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## **The characteristics and development trends of the international investment system**

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**Abstract:** The current international investment system is composed of The International Investment Protection Agreements (BITs), Double Taxation Avoidance Agreements (OTTs), and other bilateral and regional investment related agreements (such as free trade agreements or economic cooperation agreements) are composed of numerous international investment agreements (IIAs). So far, more than 2570 bilateral investment agreements and over 2800 avoidance agreements have been reached globally Tax treaties and over 240 investment related agreements Other bilateral and interregional agreements related to customs.

**Keywords:** International investment system; features; Development trends

### **1.The Development Trends of Recent International Investment Agreements**

Firstly, the number of international investment agreements continues to increase significantly. In recent years, it has grown at an average rate of three agreements per week. Almost all countries and economies in the world are members of international investment agreements, and most countries have signed multiple international investment agreements.

Secondly, developing countries are at the forefront of developing countries The role of international investment rules is constantly improving. For example, currently there are at least 665 bilateral investment agreements and over 90 other investment related agreements signed between developing countries. South South cooperation in this field continues to expand, and more and more developing countries are becoming sources of outward investment. In terms of playing a new role, it is necessary for these developing countries to adjust their traditional goals, shifting from seeking broad regulatory flexibility to promoting development, and towards a goal of more fully safeguarding the interests of their foreign investors.

Thirdly, international investment agreements have become more stringent. More complex and more mature. Some international investment agreements have made significant modifications to the expression of various substantive contractual obligations, and the number is constantly increasing. For example, the meaning of "fair and just treatment" and the concept of indirect expropriation. There are also important innovations in the investor country dispute resolution process. Some recently signed bilateral investment agreements have also highlighted policy concerns regarding foreign investment through exception clauses, including provisions such as national security and social security, health and environmental protection, respect for core labor rights and cultural diversity, and cautious measures in the field of financial services. In addition, investment agreement terms are often stipulated as part of an agreement that includes numerous issues, such as trade in goods and services, which is becoming increasingly prominent. Fourthly, disputes between investors and one country continue to increase. By the end of 2006, a total of 255 dispute lawsuits had been recorded. International arbitration is an important means to strengthen the role of law and ensure legal stability. However, there are still some conflicting precedents that lead to uncertainty in interpreting core investment protection clauses, such as most favored nation treatment clauses.

### **2.The main characteristics of the current international investment agreement system**

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Firstly, the international investment agreement system is highly decentralized. In other words, this system includes thousands of individual protocols, and these protocols do not have any coordination within the scope of the system. In the absence of global investment rules, countries have no choice but to continue negotiating bilateral or regional agreements, which further exacerbates the expansion of international investment agreements in terms of quantity.

Secondly, the international investment agreement system is multi-layered, including various agreements at different levels, such as bilateral, sub regional, inter regional, sectoral, plurilateral, and multilateral, which overlap with each other.

Thirdly, the international investment agreement system is multifaceted, encompassing not only investment issues but also various aspects such as trade, services, intellectual property, industrial policies, employment policies, and personnel mobility.

Fourthly, international investment agreements are highly dynamic, and this system is constantly evolving. On the one hand, it demonstrates the flexibility in formulating rules for international investment agreements and responds promptly to new situations, such as public concerns about foreign investment. On the other hand, in a highly decentralized international investment agreement network, it is undeniable that countries are seeking various solutions when addressing their own concerns.

Fifth, the international investment agreement system  
The binary trend of characteristics, namely convergence on core issues and diversity on edge issues. That is to say, on some core issues, the main content of the agreement shows a high degree of uniformity, while there are many differences in details and non substantive provisions. In terms of national treatment and most favored nation treatment, fair and just treatment, prompt, full and effective compensation in case of requisition, guarantees of free transfer, and implementation of investor country and country country dispute resolution mechanisms, these provisions are similar in the vast majority of agreements. However, other provisions, such as non discriminatory regulations on foreign investor access and prohibitions on certain performance requirements, only appear in a few agreements, and sometimes there are obvious inconsistencies between the agreements.

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