



EUROPEAN PARLIAMENT

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Plenary sitting

18.4.2012

B7-0217/2012

MOTION FOR A RESOLUTION

to wind up the debate on the statement by the Vice-President of the Commission/High Representative of the Union for Foreign Affairs and Security Policy

pursuant to Rule 110(2) of the Rules of Procedure

on the legal security of European investments outside the European Union (2012/2619(RSP))

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on behalf of the S&D Group

**European Parliament resolution on the legal security of European investments outside the European Union
(2012/2619(RSP))**

The European Parliament,

- having regard to Article 207 of the TFEU,
 - having regard to the Agreements on the Reciprocal Promotion and Protection of Investments signed between Argentina, Spain and a number of other EU Member States,
 - having regard to its report on the biregional strategic partnership between the EU and Latin America, adopted on 29 March 2010,
 - having regard to Rule 110(2) of its Rules of Procedure,
- A. whereas Article 207 of the TFEU lays down that European investment in third countries is an inseparable element of the European Union's common commercial policy and therefore forms an intrinsic part of its external action, and following the entry into force of the TFEU it falls under the exclusive competence of the Union;
- B. whereas the government of the Argentine Republic has announced that it has decided to submit to the Argentine Congress a draft law confirming the expropriation of 51% of shares in the oil company YPF, a majority stake in which is held by a European undertaking, most of whose shares are the target of the proposed expropriation;
- C. whereas at the same time as this announcement was made the company's headquarters was effectively taken over by the Argentine federal government authorities, and the undertaking's managers and staff have been evicted;
- D. whereas the climate of instability and uncertainty created over the past months has led to a decline in the market value of the undertaking, with the resulting losses for shareholders, which also affects other European undertakings;
- E. whereas investment will be the central theme of the next EU-LAC summit to be held in Santiago de Chile in January 2013;
- F. whereas the Argentine Republic has traditionally benefited from the system of generalised preferences granted unilaterally by the EU;
1. Regrets the Argentine government's decision to expropriate the majority of shares held by a European undertaking, which calls into question the principle of legal security with regard to investments and adversely affects the climate for European investment in Argentina;
 2. Notes that this decision affects only one undertaking in the sector and only part of its shares, which could be considered discriminatory;

3. Expresses its concern at the resulting situation, since it could represent a failure to comply with international commitments and contracts, and warns of a possible deterioration in the atmosphere required for the positive development of international investments;
4. Recalls the deep friendship linking the European Union and the Argentine Republic, which share common values, principles and interests, and urges the Argentine authorities to resume the path of dialogue and negotiation as the most suitable means of resolving possible differences between partners and countries that have traditionally been friends;
5. Expresses its concern at the energy crisis that Argentina is currently facing, and more precisely the 3 billion dollar energy deficit; takes the view that Argentina requires a major energy investment plan involving national authorities and international undertakings operating in this sector in Argentina, as implemented in other countries with energy resources in the region;
6. Calls on the President of the European Council, the President of the European Commission and the High Representative for Foreign Affairs and Security Policy to open a process of dialogue with the Argentine authorities in order to overcome this situation by safeguarding the principle of legal security for European investments in Argentina;
7. Calls on the High Representative and the European Commission, in cooperation with the Spanish Government, to draw up a set of vigorous, prudent, responsible and intelligent measures in the fields of diplomacy, trade, industry and energy;
8. Regrets that the Commission currently has no legal mechanisms with which to tackle this type of situation at either multilateral or bilateral level; urges the Commission to launch the necessary procedures for the negotiation of an investment agreement with Argentina;
9. Calls on the President of the Commission to make the G-20 and WTO aware of Europe's interest in preserving reciprocal investments by those organisations' partner countries within a context of legal security for investments; regrets that there is no instrument for dialogue at multilateral level on the legal security of investments;
10. Instructs its President to forward this resolution to the Council, the Commission, the governments of the Member States and the government and Congress of the Republic of Argentina.