

# **Agreement between the Government of the French Republic and the Government of the State of Qatar on the reciprocal encouragement and protection of investments**

The Government of the Republic of France and the Government of the State of Qatar, hereinafter referred to as "the Contracting Parties",

Desiring to strengthen economic cooperation between the two States and to create favorable conditions for French investment in Qatar and Qatari investment in France,

Convinced that the encouragement and protection of such investments are likely to stimulate the transfer of capital and technology between the two countries in the interest of their economic development,

Have agreed on the following provisions:

## **Article 1.**

For the purposes of this Agreement and except as otherwise provided in this Agreement:

1. The term "investment" means all assets such as property, rights and interests of every kind and particularly but not exclusively:

- a) Movable and immovable property, as well as all other real rights such as mortgages, liens, usufructs, bonds and similar rights;
- b) Shares, share premiums and other forms of participation, even if minority or indirect, in companies incorporated in the territory of one of the contracting parties;
- c) Bonds, debts and rights to any benefits of economic value;
- d) Intellectual, commercial and industrial property rights, such as copyrights, patents, licenses, trademarks, industrial models and designs, technical processes, know-how, registered names and goodwill;
- e) concessions granted by law or under contract, including concessions for the exploration, cultivation, extraction or exploitation of natural resources, including those located in the maritime zone of the contracting parties.

It is understood that such investments must be or have been made in accordance with the legislation of the Contracting Party in whose territory or maritime zone the investment is made, whether before or after the entry into force of this Agreement.

Any change in the form of investment of the assets shall not affect their characterization as an investment provided that such change is not contrary to the law of the Contracting Party in whose territory or maritime area the investment is made.

2. The term "investors" means any national or company or the Government of the French Republic or the State of Qatar.

3. The term "nationals" means natural persons possessing the nationality of one of the Contracting Parties.

4. The term "companies" means any legal entity incorporated in the territory of one of the Contracting Parties in accordance with the laws of that Party and having its registered office therein or controlled directly or indirectly by nationals of one of the Contracting Parties or by legal entities having their registered office in the territory of one of the Contracting Parties and incorporated in accordance with the laws thereof.

5. The term "income" means all sums produced by an investment, such as profits, royalties or interest, during a given period.

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

6. This Agreement shall apply to the territory of each of the Contracting Parties as well as to the maritime area of each of the Contracting Parties, hereinafter defined as the area over which they have, in accordance with international law, sovereign rights and jurisdiction for the purpose of exploring, exploiting and preserving natural resources.

## **Article 2.**

Each Contracting Party shall admit and encourage, within the framework of its legislation and the provisions of this Agreement, investments made by investors of the other Party in its territory and in its maritime zone.

## **Article 3.**

Each Contracting Party undertakes to ensure fair and equitable treatment, in accordance with the principles of international law, of investments of investors of the other Party made in its territory and in its maritime zone in conformity with its legislation and to ensure that the exercise of the right so recognized is not hindered either in law or in fact.

## **Article 4.**

Each Contracting Party shall, in its territory and maritime zone, apply to investors of the other Party, in respect of their investments and activities related to 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. In this respect, nationals authorized to work in the territory and maritime zone of one of the contracting parties shall enjoy appropriate material facilities for the exercise of their professional activities.

This treatment shall not, however, extend to the privileges which a Contracting Party grants to investors from a third State by virtue of its participation in or association with a free trade area, a customs union, a common market or any other form of regional economic organization.

The provisions of this Article shall not apply to tax matters.

## **Article 5.**

1. Investments made by investors of either Contracting Party shall enjoy full protection and security in the territory and maritime zone of the other Contracting Party.

2. The Contracting Parties shall not take measures of expropriation or nationalization or any other measures the effect of which is to dispossess, directly or indirectly, the investors of the other Party of investments belonging to them in their territory and maritime area, except in the public interest and provided that such measures are not discriminatory or contrary to any particular undertaking.

Any measures of dispossession which may be taken must give rise to the payment of prompt and adequate compensation, the amount of which, equal to the real economic value of the investments concerned, must be assessed in relation to a normal economic situation prior to any threat of dispossession.

This indemnity, its amount and the way it is to be paid shall be fixed at the latest on the date of the dispossession. This compensation is effectively realizable, paid without delay and freely transferable. It shall bear interest until the date of payment at the appropriate market rate of interest.

3. The investors of one of the contracting parties whose investments have suffered losses due to war or any other armed conflict, revolution, state of national emergency or revolt occurring in the territory or maritime area of the other contracting party, shall receive from the latter treatment no less favourable than that accorded to its own investors or those of the most favoured nation.

## **Article 6.**

Each Contracting Party shall, in the territory or maritime area of which investments have been made by investors of the other Contracting Party, accord to such investors the free transfer of:

a) interest, dividends, profits and other current income ;

- b) royalties arising from intangible rights designated in paragraph 1, letters d and e of Article 1;
- c) payments made for the repayment of loans regularly contracted;
- d) Proceeds from the sale or liquidation of the investment, in whole or in part, including capital gains on the investment;
- e) the compensation for loss or dispossession provided for in Article 5, paragraphs 2 and 3 above.

Nationals of each Contracting Party who have been authorized to work in the territory or maritime area of the other Contracting Party, in connection with an approved investment, shall also be authorized to transfer to their country of origin an appropriate portion of their remuneration.

The transfers referred to in the preceding paragraphs shall be made without delay at the normal rate of exchange applicable on the date of transfer.

## **Article 7.**

To the extent that the regulations of one of the Contracting Parties provide for a guarantee for investments made abroad, such guarantee may be granted, on a case-by-case basis, to investments made by investors of that Party in the territory or maritime zone of the other Party.

Investments of investors of one of the Contracting Parties in the territory or maritime zone of the other Party may only obtain the guarantee referred to in the above paragraph if they have first obtained the approval of the latter Party.

## **Article 8.**

1. Any dispute of a legal nature directly related to an investment between one of the Contracting Parties and an investor of the other Contracting Party shall be settled amicably between the two Parties concerned.
2. If such a dispute has not been settled within six months from the time it was raised in writing by either Party to the dispute, it shall be submitted at the request of either Party to arbitration by the International Centre for Settlement of Investment Disputes (ICSID), established by the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, signed in Washington on March 18, 1965.
3. In the event that the Convention mentioned in the previous paragraph is not applicable, the dispute shall be settled by ad hoc arbitration. The ad hoc arbitration tribunal shall be constituted in the following manner:
  - a) Each Party to the dispute shall appoint one member, and the two members shall appoint, by mutual agreement, a national of a third State who shall be appointed as chairman by both Parties. All members shall be appointed within two months of the date on which one Party notifies the other Party of its intention to submit the dispute to arbitration;
  - b) If the time limits set forth in paragraph 3 above have not been observed, either Party shall, in the absence of any applicable agreement, invite the President of the International Chamber of Commerce in Paris to make the necessary appointments;
  - c) The arbitration tribunal shall take its decisions by majority vote. Such decisions shall be final and binding on the Parties. They shall be made in accordance with the provisions of this Agreement, the law of the Contracting Party to the dispute and the principles of international law.

The tribunal shall determine its rules in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL).

It shall interpret the award at the request of either Party. Unless the tribunal decides otherwise, taking into account special circumstances, the costs of the arbitration proceedings, including the fees of the arbitrators, shall be shared equally by the parties. Unless the Parties otherwise agree, the place of arbitration shall be the seat of the Permanent Arbitration Tribunal in The Hague, the Netherlands.

## **Article 9.**

If one of the Contracting Parties, by virtue of a guarantee given for an investment made in the territory or maritime area of the other Party, makes payments to one of its investors, it shall thereby be subrogated to the rights and actions of that investor.

Such payments shall not affect the rights of the beneficiary of the guarantee to have recourse to ICSID or to the ad hoc arbitration tribunal referred to in Article 8 or to pursue actions brought before them until the proceedings have been completed.

## **Article 10.**

Investments which have been the subject of a special undertaking by one Contracting Party to the investors of the other Contracting Party shall, without prejudice to the provisions of this Agreement, be governed by the terms of that undertaking in so far as it contains provisions more favourable than those provided for in this Agreement.

## **Article 11.**

1. Disputes concerning the interpretation, application or termination of this Agreement shall be settled, if possible, through diplomatic channels.
2. If the dispute is not settled within six months of its being raised by either Contracting Party, it shall, at the request of either Contracting Party, be submitted to an arbitration tribunal.
3. The said tribunal shall be constituted for each particular case in the following manner: each Contracting Party shall appoint one member, and the two members shall appoint, by mutual agreement, a national of a third State who shall be nominated as chairman of the tribunal by both Contracting Parties. All members shall be appointed within two months of the date on which one Contracting Party has notified the other Contracting Party of its intention to submit the dispute to arbitration.
4. If the time limits laid down in paragraph 3 above have not been observed, either Contracting Party shall, in the absence of any other agreement, invite the Secretary-General of the United Nations to make the necessary appointments. If the Secretary-General is a national of either Contracting Party or is otherwise unable to serve, the most senior Deputy Secretary-General who is not a national of either Contracting Party shall make the necessary appointments.
5. The arbitration tribunal shall take its decisions by a majority vote. These decisions shall be final and binding on the Contracting Parties.

The tribunal shall determine its own rules. It shall interpret the award at the request of either Contracting Party. Unless the Tribunal decides otherwise, taking into account particular circumstances, the costs of the arbitration proceedings, including the fees of the arbitrators, shall be shared equally by the Contracting Parties.

## **Article 12.**

Each of the Parties shall notify the other through diplomatic channels of the completion of the internal procedures required for the entry into force of this Agreement, which shall take effect one month after the date of receipt of the last notification.

The Agreement is concluded for an initial period of ten years. It shall remain in force after this period, unless one of the Parties denounces it through diplomatic channels with a one-year notice.

Upon the expiration of the period of validity of this Agreement, investments made while it was in force shall continue to enjoy the protection of its provisions for a further period of twenty years.

Done at Doha, this 8th day of July 1996, in two originals, each in the English, Arabic and French languages, all three texts being equally authentic.

For the Government of the French Republic :

Hervé de Charette

Minister of Foreign Affairs

For the Government of the State of Qatar :

Sheikh Mohammed Bin Khalifa al Thani

Minister of Finance, Economy and Trade

## **ANNEX**

With respect to Article 3:

(a) Any restriction on the purchase and transportation of raw and auxiliary materials, energy and fuel, and means of production and operation of any kind, any impediment to the sale and transportation of products within the country and abroad, and any other measures having a similar effect, shall be deemed to be de jure or de facto impediments to fair and equitable treatment;

(b) The Contracting Parties shall give sympathetic consideration, within the framework of their domestic legislation, to applications for entry and authorization to stay, work and travel submitted by nationals of a Contracting Party in connection with an investment made in the territory or maritime area of the other Contracting Party.

For the Government of the French Republic :

Hervé de Charette

Minister of Foreign Affairs

For the Government of the State of Qatar :

Sheikh Mohammed Bin Khalifa al Thani

Minister of Finance, Economy and Trade