

BILATERAL AGREEMENT BETWEEN CYPRUS-GREECE, (L. 2100/1992)

Reasoning:

The enhancement of cooperation between both countries in order to foster mutually beneficial investments, between investors who wish to invest to the other contractual party territory and vice versa.

Article 1

DEFINITIONS

1. **“Investment”** means any asset class, indicatively and not exclusively, by following asset classes, as mentioned herein:
 - a) Tangible and intangible property, and any asset right deriving from them (collateral rights, mortgages, etc)
 - b) Equities, bonds, debentures, any kind of money market and capital market financial instruments
 - c) Pecuniary obligations in cash and any other contractual obligation of financial value
 - d) Intellectual Property Rights, Patents, Corporate Fame, Business Intelligence
 - e) Transfer/conveyance of corporate rights by law/private agreement inclusive of natural resources excavation, cultivation or exploitation
 - f) Holdings which are legally owned by the lease holder under a lease agreement within the territory of a contractual party

2. **“Return”** means the income produced by an investment and includes especially, but not exclusively, earnings, interest, coupons, capital gains, intellectual property and industrial property rights as well as fees.

3. **“Investor”**, when referring to each contractual party, includes:
 - a) **Physical Persons**, which are citizens of the respective Contractual Party, according to its respective legislation
 - b) **Legal Entities** which have been incorporated according to the legislation of the respective Contractual Party and are domiciled within its territory.

4. The term “**territory**” means, with respect to every contractual party, the soil, the territorial waters as well as the sub-water areas upon which every contractual party enacts, according to International Law, its territorial right or jurisdiction.

Article 2.

Promotion and Protection of Investments

1. Every contractual party within its territory enhances investments made by investors of the other contractual party and makes them enforced, according to its foreign investments policy.
2. Investments made by each contractual party’s investors within the territory of the other contractual party enjoy **equal and full protection and security**. Every Contractual Party ensures that the management, preservation, usage, exploitation or disposal of investment by investors of the other Contractual Party within its territory, **is not impeded in any way by arbitrary or discriminatory measures**.
3. Any transformation of the type of investment already implemented will not alter the nature of it as an investment, unless such transformation is contrary to the legislation and the foreign investments policy of the respective contractual party.
4. The investments return, and in case of approved reinvestments, the respective produced income, will enjoy the same protection as the initial investment.

Article 3

1. The contractual parties do not treat **investments** made by investors of the other contractual party **with unfair discretion** as opposed to investments made by investors of their own or investments made by third party investors.

2. The contractual parties do not treat **investors** of the other contractual party with unfair discretion as opposed to **investors** of their own or third party **investors**.
3. This treatment is not extended to privileges or advantages granted by Contractual parties to third party investors :
 - a) Due to their participation or link to a customs or economical union, common market, free trade zone or any other similar organization.
 - b) Due to a mutual agreement to reject double taxation.
4. Every contractual party is entitled to maintain, within its legislation and its foreign investments policy, exclusions from the national treatment arising from paragraphs 1 & 2 of Article 3 herein mentioned.

Article 4

Expropriation

Investments made by investors of a contractual party **can be** expropriated, nationalized or by any other measure equivalent to expropriation or nationalization within the territory of the other contractual party, **if only following circumstances are met:**

- a. Measures are taken due to “Superior Public Interest Doctrine” and only by implementing certain legal procedures
- b. Measures are explicit and do not include discriminatory terms
- c. Measures are accompanied by provisions of immediate effective and ample compensation. Such compensation will be equivalent to the market value of investment at the time such measures were effected or made publicly known. Compensation will be provided immediately upon the finalization of legal procedures related to expropriation and transferred at a freely tradable currency. In case of a delay to provide compensation on behalf of the respective contractual party, it will be obliged to pay an additional interest rate, as it is calculated based on 6 months LIBOR interest rate. The respective amount of compensation will be pending to legally effective revision.

Article 5

Compensations

In case of war or armed rebellion, revolution, emergency or any other unexpected bias, inclusive of the damages caused by requisition, investments made by investors of each contractual party will be treated equally and without unfair discrimination as opposed to the investors of the respective contractual party or other third party investments, with regard to compensation, re-establishment or any similar type of repair of damages incurred. Those compensations will be immediately transferred to a freely tradable currency.

Article 6

Repatriation of investments and accrued returns

1. Contractual Parties guarantee, in relation to investments made by investors of the other contractual party, the unhindered transportation of investments and subsequent returns. The transportation is effected without due, to every tradable currency of the choice of investor, effective at the date of transportation.
2. Those transportations will include especially but not exclusively :
 - a. Capital and additional sums imported during the operation of investment
 - b. Profits, Interest, Coupons, Dividends and other accrued incomes
 - c. Sums to pay off loans
 - d. Intellectual or Industrial Property rights or other fees, which have been incurred due to the sale or liquidation of investments or part of them.
 - e. The sum paid for the sale of liquidation of such investments or part of them.

Article 7

Implementation

This Agreement will also apply to investments made prior to the date of official effect, by investors of each contractual party within the territory of the other contractual party, according to the legislation and foreign investments policy of the latter contractual party, in case that these investments are still under the ownership, full or

partial, of the interested investors, and continue to be effective at the date of initiation of implementation of the Agreement. Provisions of this agreement will be exclusively applied and only for events or situations that took place after the formal date of the agreement implementation.

Article 8

Disputes by Contractual Parties

1. Any dispute arising between the contractual parties with regard to the interpretation or implementation of the Agreement herein will be resolved, if this is possible, by diplomatic means.
2. If this dispute cannot be resolved at the abovementioned manner within 6 months of the respective negotiations, then it will be submitted to Arbitration Court upon the petition of a contractual party.
3. The Arbitration Court will be constituted ad hoc, as following: Every Contractual Party will appoint an arbitrator and those two arbitrators will in turn appoint by mutual consent a third country President (a country which both countries share common diplomatic relations.) Arbitrators are appointed within three months and President within five months from the date the contractual party officially informed the other of its intention to submit their dispute to Arbitration Court.
4. If such appointments do not take place within abovementioned deadlines, each contractual party is entitled to request from the President of the International Court to proceed to respective appointments. If the President of the Court is a citizen of each any contractual party or is hindered by any other way to fulfill his duty, then the Vice President is called to perform his duty and if the same hindrances exist, then the most Senior Member of the International Court who is not a citizen of any of the contractual parties is called to take the position.
5. The Arbitration Court decides upon the merits of the law and especially within the terms and provisions of this respective agreement and any other related agreements entered by contractual parties, as well as the generally abiding Terms and Provisions of International Law.
6. The Court make the decisions relating to its internal procedure, unless Members decide differently.
7. The Court reaches decision by the rule of majority. Decision is final and irrevocable, binding for both contractual parties.

8. Each Contractual Party bears the costs for its appointed arbitrator as well as its representation. President's cost as well as any other related cost is born by both members equally.

Article 9

Resolving Disputes between an Investor and a Contractual Party

1. Any dispute arising between an investor of a contractual party and the other contractual party, related to an investment, expropriation, nationalization of investment, will be resolved, if possible on an amicable basis.
2. If this cannot be succeeded within 6 months of the date that any of the members herein requested an amicable resolution, the interested party can submit the dispute resolution:
 - To the Pertinent Court of the Contractual Party **or**
 - To the "International Center of Settlement of International Disputes arising from Investments", which was founded under the premises of the 18th March 1985 Treaty "for the resolution of investments related disputes between States and citizens of other States"

The contractual parties declare herein that they agree under the conditions of the present agreement to accept this Arbitration procedure.

3. The arbitration decision is fully binding and cannot be challenged to higher degree courts, apart from those already referred to this agreement. Decision is executed according to national law.
4. During the process of the arbitration procedure, or its execution, the Contracting Party which is engaged in the dispute, cannot claim that the investor of the other contractual party has been compensated fully or partially under the provisions of an Insurance Contract.

Article 10

Implementation of Other Provisions

In case other agreements based upon the legislation of each contracting party, existing or implemented in the future, provide more favorable terms and provisions

than those effective by the current agreement, those will predominate to this agreement.

Article 11

Consultations

Any time deemed necessary, consultations will be executed between representatives of the contractual parties, with regard to matters pertaining to the enforcement and implementation of the present agreement. Consultations will take place upon each respective contractual party's proposal, at time and place agreed upon by diplomatic means.

Article 12

Date of execution – Duration – Expiry

1. Present agreement is effective one month upon the date of exchange of Officially Authorized Documents. It stays effective for a period of 10 years.
2. Unless it is cancelled, after being dully announced, by a contracting party at least 6 months prior to its official expiration, as abovementioned, present agreement will be deemed renewable for 10 year periods without a written formality. (Silently).
Every contracting party will have the right to cancel the agreement, after being dully announced, at least 6 months prior to its official date of expiration.
3. With regard to investments made prior to the date of expiry of the present agreement, its provisions are still valid for a period of 10 years more, effective from the expiration date.

This agreement was signed in Athens in two copies in Greek Language, on the 30th March 1992 and both documents are true and original.

(It was publised at the Government Official Gazette on the 2nd December 1992)

