

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

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The Council **took stock of negotiations** with the European Parliament on a draft regulation establishing transitional arrangements for bilateral investment agreements between Member States and third countries.

It welcomed progress made so far, in particular the confirmation that the **Commission services were in the process of establishing a new informal compromise** that could bridge remaining differences between Parliament and Council.

The draft regulation is aimed at ensuring a smooth transition from the current system of bilateral investment treaties (BITs) between Member States and third countries to a system whereby EU BITs are negotiated by the Commission under EU competence for foreign direct investment, as introduced by article 207 of the Treaty of Lisbon as part of the EU's common commercial policy.

A negotiating mandate was approved in June 2011 by the Permanent Representatives Committee ([*doc 10908/11*](#)). Since then, five informal trilogue meetings have been held with the Parliament, the latest on 28 February. The parties are aiming for an early second reading agreement.