

# AGREEMENT

ENCOURAGEMENT AND PROTECTION OF INVESTMENTS BETWEEN THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIETNAM AND THE GOVERNMENT OF THE REPUBLIC OF ARMENIA (1992)

Government of the Socialist Republic of Vietnam and the Government of the Republic of Armenia hereafter referred to as the Contracting Parties;

Desiring to strengthen economic cooperation between the two countries for mutual benefit;

In order to create and ensure favorable conditions for investments by investors of either Contracting Party in the territory of the other Contracting Party;

Recognizing the need to promote and protect investment with a view

To promote the economic development of both countries;

Have agreed as follows:

For the purposes of this Agreement and having regard to the provisions of Article 2 of this Agreement:

1. The term "Investors" for each Contracting Party means:

- a) The natural persons recognized as citizens under the law of the Contracting Party.
- b) The legal persons include companies, associates, enterprises, business associations and other organizations to be established in accordance with the law of that Contracting Party and have their headquarters, as well as real economic activity in the territory of the Contracting Party.
- c) The enterprises with legal personality established in line with the law of one of the countries, by the citizens of the Contracting Parties that control indirectly, or by entities with actual economic activities on the territory of the other Contracting.

2. The term "investment" covers all types of asset values, namely:

- a) Estate, real estate and property rights, such as collateral, mortgage, pledge;
- b) Shares and other forms of participation in companies, enterprises and other organizations;
- c) The right to ask for money or services having economic value;
- d) copyright, industrial property rights (such as patents of inventions, utility solutions, industrial designs, trademarks or service marks, company names, indications of origin), know-how and any benefits and incentives related to business operations;
- e) The right to carry out economic activities, including the right to exploration, exploitation and processing of natural resources and all other granted by law, by contract or by decision of the competent authority in line with the law of the country in which the investment is made.

3. The term "income" means the sum of money received by the investment results, namely: profit, interest, income due to the increase in the value of assets, dividends, royalties and payments as well as for the management, technical assistance and technical services.

4. The term "territory" means the territory of the Socialist Republic of Vietnam and the Republic of Armenia.

5. The term "enterprise" means any establishment that was founded in line with the laws of the Contracting Parties, irrespective of that it was established for the purpose of income or privately owned or State ownership, so State or private

management.

This Agreement shall be applicable to the investment, including portfolio investment, by investors of either Contracting Party carried out on the territory of the other Contracting Party, provided such investments are conducted in accordance with the law of the Contracting Party and that investees and investors are entitled to invest in line with their national laws. The term "indirect investment" refers to investments made by entities established in accordance with the laws of any country in which an investor of one of the Contracting Parties is mainly engaged.

1. Each Contracting Party shall create and ensure on its territory favorable conditions for investments by investors of the other Contracting Party and allow investors to conduct it in conformity with its legislation.

2. Each Contracting Party shall ensure in its territory for investments by investors of the other Contracting Party in accordance with its laws. Each Contracting Party shall promote the implementation, operation, management, preservation, use, possession, expansion and deployment of such investments.

1. Each Contracting Party shall ensure in its territory a fair and equitable investment regime for investors of the other Contracting Party.

2. Each Contracting Party shall provide the other Contracting Party with the most favorable regime, in particular: none of the Contracting Parties shall apply to investments made by investors of the other Contracting Party. Territories providing a less favorable regime than those of any third country investor. Joint ventures involving investors of both Contracting Parties shall not apply less favorable conditions than those of joint ventures involving any investor of third country.

3. The responsibility to ensure that the most favorable regime under paragraph 2 of this Article does not relate to the advantages enjoyed by a Contracting Party under the Agreement on the Establishment of Free Trade Area customs or economic or economic assistance organizations, including international agreements which enter into force prior to the date of signature of this Agreement, provide for similar preferences as those accorded to economic assistance organizations.

4. In order not to prejudice their laws on foreign investment matters during the investment stage and not to prejudice the investment conditions arising from such laws, each Contracting Party shall hold the application of discriminatory measures to investments by investors of the other Contracting Party, including joint ventures involving the participation of investors of both Contracting Parties. Such measures include restrictions and unlawful detentions related to the use of production materials, or the sale, transportation, marketing, sale of goods and services.

Arising from that law, each Contracting Party shall refrain from applying discriminatory measures on investments by investors of the other Contracting Party, including joint ventures with the participation of investors of either Contracting Party design

1. Each Contracting Party shall ensure that investors of the other Contracting Party which is making investments in its territory are transferred without obstruction of funds related to such investments, namely:

- a) Income;
- b) The amount for repayment;
- c) additional funds necessary to maintain and expand the investment;
- d) payments arising from investment disputes;
- e) Proceeds from disposal of part or the whole or part of the investment, including the capital increase.

2. If between investors and the respective Contracting Parties do not otherwise specified, the transfer is made comply with the exchange rate at the date of transfer and in accordance with the exchange control regulations of that Contracting Party in the territory of the Contracting Party which investment is made.

1. No Contracting Party may apply measures of confiscation, nationalization or other measures of a similar nature and effect to investments of investors of the other Contracting Party, except where when such measures are applied in the interests of the State on a non-discriminatory basis and in accordance with the legal process and shall pay compensation in an effective and adequate manner. Compensation will be made in freely convertible currency and shall be freely transferable and paid without delay.

2. Investors of a Contracting Party whose investments have been damaged by war or any other armed conflict, riots, emergencies or any similar situation in the territory of the other Contracting Party, shall be subject to the regime provided for in Article 4 of this Agreement for the restoration of property, repayment, compensation and other forms of compensation.

3.3. In the case of indirect investment as provided for in Article 2 of this Agreement, each Contracting Party under this Agreement shall indemnify investors of the other Contracting Party in respect of the relevant financial participation of the investor that has in the legal entity referred to in Article 2 of this Agreement.

4. The confiscation of assets related to foreign investments shall comply with the decision of the Court as the sanctions for breach of the law has been proven in the Republic of Armenia and the Socialist Republic of Vietnam Men will kh

He must pay compensation.

If a Contracting Party to ensure the financial coverage by non-commercial risks (war and armed conflict, revolution, a state of emergency, riot, disorder and order a similar situation) for investments of its investors in the territory of the other Contracting Party and the payment shall be carried out in accordance with the insurance on, the other Contracting Party on the basis that the right to recognize the transfer of investor rights for Parties their conclusion.

1. For the purpose of resolving disputes between a Contracting Party and investors of the other Contracting Party relating to investment and without prejudice to Article 9 of this Agreement, shall be carried out through negotiations between the parties to the dispute.

2. If such negotiations do not resolve the dispute within 06 months from the time of notification in writing of the negotiations, the parties to the dispute will be conducted in the following way:

a) A) Dispute as a result of non-performance or improper performance of obligations not to impede transfers of funds as provided for in Article 5 of this Agreement, and disputes arising out of the order and scale of compensation generally involving expropriation as provided for in Article 6 of this Agreement, the initiative of any Party to the dispute shall be referred to the arbitral tribunal;

b) The disputes on other issues not stipulated in paragraph a) of this article, can be transferred to the Arbitral Tribunal, with the consent of both parties to the dispute.

3. The tribunal shall be set up for each specific case. If the parties to the dispute do not agree otherwise, each party to the dispute shall appoint one member of the arbitral tribunal. Two members shall appoint a national of a third country as Chairman of the Tribunal. Members of the Tribunal shall be appointed within two months from the date of receipt of the request for the establishment of the arbitral tribunal, and the President of the Tribunal shall be appointed within two months thereafter.

4. If the time limit set in paragraph 3 of this Article is not complied with and no other agreement is reached, either party to the dispute may request the President of the International Court of Justice to make the necessary appointments. If the President is unable to exercise that function or is a national of either Contracting Party, the Parties shall apply the mutatis mutandis provisions of paragraph 5 of Article 9 of this Agreement.

5. If the parties do not dispute other conditions agreement, the arbitral tribunal shall determine its procedures. The decision of the arbitral tribunal shall be final and binding on the parties to the dispute. Each Contracting Party shall ensure cabine

C recognize and implement the decision of the arbitration tribunal.

6. Each party to the dispute shall bear the expenses related to the activities of its members and its representation in the arbitration proceedings; the costs related to the activities of the President of the Court and the other charges, the Parties shall be borne equally. However, with its decision the Court may prescribe another percentage distribution of costs between the parties, and that decision is binding on both Parties.

7. A Contracting Party which is a Party to a dispute, in the course of proceedings or the execution of a decision of the Tribunal, shall not be liable to cause the investor of the other Contracting Party that has received, in whole or in part, damages on the basis of an insurance contract.

1. Disputes between Contracting Parties concerning the interpretation or application of the provisions of this Agreement shall be settled through diplomatic channels.

2. If the Contracting Parties can not reach an agreement within 12 months of the occurrence of a dispute, at the request of either Contracting Party, the dispute shall be referred to the arbitral tribunal of three member. Each Contracting Party shall designate a Member and the two Members shall designate a national of a third State to act as President.

3. If a Contracting Party fails to notify the other Contracting Party of its appointment within a period of two months, the President of the International Tribunal shall, at the request of the other Contracting Party, appoint the members of the Tribunal in its jurisdiction.

4. If two members of the Tribunal can not elect the President of the Tribunal within two months of their nomination, at the request of either Contracting Party, the President of the International Court of Justice shall designate The President of the Arbitral Tribunal.

5. 5. If the persons specified in paragraph 3 and 4 of this Article are incapable of performing the above functions or are nationals of one of the Contracting Parties, the appointment shall be made by the Vice-President of the International Court of Justice. If the Vice President is unable to perform the above function or is a citizen of one of the Contracting Parties, the appointment shall be made by the next highest member of the International Court of Justice without citizenship of one of the Contracting Parties.

6. If the signatories do not agree otherwise, the arbitral tribunal shall determine its procedures.

7. The decision of the arbitral tribunal shall be final and binding on the Contracting Parties.

1. Each Contracting Party shall comply with the obligations that each Party has recognized for investments by investors of the other Contracting Party.

2. No provision of this Agreement will restrict preferential rights and triv

I with investors on the basis of national law of the Contracting Party in which the investment is carried out, or on the basis of any international agreement that both Contracting Parties participate.

1. This Agreement shall enter into force on the date when both contracting parties notify each other in writing of the completion of their constitutional procedures for entry into force. This Agreement shall enter into force within 15 years. If the written notice of termination of this Agreement has not been given at least 6 months before it expires, then this Agreement shall be automatically extended for a period of 5 years and continues so.

II In the event of termination of the Agreement, the provisions of Articles 1 through 10 shall remain in force for the next 15 years in respect of investments made prior to the date of expiry of the Agreement.

Done at Hanoi, December 13, 1992 in duplicate, each copy in Vietnamese and Armenian, the texts being equally authentic. In case of any differences in the interpretation of this Agreement, the Parties shall examine their views on the basis of the Russian version that is attached.

ON BEHALF OF THE GOVERNMENT

SOCIALIST REPUBLIC OF VIETNAM

ON BEHALF OF THE GOVERNMENT

REPUBLIC OF ARMENIA