

# WORLD TRADE ORGANIZATION

WT/WGTI/W/80  
16 June 1999

(99-2448)

**Working Group on the Relationship  
between Trade and Investment**

Original: English

## DEFINITION OF INVESTMENT

### Communication from Australia

The following communication, dated 7 June 1999, has been received from the Permanent Mission of Australia with the request that it be circulated to Members.

1. The definition of investment used in Australia's model Investment Protection and Promotion Agreement (IPPA) and in many bilateral agreements is as follows:

- (a) "investment" means every kind of asset, owned or controlled by nationals of one contracting party and admitted by the other contracting party subject to its laws and investment policies applicable from time to time, and includes:
  - (i) tangible and intangible property, including rights such as mortgages, liens or other pledges;
  - (ii) shares, stocks, bonds, debentures, and any form of participation in a company;
  - (iii) a loan or other claim to money, or a claim to performance having economic value;
  - (iv) intellectual and industrial property rights, including rights with respect to copyright, patents, trademarks, trade names, industrial designs, trade secrets, know-how and goodwill;
  - (v) business concessions and any other rights required to conduct economic activity and having economic activity conferred by law or under a contract, including rights to engage in agriculture, forestry, fisheries, and animal husbandry, to search for, extract or exploit natural resources, and to manufacture, use and sell products; and
  - (vi) activities associated with investments, such as the organization and operation of business facilities, the acquisition, exercise and the disposition of property rights, including intellectual property rights, the raising of funds, and the purchase and sale of foreign exchange.