

internationalize the economy, the new system is governed by the principle of equal treatment whereby these investments are treated by the State in the same way as the investments by Colombian nationals, except as regards fiscal and exchange norms. Consequently, there are no discriminatory conditions and practices for foreign investors.

Foreign investment includes the importation of machinery, equipment and other physical or tangible goods contributed as a part of the capital in the form of non-reimbursable imports; also, importation of foreign currency, supplementary investments to branch-office capital, and importation of foreign currency for investments destined to the purchase of real estate.

Foreign capital regulations only prohibit foreign investments in national defence and security, and disposal of toxic, hazardous or radioactive waste which is not produced in the country.

The rules comprise exchange rights for foreign capital investments in Colombia, whereby the investor is entitled to make remittances of profits derived from his investment and to reimburse the invested capital according to the terms set forth by the government.

Drawings of profits derived from foreign capital investments in Colombia and their reimbursements are carried out in the exchange market at the exchange rate in force at the time.

Foreign companies are entitled to use all the domestic credit lines and all the export promotion and development mechanisms and instruments, under the same conditions set forth for national and mixed companies.

Foreign capital investment projects in mining exploration and development and in services for the mining sector have to be approved by the National Planning Department (Departamento Nacional de Planeación) with the consent of the Ministry of Mines and Energy, whenever the overall project amounts to more than one-hundred million American dollars or their equivalent in other currencies. Investment projects equal to, or lower than, the above figure are authorized as of the date in which the Ministry of Mines and Energy awards a favourable decision.

Foreign investment in mining increased from US\$54 million in 1980 to US\$1.54 billion in 1990.