

No. 31178

**REPUBLIC OF KOREA
and
TURKEY**

**Agreement for the reciprocal promotion and protection of
investments. Signed at Seoul on 14 May 1991**

Authentic texts: Korean, Turkish and English.

Registered by the Republic of Korea on 31 August 1994.

**RÉPUBLIQUE DE CORÉE
et
TURQUIE**

**Accord relatif à la promotion et à la protection réciproques
des investissements. Signé à Séoul le 14 mai 1991**

Textes authentiques : coréen, turc et anglais.

Enregistré par la République de Corée le 31 août 1994.

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE REPUBLIC OF KOREA AND THE GOVERNMENT OF THE REPUBLIC OF TURKEY FOR THE RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the Republic of Korea and the Government of the Republic of Turkey (hereinafter referred to as “the Contracting Parties”);

Desiring to create favourable conditions for greater economic cooperation between them and in particular to encourage investments by nationals and companies of one Contracting Party in the territory of the other Contracting Party;

Recognizing that the reciprocal encouragement and protection under international agreement of such investments will be conducive to the stimulation of individual business initiative and will increase prosperity in both countries:

Have agreed as follows:

Article 1

DEFINITIONS

For the purpose of this Agreement

(1) “Investment” means every kind of asset and includes:

(a) Movable and immovable property and any other property rights such as mortgage, liens or pledges;

(b) Shares, stock and debentures of companies;

(c) Claims to money or to any performance under contract having a financial value;

(d) Copyrights, know-how, good-will and industrial property rights such as patent for inventions, trade marks, industrial designs and trade names;

(e) Any business concessions which have been or may be granted by the Contracting Parties in accordance with their respective laws, including concessions to search for, cultivate, extract or exploit natural resources;

(2) “Returns” means the amounts yielded by an investment and, in particular, includes profit, interest, capital gains, dividends, royalties or fees;

(3) “Nationals” means natural persons who are deemed to be nationals of one Contracting Party in accordance with its laws:

(4) “Companies” means any kind of juridical entity including corporations, partnerships or business associations, whether or not with limited liability and whether or not for pecuniary profit, incorporated in the territory of one Contracting Party in accordance with the laws and regulations of that Contracting Party.

(5) “Territory” means the territory over which that Contracting Party has sovereignty or jurisdiction.

(6) “Host State” means the country in whose territory the investment is made.

¹ Came into force on 4 June 1994, i.e., 30 days after the date on which the Contracting Parties had informed each other of the completion of their constitutional procedures, in accordance with article 14.

Article 2

PROMOTION AND PROTECTION OF INVESTMENT

(1) Each Contracting Party shall encourage and create favourable conditions for nationals or companies of the other Contracting Party to invest, within the framework of the laws or regulations of the Host State, capital, technology and other forms of assets in its territory, through according fair and equitable treatment and ensuring protection and security for such investment in conformity with the provisions of this Agreement.

(2) Each Contracting Party shall duly honor all commitments made and obligations undertaken by it with regard to investments of nationals or companies of the other Contracting Party.

Article 3

NATIONAL TREATMENT

(1) Each Contracting Party shall accord to these investments or returns, once established, and associated activities, treatment not less favorable than that accorded in like situations to investments of its own nationals and companies or to investments of nationals and companies of any third country, whichever is the most favorable.

(2) Investments shall at all times be accorded fair and equitable treatment and shall enjoy full protection and security, in a manner consistent with international law. Neither Contracting Party shall in any way impair by arbitrary or discriminatory measures the management, operation, maintenance, use, enjoyment, acquisition, expansion, or disposal of investments.

Article 4

MOST-FAVoured-NATION TREATMENT

(1) Each Contracting Party shall accord in its territory to the investments or returns of nationals or companies of the other Contracting Party, treatment that is not less favourable than that which it accords to the investments or returns of nationals or companies of any third State.

(2) Each Contracting Party shall ensure that nationals or companies of the other Contracting Party are accorded treatment not less favourable than that which it accords to the nationals or companies of any third State in regard to the management, use, enjoyment or disposal of their investments including management and control over business activities.

Article 5

REPATRIATION OF INVESTMENTS AND RETURNS

(1) Each Contracting Party shall ensure that the nationals or companies of the other Contracting Party are allowed freedom to the extent permitted by law and facilities in the matter of repatriation of capital and return on his or its investments