

AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF TAJKISTAN AND THE GOVERNMENT OF THE REPUBLIC OF MOLDOVA on the PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the Republic of Tajikistan and the Government of the Republic of Moldova, hereinafter referred to as "Contracting Parties"

Wishing to strengthen economic cooperation on a long term basis for the mutual benefit of both countries,

With the intention to create and maintain favorable conditions for investments of investors of one State in the territory of another state and,

Recognizing that the promotion and reciprocal protection of investments under this Agreement will contribute to the stimulation of business initiative in this field, Have agreed as follows:

Article 1. Definitions

For the purposes of this Agreement:

1. The term "investment" will cover any kind of asset invested in connection with economic activities by the investor of one Contracting Party in the territory of the other Contracting Party in accordance with the applicable laws and rules of the latter including, in particular, but not exclusively;

a) freely convertible currency or other foreign currency received by the Bank of the Contracting Parties and which are the object of bank operations;

b) movable and immovable property, as well as any other rights such as mortgage, right content, collateral for the loan and similar rights;

c) shares, stocks and debentures of legal persons or the property of these legal persons;

d) requirements concerning money or any performance obligations that have an economic value related investment;

e) intellectual property rights, including copyrights, trademarks, patents, industrial designs, technical processes, know-how, trade secrets, trade names associated with the investment;

f) any right conferred under the law or under contract and any licenses and permits, respectively law, including concessions for exploration, development and exploitation of natural resources.

Any change of the form in which assets are invested shall not affect their character as investments.

2. The term "investor" means any natural or legal person who invests in the territory of the other Contracting Party:

a) The term "natural person" means any natural person who is a citizen of either Contracting Party in accordance with its laws;

b) the term "juridical person" means with respect to any Contracting Party of any institution established in accordance with the laws of the State of either Contracting Party and who has the right to invest in the territory of the other Contracting Party.

3. The term "income" means money received as a result of investment and includes, in particular, but not exclusively, profits, interest, capital gains, shares, dividends, royalties, fees for services.

4. The term "territory" means with respect to each Contracting Party the territory under its sovereignty and the sea and submarine areas over which that Contracting Party and shall, in accordance with international law, sovereignty, sovereign

rights and jurisdiction.

Article 2. Promotion and Protection of Investments

1. Each Contracting Party shall encourage and create favorable conditions for investors of the other Contracting Party to make investments in its territory and admit such investments in accordance with its laws and regulations.
2. Investments of investors of either Contracting Party shall enjoy fair and equal treatment and receive the full protection and security in the territory of the other Contracting Party.

Article 3. National Treatment and Most Favored Nation Treatment

1. Each Contracting Party shall provide in its territory investments by investors of the other Contracting Party treatment which is fair and equitable and not less favorable than that which it accords to investments of its own investors or any third State, if this is more advantageous in accordance with the law Contracting Party in whose territory the investments.
2. Each Contracting Party shall in its territory to provide investors of the other Contracting Party in relation to the management, maintenance, use, income generation and disposal of their investments treatment which is fair and equitable and not less favorable than that it accords to its own investors or investors of any other state.
3. The provisions of paragraphs 1 and 2 of this article shall be construed so as to oblige one Contracting Party to extend to investors of the other Contracting Party the benefit of any treatment, preference or privilege which may be extended to the latter Contracting Party arising from:
 - a) any customs union or free trade area or a monetary union or similar international agreements that affect the investment mode of cooperation, or other forms of regional cooperation to which either Contracting Party is or may become;
 - b) any international agreement or arrangement relating wholly or mainly to taxation.

Article 4. Compensation for Losses

1. Where investments of investors of either Contracting Party suffer losses due to war, armed conflict, national emergency, revolution, insurrection, conspiracy, or other similar activities on the territory of the other Contracting Party, he shall be accorded the latter Contracting Party mode with respect to restitution, indemnification, compensation or other solutions, no less favorable than that which the latter Contracting Party accords to its own investors or investors of any third State.
2. Do not interfering with the conditions of paragraph 1 of this Article, investors of one Contracting Party who, during any event it was mentioned in that paragraph, suffer losses in the territory of the other Contracting Party, which arise as a result of:
 - a) requisitioning of their property by its forces or authorities;
 - b) destruction of their property by its forces or authorities which was not caused by military action or was not required essential situation will be given fair and adequate compensation for the losses incurred during the period of requisition or the destruction of property. Payments that arise, will be freely transferable in freely convertible currency without delay.

Article 5. Expropriation

1. Investments of investors of either Contracting Party shall not be nationalized, expropriated or subject to measures having effect equivalent to nationalization or expropriation (hereinafter referred to as "expropriation") in the territory of the other Contracting Party except for a public purpose. Expropriation is carried out in accordance with the legal proceedings, on a non-discriminatory basis and will be subject to conditions on the payment of immediate, adequate and effective compensation. Such compensation will be equal to the market price of the investment when the expropriation or the threat of expropriation was common knowledge, will include interest from the date of expropriation at a commercially motivated rate will be implemented without delay, it will be one that is implemented effectively and freely transferred in freely convertible currency.
2. The victim investor will be entitled to an immediate review of the judicial or other independent authority of that Contracting Party of his case and an assessment of its investments according to the principles set out in this article.
3. The provisions of paragraph 1 of this Article shall also be applied when a Contracting Party expropriates the assets of the company which received the status of a joint stock company, or established in accordance with the legislation in force in any

part of its own territory and in which investors of the other Contracting Party shall have the shares.

Article 6. Transfers of Funds

1. The Contracting Parties shall guarantee the transfer of payments relating to the investment and income, in accordance with the laws of the Contracting Parties. Translations payments will be made in a freely convertible currency at the market rate prevailing at the date of transfer, without any restrictions and without undue delay. Such transfers would include, in particular, but not exclusively:

- a) capital and additional sums of money to support or increase the investment;
- b) income, interest, dividends and other current income;
- c) funds for payment of the loan;
- d) royalties or fees for services;
- e) proceeds from the sale or liquidation of investments;
- f) earnings of natural persons in accordance with the laws and regulations of the Contracting Party in which the investment has been made.

2. For the purposes of this Agreement, exchange rates are official rates, in accordance with the laws of the Contracting Parties, which are valid for the current agreement on the date of transfer, unless agreed otherwise.

Article 7. Subrogation

1. If a Contracting Party or its designated mediator makes payments to its own investors under the guarantee that it provided in connection with an investment in the territory of the other Contracting Party, the latter Contracting Party shall recognize:

- a) the transfer, or by law or legal agreement that country, of any rights or the rights of the investor's requirements for the previous Contracting Party or its appointed mediator, as the fact
- b) that the former Contracting Party or its designated mediator has acquired the right to use the result of subrogation rights and to put forward this demand and the investor will assume the obligations associated with that investment.

2. The resulting subrogation rights or claims shall not exceed the rights and requirements of the investor.

Article 8. Application of this Agreement

In this Agreement may be amended and supplemented by agreement of the Contracting Parties, which are issued by the Protocol are an integral part of this Agreement and shall enter into force in accordance with the provisions of Article 12 of this Agreement.

Article 9. Settlement of Disputes between Contracting Parties

1. Disputes between the Contracting Parties concerning the interpretation or application of this Agreement shall be settled by mutual consultations and negotiations.

2. If such a dispute can not be thus settled within six months after it began, at the request of either Contracting Party, he will be transferred to the Court of Arbitration (the Economic Court) in accordance with the provisions of this article.

3. The Court of Arbitration (the Economic Court) will be created for each individual case in the following way: within two months after receipt of the application for an award, each Contracting Party shall appoint one member of the Court. These two members then elect a national of a third State who upon approval by the Contracting Parties will be appointed President of the Court (hereinafter referred to as the "Chairman"). The Chairman will be appointed within three months from the date of appointment of the other two members.

4. If during any of the periods specified in paragraph 3 of this Article the necessary appointments have not been made, either Contracting Party may, in the absence of other agreements, invite the President of the UN International Court of Justice to make the necessary appointments. If it turns out that he is a citizen of a Contracting Party, or if other reasons prevent him from discharging the said function, any Contracting Party shall address the Vice-President, to make the

necessary appointments. If it turns out that the Vice-President is also a national of either Contracting Party or is unable to discharge the said function, the member of the International Court of Justice next in seniority who does not have citizenship of any Contracting Party may, without barriers to fulfill the specified function, and make the necessary destination.

5. The arbitral tribunal (the investment tribunal) will reach its decisions by majority vote. Such decisions will be binding on the Contracting Parties. Each Contracting Party shall bear the expenses of its members with respect to the court and its representation in the arbitration proceedings; costs and expenses with respect to the Chairman, who remain, will be borne in equal parts by both Contracting Parties. The arbitral tribunal (the Economic Court) will determine its own procedure and may decide to determine which one of the Contracting Parties will bear most of the costs.

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

1. Any dispute which may arise between an investor of one Contracting Party and the other Contracting Party in connection with an investment in the territory of that Contracting Party will be subject to negotiation between the parties to the dispute.

2. If any dispute between an investor of one Contracting Party and the other Contracting Party can not be thus resolved during the period of six months from the date of the written request, the investor will be entitled to refer the case:

a) the International Centre for Settlement of Investment Disputes (ICSID), bearing in mind the relevant provisions of the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, which is open for signature at Washington, DC, March 18, 1965, when the two The Contracting Parties shall have become a party to this Convention, or

b) an international arbitrator or "ad-hoc" arbitral tribunal established under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL). The parties to the dispute may agree in writing to modify these Rules. The arbitration decision shall be final and binding on both parties to the dispute.

Article 11. Application of other Rules and Special Commitments

1. If the issue is governed both by this Agreement and other international agreements to which both Contracting Parties, nothing in this Agreement will not prevent the Contracting Parties or any of their investors, who own investments in the territory of the other Contracting Party, to take advantage of those rules, which are more favorable with respect to its case.

2. If the conditions that must be provided by one Contracting Party to investors of the other Contracting Party in accordance with its laws and regulations or other specific provisions of contracts is more favorable than that accorded by this Agreement, will be given more favorable.

Article 12. Entry Into Force, Duration and Termination

1. This Agreement shall enter into force on the date of receipt of the last written notification through diplomatic channels of the completion by the Contracting Parties of internal procedures necessary for its entry into force.

2. This Agreement is concluded for a period of 10 years. It shall be automatically renewed for successive five-year periods, unless either Contracting Party notifies in writing through diplomatic channels to the other Contracting Party not later than six months before the expiration of this Agreement, of its intention to denounce it.

3. With respect to investments made before the termination of this Agreement, its terms will be valid for a period of ten years from the date of denunciation.

Done at Dushanbe, November 5, 2002, in two original copies, each in the Tajik, Moldovan and Russian languages, all texts being equally authentic.

In case of divergence of interpretation or application and the provisions of this Agreement shall be based on the text in Russian.

For the Government of the Republic of Tajikistan

(signature)

For the Government of the Republic of Moldova

(signature)