

SUPPORTING STATEMENT FOR FORM 18

A. JUSTIFICATION

1. Circumstances Making the Collection of Information Necessary

The Commission has exercised its authority under Section 12(b) of the Securities Exchange Act of 1934 to establish Form 18, a registration statement that can be used by a foreign government or political subdivision to list securities on a U.S. exchange. Form 18 elicits the disclosure of material information concerning, among other things, a description of the securities being listed, 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

2. Purposes and Use of the Information Collection

The principal function of Commission forms and rules under the securities laws disclosure provisions is to make information required to be filed with the Commission 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 can be, and is, used by security holders, investors, brokers, dealers, investment banking firms and others. In addition, all investors benefit indirectly from submissions on Form 18, 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. Consideration Given to Information Technology

Form 18 is filed electronically on the Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system.

4. Duplication of Information

Form 18 permits foreign government issuers to avoid unnecessary duplication and relies on foreign disclosure laws by allowing incorporation by reference to their annual budgets. Annual budgets, for several reasons are not substitutes for Form 18. First, the annual budgets, unlike filings on Form 18, are not deemed to be filed with the Commission for purposes of liability for misleading statements under Section 18 of the Exchange Act. Second, annual budgets may not be available to all persons in the U.S. potentially interested in purchasing securities of the issuer. Third, annual budgets serve different purposes from Form 18 and thus contain information that is not necessarily

meaningful for investor decisions in the secondary market. Finally, Form 18 is necessary to ensure the disclosure of certain key information.

5. Reducing the Burden on Small Entities

Not applicable.

6. Consequences of Not Conducting Collection

Form 18 is required to be filed once. Thereafter, Form 18-K is required to be filed on an annual basis after the completion of the issuer's fiscal year. Any less frequent filing would render performance comparisons meaningless, and deprive investors of the information protection of the Exchange Act.

7. Special Circumstances

Not applicable.

8. Consultations with Persons Outside the Agency

Before being adopted, Form 18 was proposed for public comment. No comments were received on this request during the 60-day comment period prior to OMB's review.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality

Form 18 is a public document.

11. Sensitive Questions

Not applicable.

12. Estimate of Respondent Reporting Burden

Form 18 takes approximately 8 hours to prepare and is filed by approximately 5 respondents per year for annual reporting burden of 40 hours (8 hours x 5 responses). We believe that the foreign government issuer would prepare Form 18. The estimate of burden hours is made solely for the purpose of the Paperwork Reduction Act. It is 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. Costs to Federal Government

Regarding costs to the federal government, during the last fiscal year, the Commission's operational cost of reviewing and processing filings on Form 18 was approximately \$340.00

15. Reason for Change in Burden

Not applicable.

16. Information Collection Planned for Statistical Purposes

Not applicable.

17. Approval to Omit OMB Expiration Date

We request authorization to omit the expiration date on the electronic version of this form for design and scheduling reasons. The OMB control number will be displayed.

18. Exceptions to Certification for Paperwork Reduction Act Submissions

Not applicable.

B. STATISTICAL METHODS

Not applicable.