



EUROCHAMBRES

Le Secrétaire Général • The Secretary General

Mr. Jean-Luc Demarty
DG for Trade, CHAR 07/67
European Commission
Rue de la Loi / Wetstraat 170
1049 Brussels, Belgium

Brussels, 21 November 2012

Dear Mr. Demarty,

Regarding investment protection abroad, **EUROCHAMBRES** has been consistently calling for EU investors to be granted the highest level of protection commensurate with the "best practice" in Bilateral Investment Treaties (BIT's) of EU Member States.

Moreover in previous statements, **EUROCHAMBRES** has highlighted the importance it attaches to the cornerstone principles of investment being reflected in agreements with third countries, including but not limited to:

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In this context, **EUROCHAMBRES** has been monitoring closely the investment protection chapters currently under negotiation in the framework of EU FTA's.

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In view of this, **EUROCHAMBRES** would like to call on the European Commission to make sure the following elements included:

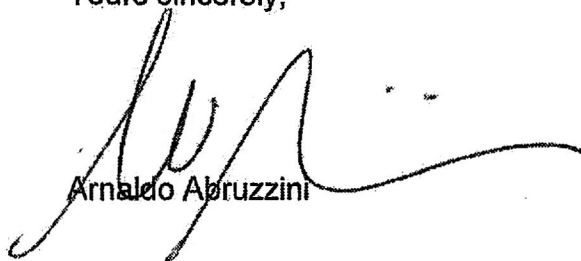
- Inclusion of the "fair and equitable treatment standard" and not the minimum standard of protection granted under customary international law.

- Ensuring that EU Investors are duly compensated and thus effectively protected from both direct and indirect expropriation.
EUROCHAMBRES fears that in the agreement certain forms of government interference might not qualify as an (indirect) expropriation, thus barring investors from claiming compensation.
- Full application of the National Treatment (NT) and the Most-Favoured Nation (MFN) standard.
- Ensure that the Investor-to-state dispute settlement mechanism reflects international standards and best practice, is accessible to companies of all sizes, and applies to all economic sectors covered by the agreement.
- Thus investors should be granted the free choice of arbitrators to litigate their dispute.
- Additionally investor-to-state dispute settlement should remain shielded from political influences. Therefore allowing Parties to the agreement to adopt binding treaty interpretations might risk jeopardizing the attractiveness of this instrument for investors.

Finally, **EUROCHAMBRES** would like to see the so called "sunset clauses" in Member States BIT's to remain in force despite the conclusion of an EU agreement, so as to guarantee predictability and continued protection for businesses that have so far relied on Member States BIT's in relevant countries.

Please be assured that **EUROCHAMBRES** remains at your full availability and ready at any time to discuss with you further these issues.

Yours sincerely,



Arnaldo Abruzzini