



Negotiating Group on the Multilateral Agreement on Investment (MAI)

Drafting Group No.3 on Definition, Treatment and Protection of Investors and Investments

SUMMARY RECORD

Meeting on 24-26 June 1996

DG N° 3 ON DEFINITION, TREATMENT AND PROTECTION OF INVESTORS AND INVESTMENTS

SUMMARY RECORD OF THE MEETING HELD ON 24-26 JUNE 1996

1. Adoption of the Agenda

The Drafting Group on the Definition, Treatment, and Protection of Investors and Investments held its first meeting on 24-26 June, 1996. The agenda [DAFFE/MAI/DG3/A(96)1] was adopted.

2. List of issues outstanding

In accordance with its mandate, the Drafting Group considered selected issues arising from the consolidated reports of Drafting Groups 1 and 2 [DAFFE/MAI(96)17] which were referred to it by the Negotiating Group. It discussed possible solutions to these issues and to other outstanding issues in the consolidated texts and commentaries [DAFFE/MAI(96)16], taking account of guidance provided by the Negotiating Group [DAFFE/MAI/M(96)4].

3. Discussion of Issues Outstanding

Possible texts on six issues were developed during the Group's meeting [DAFFE/MAI/DG3/RD(96)2] and the Group agreed to work further on these texts during the summer break. The Chairman noted several delegations' agreement to work on specific topics and he encouraged other delegations to liaise with them:

- One delegation would work on the issue of indirect ownership or control.
- Two delegations would work on the text of an interpretative note on "in like circumstances".
- One delegation would do further work on the definition of investment.
- One delegation proposed to develop a definition of "concessions".
- One delegation agreed to provide a draft text on the coverage of the MAI of investment made before or after the MAI takes effect.
- One delegation would develop a text which would provide that the more favourable treatment prevails in cases where laws or other obligations give more favourable treatment to an investor than the MAI.

4. Other Business/Future Work

The Chairman would review the results of this activity in early September and determine what proposals could be made to the Group for its September meeting.

The Chairman will report to the Negotiating Group in September on the progress made. This report would indicate for each issue discussed:

- that the Drafting Group had developed a consensus solution; or
- that there are strategic policy choices to be made and present the Negotiating Group with texts illustrating the choices; or
- that the Drafting Group is unable to make further progress on a particular issue.