AGREEMENT ON RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENTS BETWEEN THE REPUBLIC OF BELARUS AND THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF IRAN

The Government of the Republic of Belarus and the Government of the Islamic Republic of Iran, hereinafter referred to as the "Contracting Parties";

Desiring to intensify economic cooperation to the mutual benefit of both States;

Intending to create and maintain favourable conditions for investments by investors of one Contracting Party in the territory of the other Contracting Partv;

Recognizing the need to promote and protect investments of the investors of one Contracting Party in the territory of the other Contracting Party;

Have agreed as follows:

Article 1. Definitions

For the purpose of this Agreement:

1. The term "investment" shall include every kind of assets and particularly, but not exclusively:

(a) Movable and immovable property as well as rights related thereto, such as mortgages, liens, pledgos or usufructs;

(b) Shares or any kind of participation in companies;

(c) Right to money or to any performance having an economic value;

(d) Copyrights, industrial and intellectual property rights such as patent, utility models, industrial designs or models, trade or service marks, trade names, know-how and goodwill;

(e) Rights to search for, extract or exploit natural resources as well as other business rights, given by law, by contract or by decision of the authority in accordance with law.

2. The term "investor" refers with regard to either Contracting Party to:

(a) Natural persons who according to the laws and regulations of that Contracting Party, are considered to be its nationals;

(b) Juridical persons which are established under the laws and regulations of that Contracting Party and have their seat together with their real economic activities in the territory of that Contracting Party;

Who invest in the territory of the other Contracting Party. 3. The term "returns" means the amounts legally yielded by an investment and in particular, though not exclusively, includes profit, interest capital gains, dividends, royalties and fees.

4. The term "territory" means the territory of each Contracting Party, including land, internal and territorial waters and sea bed and subsoil, over which the Republic of Belarus and the Islamic Republic of Iran exercise sovereign rights or jurisdiction in accordance with international law.

Article 2. Promotion of Investments

1. Either Contracting Party shall encourage and create favourable conditions for its natural and juridical persons to invest in the territory of the other Contracting Party.

2. Either Contracting Party shall encourage and create favourable conditions for natural and juridical persons of the other

Contracting Party to invest in its territory.

Article 3. Admission of Investments

1. Either Contracting Party shall admit investments of investors of the other Contracting Party in its territory in accordance with its laws and regulations.

2. When a Contracting Party shall have admitted an investment in its territory, it shall accord a treatment concerning all necessary permits for the proper realization of such an investment not less favourable than that accorded to its own investors or investors of any third state, whichever is more favourable.

Article 4. Protection of Investments

1. Investments of investors of one Contracting Party effected in the territory of the other Contracting Party shall enjoy full legal protection, fair and equitable treatment not less favourable than that accorded to its own investors or investors of any third state, whichever is more favourable in a comparable situation.

2. If a Contracting Party accords special advantages to investors of any third state by virtue of an agreement establishing a free trade area, a customs union, a common market or a similar regional organization or by virtue of an agreement on the avoidance of double taxation, it shall not be obliged to accord such advantages to investors of the other Contracting Party.

Article 5. More Favourable Provisions

1. Notwithstanding the terms setforth in the present Agreement, more favourable provisions which have been or may be agreed upon by either of the Contracting Parties with an investor of the other Contracting Party are applicable.

2. If the legislation of either Contracting Party or international agreements existing at present or entered into thereafter between the Contracting Parties, in addition to the present Agreement contain a rule, whether general or specific, entitling investments by investors of the other Contracting Party to a treatment more favourable than is provided for by the present Agreement, such rule shall to the extent that is more favourable prevail over the present Agreement.

Article 6. Expropriation and Compensation

1. Investments of investors of one Contracting Party shall in the territory of the other Contracting Party not be expropriated, nationalized or subject, directly or indirectly, to measures of similar effects by the other Contracting Party except for a public purpose, in a nondiscriminatory manner, upon payment of prompt, effective and just compensation and in accordance with due process of law.

2. Compensation referred to paragraph (1) of this Article shall amount to the genuine market value of the investment expropriated, immediately before the action of expropriation was taken or before the impending expropriation became public knowledge, whichever is the earlier. Such compensation shall be made without delay, be effectively realizable and be freely transferable.

Article 7. Losses

Investors of either Contracting Party whose investments suffer losses due to a war or any other armed conflict, revolution, state of emergency or rebellion or other similar events in the territory of the other Contracting Party shall be accorded by the other Contracting Party treatment no less favourable than that accorded to its own investors or to investors of any other third state, whichever is the most favourable treatment, as regards compensation, restitution and indemnification in relation to such losses.

Article 8. Repatriation and Transfer

1. Each Contracting Party shall permit, after fulfillment and/or all deductions of taxes and other legal levies in the host Contracting Party, all transfers related to an investment to be made freely and without unreasonable delay into and out of its territory. Such transfers include:

(a) Returns,

(b) Proceeds from the sale or total or partial liquidation of an investment,

(c) Compensation pursuant to Articles 6 and 7,

(d) Reimbursements and interest payments deriving from loans in connection with investment,

(e) Salaries, wages and other remunerations received by the nationals of one Contracting Party who have obtained in the territory of the other Contracting Party the corresponding work permits relative to an investment,

(f) Payments arising from a dispute relating to an investment.

2. Transfers shall be promptly effected in a convertible currency and at the exchange rate prevailing on the day the transfer is made.

Article 9. Subrogation

1. If an investment of an investor of one Contracting Party is insured against non-commercial risks under a system established by law or by an insurance company of that Contracting Party, any subrogation of the insurer which stems from the terms of the insurance agreement shall be recognized by the other Contracting Party.

2. Such insurer shall not be entitled to exercise any rights other than the rights which the investor would have been entitled to exercise.

3. Disputes between a Contracting Party and such an insurer shall be settled in accordance with the provisions of Article 12 of this Agreement.

Article 10. Observance of Commitments

Either Contracting Party shall constantly guarantee the observance of the commitments it has entered into with respect to investments of investors of the other Contracting Party.

Article 11. Disputes between a Contracting Party and an Investor

1. If any dispute arises between a Contracting Party and one or more investors of the other Contracting Party relating to an investment, the Contracting Party and the investor(s) shall in the first place try to settle it by consultation and negotiation.

2. If the Contracting Party and the said investor(s) cannot reach an agreement within six months after being notified of the dispute, the latter shall, upon request of either the Contracting Party, subject to their relevant laws and regulations, or the investor(s), be submitted to:

a) The competent court of the Contracting Party in the territory of which the investment has been made; or

b) An ad hoc arbitral tribunal of three members, established under following manner:

Each of the Contracting Party and the investor(s) shall appoint one arbitrator, and these two arbitrators shall norminate a chairman. Either of the Contracting Party or the investor(s) who initiate arbitration shall appoint its arbitrator in the Request for Arbitration. If the Contracting Party or the investor(s) does not appoint its arbitrator within 60 (sixty) days from the receipt of the request for arbitration, the said arbitrator shall be appointed upon the request of the Contracting Party or the investor(s), as the case may be, by the Secretary General of the Permanent Court of Arbitration. If the two arbitrators cannot reach an agreement within 60 (sixty) days from the appointment of the second arbitrator about the choice of the chairman, the latter shall be appointed upon request of either the Contracting Party or the investor(s) by the Secretary General of the Permanent Court of Arbitration. The chairman of the arbitral tribunal shall be always a national of a third state having diplomatic relations with both Contracting Parties at the time of appointment. 3. The arbitration shall be conducted according to the arbitration rules of the United Nations Commission on International Trade Law (UNCTTRAL).

4. The Contracting Party which is party to the dispute shall at no time whatsoever during the settlement procedure or the execution of the sentence allege as a defense its immunity.

5. Neither Contracting Party shall pursue through diplomatic channels a dispute submitted to international arbitration unless the other Contracting Party does not abide by and comply with the award rendered by an arbitral tribunal.

6. The place of arbitration shall be agreed by the parties to the dispute.

7. The decisions of the tribunal are final and binding on the Contracting Party and the investor(s).

Article 12. Settlement of Disputes between the Contracting Parties

1. If any dispute arises between the Contracting Parties relating to the interpretation or application of this Agreement, the Contracting Parties shall in the first place try to settle it by consultation and negotiation.

2. If the Contracting Parties cannot reach an agreement within twelve months after being notified of the dispute, the latter shall upon request of either Contracting Party, subject to their relevant laws and regulations, be submitted to an arbitral tribunal of three members. Each Contracting Party shall appoint one arbitrator, and these two arbitrators shall nominate a chairman who shall be a national of a third state having diplomatic relations with both Contracting Parties at the time of nomination.

3. The Contracting Party who initiate arbitration shall appoint its arbitrator in the Request for Arbitration. If the other Contracting Party does not appoint its arbitrator within 60 (sixty) days from the receipt of the Request for Arbitration, the arbitrator shall be appointed, upon request of the Contracting Party who has initiated arbitration, by the President of the International Court of Justice.

4. If the two arbitrators cannot reach an agreement within 60 (sixty) days from the appointment of the second arbitrator about the choice of the chairman, the latter shall be appointed upon request of either Contracting Party by the President of the International Court of Justice.

5. If in the cases specified under paragraphs (3) and (4) of this Article, the President of the International Court of Justice is prevented from carrying out the said function or if he is a national of either Contracting Party, the appointment shall be made by the vice-president of the International Court of Justice and if the latter is prevented or if he is also a national of either Contracting Party, then the appointment shall be made by the eldest member of the International Court of Justice who is not national of either Contracting Party.

6. Subject to other provisions made by the Contracting Parties, the tribunal shall determine its procedure and the place of arbitration.

7. The decisions of the tribunal are final and binding on the Contracting Parties.

Article 13. Preagreement Investments

The Contracting Parties may agree on a case by case basis, that investments of investors of one Contracting Party within the territory of the other Contracting Party prior to the entry into force of the Agreement are also covered by the provisions of the Agreement, provided that such investments were made in accordance with laws and regulations in force of host Contracting Party.

Article 14. Entry Into Force

Each Contracting Party shall notify the other in writing of the completion of the procedures required in its territory for the entry into force of this Agreement. This Agreement shall enter into force thirty days after the date of the latter of the two notifications.

Article 15. Duration and Termination

1. This Agreement shall remain in force for a period of ten years and shall continue to stay in force unless terminated in accordance with paragraph 2 of this Article.

2. Either Contracting Party may, by giving one year prior written notice to the other Contracting Party, terminate this Agreement at the end of the initial ten-year period or at any time thereafter.

3. With respect to investments made or acquired prior to the date of termination of this Agreement, the provisions of all other Articles of this Agreement shall thereafter continue to be effective for a further period of ten years from such date of termination.

In witness whereof, the undersigned, duly authorized thereto by their respective Governments, have signed this Agreement.

Done in duplicate at Minsk this 14th day of July 1995 in Belorussian. Persian, and English languages, all texts being equally

authentic. In case of divergence of interpretation the English text shall prevail.

On signing the Agreement between the Government of the Republic of Belarus and the Government of the Islamic Republic of Iran on Reciprocal Promotion and Protection of Investments, the Contracting Parties also agreed on the following clauses, which shall be deemed to form an integral part of the Agreement.

For the purpose of further clarification with respect to the terms "investment", and "admitted" as used in Articles 1-1 and 3-1 as well as in other Articles of the Agreement, the positions of the Contracting Parties are as follows:

1. As far as the Islamic Republic of Iran is concerned, the term "investment" referred to in Article 1-1 and 3-1, as well as in the other Articles of the Agreement, refers exclusively to investments which are admitted and registered within the territory of the Islamic Republic of Iran in accordance with the Law and Regulations concerning the Attraction and Protection of Foreign Investments in Iran (L.A.P.F.I.) or laws and regulations which will succeed to L.A.P.F.I.

Admission and registration of investments of investors of the Republic of Belarus within the territory of the Islamic Republic of Iran shall be evidenced by an " Admission Certificate", which is a specific document delivered by the Ministry of Economic Affairs and Finance, Organization for Investment, Economic and Technical Assistance of Iran (O.I.E.T.A.I) or its successors, indicating that the investment has been approved under the laws and regulations of the Islamic Republic of Iran concerning foreign investments.

The "Admission Certificate" may specify certain conditions under which the investment has been admitted. Investments which do not receive "Admission Certificate" shall not receive protection or benefit from advantages provided for by the Agreement.

2. As far as the Republic of Belarus is concerned the term "investment" referred to in Article 1-1 and 3-1 of the Agreement as well as in the other Articles of the Agreement, refers to all investments made by investors of the Islamic Republic of Iran within the territory of the Republic of Belarus in accordance with the Law of the Republic of Belarus "On the foreign investments on the territory of the Republic of Belarus" dated 14th November 1991, amended in accordance with law modifications passed June 16, 1993, and implementing regulations, or laws and regulations which will succeed to the Law of the Republic of Belarus "On the foreign investments on the territory of the Republic of Belarus" dated 14th November 1991, and its implementing regulations.

Done in duplicate at Minsk this 14th day of July 1995 in Belorussian, Persian and English languages, all texts being equally authentic. In case of divergence of interpretation the English text shall prevail.