

AGREEMENT

BETWEEN

THE BELGO-LUXEMBOURG ECONOMIC UNION,

ON THE ONE HAND,

AND

THE GOVERNMENT OF THE REPUBLIC OF BELARUS,

ON THE OTHER HAND,

ON

THE RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENTS

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**THE GOVERNMENT OF THE KINGDOM OF BELGIUM,
acting both in its own name and in the name of
the Government of the Grand-Duchy of Luxembourg, by virtue of existing agreements,
the Walloon Government,
the Flemish Government,
and the Government of the Brussels-Capital Region,
on the one hand,**

and

**THE GOVERNMENT OF THE REPUBLIC OF BELARUS,
on the other hand,**

(hereinafter referred to as "the Contracting Parties"),

DESIRING to strengthen their economic cooperation by creating favourable conditions for investments by nationals of one Contracting Party in the territory of the other Contracting Party,

HAVE agreed as follows :

ARTICLE 1

Definitions

For the purpose of this Agreement,

1. The term "investors" shall mean :
 - a) the "nationals" i.e. any natural person who, according to the legislation of the Kingdom of Belgium, of the Grand-Duchy of Luxembourg or of the Republic of Belarus, is considered as a citizen of the Kingdom of Belgium, of the Grand-Duchy of Luxembourg or of the Republic of Belarus respectively ;
 - b) the " companies " , i.e. any legal person constituted in accordance with the legislation of the Kingdom of Belgium, of the Grand-Duchy of Luxembourg or of the Republic of Belarus and having its registered office in the territory of the Kingdom of Belgium, of the Grand-Duchy of Luxembourg or of the Republic of Belarus respectively.

2. The term "investments" shall mean any kind of assets and any direct or indirect contribution in cash, in kind or in services, invested or reinvested in any sector of economic activity.

The following shall more particularly, though not exclusively, be considered as investments for the purpose of this Agreement :

- a) movable and immovable property as well as any other rights in rem, such as mortgages, liens, pledges, usufruct and similar rights ;
- b) shares, corporate rights and any other kind of share holdings, including minority or portfolio ones, in companies constituted in the territory of one Contracting Party ;
- c) bonds, claims to money and to any performance having an economic value ;
- d) copyrights, industrial property rights, technical processes, trade names and good will ;
- e) concessions granted under public law or under contract, including concessions to explore, develop, extract or exploit natural resources.

Changes in the legal form in which assets and capital have been invested or reinvested shall not affect their designation as "investments" for the purpose of this Agreement.

3. The term "returns" shall mean the amounts yielded by an investment and shall include in particular, though not exclusively, profits, interests, capital increases, dividends, and royalties.
4. The term "territory" shall apply to the territory of the Kingdom of Belgium, to the territory of the Grand-Duchy of Luxembourg and to the territory of the Republic of Belarus, as well as to the maritime areas, i.e. the marine and underwater areas which extend beyond the territorial waters of the State concerned and upon which the latter exercises, in accordance with international law, its sovereign rights and its jurisdiction for the purpose of exploring, exploiting and preserving natural resources.

ARTICLE 2

Promotion of investments

1. Each Contracting Party shall promote investments in its territory by investors of the other Contracting Party and shall accept such investments in accordance with its legislation.
2. In particular, each Contracting Party shall authorize the conclusion and the fulfilment of license contracts and commercial, administrative or technical assistance agreements, as far as these activities are in connection with such investments and are in conformity with its legislation.

ARTICLE 3

Protection of investments

1. All investments made by investors of one Contracting Party shall enjoy a fair and equitable treatment in the territory of the other Contracting Party.
2. Except for measures required to maintain public order, such investments shall enjoy continuous protection and security, i.e. excluding any unjustified or discriminatory measure which could hinder, either in law or in practice, the management, maintenance, use, possession or liquidation of such investments.
3. The treatment and protection referred to in paragraphs 1 and 2 shall in no case be less favourable than those enjoyed by investors of a third State and shall in no case be less favourable than those recognized under international law .
4. The provisions of this Agreement relative to the grant of treatment not less favourable than that accorded to investors of either Contracting Party or of a third State shall not be construed so as to oblige one Contracting Party to extend to the investors of the other the benefit of any treatment, preference or privilege resulting from :
 - a) any existing or future customs union, common market or similar international agreement to which either of the Contracting Parties is or may become a party, or
 - b) any international agreement or arrangement relating wholly or mainly to taxation or any domestic legislation relating wholly or mainly to taxation.

ARTICLE 4

Deprivation and limitation of ownership

1. Each Contracting Party undertakes not to adopt any measure of expropriation or nationalization or any other measure having the effect of directly or indirectly dispossessing the investors of the other Contracting Party of their investments in its territory.

2. If reasons of public purpose, security or national interest require a derogation from the provisions of paragraph I, the following conditions shall be complied with :
 - a) the measures shall be taken under due process of law ;
 - b) the measures shall be neither discriminatory , nor contrary to any specific commitments ;
 - c) the measures shall be accompanied by provisions for the payment of an adequate and effective compensation.
3. Such compensation shall amount to the genuine value of the investments immediately before the measures were taken or became public knowledge, whichever is the earlier .

Such compensation shall be effectively realizable and freely transferable. It shall be paid without delay and bear interest at a normal commercial rate from the date of the determination of its amount until the date of its payment.
4. Investors of one Contracting Party whose investments suffer losses owing to war or other armed conflict, revolution, a state of national emergency or revolt in the territory of the other Contracting Party shall be granted by the latter Contracting Party a treatment, as regards restitution, indemnification, compensation or other settlement, which shall in no case be less favourable than that granted by the latter Contracting Party to the investors of a third State.
5. In respect of matters dealt with in this Article, each Contracting Party shall grant to the investors of the other Contracting Party a treatment, which shall in no case be less favourable than that granted in its territory to the investors of a third State. This treatment shall in no case be less favourable than that recognized under international law.

ARTICLE 5

Transfers

1. Each Contracting Party shall grant to investors of the other Contracting Party the free transfer of all payments relating to an investment, including more particularly :
 - a) amounts necessary for establishing, maintaining or expanding the investment ;
 - b) amounts necessary for payments under a contract, including amounts necessary for repayment of loans, royalties and other payments resulting from licenses, franchises, concessions and other similar rights ;
 - c) returns from investments ;
 - d) proceeds from the total or partial liquidation of investments, including capital gains or increases in the invested capital ;
 - e) compensation paid pursuant to Article 4.

2. The nationals of each Contracting Party who have been authorized to work in the territory of the other Contracting Party in connection with an investment shall also be permitted to transfer an appropriate portion of their salaries to their country of origin.
3. Transfers shall be made in a freely convertible currency at the rate applicable to spot transactions in the currency used on the day transfers are made.
4. Each Contracting Party shall issue the necessary authorizations to ensure that the transfers can be made without undue delay, in accordance with its legislation.
5. The guarantees referred to in this Article shall in no case be less favourable than those granted to the investors of a third State.

ARTICLE 6

Subrogation

1. If one Contracting Party or any public institution of this Contracting Party pays compensation to its own investors pursuant to a guarantee providing coverage for an investment, the other Contracting Party shall recognize that the former Contracting Party or the public institution concerned is subrogated into the rights of the investors.
2. As far as the transferred rights are concerned, the other Contracting Party shall be entitled to invoke against the insurer who is subrogated into the rights of the indemnified investors the obligations of the latter under law or contract.

ARTICLE 7

Applicable regulations

If an issue relating to investments is covered both by this Agreement and by the national legislation of one Contracting Party or by international conventions, to which the Contracting Parties are or may in the future become parties, the investors of the other Contracting Party shall be entitled to a treatment which is the most favourable to them.

ARTICLE 8

Specific Agreements

1. Investments made pursuant to a specific agreement concluded between one Contracting Party and investors of the other Contracting Party shall be covered by the provisions of this Agreement and by those of the specific agreement.

2. Each Contracting Party undertakes to ensure at all times that the commitments it has entered into in respect of investors of the other Contracting Party shall be observed.

ARTICLE 9

Settlement of investment disputes

1. Any investment dispute between an investor of one Contracting Party and the other Contracting Party shall be notified in writing by the first party to the dispute to take action. The notification shall be accompanied by a sufficiently detailed memorandum.

As far as possible, the Parties shall endeavour to settle the dispute through negotiations, if necessary by seeking expert advice from a third party, or by conciliation between the Contracting Parties through diplomatic channels.

2. In the absence of an amicable settlement by direct agreement between the parties to the dispute or by conciliation through diplomatic channels within six months from the notification, the dispute shall be submitted, at the option of the investor, either to the competent jurisdiction of the State where the investment was made, or to international arbitration.

To this end, each Contracting Party agrees in advance and irrevocably to the settlement of any dispute by this type of arbitration. Such consent implies that both Contracting Parties waive the right to demand that all domestic administrative or judiciary remedies be exhausted.

3. In case of international arbitration, the disputes shall be submitted for settlement by arbitration to one of the hereinafter mentioned organizations, at the option of the investor :
 - an ad hoc arbitral tribunal set up according to the arbitration rules laid down by the United Nations Commission on International Trade Law (U.N.C.I.T.R.A.L.) ;
 - the International Centre for the Settlement of Investment Disputes (I.C.S.I.D.), set up by the Convention on the Settlement of Investment Disputes between States and Nationals of other States, opened for signature at Washington on March 18, 1965 ;
 - the Arbitral Court of the International Chamber of Commerce in Paris ;
 - the Arbitration Institute of the Chamber of Commerce in Stockholm.

If the arbitration procedure has been introduced upon the initiative of a Contracting Party, this Contracting Party shall request the investor involved in writing to designate the arbitration organization to which the dispute shall be referred.

4. At any stage of the arbitration proceedings or of the execution of an arbitral award, none of the Contracting Parties involved in the dispute shall be entitled to raise as an objection the fact that the investor who is a party to the dispute has received compensation totally or partly covering his losses pursuant to an insurance policy or to the guarantee provided for in Article 6 of this Agreement.

5. The arbitral tribunal shall decide on the basis of the national law, including the rules relating to conflicts of law, of the Contracting Party involved in the dispute in whose territory the investment has been made, as well as on the basis of the provisions of this Agreement, of the terms of a specific agreement which may have been concluded regarding the investment, and of the principles of international law.
6. The arbitral awards shall be final and binding on the parties to the dispute. Each Contracting Party undertakes to execute the awards in accordance with its national legislation.

ARTICLE 10

Most favoured nation

In all matters relating to the treatment of investments the investors of each Contracting Party shall enjoy most-favoured-nation treatment in the territory of the other Contracting Party.

ARTICLE 11

Disputes between the Contracting Parties relating to the interpretation or application of this Agreement

1. Any dispute relating to the interpretation or application of this Agreement shall be settled as far as possible through diplomatic channels.
2. In the absence of a settlement through diplomatic channels, the dispute shall be submitted to a joint commission consisting of representatives of the two Contracting Parties ; this commission shall convene without undue delay at the request of the first Contracting Party to take action.
3. If the joint commission cannot settle the dispute, the latter shall be submitted, at the request of either Contracting Party, to an arbitral tribunal set up as follows for each individual case :

Each Contracting Party shall appoint one arbitrator within a period of two months from the date on which either Contracting Party has informed the other Contracting Party of its intention to submit the dispute to arbitration. Within a period of two months following their appointment, these two arbitrators shall appoint by mutual agreement a national of a third State as chairman of the arbitral tribunal.

If these time limits have not been complied with, either Contracting Party shall request the President of the International Court of Justice to make the necessary appointment(s) .

If the President of the International Court of Justice is a national of either Contracting Party or of a State with which one of the Contracting Parties has no diplomatic relations or if, for any other reason, he cannot exercise this function, the Vice-President of the International Court of Justice shall be requested to make the appointment(s).

4. The tribunal thus constituted shall determine its own rules of procedure. Its decisions shall be taken by a majority of the votes ; they shall be final and binding on the Contracting Parties.
5. Each Contracting Party shall bear the cost of its own member of the tribunal and of its representation in the arbitral proceedings ; the cost of the chairman and the remaining costs shall be borne in equal parts by the Contracting Parties. The tribunal may, however, in its decision direct that a higher proportion of costs shall be borne by one of the two Contracting Parties, and this award shall be binding on both Contracting Parties.

ARTICLE 12

Previous investments

This Agreement shall also apply to investments made before its entry into force by investors of one Contracting Party in the territory of the other Contracting Party in accordance with the latter's legislation.

ARTICLE 13

Entry into force and duration

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

Unless notice of termination is given by either Contracting Party at least six months before the expiry of its period of validity, this Agreement shall be tacitly extended each time for a further period of ten years, it being understood that each Contracting Party reserves the right to terminate the Agreement by notification given at least six months before the date of expiry of the current period of validity.

2. In respect of investments made whilst the Agreement is in force, its provisions shall continue in effect with respect to such investments for a period of ten years after the date of termination and without prejudice to the application thereafter of the rules of general international law .

IN WITNESS WHEREOF, the undersigned representatives, duly authorized thereto by their respective Governments, have signed this Agreement.

DONE at _____, on the _____, in two original copies, each in the Belarusian, Dutch, French, and English languages, all texts being equally authentic. The text in the English language shall prevail in case of difference of interpretation.

**FOR THE BELGO- LUXEMBOURG
ECONOMIC UNION :**

**FOR THE GOVERNMENT
OF THE REPUBLIC OF BELARUS :**

**For the Government of the Kingdom of Belgium,
acting both in its own name and in the name of
the Government of the Grand-Duchy of
Luxembourg :**

For the Walloon Government :

For the Flemish Government :

**For the Government of the Brussels-Capital
Region :**