Joint Interpretative Notes

Why in news?

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The Cabinet gave its approval for the Joint Interpretative Notes (JIN) on the Agreement between India and Bangladesh.

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What is Joint Interpretative Notes (JIN)?

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- The JIN includes interpretative notes to be jointly adopted for many clauses.
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- It includes the definition of investor, definition of investment, exclusion of taxation measures, Fair and Equitable Treatment, National Treatment and Most Favoured Nation treatment.
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- It also includes the interpretations of expropriation, essential security interests and Settlement of Disputes between an Investor-and a Contracting Party.
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What are the impacts?

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- The JIN would impart clarity to the interpretation of the existing Bilateral Trade and Promotion Agreement (BIPA).
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- It will ensure to ensure smooth implementation of the investment promotion and protection pact.
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- Joint Interpretative Statements play an important supplementary role in strengthening the investment treaty regime.
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- With increasing Bilateral Investment Treaty (BIT) disputes, issuance of such

statements was likely to have strong persuasive value before tribunals.
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- Such pro-active approach can foster a more predictable and coherent reading of treaty terms by arbitration tribunals.
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Source: The Hindu

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