

## **Abstract**

In today's world of international economic integration, foreign investment is an important element of countries' economic development. International law in this area has to come to terms with, on one hand, the effort of the host country to attract foreign investors by providing investors with an attractive investment environment and on the other the need to preserve sovereignty of the host country.

The thesis aims to offer an overview of the issue of regulation of foreign investment protection at the international level and focuses, within selected problems, on the interaction of agreements on the protection of foreign investment and EU law after passage of foreign direct investment within the exclusive competence of the European Union. For the purpose of fulfilling the objective of this paper the author used general theoretical knowledge and used descriptive and comparative methods and analogy.

The work consists of three chapters, each of which is divided into subsections. The first chapter – Introduction presents the issue of protection of foreign investment. The second chapter, entitled Agreements on the protection of foreign investment and EU law focuses on selected aspects of the interaction of international investment agreements and EU law.

In subsection 2.1 entitled International Investment Agreements the author presents an overview on significant contracts in the field of international law primarily or marginally dealing with protection of foreign investment. The findings highlight that the regulation of the international protection of foreign investment is not uniform in international law and that there is a number of international agreements on global, regional and bilateral level focusing on the protection of all types of investment or just investments in some sectors, such as the energy sector.

The Definition of Investment and Investor is the title of subchapter 2.2 of the thesis. From its content it is clear that, similarly to the non-existence a single international treaty for the protection of foreign investment, there is no single definition of foreign investment or investor. Any agreement concerning the (albeit marginally) foreign investment has its own, broader or narrower, definition of investment and investor. The definitions contained in the

treaties are supplemented by the definitions of international institutions, courts and arbitral tribunals.

Subsection 2.3 deals with the standards of protection of foreign investments, and explains those contained in the international investment agreements. The subsection finds that means for the protection of foreign investments contained in international investment agreements can be, in various forms, identified also in EU law.

The fourth sub-section 2.4 entitled Dispute Resolution examines the procedure in case of breach of duty of one party under an international investment agreement. The subsection illustrates that while in the international field is quite clearly established the jurisdiction or arbitration centers, the EU or a Member State being a party to an international investment agreement raises a number of uncertainties regarding the active or passive standing to bring an action, the jurisdiction of the Court of Justice of EU to settle disputes under international investment agreements and regarding the obligation to perform with respect to damages. The chapter shows that the Court of Justice of EU is inclined to believe that it is authorized to dispute resolution under international investment treaties provided a party to the agreement to which the dispute relates to, is an EU member state or the European Union itself, but this internationally meets with disapproval . The subsection further investigates on EU steps towards dealing with the obligations of the member states under bilateral investment treaties until a common European investment treaty is adopted which shall substitute the contemporary bilateral investment treaties of the member states.

In the Conclusion (Chapter 3) the author considers the findings of the thesis and concludes with suggestions on the further direction of the interaction of international investment and EU law.