THE REPUBLIC OF AUSTRIA AND THE REPUBLIC OF CUBA, hereinafter referred to as "Contracting Parties",

DESIRING to create favourable conditions for greater economic co-operation between the Contracting Parties,

RECOGNIZING that the promotion and protection of investments may strengthen the readiness for such investments and hereby make an important contribution to the development of economic relations,

REAFFIRMING their commitment to the observance of internationally recognized labour standards,

HAVE AGREED AS FOLLOWS:

Article 1. Definitions

For the purpose of this Agreement

(1) "investor of a Contracting Party" means:

(a) For the Republic of Austria

(i) A natural person having the nationality in accordance with its applicable law; or

(ii) An enterprise constituted or organised under its applicable law;

(b) For the Republic of Cuba

(i) A natural person having the citizenship and permanent residence in accordance with its laws; or

(ii) An enterprise constituted or organised under its applicable law;

Making or having made an investment in the other Contracting Party's territory.

(2) "investment by an investor of a Contracting Party" means every kind of asset, invested in the territory of one Contracting Party in accordance with its laws and regulations, of an investor of the other Contracting Party, including:

(a) An enterprise constituted or organized under the applicable law of the first Contracting Party;

(b) Shares, stocks and other forms of equity participation in an enterprise as referred to in subparagraph (a) , and rights derived therefrom;subparagraph (a) , and rights derived therefrom;

(c) Bonds, debentures, loans and other forms of debt and rights derived therefrom;

(d) Rights under contracts, including turnkey, construction, management, production or project financing contracts;

(e) Claims to money and claims to performance pursuant to a contract having an economic value;

(f) Intellectual and industrial property rights as defined in the multilateral agreements concluded under the auspices of the World Intellectual Property Organisation, including copyright, trademarks, patents, industrial designs and technical processes, know-how, trade secrets, trade names and goodwill;

(g) Rights conferred by law or contract such as concessions, licenses, authorizations or permits to undertake an economic activity;

(h) Any other tangible or intangible, movable or immovable property, or any related property rights, such as leases, mortgages, liens, pledges or usufructs.

Commercial transactions designed exclusively for the sale of goods or services and credits or loans to finance commercial transactions with a duration of less than three years, other credits with a duration of less than three years, as well as credits or loans granted to the State or to a State enterprise are not considered an investment.

However, this shall not apply to credits or loans provided by an investor of a Contracting Party to an enterprise of the other

Contracting Party which is owned or controlled by that investor.

(3) "enterprise" means

(a) For the Republic of Austria

A legal person or any entity constituted or organized under the applicable law of a Contracting Party, whether or not for profit, and whether private or government owned or controlled, including a corporation, trust, partnership, sole proprietorship, branch, joint venture, association or organization.

(b) For the Republic of Cuba

A legal person having its legal seat in the territory of the Republic of Cuba recognized and organized under its applicable laws and regulations.

(4) "returns" means the amounts yielded by an investment and, in particular, profits, interests, capital gains, dividends, royalties, licence and other fees.

(5) "without delay" means such period as is normally required for the completion of necessary formalities for the payments of compensation or for the transfer of payments. This period shall commence for payments of compensation on the day of expropriation and for transfers of payments on the day on which the request for transfer has been submitted. It shall in no case exceed two months.

(6) "territory" means with respect to each Contracting Party the land territory, internal waters, maritime and airspace under its sovereignty, including zones where the Contracting Party exercises, in conformity with international law, sovereign rights and jurisdiction.

Article 2. Promotion and Admission of Investments

(1) Each Contracting Party shall, according to its laws and regulations, promote and admit investments by investors of the other Contracting Party.

(2) The legal extension, alteration or transformation of an investment has to be made in accordance with the laws and regulations of the Contracting Party in the territory of which the investment is made.

Article 3. Treatment of Investments

(1) Each Contracting Party shall accord to investments by investors of the other Contracting Party fair and equitable treatment and full and constant protection and security.

(2) A Contracting Party shall not impair by unreasonable or discriminatory measures the management, operation, maintenance, use, enjoyment, sale and liquidation of an investment by investors of the other Contracting Party.

(3) Each Contracting Party shall accord to investors of the other Contracting Party and to their investments treatment no less favourable than that it accords to its own investors and their investments or to investors of any third country and their investments with respect to the management, operation, maintenance, use, enjoyment, sale and liquidation of an investment, whichever is more favourable to the investor.

(4) It is confirmed that paragraphs (1) to (3) apply only to investments admitted by the Contracting Parties according to its laws and regulations related to investments.paragraphs (1) to (3) apply only to investments admitted by the Contracting Parties according to its laws and regulations related to investments.

(5) No provision of this Agreement shall be construed as to oblige a Contracting Party to extend to the investors of the other Contracting Party and to their investments the present or future benefit of any treatment, preference or privilege resulting from

(a) Any membership in a free trade area, customs union, common market, economic community or any multilateral agreement on investment;

(b) Any international agreement, international arrangement or domestic legislation regarding taxation.

Article 4. Transparency

(1) Each Contracting Party shall promptly publish, or otherwise make publicly available, its laws, regulations, procedures as

well as international agreements which may affect the operation of the Agreement.

(2) Each Contracting Party shall promptly respond to specific questions and provide, upon request, information to the other Contracting Party on matters referred to in paragraph (1) .paragraph (1) .

(3) No Contracting Party shall be required to furnish or allow access to information concerning particular investors or investments the disclosure of which would impede law enforcement or would be contrary to its laws and regulations protecting confidentiality.

Article 5. Expropriation and Compensation

(1) A Contracting Party shall not expropriate or nationalize directly or indirectly an investment of an investor of the other Contracting Party or take any measures having equivalent effect (hereinafter referred to as expropriation) except:

(a) For a purpose which is in the public interest,

(b) On a non-discriminatory basis,

(c) In accordance with due process of law, and

(d) Accompanied by payment of prompt, adequate and effective compensation in accordance with paragraphs (2) and (3) below.paragraphs (2) and (3) below.

(2) Compensation shall:

(a) Be paid without undue delay. In case of undue delay any exchange rate loss arising from this delay shall be borne by the host country that caused the delay.

(b) Be equivalent to the fair market value of the expropriated investment immediately before the expropriation occurred. The fair market value shall not reflect any change in value occurring because the expropriation had become publicly known earlier.

(c) Be paid and made freely transferable to the country designated by the claimants concerned and in any freely convertible currency agreed upon by the host country and the claimants.

(d) Include interest from the date of expropriation until the date of actual payment at an adequate commercial rate and in any case not less than the LIBOR-rate or equivalent on the day of payment.

(3) Due process of law includes the right of an investor of a Contracting Party which claims to be affected by expropriation by the other Contracting Party to prompt review under the law of the Contracting Party making the expropriation of this case, including the valuation of its investment and the payment of compensation in accordance with the provisions of this Article, by a judicial authority or another competent and independent authority of the latter Contracting Party.

Article 6. Compensation for Losses

(1) An investor of a Contracting Party which has suffered a loss relating to its investment in the territory of the other Contracting Party due to war or to other armed conflict, state of emergency, insurrection, civil disturbance, or any other similar event, or events recognised as force majeure, in the territory of the latter Contracting Party, shall be accorded by the latter Contracting Party, as regards restitution, indemnification, compensation or any other settlement, treatment no less favourable than that which it accords to its own investors or to investors of any third state, whichever is most favourable to the investor.

(2) An investor of a Contracting Party who in any of the events referred to in paragraph (1) suffers loss resulting from:paragraph (1) suffers loss resulting from:

(a) Requisitioning of its investment or part thereof by the forces or authorities of the other Contracting Party, or

(b) Destruction of its investment or part thereof by the forces or authorities of the other Contracting Party, which was not required by the necessity of the situation,

Shall in any case be accorded by the latter Contracting Party restitution or compensation which in either case shall be prompt, adequate and effective and, with respect to compensation, shall be in accordance with Article 5 (2) and (3) .

Article 7. Transfers

(1) Each Contracting Party shall guarantee that all payments relating to an investment by an investor of the other Contracting Party may be freely transferred into and out of its territory without undue delay. Such transfers shall include, in particular:

(a) The initial capital and additional amounts to maintain or increase an investment;

(b) Returns;

(c) Payments made under a contract including a loan agreement;

(d) Proceeds from the sale or liquidation of all or any part of an investment;

(e) Payments of compensation under Articles 5 and 6 ;Articles 5 and 6 ;

(f) Payments arising out of the settlement of a dispute;

(g) Earnings and other remuneration of personnel engaged from abroad in connection with an investment.

(2) Each Contracting Party shall further guarantee that such transfers may be made in a freely convertible currency agreed upon by the investor and the host country at the market rate of exchange prevailing on the date of transfer in the territory of the Contracting Party from which the transfer is made. The bank charges shall be fair and equitable.

(3) In the absence of a market for foreign exchange, the rate to be used shall be the most recent exchange rate for conversion of currencies into Special Drawing Rights.

(4) Notwithstanding paragraph (1) (b) a Contracting Party may restrict the transfer of a return in kind in circumstances where the Contracting Party is permitted under the GATT 1994 to restrict or prohibit the exportation or the sale for export of the product constituting the return in kind. Nevertheless, a Contracting Party shall ensure that transfers of returns in kind may be effected as authorized or specified in an investment agreement, investment authorization, or other written agreement between the Contracting Party and an investor or investment of the other Contracting Party.paragraph (1) (b) a Contracting Party may restrict the transfer of a return in kind in circumstances where the Contracting Party is permitted under the GATT 1994 to restrict or prohibit the exportation or the sale for export of the product constituting the return in kind. Nevertheless, a Contracting Party shall ensure that transfers of returns in kind may be effected as authorized or specified in an investment agreement, investment authorization, or other written agreement between the Contracting Party and an investor or investment of the other Contracting Party.

(5) Notwithstanding paragraphs (1) to (4) , a Contracting Party has the right to ensure the payment of any taxes due in respect of the investment and may prevent a transfer through the equitable, non-discriminatory and good faith application of measures to protect the rights of creditors, relating to or ensuring compliance with laws and regulations on the issuing, trading and dealing in securities, futures and derivatives, reports or records of transfer, or in connection with criminal offences and orders or judgements in administrative and adjudicatory proceedings, provided that such measures and their application shall not be used as a means of avoiding the Contracting Party's commitments or obligations under this Agreement.paragraphs (1) to (4) , a Contracting Party has the right to ensure the payment of any taxes due in respect of the investment and may prevent a transfer through the equitable, non-discriminatory and good faith application of measures to protect the rights of creditors, relating to or ensuring compliance with laws and regulations on the issuing, trading and dealing in securities, futures and derivatives, reports or records of transfer, or in connection with criminal offences and orders or judgements in administrative and adjudicatory proceedings, provided that such measures and their application shall not be used as a means of avoiding the Contracting Party's commitments or obligations under this Agreement.

Article 8. Subrogation

If a Contracting Party or its designated agency makes a payment under an indemnity, guarantee or contract of insurance against non-commercial risks given in respect of an investment by an investor in the territory of the other Contracting Party, the latter Contracting Party shall recognize the assignment of any right or claim of such investor to the former Contracting Party or its designated agency and the right of the former Contracting Party or its designated agency to exercise by virtue of subrogation any such right and claim to the same extent as its predecessor in title.

Article 9. Other Obligations

Each Contracting Party shall observe any obligation it may have entered into with regard to specific investments by investors of the other Contracting Party.

Chapter Two : Dispute Settlement

Part One : Settlement of Disputes between an Investor and a Contracting Party

Article 10. Scope and Standing

This Part applies to disputes between a Contracting Party and an investor of the other Contracting Party concerning an alleged breach of an obligation of the former under this Agreement which causes loss or damage to the investor or its investment.

Article 11. Means of Settlement, Time Periods

(1) Such a dispute should, if possible, be settled by negotiation or consultation. If it is not so settled, the investor may choose to submit it for resolution

(a) To the competent courts or administrative tribunals of the Contracting Party to the dispute;

(b) In accordance with any applicable previously agreed dispute settlement procedure, or

(c) In accordance with this Article to:

(i) A sole arbitrator or an ad hoc arbitration tribunal established under the Arbitration Rules of the United Nations Commission on International Trade Law ("UNCITRAL");Arbitration Rules of the United Nations Commission on International Trade Law ("UNCITRAL");

(ii) The International Chamber of Commerce, by a sole arbitrator or an ad hoc tribunal under its rules of arbitration.

(2) A dispute may be submitted for resolution pursuant to paragraph (1) (c) of this Article after 60 days from the date notice of intent to do so was provided to the Contracting Party, party to the dispute, but not later than 5 years from the date the investor first acquired or should have acquired knowledge of the events which gave raise to the dispute.paragraph (1) (c) of this Article after 60 days from the date notice of intent to do so was provided to the Contracting Party, party to the dispute, but not later than 5 years from the date the investor first acquired or should have acquired knowledge of the events which gave raise to the dispute.

Article 12. Contracting Party Consent

(1) Each Contracting Party hereby gives its unconditional consent to the submission of a dispute to international arbitration in accordance with this Part.

(2) The consent referred to in paragraph (1) implies the renunciation of the requirement that the internal administrative or juridical remedies should be exhausted.paragraph (1) implies the renunciation of the requirement that the internal administrative or juridical remedies should be exhausted.

(3) The investor may choose to submit the dispute for resolution according to Article 11 paragraph (1) (c) only until there has been a decision in the first instance in the proceedings according to Article 11 paragraph (1) (a) .paragraph (1) (c) only until there has been a decision in the first instance in the proceedings according to Article 11 paragraph (1) (a) .

Article 13. Place of Arbitration

Any arbitration under this Part shall, at the request of any party to the dispute, be held in a state that is party of the New York Convention and having diplomatic relations with both Contracting Parties. Claims submitted to arbitration under this Part shall be considered to arise out of a commercial relationship or transaction for purposes of Article 1 of the New York Convention.

Article 14. Indemnification

During arbitration proceedings or the enforcement of the award, the Contracting Party involved in the dispute shall not raise the objection that the investor of the other Contracting Party has received compensation under an insurance contract in respect of all or part of the damage.

Article 15. Applicable Law

(1) A tribunal established under this Part shall decide the dispute in accordance with this Agreement and applicable rules and principles of international law.

(2) Issues in dispute under Article 9 shall be decided, absent other agreement, in accordance with the law of the Contracting Party, party to the dispute, the law governing the authorization or agreement and such rules of international law as may be applicable.Article 9 shall be decided, absent other agreement, in accordance with the law of the Contracting Party, party to the dispute, the law governing the authorization or agreement and such rules of international law as may be applicable.

Article 16. Awards and Enforcement

(1) Arbitration awards shall be final and binding upon the parties to the dispute and may provide the following forms of relief:

(a) A declaration that the Contracting Party has failed to comply with its obligations under this Agreement;

(b) Pecuniary compensation, which shall include interest from the time the loss or damage was incurred until time of payment;

(c) Restitution in kind in appropriate cases, provided that the Contracting Party may pay pecuniary compensation in lieu thereof where restitution is not practicable; and

(d) With the Agreement of the parties to the dispute, any other form of relief.

(2) Each Contracting Party shall make provision for the effective enforcement of awards made pursuant to this Article and shall carry out without delay any such award issued in a proceeding to which it is party.

Part Two : Settlement of Disputes between the Contracting Parties

Article 17. Scope, Consultations, Mediation and Conciliation

Disputes between the Contracting Parties concerning the interpretation or application of this Agreement shall, as far as possible, be settled amicably or through consultations, mediation or conciliation.

Article 18. Initiation of Proceedings

(1) At the request of either Contracting Party a dispute concerning the interpretation or application of this Agreement may be submitted to an arbitral tribunal for decision not earlier than 60 days after such request has been notified to the other Contracting Party.

(2) A Contracting Party may not initiate proceedings under this Part for a dispute regarding the infringement of rights of an investor which that investor has submitted to arbitration under Part One of Chapter Two of this Agreement, unless the other Contracting Party has failed to abide by and comply with the award rendered in that dispute.Part One of Chapter Two of this Agreement, unless the other Contracting Party has failed to abide by and comply with the award rendered in that dispute.

Article 19. Formation of the Tribunal

(1) The arbitral tribunal shall be constituted ad hoc as follows:

Within 30 days after receipt of a request for arbitration, the Parties to the dispute shall appoint by agreement three members of the tribunal and designate one of them as chairman.

(2) If the period specified in paragraph (1) is not observed, either Party may, in the absence of any other agreement, invite the President of the International Court of Justice to make the necessary appointments.paragraph (1) is not observed, either Party may, in the absence of any other agreement, invite the President of the International Court of Justice to make the necessary appointments.

(3) Members of an arbitral tribunal shall be independent and impartial.

Article 20. Applicable Law, Default Rules

(1) The arbitral tribunal will decide disputes in accordance with this Agreement and the applicable rules and principles of international law.

(2) Unless the parties to the dispute decide otherwise, the Arbitration Rules of UNCITRAL shall apply to matters not governed by other provisions of this Part.Arbitration Rules of UNCITRAL shall apply to matters not governed by other provisions of this Part.

Article 21. Awards

(1) The tribunal, in its award, shall set out its findings of law and fact, together with the reasons therefore, and may, at the request of a Party, award the following forms of relief:

(a) A declaration that an action of a Party is in contravention of its obligations under this Agreement;

(b) A recommendation that a Party brings its actions into conformity with its obligations under this Agreement;

(c) Pecuniary compensation for any loss or damage to the requesting Party's investor or its investment or

(d) Any other form of relief to which the Party against whom the award is made consents, including restitution in kind to an investor.

(2) The arbitration award shall be final and binding upon the parties to the dispute.

Article 22. Costs

Each Party shall pay the cost of its representation in the proceedings. The cost of the tribunal shall be paid for equally by the Parties unless the tribunal directs that they be shared differently.

Article 23. Enforcement

Pecuniary awards which have not been complied with within one year from the date of the award may be enforced in the courts of either Contracting Party with jurisdiction over assets of the defaulting Party.

Chapter Three : Final Provisions

Article 24. Application of the Agreement

(1) This Agreement shall apply to investments made in the territory of either Contracting Party in accordance with its legislation by investors of the other Contracting Party prior as well as after the entry into force of this Agreement.

(2) This Agreement shall not apply to claims which have been settled or dispute procedures which have been initiated prior to its entry into force.

Article 25. Consultations

Each Contracting Party may propose to the other Contracting Party consultations on any matter relating to this Agreement. These consultations shall be held at a place and at a time agreed upon through diplomatic channels.

Article 26. Entry Into Force and Duration

(1) This Agreement is subject to ratification and shall enter into force on the first day of the third month that follows the month during which the instruments of ratification have been exchanged.

(2) This Agreement shall remain in force for a period of 10 years; it shall be extended thereafter for an indefinite period and may be denounced in writing through diplomatic channels by either Contracting Party giving twelve months' notice from the date of notification.

(3) In respect of investments made prior to the date of termination of the present Agreement the provisions of Articles 1 to 25 of the present Agreement shall continue to be effective for a further period of 10 years from the date of termination of the present Agreement.Articles 1 to 25 of the present Agreement shall continue to be effective for a further period of 10 years from the date of termination of the present Agreement.

FOR THE REPUBLIC OF AUSTRIA:

Hans Demel m. p.

FOR THE REPUBLIC OF CUBA:

Dagmar Gonzalez Grau m. p.

On initialling the text of the Agreement between the Republic of Austria and the Republic of Cuba on the Promotion and Protection of investments, the undersigned plenipotentiaries have, in addition, agreed on the following provisions which shall be regarded as an integral part of the said Agreement:

Ad Article 1 (2): In order to qualify rights under a contract or claims pursuant to a contract as investments under this Agreement, they must have the characteristics of an investment.

Ad Article 11: In case that both Contracting Parties will be Parties to the Convention of the Settlement of Investment Disputes between States and nationals of other States, opened for signature in Washington on March 18th 1965 ("the ICSID Convention"), disputes according to Article 11 of this Agreement between the Parties to the dispute shall be submitted to the dispute settlement procedure according to the said Convention, unless the parties to the dispute decide otherwise. Each Contracting Party hereby declares its consent to such a procedure.

Ad Article 12 (3): It is understood that Article 12 (3) of this Agreement should not result in parallel procedures.

FOR THE REPUBLIC OF AUSTRIA: Hans Demel m. p. FOR THE REPUBLIC OF CUBA: Dagmar Gonzalez Grau m. p.