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Switzerland and Mexico

Agreement between the Swiss Confederation and the United Mexican States on the promotion and reciprocal protection of investments (with schedule and protocol). Mexico City, 10 July 1995

Entry into force: 14 March 1996, in accordance with article 13

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Suisse et

Mexique

Accord entre la Confédération suisse et les États-Unis Mexicains concernant la promotion et la protection réciproque des investissements (avec annexe et protocole). Mexico, 10 juillet 1995

Entrée en vigueur : 14 mars 1996, conformément à l'article 13

Textes authentiques: anglais, français et espagnol

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[ENGLISH TEXT – TEXTE ANGLAIS]

Agreement

between

the Swiss Confederation

and

the United Mexican States

on the Promotion and Reciprocal Protection

of Investments

The Swiss Federal Council and the Government of the United Mexican States, hereinafter the Parties:

Desiring to intensify economic cooperation to the mutual benefit of both States,

Intending to create and maintain favourable conditions for investments by investors of one Party in the territory of the other Party,

Recognizing the need to promote and protect foreign investments with the aim to foster their economic prosperity,

Have agreed as follows:

Article 1

Definitions

For the purposes of this Agreement:

- (1) enterprise means any entity constituted or organized under applicable law, whether or not for profit, including any corporation, branch, trust, partnership, sole proprietorship, joint venture or other association;
- (2) enterprise of a Party means an enterprise constituted or organized under the law of a Party, and a branch located in the territory of a Party carrying out business activities there.
- (3) Investment means every kind of asset and particularly:
 - (a) movable property, immovable property acquired or used for economic purposes, as well as any other rights <u>in rem</u>, such as servitudes, mortgages, liens, pledges;
 - (b) shares, parts or any other kind of participation in companies;
 - (c) claims to money or to any performance having an economic value, except for claims to money that arise solely from commercial contracts for the sale of goods or services, and the extension of credit in connection with a commercial transaction, which maturity date is less than three years, such as trade financing;
 - (d) copyrights, industrial property rights (such as patents, utility models, industrial designs or models, trade or service marks, trade names, indications of origin), know-how and goodwill;
 - (e) interests arising from the commitment of capital or other resources in the territory of one Party to economic activity in such territory, such as under contracts involving the presence of an investor's property in the territory of such Party, including turnkey or construction contracts, or concessions.

A payment obligation from, or the granting of a credit to, the State or a State enterprise is not considered an investment.

- (4) Investment of an investor of a Party means an investment that is owned or controlled, directly or indirectly, by an investor of such a Party;
- (5) Investor of a Party means a national or an enterprise of such Party, that seeks to make, is making or has made an investment.
- (6) Territory means the territory of each Party and includes the maritime areas adjacent to the coast of the State concerned, i.e. the exclusive economic zone and the continental shelf, to the extent to which that State may exercise sovereign rights or jurisdiction in those areas according to international law.

Article 2

Scope of Application

The present Agreement shall apply to investments of investors of one Party, made in the territory of the other Party in accordance with its laws and regulations, whether prior to or after the entry into force of the Agreement, as well as to investors of a Party. It shall, however, not be applicable to divergencies or disputes which have arisen prior to its entry into force.

Article 3

Promotion and admission

(1) Each Party, with the aim to significantly increase investment flows by investors of the other Party, may make available detailed information regarding: