

# **Agreement between the Government of the United Republic of Cameroon and the Government of the Socialist Republic of Romania on the reciprocal guarantee of investments**

The Government of the United Republic of Cameroon and the Government of the Socialist Republic of Romania, hereinafter referred to as the "Contracting Parties";

Desiring to enhance economic cooperation relations existing between the two States;

Concerned to create favourable conditions for investments by investors of the United Republic of Cameroon in the territory of the Socialist Republic of Romania, and by investors of the Socialist Republic of Romania on the territory of the United Republic of Cameroon;

Recognizing that the investment guarantee pursuant to this Agreement; stimulate the initiative in this field;

Have agreed as follows:

## **Article 1. Definitions**

For the purpose of this Agreement:

1. "investment" means every asset invested or reinvested in a company or economic activity and any increase in value, in particular but not limited to:
  - a) Shares, parts or any other kind of participation in companies established in the territory of a Contracting Party;
  - b) Reinvested profits, rights to claims or other rights relating to services having a financial value;
  - c) Movable and immovable property, as well as any other rights in rem such as mortgages, privileges and guarantees and any other similar rights as defined by the Law of the Contracting Party in whose territory the property is situated;
  - d) Intellectual property rights, technical processes, know-how, trademarks, copyrights and any other similar intangible rights;
  - e) Concessions conferred by law or under contract, including concessions related to prospecting, extraction and exploitation of natural resources, including in the maritime areas, in accordance with the laws and regulations of each of the two Contracting Parties.
2. "Profit" means amounts accruing from any investment in the form of dividends, profit margins and other income.
3. "Investors" means:
  - a) For the United Republic of Cameroon: any person or company or any natural or legal person having legal personality in accordance with the laws in force in the United Republic of Cameroon.
  - b) For the Socialist Republic of Romania: economic units having the Romanian legal personality and which, according to the law have the powers of foreign trade and economic cooperation with other countries.

## **Article 2. Promotion and Protection of Investments**

1. Each Contracting Party in its territory shall encourage the promotion of investments by the other Contracting Party.
2. Direct and indirect investments made in accordance with the laws and regulations in force in the territory of each Contracting Party shall enjoy the full protection and guarantees provided for in this Agreement.

### **Article 3. Most-favoured-nation Treatment**

1. Each Contracting Party shall accord in its territory to investments and investors of the other Contracting Party treatment no less favourable than that accorded to investments and investors of any third State.
2. The provisions of this Agreement relating to most favoured nation treatment) shall not apply to advantages that each Contracting Party shall accord to investors of any third State, on the basis of its participation in a customs union, economic or free trade area or regional economic organization.
3. Each Contracting Party shall observe any other obligation it has given in respect of investments made in its territory by investors of the other Contracting Party.

### **Article 4. Expropriation and Compensation**

Investments made by investors of one Contracting Party in the territory of the other Contracting Party shall not be expropriated or subjected to any other measures having similar effect unless the following conditions are met:

- a) The expropriation and other measures having an effect equivalent are not discriminatory;
- b) These measures are taken in the public interest and under due process;
- c) an adequate procedure shall be provided for determining the amount and method of payment of the compensation. The compensation must correspond to the value of the investment at the date of expropriation, be effectively realizable, freely transferable and paid without delay.

### **Article 5. Settlement of Disputes Relating to the Amount of Compensation for Expropriation**

1. At the request of a party by a court or other competent authority of the country in which the investment has been made.
2. If any dispute between an investor and the Contracting Party in whose territory the investment is made on the amount of compensation shall continue to exist after the final judgment of the court or other competent authority of the country in which the investment has been made; each of them is authorized to bring the dispute within two months after the exhaustion of domestic remedies or of the expiration of the period specified in the following paragraph, to the International Centre for Settlement of Investment Disputes (ICSID) or arbitration for conciliation.
3. However, the condition concerning the exhaustion of domestic remedies provided for in the legislation of the Contracting Party in whose territory the investment has been made, shall not be opposed by that Contracting Party to the investors of the other Contracting Party after a period of six months after the date of the first hearing for the settlement of the dispute by the Tribunal.
4. Investors of one Contracting Party whose investments have suffered losses as a result of war, armed conflict or a state of national emergency in the territory of the other Contracting Party shall receive from the latter the necessary compensation to cover the losses incurred. The amounts relating to such compensation shall be freely transferable.

### **Article 6. Repatriation of Capital and Profits**

1. Each Contracting Party shall guarantee, with respect to the investment of investors of the other Contracting Party, the transfer of:
  - a) The capital invested or the proceeds of the total or partial liquidation or disposal of the investment;
  - b) Profits and other current incomes accruing from investments;
  - c) payments made for the repayment of credits for investments and interest thereon;
  - d) The earnings of nationals allowed to work in connection with an investment made in the territory of the other Contracting Party.
2. Each Contracting Party shall, after the completion of the legal obligations of investors, provide the required authorisations to ensure timely implementation of the transfers referred to in paragraph 1 of this article.

## **Article 7. Subrogation**

If one of the Contracting Parties, by virtue of a guarantee given for an investment made in the territory of the other Contracting Party, makes payments to its own investors, it shall be subrogated to the rights, obligations and shares of such investors. The subrogation in the rights and obligations of the covered investor also extends to the right of transfer mentioned in Articles 4, 5 paragraph 4, and 6 above. The Contracting Party which has made the payment shall not be entitled to obtain rights or assume obligations more extensive than those of the covered investor.

## **Article 8. Transfers of Currency**

1. Transfers of currency made in accordance with articles 4, 5 paragraph 4, and 6 above, shall be made without delay, in the convertible currency in which the investment has been made in convertible currency or any other agreed to by mutual agreement, at the official rate of exchange prevailing on the date of transfer.

2. The transfers referred to in paragraph 1 above may be made within a maximum period of three months after the completion of formalities prevailing in the country in which the investment has been made.

## **Article 9. Conflicts of Interpretation or Application of this Agreement**

1. Any dispute between the Contracting Parties concerning the interpretation or application of this Agreement shall be subject to review by an ad hoc commission composed of representatives of both parties. It shall meet at the latest within two months from the date of written notification of either Contracting Party.

2. If the Ad Hoc Commission cannot settle the dispute, be submitted to an arbitration procedure at the request of either Contracting Party, within a period of six months from notification of the written request to the other Contracting Party.

3. The arbitral tribunal shall be constituted as follows: within two months of the receipt of the request for arbitration, each Contracting Party will appoint an arbitrator. Within two months of the appointment of the arbitrators, they shall designate a citizen of a third State as Chairman of the arbitral tribunal with the consent of both Contracting Parties. If during the entire preceding period the appointment of the President is not reached, the Contracting Parties, in the absence of any other agreement, shall invite the President of the International Court of Justice to make the necessary nomination. If the President of the International Court of Justice is a citizen of one of the Contracting Parties or if he is unable to or otherwise to perform this function, the appointment of the Chair of the arbitral tribunal shall be made by the Vice-President of the International Court of Justice. If he is in one of the situations referred to the President, the appointment shall be made by the senior member of the International Court of Justice, non-originating from one of the Contracting Parties.

4. The Panel of Arbitrators thus constituted shall determine its own rules of procedure.

The decisions of the panel shall be taken by a majority of the votes; they shall be final and binding on the Contracting Parties.

5. Each Contracting Party shall bear the costs of the appointment of an arbitrator; the costs resulting from the appointment of the third arbitrator and operating expenses of the panel shall be borne in equal parts by the Contracting Parties.

## **Article 10. Existing Investments**

Investments of investors of either Contracting Party made in the territory of the other Contracting Party prior to the entry into force of this Agreement shall be subject to the provisions of this Agreement.

## **Article 11. Entry Into Force, duration and Termination**

1. This Agreement shall be subject to ratification, in accordance with the constitutional procedures applicable for each Contracting Party. The exchange of instruments of ratification will take place as soon as possible.

2. This Agreement shall enter into force two months after the exchange of instruments of ratification. It shall remain valid for a period of ten years and may be tacitly renewed, unless is terminated, in writing by either Contracting Party one year before its expiration. After the expiry of the initial period of validity, this Agreement may be denounced at any time, with a prior one year notice notified in writing to the other Contracting Party.

3. In respect of investments made within the framework of this Agreement, the provisions of this Agreement shall continue to apply 10 years after its termination.

Done at Bucharest on 30 August 1980, in four originals, two in French-language and two in Romanian languages, both texts being equally authentic.

For the Government of the United Republic of Cameroon

For the Government of the Socialist Republic of Romania