

BETWEEN THE GOVERNMENT OF THE HELLENIC REPUBLIC AND THE GOVERNMENT OF THE RUSSIAN FEDERATION FOR THE PROMOTION AND RECIPROCAL PROTECTION OF INVESTMENTS

The Government of the Hellenic Republic and the Government of the Russian Federation, hereinafter referred to as the Contracting Parties,

DESIRING to intensify their economic cooperation to the mutual benefit, on a long term basis,

HAVING as their objective to create favourable conditions for investments by investors of either Contracting Party in the territory of the other Contracting Party,

RECOGNIZING that the promotion and reciprocal protection of investments, on the basis of the present Agreement, will stimulate the initiative in this field,

HAVE AGREED AS FOLLOWS:

Article 1. Definitions

For the purposes of this Agreement:

1. The term "investor" shall mean with regard to either Contracting Party:

- a) Natural persons having the nationality of that Contracting Party in accordance with its law,
- b) Legal persons constituted in accordance with the law of that Contracting Party and having their seat within its territory,

Provided that such natural or legal persons have the right, in accordance with the laws of that Contracting Party, to make investments in the territory of the other Contracting Party.

2. The term "investment" means every kind of asset invested by an investor of one Contracting Party in the territory of the other Contracting Party, in accordance with its legislation and in particular, though not exclusively, includes:

- a) Movable and immovable property and any rights in rem,
- b) Shares, stock and any other form of participation in a company or enterprise,
- c) Claims to money or to any performance under contract having a financial value,
- d) Intellectual property rights, as well as goodwill, technical processes and know-how,
- e) Rights conferred by law or under contract to carry out economic activity related to an investment, including rights to search for, cultivate, extract or exploit natural resources,
- f) Leases.

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

4. This Agreement shall apply, to the territory of the Hellenic Republic and the Russian Federation respectively as well as to the exclusive economic zone and continental shelf over which the corresponding State exercises sovereign rights or jurisdiction under international law with the aim to explore, exploit and preserve natural resources.

Article 2. Promotion and Reciprocal Protection of Investments

1. Each Contracting Party promotes in its territory investments by investors of the other Contracting Party and admits such investments in accordance with its legislation.
2. Investments by investors of a Contracting Party shall, at all times be accorded fair and equitable treatment and shall enjoy full protection and security in the territory of the other Contracting Party. Each Contracting Party shall not impair by unjustifiable or discriminatory measures the management, maintenance, use, enjoyment or disposal, in its territory, of investments by investors of the other Contracting Party.
3. No change in the form in which the investments have been made shall affect their character as investments, provided that such a change does not contradict the laws and regulations of the Contracting Party, in the territory of which the investment has been made.
4. Returns from the investments shall enjoy the same protection as the investments.

Article 3. Treatment of Investments

1. Each Contracting Party shall grant to investments made in its territory by investors of the other Contracting Party treatment not less favourable than that which it accords to investments of its own investors or to investments of investors of any third state, whichever is more favourable.
2. Each Contracting Party shall grant to investors of the other Contracting Party, as regards their activity in connection with investments made in its territory, treatment not less favourable than that which it accords to its own investors or to investors of any third state, whichever is more favourable.
3. Each Contracting Party reserves the right to make or maintain exceptions from national treatment granted in accordance with paragraphs 1 and 2 of this Article. However any new exception shall not apply to investments made in its territory by investors of the other Contracting Party before the entry into force of such exception.
4. The most favoured-nation treatment granted in accordance with paragraphs 1 and 2 of this Article shall not apply to advantages and privileges which any of the Contracting Parties is providing or will provide in the future:
 - a) In connection with its participation in a common market, a free trade area, a customs or economic union, or similar international agreement, whether multilateral or bilateral,
 - b) On the basis of an agreement to avoid double taxation, or other arrangements relating to taxation issues.

Article 4. Expropriation

1. Investments made by investors of one Contracting Party in the territory of the other Contracting Party shall not be expropriated, nationalized or subjected to any other measure the effects of which would be equivalent to expropriation or nationalization, hereinafter referred to as expropriation, except for the public interest, on a non discriminatory basis, under due process of law and against prompt, adequate and effective compensation.
2. The compensation provided in paragraph 1, of this Article, shall be equivalent to the market value of the investment immediately before the date on which the actual or impending expropriation become public knowledge. The compensation shall be paid without undue delay. It shall carry interest from the date of expropriation until the date of payment at the current bank rate of the Contracting Party in the territory of which the investment has been made.

Article 5. Compensation for Losses

If investments of investors of one Contracting Party suffer losses owing to armed conflict, a state of national emergency, civil disturbances or other similar circumstances in the territory of the other Contracting Party the latter Contracting Party shall accord treatment, as regards restitution, indemnification, compensation or other settlement, no less favourable than that which the latter Contracting Party accords to its own investors or to investors of any third state.

Article 6. Transfer of Payments

1. Each Contracting Party shall guarantee to the investors of the other Contracting Party the unrestricted transfer of payments in relation to an investment, after payment of appropriate taxes and levies, and in particular:
 - a) Initial capital, and additional amounts to maintain or increase the investment,

- b) Returns, as defined in article 1 paragraph 3,
- c) Funds in repayment of loans, connected to an investment,
- d) Proceeds of sale or liquidation of the whole or any part of the investment,
- e) Compensation, according to Articles 4 and 5.

2. The transfer of payments provided for in paragraph 1 of this Article, shall be effected without undue delay, in a freely convertible currency and at the rate of exchange on the date of transfer, applied in accordance with the foreign exchange regulations of the Contracting Party in whose territory the investment has been made.

Article 7. Application of the Agreement

This Agreement shall apply to all investments made by investors of one Contracting Party in the territory of the other Contracting Party, after 1st January 1976

Article 8. Disputes between the Contracting Parties

1. Any dispute between the Contracting Parties concerning the interpretation or application of this Agreement shall, if possible, be settled through diplomatic channels.
2. If the dispute cannot thus be settled within six months from the date the negotiations have begun, it shall, upon the request of either Contracting Party, be submitted to an arbitration tribunal.
3. The arbitration tribunal shall be constituted in each particular case as follows: Each Contracting Party shall appoint one arbitrator and these two arbitrators shall agree upon a national of a third State as chairman. The arbitrators shall be appointed within three months, the chairman within five months from the date on which either Contracting Party has informed the other Contracting Party that it intends to submit the dispute to an arbitration tribunal.
4. If within the periods specified in paragraph 3 of this Article the necessary appointments have not been made either Contracting Party may, in the absence of any other agreement, invite the President of the International Court of Justice to make the necessary appointments. If the President of the International Court is a national of either Contracting Party or if he is otherwise prevented from discharging the said function, the Vice-President of the International Court shall be invited to make the necessary appointments. If the Vice-President is a national of either Contracting Party or is otherwise prevented from discharging the said function, the Member of the International Court next in seniority who is not a national of either Contracting Party shall be invited to make the necessary appointments.
5. The arbitration tribunal shall decide on the basis of the provisions of this Agreement as well as the generally acknowledged principles and rules of international law.
6. The arbitration tribunal shall reach its decision by a majority of votes. Such decision shall be final and binding on the Contracting Parties.
7. Each Contracting Party shall bear the cost of the arbitrator appointed by itself and of its representation in the arbitral procedure. The cost of the chairman as well as the other costs will be born in equal parts by the Contracting Parties. With regard to any other issue the arbitration tribunal shall determine its own procedure.

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

1. Disputes between an investor of a Contracting Party and the other Contracting Party concerning obligations of the latter under this Agreement, shall, as far as possible, be settled in an amicable way.
2. If such disputes cannot be settled within six months from the date either party to the dispute requested amicable settlement, the investor concerned may submit the dispute either to:
 - a) The competent courts or arbitration of the Contracting Party in the territory of which the investment has been made, or
 - b) An ad hoc arbitration tribunal set up in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL).

The decision of the arbitration tribunal shall be final and binding for the parties to the dispute.

Article 10. Application of other Rules

1. If, on the basis of the legislation of a Contracting Party or on the basis of an international Agreement to which both Contracting Parties are parties, is accorded to investments or to activities connected with investments of an investor of the other Contracting Party, treatment more favorable than that which is provided for in this Agreement, the more favorable treatments shall apply.

2. Each Contracting Party shall observe all other obligations it may have entered into with regard to investments of investors of the other Contracting Party.

Article 11. Consultations

The Contracting Parties shall, whenever necessary, hold consultations on any matter concerning the interpretation or application of this Agreement. These consultations shall be held on the proposal of either one of the Contracting Parties at a place and at a time to be agreed upon through diplomatic channels.

Article 12. Entry Into Force, Duration, Termination of the Agreement

1. This Agreement shall enter into force thirty days after the date of exchange of the instruments of ratification. It shall remain in force for a period of fifteen years.

2. Unless written notice of termination has been given by either Contracting Party at least one year before the date of expiry of the initial period of its validity, this Agreement shall be extended tacitly for periods of fifteen years, each Contracting Party reserving the right to terminate the Agreement upon written notice to the other Contracting Party of at least one year before the date of expiry of the current period of validity.

3. In respect of investments made prior to the date of the termination of this Agreement Articles 1-11 thereof shall continue to be effective for a further period of fifteen years from that date.

Done in duplicate at Athens, this day of 1993 in the greek and russian languages, the two texts being equally authoritative.

FOR THE GOVERNMENT OF THE HELLENIC REPUBLIC

FOR THE GOVERNMENT OF THE RUSSIAN FEDERATION