

No. 30697

**REPUBLIC OF KOREA
and
VIET NAM**

**Agreement for the promotion and protection of investments.
Signed at Seoul on 13 May 1993**

Authentic texts: Korean, Vietnamese and English.

Registered by the Republic of Korea on 23 February 1994.

**RÉPUBLIQUE DE CORÉE
et
VIET NAM**

Accord relatif à la promotion et à la protection des investissements. Signé à Séoul le 13 mai 1993

Textes authentiques : coréen, vietnamien et anglais.

Enregistré par la République de Corée le 23 février 1994.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC
OF KOREA AND THE GOVERNMENT OF THE SOCIALIST RE-
PUBLIC OF VIETNAM FOR THE PROMOTION AND PROTEC-
TION OF INVESTMENTS

The Government of the Republic of Korea and the Government of the Socialist Republic of Vietnam (hereinafter referred to as the 'Contracting Parties'),

Wishing to intensify economic cooperation to the mutual benefit of both countries,

Desiring to create favourable conditions for investments of investors of one country in the territory of the other country, and

Recognizing that the encouragement and protection of investments on the basis of this Agreement stimulates business initiative in both countries,

Have agreed as follows:

ARTICLE 1
Definitions

For the purpose of this Agreement:

- (1) The term 'investment' means every kind of asset invested by an investor of one Contracting Party in the territory of the other Contracting Party and in particular, though not exclusively, includes;

¹ Came into force on 4 September 1993, i.e., 30 days after the date on which the Contracting Parties had notified each other of the completion of their constitutional requirements, in accordance with article 12 (1).

- (a) movable and immovable property including any related property rights such as mortgages, liens, pledges;
- (b) shares in, stocks and debentures of, and any other forms of participation in a company or any business enterprise;
- (c) claims to money or to any performance having an economic value associated with an investment;
- (d) intellectual property rights, including copyrights, trademarks, patents, industrial designs, technical processes, know-how, trade secrets, trade names and goodwill; and
- (e) any right conferred by laws or under contracts relating to an investment and any licences and permits pursuant to the laws, including the right to search for, extract, cultivate or exploit natural resources.

Any change in the form in which assets are invested shall not affect their character as an investment.

- (2) The term "investor" means any natural or juridical person who invests in the territory of the other Contracting party.
 - (a) the term "natural person" means with respect to either Contracting Party a natural person having the nationality or citizenship of that Party in accordance with its laws.
 - (b) the term "juridical person" means with respect to either Contracting Party, any entity incorporated or constituted in accordance with, and recognized as a juridical person by its laws, such as public institutions, corporations, authorities, foundations, companies, partnerships, firms, establishments, organizations and associations irrespective of whether their liabilities are limited or otherwise, and whether or not organized for pecuniary profit.

- (3) The term "returns" means amounts yielded by an investment and in particular, though not exclusively, includes profits, interest, capital gains, shares, dividends, royalties, technical assistance fee or other fees.
- (4) The term "territory" means the territory of the Republic of Korea or the territory of the Socialist Republic of Vietnam respectively, where that Contracting Party exercises its sovereignty, sovereign rights or jurisdiction in accordance with international laws.
- (5) The term "freely convertible currency" means the currency that is widely used to make payments for international transactions and widely exchanged in principal international exchange markets.

ARTICLE 2

Promotion and Protection of Investments

- (1) Each Contracting Party shall encourage the creation of favourable conditions for investors of the other Contracting Party to make investments in its territory, and shall admit such investments in accordance with its laws and regulations.
- (2) Investments of investors of either Contracting Party shall at all time be accorded fair and equitable treatment and shall enjoy full protection and security in the territory of the other Contracting Party.

ARTICLE 3

Investment Treatment

- (1) Each Contracting Party shall in its territory accord to investments and returns of investors of the other Contracting Party treatment

which is fair and equitable and not less favourable than that which it accords to investments and returns of investors of any third country.

(2) Each Contracting Party shall in its territory accord to investors of the other Contracting Party, as regards management, maintenance, use, enjoyment or disposal of their investments, treatment which is fair and equitable and not less favourable than that which it accords to the investors of any third country.

(3) Each Contracting Party shall accord, in accordance with its applicable laws and regulations, treatment to the investments and returns of investors of the other Contracting Party as it accords to the investments and returns of its own investors.

(4) The provisions of paragraphs 1, 2 and 3 of this Article 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 which may be extended by the former Contracting Party by virtue of:

- (a) any existing and future customs union or free trade area, a common external tariff area, a monetary union or similar international agreement or other forms of regional cooperation to which either Contracting Party is or may become a Party; or
- (b) any existing or future convention or other international arrangement relating wholly or mainly to taxation.

ARTICLE 4 Compensation for Damage or Loss

(1) Investors of one Contracting Party whose investments or returns suffer losses owing to war, armed conflict, a state of national