# Agreement between the Government of the People's Democratic Republic of Algeria and the Government of the Republic of Tajikistan on the reciprocal promotion and protection of investments.

The Government of the People's Democratic Republic of Algeria and the Government of the Republic of Tajikistan, hereinafter referred to as "Contracting Parties";

Desiring to strengthen economic cooperation and create conditions for the promotion of investment between Algeria and Tajikistan;

Convinced that the encouragement and protection of investment will help to promote the liberalization of capital and the flow of investment and technology between the two contracting parties, in the mutual interest of their development and economic prosperity;

Recognizing the right of each Contracting Party to define the conditions under which foreign investment will be received and the duty of the investor to respect the sovereignty and laws of the host country

Have agreed as follows:

## Article 1. Definitions

For the purposes of this Agreement:

(a) "investment" means any item of assets invested by investors of one Contracting Party in the territory of the other Contracting Party, in accordance with the legislation of the last Contracting Party and more especially but not exclusively

(i) Movable and immovable property, as well as other property rights such as leasing, mortgages, liens or pledges;;

(ii) Shares, securities and bonds in a corporation and any other form of interest in a corporation;

(iii) Monetary claims and any contract benefits of economic value in association with the investments;

(iv) intellectual property rights, including copyrights, trademarks, patents, industrial designs, technical processes, know-how, trade secrets and trade names, associated with investments;

(v) Concessions conferred by law, by administrative act or by contract, by a competent authority, including concessions for research, development, extraction or exploitation of natural resources.

Any change in the form in which the assets were invested, does not affect their character of investments. Provided that this modification is not inconsistent with the legislation in force of the Contracting Party in whose territory the investments were made.

(b) "investor" designates with respect to each Contracting Party:

(i) The nationals of a Contracting Party who are natural persons who derive their status as nationals of the State of a Contracting Party from the national legislation of that Contracting Party and who invest in the territory of the other Contracting Party contracting party; and

(ii) Any legal person established in accordance with the law of the State of a Contracting Party and investing in the territory of the other Contracting Party.

(c) "income" means the amounts generated by an investment and, in particular but not exclusively, includes profits, profits, capital income, dividends, royalties and fees.

(d) "law of the Contracting Party" means the laws and other regulations of the People's Democratic Republic of Algeria or the

laws and other regulations of the Republic of Tajikistan.

(e) "territory" means:

- in the case of the People's Democratic Republic of Algeria, the land territory, the territorial sea and beyond it, the different areas of the maritime area over which the People's Democratic Republic of Algeria exercises, in accordance with its legislation national law and / or international law, sovereign rights or jurisdiction, for the purpose of the exploitation, conservation and management of the natural resources of the seabed, its subsoil and the waters overlying the seabed;

- in the case of the Republic of Tajikistan, the land territory over which the Republic of Tajikistan exercises, in accordance with its national law and / or international law, its sovereignty.

## Article 2. Scope of the Agreement

This Agreement applies to all investments made by investors of one Contracting Party in the territory of the other Contracting Party before and after the entry into force of this Agreement. However, this agreement does not apply to disputes arising prior to its entry into force.

## Article 3. Promotion of Investments

1. Each Contracting Party shall encourage and create favorable conditions in its territory for investors of the other Contracting Party and shall admit such investments in accordance with its internal law.

2. Each Contracting Party shall, in accordance with its domestic law, grant the necessary authorizations for the investments referred to in paragraph 1 of this Article and shall execute approvals and contracts for technical, commercial and administrative assistance.

## Article 4. Protection of Investments

1. Investments and returns of investors of each Contracting Party shall at all times be treated fairly and equitably and shall enjoy full protection in the territory of the other Contracting Party. No Contracting Party shall in any form compromise the management, maintenance, use, enjoyment or disposal of the investments of investors of the other Contracting Party in its territory by unreasonable or discriminatory measures.

2. Each Contracting Party shall accord in its territory, to investments and returns of investors of the other Contracting Party, treatment no less favorable than that accorded to investments and returns of its investors or to investments and returns of investors of a third State.

3. The treatment referred to in paragraphs 1 and 2 shall not extend to the preferences and privileges granted by one of the Contracting Parties to investors of a third State:

(a) In accordance with its participation and / or accession to a customs union, free trade area, common market or any other form of regional economic integration;

(b) On the basis of an agreement or arrangement concerning partially or totally on taxes.

## Article 5. Compensation for Losses

1. Investors of a Contracting Party whose investments in the territory of the other Contracting Party suffer losses as a result of war or armed conflict, revolution, insurrection, riots or any other similar circumstance in the territory of the latter Party Contracting Party, shall enjoy in respect of recovery or compensation or any other settlement treatment no less favorable than that which the latter Contracting Party accords to its own investors or investors of a third State.

2. Without prejudice to the provisions of paragraph 1 of this article, if the investors of one of the contracting parties suffer in the territory of the other contracting party, damages during the events referred to in this paragraph, resulting from the requisition owned by the authorities of the latter, they should be granted fair and just compensation for losses incurred during the requisition period or following the attack to their property. This compensation represents the commercial value of the investment concerned and includes the interest that will be calculated at the prevailing commercial interest rate, from the moment of recognition of the right to compensation until the date of settlement. This compensation will be paid and transferred without undue delay, in the currency of realization of the investment or any other convertible currency, which will be accepted by the beneficiary.

## Article 6. Nationalization or Expropriation

1. The investments of the investors of each of the Contracting Parties shall not be nationalized or expropriated or subject to measures having effects equivalent to nationalization or expropriation hereinafter referred to as "expropriation" in the territory of the other Contracting Party, except for public utility. The expropriation must be done, in accordance with a legal procedure, on a non-discriminatory basis and against the payment of a prompt, adequate and fair compensation. This compensation will be equal to the commercial value of the expropriated investment, at the time of the expropriation or before it is made public, whichever is the case first. This compensation will include interest at a normal commercial rate from the moment of recognition of the right to compensation until the date of payment. It must be effectively realizable and will be freely transferable in a convertible currency, in accordance with the legislation in force in the host country.

2. The investor who has suffered losses due to the expropriation, has the right to a review of his case for a reassessment of his investment by a judicial or other autonomous authority of the said party and this, in accordance with national legislation Contracting Party and the principles set out in this Article.

3. The provisions of paragraph 1 of this Article shall also apply where one of the Contracting Parties expropriates the assets of a company constituted in accordance with the law in force in its territory and of which the investors of the other Contracting Party hold shares.

## Article 7. Transfer of Investment's Incomes

1. The two Contracting Parties shall guarantee, in accordance with the legislation in force in the country where the investments were made, the transfer of payments relating to investments and income, after payment of all the tax commitments and other commitments of payment. Transfers are made in a freely convertible currency and without any obstacle or unjustified delay. These transfers include, but are not limited to:

a) the capital and additional amounts needed to maintain or increase the investment;

b) Profits, interest, dividends and other current income;

c) The amounts for the settlement of loans contracted in a lawful manner;

d) The proceeds of the sale or liquidation of the investment;

e) Compensation for loss or expropriation referred to in Articles 5 and 6 above, as well as any payment in accordance with the subrogation laid down in Article 8 of this Agreement;

f) Savings of natural persons, in accordance with the legislation of the country of the Contracting Party in whose territory investments have been made.

2. . For the purposes of this Agreement, the exchange rate shall be the official rate applicable to current transactions on the date of transfer unless otherwise agreed.

3. In case of absence of foreign exchange market, the exchange rate of currency conventions of special drawing rights shall be applied.

4. In the event that the host Contracting Party is responsible for the delayed transfer, such transfer shall also include a commercial interest rate on the basis of the market of the currency concerned, from the date of the request for transfer to the date of actual transfer, at the expense of the Contracting Party.

## Article 8. Subrogation

1. If one of the Contracting Parties or the agency which it has appointed makes a payment to one of its own investors as part of a guarantee against the non-commercial risks it has given to an investor in the territory of the other Contracting Party, the other Contracting Party shall recognize the assignment, by law or by lawful process, to the benefit of the first Contracting Party of all the rights and claims of the compensated investor . It must also recognize that that Contracting Party or the agency it has designated is not entitled to exercise rights other than the rights which the investor was entitled to exercise.

2. These rights shall be exercised in accordance with the law of the last Contracting Party.

3. Subrogation does not affect any right the last of which may be held by the investor.

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

## other Contracting Party

1. Any dispute arising between the investor of one Contracting Party and the other Contracting Party relating to an investment in the territory of that other Contracting Party shall be settled by negotiation between the parties to the dispute.

2. If the negotiations do not result in a settlement within six (6) months from the date of the claim, the investor will submit this dispute for settlement, at his choice:

a) The competent court of the Contracting Party in whose territory the investment has been made;

b) The International Centre for the Settlement of Investment Disputes (I.C.S.I.D.), established by the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, opened for signature at Washington, on 18 March 1965; or

c) An ad hoc tribunal to which, unless another direct arrangement between the parties to the dispute, is to be established under the Arbitration Rules of the United Nations Commission on United Nations Commission on International Trade Law (UNCITRAL).

## Article 10. Settlement of Disputes between the Contracting Parties

1. Disputes between the contracting parties concerning the interpretation or application of this Agreement shall be settled by diplomatic means.

If within six months from the date on which either of the two Contracting Parties presented request in writing, the dispute is not settled, it shall be submitted at the request of either of the contracting parties to an arbitration tribunal

2. If the two Contracting Parties fail to reach a settlement within six (6) months, it shall, at the request of one of the Contracting Parties, be subject to an arbitral tribunal consisting of three members. Each Contracting Party shall appoint an arbitrator and the two arbitrators shall appoint a President who shall be a national of a third State.

3. If either Contracting Party has not designated its arbitrator within two (2) months of the date on which the other Contracting Party was requested to make such designation, the arbitrator shall be designated at the request of the last Contracting Party by the President of the International Court of Justice.

4. If, within two months of their appointment, the two arbitrators have not reached an agreement on the choice of the chairman and, in the absence of any other agreement, the latter shall be appointed at the request of the one of the Contracting Parties, by the President of the International Court of Justice.

5. In the cases referred to in paragraphs 3 and 4 of this article, if the President of the International Court of Justice is a national of one of the Contracting Parties or is prevented from doing so, the appointments shall be made by the Vice-President. -President. If the vice-president is a national of one of the contracting parties or is also prevented from performing the said mission, the member of the International Court of Justice succeeds him in the order of precedence and who is not a national of the one of the contracting parties will make the designations.

6. The court sets its own procedural rules.

7. Each Contracting Party shall bear the expenses related to the appointment of its arbitrator and its representation in the arbitration proceedings, the expenses of the President shall be borne by the two Contracting Parties in equal shares.

8. The decisions of the court shall be final and binding on both contracting parties.

## Article 11. Application of other Rules

1. If the provisions of the domestic law of one of the Contracting Parties or the obligations under international law, existing or later to be agreed between the Contracting Parties, contain rules, whether general or particular, investments and the income of investors of the other Contracting Party to benefit from more favorable treatment than that provided for in this Agreement, such rules shall prevail over this Agreement to the extent that they are more favorable.

2. Investments which are covered by a specific agreement between one of the Contracting Parties and an investor of the other Contracting Party shall be governed by the provisions of that Agreement to the extent that such provisions are more advantageous than those contained in this Agreement.

## Article 12. Amendment and Revision

Any amendment and / or revision of the provisions of the said Agreement shall be made on the basis of the agreement of both Contracting Parties. Any amendment and / or revision will come into force, in accordance with the provisions and conditions set forth with respect to this Agreement.

## Article 13. Entry Into Force

This Agreement shall enter into force on the date of receipt of the last of the notifications by which the two Contracting Parties notify each other, through the diplomatic channel, of the completion of the internal procedures required for this purpose.

## Article 14. Duration and Expiration

This agreement will remain in force for a period of ten (10) years. After this period, it will be renewed by tacit agreement, until the expiry of a period of twelve (12) months, from the date of notification in writing, by one of the contracting parties to the other party Contracting Party, through the diplomatic channel, to put an end to this agreement. In respect of investments made before the expiry date of this Agreement, the provisions of this Agreement shall remain in force for such investments for a period of ten (10) years from the date of expiration.

In witness whereof, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done in Algiers, on 11 March 2008, in two originals, in Arabic, Tajik and English languages. The three texts being equally authentic. In the event of any discrepancy in the interpretation of the provisions of this Agreement, the English text shall prevail.

For the Government of the Republic of the People's Democratic Republic of Algeria

Karim DJOUDI

Minister of Finance

For the Government of Tajikistan

KAMRALIEV Farruh

Chairman of the State Commission for Investment and Management of State Property