

LAWS AND REGULATIONS

Business in Guinea-Bissau is based on market economy. Private investors and foreign investments are exposed to the direct competition in the market. Business proprietors of individuals or a group of business partners are protected by law.

Beside national laws for protecting private business, there are also other international laws signed by Guinea-Bissau for the same purpose.

Private foreign investors are allowed to transfer their profit after tax to foreign banks without any objection.

Companies are allowed to credit their company in foreign banks outside Guinea-Bissau. However, the credit has to be registered in Central Bank of Guinea-Bissau.

For more information see **the Investment Code**.

TAXATION

The company tax for corporations and limited partnerships is 39%, sole proprietors and micro-enterprise tax rates range from 20% to 35%. The maximum corporate tax (50%) is reserved for special situations such as petroleum and mining. Individual income tax rates are graduated from 2% to 20% for salaried income and 30% for self-employed.

The tax incentives available for investors are those outlined in **the Investment Code** and are restricted to projects approved by Private Investment Promotion Directorate - DPIIP (One-Stop-Shop for Investors).

THE INVESTMENT CODE

Incentives

The Government realizes that economic development hinges on its ability to attract technology and capital that will generate direct and indirect employment and exports needed for growth.

In order to enhance and attract greater investment, the Investment Code offers a number of incentives under three distinct categories:

- investment promotion
- export promotion
- research and professional training promotion

Guarantees Protection of Investment:

- Non - discriminatory treatment for all projects (national and foreign societies or public and private societies)
- Guarantee against nationalization and confiscation
- Labor and management freedom
- Guarantee for the transfer of profits and capital
- Guarantee against legislation adverse to this Law
- Investors can benefit from guarantees granted by the terms of the convention that the Multilateral Agency for Investment Guarantee (MIGA) creates, and other treats to which Guinea-Bissau is a signatory