

Agreement on the Promotion and Protection of Investment between the Government of the Republic of Iraq and the Government of the Kingdom of Saudi Arabia

The Kingdom of Saudi Arabia and the Republic of Iraq (hereinafter referred to as the " Contracting Parties ")

Desiring them to encourage and protect investment and strengthen the economic ties and relations between the two countries in alignment with their economic priorities, and their determination to create favorable conditions and greater opportunities for exchanging more investments between the investors of the two parties, and their belief in the increasing importance of encouraging and protecting investments in order to motivate investors to take more investment initiatives and achieve prosperity and prosperity for both parties, and aware of the possibility of achieving these goals without prejudice to the legislation, health, safety and environment regulations applied by both parties, and aware of the importance of technology transfer, job creation and human resource development arising from these investments, and each Contracting Party acknowledging that it reserves the right to organize the foreign investment in its territory, and taking the necessary measures to ensure the consistency of investment activities with its national laws, development policies and strategies.

They have agreed on the following:

Article 1.

For the purposes of this agreement, the following terms are intended to mean::

1. " Legislation":

- A. With regard to the Kingdom of Saudi Arabia, the Royal laws, regulations and decrees of the Kingdom of Saudi Arabia.
- B. With regard to the Republic of Iraq, the laws, regulations and instructions are in effect.

2. " Investments":

Each type of asset, which has investment characteristics, and includes features that are limited to a certain period or other properties such as commitment to capital or other resources, the expectation of profit, or the assumption of risks according to the legislation of the Contracting Party who was invested in its territory and these assets are owned by a natural or moral investor and these assets are under his direct management and holds an investment license (license) according to the laws and regulations of the Contracting Party hosting the investment.

The investment resulting from the investment contracts may include but not be limited to the following forms:

- A. A commercial facility such as the company.
- B. Shares in general, company shares, shares, and any other type of shareholding in companies, including the rights arising from them.
- C. Bonds, debt securities, loans and other forms of other companies.
- D. Contractual rights, including turnkey contracts, construction, management, production or revenue sharing contracts.
- E. Intellectual property rights such as copyrights and other related rights, patent rights and rights related to utility models, trademarks, industrial designs, integrated circuit design schemes, new plant varieties, brand names, source data, geographical indications and undisclosed information.
- F. The rights granted by legislation or contract, such as concessions, licenses, permits and permissions.

G. movable and immovable property and other rights.

H. Claims for funds or claims for performance under a contract linked to investment activities, and the financial claims mentioned in this paragraph do not include the following:

1. Financial lawsuits that arise - only - from commercial contracts for the sale of goods or services by a natural person or commercial establishment in the territory of a party to a natural person or commercial establishment in the territory of the other party.

2. Local financing for the contracts stipulated in Paragraph (1) above.

3. Any dispute arising out of financial claims, order, judgment, or arbitration award related to subparagraph (1) or (2) above.

3. "Investor by a Contracting Party":

A. Any natural person who holds the effective nationality of one of the two Contracting Parties according to his legislation, that invests in the other Contracting Party's territory and obtains an investment license (license) in accordance with his legislation. Nevertheless, the natural person of dual nationality is considered an exclusive citizen of the effective dominant nationality.

B. A commercial facility (company) from one of the Contracting Parties, that invested in the other Contracting Party. A branch of a commercial establishment (company) from a non-Contracting Party - whose headquarters are located in the other Contracting Party - is not an investor of that Contracting Party.

4. A "commercial establishment " of a company is:

A. An enterprise that was established or organized under the legislation of one of the Contracting Parties, and has significant commercial activities in the territory of that Contracting Party.

B. An enterprise that was established or organized under the legislation of one of the Contracting Parties and that is owned by the investor of another Contracting Party who owns more than fifty per cent of its shares and is directly under his control if that investor has the power to name the majority of its managers or if he has the right to manage its business in a legitimate way.

5. "A commercial facility", means for a Contracting Party:

Any moral person or other entity established or established in accordance with the legislation applied by one of the Contracting Parties, whether for profit or not, and whether that entity is a private entity or an entity owned or controlled by the state, and this includes any commercial establishment or trust fund or a partnership, individual institution, joint venture, organization, commercial establishment, or branch subject to paragraph (4) of this Article.

6. "Investment activities":

Operating, managing, maintaining, using, enjoying, selling or other investments related to investments.

7. "A convertible currency":

The currency specified by the International Monetary Fund (IMF) under the provisions of the IMF Agreement.

8. "Territory":

For the Kingdom of Saudi Arabia: the areas over which a Contracting Party exercises sovereign rights or jurisdiction under international law, and includes special economic zones and the continental shelf to the extent permitted by the international law of the retired party.

With regard to the Republic of Iraq: it is the lands, internal waters, and territorial sea in which it has territorial sovereignty, the continental shelf, and the exclusive economic zone where sovereign rights are exercised in accordance with general international law.

9. "Returns":

The amounts yielded from investments and, in particular profits, capital gains, and dividends, royalties, fees. Any change in the form that invests its assets - or reinvested - does not affect its the classification as an investment, provided that this change is not inconsistent with the Contracting Party legislation, when those assets are invested or reinvested.

Article 2.

The provisions of this Agreement do not apply to the following:

1. Subsidies or grants offered by one of the parties exclusively to local investors and local investments or any condition related to the receipt or continued receipt of these benefits or grants.
2. Legislation or policies governing government tenders for services purchased for governmental purposes, and not for commercial sale, or for use in supplying commercial sale services.
3. Tax issues, for more certainty:

A. The provisions of Article (3) of this Agreement do not prevent either of the two Contracting Parties from differentiating certain transactions according to his tax legislation.

B. Article (3) of this Agreement is not interpreted as requiring one of the Contracting Parties to grant the investors of the other Contracting Party special tax benefits granted to the investors of another non-Contracting Party, on the basis of reciprocity with that other non-Contracting Party or according to any tax agreement in effect between the first Contracting Party and a non-Contracting Party.

Article 3.

1. Each Contracting Party shall encourage the investments of investors of the other Contracting Party as far as possible, and shall permit the entry of such investments, taking into account the rights of the host Contracting Party to invest in the exercise of its powers in accordance with its applicable legislation including legislation related to ownership, control and oversight of foreign investment projects.
2. Each Contracting Party grants to the investors of the other Contracting Party and their investments - as soon as investments are allowed in accordance with its legislation - a treatment no less favorable than that which it grants - in conditions similar to its investors and their investments in relation to investment activities.
3. Each Contracting Party shall grant the investors of the other Contracting Party and their investments a treatment no less favorable than that granted - in similar circumstances - to the investors of another country that is not a party to this agreement and their investments in relation to investment activities.
4. Regardless of what is mentioned in paragraph (3) of this article, it is not permissible for any Contracting Party to grant the investors and their investments to the other Contracting Party preferential or differential treatment according to the membership of the first Contracting Party in a customs or economic union or a common market or a free trade area with a non-Contracting Party.
5. Each Contracting Party shall grant the investors of the other Contracting Party treatment no less favorable than that granted in similar circumstances, to its investors or the investors of another country that is not a party to this Agreement with regard to resorting to the judiciary, administrative courts, and committees of all degrees of their competence, whether it is to demand the rights of those investors or defend it.
6. The most-favored-nation clause does not apply to settlement of investment disputes. For more certainty, when other international investment treaties and other trade agreements include measures to resolve investment disputes between investors and countries, as well as when other international investment treaties and other trade agreements contain substantial obligations, this is not in itself a preferential treatment - as indicated in this Article of this Agreement - Consequently, it does not lead to a breach of this Article of this Agreement.
7. Each Contracting Party shall grant to the investors of the other Contracting Party whose investments in the other Contracting Party have suffered losses or damages as a result of the war or any armed conflict, or an emergency situation such as revolution, rebellion, civil unrest or any other similar event in the first party, in relation to the recovery of the investment or compensation for losses, damages or any other settlement; a treatment no less favorable than the treatment granted by this latter party to its investors or to investors of a non-Contracting Party.

Article 4.

1. Each Contracting Party shall grant - in its territory - to the investments of investors of the other Contracting Party a treatment consistent with national legislation, including fair and equitable treatment and full protection and security.
2. A Contracting Party is considered to be in breach of the fair and equitable treatment - referred to in paragraph (1) of this Article - when it constitutes a measure or a set of measures:

- A. Denial of justice in criminal, civil or administrative proceedings.
 - B. The fundamental breach of due process, including fundamental breach of transparency and obstacles that prevent effective access to justice in judicial matters and administrative procedures.
 - C. Any apparent arbitrariness.
 - D. Harassment, coercion, abuse of power, or any similar bad behavior.
 - E. Violation of any other element of the obligation of fair and equitable treatment adopted by the Contracting Parties in accordance with paragraph (3) of this article.
3. The Contracting Parties shall, upon request of one of them, determine the content of the obligation to provide a fair and equitable transaction to ensure their understanding.
4. Breach of any other provision of this Agreement or of any other international agreement shall not constitute a breach of this Article.

Article 5.

1. An investor holding the nationality of one of the Contracting Parties and the nationality of the host country is a citizen of that country for the purposes of implementing the provisions of this Agreement.
2. The investor shall not be compensated for the claims or disputes arising from the events that occurred before the entry into force of this Agreement.

Article 6.

1. Investors of both Contracting Parties are obliged to employ local manpower in investment projects established in the host country according to their legislation.
2. The investor may insure the investment project with any insurance company of the host country or any other country he deems appropriate.

Article 7.

1. Each Contracting Party shall - to the extent practicable - initiate the publication of its legislation, procedures, administrative provisions, and general judicial rulings, as well as international agreements that relate to or affect investment activities.
2. Each Contracting Party - upon request of the other Contracting Party - should promptly answer the specific inquiries, and provide the other Contracting Party with information on the matters described in paragraph (1) of this article.
3. The provisions contained in paragraphs (1) and (2) of this article are not interpreted as requiring either of the Contracting Parties to disclose confidential information whose disclosure could lead to obstruction of the law, harm the public interest, violate privacy, or harm legitimate commercial interests.

Article 8.

Each Contracting Party shall facilitate entry procedures and the issuance of entry or temporary or permanent residence visas - according to its legislation - for persons of natural character who enjoy the nationality of the other Contracting Party who wish to enter and remain in the first Contracting Party for the purpose of establishing investment activities.

Article 9.

1. Neither Contracting Party may expropriate - according to the definition of expropriation provided for in Annex (A) of this Agreement - the investments of the investors of the other Contracting Party or nationalize investments or take any action tantamount to nationalization or expropriation (hereinafter referred to as " expropriation ") except when the following conditions are fulfilled in the expropriation:
 - A. that is for the public benefit and interest.

B. not discriminatory.

C. to be in exchange for prompt, fair, and effective compensation in accordance with paragraphs (2) , (3) , (4) and (5) of this Article.

D. be in accordance with legal procedures and the provisions of Article (A) of this Agreement.

2. The compensation shall be equal to the fair market value of the investment that was expropriated on the date on which the public expropriation was announced, or in which the expropriation occurred, whichever is earlier, and the prevalence of knowledge of expropriation in advance should not result in any change that has occurred in the fair market value.

3. The compensation shall be paid without delay, including a rate of return calculated on the basis of the rate of return prevailing in the market from the date of expropriation until the time of payment, and this compensation must be collectible and transferred to others or transfer to any currency used in the provisions of the IMF Agreement without restrictions, at the market rate of exchange prevailing on the date of expropriation.

4. Without prejudice to the provisions of Article (13) of this agreement, investors affected by expropriation shall have the right to resort to the public courts, courts or administrative bodies of the Contracting Party who expropriated the property, to request a rapid review of their judiciary and compensation in accordance with the principles set forth in this Article.

5. The assessment of fair and appropriate compensation is based on a fair balance between the public interest and the interest of the affected, taking into account all relevant circumstances and taking into account the current and previous use of the property, the date of acquisition and the fair market value of the property, the purpose of expropriation, and the amounts of previous profits achieved by the foreign investor through investment and the duration of the investment.

Article 10.

If a Contracting Party - or the entity that specified it - pays an amount to any investor - under a compensation, security or an insurance contract - for its investment with the other Contracting Party for damages resulting from non-commercial losses, the other Contracting Party must acknowledge the transfer of any right or claim to that investor - then on its basis, pay that amount - to the first Contracting Party or the entity that has specified it, to acknowledge the right of the first Contracting Party or the entity that he identified - according to the principle of solutions - to exercise that right or that claim in the amount of the original right itself or the original claim of that investor. As for the amount that is paid to the first Contracting Party or the entity specified by that transfer of rights or claims, the provisions of Articles (3) paragraph (7), Article (9) and Article (11) of this Agreement are applied according to the case.

Article 11.

1. Each Contracting Party guarantees that all transfers of payments related to the investment of one of the investors of the other Contracting Party can be made freely with and to the Contracting Party without delay in accordance with national legislation after payment of the debts incurred by him, and these transfers include, but are not limited to:

A. Initial capital and additional amounts related to maintaining or increasing the volume of investments.

B. All profits, capital gains, distributed profits, royalties, fees, and other income and other current revenues related to investment.

C. Amounts paid by installments under a comprehensive loan contract related to investments.

D. Revenue from liquidation of the investment or its sale in whole or in part.

E. Employees' earnings and salaries contracted abroad who perform investment-related work.

F. The amounts paid in accordance with the provisions of Articles (9) and (3) Paragraph (7) of this Agreement.

G. The sums arising from the settlement of a dispute in accordance with Article (13) of this Agreement.

2. Each Contracting Party shall ensure that - also - that these transfers will take place without delay in convertible currency and at the prevailing market at the transfer date of exchange, and in the absence of cushions exchange in the market price of the exchange rate will be is that the price quotient of the total price applied by the IMF to convert the concerned currencies into special drawing rights.

3. Regardless of what is mentioned in paragraphs (1) and (2) of this article, any Contracting Party may delay or refrain from transferring by applying its fair and non-discriminatory legislation in good faith that relates to the following::

- A. Cases of bankruptcy, insolvency or the protection of the rights of creditors.
 - B. Issuing, trading or dealing in securities.
 - C. Criminal offenses or penalties.
 - D. Enforcement of orders or judgments issued in court cases.
4. Any payment for a settlement as referred to in Article (3) paragraph (7), must be capable of being collected and converted to any other currency convertible currencies without restrictions, at the prevailing market exchange.

Article 12.

1. Any dispute that has not been settled between the Contracting Parties regarding the interpretation of this Agreement or its application, by direct amicable means, mediation, or conciliation in a satisfactory manner within six months, must be referred to an arbitral tribunal to make a decision on it, provided that the arbitral tribunal is formed of three arbitrators unless both Contracting Parties agree in writing to the contrary. Each Contracting Party shall appoint an arbitrator within a period of sixty (60) days from the date of the receipt of either of the Contracting Parties a notification from the other Contracting Party requesting that the subject of the dispute be submitted to arbitration, and the two arbitrators are chosen in that way agree on the third arbitrator who is President of the arbitral tribunal, during another thirty (30) days, provided that the third arbitrator is not a citizen of either of the two Contracting Parties.
2. In the event that the time periods stipulated in paragraph (1) above are not observed, either Contracting Party may, in the absence of another arrangement, invite the President of the International Court of Justice to make the necessary appointments. If the President is a citizen of either of the Contracting Parties or something prevent him to perform the abovementioned task, the Vice President shall be asked to make the necessary appointments, and if the Vice President is a citizen of any of the Contracting Parties or something prevents him to perform the mentioned task, the member of the Court that follows him in seniority and who is not a citizen of any of the Contracting Parties shall make the necessary appointments.
3. The arbitral tribunal must reach its decisions within a reasonable period by a majority of votes, and these decisions are final and binding.
4. Each Contracting Party shall bear the costs of the arbitrator it has appointed and the costs of its representation in the arbitral proceedings, and the Contracting Parties shall equally bear the costs of the arbitral tribunal's president carrying out his duties and other remaining costs.

Article 13.

1. For the purposes of this Article, an investment dispute is a dispute that arises between a Contracting Party and the investor of the other Contracting Party who incurred in a loss or was damaged due to an alleged violation of any right granted under this Agreement or arising from it in relation to the investments of that investor.
2. Nothing this Agreement shall be interpreted to prevent an investor who is a party to an investment dispute (referred to in this article as the "disputing investor ") from resorting to an administrative or judicial settlement request with the Contracting Party who is a party to that investment dispute (referred to in this article as the "disputing party").
3. The investment dispute shall be settled as amicably as possible through consultation and negotiation between the disputing investor and the disputing party (referred to in this article as "the Disputing parties").
4. If it is not possible to settle any investment dispute amicably within (six) months from the date of the disputed investor's request for consultation and negotiation in writing, and after exhausting the internal review methods, and if the disputed investor has not submitted the subject of the investment dispute for decision by the courts or administrative bodies of the host party to the investment, the disputed investor may Submit the dispute to one of the following international conciliation or arbitration bodies:
- A. Arab Investment Court.
 - B. Arbitration in accordance with the arbitration rules of the United Nations Commission for International Trade Law (UNCITRAL).
 - C. Any method of arbitration according to other arbitration rules is agreed upon with the disputing party.

5. If the investment dispute is presented to a competent court with the concerned Contracting Party, the disputing investor may not simultaneously resort to arbitration in paragraph (4) of this article, in conjunction with the settlement of the investment dispute itself. The judgment issued by the competent court - mentioned above - is binding and not subject to any appeal other than what is stipulated in the legislation of the Contracting Party.

6. The arbitration mentioned in paragraph (4) of this article shall be subject to the accepted arbitration rules, with the exception of the amended amount in this article.

7. The disputing investor who intends to present the subject of the investment dispute to conciliation or arbitration in accordance with paragraph (4) of this article must inform the disputing party in writing of his intention at least (90) days before the date of submitting his request, including the following information:

A. The name and address of the disputed investor.

B. The specific actions taken by the disputing party, with a summary of the facts and the legal basis on which the dispute is based - sufficiently to clearly demonstrate the problem - including the obligations stipulated in this agreement and allegedly violated.

C. The conciliation or arbitration procedure described in paragraph (4) of this Article, which will be chosen by the disputed investor.

D. The required compensation and its approximate value for the alleged losses and damages.

8. Each Contracting Party agrees that the disputing investor shall present the investment dispute to the conciliation or arbitration set forth in paragraph (4) of this article, which the disputed investor has chosen.

9. Regardless of what is mentioned in paragraph (8) of this article, it is not permissible to submit an investment dispute to conciliation or arbitration as described in paragraph (4) of this article if more than five years have passed from the date of the conflict investor's knowledge or the necessity of knowing it first, whichever is closer, by being subjected to loss or damage as referred to in Paragraph (1) of this Article.

10. Unless the parties to the dispute agree otherwise, the arbitration panel referred to in paragraph (4 / c) of this Article is formed of three arbitrators, each party appoints an arbitrator, and the two parties agree to appoint the third arbitrator who will be the president of the arbitral tribunal, and if he does not appoint the disputing parties are arbitrators or arbitrators within (ninety) days from the date the investment dispute was submitted to arbitration, either of the disputing parties may request the Secretary-General of the Permanent Court of Arbitration in The Hague to make the necessary appointments. If the Secretary is a citizen of either of the two Contracting Parties or there is something that prevents him from performing the mentioned job, then his deputy will make the necessary appointments, and if his deputy is a citizen of either of the Contracting Parties or if there is something that prevents him from performing the mentioned job, the next member of the court that follows in seniority who is not a citizen of either of the Contracting Parties, shall make the necessary appointments, taking into account the provisions of paragraphs (11) and (12) of this Article.

11. Unless the parties to the dispute agree otherwise, the third arbitrator will not be citizens of either of the Contracting Parties, nor will he be residing in countries from either of the Contracting Parties, nor will he be an employee of either of the disputing parties, and he will not have dealings with the investment dispute in any capacity.

12. In the case of arbitration referred to in paragraph (4 / c) of this article, each of the disputing parties may specify three nationalities - as a maximum - that the arbitrators may not be holders of them, in which case the Secretary-General of the Permanent Court of Arbitration in The Hague must not appoint an arbitrator holds any of the nationalities specified by either of the disputing parties.

13. Unless the parties to the dispute agree otherwise, arbitration hearings are held in a state party to the New York Convention.

14. The arbitral tribunal shall decide the problem in accordance with paragraph (4) of this Article on matters subject to investment dispute in accordance with this Agreement.

15. The Agreement applicable law shall be the law applicable to the dispute unless the parties agree otherwise.

16. The disputing party shall submit to the following other Contracting Party:

A. Written notice of the claim submitted to arbitration no later than (30) days from the date the claim was submitted.

B. A copy of the memoranda and allegations submitted for arbitration.

17. A non-disputing Contracting Party may - by written notification to the disputing parties - submit to the arbitral tribunal its opinion on the interpretation or application of this Agreement.

18. The arbitral tribunal may order a temporary measure to protect and preserve the rights of the disputing investor, or to facilitate the conduct of arbitration proceedings, and this includes the issuance of an order to protect evidence held by or under the control of any of the disputing parties, and the arbitral tribunal may not issue an order of seizure or prevent the application of the procedure alleged to be the violation referred to in paragraph (1) of this Article.

19. The award issued by the arbitral tribunal shall include the following:

A. The judgment that there is a violation or non-compliance by the disputing party for any obligation stipulated in this agreement in the face of the disputing investor and his investments.

B. Corrective action in the event of that violation provided that this corrective action is limited to one of the following two things or both of them.

1. Paying monetary damages, including a valid rate of return.

2. Return the property to its previous state, and in this case the arbitral decision must stipulate that the disputing party can pay monetary compensation that includes a valid rate of return instead of returning the property to its previous state.

The award may also provide for the payment of other costs in accordance with the applicable arbitration rules.

20. The decision issued in accordance with paragraph (19) of this article is a final and binding decision for the two disputing parties, and the disputing party must implement the provisions of that decision without delay and take the necessary measures to implement it in accordance with its relevant legislation.

21- Neither of the two contracting parties grants diplomatic protection nor does it file an international lawsuit in connection with an investment dispute. The other contracting party and an investor of the first contracting party agreed to offer - or have already submitted - to arbitration as set out in paragraph (4) of this article, unless it did not comply. The other contracting party shall abide by the arbitration decision issued in respect of that dispute. To achieve the purposes of this paragraph, diplomatic protection will not include informal diplomatic moves for the purpose of facilitating the settlement of the investment dispute..

22- An investor who holds the nationality of one of the contracting parties and the nationality of the host country is a citizen of that country for the purposes of implementing the provisions of this article.

Article 14.

1. Either of the two Contracting Parties may apply or continue procedures that are not consistent with its obligations stipulated in Article (11) of this agreement related to cross-border capital transactions in the following cases:

A. the occurrence of serious problems related to the balance of payments or serious external financial problems or the emergence of what threatens these problems.

B. the exceptional circumstances in which the movement of capital causes the occurrence - or threat of occurrence - of serious problems of macroeconomic management, especially the policies related to cash and the exchange rate.

2. The following must be taken into account in the procedures referred to in Paragraph (1) of this Article:

A. to be in conformity with the provisions of the International Monetary Fund Agreement, as long as the Contracting Party taking these measures is a party to the provisions of the said agreement.

B. not to exceed the necessary limit necessary to address the conditions set forth in paragraph (1) of this Article.

C. to be temporary, and to be reconciled with the conditions as soon as conditions permit.

D. To inform the other Contracting Party promptly.

E. not to cause unnecessary damage to the commercial, economic and financial interests of the other Contracting Party.

3. Nothing in this Agreement shall be deemed to alter the rights enjoyed by any of the Contracting Parties or its obligations as a party to the IMF Agreement.

Article 15.

1. Notwithstanding any other provisions in this agreement, either of the Contracting Parties may take measures related to financial services for reasonable and justified reasons including procedures to protect investors, depositors, policyholders or creditors of a commercial facility providing financial services, or to ensure the stability and integrity of its financial system.
2. In cases where a Contracting Party takes any action - in accordance with paragraph (1) of this Article - conflicts with the obligations stipulated in the provisions of this Agreement, then that Contracting Party should not use that procedure as a way to evade its obligations.

Article 16.

1. Nothing in this Agreement can be interpreted as detracting from the rights and obligations stipulated in multilateral agreements related to the protection of intellectual property rights, to which the Contracting Parties are party to.
2. Nothing in this Agreement can be interpreted as requiring either of the Contracting Parties to grant the investors of the other Contracting Party and their investments the same treatment for investors of another non-Contracting party and their investments under multilateral agreements related to the protection of intellectual property rights to which the first Contracting Party is a party.
3. The Contracting Parties shall consider providing adequate and effective protection of intellectual property rights and expedite the consultation with each other for this purpose upon the request of either of them and based on the result of that consultation, each Contracting Party shall, in accordance with its applicable legislation, take appropriate measures to get rid of factors that it considers to have a negative impact on investments.

Article 17.

1. Both Contracting Parties shall establish an investment working committee for which the main task is to discuss any investment related issue related to this Agreement.
2. The detailed tasks of the commission shall be agreed upon by the Contracting Parties.
3. The committee meets when necessary upon the request of either of the Contracting Parties.
4. Each of the Contracting Parties shall consider and give an adequate opportunity to consult about such declarations that the other Contracting Party may submit regarding any matter affecting the implementation of the provisions of this agreement and its implementation.

Article 18.

The Contracting Parties may consult with each other within five years of the entry into force of this Agreement in order to review it and take the necessary additional measures to achieve further encouragement and protection of investments.

Article 19.

The Contracting Parties recognize that it is not appropriate to encourage investors of the other Contracting Party to invest by leniency in procedures related to environmental safety, and accordingly, each Contracting Party must not condone or lower those environmental measures as a way to encourage investors of the other Contracting Party to make or own investments or expand it.

Article 20.

1. Either of the Contracting Parties may deny the benefits of this Agreement to one of the investors of the other Contracting Party and its investments - which is a commercial establishment of the other Contracting Party - if that commercial facility is owned by the investor of another non-Contracting Party or under its control, and the Contracting Party may apply the denial of benefits in the following cases:
 - A. There are no diplomatic relations between that party and the non-Contracting Party.
 - B. Applies procedures for that non-Contracting Party that prohibits dealing with that commercial facility, or that those actions may be violated if that commercial facility or its investments benefit from the benefits of this Agreement.
2. Either of the Contracting Parties may - by prior notification and after consultation - deny the benefits of this Agreement to

one of the investors and investments of the other Contracting Party - who is a commercial establishment for the other Contracting Party - if that commercial facility is owned by an investor from another non-Contracting Party to this Agreement or subject to In his control, or if that commercial enterprise does not have significant commercial activities with the other Contracting Party.

Article 21.

Bearing in mind that the measures - mentioned in this Article - are not applied in a way that constitutes a means of arbitrary or unjustified discrimination between parties who have similar conditions or restrictions on investment flows; Nothing in this Agreement shall be construed to prevent the adoption or application of any party which is necessary for the following reasons:

1. To protect national security and public morals.
2. To protect the life or health of human, animal or plant.
3. To ensure the imposition or collection of direct taxes in a fair or effective manner with regard to investments or investors of both parties.
4. To ensure compliance with legislation that does not conflict with the provisions of this Agreement, including those relating to the following:
 - A. Prevent fraudulent and deceptive practices or to dispose of his obligations under this agreement.
 - B. Protecting the privacy of individuals with regard to the processing and publishing of personal data and protecting the confidentiality of records and individual accounts.
 - C. Safety.
 - D. Imposing the protection of national goods with artistic, historical, or archaeological value.
 - E. Preserving the consumed natural resources if these measures become effective in conjunction with the restrictions imposed on local production or consumption.

Article 22.

Nothing in this Agreement may be interpreted for any of the following:

1. Requiring the Contracting Party to provide or permit access to any information whose disclosure would constitute a conflict with its primary security interests.
2. Preventing the Contracting Party from applying the measures it deems necessary in good faith necessary to implement its obligations under the Charter of the United Nations with regard to the maintenance or restoration of international peace or security, the protection of basic security for its own interests, or to address serious economic crises.

Article 23.

The Contracting Parties shall cooperate to enhance transparency in the investment policies, regulations and procedures related to the investments of the other Contracting Party and their investments, including the following:

1. Provide clear and up-to-date information on the investment framework; That is, the legislation applicable to entry and operation of foreign investment in the territories of either of them.
2. Entrust the investment promotion agencies of the Contracting parties to receive and answer all inquiries related to investment policies, legislation, and applications.
3. Provide information about changes in procedures, established standards, technical regulations, and other specific requirements.
4. Provide evidence of requirements and definitions, clear criteria for evaluating investment proposals.

Article 24.

1. This agreement shall enter into force thirty (thirty) days after the date of the last mutual notice - through diplomatic channels - confirming the end of the legal procedures necessary for its entry into force, and this agreement will remain in effect for a period of ten (10) years from the date of its entry into force, and it will remain in effect Unless it is completed in the manner indicated in paragraph (2) of this Article, this Agreement applies to all the investments of investors of any of the Contracting Parties with the other Contracting Party and established - according to the legislation in force - with the other Contracting Party before the entry into force of this Agreement.
2. Either of the Contracting Parties may - by written notification a year before the date of the expiry of the agreement - inform the other Contracting Party, with his desire to terminate this agreement by the end of the first ten-year term or at any other later time.
3. With regard to investments made before the date of termination of this Agreement, the provisions of this Agreement remain in effect for a period of ten (10) years from the date of termination of this Agreement.
4. The provisions of this Agreement do not apply to claims and claims arising from events that occurred, or pending claims before it entered into force.
5. In ratification of the foregoing, this Agreement is signed below by the representatives delegated by their respective governments.

This agreement was signed in the city of Riyadh on 12 Shaaban 1440 AH, corresponding to April 17 , 2019 CE,

For the Kingdom of Saudi Arabia

D . Majid bin Abdullah Al-Qasabi

Minister of Trade and Investment

Chairman of the Board of Directors of the General Investment Authority

For the Republic of Iraq

D . Sami Raouf Al-Araji

President of the National Investment Commission

Appendix A. Expropriation

The two parties affirm their common understanding of what comes next:

1. No action or series of actions by the Contracting Party can constitute expropriation - in accordance with paragraph (1) of Article (9) of the Agreement - unless it conflicts with the right to ownership of tangible or intangible property in the investment.
2. Paragraph (1) of Article (9) of the agreement deals with two cases, the first case is direct expropriation, whereby the investment is nationalized or expropriated directly through the formal transfer of ownership that the expropriation is direct.

The second case, indirect expropriation, is where any action or a series of actions by a Contracting Party has a similar effect as direct expropriation without formal transfer of ownership or direct expropriation. This is detailed as follows:

(1) To determine whether the action or series of actions by the Contracting Party, in a specific case, constitute expropriation indirectly, and requires a case study of the status, the survey is based on facts and takes into account - among other factors - the following:

- A. the economic impact of the legislation, despite the fact that any action or series of actions by a Contracting Party has a negative impact on the economic value of the investment, and the position alone, does not establish the existence of indirect expropriation;
- B. The extent to which the legislation interferes with clear and reasonable expectations for investment.
- C. The nature and purpose of the legislation.

(2) With the exception of rare cases, non-discriminatory regulatory measures by a party designed and applied to protect legitimate public care goals, such as public health, safety, and the environment, do not constitute indirect expropriation.