

## Statement of the European Union and the United States on Shared Principles for International Investment

As the world's largest sources of and destinations for foreign investment, the European Union and the United States have long recognized the critical importance of creating and maintaining open and stable investment climates and policies, which contribute to sustainable economic development and growth, job creation, increased productivity, technological innovation, and competitiveness. We therefore reaffirm our shared commitment to the following principles regarding international investment, which we believe are essential elements for developing and maintaining open investment policies worldwide. We believe that governments can fully implement these principles while still preserving the authority to adopt and maintain measures necessary to regulate in the public interest to pursue certain public policies. We further believe that governments should not seek to attract foreign investment by weakening or failing to apply such measures.

- 1. Open and Non-Discriminatory Investment Climates:** Governments should commit, subject to limited exceptions, to provide broad market access to foreign investors and allow them to establish investments and conduct business on terms no less favorable than those available to domestic investors or other foreign investors.
- 2. A Level Playing Field:** Governments should seek to enhance their understanding of the concrete challenges posed by state influence in relation to commercial enterprises, which is playing an increasingly significant role in the global economy, and work to coordinate their approaches to address these challenges. To this end, the European Union and the United States support the work of the Organization for Economic Cooperation and Development (OECD) in the area of "competitive neutrality", which focuses on the importance of state-owned entities and private commercial enterprises being subject to the same external environment and competing on a level playing field in a given market.
- 3. Strong Protection for Investors and Investments:** Governments should provide the highest possible level of legal certainty and protection against discriminatory, arbitrary, and otherwise unfair or harmful treatment to all investors and investments in their territories, both tangible and intangible, such as intellectual property rights. This includes the right to prompt, adequate, and effective compensation in the event of a direct or indirect expropriation or nationalization.
- 4. Fair and Binding Dispute Settlement:** Governments should provide access to effective dispute settlement procedures, including investor-to-State arbitration, and ensure that such procedures are open and transparent, with opportunities for public participation.
- 5. Robust Transparency and Public Participation Rules:** Governments should ensure the highest levels of transparency and public participation in the development of domestic laws and other measures relating to investment.
- 6. Responsible Business Conduct:** Governments should urge that multinational enterprises operate in a socially responsible manner. To this end, the European Union and the United States intend to promote responsible business conduct, in general, and adherence by third countries to the OECD Guidelines for Multinational Enterprises, in particular.
- 7. Narrowly-Tailored Reviews of National Security Considerations:** Governments should ensure that their reviews, if any, of the national security implications of foreign investments focus exclusively on genuine national security risks.