

No. 48908

**Japan
and
Lao People's Democratic Republic**

Agreement between Japan and the Lao People's Democratic Republic for the liberalisation, promotion and protection of investment (with annexes). Tokyo, 16 January 2008

Entry into force: *3 August 2008 by notification, in accordance with article 27*

Authentic text: *English*

Registration with the Secretariat of the United Nations: *Japan, 30 August 2011*

**Japon
et
République démocratique populaire lao**

Accord entre le Japon et la République démocratique populaire lao pour la libéralisation, la promotion et la protection des investissements (avec annexes). Tokyo, 16 janvier 2008

Entrée en vigueur : *3 août 2008 par notification, conformément à l'article 27*

Texte authentique : *anglais*

Enregistrement auprès du Secrétariat des Nations Unies : *Japon, 30 août 2011*

[ENGLISH TEXT – TEXTE ANGLAIS]

**AGREEMENT BETWEEN
JAPAN AND THE LAO PEOPLE'S DEMOCRATIC REPUBLIC
FOR THE LIBERALISATION,
PROMOTION AND PROTECTION OF INVESTMENT**

Japan and the Lao People's Democratic Republic,

Desiring to further promote investment in order to strengthen the economic relationship between the two countries;

Intending to further create favourable conditions for greater investment by investors of one country in the Area of the other country;

Recognising the growing importance of the progressive liberalisation of investment for stimulating initiative of investors and for promoting prosperity in both countries;

Recognising that these objectives can be achieved without relaxing health, safety and environmental measures of general application; and

Recognising the importance of the cooperative relationship between labour and management in promoting investment between both countries;

Have agreed as follows:

**Article 1
Definitions**

For the purposes of this Agreement,

(1) The term "investments" means every kind of asset owned or controlled, directly or indirectly, by an investor, including:

- (a) an enterprise;
- (b) shares, stocks or other forms of equity participation in an enterprise, including rights derived therefrom;
- (c) bonds, debentures, loans and other forms of debt, including rights derived therefrom;

- (d) rights under contracts, including turnkey, construction, management, production or revenue-sharing contracts;
- (e) claims to money and to any performance under contract having a financial value;
- (f) intellectual property rights;
- (g) rights conferred pursuant to laws and regulations or contracts such as concessions, licences, authorisations, and permits, including those for the exploration and exploitation of natural resources; and
- (h) any other tangible and intangible, movable and immovable property, and any related property rights, such as leases, mortgages, liens and pledges.

Investments include the amounts yielded by investments, in particular, profit, interest, capital gains, dividends, royalties and fees. A change in the form in which assets are invested does not affect their character as investments.

- (2) The term "investor of a Contracting Party" means:
- (a) a natural person having the nationality of that Contracting Party in accordance with its applicable laws and regulations; or
 - (b) an enterprise of that Contracting Party.

A branch of an enterprise of a non-Contracting Party, which is located in the Area of a Contracting Party, shall not be deemed as an investor of that Contracting Party.

- (3) An enterprise is:
- (a) "owned" by an investor if more than fifty (50) percent of the equity interest in it is owned by the investor; and
 - (b) "controlled" by an investor if the investor has the power to name a majority of its directors or otherwise to legally direct its actions.

(4) The term "an enterprise of a Contracting Party" means any legal person or any other entity duly constituted or organised under the applicable laws and regulations of that Contracting Party, whether or not for profit, and whether private or government owned or controlled, including any corporation, trust, partnership, sole proprietorship, joint venture, association, organisation, company or branch.

(5) The term "Area" means with respect to a Contracting Party (a) the territory of that Contracting Party; and (b) the exclusive economic zone and the continental shelf with respect to which that Contracting Party exercises sovereign rights or jurisdiction in accordance with international law.

(6) The term "the WTO Agreement" means the Marrakesh Agreement Establishing the World Trade Organisation, done at Marrakesh, April 15, 1994, as may be amended.

Article 2 National Treatment

1. Each Contracting Party shall in its Area accord to investors of the other Contracting Party and to their investments treatment no less favourable than the treatment it accords in like circumstances to its own investors and their investments with respect to the establishment, acquisition, expansion, operation, management, maintenance, use, enjoyment, and sale or other disposal of investments (hereinafter referred to as "investment activities").

2. Notwithstanding paragraph 1, each Contracting Party may prescribe special formalities in connection with investment activities of investors of the other Contracting Party in its Area, provided that such special formalities do not impair the substance of the rights of such investors under this Agreement.

Article 3 Most-Favoured-Nation Treatment

Each Contracting Party shall in its Area accord to investors of the other Contracting Party and to their investments treatment no less favourable than the treatment it accords in like circumstances to investors of a non-Contracting Party and to their investments with respect to investment activities.

Article 4
Promotion of Investment

Each Contracting Party shall encourage and promote investment in its Area by an investor of the other Contracting Party in accordance with its laws and regulations applicable from time to time.

Article 5
General Treatment

1. Each Contracting Party shall accord to investments of the other Contracting Party treatment in accordance with international law, including fair and equitable treatment and full protection and security.

Note 1: This Article prescribes the customary international law minimum standard of treatment of aliens as the minimum standard of treatment to be afforded to investments of investors of the other Contracting Party. The concepts of "fair and equitable treatment" and "full protection and security" do not require treatment in addition to or beyond that which is required by the customary international law minimum standard of treatment of aliens.

Note 2: A determination that there has been a breach of another provision of this Agreement, or of a separate international agreement, does not ipso facto establish that there has been a breach of this Article.

2. Each Contracting Party shall observe any obligation it may have entered into in a written form with regard to investments of investors of the other Contracting Party.

Article 6
Access to the Courts of Justice

Each Contracting Party shall in its Area accord to investors of the other Contracting Party treatment no less favourable than the treatment which it accords in like circumstances to its own investors or investors of a non-Contracting Party with respect to access to the courts of justice and administrative tribunals and agencies in all degrees of jurisdiction, both in pursuit and in defence of such investors' rights.