

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:5174
ANSWERED ON:24.04.2015
BIPA
Dwivedi Shri Harish

Will the Minister of FINANCE be pleased to state:

- (a) the countries with which India has signed the Bilateral Investment Promotion and Protection Agreement (BIPA) during the last three years;
- (b) the benefits accrued/likely to be accrued thereby in boosting trade and investment in the country and investments outside the country;
- (c) whether BIPA is likely to have any adverse impact on the 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

- (a) The Government of India has signed a Bilateral Promotion and Protection Investment Agreement (BIPAs) with only one country, the United Arab Emirates, in the last three years.
- (b) BIPAs play a key role in boosting investor confidence.
- (c) Due to the inherent legal and technical nature of these agreements, BIPAs are unlikely to have any adverse impact on the economy. However, financial implications of BIPAs may arise in context of an adverse award against the Government of India in investor-state arbitrations held under these agreements.
- (d) The Government of India is committed to defending arbitrations held under BIPAs in an efficient and cohesive manner so as to eliminate the possibility of adverse awards against the Government.