



Resolution of the Council on the Draft Convention on the Protection of Foreign Property

**OECD Legal
Instruments**

This document is published under the responsibility of the Secretary-General of the OECD. It reproduces an OECD Legal Instrument and may contain additional material. The opinions expressed and arguments employed in the additional material do not necessarily reflect the official views of OECD Member countries.

This document, as well as any data and any map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

For access to the official and up-to-date texts of OECD Legal Instruments, as well as other related information, please consult the Compendium of OECD Legal Instruments at <http://legalinstruments.oecd.org>.

Please cite this document as:

OECD, *Resolution of the Council on the Draft Convention on the Protection of Foreign Property*,
OECD/LEGAL/0084

Series: OECD Legal Instruments

© OECD 2025

This document is provided free of charge. It may be reproduced and distributed free of charge without requiring any further permissions, as long as it is not altered in any way. It may not be sold.

This document is available in the two OECD official languages (English and French). It may be translated into other languages, as long as the translation is labelled "unofficial translation" and includes the following disclaimer: *"This translation has been prepared by [NAME OF TRANSLATION AUTHOR] for informational purpose only and its accuracy cannot be guaranteed by the OECD. The only official versions are the English and French texts available on the OECD website <http://legalinstruments.oecd.org>"*

Background Information

The Draft Convention on the Protection of Foreign Property was developed upon a mandate given by the Organisation for European Economic Co-operation (OEEC) in 1960 – the predecessor of the OECD – and prepared by representatives and experts of governments within the Committee for Invisible Transactions (CMIT) (which was merged with the Committee on International Investment and Multinational Enterprises (CIME) in 2004 to form the Investment Committee). It was intended as a plurilateral instrument but has not entered into force – which would have required the deposit of 10 instruments of ratification, according to its Article 12. However, the OECD Council adopted the Resolution on the Draft Convention on 12 October 1967 in which it reaffirms the adherence of Members to the principles of international law embodied in the Draft Convention and commends it as a basis for extending and rendering more effective the application of these principles. The Draft Convention, even though never in force, has historical importance for investment treaty policies. The text of the Draft Convention as well as the Notes and Comments constituting its interpretation are available in this [publication](#) (OECD Publishing, 1967).

THE COUNCIL,

HAVING REGARD to the provisions of the Convention on the Organisation for Economic Co-operation and Development concerning economic expansion and assistance to developing countries;

HAVING REGARD to the Reports by the Committee for Invisible Transactions and the Comments by the Payments Committee on the Draft Convention on the Protection of Foreign Property;

HAVING REGARD to the text of the Draft Convention on the Protection of Foreign Property and to the Notes and Comments constituting its interpretation (hereinafter called the "Draft Convention");

OBSERVING that the Draft Convention embodies recognised principles relating to the protection of foreign property, combined with rules to render more effective the application of these principles;

CONSIDERING that a clear statement of these principles will be a valuable contribution towards the strengthening of international economic co-operation on the basis of international law and mutual confidence;

CONSIDERING that a wider application of these principles in domestic legislation and in international agreements would encourage foreign investment;

BELIEVING that the Draft Convention will be a useful document in the preparation of agreements on the protection of foreign property;

NOTING the conclusion of a Convention on the Settlement of Investment Disputes between States and Nationals of Other States;

I. REAFFIRMS the adherence of Member States to the principles of international law embodied in the Draft Convention;

II. COMMENDS the Draft Convention as a basis for further extending and rendering more effective the application of these principles;

III. APPROVES the publication of the Draft Convention as well as this Resolution.

About the OECD

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD Member countries are: Australia, Austria, Belgium, Canada, Chile, Colombia, Costa Rica, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Türkiye, the United Kingdom and the United States. The European Union takes part in the work of the OECD.

OECD Legal Instruments

Since the creation of the OECD in 1961, around 460 substantive legal instruments have been developed within its framework. These include OECD Acts (i.e. the Decisions and Recommendations adopted by the OECD Council in accordance with the OECD Convention) and other legal instruments developed within the OECD framework (e.g. Declarations, international agreements).

All substantive OECD legal instruments, whether in force or abrogated, are listed in the online Compendium of OECD Legal Instruments. They are presented in five categories:

- **Decisions** are adopted by Council and are legally binding on all Members except those which abstain at the time of adoption. They set out specific rights and obligations and may contain monitoring mechanisms.
- **Recommendations** are adopted by Council and are not legally binding. They represent a political commitment to the principles they contain and entail an expectation that Adherents will do their best to implement them.
- **Substantive Outcome Documents** are adopted by the individual listed Adherents rather than by an OECD body, as the outcome of a ministerial, high-level or other meeting within the framework of the Organisation. They usually set general principles or long-term goals and have a solemn character.
- **International Agreements** are negotiated and concluded within the framework of the Organisation. They are legally binding on the Parties.
- **Arrangement, Understanding and Others:** several other types of substantive legal instruments have been developed within the OECD framework over time, such as the Arrangement on Officially Supported Export Credits, the International Understanding on Maritime Transport Principles and the Development Assistance Committee (DAC) Recommendations.