

Agreement between the Government of the Hellenic Republic and the Government of the Republic of Cyprus for the Reciprocal Promotion and Protection of Investments

The Government of the Greek Republic and the Government of the Republic called thereafter the Parties,

Desiring to intensify economic cooperation to the mutual benefit of both countries in the long term,

HAVING aimed at creating favorable conditions for investments by investors of one Contracting Party in the territory of the other Contracting Party,

RECOGNIZING that the promotion and protection of investments under this Agreement will stimulate initiatives in this field,

HAVE AGREED AS FOLLOWS:

Article 1. Definitions

For the purposes of this Agreement:

1. The term "investment" means every kind of asset and includes in particular but not exclusively:

(a) movable and immovable property and any other right in rem such as mortgages, liens and pledges,

(b) shares, stocks and debentures and any other form of participation in a company,

(c) claims to money or any other contractual claim which has economic value,

(d) intellectual property rights, business reputation, technology and expertise,

(e) assignments of business rights under law or contract, including concessions for exploration, cultivation, extraction or exploitation of natural resources,

(f) goods which, under a lease, are held by the lessee in the territory of a Contracting Party in accordance with its law.

2. The term "returns" means the amounts yielded by an investment and includes in particular, but not exclusively, profits, interest, dividends, capital gains, intellectual and industrial property rights and fees.

3. The term "investor" includes in relation to any Party -

(a) natural persons who are nationals of that Party in accordance with its legislation,

(b) legal entities established under the laws of that Party and having their seat within its territory,

4. The term "territory" means, in relation to each Contracting Party the territory under its sovereignty, including the territorial waters and the underwater areas over which that Contracting Party exercises, in accordance with international law, sovereign rights or jurisdiction.

Article 2. Promotion and Protection of Investments

1. Each Contracting Party shall promote in its territory investments by investors of the other Contracting Party and admits such investments in accordance with the legislation and policy for foreign investment.

2. Investments of investors of a Contracting Party shall always enjoy, in the territory of the other Contracting Party, fair and equitable treatment and full protection and security. Each Contracting Party shall ensure that the management, maintenance, use, operation or disposal of the investments of investors in the territory of the other Contracting Party, shall

not be hindered in any way, by measures of an arbitrary or discretionary nature.

3. A change of the type of investment that has been made, does not alter its character as an investment if the change is not contrary to the legislation and policy on foreign investment of the Party concerned.

4. The returns of an investment and, in the case of approved reinvestment, the related income shall enjoy the same protection as the main investment.

Article 3. Treatment of Most-favoured-nation and National Treatment

1. The Contracting Parties shall not submit investments by investors of the other Contracting Party in their territory, to treatment wholly or partly, less favourable than that which they reserve for the investments of their own investors or for the investments of third-country investors.

2. The Contracting Parties shall not subject investors of the other Contracting Party, in respect of their business in relation to investments in their territory, to treatment less favourable than that accorded to their own investors or to third-country investors.

3. Such treatment shall not extend to privileges or advantages conferred by the Contracting Parties. to third-country investors:

(a) because of their participation in or association with a customs or economic association, common market, free trade area or other similar body;

(b) under a double taxation agreement or other fiscal agreement.

4. Each Contracting Party has the right to maintain, in accordance with its legislation and current foreign investment policy, exemptions from the national treatment resulting from paragraphs 1 and 2 of this Article.

Article 4. Expropriation

The investments of investors of either Contracting Party shall not be subject to expropriation, nationalization or any other measure tantamount to expropriation or nationalization in the territory of the other Contracting Party except under the following conditions:

(a) The measures taken in the public interest and in a lawful manner,

(b) the measures are clear and not discriminatory, and,

(c) the measures are accompanied by provisions for the payment of prompt, adequate and effective compensation. Such compensation shall be equal to the commercial value of the investment concerned immediately before the time at which the measures referred to in this paragraph were taken or made public.

The compensation shall be paid immediately after the completion of the legal procedures for the expropriation and transfer in freely convertible currency. In the event of late payment of the indemnity by the liable Contracting Party, it shall be obliged to pay interest calculated on the basis of the London Interbank Interest Rate valid for the same currency, for a period of six months. The amount of compensation is subject to review by legal procedure.

Article 5. Compensation

Investors of one Contracting Party whose investments suffer losses, including non-recurring losses, in the territory of the other Contracting Party, due to war or other armed conflicts, revolution, state of emergency, or other exceptional circumstances, shall be granted treatment not less favourable than that latter Party reserves to its own investors as regards restitution, indemnification or other compensation for damage or for third-country investors.

These payments shall be transferred immediately, in freely convertible currency.

Article 6. Repatriation of Investment and Its Returns

1. The Contracting Parties shall guarantee, in respect of the investments of investors of the other Contracting Party, the unrestricted transfer of the investment and its returns. The transfer shall be made without delay in any freely convertible currency, at the choice of the investor, at the official exchange rate valid on the day of transfer.

2. These transfers include in particular, but not exclusively:

- (a) Capital and additional amounts have been introduced for the operation of the investment,
- (b) profits, interest, dividends and other current income,
- (c) funds to repay loans,
- (d) intellectual or industrial property rights and other fees,
- (e) proceeds or liquidation of the investment, or part thereof.

Article 7. Application

This Agreement shall also apply to investments made before the effective date by investors of one Contracting Party in the territory of the other Contracting Party in accordance with the legislation and foreign investment policy of the latter Contracting Party, provided that such investments continue to be owned, in whole or in part, by the investors concerned and continue to exist at the date of entry into force of the Agreement. The provisions of this Agreement shall apply only to events which have arisen and situations which have arisen in connection with such investments after the date of its entry into force.

Article 8. Disputes between the Contracting Parties

1. Any dispute between the Parties concerning the interpretation or application of this Agreement shall be settled, if possible, by diplomatic channels.
2. If the dispute cannot be settled in this way within six months from the start of negotiations, submitted to an arbitral tribunal at the request of either Contracting Party.
3. The arbitral tribunal shall be constituted ad hoc as follows: Each Contracting Party shall appoint one arbitrator and the two arbitrators shall, by agreement between them, designate a third-country national with whom both Contracting Parties have diplomatic relations as chairman: The arbitrators shall be appointed within three months and the President within five months of the date on which the Contracting Party has notified the other Contracting Party of its intention to refer the dispute to the arbitral tribunal.
4. If, within the time limits referred to in paragraph 3 of this Article, the necessary appointments have not been made, any of the Parties may, in the absence of any other agreement, request the President of the International Court of Justice to make the necessary appointments. If the President of the Court is a national of one of the Contracting Parties or is otherwise prevented from exercising that duty, the Vice-President shall be required to make the necessary appointments if he is a national of a Contracting Party or is otherwise prevented from doing so. a member of the Court who is not a national of a Contracting Party.
5. The arbitral tribunal shall decide in accordance with the law and in particular ts under this Agreement and other relevant agreements existing between the Parties and the generally accepted rules and principles of international law.
6. The tribunal shall determine its own procedure, unless the Parties decide otherwise.
7. The tribunal shall render its decision by majority. The decision is final and binding on the Parties.
8. Each Contracting Party shall bear the costs of the arbitrator appointed by it as well as of its representation. The costs of the chairman as well as any other costs shall be borne equally by the two Parties.

Article 9. Settlement of Disputes between an Investor and a Contracting Party

1. Any dispute between a Contracting Party and an investor of the other Contracting Party concerning an investment, expropriation or nationalization of an investment shall be settled, as far as possible, by the parties concerned amicably.
2. If the dispute cannot be settled within six months from the date on which one of the parties requested its amicable settlement, the investor concerned may submit the dispute either:
 - to the competent court of the Contracting Party, or
 - to the "International Center for the Settlement of Investment Disputes" established by the Convention of 18 March 1965 "for the settlement of investment disputes between States and nationals of other States".

The Contracting Parties declare under this Agreement that they accept this arbitration procedure.

3. The arbitral award is binding and is not subject to appeal but to those provided for in the above Convention. The decision is enforceable in accordance with national law.

4. During the arbitration proceedings or enforcement of an arbitral award, the Contracting Party involved in the dispute may not invoke the investor of the other Contracting Party has received compensation, in whole or in part, under an insurance contract.

Article 10. Application of other Provisions

If the law of a Contracting Party or existing or future agreements between the Contracting Parties under international law include obligations in addition to this Agreement, either general or specific, conferring a most favoured treatment to investors of a Contracting Party to invest in the other Contracting Party than the provisions of this Agreement, such arrangements shall, to the extent that they are most favourable, take precedence over this Agreement.

Article 11. Consultations

Whenever necessary, consultations shall be held between representatives of the Contracting Parties on matters relating to the implementation of this Agreement. The consultations shall take place on a proposal from one of the Contracting Parties, at a time and place agreed upon through diplomatic channels.

Article 12. Entry Into Force - Duration - Termination

1. This Agreement shall enter into force one month after the date of exchange of the instruments of ratification. It shall remain in force for a period of ten years.

2. Unless terminated by a Contracting Party at least six months before the date of its expiry, this Agreement shall be tacitly renewed for a period of ten years.

Each Contracting Party reserves the right to terminate the Agreement upon notification at least six months before the date of expiry of its current period of validity.

3. With regard to investments made before the date of termination of this Agreement the provisions thereof shall remain valid for a further ten years from that date.

Done at Athens, in duplicate, in the Greek language on 30 March 1992, both texts being equally authentic.

For the Government of the Hellenic Republic

Stefanos Manos, Minister of National Economy

For the Government of the Republic of Cyprus

George Syrimis, Minister of Finance.