

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:365

ANSWERED ON:11.07.2014

BILATERAL INVESTMENT PROMOTION AND PROTECTION AGREEMENT

Shrirang Shri Chandu Barne

Will the Minister of FINANCE be pleased to state:

- (a) whether India has signed Bilateral Investment Promotion and Protection Agreement (BIPA) with a number of countries and if so, the details thereof including the salient features of the Agreement;
- (b) the extent to which BIPA has served the interest of the country;
- (c) whether the Government proposes to review BIPA and the working group constituted for the purpose;
- (d) whether some reservations have been expressed over the proposed revised model of BIPA; and
- (e) if so, the details thereof and the steps taken by the Government to address the concerns expressed over revised BIPA?

Answer

Minister of State in the Ministry of Finance (SMT. NIRMALA SITHARAMAN)

- (a) & (b): Yes, Sir. India has signed 83 Bilateral Investment Promotion and Protection Agreements (BIPA), of which 72 are currently in force. The salient features of these Agreements include assurance of fair and equitable treatment, most favoured nation status, national treatment status and mechanism for dispute resolution. These Agreements are intended to promote foreign investment.
- (c), (d) and (e): Yes, Sir. The Government has constituted a Working Group to review the Model text of BIPA so as to incorporate the experiences gained in the working of these Agreements over the last 20 years and international best practices. The Working Group is considering the opinions and reservations expressed by various stakeholders regarding the provisions of Model Text.