

**No. 48291**

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**Japan  
and  
Russian Federation**

**Agreement between the Government of Japan and the Government of the Russian Federation concerning the promotion and protection of investments (with protocol and agreed minutes). Moscow, 13 November 1998**

**Entry into force:** *27 May 2000 by notification, in accordance with article 17*

**Authentic texts:** *English, Japanese and Russian*

**Registration with the Secretariat of the United Nations:** *Japan, 2 February 2011*

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**Japon  
et  
Fédération de Russie**

**Accord entre le Gouvernement du Japon et le Gouvernement de la Fédération de Russie relatif à la promotion et à la protection des investissements (avec protocole et procès-verbal agréé). Moscou, 13 novembre 1998**

**Entrée en vigueur :** *27 mai 2000 par notification, conformément à l'article 17*

**Textes authentiques :** *anglais, japonais et russe*

**Enregistrement auprès du Secrétariat des Nations Unies :** *Japon, 2 février 2011*

[ ENGLISH TEXT – TEXTE ANGLAIS ]

**AGREEMENT BETWEEN  
THE GOVERNMENT OF JAPAN AND  
THE GOVERNMENT OF THE RUSSIAN FEDERATION  
CONCERNING  
THE PROMOTION AND PROTECTION OF INVESTMENTS**

The Government of Japan and the Government of the Russian Federation (hereinafter referred to as "the Contracting Parties"),

Desirous of strengthening economic cooperation between the two countries,

Intending to create favourable conditions for investments by investors of each country within the territory of the other country, by means of the favourable treatment for investments and business activities in connection therewith and the protection of investments, and

Recognizing that the promotion and protection of investments will stimulate the flow of capital and technology between the two countries,

Have agreed as follows:

**Article 1**

For the purposes of the present Agreement:

(1) The term "investments" comprises every kind of asset including:

- (a) rights with respect to movable and immovable property;
- (b) shares and other types of holding of companies;
- (c) claims to money or to any performance under contract having a financial value which are associated with investments;

- (d) intellectual property rights including patents, trademarks, industrial designs, layout-designs of integrated circuits, trade names, indications of source or appellations of origin and undisclosed information; and
- (e) concession rights including those for the exploration and exploitation of natural resources.

A change in the form in which assets are invested does not affect their character as investments.

(2) The term "returns" means the amounts yielded by investments, in particular, profit, interest, capital gains, dividends, royalties and fees.

(3) The term "companies" means corporations, partnerships, companies and associations whether or not with limited liability, whether or not with legal personality and whether or not for pecuniary profit.

Companies constituted under the applicable laws and regulations of one Contracting Party and having their seat within its territory shall be deemed companies of that Contracting Party.

(4) The term "investors" means:

- (a) physical persons who are, in respect of Japan, nationals of Japan and, in respect of the Russian Federation, citizens of the Russian Federation; and
- (b) companies as defined in sub-paragraph (3) of the present Article.

(5) The term "business activities in connection with the investments" includes:

- (a) the maintenance of branches, agencies, offices, factories and other establishments appropriate to the conduct of business activities;
- (b) the control and management of companies established or acquired by investors;
- (c) the employment of accountants and other technical experts, executive personnel, attorneys, agents and other specialists;

- (d) the making and performance of contracts; and
- (e) the use, enjoyment or disposal, in relation to the conduct of business activities, of investments and returns.

## Article 2

1. Each Contracting Party shall, subject to its rights to exercise powers in accordance with the applicable laws and regulations, encourage and create favourable conditions for investors of the other Contracting Party to make investments in its territory, and, subject to the same rights, shall admit such investments.

2. Investors of either Contracting Party shall within the territory of the other Contracting Party be accorded treatment no less favourable than that accorded to investors of any third country in respect of the matters relating to the admission of investments.

## Article 3

1. Investors of either Contracting Party shall within the territory of the other Contracting Party be accorded treatment no less favourable than that accorded to investors of any third country in respect of investments, returns and business activities in connection with the investments.

2. Investors of either Contracting Party shall within the territory of the other Contracting Party be accorded treatment no less favourable than that accorded to investors of such other Contracting Party in respect of investments, returns and business activities in connection with the investments.

3. Investments and returns of investors of each Contracting Party shall at all times be accorded fair and equitable treatment and shall receive the most constant protection and security within the territory of the other Contracting Party. Neither Contracting Party shall, within its territory, in any way impair by unreasonable or discriminatory measures the business activities in connection with the investments of investors of the other Contracting Party. Each Contracting Party shall observe any obligation it may have entered into with regard to investments made by an investor of the other Contracting Party.

#### Article 4

Investors of either Contracting Party shall within the territory of the other Contracting Party be accorded treatment no less favourable than that accorded to investors of such other Contracting Party or to investors of any third country with respect to access to the courts of justice and administrative tribunals and agencies in all degrees of jurisdiction both in pursuit and in defense of their rights.

#### Article 5

1. Investments and returns of investors of either Contracting Party shall not be subjected to expropriation, nationalization or any other measure the effect of which would be tantamount to expropriation or nationalization, within the territory of the other Contracting Party unless such measures are taken for a public purpose and under due process of law, are not discriminatory, and are taken against prompt, adequate and effective compensation.

2. The compensation referred to in the provisions of paragraph 1 of the present Article shall represent the equivalent of the normal market value of the investments and returns affected at the time when expropriation, nationalization or any other measure the effect of which would be tantamount to expropriation or nationalization was publicly announced or when such measure was taken, whichever is the earlier, without reduction in that value due to the prospect of the very seizure which ultimately occurs. Such compensation shall be paid without delay and shall carry an appropriate interest taking into account the length of time until the time of payment. It shall be effectively realizable, freely convertible and freely transferable and shall be paid in a manner which would place investors in a position no less favourable than the position in which such investors would have been if the compensation had been paid immediately on the date of expropriation, nationalization or any other measure the effect of which would be tantamount to expropriation or nationalization.