Agreement on the Promotion and Protection of Mutual Investments between the Government of the State of Qatar and the Government of the Federal Republic of Somalia

The Government of the State of Qatar and the Government of the Federal Republic of Somalia, hereinafter referred to individually as the "Contracting Party" and collectively as the "Contracting Parties,"

Desiring to increase economic cooperation in a manner that serves the mutual interests of both countries; and

Determined to create preferential conditions for investments by investors of one Contracting Party in the territory of the other Contracting Party; and

Recognizing the need to promote and protect such investments for the purpose of economic prosperity in both Contracting Parties; and

Having agreed that fair and equitable standards for investments are necessary to establish a stable framework for investments and to maximize the utilization of economic resources;

Have agreed as follows:

Article 1. Definitions

For the purposes of this Agreement, unless otherwise provided, the following words and expressions shall have the meanings set forth opposite each of them, unless the context of the text requires otherwise:

1. "Investor": Any natural or legal person of one of the Contracting Parties:

(a) "Natural Person": Any natural person who is a national of one of the Contracting Parties to this Agreement. The provisions of this Agreement shall not apply to investments made by natural persons who are nationals of one Contracting Party in the territory of the other Contracting Party if, at the time of the investment, permanently resident in the territory of the other Contracting Party, unless it is established that the resources related to such investments originated abroad.

(b) "Legal person": any legal person, including enterprises, companies, institutions, offices, or associations of companies established or organized under the laws in force in that Contracting Party and having its seat in the territory of that Contracting Party, whether or not for-profit, and whether owned or controlled by the private sector or the government.

(c) In addition, this includes legal entities, governments, official agencies, authorities, sovereign wealth funds, and institutions registered or organized in accordance with the laws of the relevant state of either Contracting Party or of a third party over which the investor referred to above exercises effective control.

2. "Investment": Any type of asset invested by an investor of either Contracting Party in the territory of the other Contracting Party in accordance with the laws and regulations of the other Contracting Party, over which effective control is exercised, whether directly or indirectly, by natural or legal persons defined in the preceding paragraphs of this Article, and includes, by way of illustration but not limitation, the following:

(a) Movable and immovable property and any other property rights, such as easements, guarantees, real estate mortgages, possessory mortgages, mortgages, and similar rights;

(b) Shares, securities, title deeds, rights of participation in companies, or any other form of participation in companies or corporate consortia, as well as economic interests arising from such activity;

(c) Rights to money or to any performance under a contract having economic value;

(d) Intellectual and industrial property rights, and intangible property rights, including, in particular, copyrights, patents,

industrial designs, trademarks, trade names, and technical and technological processes; know-how, business reputation, and plant breeders' rights, which are protected under the host country's domestic laws;

(e) Any rights of an economic nature granted by law or contract, for example, concession rights for the purpose of carrying out activities, including those related to the exploration, processing, extraction, and exploitation of natural resources.

Any changes in the form in which assets are invested or reinvested shall not affect their classification as investments, provided that such changes do not conflict with the provisions of this Agreement and the legislation of the Contracting Party in whose territory the investment is made.

3. "Returns": means the proceeds of an investment and the funds generated by the investment, including, but not limited to, profits, dividends, interest, capital gains, royalties, and fees;

4. "Freely Convertible Currency": means a currency widely used in the settlement of international transactions, as classified by the International Monetary Fund.

5. "Investment Output": It is the total of goods and services, including intellectual and industrial property rights, resulting from economic activities that utilize the investments of an investor of one Contracting Party in the territory of the other Contracting Party.

6. Territory:

a) With respect to the State of Qatar: It comprises the land, internal and territorial waters of the State of Qatar, its seabed and subsoil, the airspace above them, the exclusive economic zone, and the continental shelf, over which the State of Qatar exercises its sovereign rights and jurisdiction in accordance with the provisions of international law and its domestic laws and regulations.

b) With respect to the Federal Republic of Somalia: the territorial area over which the State exercises its sovereignty or jurisdiction in accordance with international law, national law, and the Constitution of the Nation.

Article 2. Scope of the Agreement

This Agreement applies to all investors and investments made by investors of either Contracting Party in the territory of the other Contracting Party, and accepted as such under its laws and regulations, whether made before or after the entry into force of this Agreement; however, it shall not apply to any dispute arising prior to the entry into force of this Agreement.

Article 3. Promotion and Protection of Investments

1. Each Contracting Party shall, to the extent possible, encourage and create favorable conditions for investors of the other Contracting Party to make investments in its territory, and to permit the entry of such investments in accordance with its applicable laws and regulations.

2. When one Contracting Party has permitted an investment to enter its territory, it shall, in accordance with its laws and regulations, facilitate the issuance of the necessary permits regarding such investment.

3. Investments made by investors of either Contracting Party shall at all times be accorded fair and equitable treatment and shall enjoy full protection and security in the territory of the other Contracting Party in accordance with the norms of international law.

4. Neither Contracting Party shall, in any manner whatsoever, through unreasonable or discriminatory measures, impede the operation, management, maintenance, use, enjoyment, or disposal of investments in its territory by investors of the other Contracting Party.

Article 4. Treatment of Investments

1. Each Contracting Party shall, in its territory, accord to investments and returns of investors of the other Contracting Party treatment that is fair and equitable and no less favorable than that accorded to investments and returns of its own investors or to investments and returns of investors of a third party, whichever is more favorable to the investor.

2. Each Contracting Party shall accord to investors of the other Contracting Party, with respect to the management, maintenance, use, enjoyment, or disposal of their investments, fair and equitable treatment that is no less favorable than that accorded to its own investors.

3. Each Contracting Party shall accord to investors of the other Contracting Party treatment no less favorable than that accorded to investors of any third party.

4. The treatment granted under paragraphs (1, 2, and 3) of this Article shall not be construed as obligating either Contracting Party to accord to investors of the other Contracting Party and their investments any benefit, preference, or privilege arising from:

(a) its membership in or association with any customs union, common market, or existing or future free trade area; or

(b) any international agreement or arrangement relating wholly or principally to taxation, or any domestic legislation relating wholly or principally to taxation.

Article 5. Expropriation and Compensation

1. Each Contracting Party shall not take any measures aimed at expropriation, nationalization, or any other measures having the same effect against investments belonging to investors of the other Contracting Party (hereinafter referred to as "expropriation"), unless such measures are taken in the public interest, on a non-discriminatory basis, in accordance with due process of law, and upon payment of actual and adequate compensation. Such compensation shall be in accordance with market value standards for the investment being expropriated immediately prior to the expropriation or impending expropriation becoming known to the public, whichever occurs first (hereinafter referred to as the "valuation date").

2. If the parties fail to reach an agreement on the amount of compensation, this matter shall be resolved in accordance with the provisions of Article 8 (Settlement of Disputes) of this Agreement.

3. That market value shall be expressed in a freely convertible currency, at the prevailing market exchange rate for that currency on the valuation date. Compensation shall be paid without delay and shall be payable and transferable in a freely convertible currency. Compensation shall also include interest from the date of expropriation until the date of payment.

4. Where one of the contracting parties acquires the assets of a company or entity incorporated under the applicable law in any part of its territory, in which investors of the other contracting party hold shares, it shall ensure that the provisions of this Article are applied in such a manner as to guarantee adequate and effective compensation to the investors of the other Contracting Party who hold such shares with respect to their investments.

5. Investors of either Contracting Party who suffer losses in their investments in the territory of the other Contracting Party due to war or other armed conflict, a state of national emergency, revolution, insurrection, or riots in particular with respect to indemnification, compensation, or other settlements, treatment no less favorable than that accorded to its own investors or to investors from any third country, whichever is more favorable to the investor.

Article 6. Transfers

1. Each Contracting Party shall ensure the free transfer of proceeds from all investments made by an investor of the other Contracting Party in its territory and shall ensure the free transfer of all funds of an investor of the other Contracting Party relating to its investments in its territory. Such investments include, but are not limited to, the following:

(a) Capital and additional capital sums used to maintain and increase the investment;

(b) Returns;

(c) Repayments of any loan, including interest thereon, in connection with the investment;

(d) Proceeds from the sale of shares;

(e) Proceeds received by investors in the event of sale, partial sale, or liquidation;

(f) Profits of natural persons of one of the Contracting Parties or other foreign employees working in connection with an investment in the territory of the other Contracting Party;

(g) Payments arising from a dispute related to the investment;

(h) Compensation under Article 5 of this Agreement.

2. Transfers under this Article shall be made without delay, in any freely convertible currency, and at the market exchange rate prevailing on the date of transfer.

3. The transfers referred to above shall be made after compliance with the relevant tax obligations.

4. The Contracting Parties undertake to accord to the transfers referred to in paragraphs (1) and (2) of this Article treatment no less favorable than that accorded to transfers arising from investments made by any third country.

5. A Contracting Party may delay the transfer on a fair, non-discriminatory, and good-faith basis with respect to the following:

(a) Bankruptcy, insolvency, or the protection of creditors' rights;

(b) Criminal or penal offenses;

(c) Ensuring compliance with judicial orders issued in the context of judicial proceedings pursuant to legal provisions relating exclusively to the investment.

Article 7. Right of Subrogation

1. Where one of the contracting parties or its competent agency has guaranteed compensation for non-commercial risks relating to an investment by any of its investors in the territory of the other contracting party and has made a payment to those investors in respect of their claims under this Agreement, the other Contracting Party agrees that the first Contracting Party or its competent agency shall, by virtue of subrogation, be entitled to exercise the rights and enforce the claims of those investors. The transferred rights or claims shall not exceed the original rights or claims of those investors.

2. In the event of subrogation as defined in paragraph (1) of this Article, an investor shall not be entitled to file a claim unless authorized to do so by the Contracting Party or its competent agency.

Article 8. Settlement of Disputes between a Contracting Party and Investors of the other Contracting Party

1. Any dispute under the provisions of this Agreement arising directly from an investment between a Contracting Party and an investor of the other Contracting Party shall be settled amicably between them.

2. If such disputes cannot be settled in accordance with the provisions of paragraph (1) of this Agreement within three (3) months from the date of the request for settlement, the investor concerned may, at its discretion, submit the dispute to:

(a) the competent court of the host Contracting Party to adjudicate it; and

(b) the International Centre for Settlement of Investment Disputes established under the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, concluded on March 18, 1965, in Washington, D.C., if that Convention applies to the contracting parties; or

(c) an arbitral tribunal established for this purpose, in accordance with the arbitration rules set forth in the 1976 United Nations Commission on International Trade Law (UNCITRAL) of 1976;

and once the investor has submitted the dispute to one of the dispute settlement mechanisms mentioned above, the investor shall not be entitled to resort to other mechanisms.

3. The arbitral tribunal established for this purpose, as specified in paragraphs (2) and (3) of this Article, shall be constituted as follows:

(a) Each contracting party to the dispute shall appoint one arbitrator, and the two arbitrators so appointed shall, by mutual agreement, select a third arbitrator, who must be a national of a third country and who shall act as the chair of the arbitral tribunal. All arbitrators must be appointed within a period of two (2) months from the date on which one party notifies the other of its intention to submit the dispute to arbitration.

(b) If the time limits specified in paragraph (3)(a) of this Article are not observed, either contracting party shall, in the absence of any other agreement, request the Secretary-General or Deputy Secretary-General of the Permanent Court of Arbitration in The Hague to make the necessary appointments.

(c) The arbitral tribunal established for this purpose shall render its decisions by majority vote. Such decisions shall be final and legally binding upon the contracting parties and shall be enforced. Decisions shall be made in accordance with the following order: First, the provisions of this Agreement; and second, the principles of international law. Unless the arbitral tribunal decides otherwise, based on the specific circumstances, each contracting party to the dispute shall bear the cost of its representation in the arbitral proceedings, and the costs of the arbitrators and other expenses shall be borne by the

parties to the dispute equally between them. The arbitral tribunal shall, at the request of either contracting party, explain its decision and state the reasons and grounds on which it is based. and unless otherwise agreed by the contracting parties, the place of arbitration shall be the seat of the Permanent Court of Arbitration in The Hague (Netherlands).

4. No investment dispute may be submitted for resolution by arbitration under this Article if more than (5) five years have elapsed from the date on which the investor first became aware of the alleged breach and of the loss or damage allegedly suffered by the latter.

Article 9. Entry and Temporary Stay of Persons

The Contracting Party shall, subject to its laws and regulations regarding the entry and residence of non-nationals, to permit natural persons of the other Contracting Party and other persons designated or employed by investors of the other Contracting Party to enter and reside in its territory for the purpose of carrying out activities related to investments.

Article 10. Application of other Rules

1. If the domestic law of either Contracting Party, or obligations under international law existing at present or established in the future between the Contracting Parties in addition to this Agreement, contains a provision, whether general or specific, grants investments by investors of the other Contracting Party more favorable treatment than that provided for under this Agreement, then that provision, to the extent that it is more favorable to the investor, shall prevail over the provisions of this Agreement.

2. Whenever the treatment granted by one Contracting Party to investors of the other Contracting Party, pursuant to its laws and regulations or other provisions of a specific contract, investment authorization, or agreement, that is more favorable than those provided for in this Agreement, the more favorable treatment shall apply.

Article 11. Settlement of Disputes between the Contracting Parties

1. Both parties to this Agreement shall use their best efforts, in good faith and through mutual cooperation, to reach a fair and equitable settlement of any dispute arising between them regarding the interpretation or implementation of this Agreement. In this regard, the parties to the Agreement hereby agree to enter into direct and objective negotiations to reach such a settlement. In the event that the dispute between the Parties is not settled within six months from the date the matter is raised by either Party, either Party may refer the dispute to an arbitration panel consisting of three members.

2. Within two months of the date of receipt of the aforementioned request, each party to the Agreement shall appoint one arbitrator; the two appointed arbitrators shall, within three months and with the consent of both parties, appoint a third arbitrator from a third country as the chair of the arbitration panel.

3. If the arbitrators are not appointed within the period specified in paragraph (2) of this Article, either Party to the Agreement may—in the absence of any other agreement—invite the President of the International Court of Justice to take the necessary steps to appoint the arbitrators. If the President of the International Court of Justice is a national of one of the Parties to the Agreement or is otherwise prevented from performing the aforementioned function, the Vice-President of the International Court of Justice shall be invited to take the necessary steps to appoint the arbitrators. If the Vice President of the International Court of Justice is a national of one of the parties to the Convention or is otherwise prevented from performing the aforementioned function, the most senior member of the International Court of Justice who is not a national of either party to the Convention shall be invited to take the necessary steps to appoint the arbitrators.

4. The arbitral tribunal shall render its decisions and awards by a majority vote. Such arbitral decisions shall be final and legally binding upon the parties to the Convention and must be enforced. Each party to the Convention shall bear the expenses of its member on the arbitral tribunal and the costs of its representation in the arbitration proceedings; the costs of the president of the arbitral tribunal and the remaining costs shall be shared equally between the parties to the dispute. The arbitral tribunal shall determine its own rules of procedure.

5. Unless the parties to the agreement agree otherwise, the place of arbitration shall be at the seat of the Permanent Court of Arbitration in The Hague (Netherlands).

6. All claims must be filed and all hearings concluded within a period of six months from the date of appointment of the third member, unless the parties to the agreement agree otherwise. The arbitral tribunal shall render its decisions and awards within two months of the date of the final submission of claims or the date of the closing of the public hearings, whichever is later.

7. A dispute may not be submitted to an arbitral tribunal under the provisions of this Article if the same dispute has been submitted to another arbitral tribunal under the provisions of paragraph 8 of this Article and is still pending before that tribunal.

8. The arbitral tribunal shall render its decisions and awards based on the provisions of this Agreement and the rules and principles of international law. The decision of the arbitral tribunal shall be unanimous, and such decision shall be final and binding on both parties to the Agreement.

Article 12. Denial of Benefits

Upon giving notice, a Contracting Party may refuse to extend the benefits of this Agreement to:

(a) an investor of the other Contracting Party who is a legal entity of that Contracting Party, and to the investment of that investor, if the legal entity is owned or controlled by investors of a third party and the refusing Contracting Party does not have diplomatic relations with that third party;

(b) An investor of the other Contracting Party who is a legal entity of that Contracting Party, and to the investments of that investor, if an investor from a non-Contracting Party owns or controls the legal entity and the legal entity does not have relevant commercial operations in the territory of the other Contracting Party.

Article 13. Entry Into Force of the Agreement

1. This Agreement, or any amendments thereto, shall enter into force on the later of the dates on which either Contracting Party notifies the other that the internal legal requirements for the entry into force of this Agreement or its amendments have been fulfilled.

2. This Agreement may be amended by a written agreement between the contracting parties.

Article 14. Duration and Termination

1. This Agreement shall remain in effect for a period of ten (10) years and shall be automatically renewed for a period of (5) five years, unless either contracting party notifies the other in writing of its intention to terminate it, in which case this Agreement shall terminate one year after the date of receipt of the written notice by the other contracting party, whether during the original term or the renewal period.

2. The notice of termination shall take effect one year after the date of receipt by the other contracting party.

3. Notwithstanding the termination or expiration of this Agreement, it shall remain in effect for an additional period of ten (10) years from the date of its termination or expiration, with respect to investments made or established prior to the date of its termination.

In witness whereof, the undersigned plenipotentiaries, duly authorized by their respective governments, have signed this Agreement.

This Agreement was drawn up and signed in the city of Doha on 6 Rabi’ al-Thani 1440 AH, corresponding to December 13, 2018 AD, in two original copies in the Arabic language, each of which is equally authentic.

For the Government of the State of Qatar

For the Government of the Federal Republic of Somalia