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**Republic of Korea
and
Panama**

Agreement between the Government of the Republic of Korea and the Government of the Republic of Panama for the promotion and protection of investments. Seoul, 10 July 2001

Entry into force: *8 February 2002, in accordance with article 12*

Authentic texts: *English, Korean and Spanish*

Registration with the Secretariat of the United Nations: *Republic of Korea, 6 July 2012*

**République de Corée
et
Panama**

Accord entre le Gouvernement de la République de Corée et le Gouvernement de la République du Panama pour la promotion et la protection des investissements. Séoul, 10 juillet 2001

Entrée en vigueur : *8 février 2002, conformément à l'article 12*

Textes authentiques : *anglais, coréen et espagnol*

Enregistrement auprès du Secrétariat de l'Organisation des Nations Unies : *République de Corée, 6 juillet 2012*

[ENGLISH TEXT – TEXTE ANGLAIS]

**AGREEMENT BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF KOREA
AND
THE GOVERNMENT OF THE REPUBLIC OF PANAMA
FOR THE PROMOTION AND PROTECTION OF INVESTMENTS**

The Government of the Republic of Korea and the Government of the Republic of Panama (hereinafter referred to as "the Contracting Parties"),

Desiring to create favourable conditions for greater economic cooperation between the Contracting Parties and, in particular, for investments by investor of one Contracting Party in the territory of the other Contracting Party based on the principles of equality and mutual benefit,

Recognizing that the promotion and reciprocal protection of investments on the basis of this Agreement will be conducive to stimulating individual business initiative and will increase prosperity in both States,

Have agreed as follows:

ARTICLE 1

Definitions

For the purposes of this Agreement:

- (1) "investments" means every kind of assets or rights invested in connection with economic activities by investors of one Contracting Party in the territory of the other Contracting Party in accordance with the laws and regulations of the latter Contracting Party and, in particular, though not exclusively, includes:
- (a) movable and immovable property and any other property rights such as mortgages, liens, leases or pledges;
 - (b) shares, stocks and debentures and any other form of participation in a company or any business enterprise and rights or interest derived therefrom;
 - (c) claims to money or to any performance under contract having an economic value;

- (d) intellectual property rights including rights with respect to copyrights, patents, trademarks, trade names, industrial designs, technical processes, trade secrets and know-how, and goodwill; and
 - (e) rights granted under law or under contract, including concessions to search for, cultivate, extract or exploit natural resources.
- Any change of the form in which assets or rights are invested or reinvested shall not affect their character as an investment.
- (2) "returns" means the amounts yielded by investments and, in particular, though not exclusively, includes profits, interest, capital gains, dividends, royalties and all kinds of fees.
 - (3) "investors" means any natural or juridical persons of one Contracting Party who invest in the territory of the other Contracting Party:
 - (a) the term "natural persons" means natural persons having the nationality of that Contracting Party in accordance with its laws; and
 - (b) the term "juridical persons" means any entity such as companies, public institutions, authorities, foundations, partnerships, firms, establishments, organizations, corporations or associations, incorporated or constituted in accordance with the laws and regulations of that Contracting Party.
 - (4) "territory" means the territory of the Republic of Korea or the territory of the Republic of Panama respectively, as well as those maritime areas, including the seabed and subsoil adjacent to the outer limit of the territorial sea over which the State concerned exercises, in accordance with international law and with their respective legislation, sovereign rights or jurisdiction for the purpose of exploration and exploitation of the natural resources of such areas.
 - (5) "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 the Investments

(1) Each Contracting Party shall encourage and create 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 made by investors of each Contracting Party shall at all times be accorded fair and equitable treatment and shall enjoy full protection and security in the territory of the other Contracting Party. Neither Contracting Party shall in any way impair by unreasonable or discriminatory measures the operation, management, maintenance, use, enjoyments or disposal of investments in its territory by investors of the other Contracting Party.

ARTICLE 3

Treatment of Investments

(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 no less favourable than that which it accords to investments and returns of its own investors or to investments and returns of investors of any third State, whichever is more favourable to investors.

(2) Each Contracting Party shall in its territory accord to investors of the other Contracting Party as regards operation, management, maintenance, use, enjoyment or disposal of their investments, treatment which is fair and equitable and no less favourable than that which it accords to its own investors or to investors of any third State, whichever is more favourable to investors.

(3) The provisions of paragraphs (1) and (2) of this Article shall not be construed so as to oblige one Contracting Party to extend to the investors of the other Contracting Party the benefit of any treatment, preference or privilege which may be extended by the former Contracting Party by virtue of: