

International Investment Treaties of the Russian Federation: Brief Overview

27 April 2024

The paper provides a review of the bilateral investment treaties concluded by the Russian Federation on promotion and reciprocal protection of investments (**bilateral investment treaties, bilateral investment agreements, BITs**) and multilateral agreements containing investment protection provisions (**multilateral investment treaties, multilateral investment agreements**).¹

It offers insights into the dynamics of how Russia concludes investment agreements, the states, with which they are concluded, and their main provisions.

In several instances, it is indicated how the relevant matters are regulated by the Regulation on the Conclusion of International Treaties of the

Russian Federation on the Promotion and Protection of Investments approved by the Resolution of the Government of the Russian Federation No. 992 of 30 September 2016 (**Model Regulation**), which contains recommendations for state authorities when negotiating with foreign states on the content of investment agreements.

The results are derived from publicly available data and were calculated based on the total number of investment treaties in force, terminated, and not in force to which the Russian Federation is or was a party.²

The information provided is relevant as of April 2024.

¹ The paper does not analyze multilateral treaties that do not contain provisions on investors' rights and investment protection guarantees.

² The total number of investment treaties reviewed does not include the investment agreement with Denmark of 1 May 1990, the details of which are available in open sources, but the text of which is not publicly available. There is also no indication that the agreement was actually signed, entered into force and was in effect on the official website of the Ministry of Economic Development of the Russian Federation and the Ministry of Foreign Affairs of the Russian Federation. The agreement with Denmark of 1993 covers investments made since 1977.

From Soviet times to the present day, the Russian Federation (USSR) has signed 84 bilateral and 5³ multilateral investment treaties.

As of April 2024, 64 bilateral and 3 multilateral treaties are in effect.⁴

19 treaties did not enter into force (4 of them were ratified by the Russian Federation), 3 treaties were replaced by new ones (1 treaty replaced a previously effective treaty), 1 treaty was denounced.

Under bilateral treaties, the Russian Federation has agreed on investment protection with 81 states, 78 of which are UN members.



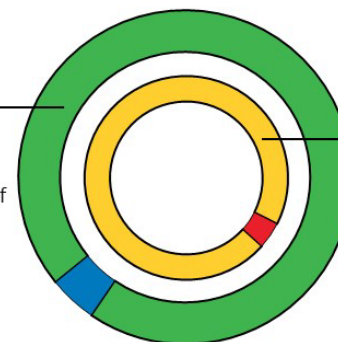
INTERNATIONAL INVESTMENT TREATIES OF THE RUSSIAN FEDERATION*

Concluded treaties**

84 bilateral

Signed with **78** UN member states (out of **193**), as well as with **3** non-UN states.

5 multilateral



Treaties in force***

64 bilateral

3 multilateral

* The present review is based on the information, presented on the [website of the Ministry of Economic Development of the Russian Federation](#), on the [website of the Ministry of Foreign Affairs of the Russian Federation](#), as well as on publicly available data

** Counting treaties concluded by the USSR

*** As of April 2024

³ Including the Energy Charter Treaty, which the Russian Federation signed but subsequently informed the depositary of its intention not to become a party to the Treaty.

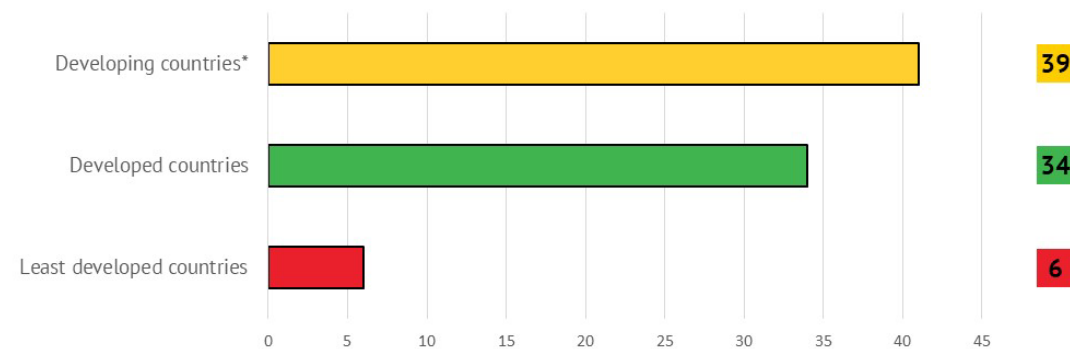
⁴ A list of all investment treaties is provided in the Annex.

The geography of countries with which Russia has concluded bilateral investment treaties covers most sub-regional groups (in accordance with the United Nations geoscheme) and includes Northern Europe, Western Europe, Southern Europe, Eastern Europe, Western Asia, Central Asia, South Asia, East Asia, South-East Asia, North America, Latin America and the Caribbean, North Africa, West Africa, East Africa, and South Africa.

The majority of treaties are concluded with developing and developed countries – 39 and 34 states respectively.



PARTIES TO BILATERAL INVESTMENT TREATIES WITH THE RUSSIAN FEDERATION



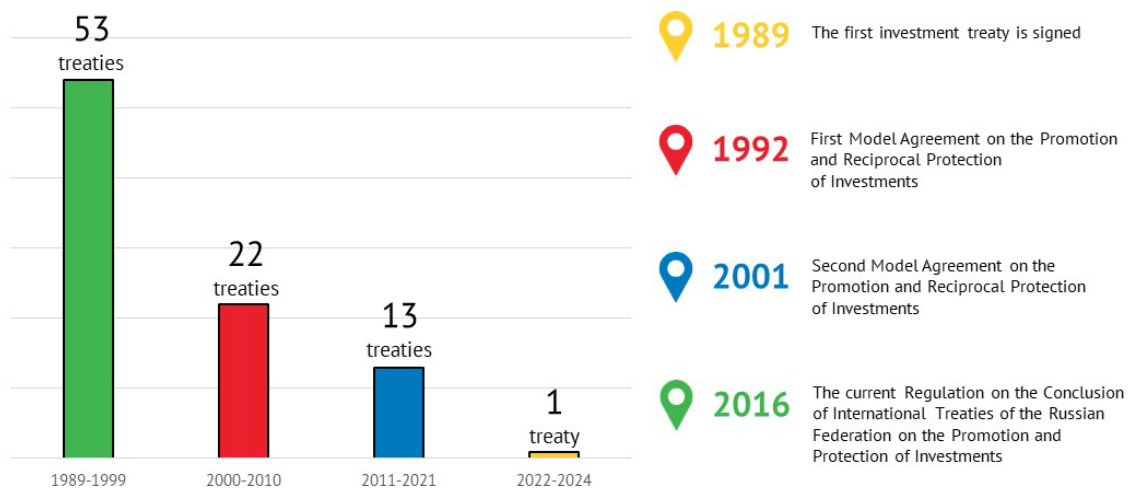
* The grouping of countries into developed, developing and least developed countries is based on information published on the official [website of the United Nations Statistics Division](#)

Most of the investment treaties of the Russian Federation (USSR) were concluded in 1989–1999 (53 treaties).

From 2000 to 2010, 22 of such treaties were signed, from 2011 to 2021 – 13, from 2022 to 2024 – 1 treaty.



INVESTMENT TREATY CONCLUSION



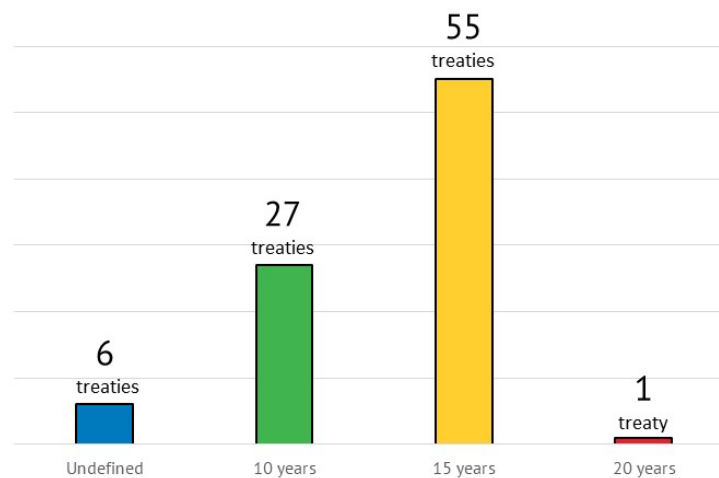
Investment treaties are mostly concluded for a fixed initial term, after which they are automatically renewed for different periods of time or indefinitely.

The provision for an initial validity term of 10 years is contained in 27 treaties, 15 years – in 55 treaties, 20 years – in 1 treaty (with Sweden).

No expiration date is specified in six treaties, one of which provides for denunciation upon notice of termination by either party.



INITIAL TERM OF INVESTMENT TREATIES



Model Regulation:
minimum term – 10 years

Provisions of automatic
renewal are contained in
83 treaties

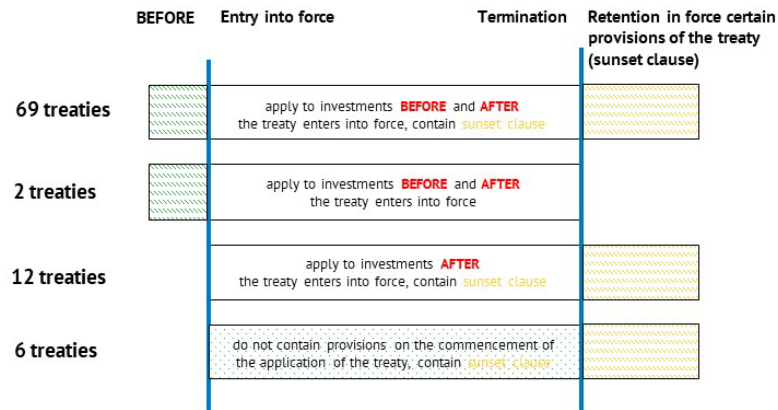
Many of Russia's investment treaties are retroactive: 71 treaties (68 bilateral and 3 multilateral) apply to investments made both after and before the date of entry into force of the treaty.

Twelve Russian investment treaties apply only to investments made after the treaty enters into force.

The so-called sunset clause is found in 87 investment treaties. It states that the investment protection provisions will remain in force for a certain period after the termination of the treaty (usually 15 or 10 years) in respect of investments made prior to the date of termination and existing at that date.



APPLICATION OF INVESTMENT TREATIES IN TIME



Model Regulation: an investment treaty applies to investments made **after the treaty enters into force**. Upon termination of the treaty, its provisions shall apply to investments made during the contract period and existing at the time of termination for the next **10** years.

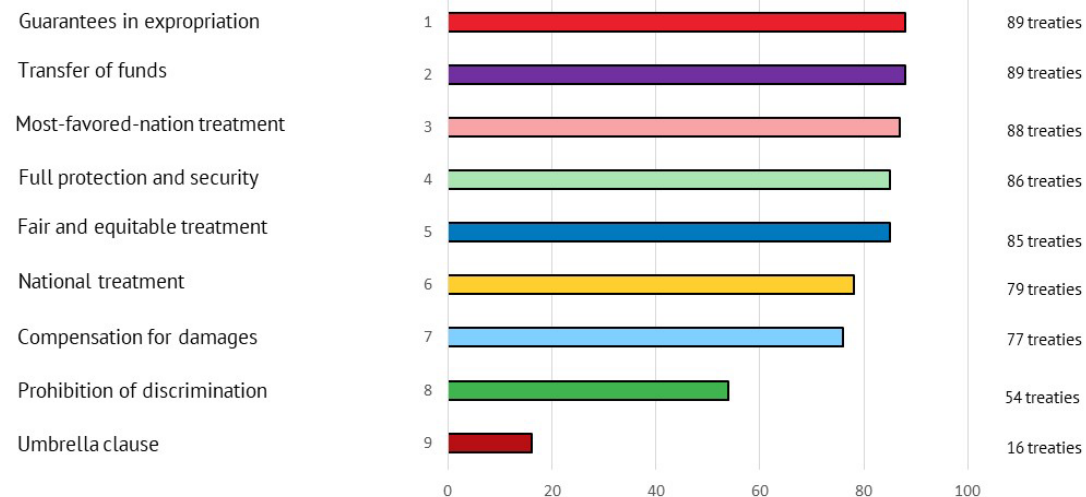
Typically, investment agreements contain combinations of the following guarantees to facilitate and protect investments: national treatment, most-favored-nation treatment, fair and equitable treatment, full protection and security, prohibition of discrimination, expropriation guarantees, compensation for damages, transfer of funds, and umbrella clause.

The content of investment treaties in terms of these guarantees varies.

For example, the bilateral investment treaty between Russia and Armenia is notable for containing the least number of the above-mentioned guarantees among all treaties of the Russian Federation (only four out of nine: full protection and security, expropriation guarantees, compensation of damages, and transfer of funds).



GUARANTEES TO INVESTORS



All nine guarantees are contained in the treaties with France, the USA (did not enter into force), Denmark, Slovakia, Kuwait, Sweden, Italy, Japan, and China.

All agreements involving Russia include provisions prohibiting unlawful expropriation. Most of these treaties regulate both direct and indirect expropriation, and only two treaties (with Finland and Austria) do not regulate cases equal to expropriation in terms of consequences. Transfer of funds guarantees are also found in all treaties.

Eighty-eight agreements contain most-favored-nation treatment; full protection and security provisions are found in 86 treaties.

According to publicly available data, foreign investors in known disputes against the Russian Federation under international investment agreements most frequently refer to expropriation (20 disputes) and violation of fair and equitable treatment (10 disputes).

In turn, Russian investors in known disputes with other states on the basis of investment agreements of the Russian Federation mainly refer to the violation of fair and equitable treatment (11 disputes) and discrimination (7 disputes).

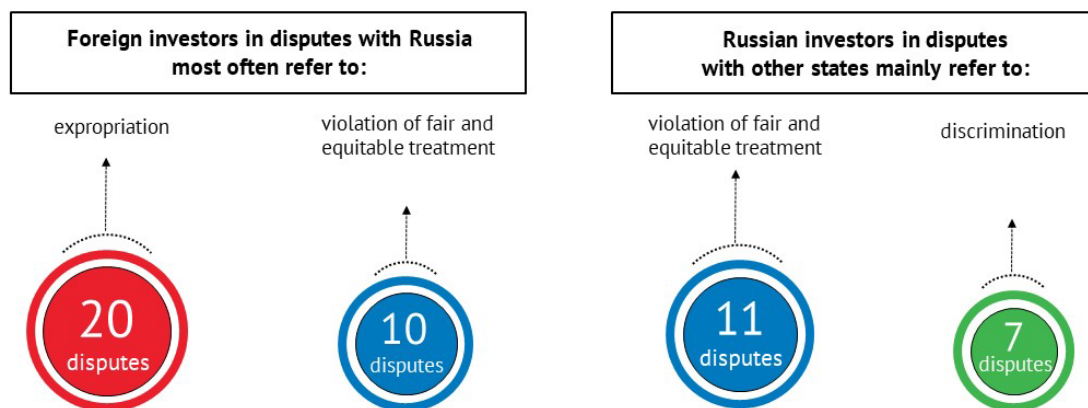
Only a small number of Russia's international investment treaties contain a reference to the applicable substantive law.

Thus, five bilateral treaties (with Belgium/Luxembourg, Austria, Spain, Italy, and China) stipulate

that the provisions of the investment agreement itself and principles of international law serve as the applicable law. Four out of five treaties (with Belgium/Luxembourg, Austria, Spain, Italy, and China) also specify that arbitrators may rule on the basis of the domestic law of the recipient state.



WHAT RUSSIAN AND FOREIGN INVESTORS REFER TO IN DISPUTES*



* Based on publicly available data.

Investment treaties with the participation of Russia provide an opportunity to use various mechanisms to resolve disputes between the investor and the state.

All treaties provide for arbitration, either as an exclusive method of dispute resolution (19 treaties) or as an alternative to a state court (70 treaties).

Ad hoc arbitration under the UNCITRAL Arbitration Rules is mentioned in the treaties most often (it is found in all the international treaties reviewed as at least one of the options).

Thirty-seven treaties (33 bilateral and 4 multilateral) allow for dispute settlement before the International Centre for Settlement of Investment Disputes (**ICSID**) and/or under the ICSID Supplementary Rules.

In addition, 22 treaties (21 bilateral and 1 multilateral) mention the Arbitration Institute of the Stockholm Chamber of Commerce as a forum for dispute settlement.



DISPUTE SETTLEMENT FORUM

All investment treaties provide for arbitration as a method of dispute settlement



arbitration only



state courts or arbitration

Model Regulation:

disputes may be adjudicated in state courts or in arbitration proceedings (*ad hoc* or institutional arbitration)

As a rule, recourse to arbitration or court is possible only after an attempt to settle the dispute amicably. Most treaties involving the Russian Federation (81) provide for a six-month period (cooling-off period) for making such an attempt.

Negotiations are the most commonly envisioned method of preliminary dispute settlement: they are found in 65 treaties (61 bilateral and 4 multilateral).

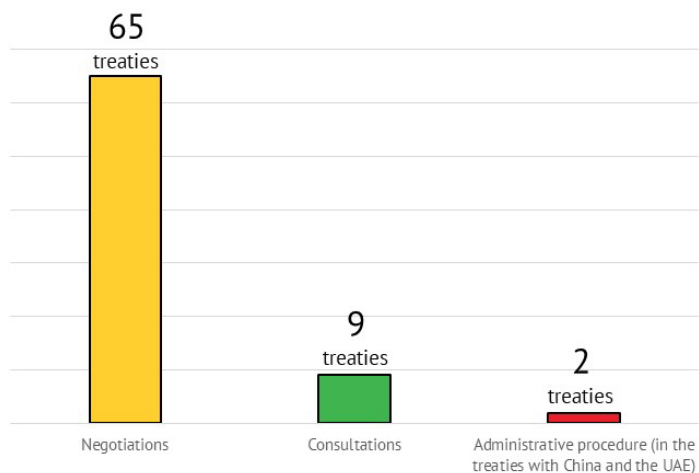
The treaties also provide for the possibility of the parties to settle the dispute through consultations, which are available in nine bilateral treaties (in seven treaties – along with negotiations).

Twenty-one treaties do not specify a particular method of dispute settlement – only a requirement to try to resolve differences amicably.

In addition, the treaties with China and the UAE contain a reference to administrative procedure as a method of pre-trial/pre-arbitration settlement.



PRELIMINARY DISPUTE SETTLEMENT



Model Regulation:

consultations are carried out as a preliminary method of dispute settlement

81 treaties provide for a 6-month cooling-off period to make an attempt to settle the dispute provisionally

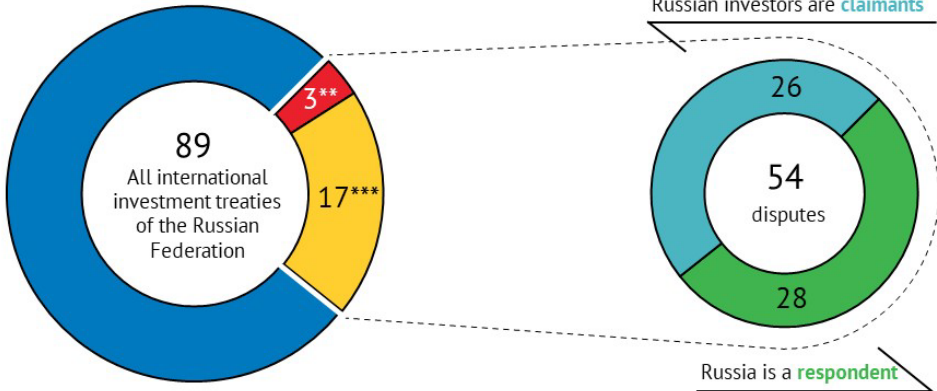
In 21 treaties the method of preliminary dispute settlement is not explicitly defined

Out of all 89 international investment treaties of the Russian Federation, it is known that dispute settlement procedures have been initiated under 20 of them (17 bilateral and 3 multilateral).

According to publicly available information, there were 54 disputes, with the Russian Federation listed as a respondent in 28 of them.



INVESTOR-STATE DISPUTES UNDER INVESTMENT TREATIES*



* Based on publicly available data.
** Multilateral treaties
*** Bilateral treaties

Annex. List of Investment Treaties with the Participation of the Russian Federation

	Treaty	Date of signature	Entry into force, effect
Bilateral Investment Treaties (BITs)			
1.	State of Palestine - Russian Federation BIT	11 November 2016	8 November 2017
2.	Iran, Islamic Republic of - Russian Federation BIT	23 December 2015	6 April 2017
3.	Cambodia-Russian Federation BIT	3 March 2015	7 March 2016
4.	Equatorial Guinea - Russian Federation BIT	6 June 2011	3 March 2016
5.	Bahrain - Russian Federation BIT	29 April 2014	25 December 2015
6.	Azerbaijan - Russian Federation BIT	29 September 2014	16 November 2015
7.	Russian Federation - Zimbabwe BIT	7 October 2012	10 September 2014
8.	Russian Federation - Uzbekistan BIT	15 April 2013	14 January 2014
9.	Nicaragua - Russian Federation BIT	26 January 2012	3 September 2013
10.	Russian Federation - United Arab Emirates BIT	28 June 2010	19 August 2013
11.	Russian Federation - Singapore BIT	27 September 2010	16 June 2012
12.	Russian Federation - Abkhazia BIT	9 October 2009	10 February 2011
13.	Russian Federation - South Ossetia BIT	1 December 2009	10 February 2011
14.	Angola - Russian Federation BIT	26 June 2009	12 January 2011

15.	Libya - Russian Federation BIT	17 April 2008	15 October 2010
16.	Russian Federation - Turkmenistan BIT	25 March 2009	23 August 2010
17.	Russian Federation - Venezuela, Bolivarian Republic of BIT	7 November 2008	26 October 2009
18.	Indonesia - Russian Federation BIT	6 September 2007	15 October 2009
19.	Jordan - Russian Federation BIT	13 February 2007	17 June 2009
20.	Qatar - Russian Federation BIT	12 February 2007	4 June 2009
21.	China - Russian Federation BIT	9 November 2006	1 May 2009
22.	Russian Federation - Syrian Arab Republic BIT	26 January 2005	13 July 2007
23.	Lao People's Democratic Republic - Russian Federation BIT	6 December 1996	22 March 2006
24.	Mongolia - Russian Federation BIT	29 November 1995	26 February 2006
25.	Armenia - Russian Federation BIT	15 September 2001	8 February 2006
26.	Dem. People's Rep. of Korea - Russian Federation BIT	28 November 1996	9 January 2006
27.	Bulgaria - Russian Federation BIT	8 June 1993	19 December 2005
28.	Russian Federation - Yemen BIT	17 December 2002	21 July 2005
29.	Lithuania - Russian Federation BIT	29 June 1999	24 May 2004
30.	Lebanon - Russian Federation BIT	8 April 1997	11 March 2003

31.	Moldova, Republic of - Russian Federation BIT	17 March 1998	18 July 2001
32.	Argentina - Russian Federation BIT	25 June 1998	20 November 2000
33.	Egypt - Russian Federation BIT	23 September 1997	12 June 2000
34.	Japan - Russian Federation BIT	13 November 1998	27 May 2000
35.	Russian Federation - Turkey BIT	15 December 1997	15 May 2000
36.	Russian Federation - South Africa BIT	23 November 1998	12 April 2000
37.	Kazakhstan - Russian Federation BIT	6 July 1998	11 February 2000
38.	Russian Federation - Ukraine BIT	27 November 1998	27 January 2000
39.	The former Yugoslav Republic of Macedonia - Russian Federation BIT	21 October 1997	9 July 1998
40.	Norway - Russian Federation BIT	4 October 1995	21 May 1998
41.	Italy - Russian Federation BIT	9 April 1996	7 July 1997
42.	Greece - Russian Federation BIT	30 June 1993	23 February 1997
43.	Denmark - Russian Federation BIT	4 November 1993	26 August 1996
44.	Russian Federation - Slovakia BIT	30 November 1993	2 August 1996
45.	Romania - Russian Federation BIT	29 September 1993	20 July 1996
46.	Russian Federation - Yugoslavia (former) BIT	11 October 1995	19 July 1996
47.	Cuba - Russian Federation BIT	7 July 1993	8 July 1996

48.	Russian Federation - Sweden BIT	19 April 1995	7 July 1996
49.	Russian Federation - Viet Nam BIT	16 June 1994	3 July 1996
50.	Czech Republic - Russian Federation BIT	5 April 1994	6 June 1996
51.	Kuwait - Russian Federation BIT	21 November 1994	30 May 1996
52.	Albania - Russian Federation BIT	11 April 1995	29 May 1996
53.	Hungary - Russian Federation BIT	6 March 1995	29 May 1996
54.	Russian Federation - Spain BIT	26 October 1990	28 November 1991
55.	Austria - Russian Federation BIT	8 February 1990	1 September 1991
56.	Russian Federation - Switzerland BIT	1 December 1990	26 August 1991
57.	Belgium/Luxembourg - Russian Federation BIT	9 February 1989	18 August 1991
58.	Finland - Russian Federation BIT	9 February 1989	14 August 1991
59.	Germany - Russian Federation BIT	13 June 1989	5 August 1991
60.	Netherlands - Russian Federation BIT	5 October 1989	20 July 1991
61.	Russian Federation - United Kingdom BIT	6 April 1989	3 July 1991
62.	Canada - Russian Federation BIT	20 November 1989	27 June 1991
63.	Republic of Korea - Russian Federation BIT	14 December 1990	10 June 1991
64.	France - Russian Federation BIT	4 July 1989	2 March 1991

65.	India - Russian Federation BIT	23 December 1994	14 August 1996 Denounced by India. Terminated on 27 April 2017.
66.	Morocco - Russian Federation BIT	15 March 2016	Not in force. No information whether Russia and Morocco are complying with the domestic procedures required for the treaty to enter into force.
67.	Guatemala - Russian Federation BIT	27 November 2013	Not in force. Ratified by Russia, no information on Guatemala's fulfillment of domestic procedures required for the treaty to enter into force.
68.	Namibia - Russian Federation BIT	25 June 2009	Not in force. Ratified by Russia, no information on Namibia's fulfillment of domestic procedures required for the agreement to enter into force.
69.	Nigeria - Russian Federation BIT	24 June 2009	Not in force. Ratified by Russia, no information on Nigeria's fulfillment of domestic procedures required for the agreement to enter into force.
70.	Algeria - Russian Federation BIT	10 March 2006	Not in force. No information whether Russia and Algeria are complying with the domestic procedures required for the treaty to enter into force.
71.	Russian Federation - Thailand BIT	17 October 2002	Not in force. No information whether Russia and Thailand are complying with the domestic procedures required for the treaty to enter into force.
72.	Russian Federation - Slovenia BIT	8 April 2000	Not in force. No information whether Russia and Slovenia are complying with the domestic procedures required for the treaty to enter into force.
73.	Ethiopia - Russian Federation BIT	10 February 2000	Not in force. No information whether Russia and Ethiopia are complying with the domestic procedures required for the treaty to enter into force.
74.	Russian Federation - Tajikistan BIT	16 April 1999	Not in force. No information whether Russia and Tajikistan are complying with the domestic procedures required for the treaty to enter into force.

75.	Russian Federation - Uzbekistan BIT	22 December 1997	No information on whether the treaty entered into force. Replaced by a treaty of 15 April 2013. ⁵
76.	Philippines - Russian Federation BIT	12 September 1997	Not in force. Ratified by Russia, no information on Philippines' fulfillment of domestic procedures required for the agreement to enter into force.
77.	Cyprus - Russian Federation BIT	11 April 1997	Not in force. No information whether Russia and Cyprus are complying with the domestic procedures required for the treaty to enter into force.
78.	Croatia - Russian Federation BIT	20 May 1996	Not in force. No information whether Russia and Croatia are complying with the domestic procedures required for the treaty to enter into force.
79.	Ecuador - Russian Federation BIT	25 April 1996	Not in force. No information whether Russia and Ecuador are complying with the domestic procedures required for the treaty to enter into force.
80.	Portugal - Russian Federation BIT	21 July 1994	Not in force. No information whether Russia and Portugal are complying with the domestic procedures required for the treaty to enter into force.
81.	Poland - Russian Federation BIT	2 October 1992	Not in force. No information whether Russia and Poland are complying with the domestic procedures required for the treaty to enter into force.
82.	Russian Federation - United States of America BIT	17 June 1992	Not in force. No information whether Russia and the USA are complying with the domestic procedures required for the treaty to enter into force.
83.	Russian Federation - Turkey BIT	13 December 1990	No information on whether the treaty entered into force. Replaced by a treaty of 15 December 1997. ⁶
84.	China - Russian Federation BIT	21 July 1990	Entered into force on 26 July 1991. Expired on 1 May 2009. Replaced by a treaty of 9 November 2006.

⁵ According to the United Nations Conference on Trade and Development (UNCTAD) website, the agreement has expired on 4 January 2014. [URL](#)

⁶ According to the United Nations Conference on Trade and Development (UNCTAD) website, the agreement has expired on 17 May 2000. [URL](#)

Multilateral Investment Treaties (MITs)			
85.	The CIS Agreement on Free Trade in Services and Investments	8 June 2023	Not in force. Notifications of compliance with domestic procedures from three states are required for entry into force (Art. 44). Ratified by the Republic of Belarus, Kyrgyz Republic; the Government of the Russian Federation has submitted the agreement to the State Duma of the Russian Federation for ratification.
86.	Free Trade Agreement between the Eurasian Economic Union and its member states and the Socialist Republic of Vietnam	29 May 2015	5 June 2016
87.	Agreement on the Encouragement and Reciprocal Protection of Investments in Member States of the Eurasian Economic Community	12 December 2008	11 January 2016
88.	Treaty on the Eurasian Economic Union of May 29, 2014 (Annex No. 16 "Protocol on Trade in Services, Establishment, Activities and Investment")	29 May 2014	1 January 2015
89.	Energy Charter Treaty	17 December 1994 (The Treaty provides for provisional application from the date of signature)	The Russian Federation has signed the Treaty but has not ratified it. On 20 August 2009, Russia has sent a note to the depositary of its intention not to become a party to the Treaty.