

**GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS**

**LOK SABHA
UNSTARRED QUESTION NO. 3545**

TO BE ANSWERED ON MARCH 16, 2020 (MONDAY)
PHALGUNA 26, 1941 (Saka)

Model for Bilateral Investment Treaty

QUESTION

3545. DR. (PROF.) KIRIT PREMJI BHAI SOLANKI:

Will the Minister of **FINANCE** be pleased to state:

- (a) whether it is a fact that only few countries have showed interest in the new Model for Bilateral Investment Treaty (BIT);
- (b) if so, the details thereof and the reasons therefor;
- (c) the details of the list of countries that have signed the new Model BIT with India;
- (d) whether the terms of the current model can impact the sentiments of foreign investors and if so, the details thereof;
- (e) the list of arbitrations India is currently undergoing due to the BITs signed earlier; and
- (f) the status of the Centre-State Investment Agreement proposed in Budget 2016-17?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI ANURAG SINGH THAKUR)

(a) No.

Consequent to formulation of a new model Bilateral Investment Treaty text in 2015 (Model BIT 2015 text) by Government, India terminated its Bilateral Investment Treaties (BIT) with 73 countries with a view to renegotiating new treaties based on the Model BIT 2015 text. Along with the termination notices, Model BIT 2015 text was shared with all these countries for renegotiation. Renegotiation of investment agreements are at various stages with 34 countries /regional blocks covering 70 countries.

(b) Does not arise in view of (a) above

(c) Model BIT is India's initial offer for negotiation of a Bilateral Investment Treaty with other countries. After approval of Model BIT from Cabinet, India has signed 4 Investment treaties –

(i) Treaty between the Republic of India and the Republic of Belarus on Investments (signed on 24th September, 2018).

(ii) The Bilateral Investment Agreement between India-Taipei Association (ITA) in Taipei and Taipei Economic and Cultural Council (TECC) in India (signed on 18th December, 2018).

(iii) The Bilateral Investment Treaty between the Government of the Kyrgyz Republic and the Government of the Republic of India (signed on 14th June, 2019).

(iv) Investment Cooperation and Facilitation Treaty between the Federative Republic of Brazil and the Republic of India (signed on 25th January, 2020).

(d) The Bilateral Investment Treaties, though their legal framework for reciprocal protection of investments, provide the required confidence to the foreign investors. Besides, the model BIT text of India achieves the balance between the rights and obligation of the state and the investors.

(e) The list of disputes which are being actively pursued is in the List enclosed at Annexure I

(f) The proposal has been withdrawn by Department of Economic Affairs after inter-ministerial consultation through Cabinet Note on 6th July 2017.

Annexure I -

S.No	NAME
1.	Cc/Devas (Mauritius) Ltd., Devas Employees Mauritius Private Limited., and Telecom Devas Mauritius Limited v. Republic of India
2.	Deutsche Telekom A.G v. Republic of India
3.	Vodafone International Holdings B.V. v. The Republic of India
4.	Vodafone Group Plc. &Vodafone Consolidated Holdings Limited v. The Republic of India
5.	Cairn Energy PLC &Cairn UK Holdings Limited v. The Republic of India
6.	Vedanta Resources PLC v. The Republic of India
7.	Nissan Motor Co., Ltd. vs Republic of India
8.	Ras-Al-Khaimah Investment Authority v. Republic of India
9.	Khaitan Holdings (Mauritius) Limited vs Republic of India
10.	Korean Western Power Company Limited. (KOWEPO) vs Republic of India