

HONDURAS INVESTMENT LAW

Executive Summary / Translation

LEY DE INVERSIONES

Decreto 80-92

- Honduras' Investment Law was decreed in order to reduce to a minimum the Government's intervention in the nation's economic activity, to encourage national and foreign private investment, promote production and exports, transfer technology, and to create jobs.
- Its purpose is to promote and guarantee national investment, foreign direct investment and joint-ventures, to stimulate economic growth and social development of the country.
- All private enterprises in Honduras will be treated equally, with no distinction between Honduran and foreign capital.
- Among the investors' guarantees are:
 - Access to foreign currency in the Banking System, at money-exchange offices and at other institutions or agencies authorized by the Central Bank of Honduras, for specific purposes like the import of goods and services, and repayment of loans obtained abroad;
 - Payment of dividends and repatriation of capital
 - Property rights without limitations other than those established by law;
 - Participation, without limit in shares of the social capital of the company, except in the cases established in the Constitution of the Republic;
 - Freedom to engage in the production and marketing of goods and services in all areas except for those expressly prohibited by law;
 - Freedom to import and export goods and services, without requirements of prior administrative authorizations or permits, except for statistical registrations and customs procedures;
 - Freedom to establish prices for their goods and services, except in the case of national calamities or emergency;
 - Contracting investment insurance with the guarantees provided by bilateral agreements;
 - Free negotiation of their investment in the country according to Law
 - Use of the investor's internationally recognized trademarks, patents and other copyrights, or those duly registered in Honduras;
 - Respect and compliance with any international investment treaty Honduras may have entered into with other countries and international organizations;
 - Foreign investors make take advantage of the incentives offered by the Honduran government;
- National and foreign investors must comply with national laws regarding fiscal obligations, labor guarantees and benefits, social security, and protection of the environment.

- The government does not protect monopolistic practices in any industrial sector and its policies encourage competition in all aspects of business activities.
- There are areas where private investment will be permitted only after obtaining prior government approval, based on considerations of national security, public health and protection of the environment.

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