

AGREEMENT BETWEEN THE GOVERNMENT OF THE ITALIAN REPUBLIC AND THE GOVERNMENT OF MALTA FOR ECONOMIC COOPERATION AND PROTECTION OF INVESTMENTS

The Government of the Italian Republic and the Government of Malta, in their unshakable desire to intensify friendly relations between the two countries and their peoples through the establishment of closer economic co-operation, have agreed as follows:

Article 1.

The Contracting Parties will cooperate in the development of their countries and to this end will extend to each other, to the extent that their legislation and their resources permit, aid and incentives in the economic field, to the extent necessary and possible.

On the basis and within the framework of this Agreement, the Contracting Parties may conclude arrangements regarding individual projects of cooperation.

Article 2.

In the event that arrangements regarding individual projects of cooperation have been concluded under Article 1, each Contracting Party will grant to its own nationals and companies, at their request, be allowed to invest and to transfer to this end, capital, property, rights and interests in the other country. Each Contracting Party shall grant to its own nationals and companies, at their request, authorization to provide goods on credit terms to public and private enterprises of the other country, according to the laws in force in the country granting the authorization.

Claims arising out of such supplies will benefit from the guarantees provided for by the applicable legislation in each of the two countries and to the extent permitted by such legislation. The country recipient of supplies undertakes to authorize the transfer in convertible currency of each installment payment, the individual deadlines, due to the other creditor country.

Article 3.

Citizens and companies of one Contracting Party, which have invested in convertible currency, for the creation or expansion of businesses relating to the production of goods and services in the territory of the other Contracting Party may re-transfer, currency convertible, without restriction or impediment, dividends and profits made, the original company's capital arising from successive extensions, as well as income in respect of wages or other income from professional activities associated with investments made in the territory of the other Party contractor.

For investments that are carried out through the contribution of machinery used in the preceding paragraph enterprises, the transfer of funds arising from disinvestment will be granted, in convertible currency, two years from the date of investment itself.

Article 4.

The investments of nationals and companies of either Contracting Party in the territory of the other Contracting Party, as well as the relative gains, may not be expropriated except in the case of public interest and only against payment of compensation equal to the value the expropriated property. This allowance shall be paid without delay and will be immediately transferable in convertible currency without any limitations.

Article 5.

To the investments of nationals and companies of one Contracting Party will be insured in the territory of the other Party no less favorable conditions than those applied to nationals and companies of any third country, with the exception of the benefits resulting from the agreements that establish customs unions, from participation in currency areas or agreements against double taxation.

Article 6.

Disputes on the interpretation and application of this Agreement shall be settled through diplomatic channels. If an agreement is not reached, the dispute will be submitted to the decision of an arbitration panel. He said the college will consist of three members, two of them will be selected from each part, respectively, the third will be chosen by the first two of the nationals of a foreign State to the dispute.

In the absence of agreement between the two members, the appointment of the third arbitrator shall be entrusted to the President of the International Court of Justice and, if he were a national of either Contracting Party or if it is prevented, the Vice President of the Court itself.

Article 7.

This Agreement shall be applicable as soon as each of the Contracting Parties shall have notified each other the fulfillment of the provisions of its domestic law for the conclusion and entry into force of this Agreement.

It may be terminated by either Party with six months' notice.

The contracts already concluded and the guarantees already given under this Agreement shall survive the termination of the validity of the same.

IN WITNESS WHEREOF the undersigned plenipotentiaries have signed this Agreement and have affixed their seals.

DONE at Valletta on July millenovecentosessantasette twenty-eight, in two originals, in Italian and English languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE ITALIAN REPUBLIC

FOR THE GOVERNMENT OF MALTA