

AGREEMENT BETWEEN THE GOVERNMENT OF THE KINGDOM OF MOROCCO AND THE GOVERNMENT OF THE REPUBLIC OF CAMEROON ON THE RECIPROCAL ENCOURAGEMENT AND PROTECTION OF INVESTMENTS

THE GOVERNMENT OF THE KINGDOM OF MOROCCO and THE GOVERNMENT OF THE REPUBLIC OF CAMEROON

hereinafter referred to as the "Contracting Parties" ;

DESIRING to strengthen their economic cooperation by creating favorable conditions for the realization of investments by investors of one of the Contracting Parties in the territory of the other Contracting Party

CONSIDERING the beneficial influence that this Agreement may have the beneficial influence that this Agreement may have in improving business contacts and strengthening confidence in the field of investment the field of investment;

RECOGNIZING the need to encourage and protect foreign the need to encourage and protect foreign investment with a view to promoting the economic prosperity of both Contracting Parties ;

HAVE AGREED AS FOLLOWS:

Article 1. Definitions

For the purposes of this Agreement:

1. The term "investment" means any asset and any direct or indirect contribution invested by investors of a Contracting Party in the territory of the other Contracting Party, including, but not limited to

(a) movable and immovable property, as well as all other real rights such as mortgages, pledges, security interests, usufruct and similar rights

b) shares and all other forms of participation in companies;

c) monetary claims and rights to any benefits having an economic value;

d) intellectual property rights, including copyrights, trademarks, patents, technical processes, trade names and any other industrial property rights, as well as goodwill

e) public law concessions granted by law or by contract, including concessions for research, extraction or exploitation of natural resources.

No change in the legal form in which the assets and capital have been invested or reinvested shall affect their character as investments within the meaning of this Agreement.

Such investments shall be made in accordance with the laws and regulations in force in the Contracting Party in whose territory such investments are made.

2. The term "investor" means :

(a) any natural person having Moroccan or Cameroonian nationality under the laws of the Kingdom of Morocco or the Republic of Cameroon respectively and making an investment in the territory of the other Contracting Party

(b) any juridical person having its registered office in the territory of the Kingdom of Morocco or the Republic of Cameroon and constituted in accordance with the legislation of Morocco or Cameroon, respectively, or constituted in accordance with the legislation of another third State and controlled by the nationals of one of the Contracting Parties and making an

investment in the territory of the other Contracting Party.

3. The term "income" means amounts derived from an investment, including but not limited to profits, interest, dividends and license fees.

4. The term "territory" means :

(a) for the Kingdom of Morocco: the territory of the Kingdom of Morocco including any maritime area beyond the territorial waters of the Kingdom of Morocco which has been or may hereafter be designated by the legislation of the Kingdom of Morocco, in accordance with international law, as an area within which the rights of the Kingdom of Morocco with respect to the seabed and subsoil and to natural resources may be exercised.

(b) for the Republic of Cameroon: The territory of the Republic of Cameroon including the territorial sea, the airspace and any other maritime zone of the Republic of Cameroon under the legislation in force in its territory, and in accordance with international law, as an area within which the Republic of Cameroon may exercise its sovereignty and jurisdiction.

Article 2. Promotion and Protection of Investments

1. Each Contracting Party shall promote investments in its territory by investors of the other Contracting Party and admits such investments in accordance with its laws and regulations.

The extension, modification or conversion of an investment made in accordance with the laws and regulations in force in the host country shall be treated as a new investment.

2. Investments made by investors of one of the Contracting Parties in the territory of the other Contracting Party shall be accorded by the latter Party fair and equitable treatment in accordance with international law and the provisions of this Agreement and, subject to such measures as are strictly necessary for the maintenance of public order, full protection and security.

Each Contracting Party undertakes to ensure that the management, maintenance, use, enjoyment, or transfer in its territory of the investments of the other Contracting Party are not hindered by unjustified, arbitrary, abusive, or discriminatory measures.

The income from the investment, in case of its reinvestment according to the laws and regulations of a Contracting Party, shall enjoy the same protection as the original investment.

Article 3. Treatment of Investments

1. Each Contracting Party shall grant in its territory to the investments of the other Contracting Party treatment no less favourable than that it accords to the investments of its own investors or to the investments of the most favoured nation, whichever is the more favourable.

Each Contracting Party shall grant in its territory to investors of the other Contracting Party, in respect of activities related to their investments, treatment no less favorable than that it accords to its own investors or to investors of the most favored nation, whichever is more favorable.

2. Most-favored-nation treatment shall not apply to privileges and advantages which a Contracting Party accords to investors of a third State by virtue of its participation in or association with a free trade area, economic or customs union, common market, or other form of regional economic organization, or a similar international agreement, or a convention for the avoidance of double taxation in respect of taxes or any other convention relating to taxes.

Article 4. Expropriation and Compensation

1. Measures of nationalization, expropriation or any other measure having the same effect or character (hereinafter referred to as expropriation) which may be taken by the authorities of one of the Contracting Parties against investments made by investors of the other Contracting Party shall be neither discriminatory nor motivated by reasons other than public utility. Expropriation measures shall be carried out in accordance with the legal procedure.

2. The Contracting Party which has taken such measures shall pay to the rightful owner, without undue delay, compensation in an amount corresponding to the fair market value of the expropriated investment on the day before the expropriation measures are taken or made public, whichever is earlier.

3. Arrangements for the determination and payment of the compensation shall be made promptly at the latest at the time

of expropriation. In case of delay in payment, the compensation shall bear interest at market rates from the date of its due date until the date of payment. The compensation shall be effectively realizable and freely transferable.

Article 5. Compensation for Losses

The investors of one of the Contracting Parties whose investments suffer damage or loss due to war or any other emergency, revolution, national emergency, revolt, insurrection, or any other similar event in the territory of the other Contracting Party, shall be accorded by the latter Party non-discriminatory treatment at least equal to that accorded to its own investors or to investors of the most favored nation with respect to restitution, compensation, indemnification or other damages, whichever is more favorable.

Article 6. Transfers

1. Each Contracting Party in whose territory investments have been made by investors of the other Contracting Party shall guarantee to investors, after the fulfilment of tax obligations, the free transfer in convertible currency and without undue delay of liquid assets associated with such investments and in particular:

- a) The initial capital and additional amounts to maintain or increase the investment;
- b) Interests, profits, dividends, royalties and other current income;
- c) Funds in repayment of loans related to investments;
- d) Proceeds from sale or liquidation of the total or part of the investment;
- e) Other compensations payable pursuant to Articles 4 and 5;
- f) Wages and other remuneration accruing to nationals of one Contracting Party who have been authorised to work in the territory of the other Contracting Party in connection with an investment.

2. The transfers referred to in paragraph 1 shall be made at the rate of exchange applicable on the date of transfer, and in accordance with the foreign exchange regulations in force.

3. The guarantees provided for by this Article shall be at least equal to those accorded to investors of the most favoured nation in similar situations.

Article 7. Subrogation

1. If under a legal or contractual guarantee covering non-commercial risks of investments, compensation is paid to an investor of one of the Contracting Parties, the other Contracting Party recognizes the subrogation of the insurer in the rights of the compensated investor.

2. In accordance with the guarantee given, the insurer shall be entitled to assert all rights it would have had if the insurer had not been subrogated to it. The investment in question, which the investor could have used for his own benefit, is not subject to the guarantee.

3. Any dispute between a Contracting Party and the insurer of an investment of the other Contracting Party shall be governed by the provisions of Article 9 of this Agreement.

Article 8. Applicable Rules

Where a matter relating to investments is governed both by this Agreement and by the national legislation of one of the Contracting Parties or by existing international conventions or conventions entered into by the Parties in the future, investors of the other Contracting Party may avail themselves of the provisions which are most favorable to them.

Article 9. Settlement of Investment Disputes

1. Any investment dispute between a Contracting Party and an investor of the other Contracting Party shall be settled amicably, as far as possible through consultations and negotiations between the parties to the dispute.

2. In the absence of an amicable settlement by direct arrangement between the parties to the dispute within six months from the date of the written notification, the dispute shall be submitted, at the choice of the investor:

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

b) Or to international arbitration under the conditions described in subparagraph below.

3. In the event of international arbitration, the dispute may be referred to one of the following arbitration bodies, at the option of the investor

a) 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", opened for signature in Washington, D.C. on March 18, 1965

b) to an ad hoc arbitration tribunal established under the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL).

To this end, each of the Contracting Parties irrevocably consents to the submission of any investment dispute to this arbitration procedure.

4. Neither of the Contracting Party, Party to the dispute, can raise an objection, at any stage of the arbitration proceedings or of the execution of an award arbitrate, the fact that the investor opposing party in the dispute, has received an indemnity covering the whole or part of its losses by virtue of an insurance policy.

5. The arbitral tribunal shall decide on the basis of the national law of the Contracting Party, party to the dispute, in the territory of which the investment is located, including the rules relating to conflicts of law, the provisions of this Agreement, the terms of the specific agreements to be concluded in connection with investment as well as the principles of international law.

6. The arbitral awards shall be final and binding on the parties to the dispute. Each Contracting Party undertakes to execute the award according to its national law.

Article 10. Settlement of Disputes between the Contracting Parties

1. Any dispute between the Contracting Parties concerning the interpretation or application of this Agreement shall be settled as far as possible through diplomatic channels.

Otherwise, the dispute shall be submitted to a joint ad hoc commission, composed of representatives of the Contracting Parties, which shall meet without delay at the request of the most diligent Contracting Party.

2. If the ad hoc joint commission cannot settle the dispute within six months from the date of commencement of négociations, it shall be submitted to an arbitral tribunal, at the request of one of the Contracting Parties.

3. The Tribunal shall be constituted as follows: each Contracting Party shall appoint one arbitrator and the two arbitrators shall appoint a third arbitrator who is a national of a third State as Chairman of the Tribunal.

The arbitrators shall be appointed within three months and the Chairman within five months from the date on which one of the Contracting Parties informed the other Contracting Party of its intention to submit the dispute to an arbitration tribunal.

4. If the periods specified in paragraph (3) above have not been observed, one or the other Contracting Party shall invite the President of the International Court of Justice to make the necessary appointments. If the President of the International Court of Justice is a national of either Contracting Party or if he is unable to perform this function, the Vice-President of the International Court of Justice shall be invited to make the necessary appointments. If the Vice-President is a national of either Contracting Party or if he is prevented from exercising his mandate, the most senior member of the International Court of Justice who is not a national of either Contracting Party shall be invited to make the necessary appointments.

5. The arbitral tribunal shall decide on the basis of the provisions of this Agreement and the rules and principles of international law. The decision of the Tribunal shall be adopted by a majority of votes. It shall be final and binding on the contracting parties.

6. The tribunal shall determine its own rules of procedure.

7. Each Contracting Party shall bear the cost of its own arbitrator and its representation in the arbitration proceedings. The cost of the Chairman and the remaining costs shall be borne in equal parts by the contracting parties.

Article 11. Implementation

This Agreement shall apply to investments made after and before its entry into force by investors of one Contracting Party in the territory of the other Contracting Party, in accordance with the laws and regulations of the latter. However, this Agreement shall not apply to disputes that may arise before its entry into force.

Article 12. Entry Into Force and Expiry of Validity

1. This Agreement shall be subject to ratification and shall enter into force 30 days after the date of receipt of the last of the two notifications concerning the completion by the two Contracting Parties of the constitutional procedures in their respective countries. Unless one of the Contracting Parties denounces it at least six months before the expiry of its period of validity, it shall be tacitly renewed each time for a further period of ten years, each Contracting Party reserving the right to denounce it by written notification at least six months before the date of expiry of the current period of validity.

2. Investments made prior to the date of expiration of this Agreement shall remain subject to it for a period of ten years from the date of such expiration.

IN WITNESS WHEREOF, the undersigned representatives, duly authorized by their respective Governments, have signed this Agreement.

Done in Rabat on January 24, 2007, in two originals, each in the Arabic and French languages; both texts being authentic.

FOR THE GOVERNMENT OF THE KINGDOM OF MOROCCO

Mohamed BENAÏSSA

Minister of Foreign Affairs and Cooperation

FOR THE GOVERNMENT OF THE REPUBLIC OF CAMEROON

Jean-Marie ATANGANA MEBA

Minister of State,

Minister of Foreign Affairs