

MEMORANDUM

April 20, 2012

To: Reporters and Editors
From: The Communications Office of Senate Finance Committee Chairman Max Baucus (D-Mont.)
Re: Baucus Comment on the revised model bilateral investment treaty

Senate Finance Committee Chairman Max Baucus (D-Mont.) commented on the revised model bilateral investment treaty (BIT) issued today by the Office of the United States Trade Representative (USTR) and the U.S. Department of State. From Chairman Baucus:

"We need to do everything we can to break down barriers to America's world-class goods and help U.S. companies compete in markets around the world. The new model BIT will help us do that and help us move forward on investment agreements that will protect American companies abroad and promote their ability to sell to the 95 percent of the world's consumers who live outside the United States."

BITs provide binding legal rules regarding one country's treatment of investors from another country. The United States negotiates BITs on the basis of a high-standard "model" text that provides investors with improved market access; protection from discriminatory, expropriatory, or otherwise harmful government treatment; and a mechanism to pursue binding international arbitration for breaches of the treaty. The United States has more than 40 BITs in force with countries around the world, and the investment chapters of U.S. free trade agreements (FTAs) contain substantially similar rules and protections.

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