CONVENTION BETWEEN THE GOVERNMENT OF THE ARAB REPUBLIC OF EGYPT AND THE GOVERNMENT OF THE CENTRAL AFRICAN REPUBLIC ON THE RECIPROCAL ENCOURAGEMENT AND PROTECTION OF INVESTMENTS

The Government of the Arab Republic of Egypt

And

The Government of the Central African Republic,

Hereinafter referred to as "the Contracting Parties";

DESIRING to strengthen their economic cooperation by creating favorable conditions for the realization of investments by investors of one of the Contracting Parties in the territory of the other Contracting Party;

CONSIDERING the beneficial influence that such a Convention could have in improving business contacts and strengthening confidence in the field of investment;

RECOGNIZING the need to encourage and protect foreign investment in order to promote the economic prosperity of both Contracting Parties;

HAVE AGREED AS FOLLOWS:

Article 1. Definitions

For the purposes of this Agreement:

1. The term "investment" means any asset and any direct or indirect contribution in any company or enterprise in any sector of economic activity, including, but not limited to

but not exclusively:

a. movable and immovable property, as well as any other real rights such as mortgages, pledges, real securities, usufruct and similar rights;

b. shares and other forms of participation in enterprises;

c. receivables and rights to all benefits having an economic value;

d. copyrights, trademarks, patents, technical processes, trade names and any other industrial property rights, as well as goodwill;

e. concessions under public law, including concessions for research, extraction and 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 Convention.

Such investments shall be made in accordance with the laws and regulations in force in the host country.

If the investment is made by an investor through an organization referred to in paragraph (2)(C) below in which it has an equity interest, such investor shall enjoy the benefits of this Convention to the extent of such indirect interest provided, however, that such benefits shall not accrue to it if it invokes the dispute settlement mechanism provided for in another Convention for the protection of foreign investments concluded by a Contracting Party in whose territory the investment is

made.

2. The term "investor" means

a. any natural person having Egyptian or Central African nationality under the legislation of the Arab Republic of Egypt or the Central African Republic and constituted in accordance with Egyptian or Central African legislation respectively and making an investment in the territory of the other Contracting Party

b. any legal entity having its registered office in the territory of the Arab Republic of Egypt or the Central African Republic and established in accordance with the Egyptian or Central African legislation respectively and making an investment in the territory of the other Contracting Party;

c. legal entities, established in accordance with the legislation of any country, which are controlled, directly or indirectly, by nationals of a Contracting Party or by legal entities having their seat, together with actual economic activities, in the territory of that Contracting Party; it is understood that control requires a significant share of ownership.

3. The term "income" means amounts net of taxes derived from an investment, including but not limited to profits, interest, dividends and license fees.

4. The term "territory" means the national territory and territorial waters of each Contracting Party as well as the economic zone and continental extension outside the limits of the territorial waters of each Party over which they have rights and authorities under international law.

Article 2. Promotion and Protection of Investments

1. Each Contracting Party shall encourage investments in its territory by investors of the other Contracting Party and shall admit such investments in accordance with its laws and regulations.

2. Investments made by investors of one of the Contracting Parties in the territory of the other Contracting Party shall enjoy, on the part of the latter, fair and equitable treatment and, subject to the measures strictly necessary for the maintenance of public order, full protection and security. Each Contracting Party undertakes to ensure that the management, maintenance, use, enjoyment and transfer in its territory of the investments of the other Contracting Party are not hindered by unjustified and discriminatory measures.

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

Article 3. Treatment of Investments

1. Each Contracting Party shall ensure in its territory fair and equitable treatment for investors of the other Contracting Party, which shall not be less favourable than that which it accords to the investments of its own investors or to the investments of the most favoured nation, whichever is more favourable.

2. Each Contracting Party shall provide in its territory to investors of the other Contracting Party treatment not less favourable than that it accords to its own investors or to investors of the most favoured nation in respect of activities related to their investments, whichever is more favourable.

3. Most-favored-nation treatment shall not apply to privileges which a Contracting Party grants to investors of a third State by virtue of its participation in or control of that State. by virtue of its participation in or association with a free trade area, economic or customs union, common market or any other form of regional economic organization regional economic organization, or a similar international agreement or Convention for the Avoidance of Double Taxation tax matters or any other convention on tax matters. tax matters.

Article 4. Expropriation and Compensation

1. Measures of nationalization, expropriation or any other measure having the same effect or character which may be taken by the authorities of one of the Contracting Parties against the investors of the other Contracting Party shall in no case be discriminatory or motivated by reasons other than those considered to be in the public interest.

2. The Contracting Party which has taken such measures shall pay to the entitled party, without undue delay, fair and equitable compensation in an amount corresponding to the market value of the investment concerned on the day before the measures are taken or made public.

3. Arrangements for the determination or payment of the compensation shall be made promptly at the latest at the time of expropriation. In the event of delay in payment, the compensation shall bear interest at market rates from the date it is due. The compensation shall be paid to the investors in convertible and freely transferable currency.

Article 5. Compensation for Losses

Investors of one of the Contracting Parties whose investments suffer damage or loss due to war or any other armed conflict, revolution, state of national emergency, revolt, insurrection or any other similar event in the territory of the other Contracting Party shall receive from the latter non-discriminatory treatment at least equal to that accorded to its own investors or to investors of the other Contracting Party, shall be accorded by the latter a non-discriminatory treatment at least equal to that accorded to its own investors or to the investors of the most favoured nation as regards restitution, compensation, indemnification or other damages, whichever is the more favourable.

Article 6. Transfers

1. Each Contracting Party in whose territory investments have been made by investors of the other Contracting Party shall guarantee to such investors, after the fulfillment of tax obligations, the free transfer in convertible currency and without undue delay of the liquid assets relating to such investments, in particular:

a. capital or an additional amount to maintain or increase the investment;

b. current profits, dividends, interest, royalties and other income

c. sums required for the repayment of loans relating to the investment;

d. proceeds from a total or partial liquidation of the investment;

e. any compensation due pursuant to Articles 4 and 5;

f. an appropriate proportion of the wages 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 applicable on the date of transfer and in accordance with the exchange regulations in force.

3. The guarantees provided for in this Article shall be at least equal to those accorded to similarly situated investors of the most favored nation.

Article 7. Subrogation

1. If under a legal or contractual guarantee covering your non-commercial investment risks, compensation is paid to an investor of one of the Contracting Parties, the other Contracting Party recognizes the subrogation of the insurer in the investor's orders.

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

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

Article 8. Applicable Rules

Where a matter relating to investments is governed by both this Convention and the national legislation of national legislation of one of the Contracting Parties or by existing by existing International Conventions or by by the Parties in the future, the investors of the other Contracting Party of the other Contracting Party may avail themselves of the provisions provisions which are more favorable to them.

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 far as possible, amicably, by consultation and negotiation 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 its written notification, the dispute shall be submitted, at the option of the investor, either

a. either to the competent court of the Contracting Party in whose territory the investment is 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, signed in Washington on 18 March 1965.

To this end, each of the Contracting Parties irrevocably consents to the submission of any investment dispute to this arbitration procedure.

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 case on the basis of the national law of the Contracting Party, party to the dispute, in whose territory the investment is located, including the rules of conflict of laws, the provisions of this Convention, the terms of any special agreements which may be entered into 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. Settlement of Disputes between the Contracting Parties

1. Any dispute between the Contracting Parties concerning the interpretation or application of this Convention shall be settled as far as possible by diplomatic means.

2. Failing this, the dispute shall be submitted to a Joint Commission, composed of representatives of the Parties, which shall meet without delay at the request of the most diligent Party.

3. If the Joint Commission is unable to settle the dispute within six months of the commencement of negotiations, it shall be submitted to an arbitration tribunal at the request of one of the Contracting Parties;

4. The arbitration tribunal shall be constituted as follows: each Contracting Party shall appoint an arbitrator, and the two arbitrators shall jointly appoint a third arbitrator, who shall be a national of a third State, as President of the tribunal. The arbitrators shall be appointed within three (3) months, the President within five (5) 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 arbitration tribunal.

5. If the time limits laid down in paragraph (4) 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 does not possess 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.

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

7. The tribunal shall determine its own rules of procedure.

8. Each Contracting Party shall bear the costs of its arbitrator and his representation in the arbitration proceedings. The costs of the President and other costs shall be borne equally by the Contracting Parties.

Article 11. Implementation

This Convention shall also cover, as far as its future application is concerned, investments made in foreign currency, 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. However, this Convention shall not apply to disputes which may arise before its entry into force.

Article 12. Validity and Entry Into Force

1. This Agreement is concluded for a period of ten (10) years and is renewable by tacit agreement, unless one of the two Contracting Parties has, six (6) months prior to its expiration, notified the other Party in writing of its intention to terminate it.

2. Investments made prior to the date of expiration of this Convention shall remain subject to it for a period of ten (10) years from the date of expiration.

3. This Convention shall enter into force on the date of the last notification confirming the completion of the necessary constitutional procedures by both countries.

Done in Cairo on 7/2/2000 in two original copies in Arabic and French, both texts being equally authentic.

For the Government of the Arab Republic of Egypt

Dr. Ahmed Mahrous El Darsh

MINISTER OF PLANNING AND MINISTER OF STATE FOR INTERNATIONAL COOPERATION

For the Government of the Central African Republic

Jacob Mbaitadjim

MINISTER DELEGATED TO THE PRIME MINISTER IN CHARGE OF ECONOMY, PLANNING AND INTERNATIONAL COOPERATION