

# THE GOVERNMENT OF THE REPUBLIC OF LITHUANIA AND THE GOVERNMENT OF THE REPUBLIC OF UZBEKISTAN AGREEMENT FOR INVESTMENT PROMOTION AND PROTECTION

The Government of the Republic of Lithuania and the Government of the Republic of Uzbekistan, hereinafter the Contracting Parties,

Desiring

To develop mutually beneficial economic cooperation ;

View

In order to create favorable conditions for investors of one Contracting Party to invest in the territory of the other Contracting Party;

Realizing that the promotion and protection of investment will stimulate private business initiative and prosperity in both countries,,

Have agreed as follows:

## Article 1. Definitions

In this Agreement:

1. The term "investment" means any kind of assets of a Contracting Party of the investor invested in the territory of the other Party in accordance with the other Contracting Party's laws and regulations, and, in particular, but not exclusively, includes:

- a) movable and immovable property and any other property rights, such as mortgage claim, right to the seized property, mortgages and other similar rights;
- b) shares, bonds, debentures and any other forms of participation in a company;
- c) claims on the funds which have been used to create economic values, or claim rights to any activity having an economic value;
- d) intellectual property rights, including copyrights, industrial property rights (such as patents, industrial designs and industrial models, trademarks, trade names), as well as know-how and business reputation;
- e) in accordance with any law or treaty granted the right to engage in economic activities, including concessions to prospect for, extract and exploit natural resources.

No assets are invested or reinvested shape change made by the investment host country laws and regulations, does not affect its status as an investment.

2. The term "investor" means the Contracting Parties:

a) the Republic of Lithuania:

- A natural person who is a Lithuanian citizen or a permanent resident in accordance with its laws and regulations;
- But which under Lithuanian laws and regulations established by the entity;

b) the Republic of Uzbekistan:

- A natural person who is a citizen of the Republic of Uzbekistan in accordance with its laws and regulations;

- Any legal entity established under the laws of the Republic of Uzbekistan and other acts and having the right to invest in other countries in the territory.

3. The term "income" means all of the investment funds received, among other things, but not exclusively: profits, capital gains income, interest, dividends, royalties and other remuneration.

Income from the investment or reinvestment is subject to the same protection as the investment.

4. The term "territory" in both Contracting Parties means the Contracting Party sovereign territory, and any other areas on which, under international law, the Contracting Party to exercise its jurisdiction and implement its sovereignty.

5. The term "Contracting Party" also means the Republic of Lithuania or the Republic of Uzbekistan, according to the context.

## **Article 2. Investment Promotion**

Each Contracting Party shall encourage investors of the other Contracting Party's investments on its territory and in accordance with its law, admit such investments.

## **Article 3. Investment Protection and Treatment**

1. Each Contracting Party in its territory of any other Contracting Party to investments of investors apply fair and equal treatment, and to ensure their safety and protection.

2. Neither Contracting Party unilateral or discriminatory measures the other Contracting Party's investors have, hold, use, manage investments and dispose of them.

3. Each Contracting Party shall accord to investors of the other Contracting Party's investments treatment no less favorable than that accorded to its own investors or investments of any third country investors for investment, given the fact that a more favorable treatment.

4. This Agreement shall oblige a Contracting Party to give the other Contracting Party to investors the benefits, advantages or privileges granted to any third country for investors:

a) the current or future participation in the customs union, common market, free trade area or other forms of regional economic cooperation, or for any similar international agreement;

b) existing or future agreements on avoidance of double taxation or any other arrangements relating to taxation.

## **Article 4. Expropriation**

1. Neither Contracting Party shall in its territory neeksproprijuoja, nenacionalizuoja and does not charge the other Contracting Party investors investment vehicles that cause a similar effect (hereinafter - expropriation), except in cases where:

a) such expropriation is carried out in the public interest and the law;

b) such expropriation is carried out in a non-discriminatory basis;

c) immediately paid even and effective compensation.

2. referred to in paragraph 1, point C compensation in line with the expropriated investment market values that existed before the expropriation or before it was made public on the future of expropriation, taking into account what has happened in the past. Such compensation shall be paid without delay and shall include interest calculated from the date of expropriation by the London stock exchange banks (LIBOR) rate.

3. Investors, whose assets are expropriated, without prejudice to their rights under Article 8 of this Treaty, have the right to demand that eksproprijuojancios Contracting Party to the judicial or other competent authority shall immediately examine the case and determine whether such expropriation and related compensation consistent with paragraphs and carrying out expropriation Party's law provisions.

4. Investors can not raise claims based on the provisions of this Article, if they have already been paid compensation by

eksproprijuošanas Contracting Party for other agreements on investments protection similar provisions.

## **Article 5. Damage Compensation**

1. Investors of one Contracting Party whose investments touched the other Contracting Party in the territory because of the war, the publication of the state of emergency, insurrection, riot or other similar events, the latter Contracting Party treatment no less favorable than that which it accords to its own investors or any third State, depending on which mode is more favorable. But what with the related compensation is paid immediately and transferred freely.

2. Notwithstanding paragraph 1, a Contracting Party to investors who suffer from the other Contracting Party on:

- a) the total or partial requisition of their investment made by the latter Contracting Party, armed forces or authorities, or
- b) total or partial destruction of their investments, which fulfilled the latter Contracting Party, armed forces or authorities, when it was not necessary, provided restitution or timely paid even and effective compensation.

## **Article 6. Transfers**

1. Each Contracting Party shall guarantee to investors of the other Contracting Party, unimpeded investment-related transfer of funds, including:

- a) the amounts of initial capital and additional amounts for investment to maintain and expand;
- b) income;
- c) proceeds from total or partial liquidation of investments;
- d) the funds for loans directly linked to the investment to cover;
- e) compensation granted in accordance with Article 4 and 5 of the Convention;
- f) the remuneration for foreigners who work in its territory related to investments.

2. Transfers shall be made without undue delay, in convertible currency in which the investment was made, or, with the consent of the investor, in any other currency at the date of the transfer current market rate of exchange and in accordance with the Contracting Party in whose territory the investment was made procedures.

3. Each Contracting Party transfers related to the other Contracting Party to investments, treatment no less favorable than that which it applies to transfers related to any third country investors.

4. Notwithstanding the provisions of this Article, the Contracting Parties may reasonably and without discrimination to take measures relating to taxation, creditors and defending the rights or other laws and legislation.

## **Article 7. Subrogation**

If one Contracting Party or its authorized body ("the first Contracting Party") paid by the investor under an insurance contract or an investment guarantee of the other Contracting Party ("the second Contracting Party"), the second Contracting Party shall recognize:

- a) any compensation received investor rights and claims to the First Contracting Party by law or the transaction and
- b) that the first Contracting Party shall have the same right to use subrogation the rights acquired for claiming, as the compensation received by the investor.

## **Article 8. Settlement of Investment Disputes**

1. Any dispute between one Contracting Party and the other Contracting Party of the investor due to the recent investments, the issue peacefully. The investor shall provide the Contracting Party in whose territory the investment made, a written notice of the dispute, together with the details.

2. If the dispute can not be settled amicably within six months from paragraph 1 referred to a written notification, the dispute either party's request and transferred to the investor's choice:

- The International Centre for Settlement of Investment Disputes (ICSID), established in accordance with the Convention on

the citizens of other states Settlement of Investment Disputes, which was opened for signature in 1965. 18 March. Washington, DC, to reconcile or to start arbitration proceedings under the ICSID rules on arbitration procedure if both Contracting Parties are party to this Convention, or

-

Ad-hoc

arbitration to begin arbitration proceedings under the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules. This regulation may be modified by mutual agreement of the Parties.

3. The arbitration shall be final and binding on both parties to the dispute. Both Contracting Parties shall implement them immediately, and take measures to effectively implement such decisions on their territory.

4. Neither Contracting Party shall not invoke in its defense the fact that full or partial compensation for the losses has been or is to be paid to the investor under an insurance contract or warranty.

## **Article 9. Disputes between the Contracting Parties Solution**

1. Any dispute between the Contracting Parties concerning the interpretation and application, as far as possible, be settled through diplomatic channels.

2. If the Contracting Parties fail to reach an agreement within six months from the start of either Contracting Party, the dispute shall be referred to arbitration.

3. Arbitration shall be drawn up in each case as follows: within two months from the date on which either Contracting Party to the other Contracting Party, a requirement of the arbitration proceedings, the Contracting Parties shall appoint one arbitrator. After these two arbitrators within a further two-month period shall select a third arbitrator who shall be a third state. In both contracting parties' agreement, the third arbitrator shall be appointed chairman of the arbitration.

4. If the paragraph 3 the period referred to arbitration has been concluded, any Contracting Party, if no other agreement, request the President of the International Court of Justice to make the necessary appointment. If the president is one of the Contracting Parties citizen or for other reasons can not perform these functions, necessary for carrying out the proposed appointment of Vice-President. If the deputy chairman of one of the Contracting Parties to the state or a citizen can not perform these functions needed to carry out the proposed appointment of another senior to the International Criminal Court, which is not a Contracting Party to state.

5. Arbitration shall establish its own rules of procedure in accordance with the provisions of this Treaty and international law. The arbitration decision shall be taken by majority vote. Arbitration decisions are final and binding on both Contracting Parties.

6. Each Contracting Party shall bear the costs associated with its appointed arbitrator and the activities of the Contracting Parties to the representation of the arbitration proceedings; the costs associated with the activities of the President and the other costs shall be borne by the Contracting Parties in equal shares. However, arbitration may decide that a Contracting Party shall bear the greater share of the cost, and that decision is binding on both Contracting Parties.

## **Article 10. More Favorable Conditions**

If one Contracting Party in accordance with the laws and regulations or obligations under international law, that exist now or will be taken in the future, other Contracting Party to investments of investors more favorable treatment than the regime applicable under this Agreement, more favorable conditions.

## **Article 11. Consultations**

1. one Contracting Party, request consultations following the interpretation or application issues.

2. On the other Contracting Party shall immediately take the necessary measures to hold these consultations.

## **Article 12. Application of the Treaty**

1. This Treaty shall apply to investments made by investors of one Contracting Party, the other Contracting Party in the territory of the other Contracting Party's laws and regulations as to the entry into force of this Treaty, and after its entry into

force, however, does not apply to the settlement of disputes concerning investments originate or may arise before the entry into force of the Treaty, or any claims that have been resolved before the entry into force of this Treaty.

2. This Treaty shall not apply to land acquisition, management, use and disposal issues. These issues are regulated by the Contracting Parties to the laws and regulations.

### **Article 13. Amendments and Additions**

The entry into force of this Treaty, or at any time after the entry into force of this Agreement may be amended and supplemented by mutual written consent of the Contracting Parties. Such changes and additions shall enter into force after the Contracting Parties shall notify each other that by the domestic procedures required for the amendments and supplements to take effect.

### **Article 14. Entry Into Force, Duration and Termination**

1. This Agreement shall enter into force on the date of the receipt of the last written notification to the Contracting Parties by all the domestic procedures necessary for the entry into force of this Treaty.

2. This Agreement is fifteen (15) years. After that, it remains valid for twelve months from the date when one Contracting Party in writing to the other Contracting Party of its intention to terminate this Agreement.

The investments made before the termination of this Agreement, the provisions of Articles 1-12 shall remain in force for another ten (10) years.

SIGNED IN 2002 February 18 In Tashkent, in duplicate in the Lithuanian, Uzbek and Russian languages, all texts have the same legal validity. In the event of disagreement as to the interpretation of the Agreement, reference is made to the text in the Russian language.