

Agreement on the Promotion and Reciprocal Protection of Investments between the United Kingdom and Latin American countries.

What is an Agreement on the Promotion and Reciprocal Protection of Investments (IPRA)?

IPRAs are international treaties whose objective is to provide certainty and protection to the investments made by the investors of each signatory country, providing a legal framework that guarantees the control of the investors over their investments.

Political stability is one of the principal concerns for investors. IPRAs are mainly targeted at non-OECD countries. Their aim is to provide greater legal certainty to the investor through the recognition, by the two signatory countries, of certain obligations and guarantees to investments made in both directions.

These treaties set forth the standards of treatment and protection of investments required by both States with respect to investments made in their territory by investors from the other State.

Some of the clauses that we can find in an IPRA are the following:

- a. Non-discrimination between the regulatory regime applicable to domestic investments and the rules applying to investments originating from the other signatory State, with the exception of privileges granted as a result of regional economic integration processes.
- b. Expropriation without fair compensation is prohibited.
- c. Free transfer of profits and capital.
- d. Provisions on the settlement of disputes between the investor and the State so that, in case of dispute between both parties, these are resolved through international arbitration. For example, in accordance with:
 - i. [Arbitration Rules of the United Nations Commission on International Trade Law \(UNCITRAL\)](#);
 - ii. [Paris International Chamber of Commerce \(ICC\)](#);
 - iii. [Washington-based International Centre for Settlement of Investment Disputes \(ICSID\)](#).

IPRA signed between the United Kingdom and Latin American countries.

The UK has an IPRA with several Latin American countries, and continues to open negotiations to expand the list.

- [COLOMBIA](#)
- [CHILE](#)
- [PARAGUAY](#)
- [MÉXICO](#)

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