AGREEMENT BETWEEN THE GOVERNMENT OF THE LEBANESE REPUBLIC AND THE GOVERNMENT OF THE ISLAMIC REPUBLIC OF MAURITANIA ON THE RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the Republic of Lebanon and the Government of the Islamic Republic of Mauritania, hereinafter referred to as the contracting parties, "

Desiring to enhance economic cooperation between the two countries and to create favourable conditions for investments in Lebanon and Mauritania Mauritanian Lebanon.

Convinced that the promotion and protection of such investments will be conducive to stimulating private initiative and the transfer of capital and technology between the two countries in the interest of their economic development,

Have agreed as follows:

Article 1. Definitions

For the purposes of this Agreement:

1. The term "investment" means all assets, such as property rights and interests of all kinds, and particularly but not limited to:

a) Movable and immovable property as well as any other rights in rem such as mortgages, liens, usufruits, guarantees and any other similar rights;

b) The premiums or discounts, actions and other forms of participation, even indirect minority, or to companies established in the territory of one of the contracting parties;

c) The obligations and rights, claims to any performance having economic value;

d) Intellectual property rights, commercial and industrial such as copyrights, patents, licences, trademarks, industrial designs or models, technical processes, trade names, know-how and goodwill;

e) The concessions under public law or under contract, including those relating to prospecting, culture, extract or exploit natural resources.

Any alteration of the form in which assets are invested shall not affect their classification as investment provided that such alteration is in conformity with the legislation of the Contracting Party in whose territory the investment is made.

2. The term investor means:

- Any natural person having the nationality of one of the contracting parties;

- Any juridical person in the territory of one of the Contracting Parties in accordance with their legislation and having its registered office or directly or indirectly controlled by nationals of either Contracting Party, or by a juridical person with its head office in the territory of one of the Contracting Parties and constituted in accordance with the law of that Act,

And who has made an investment in the territory of the other contracting party.

3. The term means all amounts yielded returns by an investment and in particular, though not exclusively, dividends, royalties, interest, dividends, capital gains fees, management and technical assistance or other, irrespective of the form in which payment is made.

Investment income and in case of reinvestment, income from their reinvestment shall enjoy the same protection as the investment.

4. The term "territory" shall apply to the territory of each Contracting Party as well as the maritime area of each of the Contracting Parties, hereinafter referred to as defined as the economic zone and the continental shelf extending beyond the limits of the territorial waters of each of the Contracting Parties and on which they have, in accordance with international law, sovereign rights and jurisdiction for the purpose of exploitation and exploration for and preservation of natural resources.

Article 2. Encouragement , Admission and Protection of Investments

1. Each Contracting Party shall promote and admit, within the framework of its laws and the provisions of this Agreement, the investments made by investors of the other party in its territory.

2. The Contracting Parties shall consider sympathetically, within the framework of their national legislation, applications for entry, movement and residence permits and introduced by senior or high-level technical personnel in respect of an investment in the territory of the other Contracting Party and regardless of their nationality.

3. Each Contracting Party undertakes to provide, in its territory, fair and equitable treatment in accordance with the principles of international law, to investments of investors of the other contracting party, excluding any unjustified or discriminatory measure which could adversely affect, in law or in fact, management, maintenance, use, enjoyment or disposal of such investments.

4. The Contracting Parties may, if necessary to exchange information on investment opportunities in their respective territories to assist operators to identify the most cost-effective for both contracting parties.

Article 3. Treatment of Investments

1. Each Contracting Party shall, in its territory for investors of the other contracting party as regards their investments and activities associated with such investments, treatment no less favourable than that accorded to its investors or the treatment accorded to investors of the most favoured nation, whichever is more favourable.

2. However, such treatment and such protection does not extend to the privileges which either Contracting Party accords to investors of a third State by virtue of its association or participation in a free trade area, customs union, Common Market or any other form of similar economic organization. in addition, such treatment shall not apply to privileges which either Contracting Party shall accord to investors of a third State by virtue of a double taxation agreement or other agreements on a reciprocal basis, or regarding tax treatment accorded to its own investors under its domestic legislation relating to the acquisition of land property rights.

Article 4. Expropriation and Compensation

1. Investments made by investors of either Contracting Party shall enjoy, in the territory of the other contracting party; protection and security.

2. The Contracting Parties shall not take any measures of expropriation or nationalization or any other measures, the effect of which is to dispossess, directly or indirectly, an investor of the other party; investments in their territories.

3. If the requirements of public security or national interest justify derogation from paragraph 2, the following conditions shall be complied with:

a) The measures shall be taken under due process;

b) They shall not be discriminatory;

c) They shall be accompanied by provisions for the payment of adequate and effective compensation.

4. The amount of compensation equal to the fair market value of the investments concerned must be assessed in relation to a normal economic situation and prior to any threat of dispossession. the compensation shall be paid in a freely convertible currency.

Such compensation, its amount and has no later than the date of dispossession. the compensation shall be paid without delay, and effectively realisable freely transferable. it produces until the date of payment, shall include interest at an interest rate of market.

5. The Investor affected shall have a right under the law of the contracting party making the expropriation, control, by a judicial or other independent authority of that Party, expropriation and of the valuation of his or its investment income, in accordance with the principles set out in this article.

Article 5. Compensation for Losses

Investors of one Contracting Party whose investments have suffered losses due to a war or any other armed conflict, revolution, state of emergency or national revolt occurring in the territory of the other contracting party benefit, on the part of this latter, from a treatment as regards, restitution, indemnification, compensation or other indemnities, which shall be no less favourable than that it accords to its own investors or investors of the most favoured nation.

Article 6. Free Transfer

1. Each Contracting Party in whose territory investments have been made by investors of the other Contracting Party accords to payments related to these investments, the free transfer in accordance with its national law.

a) In relation to establish and maintain or expand the investment;

b) Amounts intended for the payment of contractual obligations, including the amounts required for the repayment of loans; royalties and other payments deriving from franchises, licences, concessions and other similar rights as well as salaries of expatriate personnel;

c) Investment income;

d) The proceeds of the total or partial liquidation of investments, including capital gains or increases in the capital invested;

e) The remuneration of managerial and technical personnel who have been authorised to work in the territory of the other contracting party in connection with an investment approved;

f) Compensation for loss or dispossession provided for in articles 4 and 5; and

g) Compensation paid pursuant to articles 9 and 10.

2. The transfers referred to in the preceding paragraphs shall be effected without delay in a freely convertible currency at the market rate of exchange applicable on the date of transfer.

Article 7. Subrogation

1. If one of the contracting parties or a public or private body it pays compensation to its own investors under a guarantee given in respect of an investment, the other Contracting Party shall recognize that all investor rights are transferred to the contracting party or agency concerned.

2. As far as the transferred rights, the other contracting party may claim against the insurer subrogated into the rights of the investors indemnified the obligations under a legal or contractual relationship with them.

Article 8. Specific Commitments

1. Investments in respect of a particular undertaking of either Contracting Party to the investors of the other Contracting Party shall be governed, without prejudice to the provisions of this Agreement, the terms of that commitment to the extent that it is more favourable provisions than those laid down in this Agreement.

2. Each Contracting Party shall at all times ensure respect the obligations it has entered into in respect of investors of the other contracting party.

Article 9. Settlement of Disputes between an Investor and a Contracting Party

1. Any investment dispute between a Contracting Party and an investor of the other Contracting Party shall be settled amicably between the two parties concerned.

2. If such a dispute cannot be settled within six months from the time at which it was raised by either party to the dispute, it shall be submitted at the choice of the investor Party to the dispute:

- The competent national court of the Contracting Party in whose territory the investment dispute was made; or

- To arbitration by the International Centre for Settlement of Investment Disputes (c.i.r.d.i), established by the Convention on the Settlement of Investment Disputes between States and Nationals of Other States done at Washington on 18 March 1965, when each State Party to this agreement would be a party to this Convention.

As long as this requirement is not fulfilled, each Contracting Party consents that the dispute be submitted to arbitration under the Additional Facility Rules of c.i.r.d.i.; or

- The arbitration in an ad hoc arbitration tribunal established under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL).

Once the investor has submitted the dispute to the jurisdiction of the Contracting Party concerned or to international arbitration, the choice of one of these procedures is final.

3. The arbitral tribunal shall decide on the basis of the domestic law of the Contracting Party to the Party in whose territory the investment dispute is located, including the rules relating to conflicts of law, as well as on the basis of the provisions of this Agreement, the terms of any specific agreement concluded in relation to investment and the principles of international law.

4. The arbitration awards shall be final and binding on the parties to the dispute. each Contracting Party undertakes to execute the decisions, without delay, in accordance with its national law.

Article 10. Settlement of Disputes between Contracting Parties

1. Disputes concerning the interpretation or application of this agreement should, if possible, be settled through diplomatic channels.

2. If within six months from the time at which it was raised by either contracting party, the dispute is not settled, it shall be submitted, at the request of either contracting party to an arbitral tribunal.

3. The Tribunal shall be constituted for each individual case as follows: each Contracting Party shall appoint an arbitrator within two months from the date on which either Contracting Party has informed the other of its intention to submit the dispute to arbitration. within two months after their appointment, the two arbitrators shall appoint by mutual agreement a national of a third State who will serve as the Chairman of the arbitral tribunal.

4. If the periods specified in paragraph 3 above have not been made, either Contracting Party, in the absence of any other agreement, invite the President of the International Court of Justice to make the necessary appointments. if the President of the International Court of Justice is a national of either Contracting Party or if he is otherwise prevented from exercising this function, the Vice-President of the International Court of Justice would make any necessary appointments. if the Vice-President of the International Court of Justice is a national of either Contracting Party or if he is otherwise prevented from exercising this function, as the most senior judge of the International Court of Justice who is not a national of one of the Contracting Parties will have the necessary appointments

5. The arbitral tribunal shall reach its decisions by a majority of votes, and shall determine its own rules of.

6. The Tribunal shall decide on the basis of respect for the universally accepted principles of international law and the provisions of this Agreement as well as of the national legislation.

7. The decisions of the Tribunal are final and enforceable automatically to the contracting parties. it interprets the award at the request of either Contracting Party.

8. Unless the Tribunal provides otherwise, in light of the particular circumstances, the expenses of the arbitral proceedings, including the business of the arbitrators shall be shared equally by the contracting parties.

Article 11. Implementation of the Agreement

This Agreement shall also apply to investments made prior to its entry into force by investors of one Contracting Party in the territory of the other Contracting Party in accordance with the laws and regulations of the latter.

However, this Agreement shall not apply to disputes that would have occurred prior to its entry into force.

Article 12. Entry Into Force and Duration

1. Each Party shall notify the other of the completion of the internal procedures required for the entry into force of this Agreement, which shall enter into force thirty days after the date of receipt of the last notification.

This agreement is concluded for an initial period of ten years. unless one of the Contracting Parties denounces it at least twelve months prior to the expiry of the period of validity, it shall be automatically renewed for a period of ten years, each contracting party reserving the right to terminate the agreement by a notification made at least twelve months before the date of expiry of the current period of validity.

2. In respect of investments made prior to the date of termination of this Agreement, the provisions of articles 1 to 11 remain applicable for a period of ten years from the date of expiry.

3. This Agreement shall remain in force until the contracting parties or may not maintain diplomatic and consular relations.

Done in duplicate at Sao Paulo 15ième this day of June 2004 in the year in French Language, each being equally authentic.