

AGREEMENT
BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF TÜRKİYE
AND
THE GOVERNMENT OF THE ORIENTAL REPUBLIC OF URUGUAY
ON
THE RECIPROCAL PROMOTION AND PROTECTION OF
INVESTMENTS

The Government of the Republic of Türkiye and the Government of the Oriental Republic of Uruguay, hereinafter referred to as “the Contracting Parties”;

Desiring to promote greater economic cooperation between them, particularly with respect to investment by investors of one Contracting Party in the territory of the other Contracting Party;

Recognizing that agreement upon the treatment to be accorded such investment will stimulate the flow of capital and technology and the economic development of the Contracting Parties;

Convinced that these objectives can be achieved without relaxing health, safety and environmental measures of general application as well as internationally recognized labor rights;

Recognizing their inherent right to regulate and resolving to preserve the flexibility of the Contracting Parties to set legislative and regulatory priorities, safeguard public welfare, and protect legitimate public welfare objectives, such as public health, safety, the environment, the conservation of living or non-living exhaustible natural resources, the integrity and stability of the financial system and public morals;

Having resolved to conclude an agreement concerning the reciprocal promotion and protection of investments;

Have agreed as follows:

ARTICLE 1
Definitions

For the purposes of this Agreement;

1. The term "enterprise" means any legal person or any other entity duly constituted or organized under the applicable laws and regulations, whether or not for profit, and whether privately or governmentally owned or controlled, including any corporation, trust, partnership, sole proprietorship, joint venture, association, organization or company.

2. The term "investment" means every kind of asset, connected with business activities, acquired for the purpose of establishing lasting economic relations, owned or controlled by an investor of one Contracting Party, made in the territory of the other Contracting Party in conformity with its laws and regulations, and that has the characteristics of an investment, including such characteristics as the commitment of capital or other resources, the expectation of gain or profit, the assumption of risk, contribution to economic development, and a certain duration, and shall include in particular, but not exclusively:

(a) movable and immovable property, as well as any other rights such as mortgages, leases, liens, pledges;

(b) reinvested returns;

(c) claims to money or any other rights having financial value related to an investment;

(d) shares, stocks, or any other form of participation in an enterprise;

(e) intellectual property rights, including patents, industrial designs, technical processes, as well as trademarks, goodwill, and know-how;

(f) business concessions conferred by law or by contract, including concessions related to natural resources.

Whether a particular type of license, authorization, permit, or similar instrument (including a concession, to the extent that it has the nature of such an instrument) has the characteristics of an investment depends on such factors as the nature and extent of the rights that the holder has under the law of the hosting Contracting Party. Among the licenses, authorizations, permits, and similar instruments that do not have the characteristics of an investment are those that do not create any rights protected under domestic law. For greater certainty, the foregoing is without prejudice to whether any asset associated with the license, authorization, permit, or similar instrument has the characteristics of an investment.

3. The term "investment" does not mean;

(a) a claim to money that arises solely from:

(i) a commercial contract for the sale of a good or a service by an enterprise in the territory of a Contracting Party to an enterprise in the territory of the other Contracting Party,

(ii) the extension of credit in connection with a commercial transaction, such as trade financing, or

(b) any other claim to money, that does not involve the kinds of assets set out in subparagraphs (a) to (f) of paragraph 2;

(c) sovereign debt, regardless of original maturity, of a Contracting Party or state-enterprise debt.

The term "investment" does not include an order or judgment entered in a judicial or administrative action.

4. The term "investor of a Contracting Party" means:

(a) a natural person having the nationality of that Contracting Party according to its laws and regulations or;

(b) an enterprise having substantial business activities in the territory of the Contracting Party where it is incorporated or constituted;

who have made an investment in the territory of the other Contracting Party.

5. The term "measure" includes any law, regulation, or procedure.

6. The term "returns" means the amounts yielded by an investment and includes in particular, though not exclusively, profit, interest, capital gains, royalties, fees and dividends.

7. For the purposes of this Agreement, an enterprise is:

(i) "owned" by an investor if more than fifty percent of the equity interest in it is beneficially owned by the investor; and

(ii) "controlled" by an investor if the investor has the power to name a majority of its directors or otherwise to legally direct its actions.

8. The "territory" means:

(a) in respect of the Republic of Türkiye; the land territory, internal waters, the territorial sea and the airspace above them, as well as the maritime areas over which Türkiye has sovereign rights or jurisdiction for the purpose of exploration, exploitation and preservation of natural resources whether living or non-living, pursuant to international law.

(b) in respect of the Oriental Republic of Uruguay; the land territory, internal waters, territorial sea including their seabed and subsoil and air space over them under its sovereignty, and the exclusive economic zone and the continental shelf with respect to which the Oriental Republic of Uruguay exercises sovereign rights or jurisdiction, in accordance with international law and its domestic laws and regulations.

ARTICLE 2
Scope of the Agreement

1. This Agreement shall apply to measures adopted or maintained by a Contracting Party relating to investments made in the territory of that Contracting Party, in accordance with its national laws and regulations, by investors of the other Contracting Party, whether prior to, or after the entry into force of this Agreement.

2. This Agreement shall not apply to any disputes that have arisen before its entry into force or any measure that has been taken before the entry into force of this Agreement even if their effects persist thereafter.

3. A natural person who is a national of both Contracting Parties shall be deemed exclusively a national of the Contracting Party of his or her dominant and effective nationality.

4. The provisions of this Agreement shall not apply to:

(a) subsidies or grants;

(b) taxation measures;

(c) government procurement;

(d) all actual or future advantages accorded by either Contracting Party by virtue of its membership of, or association with a customs, economic or monetary union, a common market or a free trade area.

5. The provisions of this Agreement 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 any international agreement or arrangement relating wholly or mainly to taxation.

ARTICLE 3
Promotion and Protection of Investments

Subject to its laws and regulations, each Contracting Party shall in its territory promote as far as possible investments by investors of the other Contracting Party.

ARTICLE 4
Minimum Standard of Treatment

1. Investments of investors of each Contracting Party shall be accorded treatment in accordance with customary international law minimum standard of treatment, including “fair and equitable treatment” and “full protection and security” in the territory of the other Contracting Party.
2. For greater certainty, paragraph 1 prescribes the customary international law minimum standard of treatment as the standard of treatment to be accorded to investments. 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 that standard, and do not create additional substantive rights. The obligation in paragraph 1 to provide:
 - (a) “fair and equitable treatment” includes the obligation not to deny justice in criminal, civil or administrative adjudicatory proceedings in accordance with the principle of due process embodied in the principal legal systems of the world; and
 - (b) “full protection and security” requires each Contracting Party to provide the level of police protection required under customary international law.
3. A determination that there has been a breach of another provision of this Agreement, or of a separate international agreement, does not establish that there has been a breach of this Article.
4. For greater certainty, the mere fact that a Contracting Party takes or fails to take an action that may be inconsistent with an investor’s expectations does not constitute a breach of this Article, even if there is loss or damage to the investment as a result.

ARTICLE 5
National Treatment and Most Favoured Nation Treatment

1. Each Contracting Party shall accord in its territory to investments of investors of the other Contracting Party, once established, no less favorable treatment than that accorded in like circumstances¹ to investments of its own investors or to investments of investors of any third State, whichever is the most favorable, as regards the management, maintenance, use, operation, enjoyment, extension, sale, liquidation or disposal of the investment.
2. For greater certainty, the Most Favored Nation treatment referred to in paragraph 1 of this Article does not include investor-to-state dispute settlement procedures or mechanisms, such as those included under Article 14 “Settlement of Disputes between One Contracting Party and Investors of the Other Contracting Party”.

¹ For greater certainty, whether treatment is accorded in “like circumstances” under paragraph 1 depends on the totality of the circumstances, including whether the relevant treatment distinguishes between investors or investments on the basis of legitimate public welfare objectives.

3. The provisions of this Agreement shall not oblige either Contracting Party to accord investments of investors of the other Contracting Party the same treatment that it accords to investments of its own investors with regard to acquisition of land, real estates, and real rights thereof.

ARTICLE 6
Entry and Sojourn of Personnel

The Contracting Parties shall endeavor within the framework of their national legislation to give due consideration to applications for the entry and sojourn of nationals of either Contracting Party who wish to enter the territory of the other Contracting Party in connection with the making and carrying through of an investment.

ARTICLE 7
General and Security Exceptions

1. Nothing in this Agreement shall be construed to prevent a Contracting Party from adopting, maintaining, or enforcing any non-discriminatory measures:

- (a) necessary to protect human, animal or plant life or health, or the environment;
- (b) related to the conservation of living or non-living exhaustible natural resources;
- (c) necessary to protect public morals or to maintain public order;
- (d) necessary to secure compliance with laws or regulations which are not inconsistent with the provisions of this Agreement; or
- (e) imposed for the protection of national treasures of artistic, historic or archaeological value.

2. Nothing in this Agreement shall be construed:

- (a) to require any Contracting Party to furnish or allow access to any information the disclosure of which it determines to be contrary to its essential security interests;
- (b) to prevent any Contracting Party from taking any actions that it considers necessary for the protection of its essential security interests;
- (c) to prevent any Contracting Party from applying measures that it considers necessary for the fulfilment of its obligations with respect to the maintenance or restoration of international peace or security.

3. Nothing in this Agreement, prevents a Contracting Party from adopting or maintaining a measure for prudential reasons, including:

- (a) the protection of investors, depositors, financial market participants, policy-holders, or persons to whom a financial institution, cross-border financial service supplier, or financial service supplier owes a fiduciary duty;

(b) the maintenance of the safety, soundness, integrity, or financial responsibility of a financial institution, cross-border financial service supplier, or financial service supplier;

(c) ensuring the integrity and stability of a Contracting Party's financial system;

If a prudential measure described in paragraph 1 does not conform with the provisions of this Agreement to which the exception applies, it shall not be used as a means of avoiding a Contracting Party's commitments or obligations under those provisions.

4. This Agreement shall not apply to measures adopted or maintained by a Contracting Party relating to activities conducted by a central bank or monetary authority or by any other public entity in pursuit of monetary or exchange rate policies.

ARTICLE 8 **Expropriation**²

1. Investments shall not be expropriated, nationalized or subject, directly or indirectly, to measures of similar effects (hereinafter referred as expropriation) except for a public purpose, in a non-discriminatory manner, upon payment of prompt, adequate and effective compensation, and in accordance with due process of law.

2. Compensation referred in paragraph 1 shall be equivalent to the market value of the expropriated investment before the expropriation was taken or became public knowledge. That compensation shall be paid without undue delay and be freely transferable as described in the Article 10 "Transfers".

3. Compensation referred in paragraph 1 shall be payable in a freely convertible currency and in the event that payment of compensation is delayed, it shall include interest at a commercially reasonable rate from the date of expropriation until the date of payment.

4. This Article shall not apply to the issuance of compulsory licenses granted in relation to intellectual property rights in accordance with the TRIPS Agreement, or to the revocation, limitation, or creation of intellectual property rights, to the extent that the issuance, revocation, limitation or creation is consistent with the TRIPS Agreement.

ARTICLE 9 **Compensation for Losses**

1. Investors of either Contracting Party whose investments suffer losses in the territory of the other Contracting Party owing to war, insurrection, civil disturbance or other similar events shall be accorded by such other Contracting Party no less favorable treatment than that accorded to its own investors or to investors of any third State, whichever is the most favorable treatment, as regards any measures it adopts in relation to such losses.

² This Article shall be interpreted in accordance with Annex A (Expropriation)

2. Without prejudice to paragraph 1, investors 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 its investments or part thereof by the latter's forces or authorities; or
- (b) destruction of its investments or part thereof by the latter's forces or authorities, which was not required by the necessity of the situation.

The latter Contracting Party shall provide the investor restitution, compensation or both, as appropriate, for such loss. Any compensation, shall be prompt, adequate, and effective in accordance with paragraph 1 of Article 8 "Expropriation".

ARTICLE 10

Transfers

1. Each Contracting Party shall permit in good faith all transfers related to an investment in its territory to be made freely and without undue delay into and out of its territory. Such transfers include:

- (a) the initial capital and additional amounts to maintain or increase investment;
- (b) returns;
- (c) proceeds from the sale or liquidation of all or any part of an investment;
- (d) compensation pursuant to Article 8 "Expropriation" and Article 9 "Compensation for Losses";
- (e) reimbursements and interest payments deriving from loans in connection with the investments;
- (f) salaries, wages and other remunerations received by the nationals of one Contracting Party who have been employed in accordance with the national labor regulations in the territory of the other Contracting Party;
- (g) payments arising from an investment dispute.

2. Transfers shall be made in the convertible currency in which the investment has been made or in a freely useable currency at the rate of exchange in force at the date of transfer.

3. Notwithstanding paragraphs 1 and 2, a Contracting Party may prevent or delay a transfer through the equitable, non-discriminatory and good faith application of its laws and regulations relating to:

- (a) bankruptcy, insolvency or the protection of the rights of creditors;
- (b) issuing, trading or dealing in securities, futures, options, or derivatives;

(c) criminal or penal offences;

(d) financial reporting or record keeping of transfers when necessary to assist law enforcement or financial regulatory authorities; or

(e) ensuring compliance with orders or judgments in judicial or administrative proceedings.

4. A Contracting Party may adopt or maintain measures inconsistent with paragraphs 1 and 2:

(a) in the event of serious balance-of-payments and external financial difficulties or threat thereof; or

(b) in cases where, in exceptional circumstances, movements of capital cause or threaten to cause serious difficulties for macroeconomic management, in particular, monetary and exchange rate policies.

5. Any measures adopted or maintained under paragraph 4 shall:

(a) be applied such that the other Contracting Party is treated no less favourably than any non-Party;

(b) be consistent with the Articles of Agreement of the International Monetary Fund;

(c) not exceed those necessary to deal with the circumstances set out in paragraph 4; and

(d) be temporary and be phased out progressively as the situation specified in paragraph 4 improves.

ARTICLE 11

Subrogation

1. If a Contracting Party or an agency of a Contracting Party makes a payment to an investor of that Contracting Party under a guarantee, a contract of insurance or other form of indemnity it has granted in respect of an investment, the other Contracting Party shall recognize the subrogation or transfer of any right or title in respect of such investment. The subrogated or transferred right or claim shall not be greater than the original right or claim of the investor.

2. Where a Contracting Party or an agency of a Contracting Party has made a payment to an investor of that Contracting Party and has taken over rights and claims of the investor, that investor shall not, unless authorized to act on behalf of the Contracting Party or the agency of the Contracting Party making the payment, pursue those rights and claims against the other Contracting Party.

3. For greater certainty, the disputes between a Contracting Party and an agency of the other Contracting Party shall be settled in accordance with the provisions of Article 14 “Settlement of Disputes between One Contracting Party and Investors of the Other Contracting Party” of this Agreement.

ARTICLE 12
Denial of Benefits

A Contracting Party may deny the benefits of this Agreement to an investor of the other Contracting Party that is an enterprise of such other Contracting Party and to investments of such investor if:

- (i) the enterprise has no effective business activities in the territory of the Contracting Party under whose law it is constituted or organized and
- (ii) investors of a non-Contracting Party, or investors of the denying Contracting Party, own or control the enterprise.

ARTICLE 13
Corporate Social Responsibility

Investors operating within the territory of each Contracting Party shall endeavour to voluntarily incorporate internationally recognized standards of corporate social responsibility in their practices and internal policies, such as statements of principle that have been endorsed or are supported by the Contracting Parties. These principles may address issues such as labour, environment, human rights, community relations and anti-corruption.

ARTICLE 14
Settlement of Disputes between One Contracting Party and Investors of the Other Contracting Party

1. This Article shall apply to disputes between one Contracting Party and an investor of the other Contracting Party concerning an alleged breach of an obligation of the former under this Agreement, which causes loss or damage to the investor referred to hereafter as an “investment dispute”.

2. In the event of an investment dispute between one of the Contracting Parties and an investor of the other Contracting Party, in connection with its investment, it shall be notified in writing, including detailed information, by the investor to the recipient Contracting Party of the investment. As far as possible, the investor and the concerned Contracting Party shall endeavor to settle these disputes by consultations and negotiations in good faith.

3. The written request for consultations or negotiations referred in paragraph 2 shall specify:

- (a) the name and address of the investor;

- (b) the provisions of this Agreement alleged to have been breached;
- (c) the legal and the factual basis for the claim, including the measure at issue;
- (d) the relief sought and the amount of damages claimed;
- (e) the evidence proving its condition of investor of the other Contracting Party and the existence of the investment; and
- (f) other relevant information to allow the hosting Contracting Party to effectively engage in consultations and negotiations, and to prepare its response.

4. For greater certainty, the commencement of consultations and negotiations under this Article shall not be interpreted as recognition of the jurisdiction of any arbitral tribunal which may be constituted at a future time, in accordance with this Article.

5. If the investment dispute, cannot be settled amicably within six (6) months following the date of receipt by the Contracting Party the written notification mentioned in paragraph 2, the investor may submit a claim, where alleged:

- (a) that the Contracting Party has breached an obligation under this Agreement; and
- (b) that the investor has incurred loss or damage by reason of, or arising out of, that breach.

6. The investor may submit a claim referred to in paragraph 1 under one of the following alternatives:

- (a) the competent court of justice or administrative tribunal of the Contracting Party in whose territory the investment has been made, or
- (b) to international arbitration according to the provisions of paragraph 7.

7. Pursuant to the provisions of paragraph 6, in case of international arbitration the investor may submit his or her claim to:

- (a) an arbitral tribunal constituted under the International Center for Settlement of Investment Disputes (ICSID) set up by the "Convention on Settlement of Investment Disputes Between States and Nationals of other States", or
- (b) an arbitral tribunal constituted under the Arbitration Rules of Procedure of the United Nations Commission for International Trade Law (UNCITRAL), approved by the United Nations General Assembly on December 15, 1976, as revised in 2010, or
- (c) any other arbitration institution or any other arbitration rules, if the disputing parties so agree.

8. Once the investor has submitted the dispute to one or the other of the dispute settlement forums mentioned in paragraph 7, the choice of one of these forums shall be final and the investor may not submit thereafter the same claim to any other forum.

9. For great certainty, if the investment dispute is submitted to a court of justice or administrative tribunal of the hosting Contracting Party or to any other dispute settlement procedures, the election of forum shall be definitive and the investor may not submit thereafter the same investment dispute to international arbitration under this Article.

10. The arbitration rules applicable under paragraph 7 that are in effect on the date the claim or claims were submitted to arbitration under this Article shall govern the arbitration except to the extent modified by this Agreement.

11. Notwithstanding the provisions of paragraph 6 of this Article, the disputes, related to the property and real rights upon the real estates are totally under the jurisdiction of the Courts of the hosting Contracting Party and therefore shall not be submitted to jurisdiction of the International Center for Settlement of Investment Disputes (ICSID) or any other international dispute settlement mechanism.

12. No investment dispute shall be submitted to an international arbitration under this Article unless:

(a) the necessary permissions in conformity with the relevant legislation of the host Contracting Party are obtained with regard to investment activities which have effectively started;

(b) the investor consents in writing to international arbitration in accordance with the procedures set out in this Article; and

(c) the investor has provided the Contracting Party a written waiver of any right to initiate before any court of justice or administrative tribunal under the law of a Contracting Party, or any other dispute settlement procedures, any proceeding with respect to any measure alleged to constitute a breach of this Agreement.

13. No claim shall be submitted to arbitration under this Article if more than three (3) years have elapsed from the date on which the investor first acquired, or should have first acquired, knowledge of the alleged breach under paragraph 5 and the knowledge that the investor has incurred in loss or damages.

14. A claim will be deemed to be submitted to arbitration under the terms of this Article where:

(a) a request for arbitration under Article 36(1) of the ICSID Convention has been recorded by the Secretary-General, in accordance with paragraph 3 thereof; or

(b) an arbitration notice under the UNCITRAL Arbitration Rules has been received by the disputing party; or

(c) referred to under any arbitral institution or arbitral rules selected under paragraph 7;

15. The investor and the hosting Contracting Party may agree on the legal place of any arbitration under the arbitration rules applicable according to paragraph 7. If the disputing parties fail to reach an agreement, the arbitral tribunal shall determine the place in accordance with the applicable arbitration rules, provided that the place shall be in the territory of a party to the New York Convention.

16. An investor may not submit a claim alleging a breach of, or otherwise invoking, Article 5 “National Treatment and Most Favored Nation Treatment” on the basis that another international agreement contains more favorable rights or obligations. For greater certainty, this shall not prevent a claim challenging measures of a Contracting Party, including measures taken pursuant to another international agreement, on the basis that those measures breach Article 5 “National Treatment and Most Favored Nation Treatment” and have resulted in loss or damage to the investor.

17. At least ninety (90) days before submitting any claim to arbitration under this Article, the investor shall deliver to the hosting Contracting Party a written notice of its intention to submit a claim to arbitration. This notice of arbitration shall specify:

(a) the name and address of the investor and, if relevant, place of incorporation of the investor;

(b) for each claim, the provision of this Agreement alleged to have been breached and any other relevant provisions;

(c) the legal and factual basis for each claim;

(d) the relief sought and the approximate amount of damages claimed, and

(e) the evidence proving its condition of investor of the other Contracting Party and the existence of an investment.

18. Once an action referred to in paragraph 6 of this Article has been taken, neither Contracting Party shall pursue the dispute through diplomatic channels unless:

(a) the relevant judicial or administrative body, the Secretary-General of ICSID (“Secretary-General”), the arbitral authority or tribunal or the conciliation commission, as the case may be, has decided that it has no jurisdiction in relation to the dispute in question; or

(b) the Contracting Party has failed to abide by or comply with any judgment, award, order or other determination made by the body in question.

19. Unless the investor and the hosting Contracting Party agree otherwise, the arbitral tribunal established under paragraph 7 (b) shall comprise three arbitrators, one arbitrator appointed by each of the disputing parties and the third, who shall be the presiding arbitrator, appointed by agreement of the disputing parties.

20. If a tribunal has not been constituted within a period of sixty (60) days after the date that a claim is submitted to arbitration under this Article, appointing authority under this Article shall be the following:

(a) in case of an arbitration submitted under ICSID Convention or the ICSID Additional Facility Rules, the Secretary-General of ICSID;

(b) in case of an arbitration submitted under the UNCITRAL Rules, the Secretary-General of the Permanent Court of Arbitration;

Provided that if the appointing authority referred to is sub-paragraph (a) or (b) of this paragraph is a national of a Contracting Party, the appointing authority shall be in the following order: the President, the Vice-President or the next most senior Judge of the International Court of Justice who is not a national of either Contracting Party.

21. On the request of a disputing party, the appointing authority shall appoint, in his or her discretion, after consulting with the disputing parties, the arbitrator or arbitrators not yet appointed. The appointing authority shall not appoint a national of either Contracting Party as the presiding arbitrator unless the disputing parties agree otherwise.

22. All arbitrators appointed pursuant to this Article shall have expertise or experience in public international law, and international trade or international investment rules, or the resolution of disputes arising under international trade or international investment agreements. They shall be chosen strictly on the basis of objectivity, reliability and sound judgment; be independent, serve in their individual capacities, and not be affiliated or take instructions from any organization or government with regard to matters related to the dispute, or be affiliated with the government of either Contracting Party or any disputing party, and shall comply with Annex B "Code of Conduct".

23. In case any arbitrator appointed as provided in this Article shall resign or become unable to act, a successor arbitrator shall be appointed in the same manner as prescribed for the appointment of the original arbitrator and the successor shall have all the powers and duties of the original arbitrator.

24. In the event that the respondent requests within forty-five (45) days after the tribunal is constituted, the tribunal shall decide on an expedited basis an objection that the dispute is not within the tribunal's competence, including an objection that the dispute is not within the tribunal's jurisdiction. The tribunal shall suspend any proceedings on the merits and issue a decision or award on the objection, stating the grounds therefore, no later than hundred and fifty (150) days after the date of the request. However, if a disputing party requests a hearing, the tribunal may take an additional thirty (30) days to issue the decision or award. Regardless of whether a hearing is requested, a tribunal may, on a showing of extraordinary cause, delay issuing its decision or award by an additional brief period, which may not exceed thirty (30) days.

25. When a claim is submitted under this Article the arbitral tribunal shall take its decisions in accordance with the provisions of this Agreement, the laws and regulations of the Contracting Party involved in the dispute on which territory the investment is made (including its rules on the conflict of laws), and the relevant principles of international law applicable between the Contracting Parties.

26. The arbitral tribunal shall within a reasonable period of time, reach its decision by majority of votes. The award rendered by the arbitral tribunal shall state the reasons upon which is based. The arbitration awards shall be final and binding for all parties in dispute and in respect of the particular case. Each Contracting Party shall execute the award according to its national law.

27. The investor and the hosting Contracting Party shall not be obliged to disclose confidential information or information which is privileged or otherwise protected from disclosure under its applicable laws and regulations or to disclose information which could impede law enforcement or otherwise be contrary to the public interest, or which would prejudice privacy or legitimate commercial interests.

28. When an arbitral tribunal makes a final award, the tribunal may award, separately or in combination, only:

(a) monetary damages and any applicable interest; and

(b) restitution of property, in which case the award shall provide that the respondent may pay monetary damages and any applicable interest in lieu of restitution.

29. The arbitral tribunal may also award cost and attorney's fees in accordance with this Agreement and applicable arbitral rules.

For greater certainty, a tribunal shall not award punitive damages.

30. A disputing party shall not seek enforcement of a final award until:

(a) in the case of a final award made under the ICSID Convention:

(i) hundred and twenty (120) days have elapsed from the date the award was rendered and no disputing party has requested revision of the award under Article 51 of the ICSID Convention or annulment of the award under Article 52 of the ICSID Convention; or

(ii) revision or annulment proceedings have been completed; and

(b) In the case of a final award under UNCITRAL Arbitration Rules, or the rules selected pursuant to the paragraph 7:

(i) ninety (90) days have elapsed from the date the award was rendered and no disputing party has requested the revision, revocation or annulment of the award; or

(ii) a court has dismissed or allowed an application to revise, set aside, or annul the award and there is no further appeal.

ARTICLE 15

Settlement of Disputes between the Contracting Parties

1. The Contracting Parties shall seek in good faith and a spirit of cooperation a rapid and equitable solution to any dispute between them concerning the interpretation or application of this Agreement. In this regard, the Contracting Parties agree to engage in direct and meaningful negotiations to arrive at such solutions.

2. If the Contracting Parties cannot reach an agreement within six (6) months, the disputes may be submitted, upon the request of either Contracting Party, to an arbitral tribunal of three members.

3. Arbitration proceedings shall be instituted upon notice of arbitration being given through diplomatic channels by the Contracting Party instituting such proceedings to the other Contracting Party. Such notice of arbitration shall:

(a) specify for each claim, the provision of this Agreement alleged to have been breached and any other relevant provisions;

(b) specify the legal and factual basis for each claim;

(c) specify the relief sought; and

(d) contain the name of the arbitrator appointed by the Contracting Party instituting such proceedings.

4. Within two (2) months of receipt of a request, the other Contracting Party shall appoint an arbitrator. The two arbitrators shall select a third arbitrator as Chairman who is a national of a third State. The Contracting Parties shall, within thirty (30) days of the selection of the third arbitrator, approve the selection of that arbitrator who shall act as Chair of the Tribunal. In the event either Contracting Party fails to appoint an arbitrator within the specified time, the other Contracting Party may request the President of the International Court of Justice to make the appointment.

5. If both arbitrators cannot reach an agreement about the choice of the Chairman within two (2) months after their appointment, the Chairman shall be appointed upon the request of either Contracting Party by the President of the International Court of Justice.

6. If, in the cases specified under paragraphs 2 and 4 of this Article, the President of the International Court of Justice is prevented from carrying out the said function or if he is a national or permanent resident of either Contracting Party the appointment shall be made by the Vice-President, and if the Vice-President is prevented from carrying out the said function or if he is a national or permanent resident of either Contracting Party, the appointment shall be made by the most senior member of the Court who is not a national of either Contracting Party.

7. In case any arbitrator appointed as provided for in this Article shall resign or become unable to act, a successor arbitrator shall be appointed in the same manner as prescribed for the appointment of the original arbitrator and the successor shall have all the powers and duties of the original arbitrator.

8. In appointing the arbitrators, the Contracting Parties consider that arbitrators of an arbitration tribunal should:

(a) have expertise in investment and experience in law or in international trade;

(b) not receive instructions from the government of either Contracting Party.

9. The tribunal shall have three (3) months from the date of the selection of the Chairman to agree upon rules of procedure consistent with the other provisions of this Agreement. In the absence of such agreement, the tribunal shall request the President of the International Court of Justice to designate rules of procedure, taking into account generally recognized rules of international arbitral procedure.

10. The arbitral tribunal shall convene at such time and place as shall be fixed by the Chair of the Tribunal. Thereafter, the arbitral tribunal shall determine where and when it shall sit. The arbitration shall be held in a party to the New York Convention.

11. The arbitral tribunal shall decide all questions relating to its competence and shall, subject to any agreement between the Contracting Parties, determine its own procedure.

12. Before the arbitral tribunal makes a decision, it may at any stage of the proceedings propose to the Contracting Parties that the dispute be settled amicably.

13. The arbitral tribunal shall afford to the Contracting Parties a fair hearing. It may render an award on the default of a Contracting Party. Any award shall be rendered in writing and shall state its legal basis. A signed counterpart of the award shall be transmitted to each Contracting Party.

14. The arbitral tribunal shall reach its decisions, which shall be final and binding, by a majority of votes. Arbitral tribunal shall reach its decision on the basis of this Agreement and in accordance with international law applicable between the Contracting Parties and the generally recognized principles of international law.

15. Expenses incurred by the Chairman, the other arbitrators, and other costs of the proceedings shall be paid for equally by the Contracting Parties. The tribunal may, however, at its discretion, decide that a higher proportion of the costs be paid by one of the Contracting Parties.

16. A dispute shall not be submitted to an international arbitral tribunal under the provisions of this Article, if a dispute on the same matter has been brought before another international arbitral tribunal under the provisions of Article 14 "Settlement of Disputes between One Contracting Party and Investors of the Other Contracting Party" and is still before the tribunal. This will not impair the engagement in direct and meaningful negotiations between the Contracting Parties.

ARTICLE 16
Service of Documents

Notices and other documents in disputes under Article 14 "Settlement of Disputes between One Contracting Party and Investors of the Other Contracting Party" and Article 15 "Settlement of Disputes between the Contracting Parties" shall be served on Türkiye by delivery to:

Cumhurbaşkanlığı Hukuk ve Mevzuat Genel Müdürlüğü
Cumhurbaşkanlığı Külliyesi
06560 Beştepe-Ankara
Türkiye

(General Directorate of Law and Legislation of Presidency
Presidential Complex
06560 Beştepe - Ankara
Türkiye)

Notices and other documents in disputes under Article 14 "Settlement of Disputes between One Contracting Party and Investors of the Other Contracting Party" and Article 15 "Settlement of Disputes between the Contracting Parties" shall be served on Uruguay by delivery to:

Ministerio de Relaciones Exteriores
Direccion General para Asuntos Económicos Internacionales
Colonia 1206
Montevideo,
Uruguay

(Ministry of Foreign Affairs
General Directorate for International Economic Affairs
Colonia 1206
Montevideo,
Uruguay)

ARTICLE 17
Annexes

Annex A and Annex B constitute an integral part of this Agreement.

ARTICLE 18

Entry into Force, Duration, Amendment and Termination

1. This Agreement shall enter into force thirty (30) days after the date of the receipt of the last notification by the Contracting Parties, in writing and through diplomatic channels, of the completion of the respective internal legal procedures necessary to that effect.
2. This Agreement shall remain in force for a period of ten (10) years and shall continue in force unless terminated in accordance with paragraph 4 of this Article.
3. This Agreement may be amended by mutual written consent of the Contracting Parties at any time. The amendments shall enter into force in accordance with the same legal procedure prescribed under paragraph 1 of this Article.
4. Either Contracting Party may, by giving one year's prior written notice to the other Contracting Party, terminate this Agreement at the end of the initial ten-year period or at any time thereafter.
5. With respect to investments made prior to the date of termination of this Agreement and to which this Agreement otherwise applies, the provisions of all of the other Articles of this Agreement shall thereafter continue to be effective for a further period of ten (10) years from such date of termination.

IN WITNESS WHEREOF, the undersigned representatives, duly authorized thereto by their respective Governments, have signed this Agreement.

DONE in duplicate in Montevideo on April 23rd, 2022 in the Turkish, Spanish and English languages, all texts being equally authentic.

In case of any divergence of interpretation, the English text shall prevail.

**FOR THE GOVERNMENT OF
THE REPUBLIC OF TÜRKİYE**



Mevlüt ÇAVUŞOĞLU

Minister of Foreign Affairs

**FOR THE GOVERNMENT OF
THE ORIENTAL REPUBLIC OF URUGUAY**



Francisco BUSTILLO

Minister of Foreign Affairs

ANNEX A
Expropriation

1. An action or a series of actions by a Contracting Party cannot constitute an expropriation unless it interferes with a tangible or intangible property right or property interest in an investment.

2. Article 8 “Expropriation” addresses two situations. The first is direct expropriation, in which an investment is directly expropriated through formal transfer of title or outright seizure.

3. The second situation addressed by Article 8 “Expropriation” is indirect expropriation, in which an action or series of actions by a Contracting Party has an effect equivalent to direct expropriation without formal transfer of title or outright seizure.

(a) The determination of whether an action or series of actions by a Contracting Party, in a specific fact situation, constitutes an indirect expropriation, requires a case-by-case, fact-based inquiry that considers, among other factors:

(i) the economic impact of the government action, although the fact that an action or series of actions by a Contracting Party has an adverse effect on the economic value of an investment, standing alone, does not establish that an indirect expropriation has occurred;

(ii) the extent to which the government action interferes with distinct and reasonable expectations arising out of investments; and

(iii) the character of the government action.

(b) Non-discriminatory regulatory actions by a Contracting Party that are designed and applied to protect legitimate public welfare objectives, such as public health, safety and the environment, do not constitute indirect expropriations.

ANNEX B
Code of Conduct

1. Prior to confirmation of his or her selection as an arbitrator under this Agreement, a candidate shall disclose any interest, relationship or matter that is likely to affect his or her independence or impartiality or that might reasonably create an appearance of impropriety or bias in the proceeding. To this end, a candidate shall make all reasonable efforts to become aware of any such interests, relationships and matters.
2. Once selected, an arbitrator shall continue to make all reasonable efforts to become aware of any interests, relationships and matters referred to in paragraph 1 and shall disclose them by communicating them in writing to the disputing parties for their consideration. The obligation to disclose is a continuing duty, which requires an arbitrator to disclose any such interests, relationships and matters that may arise during any stage of the proceeding.
3. An arbitrator shall be independent and impartial. An arbitrator shall act in a fair manner and shall avoid creating an appearance of impropriety or bias.