

# AGREEMENT BETWEEN THE GOVERNMENT OF THE STATE OF QATAR AND THE GOVERNMENT OF THE REPUBLIC OF COSTA RICA FOR THE PROMOTION AND RECIPROCAL PROTECTION OF INVESTMENTS

The Government of the State of Qatar and the Government of the Republic of Costa Rica, hereinafter referred to as the "Contracting Parties";

Desiring to create favorable conditions for further investment by investors of one Contracting Party in the territory of the other Contracting Party;

Recognizing that the promotion and protection of these investments will stimulate capital and technology flows between the two Contracting Parties in the interest of economic development;

Have agreed as follows:

## Article 1. Definitions

For the purposes of this Agreement and unless otherwise noted, the following words and terms shall have the corresponding meanings:

(1) **"Investor"** means

a) with respect to the State of Qatar:

(i) natural persons who derive their status as nationals of the State of Qatar in accordance with their applicable laws;

(ii) corporations, companies, firms or trade associations incorporated or incorporated under the law in force in the State of Qatar and having their head office in the territory of the State of Qatar.

b) with respect to the Republic of Costa Rica:

(i) natural persons who derive their status as nationals of the Republic of Costa Rica in accordance with their applicable laws and regulations;

(ii) corporations, companies, firms or trade associations incorporated or constituted under the laws and regulations of the Republic of Costa Rica and having their headquarters in the territory of the Republic of Costa Rica.

With respect to either Contracting Party, a natural person who is a national dual shall be deemed to be exclusively a national of the State of his dominant and effective nationality.

(2) **"Investment"** means any type of asset established or acquired, including changes in the form of such investment, in accordance with the national laws and regulations of the Contracting Party in whose territory the investment is made and in particular, but not exclusively, It includes:

a) movable and immovable property as well as other real rights such as mortgages, liens or gifts;

b) shares and capital and obligations of a company and any other similar form of participation in a company;

c) credits or any other contractual obligation that has financial value;

d) intellectual property rights in accordance with the relevant laws and regulations of the respective Contracting Party;

e) business concessions granted by law or under contract, including concessions for the search and extraction of oil and other natural resources.

(3) "**Gains**" means the monetary amounts generated by an investment and includes, but not limited to, profits, interests, capital gains, dividends, royalties and fees. Reinvested earnings will have the same protection as an investment.

(4) "**Territory**"

a) With respect to the State of Qatar: means the territory of the State of Qatar, its inland and territorial waters, including its soil and subsoil, airspace over them, the exclusive economic zone and the continental shelf, over which the State Of Qatar exercises its sovereignty and sovereign rights in accordance with the provisions of international law and the domestic laws and regulations of Qatar.

b) With respect to the Republic of Costa Rica: means the territory of the Republic of Costa Rica, its inland and territorial waters, including its soil and subsoil, the airspace over them, the exclusive economic zone and the continental shelf, over That the Republic of Costa Rica exercises its jurisdiction, sovereignty and sovereign rights in accordance with the provisions of international law and the domestic laws and regulations of Costa Rica.

## **Article 2. Scope of the Agreement**

This Agreement shall apply to all investments made by investors of any Contracting Party in the territory of the other Contracting Party, accepted as such in accordance with their laws and regulations, before or after the entry into force of this Agreement, but not Shall apply to any investment dispute that may arise prior to its entry into force.

## **Article 3. Promotion and Protection of Investment**

(1) Each Contracting Party shall encourage and create favorable conditions for investors of the other Contracting Party to invest in its territory and shall admit such investments in accordance with its laws and regulations.

(2) The investments and profits of the 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 in accordance with customary international law.

## **Article 4. National Treatment and More Favored Nation Treatment**

(1) Each Contracting Party shall accord to investments of investors of the other Contracting Party treatment no less favorable than that accorded to its investments or investments of investors of any third State.

(2) In addition, each Contracting Party shall accord to investors of the other Contracting Party, including with respect to the proceeds of its investments, treatment no less favorable than that accorded to investors of any third State.

(3) The provisions stipulated in the preceding paragraphs shall not be construed to oblige any Contracting Party to extend to the investors of the other Contracting Party the benefit of any treatment, preference or privileges granted by any Contracting Party to the Investors of a third State by virtue of their participation in any of the following:

a) agreements relating to any customs unions, free trade areas, regional economic organizations or similar or existing international agreements;

b) any international agreement or agreement related totally or partially to tax matters;

c) any bilateral investment agreement.

## **Article 5. Expropriation and Compensation**

(1) The investment shall not be subject, directly or indirectly, to any act of expropriation or nationalization or to any other procedure having a similar effect, unless it is for a public interest purpose; on a non-discriminatory basis; in accordance with due process of law; and by prompt, adequate and effective payment of compensation.

(2) Such compensation shall be equivalent to the fair market value of the investment expropriated at the time of its expropriation or declaration. The compensation shall be paid without delay and shall be freely transferable, and shall include interest at a fair and equitable rate from the date of dispossession of the expropriated investment to the date of payment.

(3) Subject to the rights of the investor under Article (8) of this Agreement, the affected investor shall be entitled, under the laws and regulations of the Contracting Party conducting the expropriation, to review by a judicial or other authority

Independent authority of that Party, the valuation of its investment or its compensation in accordance with the principles established in this Article.

(4) Investors of one Contracting Party whose investments in the territory of the other Contracting Party suffer losses as a result of war or other armed conflict, a state of national emergency or civil unrest in the territory of the latter Contracting Party shall be accorded by the latter Contracting Party, with respect to restitution, compensation, compensation or other agreements, treatment no less favorable than that accorded by the latter Contracting Party to its own investors or to investors of any third State. The resulting payments shall be freely transferable.

## **Article 6. Repatriation of Investments and Gains**

(1) Each Contracting Party, in accordance with its laws and regulations, shall permit all payments of an investor of the other Contracting Party relating to an investment in its territory to be freely transferred, without delay and on a non-discriminatory basis. These payments include:

- a) capital and additional amounts of capital used to maintain and increase investment;
- b) gains;
- c) payments of any loan including interest, related to the investment;
- d) amounts obtained from the sale of its shares;
- e) amounts received by investors in case of sale or partial sale or liquidation;
- f) income of citizens / nationals of one Contracting Party 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 Article (5) of this Agreement.

(2) Each Contracting Party shall ensure that transfers under paragraph (1) of this Article are made in freely convertible currency. Such transfer shall be made at the exchange rate prevailing in the market on the date of transfer.

## **Article 7. Subrogation**

When a Contracting Party or its designated agency has guaranteed any compensation against non-commercial risks with respect to an investment of any of its investors in the territory of the other Contracting Party and made payments to such investors in respect of their claims under this Agreement, the other Contracting Party agrees that the first Contracting Party or its designated agency is entitled under the subrogation to exercise the rights and assert the claims of such investors. Subrogated rights or claims shall not exceed the original rights or claims of such investors.

## **Article 8. Solution of Disputes between a Contracting Party and an Investor of the other Contracting Party**

(1) Any dispute over investment under the provisions of this Agreement, arising directly from an investment between any Contracting Party and an investor of the other Contracting Party, shall be settled amicably between them. The dispute shall be notified in writing by the investor of the Contracting Party.

(2) If such disputes can not be settled pursuant to paragraph (1) of this Article within six months from the date of written notice to the Contracting Party, the investor may submit the dispute to:

- a) the competent court of the host Contracting Party; or
- b) the International Center for Settlement of Investment Disputes (ICSID) established under the Convention on the Settlement of Investment Disputes between States and Nationals of Other States of March 18, 1965, signed in Washington, DC, provided that both Parties Contracting Parties are parties to the ICSID Convention; or
- c) the ICSID Supplementary Mechanism Regulation, provided that one or both of the Contracting Parties is a party to the ICSID Convention; or
- d) an Ad Hoc Arbitral Tribunal in accordance with the Arbitration Rules of the United Nations Commission on International

Trade Law (UNCITRAL).

In the case of arbitration under paragraphs (2) (b) to (2) (d), the investor shall require the written consent of the Contracting Party which is a party to the dispute as a condition for submitting the dispute under ICSID or UNCITRAL.

An investor who has submitted a dispute to the competent court of the host Contracting Party pursuant to paragraph (2)(a) of this Article or to an arbitral tribunal referred to in paragraphs (2)(b) to (2)(d) shall not have the right to pursue its case in any other court or arbitral tribunal. The investor's choice of court or arbitral tribunal is final and binding.

(3) The arbitral award shall be based on the provisions of this Agreement; The laws and regulations of the Contracting Party which is a party to the dispute, including its conflict of laws rules, and customary international law. The arbitral award shall be final and binding and each Contracting Party shall ensure the recognition and enforcement of the arbitral award in accordance with its laws and regulations.

## **Article 9. Settlement of Disputes between the Contracting Parties**

(1) The two Contracting Parties shall endeavor, in good faith and with mutual cooperation, to reach a prompt and fair settlement of any disputes arising between them concerning the interpretation or execution of this Agreement. In this regard, the two Parties agree to initiate direct objective negotiations to achieve this solution. If the dispute has not been settled within a period of six months from the date on which the matter was raised by any Contracting Party, it may be submitted at the request of any Contracting Party to an Arbitral Tribunal composed of three members.

(2) Within two months from the date of receipt of such request, each Contracting Party shall appoint an arbitrator and the two designated arbitrators shall designate, within a period of two months and with the approval of both Contracting Parties, a national Third country as President of the Court.

(3) If, within the periods specified in paragraph (2) of this Article, the necessary designations have not been made, each Contracting Party may, in the absence of any other agreement; Invite the President of the International Court of Justice to make any necessary appointments. If for any other reason he can not fulfill this function, the Vice President will be invited to make the necessary appointments. If the Vice-President is a national of any Contracting Party, or if he is unable to fulfill that function, the member of the International Court of Justice who follows him in seniority who is not a national of any Contracting Party shall be invited to make the necessary appointments.

(4) The Arbitral Tribunal shall reach its decision by a majority of votes. Such decisions shall be final and binding on both Contracting Parties. The Arbitral Tribunal shall base its decision on the relevant provisions of this Agreement and in accordance with international law. Each Contracting Party shall bear the cost of its member of the tribunal and its representation in arbitral proceedings; The cost of the President and the remaining costs shall be borne in equal parts by the Contracting Parties. The Arbitral Tribunal shall determine its rules of procedure, unless the Contracting Parties agree otherwise.

## **Article 10. Stay and Sojourn of Personnel**

Each Contracting Party shall, subject to its laws and regulations relating to the entry, stay and employment of natural persons, examine in good faith and give due consideration, without distinction of nationality, to requests of key personnel who are temporarily employed for the purposes Investment in its territory. This Agreement shall not apply to measures affecting natural persons seeking to enter the labor market of a Contracting Party, nor shall it apply to measures on citizenship, residence or employment on a permanent basis.

## **Article 11. Applicable Laws**

(1) All investments shall be governed by the laws and regulations of the territory of the Contracting Party in which such investments are made.

(2) Notwithstanding paragraph (1) of this Article, nothing in this Agreement precludes the host Contracting Party from taking action for the protection of its essential public safety or public order interests or morals that affect public order or emergency circumstances Extreme in accordance with its laws and regulations applied normally and reasonably on a non-discriminatory basis.

## **Article 12. Application of other Rules**

If the provisions of the laws and regulations of any Contracting Party or international obligations existing or subsequently

established between the Contracting Parties in addition to this Agreement contain a rule, general or specific, which grants investments of investors of the other Contracting Party a Treatment more favorable than that granted by this Agreement, such rule shall prevail over this Agreement to the extent that it is more favorable.

### **Article 13. Entry Into Force**

This Agreement shall enter into force on the date of receipt by the Contracting Parties of the last written notification confirming the completion of their respective internal procedures required for the entry into force of this Agreement.

### **Article 14. Duration and Termination**

(1) This Agreement shall remain in force for a period of ten years and thereafter shall be deemed automatically extended unless either Contracting Party grants to the other Contracting Party written notice of its intention to terminate the Agreement. The Agreement shall be terminated one year from the date of receipt of such written notice.

(2) Notwithstanding termination of this Agreement under paragraph (1) of this Article, the Agreement shall continue to be effective for an additional period of ten years from the date of termination with respect to investments made or acquired prior to The date of termination of this Agreement.

(3) This Agreement may be amended by written agreement between the two Contracting Parties. Any amendment shall enter into force on the date on which it is received by the Contracting Parties, the last written notification confirming the completion of their respective internal procedures required for the entry into force of said amendment.

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

Done in Costa Rica on 25 January 2010 in two originals in Arabic, English and Spanish each, each text being equally authentic, in case of any divergence the English text shall prevail.

For the Government of the State of Qatar

For the Government of the Republic of Costa Rica