



# EU-CHINA CIA: what do we know and what are the risks

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# China's role in international investment law and policy

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- BITs: China has BITs with all EU MS except Ireland; 127 worldwide (107 in force)
- WTO: Very active on Investment Facilitation
- Regionals: Regional Comprehensive Economic Partnership (RCEP)



# Table of Contents of EU-China CIA (Aug. 2019 draft)

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- Final provisions



# Priority areas in EU-China investment negotiations

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- Market access, investment liberalization
- Investment protection
- “Domestic regulation”
- Sustainable development, labor & environment
- Dispute settlement



# Investment liberalization and market access

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- Absolute market access (positive list): prohibition of quotas, joint ventures, etc.
- Relative market access: NT, MFN (negative list, reservations):  
EU: establishment; CN: establishment, acquisition, expansion
- Prohibition of performance requirements: Local content, R&D, etc
- “Domestic regulation”: licensing, permitting, transparency, administrative processes
- Dispute settlement: ISDS or no ISDS?



# Investment protection

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- Investment protection standards
  - Expropriation
  - FET : Listing v CIL approach
  - Umbrella clause (CN)
  - Free capital transfer
  - ISDS
- 10 cases brought by investors from China (including HK)
- 5 ISDS cases brought against China



# Investment and Sustainable Development

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- Sustainable development
- CSR
- Labor
- Environment



# Dispute settlement : ISDS and SSDS

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- EU: Investment Court System
- Arbitration plus Appellate Review
- Reflections on UNCITRAL process





**Thank You!**