

GOVERNMENT OF INDIA
MINISTRY OF COMMERCE & INDUSTRY
(DEPARTMENT OF COMMERCE)

LOK SABHA
UNSTARRED QUESTION NO. 5056
ANSWERED ON 01/04/2025

BILATERAL INVESTMENT TREATIES

5056. SHRI EATALA RAJENDER:
SMT. D K ARUNA:

Will the Minister of **COMMERCE & INDUSTRY** (वाणिज्य एवं उद्योग मंत्री) be pleased to state:

- (a) whether the Government signed Bilateral Investment Treaties (BIT) with some countries to encourage sustained foreign investment and in the spirit of 'first develop India', the current model BIT will be revamped/revived and made more investor-friendly; and
- (b) if so, the details thereof and progress made since 1989 onwards to as on date, countrywise and benefit in the country?

ANSWER

वाणिज्य और उद्योग मंत्रालय में राज्य मंत्री (श्री जितिन प्रसाद)

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY
(SHRI JITIN PRASADA)

(a) Yes, India has signed Bilateral Investment Treaties (BITs) with countries. To encourage sustained foreign investment and in the spirit of 'first develop India' BITs have been signed in the year 2024 with United Arab Emirates (UAE) and Uzbekistan. India revised its Model BIT in 2015 which was used as the starting point for renegotiations of existing and future BITs. However, globally countries are progressively exploring opportunities for revisions in their BITs and are negotiating new BITs. Further, almost 10 years have passed since India reviewed its Model BIT, a need was felt to review certain clauses in India's Model BIT to strike an overall balance between investor friendliness and State's regulatory power.

(b) Post 1991 economic reforms and up to 2014, India has signed Bilateral Investment Treaties with 83 countries out of which 74 were ratified and enforced. Details of these treaties can be accessed on the Department of Economic Affairs website (<https://dea.gov.in/bipa>). Based on the revised Model BIT in 2015, it was decided to terminate the existing treaties with countries whose initial validity period got over and re-negotiate based on the revised Model BIT. Since then, India has signed Bilateral Investment Treaties with Belarus, Kyrgyz Republic, Investment Cooperation and Facilitation Treaty (ICFT) with Brazil, UAE and Uzbekistan. Bilateral Investment Agreement has also been signed between India Taipei Association and Taipei Economic and Cultural Centre. BITs provide for a reciprocal commitment to protect the private foreign investments in each other's countries. These are intended to increase the comfort level and boost the confidence of investors by assuring a level playing field and providing conducive investment climate to investors.
