

# **Agreement between the Government of the State of Qatar and the Government of the Republic of Tunisia to encourage and protect investments**

The Government of the State of Qatar (on one hand) and the Government of the Republic of Tunisia (on the other hand), hereinafter referred to as the two "Contracting Parties";

Desiring to strengthening economic relations, intensifying cooperation, in support of development in the two countries;

Convinced that the the protection of the investments in accordance with international law would foster economic initiatives and support the prosperity of both countries;

Noting the necessity of granting the natural and legal persons belonging to each of the two Contracting Parties a fair and equitable treatment with respect to their investments in the territory of the other contracting party.

Have agreed on the following provisions:

## **Article 1. Definitions**

A. For the purpose of this Agreement, "Investment" includes:

1. Movable and immovable property, and every other property right, as well as guarantees related to thereto, such mortgages, concessions and other privileges.
2. Corporate values, stocks and shares and corporate bonds
3. Debts, as well as the service of fees paid resulting from a loan contract.
4. Intellectual property rights and intangible elements related to commercial assets.
5. Commercial franchises granted under law or contract, including rights relating to the extraction, exploitation and searching for natural resources, which is given to the beneficiaries by the legal nature of the concession period.

B. "Returns" are the amounts generated by an investment, especially and without limitation, all the profits, interests, and dividends on the shares and royalties.

C. "Investor" means:

1. For the Republic of Tunisia, include natural persons holding Tunisian nationality, as well as legal persons, whose headquarters are located in the Republic of Tunisia and to be where the Tunisian interests preponderant, or those that managed and supervised by, whether directly or indirectly, nationals of the Republic of Tunisia, or those carried out by the Government Republic of Tunisia on the territory of the State of Qatar as an ordinary investor
2. For the State of Qatar, included natural persons holding Qatari nationality, as well as legal persons, which is headquartered Bgelem Qatar and be the Qatari interests preponderant, or those that managed and supervised by, whether directly or indirectly, nationals of the State of Qatar or those conducted by the Government of the State of Qatar on the region of the Republic of Tunisia as an ordinary investor.

D. "Territory" means:

1. With regard to the Republic of Tunisia, the territory of the Republic of Tunisia.
2. With regard to the State of Qatar, the territory of the State of Qatar.

Territory includes the maritime zone of each Contracting Party, where it has sovereign rights and jurisdiction, in accordance

with international law, for the purposes of exploration, exploitation and conservation of natural resources.

## **Article 2. Promotion of Investments**

1. Each of the Contracting Parties shall encourage investors of the other Contracting Party to invest their capital on its territory and provides conditions for these investments and licenses authorizing the entry of the funds and investors, while retaining their right to exercise the authority assigned to them by its laws.
2. The investments of each of the Contracting Parties that are invested according to the conditions set by the national legislation of the host country, shall enjoy a fair and equitable treatment.
3. Each of the Contracting Parties shall provide the facilities and grant the necessary permits for the entry, exit, residence and work of the investor and for those whose business is permanently or temporarily in contact with the investment, such as experts, administrative and technical staff, in accordance with the laws and regulations in force in the host country.

## **Article 3. National and Most-favoured Nation Treatment**

1. Each of the Contracting Parties shall not subject to the investments or returns of the investors of the other Contracting Party in its territory, to a treatment that is less favorable than the treatment granted to the investments and returns of its investors or the investors of any other country.
2. Each of the Contracting Parties, shall not subject the investors of the other Contracting Party, in its territory, to a treatment less favorable than the treatment granted to their investors or to the investors of any other country with respect to the disposal of their investments, their use, treatment and returns.
3. Such treatment does not apply to the concessions granted by any of the Contracting Parties to the investors of a third country by virtue of its membership or participation in any customs or economic union, a common market, or free trade zones or any other similar regional economic organization.
4. The treatment granted under this article is not related to the advantages and preferences granted by any of the Contracting Parties to the investors of a third country thanks to the provisions of a double taxation agreement or any other agreements related to tax matters.

## **Article 4. Losses**

In the event that investments of investors of one Contracting Party in the territory of the other Contracting Party are exposed to losses as a result of war or other armed conflict, a state of national emergency, civil unrest, strife or a similar situation, that occurs on the territory of the latter, that party shall grant these investors a treatment no less favourable than the treatment accorded to its own investors or investors of any other state with respect to recovery, reparation or compensation or any other form of settlement.

## **Article 5. Expropriation**

1. It is not possible to nationalize or expropriate the investments of investors of any of the Contracting Parties, and these investments cannot be subject to any procedure that has a similar effect on the territory of the other Contracting Party, unless the following conditions are met:
  - A. The measure is taken for the benefit of the public interest according to the procedures prescribed by law.
  - B. That the aforementioned procedures shall take place without discrimination.
  - C. That these procedures be accompanied by an immediate, fair and effective compensation that can be freely exchanged.
2. The provisions of the first paragraph of this chapter shall also apply to returns derived from an investment.

## **Article 6. Transfer of Investment and Returns**

1. Each of the Contracting Parties must, in accordance with this agreement, allow the exchange to any convertible currency and the transferred without delay of:
  - A. The net profits and profits accrued on the shares, royalties, bonds, fees and all other current returns resulting from the investments of the other Contracting Party's investors

B. He proceeds of the complete or partial liquidation of an investment made, or sold by the investors of the other Contracting Party.

C. Repayment of loans obtained by the investors of the other Contracting Party,

D. The wages of the nationals and workers of the other contracting party authorized to work on its territory in the framework of an investment in accordance with the laws and regulations in force,

E. The compensation stipulated in Article 4 of this agreement.

2. Each of the contracting parties shall be obligated to grant the transfers referred to in the first paragraph of this Article a treatment no less favorable than the treatment granted to the transfers resulting from the investments out by the investors of any other country.

## **Article 7. Settlement of Investment Disputes**

1. Any legal dispute arising directly from an investment between either of the Contracting Parties and an investor from the other Contracting Party, is to be settled amicably between the two parties concerned.

2. If this dispute is not settled within six months from the date it was raised in writing by either party to the dispute, it can be referred at the request of either party to arbitration before the "International Center for the Settlement of Investment Disputes", established by the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, signed in Washington, March 18, 1965.

3. If the agreement referred to in the previous paragraph is not applicable, then the dispute can be settled by ad hoc arbitration established for this purpose. The ad hoc arbitral tribunal shall be constituted in the following manner:

A. Each party to the dispute shall appoint one arbitrator, and the arbitrators appointed by their mutual agreement appoint a third arbitrator who is a national of a third country, and this third arbitrator shall be the president of the tribunal by agreement of the parties, and all arbitrators must be appointed within two months of the date of notification of either party to the other party of his desire to submit the dispute to arbitration.

B. If the appointments are not made within the period referred to in Paragraph A., then in the absence of any other agreement, either party to the dispute has the right to make the necessary appointments by the President of the International Chamber of Commerce in Paris.

C. The tribunal takes its decisions by majority vote, and its decisions are final and legally binding for the two parties, and these decisions are issued in accordance with the provisions of this agreement, and the two contracting parties that denote a party to the conflict, and the principles of international law.

The tribunal rules of procedure are in accordance with the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL).

The tribunal may interpret its decision at the request of either party.

Unless the court decides otherwise, and according to special circumstances, the costs of arbitration, including the arbitrators' fees, shall be shared equally between the two parties.

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

4. The investors of one of the Contracting Parties may submit to the local judicial authority of the other Contracting Party hosting the investment, any dispute of a legal nature between them and the other Contracting Party regarding the investment on the territory of the latter. However, if one of the investors of the two Contracting Parties chooses to bring a lawsuit before the local courts of the other Contracting Party, he cannot then submit it to another party.

## **Article 8. Disputes between the Contracting Parties**

1. As far as possible, disputes arising between the Contracting Parties relating to the interpretation, application or termination of this agreement shall take place through diplomatic means.

2. If the dispute cannot be settled by these methods within six months from the date of its submission, it shall be submitted at the request of one of the contracting parties to an arbitral tribunal.

3. The arbitral tribunal shall be formed in each special case as follows:

Each of the contracting parties shall appoint a member of the tribunal within two months starting from the date of receiving the request for arbitration. These two members shall choose a national of another third country, who shall be appointed as president of the tribunal after the approval of the Contracting Parties.

4. If the necessary appointments were not made within the deadlines set out in paragraph 3 of this article, and in the absence of any other agreement, either of the Contracting Parties may invite the President of the International Court of Justice to make the necessary appointments. If the President is a national of one of the Contracting Parties or is unable to perform the tasks mentioned for any reason, the Vice President of the International Court of Justice may be invited to make the necessary appointments, and if the Vice President is national of one of the Contracting Parties or is unable to do so, the next member in seniority of the International Court of Justice who does not have the nationality of either of the Contracting Parties may be invited to make the necessary appointments.

5. The arbitral tribunal shall render its decisions by majority vote, and the tribunal's decision shall be binding on the two contracting parties.

Each Contracting Party shall bear the expenses related to the member of the tribunal that it has appointed, as well as related to its representation during the arbitration procedures.

## **Article 9. Subrogation**

If one of the Contracting Parties makes a payment for the benefit of its investors under a guarantee that has been granted to an investment on the territory of the other Contracting Party, the latter Party shall recognize the assignment to the former Party of all the rights and obligations of the indemnified investor in its favor, and the host party shall admit the right of the former Party to exercise such rights and claims (transferred rights), which it is entitled to use in the same amount as is authorized to the investors who has replaced, and applies to transferring and exchange of the payments stipulated in the provisions of Articles 3, 4 and 6 of this Agreement.

## **Article 10. Entry Into Force**

This agreement shall enter into force after each party communicates the other Contracting Party that the necessary constitutional procedures for this purpose have been carried out. The provisions of this agreement apply to the existing investments made by the citizens of a Contracting Party in the territory of the other Contracting Party in accordance with its laws and arrangements starting from January 1, 1957.

## **Article 11. Duration and Termination**

This agreement shall remain in effect for a period of ten years and shall remain in effect thereafter until the expiry of a period of twelve months counted from the date of its termination by one of the Contracting Parties through a written notice sent to the other Contracting Party. The provisions of this agreement will remain in effect for another ten years starting from the date of its termination with regard to the investments made during the validity of the agreement, taking into account the application of the rules of international law after the expiration of this period.

In witness whereof, this agreement was signed in the city of Doha on May 28, 1996 A.D., corresponding to 11 Muharram 1417 AH.

Done in two original copies in the Arabic language, each of them equally authentic.

For the Government of the State of Qatar

Hamad bin Jassim bin Jabr Al Thani

Minister of Foreign Affairs

For the Government of the Republic of Tunisia

Habib Ben Yahia

Minister of Foreign Affairs

