

Just EU Investment Policy now!

European civil society calls for a European international investment policy which promotes sustainable development and decent work

The Lisbon Treaty, in force since 1 December 2009, has moved the competence for foreign investment from the 27 European member states to the European Union level. The European Commission, Council and Parliament are at present discussing the content and direction of future EU investment policy. This is a crucial moment since the EU is currently negotiating Free Trade and Investment agreements with India, Malaysia, Canada, Mercosur and other nations and it is preparing new investment agreements with countries such as China and Russia.

International Investment Agreements give Multinational Corporations the right to sue sovereign states before international arbitration tribunals. Investors and law firms are increasingly making use of this possibility and do not hesitate to challenge governments' social, environmental and economic regulations if these seem to reduce the profitability of their investments. A steep increase of investor-to-state arbitration cases against Europe is likely if EU policy makers continue to give international investors these privileged legal rights

International investment agreements pose a threat to democratic governance and the public interest. The undersigned organisations call upon the European institutions and the governments of EU member states to develop a balanced investment policy that holds international investors accountable and protects the right to regulate in favour of public interest, decent work, human rights and environmental sustainability.

The future European investment regime needs to:

- incorporate **investor obligations** into investment agreements in particular in areas of human rights, environmental protection, decent work and corporate accountability
- contain more precise and **restrictive language regarding investors' rights**
- **abolish the one-sided and secretive investor-to-state dispute settlement** mechanism
- ensure that government measures which are designed and applied to protect or enhance public **policy objectives cannot be challenged** as "indirect expropriation" of investments
- include a substantive **social and environmental dimension**

EU member states' negotiations of **Bilateral Investment Treaties (BITs)** should be put on hold. Existing BITs should be thoroughly **assessed and replaced** to comply with the principles of sustainable development, decent work and social equity.