AGREEMENT BETWEEN THE GOVERNMENT OF THE PEOPLE'S DEMOCRATIC REPUBLIC OF ALGERIA AND THE GOVERNMENT OF THE REPUBLIC OF MALI ON THE RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the People's Democratic Republic of Algeria and the Government of the Republic of Mali, hereinafter referred to as the "Contracting Parties",

Desiring to enhance economic cooperation between the two States and to create favourable conditions for greater investments made by companies and nationals of one Contracting Party in the territory of the other Contracting Party;

Convinced that the promotion and protection of such investments will contribute to stimulate initiatives of nationals and companies in the field of economic cooperation and in particular to promote the transfer of capital and technology between the two Contracting Parties, in the interests of their economic development;

Have agreed as follows:

Article 1. Definition

For the purposes of this Agreement:

1) The term "investment" means assets, such as property rights of all kinds and any asset in connection with an economic activity and in particular, though not exclusively,

a) Movable and immovable property and any other property rights such as mortgages, liens, pledges, usufruct and similar rights;

b) Shares, stocks, bonds and debentures or any other form of participation in a company;

c) Rights to many and to any contractual performance having financial value;

d) Copyrights, industrial property rights, such as patents, licences, trademarks, industrial designs or models, technical processes, trade names, know-how and goodwill;

e) Concessions granted by law or by virtue of an agreement, including concessions to search for, extract or exploit natural resources.

1.1. These investments are made in accordance with the law of the Contracting Party in whose territory they are undertaken.

1.2. Investments of nationals or companies of one Contracting Party effected within the territory of the other contracting party prior to the entry into force of this agreement cannot benefit from the provisions of this Agreement after their compliance with foreign investment legislation of the latter Contracting Party in force at the date of signature of this Agreement.

1.3. Any alteration of the form of investment of assets and assets above shall not affect their classification as investment provided that such alteration is in conformity with the legislation of the Contracting Party in whose territory the investment is made.

2) The term "national" means natural persons having the nationality of either Contracting Party in accordance with its law.

3) The term "company" means any juridical persons in the territory of one of the Contracting Parties in accordance with its law.

4) The term "investor" means companies and nationals of one Contracting Party who invest in the territory of the other

contracting party.

5) The term "income" means all amounts yielded by an investment such as profits, interests, profits, dividends, royalties, capital gains.

6) The term "territory" also includes the territory demarcated over land, maritime zones and marine zones under the sovereignty of the contracting States or over which it exercises sovereign rights or jurisdiction, in accordance with international law.

Article 2. Investment Promotion

Each Contracting Party recognizes and encourages on its territory and in accordance with its laws, investments made by companies and nationals of the other Contracting Party, create favourable conditions to these investments.

Article 3. National Treatment and Most-favoured-nation Clause

1. Each of the Contracting Parties shall ensure in its territory, in order to the investments of investors from the other Contracting Party and for investment related activities, the equity and equality regime in law which will exclude the application of measures of discrimination likely to impede the management and disposal of investments.

2. "Activities" means the administration, use, use and enjoyment of an investment in accordance with the legislation of the Contracting Party in whose territory the investment has been made.

3. Neither Contracting Party shall subject in its territory investments and income of nationals or companies of the other Contracting Party to treatment less favourable than that which it accords to investments or income of its nationals or companies or to investments or income of nationals or companies of any third State.

4. Neither Contracting Party may subject nationals or companies of the other Contracting Party to tax in its territory. for this purpose. that is the management, maintenance, use, enjoyment or the disposal of their investments. at less favourable treatment than that which it grants to its nationals or companies or companies of any third State.

5. The treatment does not, however, extend to the privileges that a party may enjoy in the Contracting State grants to nationals or companies of a third State, by virtue of its participation or association in a free trade area, a union customs, a common market or any other form of economic organisation regional.

6. The following shall be considered as "less favourable" treatment within the meaning of this Article Article, in particular: any restrictions on the supply of raw materials and consumables, energy and fuel supplies, as well as of tools and means of production of any kind, any impediment to the sale of the products inside and outside the country and any other other measures having a similar effect.

Any measure taken on grounds of public security and public order, public health or morality, does not represent "less than optimal" treatment. favourable", in accordance with this Article.

7. The provisions of Article 3 do not oblige a Contracting Party which, in accordance with its tax laws, would grant tax relief, exemptions and tax abatements only to nationals and companies resident in its territory, to extend such benefits to nationals and companies resident in the territory of the other Contracting Party.

8. Each of the Contracting Parties reserves the right to define the branches and fields of activity in which the participation of foreign investments will be excluded or limited, in accordance with their national regulations.

Article 4. Protection of Investments

1. Each Contracting Party shall, in its territory, fair and equitable treatment and full protection and security of investments to nationals or companies of the other Contracting Party.

Neither Contracting Party shall in any way impair unreasonable or discriminatory measures by the management, maintenance, use, enjoyment or disposal of investments in its territory of nationals or companies of the other Contracting Party.

2. Neither Contracting Party shall take measures of expropriation or nationalization or any other measures which directly or indirectly dispossessing nationals and companies of the other Contracting Party to investments in its territory.

3. If the requirements of public purpose national interest or justify derogation from paragraph 2 of this article, the following

conditions shall be complied with:

a) The measures shall be taken under due process;

b) The measures are not discriminatory;

c) They are accompanied by provisions for the payment of prompt, effective and adequate compensation.

4. Such compensation shall amount to the actual value of the affected investments immediately before the date when the measures taken or to be made public. It shall be settled in a convertible currency denominated in accordance with the laws of the currency of the Contracting Party in which the responsibility for the payment of such compensation. It shall be freely transferable. the transfer shall be effected within three months at the latest after the date of the filing of a complete application for compensation established in accordance with the laws of the currency of the Contracting Party having made the expropriation. in the event of late payment, it shall include at the usual banking interest rate.

In case of disagreement on the valuation of the amount of compensation, the national or company affected shall have a right under the law of the Contracting Party which has expropriated, ensure that its case and the valuation of its investment should be reviewed by a competent authority or a judicial authority of that Party in accordance with the principles set out in this article.

5. Companies or nationals of either Contracting Party whose investments have suffered losses due to a war or any other armed conflict, revolution, state of emergency or national revolt in the territory of the other Contracting Party, shall be accorded by the latter, as regards restitution, indemnification, compensation or other settlement, the same treatment as that accorded to investors of a third State.

Article 5. Treatment of Investment Income

1. Each Contracting Party in whose territory investments have been made by investors of the other Contracting Party, to those investors shall, after the payment of all fiscal obligations, the free transfer of:

a) Investment income, including the profits, dividends, interests and other current income;

b) Royalties arising out of intangible rights referred to in paragraph 1 (d) of article 1;

c) Payments made for the reimbursement of loans regularly contracted for the financing of investments, as authorized, and for the payment of interest arising therefrom;

d) The proceeds of the sale of or the partial or total liquidation of the investment, including the most values of the capital invested;

e) Compensation of dispossession or loss of property referred to in article 4 (3) and (5) above and any payments payable as subrogation under article 6 of this Agreement.

2. The nationals of either Contracting Party who have been authorised to work in the territory of the other Contracting Party in respect of an approved investment shall also be authorised to transfer their country of origin in a proportion appropriate remuneration.

3. The transfers referred to in paragraphs 1 and 2 of this article shall be carried out at the official exchange rate applicable on the date of the latter and in accordance with the foreign exchange regulations in force of the Contracting Party in whose territory the investment has been made or in any convertible currency to be mutually agreed or alternatively in the currency in which the investment has been made.

Article 6. Subrogation

1. If one of the contracting parties or the body designated by that Party (the first contracting party) makes a payment under given an indemnity in respect of an investment made in the territory of the other contracting party, the latter Contracting Party), the second Contracting Party shall recognize:

a) The first assignment to the Contracting Party by law or by legal transaction of all the rights and claims of the party indemnified;

b) The right of the first contracting party to exercise such rights and to claim such claims, by virtue of subrogation, to the same extent as the indemnified party.

2. The first Contracting Party is entitled in all circumstances

a) To the same treatment in respect of the rights and claims by acquired it by virtue of the assignment; and

b) Any payments received under those rights and claims as the party was entitled to receive indemnified by virtue of this Agreement in respect of the concerned and its related investment returns.

Article 7. Investment Guarantee

In accordance with its legislation and administrative procedures, either Contracting Party may give assurances, in respect of investments made by nationals and companies in the territory of the other Contracting Party against the risk for which the first Contracting Party may deem appropriate.

Article 8. Investments Covered by a Specific Commitment

Investments which have been the subject of a special commitment between one of the Contracting Parties and nationals and companies of the other Contracting Party shall be governed, without prejudice to the provisions of this Agreement, by the terms of that commitment in so far as it contains more favourable provisions than those laid down in this Agreement.

Article 9. Settlement of Disputes between an Investor and a Contracting Party

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

2. If such a dispute cannot be settled amicably within six (6) months from the date on which it was raised by one of the Parties to the dispute, it shall be submitted at the request of the investor, either to the competent court of the Contracting Party involved in the dispute, or to international arbitration. The choice of one of these procedures is final.

3. Where a dispute is referred to international arbitration, the investor and the Contracting Party concerned in the dispute may agree to refer the dispute to one of the following procedures:

(a) the International Centre for Settlement of Investment Disputes (taking into account, as appropriate, the provisions of the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, opened for signature in Washington D.C. on 18 March 1965, and the Additional Facility for the Administration of Conciliation, Arbitration and Fact-Finding Proceedings);

b) Or to an ad hoc arbitral tribunal constituted for each individual case in the following way: each party to the dispute shall appoint one arbitrator and the two arbitrators shall appoint a third arbitrator who is a national of a third State, who shall be Chairman of the Tribunal. The arbitrators shall be appointed within two (2) months and the Chairman within three (3) months from the date on which the investor has notified to the Contracting Party concerned its intention to resort to arbitration.

If the time limits referred to above have not been complied with, either party to the dispute may request the President of the Arbitration Institute of the Stockholm Chamber of Commerce of make the necessary appointments. The ad hoc arbitral tribunal shall establish its own rules of procedure, taking into account the terms of the Arbitration Rules of the United Nations Commission on International Trade Law that the parties to the dispute may agree in writing to modify.

4. The dispute shall be settled by the arbitral tribunal on the basis of the national law of the Contracting Party in whose territory the investment concerned is located (including its rules on the Conflict of Laws) and the rules of international law (including the provisions of this Agreement), as the case may be appropriate.

Article 10. Disputes between the Contracting Parties

1. Disputes between the Contracting Parties concerning the interpretation or application of this agreement should, if possible, be settled through diplomatic channels.

2. If within six (6) months from the date when it was raised by either Contracting Party, the dispute is not settled, it shall be submitted at the request of either of the contracting parties to an arbitration tribunal.

3. The arbitral tribunal shall be constituted for each individual case in the following way:

Each Contracting Party shall appoint one member and these two Members shall designate by common agreement, a

national of a third State who shall be chairman appointed by both Contracting Parties. All members shall be appointed within two (2) months from the date on which either Contracting Party has informed 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 applicable agreement, invite the Secretary-General of the United Nations to make the necessary designations. If the Secretary-General is a national of either of the Contracting Parties, or if he is prevented for any other reason from exercising this function, the most senior Deputy Secretary-General who is not a national of one of the Contracting Parties shall make the necessary designations.

5. The Tribunal shall determine its own rules of procedure and shall take decisions by a majority of votes; its decisions shall be final and enforceable by operation of law for the Contracting Parties; it shall interpret the award at the request of either Contracting Party. Unless the Tribunal provides otherwise, having regard to special circumstances, the costs of the arbitral proceedings, including the fees of the arbitrators, shall be shared equally between the Contracting Parties.

Article 11. Entry Into Force - Amendment - Denunciation

Each of the Contracting Parties shall notify the other Party, the completion of the required internal procedures with regard to it, for the entry into force of this Agreement, which shall take effect on the date of the receipt of the last notification.

The two Contracting Parties may, by mutual agreement, make any modification or amendment of the provisions of this Agreement. The modifications and/or amendments will enter into force as follows provided for in this Agreement.

The Agreement shall be concluded for a period of ten (10) years, renewable by tacit renewal except, if one of the parties gives written notice of termination, a (1) year before the expiry of the current period.

Upon expiry of the period of validity of this Agreement, the investments made during the life of the plan will continue to be made. benefit from the protection of its provisions for a period of time additional ten (10) years.

Done at Bamako on 11 July 1996 in two originals in the Arabic and French languages, both texts being equally authentic.

The Government of the People's Democratic Republic of Algeria

Ahmed ATTAF

Minister of Foreign Affairs

For the Government of the Republic of Mali

Dioncounda TRAORE

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