

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF CAMEROON AND THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT ON THE RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the Republic of Cameroon and

The Government of the Arab Republic of Egypt hereinafter referred to as "the Contracting Parties";

Desiring to create favorable conditions for investments by investors of one of the Contracting Parties in the territory of the other Contracting Party

Recognizing that the mutual encouragement, promotion and protection of such investments may facilitate business contacts of investors and contribute to the prosperity of both States;

Desiring to intensify economic cooperation between the two States on the basis of equality and mutual benefit;

Have agreed as follows:

Article 1. Definitions

For the purposes of this Agreement:

1. The term "investment" means assets of any kind invested before or after the entry into force of this Agreement, by the investor of one of the Contracting Parties, in accordance with the legislation of each of the Contracting Parties in the territory or maritime zones of the latter, and more particularly, but not exclusively :

- a) movable and immovable property as well as all other real rights such as mortgages, pledges, usufructs and similar rights
- b) shares, securities and other forms of direct or indirect participation, even if a minority, in companies incorporated in the territory of one of the parties
- c) copyrights, trademarks, patents, licenses, trade names and any other industrial property rights, know-how and technical processes;
- d) monetary claims and rights to any other benefits of economic value;
- e) concessions granted in accordance with the law, in particular concessions for the cultivation, exploration, extraction or exploitation of natural resources.

No change in the legal form in which the assets and capital have been invested or reinvested shall affect their character as investments within the meaning of this Agreement.

2. The term "income" means amounts net of taxes derived from investments such as profits, interest, royalties or other legal income.

Income from the investment and any reinvestment shall enjoy the same protection as the investment.

3. The term "Investor" means :

- (a) Natural persons possessing the nationality of either Contracting Party;
- (b) any economic entity or legal person established in accordance with the legislation of either Contracting Party and having its principal place of business in its territory, or any economic entity or legal person controlled directly or indirectly by

nationals of either Contracting Party or by legal persons or economic entities having their principal place of business in the territory of either Contracting Party and established in accordance with its legislation.

4. The term "Territory" means the territory of the State of one of the Contracting Parties as well as its maritime zones.

5. "Maritime zones" means the marine and submarine areas over which the Contracting Parties exercise, in accordance with international law, sovereignty, sovereign rights or jurisdiction.

Article 2. Investment Promotion

1. Each Contracting Party shall admit and encourage, within the framework of its legislation and the provisions of this Agreement, investments made by investors of the other Party in its territory.

2. The two Contracting Parties undertake to facilitate the formalities for entry, residence and work permits for investors to carry out an investment in their respective territories in accordance with their legislation in force.

Article 3. Treatment of Investments

1. Each Contracting Party undertakes to accord in its territory to investments of investors of the other Party fair and equitable treatment no less favorable than that accorded to investments of its own investors in accordance with its laws and regulations, or to investments of investors of the most favored nation, whichever is more favorable.

2. Most-favored-nation treatment shall not, however, extend to privileges which a Contracting Party accords to investors of a State by virtue of its participation in or association with a free trade area, customs union, common market or other form of regional economic organization, or a similar international agreement or convention for the avoidance of double taxation in tax matters or any other convention relating to taxes.

Article 4. Protection of Investments

1. Investments made by investors of one of the Contracting Parties in the territory of the other Contracting Party shall enjoy full protection and security on the part of the latter. Each Contracting Party undertakes, without prejudice to its laws and regulations, to ensure that the management, maintenance, use, enjoyment or transfer in its territory of the investments of the other Contracting Party are not hindered by unjustified or discriminatory measures.

2. The extension, modification or transformation of an investment, carried out in accordance with the laws and regulations in force in the host country, shall be considered an investment.

3. The income from the investment and, in case of its reinvestment in accordance with the legislation of a Contracting Party, shall enjoy the same protection as the original investment.

Article 5. Expropriation and Indemnisation

1. Measures of nationalization, expropriation or any other form having the same effect or character (hereinafter referred to as expropriation), which may be taken by the authorities of one of the Contracting Parties against investments made by investors of the other Contracting Party, must meet the following conditions

(a) they are taken in the public interest;

(b) they shall be subject to a legal procedure;

(c) they shall not be discriminatory;

(d) they give rise to the payment of compensation.

2. The compensation referred to in paragraph 1 (d) of this article shall correspond to the market value of the investment concerned on the day before the measures are taken or made public.

Such compensation shall be paid without undue delay, shall be effectively realizable and shall be freely transferable.

3. Investors of a Contracting Party who have suffered losses in connection with their investments in the territory of the other Contracting Party as a result of war, national emergency, insurrection, riot or other similar events, shall be accorded by the latter Party treatment no less favourable than that accorded to investors of the more favoured nation with respect to restitution, compensation, indemnification or other relief.

Article 6. Transfers

1. Each Contracting Party in whose territory investments have been made by investors of the other Contracting Party shall guarantee the free transfer in convertible currency of the net liquid assets relating to such investments and in particular :

- (a) profits, dividends, interest, royalties and other current income;
- (b) sums required for the repayment of loans relating to the investment
- (c) proceeds from the sale or liquidation of the investment in whole or in part, including capital gains on the investment
- d) the indemnities due pursuant to Article 5;
- (e) salaries and other remuneration accruing to citizens of a Contracting Party who have been authorized to work in the territory of the other Contracting Party in connection with an investment.

2. The transfers referred to in paragraph 1 shall be made at the rate of exchange prevailing on the date of transfer.

Article 7. Subrogation

1. If under a legal or contractual guarantee covering non-commercial risks of investments, indemnities are paid to an investor of one of the Contracting Parties, the other Contracting Party recognizes the subrogation of the insurer in the rights of the indemnified investor.

2. In accordance with the guarantee given for the investment concerned, the insurer shall be entitled to assert all rights which the investor could have exercised if the insurer had not been subrogated.

3. The transfer of the sums resulting from the above subrogation shall be governed by the provisions of Article 6.

4. Any dispute between a Contracting Party and the insurer of an investment of the other Contracting Party shall be governed by the provisions of Article 9 of this Agreement.

Article 8. Settlement of Disputes between the Contracting Parties

1. Any dispute between the Contracting Parties concerning the interpretation or application of this Agreement shall be settled by diplomatic channels between the two Contracting Parties.

2. If the dispute cannot be settled through diplomatic channels within six months of the commencement of negotiations, it shall be submitted to an arbitral tribunal at the request of one of the Contracting Parties.

3. The said tribunal shall be constituted in the following manner: Each Contracting Party shall appoint an arbitrator, and the two arbitrators shall together appoint a third arbitrator who shall be a national of a third State having diplomatic relations with both Contracting Parties, as the chairman of the tribunal. The arbitrators shall be appointed within three months, the chairman within five months from the date on which one of the Contracting Parties has notified the other Contracting Party of its intention to submit the dispute to an arbitral tribunal.

4. If the time limits laid down in paragraph (3) above have not been observed, either Contracting Party shall invite the President of the International Court of Justice to make the necessary appointments. If the President of the International Court of Justice possesses the nationality of one of the Contracting Parties, or if he is prevented from exercising this function, the Vice-President of the International Court of Justice shall be invited to make the necessary appointments. If the Vice-President is a national of one of the Contracting Parties, or if he is prevented from exercising his mandate, the most senior member of the International Court of Justice who is not a national of any of the Contracting Parties shall be invited to make the said appointments.

5. The arbitral tribunal shall decide on the basis of the provisions of this Agreement and the rules and principles of international law. The decision of the tribunal shall be adopted by a majority of votes. It shall be final and binding on the Contracting Parties.

Article 9. Settlement of Investment Disputes

1. Any investment dispute between a Contracting Party and an investor of the other Contracting Party shall be settled as amicably as possible by consultations and negotiations between the Parties to the dispute.

2. If the dispute is not settled amicably by direct agreement between the parties to the dispute within six months from the date of written notification, the dispute shall be submitted, at the option of the investor, either

a) either to the competent court of the Contracting Party on whose territory the investment has been made

b) or for arbitration to the International Centre for Settlement of Investment Disputes (ICSID), established by the "Convention on the Settlement of Investment Disputes between States and Nationals of Other States", opened for signature in Washington, D.C. on March 18, 1965.

To this end, each of the Contracting Parties irrevocably agrees that any dispute concerning the amount of compensation for expropriation shall be submitted to this arbitration procedure. Other disputes shall be submitted to this procedure with the consent of both Parties.

c) or an Ad-Hoc Arbitral Tribunal which, failing any other arrangement between the Parties to the dispute, shall be constituted in accordance with the rules of arbitration of the United Nations Commission on International Trade Law (UNCITRAL).

3. No Contracting Party to a dispute may object, at any stage of the arbitration proceedings or of the execution of an arbitral award, to the fact that the investor, as an adverse party to the dispute, has received compensation for all or part of its losses under an insurance policy.

4. The arbitral tribunal shall decide the dispute on the basis of the national law of the Contracting Party to the dispute in whose territory the investment is located, as well as on the basis of the rules of conflict of laws, the provisions of this Agreement, the terms of any special agreements concluded with respect to the investment and the principles of international law.

5. Arbitral awards shall be final and binding on the parties to the dispute. Each Contracting Party undertakes to enforce such awards in accordance with its domestic law.

Article 10. Scope of Application

This Agreement shall also cover, upon its entry into force, investments made before its entry into force by investors of one of the Contracting Parties in the territory of the other Contracting Party, in accordance with its laws and regulations, but it shall not cover disputes which may arise before its entry into force.

Article 11. Final Provisions

1. Where a matter relating to investments is governed both by this Agreement and by the national legislation of one of the Contracting Parties or by existing international conventions or conventions to be entered into by the Parties in the future, the investors of the other Contracting Party may avail themselves of the provisions which are more favourable to them.

2. This Agreement shall enter into force 30 days after the date of receipt of the last of the two notifications relating to the internal completion by the two Contracting Parties of the required legislative procedures in their respective countries.

It shall remain in force for a period of ten years. It shall be tacitly renewed each time for a further period of ten years; each Contracting Party reserving the right to denounce it by written notification at least six months before the date of expiry of the current period of validity.

3. Upon the expiration of the validity of this Agreement, investments made while it was in force shall continue to enjoy the protection of its provisions for an additional period of five years.

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

Done at CAIRO on October 24, 2000 in two original copies, in the Arabic and French languages, both texts being equally authentic.

FOR THE GOVERNMENT OF THE REPUBLIC OF CAMEROON

FOR THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT