licenses, which are granted liberally, as long as the initial investment was approved by the Netherlands Bank.

Control.—The Netherlands has no law to discriminate between nationals and nonresidents in regard to owning and operating a business entity or real property.

Incentives planned by government.—The Netherlands Government provides information and encouragement to foreign investors, but there are no specific financial incentives.

LUXEMBOURG

Capital entry.—Government approval of new nonresident investment is required. Each application is considered on its own merit. Most of the applications are usually granted. Approval is automatically given to direct capital investments in existing companies.

Repatriation of earnings.—Repatriation through the free market is unrestricted. Repatriation through the official market requires approval by the Institut Belgo-Luxembourgeois du Change. Approval is usually automatic.

Control.—Luxembourg does not legally discriminate between nationals and nonresidents in regard to owning and operating a business entity or real property.

Incentives planned by Government.—Tax deductions are offered to some new foreign investors. Each application is considered separately, and deductions are granted according to the needs of the new investors.

FRANCE

Capital entry.—Government approval of nonresident investments is required in France. The purpose of this requirement is to fit new investment into the general pattern of the country's economic development. The above does not apply to purchases of French real estate or securities or to the extending of relatively small short-term loans.

Repatriation of earnings.—France requires governmental approval for the transfer of capital and profits therefrom.

Control.—Location of company offices, not nationality of the owners, determines the nationality of a business under French regulations. Hence, there is no discrimination against nonresident ownership and control except that certain areas of the economy are reserved for French citizens (e.g., transportation, pharmaceuticals, and petroleum).

Incentives planned by Government.—Governmental approval of foreign investments favors industries that would export to the nonfranc area. France offers special tax and other incentives to attract foreign investors. Grants of 20 percent of the investment in a new plant or of 15 percent in conversion of an existing plant are given by the Government to attract investors to four distressed areas termed "special zones." In addition, local governments offer a number of special advantages. In particular, exemption from local taxes can be obtained for periods up to 5 years. In approximately 30 other areas termed "critical zones," National Government subsidies are granted, varying between 10 and 15 percent of capital investment, the average being 11 percent. These inducements are in addition to general incentives for establishment of plants outside the Paris area. Firms are eligible in such instances for long-term Government loans (20 years at 6 percent) as well as a Government guarantee for loans.