

Agreement on the Promotion and Protection of Investments between the Government of the Democratic Republic of Sudan and the Government of the Arab Republic of Egypt

The Arab Republic of Egypt and the Democratic Republic of the Sudan, wishing to consolidate economic cooperation between the two countries and to create favorable conditions for investment by the nationals of both countries within the territory of the other Contracting Party, taking into account that the promotion and protection of this investment will increase the flow of capital to achieve economic prosperity in both countries, recognizing that investment protection can stimulate private economic initiatives, have agreed that:

Article 1.

1. The term "investment" comprises every kind of assets, including:
 - a. Shares and other types of participation in companies.
 - b. Claims to money or any activity under a contract having financial value.
 - c. Rights with respect to movable and immovable property.
 - d. Patents, trademark rights, trade names, trademarks, industrial property and rights with respect to know-how.
 - e. Concession rights, including those for the exploration and exploitation of natural resources.
2. The term "nationals" means natural persons who have the nationality of the other Contracting Party.
3. The term "person" means both natural and legal persons.

Article 2.

Each Contracting Party accepts and encourages in its territory the investment made by any person of the other Party, in accordance with its legislation.

Article 3.

Each Contracting Party undertakes to provide full protection to the investment carried out in its territory by any person who is a national of the other Party, and also guarantees fair treatment to such investment.

For this purpose, each Contracting Party shall provide to the said investment the same treatment and protection as given to any other investment by its nationals or nationals of any third State. Such treatment does not include the benefits conferred by either Contracting Party to nationals of third State by virtue of its membership or association with a customs union, a common market, or a free trade area.

Article 4.

The Contracting Parties shall authorize the transfer of the investment in accordance with the legislation in force in both countries, as well as of the following:

1. The real net profits, interest, and dividends of investors of persons from one of the two countries.
2. Proceeds from the whole or partial liquidation of the investment.

Article 5.

Each Contracting Party has to, in accordance with its legislation, facilitate the practice of the professional activity of natural persons who are nationals of the other Party if such activity is necessary for the investment made in its territory.

Article 6.

1. Each of the Governments of the two States shall settle any dispute or difference in opinion concerning the interpretation or application of this Agreement in an amicable way.
2. In case of failure to reach an amicable settlement, any of the Contracting Parties can submit the dispute to an arbitral tribunal.
3. The establishment of the arbitral tribunal will be done in each case as follows:

Each of the Contracting Parties shall appoint a member of the tribunal. The Parties then elect a President (Chairman) who shall be a national of a third State. The members should be appointed within two months and the President within three months from the date of either party's notification of submitting the dispute to the arbitral tribunal.

4. In the event that either Contracting Party fails to take into account the periods specified in the preceding paragraph, the other Party, in the absence of any contrary agreement, shall request the Secretary-General of the League of Arab States to make the necessary appointments. If the Secretary-General of the League of Arab States is a national of either Contracting Party or if there is anything preventing him from performing this task, the Deputy Secretary shall be requested to do this task. If the Deputy Secretary is a citizen of either Contracting Party or has also anything that prevents him from performing this task, the member next in seniority shall be requested to perform this task under the condition that he does not have the nationality of any of the Contracting Parties, and also that nothing prevents him from making the necessary appointments.
5. Decisions of the arbitral tribunal will be issued by a majority of votes and will be final and binding. The losing party shall bear the expenses of the arbitral tribunal. The tribunal shall determine its procedural rules, taking into account the basic principles of litigation.

Article 7.

The abovementioned provisions will only apply to investment made after the entry into force of this Agreement.

Article 8.

1. Each Contracting Party shall notify the other Party of the completion of the procedures required in its territory to give effect to this Agreement and this Agreement will be effective from the date of the last notification.
2. This Agreement is valid for a period of ten years renewable for the same period unless one of the parties notifies the other party in writing its termination one year before any of these mentioned periods expire.
3. In case of termination, this Agreement shall remain applicable to the existing investments for ten years from the date of commencement of its termination.

This Agreement was signed in Khartoum on 10 May 1397 (corresponding to 28 May 1977) in two original copies in Arabic and signed by representatives of the Government of the Arab Republic of Egypt and the Democratic Republic of Sudan.

Mamdouh Salem

Prime Minister For the Arab Republic of Egypt

Rashid Al Tahir Bakr

Vice President of the Republic And the Prime Minister in the Government of the Democratic Republic of the Sudan