Agreement for the Mutual Encouragement and Protection of Investments between the Government of the Islamic Republic of Iran and the Government of the United Republic of Tanzania

The Government of the Islamic Republic of Iran and the Government of the United Republic of Tanzania, hereinafter referred to as the "Contracting Parties";

Having a mutual interest in strengthening economic cooperation in order to secure the interests of both States;

With the objective to make effective use of the economic resources and potential capacities of both parties in investment matters, and to create and maintain favorable conditions for investments of the nationals of the Contracting Parties in the territory of each other;

And, recognizing the need to encourage and support investments by the nationals of the Contracting Parties in each other's territories;

Have agreed as follows:

Article 1. Definitions

For the purposes of this Agreement, the following terms shall have the meanings indicated:

1. The term "investment" means any kind of property or asset, including the following, which is owned by investors of one of the Contracting Parties within the territory and in accordance with the laws and regulations of the other Contracting Party (hereinafter referred to as the "host Contracting Party"), as applied:

a) shares or any form of participation in companies;

b) a lease or any other receivable;

c) intellectual and industrial property rights such as copyrights, patents, trademarks, designs, trade secrets, know-how and goodwill;

d) The right to explore for, extract, or exploit natural resources

2. The term "investor/investors" means:

a) natural persons who, under the laws of each of the Contracting Parties, are considered nationals of that Party and who do not hold the nationality of the host Contracting Party.

b) Legal persons of each of the Contracting Parties that are established according to the laws and regulations of the same Contracting Party and have the place of administration or principal place of activities located in the territory of the said Contracting Party.

3. The term "income" means funds lawfully derived from investments made, including profits from investments, dividends, fees, and royalties.

4. The term "territory" means the areas which, as the case may be, are under the sovereignty or jurisdiction of each of the contracting parties and includes It also includes the relevant maritime zones.

Article 2. Promotion and Protection of Investments

1. Each of the Contracting Parties shall, within the limits of its laws and regulations, provide an appropriate framework for the attraction of investments by the nationals of the other Contracting Party in its territory, shall encourage and provide the

appropriate conditions for the attraction of investments by the nationals of the other Contracting Party.

2. Compliance with the laws and regulations governing entry and residence of persons working for an investor of a Contracting Party, as well as their family members, shall be granted residence and stay in the territory of another Contracting Party for the purpose of carrying out activities related to investments in the territory of the latter Contracting Party.

3. Each Party shall ensure fair and equitable treatment of investments and investors of the other Party. It shall not, by means of arbitrary or discriminatory measures, interfere with the management, maintenance, use, operation, or disposal of such investments, or the acquisition of goods and services or the sale of the products thereof.

4. Each Party shall, in its territory, support investments made by investors of another Party in accordance with its own laws and regulations and shall not, by reason of arbitrary or discriminatory measures, impede the management, maintenance, or use of such investments. Exploitation, expansion, sale, and liquidation shall not affect investments.

Article 3. Investment Promotion

1. Each Contracting Party shall permit the investment by natural and legal persons of the other Contracting Party within its own jurisdiction, in accordance with its laws and regulations.

2. Upon receiving the investment, each Contracting Party shall grant all permits required by its laws and regulations for the investment to be established.

Article 4. National and Most-Favored-Nation Treatment of Investment

1. Each Contracting Party shall accord to investments made by investors of the other Contracting Party in its territory treatment no less favorable than that it accords to investments made by investors of any third State, or the treatment applied to the investments made by its investors.

2. Notwithstanding the provisions of paragraph 1 of this Article, a Contracting Party which has concluded or shall conclude agreements for the establishment of a customs union, a common market, or a free trade area shall be free to accord more favorable treatment to investments of investors of the government or governments which are parties to such agreements.

3. The provisions of paragraph1 of this Article shall not be construed so as to require a Contracting Party to extend the benefit of any preferential treatment or privilege arising from any intemational agreement or arrangement to which the United States is a party or that is primarily related to taxation, or from any domestic law that is wholly or primarily related to taxation, be extended to investors of the other Contracting Party.

Article 5. Expropriation, Compensation for Losses and Damages

1. Investments by natural or legal persons of one Contracting Party in the territory of the other Contracting Party shall not be nationalized, expropriated, or subjected to similar measures, unless such measures are taken for general public purposes, through due legal process, in a non-discriminatory manner, and prompt, adequate, and effective compensation is provided.

2. The amount of compensation shall be equal to the value of the investment on the day immediately before its nationalization, expropriation, or similar deprivation of ownership.

3. Investors of each of the Contracting Parties whose investments suffer damage in the territory of the other Contracting Party as a result of territorial dispute, revolution, or similar state of emergency shall be entitled to treatment no less favorable than that party accords to its own investors or to investors of any third country.

Article 6. Withdrawal and Transfer of Capital

1. Each Contracting Party shall, in accordance with its laws and regulations, and in good faith, allow transfers under this Agreement to be made freely and without delay outside its territory with respect to the investment covered by this Agreement:

a) proceeds;

b) amounts realized from the sale or liquidation, in whole or in part, of the investment;

c) rights privleges and fees related to technology transfer contracts;

d) amounts paid pursuant to Article 5 of this Agreement;

e) Installments of loans related to investment, provided they are paid from the proceeds of the investment activity;

f) Monthly salaries and wages received by the investor's employees who hold a work permit related to that investment in the territory of the investor's contracting party;

g) Funds payable arising from a decision by the authority referred to in Article 12.

2. The above transfers shall be made in a convertible currency and at the prevailing rate, in accordance with the exchange regulations in effect at the time of transfer.

3. The investor and the Contracting Party may agree otherwise on any return or transfer of the subject matter of this Article.

4. A contracting party may require that, in respect of the transfer or payment of amounts related to an investment, the tax obligations in respect of that investment be fulfilled by the investors, provided that such obligations are not discriminatory and are not used to defeat the purpose of paragraphs (1), (2), and (3) of this Article.

Article 7 . Subrogation

An insurance or guarantee contract covering the non-commercial risks of an investment made shall become the successor to the investor:

a) Such successor shall be recognized as valid by the other contracting party,

b) The successor shall not be entitled to any rights in excess of those to which the investor was entitled.

c) Disputes between the successor and the Contracting Party of the investor shall be settled in accordance with Article 13 of this Agreement.

Article 8. Measures of Health, Safety, and Environmental Protection

The Contracting Parties agree to encourage investment by overlooking domestic measures related to health and safety or that are not environmentally sound. Therefore, a Contracting Party may not use the waiver or withdrawal of these measures as an incentive to establish, acquire, develop, or maintain an investor's investment in its territory. If a Contracting Party notes that another Contracting Party has provided such an incentive, it may request negotiations, and both Contracting Parties shall negotiate with the aim of avoiding such incentives.

Article 9. Corporate Social Responsibility

1. Each Party shall encourage companies operating within its territory or subject to its jurisdiction to take into account the internationally recognized standards of corporate social responsibility.

2. International standards on corporate social responsibility will be encouraged in the domestic practices and policies of each contracting party, such as statements endorsed or supported by those parties. These principles cover topics such as environmental sustainability, human rights, social relations, land, and anti-corruption measures.

Article 10. Compliance with Obligations

Each Contracting Party guarantees compliance with the obligations it has undertaken in connection with investments by natural or legal persons of the other Contracting Party.

Article 11. Scope of the Agreement

This Agreement shall apply to investments that have been approved by the competent authority of the host Party.

a) The competent authority in the Islamic Republic of Iran is the Iran Investment and Economic and Technical Assistance Organization, or any other authority that has replaced it.

b) The competent authority in the United Republic of Tanzania is the Tanzania Investment Center or any other authority that may replace it.

Article 12. Settlement of Disputes between a Contracting Party and an Investor of Another Contracting Party

1. In the event of a dispute between the host Contracting Party and one or more investors of the other Party regarding an investment under this Agreement, the dispute shall be settled in accordance with the provisions of this Article. The Contracting Party, the investor, and the investor(s) will initially endeavor to resolve the dispute through negotiation and consultation and amicably resolve the dispute.

2. If the Contracting Party and the investor(s) referred to herein fail to reach an agreement within six months from the date of notification of the claim to the other party, each of them may submit the dispute to the competent courts of the host Contracting Party or, in compliance with its applicable laws and regulations, refer it to a three-member arbitration panel as set forth in paragraph 5 below.

3. Any dispute initially brought before the competent courts of the Contracting Party shall, as long as it remains pending, not be subject to arbitration unless the parties agree, and if it results in a final judgment, it shall not be subject to arbitration.

4. Any dispute referred to arbitration shall be excluded from the jurisdiction of the domestic courts. Nevertheless, the provisions of this clause shall not prevent the party against whom an arbitration award has been rendered from applying to the domestic courts for its enforcement.

5. The contracting party, the Investor (Investors), and the other contracting party, each of which may refer a dispute to arbitration, shall, upon giving written notice to the other, appoint their chosen arbitrator. The other party must, within sixty days from the date of receipt of such notice, appoint a referee, and the appointed referees must, within sixty days from the date of the last appointment, select the presiding arbitrator. If either party fails to appoint its referee within the prescribed period, or if the appointed arbitrators fail within the said period to agree on the selection of the presiding arbitrator.

6. If no agreement is reached, either party may request the Secretary-General of the Permanent Court of Arbitration to appoint, as the case may be, the pending arbitrator or the presiding arbitrator.

7. In any event, the presiding arbitrator must be selected from among the nationals of a country that, at the time of selection, maintains political relations with the Contracting Parties.

8. The arbitral tribunal shall determine the rules of procedure and the seat of arbitration, taking into account any other matters agreed upon by the parties. The tribunal's decisions shall be binding on the parties.

Article 13. Settlement of Disputes between the Contracting Parties

1. All disputes arising from the execution or interpretation of this Agreement, or related thereto, shall first be settled through negotiation and in an amicable manner. In the event of failure to reach an agreement, either Party may, in compliance with its own laws and regulations, upon the submission of notices by the Contracting Party, the matter shall be referred to a three-member arbitration panel composed of two arbitrators appointed by the Contracting Parties and a presiding arbitrator.

2. If the matter is referred to arbitration, each party shall, within sixty (60) days from the date of receipt of the notice, appoint one arbitrator, and the arbitrators so appointed shall, within sixty (60) days from the date of the last such appointment, select the presiding arbitrator. If either party fails to appoint its own arbitrator within the prescribed period, or if the selected arbitrators fail to agree on the appointment of the presiding arbitrator within the same period, each of the Contracting Parties may request the President of the International Court of Justice to appoint, as the case may be, the pending party's arbitrator or the presiding arbitrator. The presiding arbitrator must, in any event, be a national of a State that, at the time of selection, maintains political relations with the Contracting Parties.

3. If the President of the International Court of Justice fails to make an appointment or if the President is a national of one of the Contracting Parties, the Vice President shall make the appointment. If the Vice President also fails to perform this duty or is a national of one of the Contracting Parties, the following senior member of the Court who is not a national of any of the Contracting Parties shall make the appointment.

4. The arbitral tribunal shall, taking into account the other matters agreed upon by the Contracting Parties, determine the arbitral procedure and seat. The tribunal's decisions shall be binding on the Contracting Parties.

Article 14. Scope of the Agreement

This Agreement applies to all investments made under it, whether before or after its entry into force, but it shall not apply to any dispute relating to an investment that arose before its entry into force or to any claim relating to an investment that was settled before its entry into force.

Article 15. Entry Into Force (Duration and Termination)

1. This Agreement shall be ratified by the competent authorities of each of the Contracting Parties in accordance with their respective laws and regulations.

2. This Agreement shall remain in force for thirty (30) days from the date of the last notification by either Party to the other, provided that each Party has taken the necessary measures under its laws and regulations to give effect to this Agreement. It shall enter into force on 05/13/2015 and remain in force for a period of ten (10) years. Except for the foregoing, this Agreement shall remain in full force and effect; provided, however, that either Party may terminate this Agreement by giving written notice to the other Party, in which case this Agreement shall be deemed terminated six (6) months after such notice.

Article 16. Termination of this Agreement

After the termination of this Agreement, its provisions regarding investments subject to this Agreement shall remain in effect for an additional ten-year period.

Article 17. Language and Number of Texts

This Agreement, comprising a preamble and seventeen articles, has been drawn up in two copies in the Persian and English languages, and all texts shall be equally authentic.

This Agreement was signed in Dar es Salaam on 1 Bahan 1195 H.E., corresponding to February 5, 2015, by the representatives of the Islamic Republic of Iran and the United Republic of Tanzania.

On behalf of the Islamic Republic of Iran

Mohammad Javad Zarif

On behalf of the Government of the United Republic of Tanzania.

Bernard Kamilius Mmbe