AGREEMENT BETWEEN THE GOVERNMENT OF THE STATE OF QATAR AND THE GOVERNMENT OF THE REPUBLIC OF TURKEY CONCERNING THE RECIPROCAL PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the State of Qatar and the Government of the Republic of Turkey, hereinafter called the Contracting Parties.

Desiring to promote greater economic cooperation between them, particularly with respect to investments by investors of one Contracting Party in the territory of the other Contracting Party,

Recognizing that agreement upon the treatment to be accorded such investments will stimulate the flow of capital and technology and the economic developments of the 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 and

Having resolved to conclude of agreement concerning the reciprocal encouragement and protection of investments,

Hereby agree as follows:

Article 1. Definitions

For the purpose of this Agreement and unless otherwise stated in this Agreement:

1. The term "investor" means:

(a) Natural persons deriving their status as nationals of either Contracting Party according to its applicable law,

(b) Corporations, firms, business associations or government entities incorporated or constituted under the law in force of either of the Contracting Parties and having their headquarters in the territory of that Contracting Party.

2.

(a) The term "investment" means every kind of assets and in particular, but not exclusively:

(i) Stocks or any other form of participation in companies,

(ii) Returns reinvested, claims to money or other rights having financial value relating to an investment,

(iii) Movable and immovable property as well as any other rights or mortgages, liens, pledges and any other similar rights as defined in conformity with the laws and regulations of the Contracting Party in whose territory the property is situated,

(iv) Industrial and intellectual property rights, patents, industrial designs, trademarks, goodwill, know-how and any other similar rights,

(v) Business concessions conferred by law or by contract, including the concessions related to natural resources.

(b) The investment shall refer to all direct investments made in accordance with the laws and regulations in the territory of the Contracting Party where the investments are made, and covers all investments made in the territory of a Contracting Party before or after entry into force of this Agreement.

3. The term "returns" means the amounts yielded by an investment and includes in particular, though not exclusively, profit, interests and dividends.

4. The term "Territory" means

In respect of the State of Qatar, the term "territory" means the territory of the State of Qatar and its maritime areas which includes the territorial sea and the continental shelf over which the State of Qatar in accordance with international law exercises sovereignity and sovereign or jurisdictional rights.

In respect of the Republic of Turkey, the term "territory" means the territory of the Republic of Turkey, territorial sea as well as maritime areas over which it has jurisdiction or sovereign rights for the purpose of exploring, exploiting, conserving and managing natural resources, pursuant to international law.

Article II. Promotion and Protection of Investments

1. Each Contracting Party shall permit in its territory investments, and activities associated therewith, on a basis no less favourable than that accorded in similar situations to investments of investors of any third country, within the framework of its laws and regulations.

2. Each Contracting Party shall accord to these investments, once established, treatment no less favourable, than that accorded in similar situations to investments of its investors or to investments of investors of any third country, whichever is the most favourable.

3. Subject to the laws and regulations of the Contracting Parties relating to the entry, sojourn and employment of aliens;

(a) Nationals of either Contracting Party shall be permitted to enter and to remain in the territory of the other Contracting Party for the purpose of establishing, developing, administering or advising on the operation of an investment to which they, or an investor of the first Contracting Party that employs them, have committed or are in the process of committing a substantial amount of capital or other resources,

(b) Companies which are legally constituted under the applicable laws and regulations of one Contracting Party, and which are investments of investors of other Contracting Party, shall be permitted to engage managerial and technical personnel of their choice, regardless of nationality.

4. The provisions of this Article shall have no effect in relation to following agreements entered into by either of the Contracting Parties:

(a) Relating to any existing or future customs unions, regional economic organization or similar international agreements,

(b) Relating wholly or mainly to taxation.

Article III. Expropriation and Compensation

1. Investments shall not be expropriated, nationalized or subject, directly or indirectly, to measures of similar effects except for a public purpose, in a non-discriminatory manner, upon payment of prompt, adequate and effective compensation, and in accordance with due process of law and the general principles of treatment provided for in Article II of this Agreement.

2. Compensation shall be equivalent to the real market value of the expropriated investment before the expropriatory action was taken or became known. Compensation shall be paid without undue delay and be freely transferable.

3. Investors of either Contracting Party whose investments suffer losses in the territory of the other Contracting Party owing to war, insurrection, civil disturbance or other similar events shall be accorded by such other Contracting Party treatment not less favourable than that accorded to its own investors or to investors of any third country, whichever is the most favourable treatment, as regards any measures it adopts in relation to such losses.

Article IV. Repatriation and Transfer

1. Each Contracting Party shall permit all transfers related to an investment to be made freely and without unreasonable delay into and out of its territory. Such transfers include:

(a) Returns,

(b) Proceeds from the sale or liquidation of all or any part of an investment,

(c) Compensation pursuant to Article III,

(d) Reimbursements and interest payments deriving from loans in connection with investments,

(e) Salaries, wages and other remunerations received by the employees of one Contracting Party who have obtained in the

territory of the other Contracting Party the corresponding work permits relative to an investment,

(f) Payments arising from an investment dispute.

2. Transfers shall be made in the convertible currency in which the investment has been made or in any convertible currency if so agreed by the investor and at the rate of exchange in force at the date of transfer.

Article V. Subrogation

1. If the investment of an investor of one Contracting Party is insured against non-commercial risks under a system established by law, any subrogation of the insurer which stems from the terms of the insurance agreement shall be recognized by the other Contracting Party.

2. The insurer shall not be entitled to exercise any rights other than the rights which the investor would have been entitled to exercise.

3. Legal disputes between a Contracting Party and of insurer shall be settled in accordance with the provisions of Article IX of this Agreement.

Article VI. Derogation

This agreement shall not derogate from:

(a) Laws and regulations, administrative practices or procedures or administrative or judicatory decisions of either Contracting Party,

(b) International legal obligations, or

(c) Obligations assumed by either Contracting Party, including those contained in of investment agreement or of investment authorization, that entitle the investments or associated activities to treatment more favourable than that accorded by this Agreement in similar situations.

Article VII. Preclusion

1. This Agreement shall not preclude the application by either Contracting Party of measures necessary for the maintenance of public order and morals, the fulfillment of its obligations with respect to the maintenance or restoration of international peace or security, or the protection of its own essential security interests.

2. This Agreement shall not preclude either Contracting Party from prescribing special formalities in connection with the establishment of investments, but such formalities shall not impair the substance of any of the rights set forth in this Agreement.

Article VIII. Consultation

The Contracting Parties agree to consult promptly, on the request of either, to resolve any dispute in connection with the Agreement or to discuss any matter relating to the application or interpretation of the Agreement.

Article IX. Settlement of Disputes between an Investor of One Contracting Party and the other Contracting Party

1. Any legal disputes arising directly out of an investment between an investor of one Contracting Party and the other Contracting Party shall be settled amicably between the two parties concerned.

2. If this dispute has not been settled within a period of six months from the date at which it was raised in writing by one or other parties to the dispute, it shall be submitted, at the request and choice of either party, for settlement to:

(a) The competent court of the Contracting Party in the territory of which the investment has been made; or

(b) The International Center for Settlement of Investment Disputes (ICSID) provided by the "Convention on Settlement of Investment Disputes Between States and Nationals of other States", done at Washington on March 18, 1965, if this convention is applicable; or

(c) An ad hoc court of arbitration laid down under the Arbitration Rules of Procedure of the United Nations Commission for International Trade Law (UNCITRAL),

Either party to the investment dispute who chooses one of the above mentioned ways of the settlement of dispute, cannot follow the two other ways.

3. The arbitration shall be based on:

(a) The provisions of this Agreement;

(b) The national laws and regulations of the Contracting Party in whose territory the investment was made, including the rules relative to conflicts of law.

4. The arbitration awards shall be final and binding for all Contracting Parties in dispute. Each Contracting Party commits itself to execute the award according to its national law.

5. The arbitral tribunal shall interpret its award at the request of either Party. Unless otherwise agreed by the Parties, the venue of arbitration is the Hague, the Netherlands.

6. The Contracting Party which is a party to the dispute shall, at no time whatsoever during the procedures involving investment disputes, assert as a defence, its immunity or the fact that the investor has received compensation under an insurance contract covering the whole or part of the incurred damage or loss.

Article X. Settlement of Disputes between the Contracting Parties

1. The Contracting Parties shall seek in good faith and a spirit of cooperation a rapid and equitable solution to any dispute between them concerning the application and interpretation of this Agreement. In this regard, The Contacting Parties agree to engage in direct and meaningful negotiations to arrive at such solutions. If the Contracting Parties cannot reach an agreement within six months after the beginning of the dispute between themselves through the foregoing procedure, the dispute may be submitted, upon the request of either Contracting Party, to an arbitral tribunal of three members.

2. Within two months of receipt of a request, each Contracting Party shall appoint an arbitrator. The two arbitrators shall select a third arbitrator as Chairman, who is a national of a third State who has diplomatic relations with both of the Contracting Parties. In the event either Contracting Party fails to appoint an arbitrator within the specified time, the other Contracting Party may request the President of the International Court of Justice to make the appointment.

3. If both arbitrators cannot reach an agreement about the choice of the Chairman within two months after their appointment, the Chairman shall be appointed upon the request of either Contracting Party by the President of the International Court of Justice.

4. If the President of the International Court of Justice is prevented from carrying out the said function or if he is a national of either Contracting Party, the appointment shall be made by the Vice- President, and if the Vice-President is prevented from carrying out the said function or if he is a national of either Contracting Party, the appointment shall be made by the most senior member of the Court who is not a national of either Contracting Party.

5. The arbitral tribunal shall, have one month from the date of the selection of the Chairman, to agree upon rules of procedure consistent with the other provisions of this Agreement. If within one month the arbitral tribunal has not fixed its rules of procedure, the rules of UNCITRAL shall be applicable.

6. Unless otherwise agreed, all submissions shall be made and all hearings shall be completed within eight months of the date of selection of the third arbitrator, and the tribunal shall render its decision within two months after the date of the final submissions or the date of the closing of the hearings, whichever is latter. The arbitral tribunal shall reach its decisions, which shall be final and binding, by a majority of votes.

7. The tribunal with respect to the dispute issue shall apply the rules of this Agreement. The venue of arbitration shall be the Hague, the Netherlands.

8. Expenses incurred by the Chairman, the other arbitrators, and other costs of the proceedings shall be paid for equally by the Contracting Parties. The tribunal may, however, at its discreation, decide that a higher proportion of the costs be paid by one of the Contracting Parties.

9. A dispute shall not be submitted to an international arbitration court under the provisions of this Article, if the same dispute has been brought before another international arbitration court under the provisions of Article IX and is still before the court. This will not impair the engagement in direct and meaningful negotiations between both Contracting Parties.

Article XI. Entering Into Force

1. This Agreement shall enter into force on the date on which the exchange of instruments of ratification has been completed. It shall remain in force for a period of ten years and shall continue in force for an unlimited period unless terminated in accordance with paragraph 2 of this Article. It shall apply to investments existing at the time of entry into force as well as to investments made or acquired thereafter.

2. Either Contracting Party may, by giving one year's written notice to the other Contracting Party, terminate this Agreement at the end of the initial ten year period or at any time thereafter.

3. This Agreement may be amended by written agreements between the Contracting Parties. Any amendment shall enter into force when each Contracting Party has notified the other that it has completed all internal requirements for entry into force of such amendments.

4. With respect to investments made or acquired prior to the date of termination of this Agreement and to which this Agreement otherwise applies, the provisions of all of the other Articles of this Agreement shall thereafter continue to be effective for a further period of ten years from such date of termination.

IN WITNESS WHEREOF, the respective plenipotentiaries have signed this Agreement.

Done at Ankara on the day of 25 December 2001, in the Arabic, Turkish and English languages all of which are equally authentic.

In case of divergence of interpretation the English text shall prevail.

FOR THE GOVERNMENT OF THE STATE OF QATAR

FOR THE GOVERNMENT OF THE REPUBLIC OF TURKEY