

PREPARATIONS FOR THE 1999 MINISTERIAL CONFERENCE

Investment

Communication from Poland

The following communication, dated 22 July 1999, has been received from the Permanent Mission of Poland.

Background

1. Poland supports the creation of global investment rules in the WTO. We believe that foreign direct investment is an indispensable element for stable economic growth of both developed and developing countries. Therefore, we see the need to develop, on a non-discrimination principle, comprehensive global rules of investment, which will result in a higher level of transparency, predictability and security for enterprises operating in the world market. At the same time, the global rules should encompass the economic needs of the developing countries, afraid of losing their autonomy, in promoting their own economic and cultural objectives. Poland believes that the international agreement on investment should ensure sufficient flexibility, which will allow the developing countries to reflect their development interests.

Global rules on investment

2. In the future negotiations on global rules on investment, Poland will consequently support all initiatives aiming at preparation of the international agreement in this field. Poland will vote for the narrow scope of the investment definition, encompassing:

- movable and immovable property as well as any other rights, such as servitudes, mortgages, pledges;
- shares, stocks and debentures of companies, parts or any other kinds of participation in companies;
- claims to money or to any performance having an economic value;
- rights granted by a public authority to carry out an economic activity, including concessions.

3. In this definition, Poland is for excluding the portfolio investment and intellectual property rights.

4. We are of the opinion, that the term "investor" should refer to natural persons having the nationality of a foreign country as well as to legal entities (including companies, corporations, business associations and other organizations) which are constituted or otherwise organized under the law of the foreign country and have their seat, together with real economic activities, abroad.

5. We believe that in the future negotiations on an international investment agreement some important issues should be addressed such as the guaranties for the governments to undertake the decisions in accordance with their national interest and dispute settlements between the investor and the host country.
