No	
Russian Federation	DTC	16 Dec 1996	27 Aug 1998	Yes	No	

Jurisdiction	Type of EOI Arrangement	Date Signed	Date entered into Force	Meets standard	Contains paras 4 and 5	
Saint Kitts and Nevis	TIEA	2 Sep 2009	29 Nov 2010	Yes	Yes	
Saint Lucia	TIEA	12 Feb 2009	31 Mar 2011	Yes	Yes	
Saint Vincent and the Grenadines	TIEA	1 Sep 2009	21 Mar 2011	Yes	Yes	
Samoa	TIEA	14 Sep 2009	2 Mar 2012	Yes	Yes	
San Marino	TIEA	27 Jan 2010	1 Jan 2011	Yes	Yes	
Saudi Arabia	DTC	13 Oct 2008	1 Dec 2010	Yes	No	
Serbia	DTC	22 Feb 1982	6 Feb 1983	No	No	
Seychelles	TIEA	4 Aug 2010	1 Sep 2012	Yes	Yes	
Singapore	DTC	19 Feb 1971	31 Aug 1971	Yes	Yes	
Sint Maarten	DTC	28 Oct 1964	1 Jan 1965	Yes	No	
Slovakia	DTC	4 Mar 1974	5 Nov 1974	No	No	
Slovenia	DTC	30 Jun 2004	31 Dec 2005	Yes	No	
South Africa	DTC	10 Oct 2005	28 Dec 2008	Yes	Yes	
Spain	DTC	16 Jun 1971	20 Sep 1972	Yes	No	
Sri Lanka	DTC	17 Nov 1982	24 Jan 1984	Unreviewed	No	
Suriname	DTC	25 Nov 1975	13 Apr 1977	Unreviewed	No	
Sweden	DTC	18 Jun 1991	12 Aug 1992	Yes	No	
Switzerland	DTC	26 Feb 2010	9 Nov 2011	Yes	Yes	
Tajikistan	DTC	21 Nov 1986	27 Sep 1987	Unreviewed	No	
Thailand	DTC	9 Nov 1975	6 Sep 1976	No	No	
Tunisia	DTC	16 May 1995	15 Dec 1995	No	No	
Turkey	DTC	27 Mar 1986	30 Sep 1988	Yes	No	
Turks and Caicos Islands	TIEA	22 Jul 2009	1 May 2011	Yes	Yes	
Uganda	DTC	31 Aug 2004	10 Sep 2006	Unreviewed	No	
Ukraine	DTC	24 Oct 1995	2 Nov 1996	Unreviewed	No	
United Arab Emirates	DTC	8 May 2007	2 Jun 2010	Yes	Yes	
United Kingdom	DTC	7 Nov 1980	6 Apr 1981	Yes	Yes	
United States	DTC	18 Dec 1992	1 Jan 1994	Yes	No	
Uruguay	TIEA	24 Oct 2012	not yet in force	Yes	Yes	
Uzbekistan	DTC	18 Oct 2001	27 May 2002	Unreviewed	No	
Venezuela	DTC	29 May 1991	11 Dec 1997	Unreviewed	No	
Viet nam	DTC	24 Jan 1995	25 Oct 1995	Unreviewed	No	
Virgin Islands, British	TIEA	11 Sep 2009	1 Jul 2013	Yes	Yes	
Zambia	DTC	19 Dec 1977	9 Nov 1982	No	No	
Zimbabwe	DTC	18 May 1989	21 Apr 1991	Unreviewed	No	

Methodology and Sources

Section 1 - General Background Report and Map

(Source: [CIA World Factbook](#))

Section 2 - Anti – Money Laundering / Terrorist Financing

	Lower Risk	Medium Risk	Higher Risk
FATF List of Countries identified with strategic AML deficiencies	Not Listed	AML Deficient but Committed	High Risk
Compliance with FATF 40 + 9 recommendations	>69% Compliant or Fully Compliant	35 – 69% Compliant or Fully Compliant	<35% Compliant or Fully Compliant
US Dept of State Money Laundering assessment (INCSR)	Monitored	Concern	Primary Concern
INCSR - Weakness in Government Legislation	<2	2-4	5-20
US Sec of State supporter of / Safe Haven for International Terrorism	No	Safe Haven for Terrorism	State Supporter of Terrorism
EU White list equivalent jurisdictions	Yes		No
International Sanctions UN Sanctions / US Sanctions / EU Sanctions	None	Arab League / Other	UN , EU or US
Corruption Index (Transparency International) Control of corruption (WGI) Global Advice Network	>69%	35 – 69%	<35%
World government Indicators (Average)	>69%	35 – 69%	<35%
Failed States Index (Average)	>69%	35 – 69%	<35%
Offshore Finance Centre	No		Yes

Section 3 - Economy

General Information on the current economic climate in the country and information on imports, exports, main industries and trading partners.

(Source: [CIA World Factbook](#))

Section 4 - Foreign Investment

Information on the openness of foreign investment into the country and the foreign investment markets.

(Source: [US State Department](#))

Section 5 - Government

Names of Government Ministers and general information on political matters.

(Source: [CIA World Factbook](#) / <https://www.cia.gov/library/publications/world-leaders-1/index.html>)

Section 6 - Tax

Information on Tax Information Exchange Agreements entered into, Double Tax Agreements and Exchange Controls.

(Sources: [OECD Global Forum on Transparency and Exchange of Information for Tax Purposes](#) [PKF International](#))

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