

Bilateral investment agreements between Member States and third countries: transitional arrangements

2010/0197(COD) - 13/05/2011

The Council noted the information provided by Commissioner De Gucht on the state of play and future steps concerning the adoption of the draft Bilateral Investment Treaties (BITs) regulation. The proposed regulation seeks to ensure a smooth transition from the current system of Bilateral Investment Treaties (BITs) between Member States and third countries to future EU BITs to be negotiated by the Commission under the new Union competence for foreign direct investment, introduced by Article 207 of the Lisbon Treaty as part of the common commercial policy. The proposal seeks to clarify the status of more than 1 000 bilateral investment agreements concluded between EU Member States and third countries.

The Council held an exchange of views in which it confirmed its intention to seek a negotiated agreement with the European Parliament that would allow the BITs regulation to enter into force as soon as possible. The European Parliament adopted its position at first reading on 10 May.

The Council has two objectives: (i) to ensure legal certainty to the fullest possible extent, together with maximum protection for EU investors, and (ii) to maintain the EU as a preferred destination for foreign direct investment.