

SUPPORTING STATEMENT FOR FORM 18-K

A. Justification

1. Necessity of Information Collection

The Securities Exchange Act of 1934 (“Exchange Act”) is intended to ensure that secondary markets for publicly traded securities are fair and honest. The principal means by which the Exchange Act carries out this purpose include regulation of broker-dealers, registration of exchange-traded and other securities, remedial provisions for fraud in securities markets, and limits on the extension of credit for securities purposes. In addition, they include issuer periodic reporting requirements prescribed by the Securities and Exchange Commission (“Commission”) pursuant to its authority in Section 13(a) of the Exchange Act. The Commission exercised its authority under Section 13(a) to establish a periodic reporting system for foreign governments and political subdivisions. The system is only applicable with respect to issuers with securities registered on national securities exchanges under Section 12(b).

Form 18-K is an annual report that is filed by foreign governments and political subdivisions that have securities that are listed on a national securities exchange. Form 18-K solicits material information concerning the listed securities, external and internal debt, receipts and expenditures, foreign exchange reserves, imports and exports, and balance of payments. A copy of the issuer’s latest annual budget is required to be filed as well. In soliciting such information, Form 18-K assures that basic information about the issuer is available and updated annually, and confirms the accuracy of previously disclosed information.

2. Purposes of, and Consequences of Not Requiring, the Information Collection

The information provided on Form 18-K permits verification of compliance with securities law requirements and assures the public availability and dissemination of such information. Private contractors reproduce much of the filed information, and provide it to private parties; and many other persons obtain information directly from the Commission’s public files. Thus, information on Form 18-K can be, and is, used by security holders, investors, brokers, dealers, investment banking firms, professional securities analysts and others in evaluating securities and making investment decisions with respect to them. In addition, all investors benefit indirectly from submissions on Form 18-K, as direct users effect transactions in securities on the basis of current information about the issuer’s business and operations included in such filings, thereby causing the market prices of the securities to reflect such information.

3. Role of Improved Information Technology and Obstacles to Reducing Burden

Form 18-K is filed electronically using the Commission's Electronic Data Gathering, Analysis and Retrieval (EDGAR) system.

4. Efforts to Identify Duplication

Although the statistical data published by each foreign government differs from country to country, the Commission is not aware of any government that issues securities in this country that does not make public the data required by Form 18-K. The form permits issuers to avoid unnecessary duplication and relies on foreign disclosure laws by allowing incorporation by reference to the annual budget filed with the Form 18-K.

5. Effect on Small Entities

Not applicable.

6. Consequences of Less Frequent Collection

Form 18-K is required to be filed annually. Any less frequent filing would render performance comparisons meaningless, and deprive investors of the information protection of the Exchange Act.

7. Inconsistencies with Guidelines in 5 C.F.R. 1320.5

Not applicable.

8. Consultation Outside the Agency

Form 18-K was proposed for public comments. No comments were received for this request during the 60-day comment period prior to OMB's review of this submission.

9. Payment or Gift to Respondents

Not applicable.

10. Assurance of Confidentiality

Form 18-K is a public document.

11. Sensitive Questions

Not applicable.

12. Estimate of Respondent Reporting Burden

Form 18-K takes approximately 8 hours to prepare and is filed by 143 respondents for a total annual burden of 1,144 hours. We estimate that the entire reporting burden is prepared by the company. The estimated burden hours are made solely for the purposes of the Paperwork Reduction Act. They are not derived from a comprehensive or even a representative survey or study of the cost of Commission rules and forms.

13. Estimate of Total Annualized Cost Burden

Not applicable.

14. Estimate of Cost to the Federal Government

The Commission's operational cost of reviewing and processing filings on Form 18-K is approximately \$1,000. This figure is based on our computation of staff time devoted to this activity and the related overhead cost, valued at 35 percent of the time for review and processing.

15. Explanation of Changes in Burden

The increase of 824 annual burden hours is due to an adjustment. The change in burden hours was because there was an increase in the number of respondents filing Form 18-K.

16. Information Collections Planned for Statistical Purposes

Not applicable.

17. Explanation as to Why Expiration Date Will Not Be Displayed

Not applicable.

18. Exceptions to Certification

Not applicable.

B. Collection of Information Employing Statistical Methods

Not applicable.