AGREEMENT BETWEEN THE GOVERNMENT OF THE ITALIAN REPUBLIC AND THE GOVERNMENT OF THE REPUBLIC OF ANGOLA ON THE PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the Italian Republic and the Government of the Republic of Angola (hereinafter referred to as the Contracting Parties),

Wishing to create favorable conditions for the improvement of economic cooperation between the two countries, particularly in relation to investments by investors of a Contracting Party in the territory of the other Contracting Party,

And

Recognizing that the promotion and mutual protection of such investments, under international agreements, will help stimulate entrepreneurial initiatives that are conducive to the prosperity of the two Contracting Parties,

Have agreed as follows:

Article 1. Definitions

For the purposes of this Agreement:

1. "Investment" means any asset invested, either before or after the entry into force of this Agreement, by natural or legal persons of a Contracting Party in the territory of the other Contracting Party, in accordance with the laws and regulations of the latter, regardless of the legal form chosen and the legal order of reference.

Without limiting the generality of the foregoing, the term "investment" includes in particular but not exclusively:

a) Movable and immovable property, as well as other "rem" rights, including real rights of third party property, to the extent that they can be invested;

b) Equity securities, shareholdings, bonds or any other credit, as well as government bonds and public securities in general;

c) Credits for money or any other right of service with economic value relating to an investment, as well as for reinvested earnings and capital gains;

d) Copyright, trade marks, patents, industrial designs and other intellectual and industrial property rights, know-how, commercial secrets, trade names and goodwill;

e) Any law of economic nature conferred by law or by contract, as well as any license and concession issued in accordance with the provisions in force for the pursuit of economic activities, including prospecting, extraction and exploitation of natural resources;

f) Any increase in the value of the original investment.

Any change in the form of the investment does not imply a change in its investment nature.

2. "Investor" means any natural or legal person of a Contracting Party which invests in the territory of the other Contracting Party, as well as affiliated companies, affiliates and foreign subsidiaries, wholly controlled by the above mentioned physical or legal persons.

3. For "natural person", each Contracting Party shall mean any natural person having the nationality of that State in accordance with its laws.

4. "Legal person" means, with reference to each Contracting Party, any entity having its principal place of business in the territory of one of the Contracting Parties and recognized by it as public institutions, corporations of persons or of capital,

foundations and associations, irrespective of Whether they are in limited liability or not.

5. "Income" means the sums received from an investment, including, in particular, profits or interest, income from interest, capital gains, dividends, royalties or remuneration for assistance, technical services and others, as well as any other remuneration in kind Such as, but not exclusively, raw materials, agricultural products, other products or livestock.

6. "Territory" means, in addition to areas within the land borders, also "maritime areas". The latter include the marine and submarine areas on which the Contracting Parties exercise their sovereignty, sovereignty or jurisdiction under international law.

7. "Investment Agreement" means an agreement between a Contracting Party (or its Agencies or Representatives) and an investor of the other Party with respect to an investment.

8. "Non-discriminatory treatment" shall mean treatment, the most favourable of which shall be applied between national treatment and that of the most favoured nation.

9. "Access right" means the right to be allowed to make investments in the territory of the other Contracting Party.

Article 2. Promotion and Investment Protection

1. The two Contracting Parties shall encourage investors from the other Contracting Party to make investments in their territory.

2. With the exceptions provided for in point 2 of the Protocol, investors in one of the Contracting Parties shall have the right to access investment activities in the territory of the other Contracting Party under conditions not less favorable than those accorded under Article 3.1.

3. The two Contracting Parties shall at all times provide fair and equitable treatment to investors of the other Contracting Party. The two Contracting Parties shall ensure that the management, maintenance, use, transformation, enjoyment or transfer of investments made in their territory by investors of the other Contracting Party, as well as the companies and undertakings in which such investments have been made , Are in no way affected by unjust or discriminatory measures.

4. Each Contracting Party shall establish and maintain in its territory a legal framework to ensure the continuity of the legal treatment of investors, including in good faith the fulfillment of all commitments undertaken with respect to each individual investor.

Article 3. National Treatment and the Most Favored Nation Clause

1. The two Contracting Parties, in their territory, shall accord investment and the income of the investors of the other Contracting Party a treatment no less favorable than that reserved for investment and the income of its own nationals or third country investors.

2. In the event that, under the law of one of the Contracting Parties, or to the international commitments in force or which could enter into force for one of the Contracting Parties in the future, there would be a legal framework in which investors of the other Contracting Party should To be granted a more favorable treatment than that provided for in this Agreement, the investors of the Contracting Party concerned shall apply the treatment reserved to the investors of those other Parties, including for ongoing relationships.

3. The provisions of paragraphs 1 and 2 of this Article shall not apply to the advantages and privileges that a Contracting Party recognizes to investors of third countries as a result of its participation in Customs or Economic Unions, a Common Market, a Free trade, regional or sub-regional agreements, an International Multilateral Economic Agreement or Agreements concluded to avoid double taxation or to facilitate cross-border trade.

Article 4. Compensation for Damages or Losses

1. Should investors in either of the two Contracting Parties suffer any loss or damage to their investment in the territory of the other Contracting Party due to wars, other forms of armed conflict, emergency states, civil wars or other similar events, the Contracting Party In which the investment was made, will provide adequate compensation for such losses or damages, irrespective of whether they have been caused by government forces or other entities. Payments will take place without undue delay and will be freely transferable.

Investors concerned will receive the same treatment as for the citizens of the other Contracting Party and in any case not

less favorable than those accorded to third-country investors.

Article 5. Nationalization or Expropriation

1. Investments referred to in this Agreement may not be subject to measures restricting, permanently or temporarily, the right of ownership, possession, control or enjoyment inherent in them, unless specifically provided for by applicable national or local law or regulations and rulings issued By competent courts or tribunals.

2. Investment by investors of one of the Contracting Parties shall not be "de jure" or "de facto", directly or indirectly, nationalized, expropriated, or subject to measures having similar effects in the territory of the other Contracting Party, except for public purposes Or for reasons of national interest and against immediate, full and effective reparation and provided that such measures are taken on a non-discriminatory basis and in accordance with all legal provisions and procedures.

3. The right amount of compensation will be determined on the basis of the actual market value of the investment immediately before the nationalization or expropriation decision has been announced or made public.

In the absence of an agreement between the host Contracting Party and the investor during the nationalization or expropriation procedure, the compensation shall be calculated on the basis of the same reference parameters and the same exchange rates as are taken into account in the investment documents.

The exchange rate applicable to each indemnification shall be the official day of the day immediately preceding the date on which nationalization or expropriation was announced or made public.

4. Without limiting the scope of the preceding paragraph, where an object of nationalization, expropriation or similar event is a foreign capital company, the valuation of the investor's share will be in the investment currency, to a degree not lower than the initial value of the investment, Increased investment of capital increases and capital revaluation, unallocated profits and reserve funds and reduced value of the reductions and losses of capital.

5. Compensation will be considered effective if paid in the same currency as the foreign investor has made the investment, to the extent that this currency is - or remains - convertible, or otherwise, in any other currency accepted by the investor.

6. Compensation will be considered timely if it occurs without undue delay and, in any case, within one month.

7. Compensation shall include interest calculated on the basis of the six-month LIBOR rate starting from the date of nationalization or expropriation up to the date of payment.

8. A citizen or a company of one of the two Contracting Parties claiming that all or part of his investment has been expropriated shall have the right to an immediate examination by the competent judicial or administrative authorities of the other Party in order to determine whether such expropriation, And any related compensation, comply with the principles of international law, and in order to decide on all the other matters connected with it.

9. In the absence of an agreement between the investor and the competent authority, the amount of compensation shall be determined in accordance with the dispute settlement procedures referred to in Article 9 of this Agreement. Article 9 of this Agreement.

Compensation will be freely transferable.

10. The provisions of paragraph 2 of this Article shall also apply to the profits resulting from an investment and, in the event of liquidation, to the proceeds arising from it. Paragraph 2 of this Article shall also apply to profits from an investment and, Of the winding-up, to the proceeds derived from it.

11. If, after the expropriation, the property in question has not been used, in whole or in part, for that purpose, the owner, or those who have the cause, are entitled to repurchase the good at market price.

Article 6. Capital Repatriation, Profits and Income

1. Each of the Contracting Parties will ensure that the investors of the other party can transfer abroad, without undue delay, in any convertible currency, the following:

a) Capital and additional capital shares, including reinvested earnings, used to maintain and increase the investment;

b) Net income, dividends, royalties, fees for assistance and technical services, interests and other profits;

c) Income from total or partial sale or total or partial liquidation of an investment;

d) Funds for the repayment of loans relating to an investment and the payment of interest thereon;

e) Remuneration and benefits received by citizens of the other Contracting Party for activities and services carried out in connection with an investment made in the territory of the other Contracting Party, to the extent and in accordance with the procedures laid down by the laws and regulations in force in force;

2. Without prejudice to the scope of Article 3 of this Agreement, the Contracting Parties undertake to grant the transfers referred to in paragraph 1 of this Article the same preferential treatment reserved to third-country investors, if they are more favorable.

Article 7. Subrogation

In the event that a Contracting Party or one of its Institutions has granted an insurance guarantee against non-commercial risks for an investment made by its investor in the territory of the other Contracting Party and has made payments to the investor on the basis of the guarantee granted, the other Contracting Party will recognize the subrogation of the investor's rights to the first Contracting Party. For the transfer of payments to be made to the Contracting Party or to its Institution by virtue of this subrogation, the provisions of Articles 4, 5 and 6 of this Agreement will be applied.

Article 8. Transfer Modalities

1. The transfers referred to in Articles 4, 5, 6 and 7 will be made without undue delay and, in any case, enter six months from the fulfillment of all tax obligations and will be made in convertible currency. All transfers will be made at the exchange rate prevailing on the date the investor requests the transfer, with the exception of the provisions of point 3 of Article 5, regarding the exchange rate applicable in the event of nationalization or expropriation.

2. The tax obligations referred to in the preceding paragraph shall be deemed to have been fulfilled when the investor has performed the procedures provided for by the law of the Contracting Party in whose territory the investment was made.

Article 9. Settlement Disputes between Investors and Contracting Parties

1. Controversies arising between a Contracting Party and investors of the other Contracting Party regarding investments, including those on the amount of compensation, shall, as far as possible, be composed in a friendly manner.

2. In the case where an investor and one entity of one of the parties have entered into an investment agreement, the procedure foreseen in that provision will apply.

3. If such disputes cannot be resolved amicably within six months of the date of the written request for settlement, the interested investor may, at his option, submit it for the composition:

a) To the Court of the Contracting Party competent for the territory;

b) To an "ad hoc" Arbitral Tribunal, in accordance with the United Nations Commission on International Commercial Law (UNCITRAL) Arbitration Rules. The Host Contracting Party agrees to accept the referral to that arbitration;

c) The International Center for the Settlement of Disputes relating to Investments, for the application of the arbitration procedures provided for in the Washington Convention of 18 March 1965 on the settlement of disputes concerning investments between States and citizens of other States, if or both Contracting Parties have acceded to it.

4. The two Contracting Parties shall refrain from dealing diplomatically with matters relating to an arbitration procedure or ongoing proceedings until such proceedings have been concluded and one of the Contracting Parties has failed to comply with the judgment of the Arbitral Tribunal or the Court's ruling within the time-limits Prescribed by the award or judgment, or within the limits of the applicable international or domestic law applicable to the case.

Article 10. Settlement of Disputes between the Contracting Parties

1. Controversies arising between the Contracting Parties on the interpretation and application of this Agreement shall, as far as possible, be made by diplomatic means.

2. In the event that such disputes cannot be made within six months of the date on which either of the Contracting Parties has made a written request to the other Contracting Party, they shall, at the request of one of the Contracting Parties,

submit to an Arbitral Tribunal " Hoc "in accordance with the provisions of this Article.

3. The Arbitral Tribunal shall be constituted as follows: within two months from the date of receipt of the request for arbitration, each of the two Contracting Parties shall appoint a member of the Tribunal. The two members will then be appointed as President of a Third Country Citizen. The Chairman shall be appointed within three months of the appointment of the two members.

4. If within the terms set out in paragraph 3 of this Article, the appointments have not yet been made, each of the two Contracting Parties, in the absence of different agreements, may request their execution to the President of the International Court of Justice. If he is a national of one of the contracting parties, or for any reason, it is not possible for him to proceed with the appointment, a request will be made to the Vice President of the Court. In the event that the Vice President of the Court is a citizen of a Contracting Party, or for any reason cannot make the appointments, you will be invited to provide the senior member of the International Court of Justice who is not a citizen of one of the Contracting Parties.

5. The Arbitral Tribunal will decide by majority vote and its decisions will be binding. The two Contracting Parties shall bear the costs of their arbitration and those of their representatives at the hearings. The expenses for the President and the remaining expenses shall be divided equally between the Contracting Parties.

The Arbitral Tribunal will establish its own procedure.

Article 11. Relations between Governments

The provisions of this Agreement shall apply irrespective of the existence or not of diplomatic or consular relations between the Contracting Parties.

Article 12. Application of other Provisions

1. Where a matter is governed by both this Agreement and any other International Agreement to which the two Contracting Parties have acceded, or rules of general international law, the Contracting Parties themselves and their investors shall apply the most favorable provisions.

2. Where, by virtue of laws and regulations, or other provisions or specific contracts, such as authorizations or investment arrangements, a Contracting Party has reserved to investors of the other Contracting Party a more favorable treatment than that provided for in this Agreement, more favourable.

In the event that the host Contracting Party has not applied such treatment in accordance with the foregoing, and the investor is consequently harmed, he shall be entitled to compensation for such damages, in accordance with the provisions of Article 4.

3. Where, after the investment has been made, the laws, regulations, rules or measures of economic policy which, directly or indirectly, apply to investments should be subject to change, shall be applied at the request of the investor, the same treatment applicable at the time the investment was made.

Article 13. Entry Into Force

This Agreement shall enter into force on the date on which the two Contracting Parties have been notified of the completion of their respective constitutional procedures.

Article 14. Duration and Expiration

1. This Agreement shall remain in force for 10 years from the date of notification referred to in Article 13 and shall remain in force for a further period of five years unless one of the two Contracting Parties denies it in writing within one year of its expiry.

2. For investments made before the expiry dates referred to in paragraph 1 of this Article, the provisions of Articles 1 to 12 shall remain in force for a further period of five years from the above mentioned dates.

Done at Rome on 10 July one thousand nine hundred and nineteenth-century in two originals, in the Italian and Portuguese

languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE ITALIAN REPUBLIC

FOR THE GOVERNMENT OF THE REPUBLIC OF ANGOLA

Protocol

Upon signing the Agreement between the Government of the Italian Republic and the Government of the Republic of Angola on the promotion and protection of investments, the Contracting Parties have also agreed to the following clauses to be considered as integral parts of the Agreement.

1. General Provisions

This Agreement and all its clauses relating to "investments", provided they are carried out in accordance with the legislation of the Contracting Party in whose territory they are carried out, also apply to the following activities related to investments:

Organization, control, management, maintenance and availability of companies, branches, agencies, offices, factories or other business management structures; stipulation, conclusion and execution of contracts; acquisition, use, protection and availability of any type of property, including intellectual property rights; borrowing, buying, issuing and selling shares and other securities; purchase of currency for imports.

The "connected activities" include also, inter alia:

I. The granting of deductibles or license fees;

II. The proceeds deriving from registration, licenses, permits and other approvals necessary for the carrying out of commercial activities that must in any case be promptly issued according to the provisions of the legislation of the Contracting Parties;

III. Access to financial institutions in any currency, credit and currency markets;

IV. Access to funds held in financial institutions;

V. Importation and installation of equipment necessary for the normal conduct of business activities, such as but not limited to, office and car equipment, and the export of such equipment and automobiles;

VI. The dissemination of commercial information;

VII. Conducting market surveys;

VIII. The appointment of commercial representatives, including agents, consultants and distributors and their participation in trade fairs and other promotional events;

IX. The marketing of goods and services also through internal distribution and marketing systems or advertising and direct contacts with physical and juridical persons of the host Contracting Party;

X. Payments for goods and services in local currency;

XI. Leasing services.

2. With Reference to Article 2

a) A Contracting Party (or its Agencies or its Representatives) may enter into an investment agreement with investors of the other Contracting Party, making investments of national interest in the territory of the Contracting Parties, which will govern the specific legal relationship investment concerned.

b) None of the Contracting Parties shall provide any conditions for the initiation, development or continuation of investments which may result in the hiring or imposition of limits on the sale of production on national and international markets, or which specify that the goods they must be procured locally, or other similar conditions.

c) Each Contracting Party will provide effective means to assert claims and assert their rights in relation to investments and

investment agreements.

d) Citizens of each Contracting Party authorized to work in the territory of the other Contracting Party in connection with an investment pursuant to this Agreement shall be entitled to adequate working conditions for the performance of their professional activities, in accordance with the legislation of the host Contracting Party.

e) In accordance with its own laws and regulations, each Contracting Party will regulate as far as possible favorably the problems related to entry, stay, work and travel on its territory of the citizens of the other Contracting Party and of the members of their families who carry out activities connected with the investments referred to in this Agreement.

f) To juridical persons constituted under the laws or regulations in force of one of the two Contracting Parties, which are owned or controlled by the other Contracting Party, will be allowed to employ managerial personnel of their choice, regardless of nationality, in accordance with the legislation of the host Contracting Party.

3. With Reference to Article 3

To all activities related to the procurement, sale and transport of raw materials and their derivatives, energy, fuels, production means, as well as other types of operations connected with them and in any case connected to investment activities pursuant to this Agreement, it will be granted, in the territory of each Contracting Party, a treatment no less favorable than that reserved for similar activities and similar initiatives undertaken by investors of the host Contracting Party or by third States investors.

4. With Reference to Article 5

Any measure taken in connection with an investment made by an investor of one of the two Contracting Parties that subtract financial resources or other assets from the investment creates obstacles to the activities or causes significant damage to the value thereof, as well as any other measure that has a similar effect, will be considered one of the measures referred to in paragraph 2 of Article 5.

5. With Reference to Article 9

Pursuant to Art. 9 (3) (b), the arbitration will be carried out in accordance with the arbitration criteria of the United Nations Commission for International Commercial Law (UNCITRAL) with the observance of the following provisions as well:

a) The Arbitral Tribunal shall be composed of three arbitrators. If they are not citizens of the two Contracting Parties, they must possess citizenship of States having diplomatic relations with both Contracting Parties. The nominees of the Arbitration Institute of the Stockholm Chamber will provide to the appointment of the arbitrators that are necessary according to the UNCITRAL Regulation. The seat of the arbitration will be Stockholm, unless otherwise agreed between the parties involved.

b) In issuing its decision, the Arbitral Tribunal shall in any case apply the provisions contained in the present Agreement, as well as the principles of international law recognized by the two Contracting Parties. The recognition and enforcement of the arbitration decision in the territory of the Contracting Parties will be governed by their respective national laws in accordance with the international conventions on which they are a party.

IN WITNESS WHEREOF, the undersigned have signed the present Protocol.

Done at Rome on 10 July 1997, in two originals, in the Italian and Portuguese languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE ITALIAN REPUBLIC

FOR THE GOVERNMENT OF THE REPUBLIC OF ANGOLA