



## **TTIP: Important step forward on “investor-state dispute settlement” (ISDS)**

(Brussels, 6 May 2015) The release by the European Commission of its concept paper “Investment in TTIP and beyond – the path for reform” is an important step to respond to legitimate concerns while at the same time reaffirming the need for strong investment protection in the Transatlantic Trade and Investment Partnership (TTIP).

The concept paper sets the framework for discussions with EU member states and the European Parliament, proposing possible solutions in the four areas indicated by the results of the public consultation as the most critical:

- (a) Preserving the right of states to regulate
- (b) Improving the establishment and functioning of arbitration courts
- (c) Creating an appeal mechanism
- (d) Clarifying the relationship between ISDS and domestic courts.

The paper furthermore discusses the potential relationship between ISDS and an international court.

BUSINESSEUROPE favours an EU investment policy that ensures investors rights are upheld while responding to legitimate public policy concerns. The principles of non-discrimination, fair and equitable treatment should be preserved and access to a neutral, fact-based dispute settlement resolution mechanism (ISDS) should be safeguarded. We recognise the need to reform ISDS, making it fit to 21st-century challenges.

*“In times when the EU is keen to attract investment and generate growth and jobs, we must have a framework that supports investors and is simple and accessible to small, large and medium-sized companies. Finding the right balance between state’s right to regulate and protecting investors is key for a successful investment policy in the EU. TTIP offers a unique opportunity to achieve this goal”,* stated Markus J. Beyrer, Director General of BUSINESSEUROPE.

The concept paper presented by the European Commission explores further ISDS reforms, taking as basis what is included in the Canada-EU agreement (CETA) and the EU-Singapore agreement. While some of these reforms are going in the right direction, we should be aware of the fact that they have not been tested yet. Therefore their possible impact on investment is still unknown. Talking about the concept paper Markus J. Beyrer added: *“The ideas in this paper are a good basis for discussion and we are ready to make a constructive contribution to the debate”.*

## **ENDS**

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