

CHINA



Treaty Series No. 33 (1986)

Agreement

between the Government of the
United Kingdom of Great Britain and Northern Ireland
and the Government of the People's Republic of China
concerning the Promotion and Reciprocal
Protection of Investments

with

Exchanges of Notes

London, 15 May 1986

[The Agreement entered into force on 15 May 1986]

*Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
June 1986*

LONDON
HER MAJESTY'S STATIONERY OFFICE

£2·90p net

Cmnd. 9821

**AGREEMENT
BETWEEN THE GOVERNMENT OF THE
UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
AND THE GOVERNMENT OF THE PEOPLE'S REPUBLIC OF CHINA
CONCERNING THE
PROMOTION AND RECIPROCAL PROTECTION OF INVESTMENTS**

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China;

Desiring to create favourable conditions for investment by nationals and companies of one Contracting Party in the territory of the other Contracting Party;

Recognising that the encouragement and reciprocal protection under international agreement of such investments will be conducive to the stimulation of business initiative of the nationals and companies and will increase prosperity in both States;

Have agreed as follows:

**ARTICLE I
Definitions**

For the purposes of this Agreement

(1) (a) "investment" means every kind of asset accepted as investment by a Contracting Party in its territory in accordance with its laws and regulations, and in particular, though not exclusively, includes:

- (i) movable and immovable property and any other property rights such as mortgages, liens or pledges;
- (ii) shares, stock and debentures of companies or interests in the property of such companies;
- (iii) claims to money or to any performance under contract having a financial value;
- (iv) copyrights, industrial property rights, know-how and goodwill;
- (v) business concessions conferred by law or under contract permitted by law; including concessions to search for, cultivate, extract or exploit natural resources.

The term "investment" includes investments existing at the date of entry into force of this Agreement; and a change in the form in which assets are invested does not affect their character as investments.

- (b) "returns" means the amounts yielded by an investment and in particular, though not exclusively, includes profit, interest, capital gains, dividends, royalties or fees;
- (c) "nationals" means:
 - (i) in respect of the United Kingdom: physical persons deriving their status as United Kingdom nationals from the law in force in the United Kingdom and having the right of abode in the United Kingdom or in any territory to which this Agreement has been extended in accordance with the provisions of Article 10;

- (ii) in respect of the People's Republic of China: physical persons who have nationality of the People's Republic of China in accordance with its laws;
- (d) "companies" means:
- (i) in respect of the United Kingdom: corporations, firms or associations incorporated or constituted under the law in force in any part of the United Kingdom or in any territory to which this Agreement has been extended in accordance with the provisions of Article 10;
 - (ii) in respect of the People's Republic of China: corporations, firms or associations incorporated or constituted under the law in force in any part of the People's Republic of China.

(2) This Agreement shall also apply to investments made by nationals or companies of one Contracting Party in the territorial sea or maritime zone or on the Continental Shelf where the other Contracting Party exercises its sovereignty or sovereign rights or jurisdiction.

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 for investment in its territory and, subject to its right to exercise powers conferred by its laws, shall admit such investment.

(2) Investments of nationals or companies of either Contracting Party shall at all times be accorded fair and equitable treatment and shall enjoy the most constant protection and security in the territory of the other Contracting Party. Each Contracting Party agrees that without prejudice to its laws and regulations it shall not take any unreasonable or discriminatory measures against the management, maintenance, use, enjoyment or disposal of investments in its territory of nationals or companies of the other Contracting Party. Each Contracting Party shall observe any obligation it may have entered into with regard to investments of nationals or companies of the other Contracting Party.

ARTICLE 3

Treatment of Investment

(1) Neither Contracting Party shall in its territory subject investments or returns of nationals or companies of the other Contracting Party to treatment less favourable than that which it accords to investments or returns of nationals or companies of any third State.

(2) Neither Contracting Party shall in its territory subject nationals or companies of the other Contracting Party as regards their management, use, enjoyment or disposal of their investments, to treatment less favourable than that which it accords to nationals or companies of any third State.

(3) In addition to the provisions of paragraphs (1) and (2) of this Article either Contracting Party shall to the extent possible, accord treatment in accordance with the stipulations of its laws and regulations to the investments of nationals or companies of the other Contracting Party the same as that accorded to its own nationals or companies.

(4) The provisions in paragraphs (1) to (3) above shall not be construed so as to oblige one Contracting Party to extend to the nationals or companies of the other Contracting Party the benefit of any treatment, preference or privilege resulting from

- (a) any existing or future customs union or similar international agreement or agreement for facilitating frontier trade to which either of the Contracting Parties is or may become a party, or
- (b) any international agreement or arrangement relating wholly or mainly to taxation or any domestic legislation relating wholly or mainly to taxation.

ARTICLE 4

Compensation for Losses

(1) Nationals or companies of one Contracting Party whose investments in the territory of the other Contracting Party suffer losses owing to war or other armed conflict, revolution, a state of national emergency, revolt, or riot in the territory of the latter Contracting Party shall be accorded by the latter Contracting Party treatment no less favourable than that which the latter Contracting Party accords to nationals or companies of any third State.

(2) Without prejudice to paragraph (1) of this Article, nationals or companies of one Contracting Party who in any of the situations referred to in that paragraph suffer losses in the territory of the other Contracting Party resulting from

- (a) requisitioning of their property by its forces or authorities, or
- (b) destruction of their property by its forces or authorities which was not caused in combat action or was not required by the necessity of the situation,

shall be accorded restitution or reasonable compensation. Resulting payments shall be freely transferable.

ARTICLE 5

Expropriation

(1) Investments of nationals or companies of either Contracting Party shall not be expropriated, nationalised or subjected to measures having effect equivalent to expropriation or nationalisation (hereinafter referred to as "expropriation") in the territory of the other Contracting Party except for a public purpose related to the internal needs of that Contracting Party and against

reasonable compensation. Such compensation shall amount to the real value of the investment expropriated immediately before the expropriation or impending expropriation became public knowledge, shall include interest at a normal rate until the date of payment, shall be made without undue delay, be effectively realisable and be freely transferable. The national or company affected shall have a right, under the law of the Contracting Party making the expropriation, to prompt review, by a judicial or other independent authority of that Party, of his or its case and of the valuation of his or its investment in accordance with the principles set out in this paragraph.

(2) Where a Contracting Party expropriates the assets of a company which is incorporated or constituted under the law in force in any part of its own territory, and in which nationals or companies of the other Contracting Party own shares, it shall ensure that the provisions of paragraph (1) of this Article are applied to the extent necessary to guarantee reasonable compensation in respect of their investment to such nationals or companies of the other Contracting Party who are owners of those shares.

ARTICLE 6

Repatriation of Investment and Returns

(1) Each Contracting Party guarantees to nationals or companies of the other Contracting Party the right to transfer freely to the country where they reside their investments and returns and any payments made pursuant to a loan agreement in connection with any investment.

(2) The right referred to in paragraph (1) above is subject to the right of each Contracting Party in exceptional balance of payment difficulties and for a limited period to exercise equitably and in good faith powers conferred by its laws. Such powers shall not however be used to impede the transfer of profit, interest, dividends, royalties or fees; as regards investments and any other form of return, transfer of a minimum of 20 per cent a year is guaranteed.

(3) Transfers of currency shall be effected without delay in the convertible currency in which the capital was originally invested or another convertible currency agreed by the investor and the Contracting Party concerned. Unless otherwise agreed by the national or company concerned, transfers shall be made at the rate of exchange applicable on the date of transfer pursuant to the exchange control regulations in force of the Contracting Party concerned.

(4) In respect of the People's Republic of China, transfers of convertible currency by a national or company of the United Kingdom under paragraphs (1) to (3) above shall be made from the foreign exchange account of the national or company transferring the currency. Where that foreign exchange account does not have sufficient foreign exchange for the transfer, the People's Republic of China shall permit the conversion of local currency into convertible currency for transfer, in the following cases:

- (a) proceeds resulting from the total or partial liquidation of an investment;
- (b) royalties derived from assets in Article 1 (1)(a)(iv);
- (c) payments made pursuant to a loan agreement in connection with any investment guaranteed by the Bank of China;

- (d) profits, interest, capital gains, dividends, fees and any other form of return of a national or company specifically permitted by the competent authority of the People's Republic of China to carry out economic activities mainly in the territory of the People's Republic of China.

ARTICLE 7

Settlement of Disputes between a National or Company and a Host State

(1) A dispute between a national or company of one Contracting Party and the other Contracting Party concerning an amount of compensation which has not been amicably settled after a period of six months from written notification of that dispute shall be submitted to international arbitration.

(2) Where the dispute is referred to international arbitration, the national or company and the other Contracting Party concerned in the dispute may agree to refer the dispute either to:

- (a) an international arbitrator appointed by the parties to the dispute; or
- (b) an *ad hoc* arbitral tribunal to be appointed under a special agreement between the parties to the dispute; or
- (c) an *ad hoc* arbitral tribunal established under the Arbitration Rules of the United Nations Commission on International Trade Law.

(3) If after a period of three months after the dispute is referred to arbitration under paragraph (2) above there is no such agreement, the parties to the dispute shall be bound to submit it to arbitration under the Arbitration Rules of the United Nations Commission on International Trade Law as then in force. The parties to the dispute may agree in writing to modify these Rules.

(4) For the purposes of this Article a national or company includes a national or company referred to in Article 5(2).

ARTICLE 8

Disputes between the Contracting Parties

(1) Disputes between the Contracting Parties concerning the interpretation or application of this Agreement should, as far as possible, be settled through the diplomatic channel.

(2) If a dispute between the Contracting Parties cannot thus be settled, it shall upon the request of either Contracting Party be submitted to an arbitral tribunal.

(3) Such an arbitral tribunal shall be constituted for each individual case in the following way. Within two months of the receipt of the request for arbitration, each Contracting Party shall appoint one member of the tribunal. Those two members shall then select a national of a third State who on approval by the two Contracting Parties shall be appointed Chairman of the tribunal. The Chairman shall be appointed within two months from the date of appointment of the other two members.

(4) If within the periods specified in paragraph (3) of this Article the necessary appointments have not been made, either Contracting Party may, in

the absence of any other agreement, invite the President of the International Court of Justice to make any necessary appointments. If the President is a national of either Contracting Party or if he is otherwise prevented from discharging the said function, the Vice-President shall be invited to make the necessary appointments. If the Vice-President is a national of either Contracting Party or if he too is prevented from discharging the said function, the Member of the International Court of Justice next in seniority who is not a national of either Contracting Party shall be invited to make the necessary appointments.

(5) The arbitral tribunal shall reach its decision by a majority of votes. Such decision shall be binding on both Contracting Parties. Each Contracting Party shall bear the cost of its own member of the tribunal and of its representation in the arbitral proceedings; the cost of the Chairman and the remaining costs shall be borne in equal parts by the Contracting Parties. The tribunal shall determine its own procedure.

ARTICLE 9

Subrogation

(1) If one Contracting Party or its designated Agency makes a payment to its national or company under an indemnity given in respect of an investment made in the territory of the other Contracting Party, the latter Contracting Party shall recognise the assignment to the former Contracting Party or its designated Agency by law or by legal transaction of all the rights and claims of the national or company indemnified and that the former Contracting Party or its designated Agency is entitled to exercise such rights and enforce such claims by virtue of subrogation, to the same extent as the national or company indemnified. The former Contracting Party or its designated Agency may assume the obligations related to the investment.

(2) The former Contracting Party or its designated Agency shall be entitled in all circumstances to the same treatment in respect of the rights and claims acquired by it by virtue of the assignment and any payments received in pursuance of those rights and claims as the national or company indemnified was entitled to receive by virtue of this Agreement in respect of the investment concerned and its related returns.

(3) Any payments received by the former Contracting Party or its designated Agency in pursuance of the rights and claims acquired shall be freely available to the former Contracting Party for the purpose of meeting any expenditure incurred in the territory of the latter Contracting Party.

ARTICLE 10

Territorial Extension

At the time of signature of this Agreement, or at any time thereafter, the provisions of this Agreement may be extended to such territories for whose international relations the Government of the United Kingdom are responsible as may be agreed between the Contracting Parties in an Exchange of Notes.

ARTICLE 11

Entry into Force

This Agreement shall enter into force on the day of signature.

ARTICLE 12

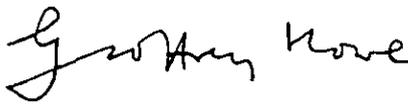
Duration and Termination

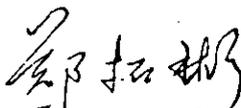
This Agreement shall remain in force for a period of ten years. Thereafter it shall continue in force until the expiration of twelve months from the date on which either Contracting Party shall have given written notice of termination to the other Contracting Party. Provided that in respect of investments made whilst the Agreement is in force, its provisions shall continue in effect with respect to such investments for a period of fifteen years after the date of termination and without prejudice to the application thereafter of the rules of general international law accepted by the two Contracting Parties.

In witness whereof the undersigned, duly authorised thereto by their respective Governments, have signed this Agreement.

Done in duplicate at London this 15th day of May 1986 in the English and Chinese languages, both texts being equally authoritative.

For the Government of the United Kingdom of Great Britain and Northern Ireland: For the Government of the People's Republic of China:




[ZHENG TUOBIN]

大不列颠及北爱尔兰联合王国政府和中华人民共和国政府 关于促进和相互保护投资协定

大不列颠及北爱尔兰联合王国政府和中华人民共和国政府，
愿为缔约一方的国民和公司在缔约另一方领土内投资创造有利
条件；

认识到根据国际协定鼓励和相互保护此种投资将有助于激励国
民和公司经营的积极性和增进两国的繁荣；

达成协议如下：

第一条 定 义

本协定内：

一、（甲）“投资”系指缔约一方依照其法律和法规在其领土
内接受作为投资的所有资产，特别是，但不限于：

（一）动产、不动产和任何其他财产权利，如抵押权、留置权
或质权；

（二）公司的股份、股票和债券或该公司财产中的权益；

（三）对金钱的请求权或通过合同具有财政价值的行为请求权；

（四）著作权、工业产权、专有技术和商誉；

（五）法律或法律允许通过合同赋予的经营特许权，包括勘
探、耕作、提炼或开发自然资源的特许权。

“投资”包括本协定生效之日存在的投资；所投资产形式的变

化，不影响其作为投资的性质。

(乙) “收益”系指由投资所产生的款项，主要是：利润、利息、资本利得、股息、使用费和酬金。

(丙) “国民”：

(一) 在中华人民共和国方面，系指根据中华人民共和国法律具有中华人民共和国国籍的自然人。

(二) 在联合王国方面，系指根据联合王国有效法律，获得联合王国国民身份，且在联合王国具有居住权或依照本协定第十条规定延伸适用的任何领土有居住权的自然人。

(丁) “公司”：

(一) 在中华人民共和国方面，系指在中华人民共和国领土内任何地方依照有效法律设立或组建的公司、商号或社团。

(二) 在联合王国方面，系指在联合王国任何地方或依照本协定第十条规定延伸适用的任何领土内依照有效法律设立或组建的公司、商号或社团。

二、本协定也适用于缔约一方的国民或公司在缔约另一方行使主权或主权权利或管辖权的领海、海域或大陆架内进行的投资。

第二条 促进和保护投资

一、缔约一方应在其领土内鼓励缔约另一方的国民或公司投资，为此创造良好条件，并有权行使法律所赋予的权力接受此种投资。

二、缔约任何一方的国民或公司在缔约另一方领土内的投资，应始终受到公正和公平的待遇和持久的保护和保障。缔约各方同

意，在不损害其法律和法规规定的条件下，对缔约另一方的国民或公司在其领土内对投资的管理、维持、使用、享有或处置不得采取不合理的或歧视性的措施。缔约各方应遵守其对缔约另一方国民或公司的投资可能已同意的义务。

第三条 投资待遇

一、缔约任何一方在其领土内给予缔约另一方国民或公司的投资或收益的待遇不应低于其给予任何第三国国民或公司的投资或收益的待遇。

二、缔约任何一方在其领土内给予缔约另一方国民或公司在管理、使用、享有或处置他们的投资的待遇，不应低于其给予任何第三国国民或公司的待遇。

三、除本条第一、二款的规定外，缔约任何一方应尽量根据其法律和法规的规定给予缔约另一方的国民或公司的投资与其给予本国国民或公司以相同的待遇。

四、上述第一款至第三款的规定，不应解释为缔约一方有义务因下述情况而产生的待遇、特惠或特权给予缔约另一方的国民或公司：

(甲) 缔约任何一方已经或可能参加的任何现存或将来的关税同盟或类似的国际协定或为方便边境贸易的协定；

(乙) 任何全部或主要与税收有关的国际协定或安排，或任何全部或主要与税收有关的国内立法。

第四条 损失补偿

一、缔约一方的国民或公司在缔约另一方领土内的投资，因在

缔约另一方领土内发生战争或其他武装冲突、革命、全国紧急状态、叛乱或骚乱而遭受损失，缔约另一方给予缔约一方国民或公司的待遇，不应低于其给予任何第三国国民或公司的待遇。

二、在不损害本条第一款的情况下，缔约一方的国民或公司在缔约另一方领土内，在上款所述事态下遭受损失，是由于：

(一) 缔约另一方的军队或当局征用了他们的财产；

(二) 缔约另一方的军队或当局非因战斗行动或情势必需而毁坏了他们的财产，

应予以恢复或合理的补偿。由此发生的支付款应能自由转移。

第五条 征 收

一、只有为了与国内需要相关的公共目的，并给予合理的补偿，缔约任何一方国民或公司在缔约另一方领土内的投资方可被征收、国有化或采取与此种征收或国有化效果相同的措施（以下称“征收”）。此种补偿应等于投资在征收或即将进行的征收已为公众所知前一刻的真正价值，应包括直至付款之日按正常利率计算的利息，支付不应不适当地迟延，并应有效地兑换和自由转移。受影响的国民或公司应有权依照采取征收的缔约一方的法律，要求该一方的司法或其他独立机构根据本款规定的原则迅速审理其案件和其投资的价值。

二、缔约一方依照有效法律对在其领土内任何地方设立或组成的并由缔约另一方国民或公司持有股份的公司之资产进行征收时，应保证适用本条第一款的规定，从而保证拥有此种股份的缔约另一方国民或公司就其投资得到合理的补偿。

第六条 投资和收益的汇回

一、缔约各方保证缔约另一方的国民或公司有权将其投资和收益以及按照与投资有关的贷款协议的任何支付款项自由转移至其居住国。

二、上述第一款所提到的权利应受制于缔约各方有权在其国际收支困难的例外情况下，并在有限的时期内公平诚信地行使其法律所赋予的权力。但此种权力不得用于阻止利润、利息、股息、使用费或酬金的转移，并应保证每年至少转移百分之二十的投资及其他任何形式的收益。

三、货币的转移应以该资本初始投资时的可兑换货币或投资者与有关缔约方同意的任何其他可兑换的货币不迟延地实施。除非有关的国民或公司另行赞同，转移应依照有关缔约一方有效的外汇管理条例按转移之日适用的汇率进行。

四、在中华人民共和国方面：联合王国国民或公司就上述第一至第三款转移可兑换货币，应从转移货币的国民或公司的外汇存款帐户中进行。若该外汇存款帐户中没有足够的外汇供转移，在下述情况下，中华人民共和国应允许把当地货币兑换成可兑换货币进行转移：

(一) 全部或部分投资清算所得款项；

(二) 从第一条第一款(甲)(四)项的财产中所得的使用费；

(三) 依照由中国银行担保的投资有关的贷款协议所进行的偿付款项；

(四) 由中华人民共和国主管机构专门准许该国民或公司主要在中华人民共和国领土内进行经济活动所得的利润、利息、资本利得、股息、酬金和其他形式的收益。

第七条 国民或公司与东道国之间争议的解决

一、缔约一方的国民或公司与缔约另一方之间有关征收补偿款额的争议，在提出书面通知该项争议之后六个月内未能友好解决，应提交国际仲裁。

二、如将争议提交国际仲裁，有关的国民或公司和缔约另一方可同意将争议提交：

(甲) 争议双方指定的一个国际仲裁员；

(乙) 依照争议双方间的一项专门协议指定的专设仲裁庭；

(丙) 依照联合国国际贸易法委员会仲裁规则设立的专设仲裁庭。

三、如按上述第二款将争议提交仲裁后三个月内没有就任一可选择的程序达成协议，争议双方有义务依照当时有效的联合国国际贸易法委员会仲裁规则将争议提交仲裁。争议双方可书面同意修改规则。

四、本条内的国民或公司包括第五条第二款所述的国民或公司。

第八条 缔约双方之间的争端

一、缔约双方对本协定的解释或适用发生的争端，应尽可能通过外交途径解决。

二、如果缔约双方之间的争端不能如此解决，则应依缔约任何一方的要求提交仲裁庭。

三、该仲裁庭应按下述方式逐案设立，自收到仲裁要求后两个月内，缔约方应各指派一名仲裁庭成员，该两名成员应推举一名第三国国民并由缔约双方批准指派为仲裁庭主席。主席应在另两名成员指派之日起两个月内予以指派。

四、如在本条第三款规定的期限内未作出必要的指派，又无任何其他协议，缔约任何一方请求国际法院院长作出必要的指派，如院长是缔约任何一方的国民，或因其他原因不能履行此项职责，则应请求副院长作出必要的指派。如副院长是缔约任何一方的国民或也不能履行此项职责，则应依次请求非缔约任何一方国民的国际法院资深法官作出必要的指派。

五、仲裁庭应以多数票作出裁决。裁决对缔约双方均有拘束力。缔约各方应承担其指派的仲裁庭成员及其出席仲裁程序的代表的费用。主席的费用和其余费用由缔约双方平均承担。仲裁庭应自行规定其程序。

第九条 代 位

一、如缔约一方或其指定的代理机构，依照其对在缔约另一方领土内某项投资的保证向其国民或公司作了支付，缔约另一方应承认被保证的国民或公司的全部权利和请求权，依法律或合法行为转让给了缔约一方或其指定的代理机构，并承认缔约一方或其指定的代理机构由于代位有权行使和执行与被保证的国民或公司同样程度的权利及请求权。缔约一方或其指定的代理机构可承担与投资有关

的义务。

二、缔约一方或其指定的代理机构，通过转让取得的权利和请求权以及实行这种权利和请求权时得到的支付所享受的待遇，在所有情况下，应与被保证的国民或公司依本协定就有关投资及其收益有权享受的待遇相同。

三、缔约一方或其指定的代理机构在行使取得的权利和请求权时所得到的支付，应由缔约一方自由使用，以偿付其在缔约另一方领土内的开支。

第十条 领土的延伸

在本协定签字之时或其后任何时候，缔约双方可互换照会同意将本协定的规定延伸适用于由联合王国政府负责国际关系的领土。

第十一条 生效

本协定自签字之日起生效。

第十二条 期限和终止

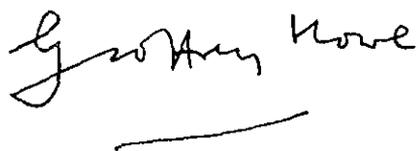
本协定有效期为十年。此后应在缔约任何一方书面通知缔约另一方终止本协定之日起的十二个月内继续有效。对于在本协定有效期间所进行的投资，本协定的规定自终止之日起十五年内对该类投资应继续有效，并不损及此后适用缔约双方接受的一般国际法规则。

由双方政府授权其各自代表签署本协定，以昭信守。

本协定于一九八六年五月十五日在伦敦签订。一式两份，用中文和英文写成，两种文本具有同等效力。

大不列颠及北爱尔兰
联合王国政府
代 表

中华人民共和国政府
代 表




[ZHENG TUGBIN]

EXCHANGES OF NOTES

No. 1

*The Secretary of State for Foreign and Commonwealth Affairs to the Minister
for Foreign and Economic Relations and Trade of the People's Republic of China*

*Foreign and Commonwealth Office
London*

15 May 1986

His Excellency Mr Zheng Tuobin
Minister for Foreign Economic Relations
and Trade
People's Republic of China

Your Excellency

I have the honour to refer to the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the People's Republic of China concerning the Promotion and Reciprocal Protection of Investments (hereinafter referred to as "the Investment Agreement") signed today and to propose that in the event that the People's Republic of China becomes a party to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, opened for signature at Washington on 18 March 1965⁽¹⁾ (hereinafter referred to as "the Convention") that the Government of the United Kingdom and the Government of the People's Republic of China enter into a supplementary agreement concerning the categories of disputes between the Contracting Party in whose territory investments are made and a national or company of the other Contracting Party to the Investment Agreement to be submitted to the International Centre for the settlement of Investment Disputes for settlement by conciliation or arbitration under the Convention. This supplementary agreement, in the form of an Exchange of Notes, would form an integral part of the Investment Agreement.

If this proposal is acceptable to the Government of the People's Republic of China, I have the honour to suggest that the present Note and Your Excellency's reply to that effect shall constitute an agreement between our two Governments which shall enter into force on the date of Your Excellency's reply.

I have the honour to convey to Your Excellency, the assurance of my highest consideration.

GEOFFREY HOWE

⁽¹⁾ Treaty Series No. 25 (1967), Cmnd. 3255.

The Minister for Foreign Economic Relations and Trade of the People's Republic of China to the Secretary of State for Foreign and Commonwealth Affairs

大不列颠及北爱尔兰联合王国

外交及联邦事务大臣

杰弗里·豪爵士

阁下：

我荣幸地收到您今日来函，内容如下：

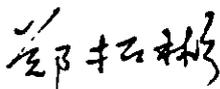
“我荣幸地提及于今日签署的大不列颠及北爱尔兰联合王国政府和中华人民共和国政府关于促进和相互保护投资协定（下称“投资协定”），并建议，一旦中华人民共和国成为一九六五年三月十八日在华盛顿开放签字的《关于解决国家和他国国民之间投资争端公约》（下称“公约”）参加国时，联合王国政府和中华人民共和国政府将就提交“解决投资争端国际中心”调解或仲裁解决关于在其领土内进行投资的缔约一方和投资协定的缔约另一方国民或公司间争议的种类达成一项补充协议。该补充协议用换文方式，并将成为投资协定的组成部分。

如果中华人民共和国政府接受本建议，我荣幸地建议，本函和阁下接受此建议的复函将构成我们两国政府间的一项协议，并将于阁下复函之日生效。”

我荣幸地确认中华人民共和国政府接受阁下来函中的建议，同意阁下来函及本复函应构成我们两国政府间的一项协议，并于今日生效。

顺致崇高的敬意。

中华人民共和国对外经济贸易部部长



[ZHENG TUOBIN]

一九八六年五月十五日于伦敦

[Translation of No. 2]

The Rt Hon Sir Geoffrey Howe QC MP
Secretary of State for Foreign and
Commonwealth Affairs
United Kingdom of Great Britain and
Northern Ireland

Your Excellency

I have the honour to acknowledge the receipt of your Note of today's date which reads as follows:

[As in No. 1]

I have the further honour to confirm that the proposal in Your Excellency's Note is acceptable to the Government of the People's Republic of China who therefore agree that Your Excellency's Note and this Note in reply shall constitute an agreement between our two Governments which shall enter into force on today's date.

Accept Excellency, the renewed assurance of my highest consideration.

15 May 1986

Zheng Tuobin
Minister for Foreign Economic
Relations and Trade
People's Republic of China

No. 3

*The Secretary of State for Foreign and Commonwealth Affairs to the Minister
for Foreign Economic Relations and Trade of the People's Republic of China*

*Foreign and Commonwealth Office
London*

15 May 1986

His Excellency Mr Zheng Tuobin
Minister for Foreign Economic Relations
and Trade
People's Republic of China

Your Excellency

I have the honour to refer to the Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the People's Republic of China concerning the Promotion and Reciprocal Protection of Investments (hereinafter referred to as "the Investment Agreement") signed today.

In Article 1(1)(a) of the Investment Agreement, it is provided that "investment" as defined therein includes investments existing at the date of entry into force of the Investment Agreement. I have the honour to propose that the Investment Agreement shall not however apply to those investments in respect of which at the date of entry into force of the Investment Agreement the nationals or companies of the other Contracting Party have ceased to exercise control or

other powers or in respect of which at that date they have ceased to obtain income, payment or such benefit to which they would be entitled, as the case may be.

If this proposal is acceptable to the Government of the People's Republic of China, I have the honour to suggest that the present Note and Your Excellency's reply to that effect shall constitute an agreement between our two Governments which shall form an integral part of the Investment Agreement and shall enter into force on the date of Your Excellency's reply.

I have the honour to convey to Your Excellency, the assurance of my highest consideration.

GEOFFREY HOWE

*The Minister for Foreign Economic Relations and Trade of the People's
Republic of China to the
Secretary of State for Foreign and Commonwealth Affairs*

大不列颠及北爱尔兰联合王国

外交及联邦事务大臣

杰弗里·豪爵士

阁下：

我荣幸地收到您今日来函，内容如下：

“我荣幸地提及于今日签署的大不列颠及北爱尔兰联合王国政府和中华人民共和国政府关于促进和相互保护投资协定（下称“投资协定”）。

在投资协定第一条第一款（甲）项中规定，该项定义的“投资”包括投资协定生效之日存在的投资。我荣幸地建议，凡在本投资协定生效之日缔约另一方国民或公司已经停止行使控制或其他权力的投资，或已经停止取得收入、偿付或应得利益的投资，不适用本投资协定。

如果中华人民共和国政府接受本建议，我荣幸地建议，本函和阁下接受此建议的复函将构成我们两国政府间的一项协议，并作为投资协定的组成部分，于阁下复函之日生效。”

我荣幸地确认中华人民共和国政府接受阁下来函中的建议，同意阁下来函及本复函应构成我们两国政府间的一协议，并于今日生效。

顺致崇高的敬意。

中华人民共和国对外经济贸易部部长

郑拓彬
[ZHENG TUOBLIN]

一九八六年五月十五日于伦敦

[Translation of No. 4]

The Rt Hon Sir Geoffrey Howe QC MP
Secretary of State for Foreign and
Commonwealth Affairs
United Kingdom of Great Britain and
Northern Ireland

Your Excellency

I have the honour to acknowledge the receipt of your Note of today's date which reads as follows:

{As in No. 3}

I have the further honour to confirm that the proposal in Your Excellency's Note is acceptable to the Government of the People's Republic of China who therefore agree that Your Excellency's Note and this Note shall constitute an agreement between our two Governments which shall enter into force on today's date.

Accept Excellency, the renewed assurance of my highest consideration.

15 May 1986

Zheng Tuobin
Minister for Foreign Economic
Relations and Trade
People's Republic of China