Agreement between the Government of the People's Republic of China and the Government of Turkmenistan on Encouraging and Mutual Protection of Investments

The Government of the People's Republic of China and the Government of Turkmenistan (hereinafter referred to as "Contracting Parties"

Willing to encourage and protect the investors of one Contracting Party to invest in the territory of the other Contracting Party and to create favorable conditions for them, in accordance with mutual respect for sovereignty and equality and mutual benefit,

They have reached an agreement for the development of economic cooperation between the two countries as follows:

Article 1.

In this Agreement:

1. The term "investment" refers to various assets invested in its territory in accordance with the laws and regulations of the party accepting the investment, in particular:

(A) Movable and immovable property (housing, buildings, equipment and other materials) and property rights related thereto;

(B) Shares, bonds, other securities or other forms of participation in the enterprise;

(C) The right to claim for money and the performance of the right to request a valuable contract;

(D) Copyrights, industrial property rights such as patents, industrial designs and samples, trademarks, trade names, names of places of production, proprietary technologies, etc.;

(E) The right to engage in economic activities granted according to law or contract, especially the right to explore, develop or use natural resources;

(F) Paid services.

2. The term "investors" means to any party to the contract:

Natural persons, citizens, or legal persons established under the existing laws and regulations within its territory of a Party;

But on condition that natural or legal persons shall have the right to invest in the territory of the other Contracting Party, in accordance with the laws and regulations of each Contracting Party.

3. The term "return" refers to the amount of money generated by an investment, including profits, dividends, interest and royalty.

4. The term "territory" means:

The territories of the contracting parties and the sea areas adjacent to the coastline of the other Contracting Party where the Contracting Party exercises the sovereign rights or jurisdiction over it in accordance with international law and explores, exploits, exploits, extracts and protects its natural resources.

Article 2.

1. Each Contracting Party shall encourage investors of the other Contracting Party to invest in its territory, and allow such

investments in accordance with its laws and regulations.

2. Each Contracting Party will provide assistance in obtaining visas and work permits for citizens of the other Contracting Party engaged in investment-related activities in its territory in accordance with its laws and regulations.

Article 3.

1. Each Contracting Party shall guarantee in its territory the investment of investors of the other Contracting Party and the fair treatment and protection of the activities related to that investment.

2. The treatment mentioned in the first paragraph of this Article shall be no less favourable than that given to investors in any third country and investment-related activities.

3. The provisions of paragraphs 1 and 2 of this Article shall not apply to the offers or privileges provided by or to be offered by any Contracting Party to any third country investor or its investment in accordance with:

(A) Participating in free trade zones, customs or economic alliances, economic mutual aid organizations, and one of the contracting parties that have entered into force prior to the signing of this Agreement, and provide international accords of similar preferences and privileges to participants of the said organizations;

(B) International agreements or other tax agreements on tax issues;

(C) Agreement on border trade issues.

Article 4.

1. The investments of investors of one Contracting Party in the territory of the other Contracting Party may not be nationalized, expropriated or have other measures with similar nationalization and expropriation effect (hereinafter referred to as "levies"), except for the needs of the public interest. In accordance with established procedures, such measures can only be taken on the basis of non-discrimination and compensation.

2. The compensation provided for in the first paragraph of this Article shall be calculated on the basis of the actual value of the investment at the time of expropriation. The payment of compensation shall not be unreasonably delayed. The compensation shall be convertible and freely repatriated from the territory of the contracting party to the territory of the other contracting party.

3. If investors of one Contracting Party suffers losses in the territory of the other Contracting Party due to war, a state of emergency, civil unrest and other similar circumstances, the host Contracting Party shall take measures to compensate for losses or other relevant measures, which give the investor treatment no less favorable than the treatment of the investors of any third State.

Article 5.

Each Contracting Party shall, in accordance with its laws and regulations, guarantee to the investors of the other Contracting Party free remittance of funds and proceeds relating to investments at the official exchange rate on the date of export, including, but not limited to:

(A) "Proceeds" as determined in paragraph 3 of Article 1 of this Agreement;

(B) Compensation for losses as provided for in Article 4 of this Agreement;

(C) All or part of the liquidation of the investment;

(D) Payment of loan agreements related to investors;

(E) Payment of technical assistance, technical services and management fees;

(F) The wages and other remuneration received by citizens of the other Contracting Party in the work and services related to the investment in the territory of one of the contracting parties.

Article 6.

This Agreement shall apply to all investments made by investors of one Contracting Party after the establishment of

diplomatic relations between the Contracting Parties in accordance with the laws and regulations of the other Contracting Party.

Article 7.

1. The contracting parties shall voluntarily and in a spirit of cooperation strive to resolve any issues related to mutual investment as soon as possible and fairly.

2. Disputes arising from the interpretation or application of this Agreement by the Contracting Parties shall be resolved as far as possible through diplomatic channels.

3. If the dispute cannot be resolved within six months from the date on which the first party submits the dispute, the dispute shall be submitted to a special arbitration tribunal at the request of either of the contracting parties.

4. The arbitral tribunal shall consist of three arbitrators and shall be established in the following manner: Each Contracting Party shall appoint one arbitrator within two months from the date on which the first Contracting Party receives the written notice from the other Contracting Party concerning the submission of the dispute to arbitration. The two arbitrators shall, within two months from the date of the appointment of the second arbitrator, select a third national who has diplomatic relations with both contracting parties as the third arbitrator, and shall be appointed as the chief arbitrator by the parties.

5. If the arbitration tribunal has not been formed within four months of receipt of the written notification of the submission of the dispute to the arbitral tribunal, either party to the contract may, if there is no other agreement, request the President of the International Court of Justice to make the necessary appointments. If the President of the International Court of Justice is a citizen of either Contracting Party or is unable to perform the above duties for other reasons, the Senior Judge of a national of any party to the Central African Republic shall be invited to make the necessary appointments.

6. The arbitral tribunal shall formulate its own procedural rules. The arbitral tribunal shall make a ruling in accordance with the provisions of this Agreement and the generally accepted principles of international law.

7. The arbitral tribunal's ruling was made with a majority of votes. The ruling is final and binding on both contracting parties. At the request of either party, the arbitral tribunal shall state the reasons for its decision.

Each party to a contracting party shall bear the costs associated with the activities of the arbitrators appointed by it and the costs of participating in the arbitral proceedings. The fees and other expenses related to the presiding arbitrator's activities shall be borne by the contracting parties on average if not otherwise provided by the arbitral tribunal.

Article 8.

When both Contracting Parties are members of the Convention on Settlement of Investment Disputes between States and Others signed in Washington on March 18, 1965, the Contracting Parties may sign a supplementary agreement on the resolution of the dispute by the International Center for Settlement of Investment Disputes.

Article 9.

If one of the contracting parties accords preferential treatment to investors of the other party's investment or investment-related activities in accordance with its laws and regulations or the international agreements to which the contracting parties provide for the other party, this contract shall be favorably applied.

Article 10.

1. The representatives of the Contracting Parties may meet for the following purposes as needed:

(A) Study the application of this Agreement;

(B) Exchanging information on the legal issues of investment and the possibility of investing;

(C) To resolve disputes caused by investments;

(D) To study other matters related to investment;

(E) Study proposals for possible amendments and additions to this agreement.

2. . If one of the Contracting Parties proposes to negotiate on any matter listed in the first paragraph of this Article, the other

Contracting Party shall promptly respond. The consultations can be held in Beijing and Ashgabat alternately.

Article 11.

1. This Agreement shall come into force on the thirtieth day after the date on which both Contracting Parties notify each other in writing that their respective domestic legal procedures have been completed. The validity period is fifteen years.

2. If a Contracting Party fails to notify the other Contracting Party in writing of the termination of this Agreement at least one year prior to the expiry of the period of validity provided for in the first paragraph of this Article, this Agreement shall continue to be valid.

3. After the expiry of the first fifteen-year period of this Agreement, either Contracting Party may at any time notify the other Contracting Party in writing to terminate this Agreement. The notice takes effect twelve months from the date of receipt of the other contracting party.

4. The provisions of Articles 1 to 10 of the investment made prior to the termination of this Agreement shall continue to be valid for fifteen years from the date of termination of this Agreement.

This agreement was signed in Beijing on November 21, 1992. In two copies, each in Chinese, Turkmen, and Russian. The three texts have the same effect.

The Government of the People's Republic of China

Gu Yongjiang (Signature)

Turkmenistan Government Representative

Oweizov (Signature)