

# **AGREEMENT FOR THE RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENTS BETWEEN THE GOVERNMENT OF THE REPUBLIC OF ANGOLA AND THE GOVERNMENT OF THE REPUBLIC OF MOZAMBIQUE**

The Government of the Republic of Angola and the Government of the Republic of Mozambique, hereinafter referred to as "Contracting Parties".

Desiring to promote Investment in order to intensify relations between the Contracting Parties;

Intending to create favourable conditions for greater investment by Investors of one Contracting Party, in the territory of the other Contracting Party;

Recognizing that the promotion and reciprocal protection of such Investments on the basis of this Agreement, the laws of the Contracting Parties and the principles of international law may lead to stimulation of private business initiatives and can increase prosperity in the territories of the Contracting Parties;

Recognizing further that these objectives can be achieved without affecting health, safety and environmental measures and others of general application;

Convinced that this Agreement should contribute to the development of their respective economies and the general cooperation of the Parties Contractor;

Aware that fair and equitable treatment of investments on a reciproca will serve to achieve this goal;

Have agreed on the following:

## **Article 1. Object and Scope**

1. This Agreement sets out the provisions governing the promotion and reciprocal protection of investments, that the Investors of each one of the Contracting Parties take place in the territory of the other Contracting Party, with the aim of increasing and intensifying opportunities and activities of business between the Contracting Parties.

2. This Agreement applies to the Investments of any of the Contracting Parties actually carried out in the territory of the other Party Contractor after the entry into force of this instrument, pursuant to the legislation in force on this matter in each of the Parties.

## **Article 2. Definitions**

For the purposes of this Agreement the definitions of Investment, Investor and others inherent in this matter are governed by the respective laws of the Contracting Parties.

## **Article 3. Promotion and Admission**

1. Each Contracting Party promotes and accepts investments from investors of the other Contracting Party in accordance with its respective legislation.

2. Each Contracting Party shall determine, for reasons of national security and in accordance with its legislation, the economic reserve areas where the activities of foreign investors may be restricted or prohibited.

3. The provision provided for in the preceding paragraph, when applicable to investments already made and certified, must be made without prejudice to the mechanism provided for in article 6.

4. Each Contracting Party shall, in accordance with its law, give favourable consideration to requests for entry visas,

temporary stay or residence of natural persons with the nationality of the other Contracting Party wishing to enter its territory an

## **Article 4. Protection and Treatment of Investors' Investments**

1. Each Contracting Party grants the investments of investors of the other Contracting Party fair and equitable treatment, protection and security.
2. Each Contracting Party shall observe and respect the obligations it has expressly assumed in relation to investments and activities of investments of investors of the other Contracting Party.
3. Neither Contracting Party shall treat Investors' investments of the other Contracting Party less favourably than Investors' investments of third States, except in the case of more favourable Agreements.
4. The provisions set out in the preceding paragraph of this Article shall not oblige any Contracting Party to grant Investors of the other Contracting Party benefits on account of the other Contracting Party:
  - (a) membership of or association with a customs or economic union, common market, free trade area or similar International Economic Cooperation Agreement;
  - (b) membership of an agreement to avoid double taxation or other international agreements of a fiscal nature.
5. The provisions of paragraph 3 of this Article shall not oblige either Contracting Party to extend to investors residing in the territory of the other Contracting Party the tax advantages and exemptions and reductions which under national law are granted only to Investors residing in its territory or its nationals.
6. Notwithstanding the provisions of paragraph 4 of this Article, each Contracting Party may determine special formalities in connection with the investment activities of Investors of the other Contracting Party in its territory, provided that such special formalities do not impair the substance of the rights of such Investors under this Agreement.
7. Each Contracting Party in its territory shall grant Investors of the other Contracting Party treatment no less favourable than that granted in similar circumstances to its own Investors or to Investors of a non-Contracting Party with regard to access to courts and public institutions in all degrees of jurisdiction, in pursuit of or in defence of the rights of such Investors.
8. Each Contracting Party shall take, in accordance with its laws and within its available resources, appropriate measures to improve the investment environment in its territory for the benefit of investors.

## **Article 5. Expropriation**

Investments made by Investors of one of the Contracting Parties in the territory of the other Contracting Party shall not be expropriated, nationalised or subject to other measures having equivalent effect to expropriation or nationalisation, hereinafter referred to as "Expropriation" except, for purposes and for reasons of public interest, on a non-discriminatory basis, subject to payment of fair, adequate and effective compensation in accordance with the provisions of paragraphs 2 and 3 of this Article and in accordance with due legal process and the provisions of paragraphs 1, 2 and 3 of Article 4.

1. The compensation is equivalent to the fair market value of the investments expropriated at the time the expropriation actually took place.
2. The fair market value does not reflect any change in value that occurred due to the expropriation having previously become public.
3. Compensation is paid without delay, and is effectively realizable, freely transferable and convertible at the market exchange rate, in accordance with the legislation in force.
4. Investors from a Contracting Party whose investments have been expropriated shall have the right to submit their case to the competent judicial or administrative authority of the Contracting Party which carried out the expropriation so that the latter may promptly determine whether the said expropriation and/or the compensation to which it gave rise comply with its legislation and the provisions of this Agreement.

## **Article 6. Compensation for Loss or Damage**

1. Each Contracting Party grants Investors of the other Party Contractor who have suffered losses or damages related to the

its investments in the territory of the first Contracting Party due to illegal intervention by the authorities of the other Contracting Party.

2. The resulting payments are effectively realizable, freely transferable and convertible at the market exchange rate, in the terms of the legislation in force.

## **Article 7. Transfers**

Each Contracting Party guarantees to the Investors of the other Party Contractor, after the fulfillment of the obligations of fiscal character and the free transfer of foreign exchange, established in its legislation, the amounts related to your investments in your Territory, except for general legal determinations of the Central Bank of each Party.

## **Article 8. Safeguard Measures**

1. A Contracting Party may adopt or maintain measures which are inconsistent with its obligations under Article 4(4) and (5) concerning international capital transactions:

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

(b) where, under exceptional circumstances, movements of capital cause or threaten to cause difficulties for macro-economic management, particularly exchange rate and monetary policies.

2. The measures referred to in paragraph 1 of this Article shall not exceed those necessary to deal with the circumstances set out in the 1 of this article.

## **Article 9. Prudential Measures**

1. Notwithstanding any other provisions of this Agreement, a Contracting Party is not prevented from taking measures relating to financial services for reasons of prudence.

2. The measures applied under the terms of the preceding paragraph of this article shall not be used as a means of specifically avoiding or just your commitments or obligations under this Agreement.

## **Article 10. Health, Safety, Environmental and National Labor Standards Measures**

1. Neither Contracting Party shall abolish or derogate from its Health, Safety, Environmental legislation or its Labor, Commercial or Industrial Standards as a means of encouraging investment by Investors of the Contracting Party or any non-Contracting Party.

2. Investment shall ensure the protection of the environment and sustainable development and encourage the use of environmentally friendly technologies in accordance with the Parties' national policies.

3. The investment shall promote the recruitment of the national workforce and its specific training in order to create the necessary skills for its implementation.

## **Article 11. Subrogation**

1. In the event that one of the Contracting Parties or Entities designated by it makes payments to one of its Investors by virtue of a guarantee provided for an investment made in the Territory of the Contracting Party, it is hereby subrogated to the rights and shares of such Investor and may exercise them on the same terms and conditions as the original holder.

2. With respect to payments to be made with the Contracting Party or the Entity designated by it by virtue of the allocation of such right or title and the allocation of such payment, the provisions of Articles 5, 6, and 7 shall apply mutatis mutandis.

## **Article 12. Intellectual Property Law**

1. The Contracting Parties shall ensure adequate and effective protection of intellectual property rights and shall promote efficiency and transparency in the administration of the Intellectual Property Protection System provided that such rights have been registered under the applicable national legislation.

2. In the event of failure to comply with the provisions set out in the preceding paragraph, the Parties shall notify each other

and in case of prevalence, the Non-compliance will be remedied on the basis of national legislation.

## **Article 13. Denial of Benefits**

1. Any Party may deny the benefits provided for in this Agreement to an Investor of the other Party who is a company of the latter or to its investments:

a) If the Company is owned or controlled by a majority of an Investor of a non-Contracting Party.

(b) if it does not maintain diplomatic relations with the other Contracting Party;

(c) if it violates national or international legal provisions relating to the fight against money laundering and financing of the terrorism.

2. Subject to prior consultation, if the company or investments are from majority-owned or controlled by an Investor of a Non-contracting party and the company does not carry out activities or business substantial in the territory of the other Contracting Party.

## **Article 14. Consultations**

1. The Contracting Parties shall hold consultations, at the request of either Contracting Party, with a view to reaching an understanding aimed at achieving the objectives of this Agreement. Consultations shall be held with a view to achieving the objectives of this Agreement:

a) Discuss and review the implementation and operation of this Agreement;

(b) to share information and discuss matters related to investments within the scope of this Agreement; including those related to the development of the legal system or policies of the Contracting Parties with respect to investments, with the purpose of encouraging favourable conditions for Investors of the Contracting Parties;

(c) Discuss any other matters related to Investments in connection with this Agreement.

2. The Contracting Parties may, after mutual consent, invite representatives of relevant entities outside the Governments of the Contracting Parties with the relevant expertise for the issues to be discussed, and hold joint meetings with the private sectors.

## **Article 15. Dispute Settlement**

1. Disputes arising between the Contracting Parties concerning the Interpretation or application of this Agreement will be resolved through of negotiations or through diplomatic channels.

2. If the dispute cannot be solved within (6) months after the At the start of negotiations, the Contracting Parties may have recourse to International Arbitration, recognizing from now on, its jurisdiction in the disputes between them relating to this Agreement.

3. Any disputes or divergences concerning the validity, interpretation, compliance, amendment or validity of investment contracts Private, as well as on the interpretation and application of any laws, decrees, regulations or decisions with impact on it, which arise between the receiving State and the Investor will be resolved as follows of the respective national legislation.

## **Article 16. Entry Into Force and Denunciation**

1. The Governments of the Contracting Parties shall notify each other through diplomatic channels upon completion of the internal procedures provided for the entry into force of this Agreement.

2. This Agreement shall remain in force for a period of ten (10) years, renewable, unless terminated in accordance with paragraph 4 of this Article.

3. A Contracting Party may terminate this Agreement by giving twelve (12) months' written notice to the other Contracting Party.

4. Investments made under their respective Private Investment laws prior to the expiration of this Agreement may benefit from the protection provided for in this instrument, provided that it is expressly accepted by the Contracting Party under its

respective laws in whose territory it is located, unless, in accordance with the respective financial accounting provisions of each Party, the investment is depreciated by more than 70%.

5. In the event of termination or non-renewal of this Agreement, investments made and certified by the respective competent authorities shall enjoy reciprocal protection as long as the other Contracting Party offers equal treatment, unless, in accordance with the accounting and financial provisions of each Party, the investment is depreciated by more than 70%.

6. This Agreement shall be effective 30 (thirty) days after the publication of this instrument pursuant to Article 1020 of the Charter of the United Nations.

IN WITNESS WHEREOF, the Plenipotentiaries duly authorized by their respective Governments, have signed this Agreement. Done in Luanda, in two copies in the Portuguese language on November 2015, being both texts equally authentic.

For the Government of the Republic of Angola

Georges Rebelo Pinto Chikoti

For the Government of the Republic of Mozambique

Oldemiro Júlio Marques Baloi