

No. 29997

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**FINLAND
and
LATVIA**

**Agreement for the promotion and protection of investments.
Signed at Riga on 5 March 1992**

Authentic texts: Finnish, Latvian and English.

Registered by Finland on 29 April 1993.

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**FINLANDE
et
LETTONIE**

Accord relatif à la promotion et à la protection des investissements. Signé à Riga le 5 mars 1992

Textes authentiques : finnois, lettonien et anglais.

Enregistré par la Finlande le 29 avril 1993.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF FINLAND AND THE GOVERNMENT OF THE REPUBLIC OF LATVIA FOR THE PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the Republic of Finland and the Government of the Republic of Latvia, hereinafter referred to as the Contracting Parties,

desiring to intensify economic co-operation to the mutual benefit of both countries,

intending to create favourable conditions for investment by investors of either Party in the territory of the other Party, and

recognizing the need to protect investments by investors of both Parties and to stimulate the flow of capital and individual business initiative with a view to the economic prosperity of both Parties,

have Agreed as follows:

Article 1

Definitions

(1) For the purposes of this Agreement:

a) "investment" means every kind of asset connected with economic activities and in particular, though not exclusively, includes:

(i) movable and immovable property and any other property rights such as mortgages, liens or pledges;

(ii) shares, stocks and debentures of companies or interests in the property of such companies;

(iii) title or claim to money or right to any performance having an economic value;

(iv) copyrights, industrial property rights (such as patents, trade marks, industrial designs), technical processes, know-how, business names and goodwill;

(v) business concessions conferred by law or under contract, including concessions to search for, cultivate, extract or exploit natural resources;

b) "returns" means the amounts yielded by an investment and in particular, though not exclusively, includes profit, interest, capital gains, dividends, royalties and fees;

c) The term "investor" means:

(i) any natural person who is a national of either Contracting Party in accordance with its laws; and

(ii) any legal person having its seat in the territory of either Contracting Party, or in a third country with a predominant interest of an investor of either Contracting Party.

d) "territory" means in respect of Finland the territory of the Republic of Finland and any area adjacent to the territorial waters of the Republic of Finland within which, under the laws of Finland and in accordance with international law, the rights of Finland with respect to the exploration and exploitation of the natural resources of the seabed and its subsoil may be exercised;

and in respect of Latvia the territory under its sovereignty and the sea and submarine areas over which the Republic of Latvia exercises, in conformity with international law, sovereignty, sovereign rights or jurisdiction.

(2) If an investment is envisaged in the territory of one Contracting Party by a company which is not covered by the definition in paragraph (1) c) (ii) of this Article, but in which investors of the other Contracting Party have a predominant interest, the former Contracting Party shall, by mutual agreement between the two Contracting Parties, regard the company as one which enjoys protection under this Agreement in respect of the said investment.

Article 2

Applicability of this Agreement

(1) This Agreement shall only apply to investments made in accordance with the laws, regulations and procedures of the host country.

(2) Subject to the provisions of paragraph (1) of this Article, this Agreement shall apply to all investments made in the territory of a Contracting Party by investors of the other Contracting Party before or after the entry into force of this Agreement.

¹ Came into force on 7 December 1992, i.e., 30 days after the date (6 November 1992) on which the Contracting Parties had informed each other of the completion of the constitutional requirements, in accordance with article 11 (1).