

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:326
ANSWERED ON:23.11.2012
BIPA WITH COUNTRIES
Antony Shri Anto

Will the Minister of FINANCE be pleased to state:

- (a) whether India has entered into Bilateral Investment Promotion and Protection Agreement (BIPA) with any country;
- (b) if so, the details thereof including the salient features, merits and demerits of BIPA;
- (c) whether BIPA is likely to have any adverse impact on Indian Economy; and
- (d) if so, the details thereof and the steps taken by the Government in this regard?

Answer

Minister of State in the Ministry of Finance (SHRI NAMO NARAIN MEENA)

(a) and (b): Government of India has signed Bilateral Investment Promotion and Protection Agreements (BIPA) with 82 countries, of which BIPAs with 72 countries have come into force. The list of all the 82 countries with whom India has signed BIPA alongwith the text of 72 BIPAs, which are currently in force is available at <http://finmin.nic.in/bipa/bipa.Jndex.asp>. These Agreements are intended to promote bilateral investment flows by assuring fair and equitable treatment to investments on post establishment basis. These agreements contain provisions relating, inter-alia, to National Treatment, Most Favoured Nation Treatment and mechanism for dispute resolution, on reciprocal basis.

(c) and (d): These Agreements require the concerned Governments to handle a dispute notice by a foreign investor from the other country, covered by the Agreement, in terms of the provisions of the Agreement, which may also entail international arbitration. In view of the dispute notices received by the Government of India recently, Government has been taking steps to handle the specific dispute notices, in terms of the provisions of the applicable Agreement and the facts of the case. The generic issues arising from the said dispute notices are also being handled appropriately.