AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF SERBIA AND THE GOVERNMENT OF THE STATE QATAR FOR THE RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the Republic of Serbia and Government of the State Qatar hereinafter referred to as the "Contracting parties";

Desiring to intensify economic cooperation to the mutual benefit of both States,

Intending to create and maintain favourable conditions for investments by investors of one Contracting Party in the territory of the other Contracting Party,

Recognizing the need to promote and protect these investments with the aim to foster the economic prosperity of both Contracting Parties,

Agreeing that fair and equitable treatment of investments is desirable

in order to maintain a stable framework for investments and maximum effective utilization of economic resources,

Have agreed as-follows:

Article 1. Definitions

For the purposes of this Agreement and unless stated otherwise by mutual consent, the following words and terms shall have the corresponding meanings:

1. The term "investor" refers to any natural or judicial person of one Contracting Party:

a) the term "natural person", refers who is a natural of the Parties to this Agreement;

b) the term "juridical person", to any juridical person including enterprises, companies, corporations, firms or business associations constituted or organized under the applicable law of that Contracting Party and having its seat in the territory of that same Contracting Party, whether or not for profit, and whether privately or governmentally owned or controlled,

c) In addition, juridical persons include official agencies and entities controlled or owned by the government, sovereign funds, trusts and organizations established or organized in accordance with the respective state legislation of the Contracting Parties or of the third party in which the investor referred to above exercise effective control.

2. The term "investment" means any kind of asset invested by investor of one Contracting Party in the territory of the other Contracting Party in accordance with the laws and regulations of the latter Contracting Party, and particular, though not exclusively, shall include:

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

b) shares in stocks, debentures of companies or any other similar forms of participation in a company;

c) claims to money or to any performance under contract having an economic value;

d) intellectual property rights such as copyrights, trademarks, patents, technical processes, know-how and goodwill;

e) any rights of economic nature granted by law or agreement, such as concessions to performance activities including those to search for, process, extract and exploit natural resources.

3. The term "returns" means output from an investment and money yielded by an investment and includes, in particular although not exclusively, profits, dividends, interest, capital gains, royalties and fees;

4. The term "freely usable currency" means a currency widely used to make payments for international transactions as classified by the International Monetary Fund.

5. "Territory":

a) For the Republic of Serbia: The area over which the Republic of Serbia exercises, in accordance with its national laws and regulation and international law, sovereign rights and jurisdiction.

b) For the State of Qatar: land, inland waters and territorial of the State of Qatar and their bed and subsoil and air space above them and the economic zone and continental shelf, which is exercised by the State of Qatar's sovereign rights and jurisdiction, in accordance with the provision of

international law and domestic laws and regulations.

6. Any alteration of the form in which assets are invested or reinvested shall not affect their qualification as investments provided that such alteration is not in conflict with the provisions of this Agreement and legislation of the state of the Contracting Party in whose territory the investment is made.

Article 2. Scope of the Agreement

This Agreement shall apply to all investors and investments made by investors of either Contracting Party in the territory of other Contracting Party accepted as such in accordance with its laws and regulations, whether made before or after the coming into force of this Agreement but shall not apply to any dispute raised or any claim which was settled before the entry into force of this Agreement.

Article 3. Promotion and Protection of Investments

1. Each Contracting Party, as far as possible, shall encourage and create favorable conditions for investors of other Contracting Party to make investments in its territory, and admit such investments in accordance with its laws and regulations in force.

2. When a Contracting Party shall have admitted an investment in its territory, it shall grant in accordance with its laws and regulations the necessary permits in connection with such an investment and with the carrying out of licensing agreements and contracts for technical, commercial or administrative assistance. Each Contracting Party shall, in accordance with its laws and regulations, whenever needed, endeavour to issue the necessary authorizations concerning the activities of consultants and other qualified persons of foreign nationality.

3. Investments made by investors of each Contracting Party shall at all times be accorded fair and equitable treatment and shall enjoy full protection and security in the territory of the other Contracting Party.

4. Neither Contracting Party shall in any way impair by unreasonable or discriminatory measures, the operation, management, maintenance, use, enjoyment or disposal of investment in its territory by investors of the other Contracting Party.

Article 4. Treatment of Investment

1.Each Contracting Party shall in its territory accord investments and returns of investors of the other Contracting Party treatment which is fair and equitable and no less favorable than that which it accords to investments and returns of its own investors or to investments and returns of investors of any Third Party, whichever is the more favorable to the investor.

2. Each Contracting Party shall in its territory accord to investors of the other Contracting Party, as regards management, maintenance, use, enjoyment or disposal of their investments, treatment which is fair and equitable and no less favorable than that which it accords to its own investors.

3. Each Contracting Party shall in its territory accord to investors of the other Contracting Party treatment no less favorable than which it accords to investors of any Third Party.

4. The treatment granted under paragraph 1,2 and 3 of this Article shall not be construed so as to oblige one Contracting Party to extend to the investors of other Contracting Party and their investment the benefit of any treatment, preference or privilege resulting from:

a) its membership of any existing or future customs union, common market, monetary union, or free trade agreement; or

b) any international agreement or arrangement relating wholly or mainly to taxation.

Article 5. Expropriation

1. Neither of the Contracting Parties shall take measures of expropriation, nationalization or any other measures having the same effect to investments belonging to investors of the other Contracting Party (hereinafter: referred to as: "expropriation") unless the measures are taken in the public interest, on a non-discriminatory basis and under due process of law and upon the payment of effective and adequate compensation. Such compensation shall amount .to the market value of the expropriated investment immediately before the expropriation or the impeding expropriation become public knowledge, whichever is the earlier (hereinafter: referred to as: "valuation data").

2. Such market value shall be expressed in a freely usable currency of the investor's choice at the market rate of exchange prevailing for that currency on the valuation date. Compensation shall be paid without delay, be effectively realizable and transferable in a freely usable currency as determined by the investor's choice. The compensation shall include also the interest calculated on the six-month LIBOR rate from the date of expropriation until the date of payment.

3. Where Contracting Party expropriates the assets of a company which is incorporated or constituted under the law in force in any part of its own territory, and in which investor of the other Contracting Party own shares, it shall ensure that the provisions of this article are applied so as to guarantee adequate and effective compensation in respect of their investment to such investor of the other Contracting Party who are owners of those shares.

Article 6. Compensation for Losses

1. Investors of either Contracting Party who suffer losses of their investments in the territory of the other Contracting Party due to war or to other armed conflict, a state or national emergency, revolution, insurrection or riot shall be accorded with respect to restitution, indemnification, compensation or other settlement, a treatment which is no less favorable than that accorded to its own investor or to investor of any third state whichever is more favourable to the investor.

2. Resulting payments shall be transferable without delay in a freely usable currency of an investor's choice at the market rate of exchange.

Article 7. Transfer

1. Each Contracting Party shall guarantee the free movement of output from all investment made by an investor of the other Contracting Party in its territory and guarantee all funds of an investors of the other Contracting Party related to an investment in its territory to be freely transferred without delay. Such funds would include but not limited to:

a) capital and additional capital amounts used to maintain or increase investment;

b) returns;

c) repayments of any loan including interest thereon, relating to the investment;

d) proceeds from sales of their shares;

e) proceeds received by investors in case of total or partial sale or liquidation;

f) the earnings of natural persons of one Contracting Party or other personnel from abroad who work in connection with an investment in the territory of the other Contracting Party;

g) payments arising from an investment dispute;

h) compensation pursuant to Articles 5 and 6 of this Agreement.

2. Transfers under the present Agreement shall be made without delay in any freely usable currency, of the investor choice at the market rate of exchange applicable on the date of transfer.

3. The Contracting Party shall undertake to accord to transfer referred to in paragraphs 1 and 2 of this Article, a treatment no less favorable than that accorded to transfers originating from investments made by any third state.

Article 8. Subrogation

1. Where one Contracting Party or its designated agency has guaranteed any indemnity against non-commercial risks in

respect of an investment by any of its investors in the territory of the other Contracting Party and has made payment to such investors in respect of their claims under this Agreement, the other Contracting Party or its designated agency is entitled by virtue of subrogation to exercise the right and assert the claims of those investors. The subrogated rights or claims shall not exceed the original rights or claims of such investors.

Article 9. Denial of Benefits

Following notification, Contracting Party may deny the benefits of this Agreement to:

1. an investor of the other Contracting Party that is a juridical person of such Contracting Party and to investment of such investor, if the juridical person is owned or controlled by investors of third party and the denying Contracting Party does not maintain diplomatic relations with the third party;

2. an investor of a non-Contracting Party that is a juridical person -of such Contracting Party and to investments of that investor, if an investor of a non-Contracting Party owns or controls the juridical person and juridical person has no substantive business activities in the territory of the other Contracting Party.

Article 10. Settlement of Disputes between a Contracting Party and an Investor of the other Contracting Party

1. Any dispute under provisions of this Agreement, arising directly from an investment between one Contracting Party and an investor of the other Contracting Party shall be settled amicable among themselves.

2.If such dispute cannot be settled according to the provisions of paragraph 1 of this Article within three months from date of receipt of request in writing for settlement, the investor concerned may submit at his choice the dispute settlement to:

a) a competent court of the host Contracting Party for decision; or

b) the International Center for the Settlement of Investment Disputes, established under the Convention on the Settlement of Investment Disputes between States and Nationals of other States of March 18, 1965 done in Washington, D.C., if this Convention is applicable to the Contracting Parties; or

c) an ad hoc arbitral tribunal.

3. The ad hoc arbitral tribunal specified under paragraph 2 subparagraph c) shall be established as follows:

a) each Party to the dispute shall appoint one arbitrator, and two arbitrators thus appointed shall select by mutual agreement a third arbitrator, who must be a citizen of a third country, and who shall act as the Chairman of the Tribunal. All arbitrators must be appointed within two months from the date of notification by one Party to the other Party of its intention to submit the dispute to arbitration,

b) if the periods specified in paragraph 3 subparagraph a) herein above have not been respected, either Party, in the absence of any other agreement, shall invite the Secretary General, or Vice-Secretary General of the Permanent Court of Arbitration at The Hague to make the necessary appointments.

c) the ad hoc arbitral tribunal shall reach its decision by majority of vote. These decisions shall be final and legally binding upon the parties and shall be enforced. The decisions shall be taken in conformity within the following order: first, the provision of this Agreement, and second the principles of international law. Unless otherwise decided by the Tribunal, in accordance with special circumstances, each party to the dispute shall bear the cost of its representation in the arbitral proceedings; the cost of the arbitrators and remaining costs shall be borne in equal parts by the parties to the dispute.

d) the Tribunal shall interpret its award and give reason and bases of its decision at the request of either Party. Unless otherwise agreed by the Parties, the venue of arbitration shall be at the seat of the Permanent Court of Arbitration at The Hague (The Netherlands).

Subject to the above, the Tribunal shall follow the Arbitration rules of the United Nations Commission for International Trade Law (UNCITRAL), 1976.

Article 11. Settlement of Disputes between the Contracting Parties

1. The two Contracting Parties shall strive with good faith and mutual cooperation to reach a fair and quick settlement of any dispute arising between them concerning interpretation or implementation of this Agreement. In this connection the

two Contracting parties hereby agree to enter into direct objective negotiations to reach such settlement. If the dispute has not been settled within a period of six month from the date on which the matter was raised by Contracting Party, it may be submitted at the request of either Contracting Party to an Arbitral Tribunal composed of three members,

2. Within a period of two months from the date of receiving the said request each Contracting Party shall appoint one arbitrator, and the two arbitrators so appointed shall appoint, within a period of two month and with the approval of both Contracting Parties a national of third country as Chairman of the Tribunal.

3. If within the periods specified in paragraph 2 of this Article the necessary appointments have not been made, either Contracting Party may, in the absence of any other agreement, invites the President of the International Court of Justice to make any necessary appointments. If theâ President is a national of either Contracting Party or otherwise prevented from discharging the said function, the Vice-President shall be invited to make the necessary appointments. If the Vice-President is.a national of either Contracting Party or if he too is prevented from discharging the said function, the Member of the International Court of Justice next in seniority who is not a national of either Contracting Party shall be invited to make the necessary appointments.

4. The Arbitral Tribunal shall reach its decisions by a majority votes. Such decision shall be final and binding on both Contracting Parties. Each Contracting Party shall bear the costs of its own member of the Tribunal and of its representation in the arbitration proceedings; the costs of the Chairman and the remaining costs shall be borne in equal parts by the Contracting Parties. The Tribunal may, however, decide that a higher proportion of costs shall be borne by one of the two Contracting Parties and this award shall be binding on both Contracting Parties. The tribunal shall determine its own procedure.

5. Unless agreed otherwise by Contracting Parties, the venue of Arbitration shall be seat of the Permanent Court of Arbitration at The Hague (The Netherlands).

6. All claims shall be submitted and all hearing session shall be completed within a period of six month from the date the third member is appointed, unless otherwise agreed. The Tribunal shall issue its decision within two month from the date submitting the final claims or the date of closing the general sessions, whichever is later.

7. It shall not be permitted to submit a dispute to an Arbitral Tribunal pursuant to provisions of this Article, if the same dispute was submitted to another Arbitral Tribunal pursuant to the provisions of Article 8 hereunder and which is still under hearing by that Tribunal.

Article 12. Entry and Sojourn of Personnel

A Contracting Party shall, subject to its laws and regulations relating to the entry and sojourn of non-citizens, permit natural persons of the other Contracting Party and other persons appointed or employed by investors of the other Contracting Party to enter and remain in its territory for the purpose of Ã©ngaging in activities connected with investment.

Article 13. More Favorable Provisions

1.If the domestic law of either Contracting Party, or obligations under international law existing at present or established hereafter between the Contracting Parties in addition to this Agreement contains a provision, whether general or specific, entitling investments by investor of the other Contracting Party to a treatment more favorable than is provided for by this Agreement, such provision shall, to the extent that it is more favorable to an investor, prevail over this Agreement,

2. Whenever the treatment accorded by one Contracting Party to the investors of the other Contracting Party, according to its laws and regulations or other provisions of specific contract or investment authorization or agreement, is more favorable than that provided under this agreement, the most favorable treatment shall apply.

Article 14. Entry Into Force

1. This Agreement shall enter into force on the fatter date on which either Contracting Party notifies the other that its internal juridical requirements for the entry into force of this Agreement have been fulfilled through diplomatic channels.

2. This Agreement may be amended by written agreement between the two Contracting Parties. These amendments will enter to force in accordance with procedure prescribed in paragraph 1 of this Article.

Article 15. Duration and Termination

1. This Agreement shall remain in force for a period of ten (10) years and shall continue in force thereafter for a period of five (5) years unless, one year before the expiration of the initial or any subsequent period, either Contracting Party notifies to the other Contracting Party of its intention to terminate the Agreement.

The notice of termination shall become effective one year after it has been received by the other Contracting Party.

2. With respect to investments made prior to the date when the notice of termination of this Agreement become effective, the provisions of this Agreement shall continue to be effective for a period of ten years from the date of termination of this Agreement.

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

Done in Doha on 7/11/2016, in two original versions, in Serbian, Arabic and English languages, all texts being equally authentic. In case of divergence in interpretation, the English text shall prevail.

For the Government of the Republic of Serbia

For the Government of the State of Qatar