Agreement on Trade, Promotion and Protection of Investments and Economic and Technical Cooperation between the Swiss Confederation and the Islamic Republic of Mauritania

The Government of the Swiss Confederation

And

The Government of the Islamic Republic of Mauritania,

Desiring to enhance the bonds of friendship between their two countries; desiring to develop economic and technical cooperation as well as trade between them, desiring to create favourable conditions for investment of capital,

Have agreed as follows:

Article 1. Economic and Technical Cooperation

The Government of the Swiss Confederation and the Government of the Islamic Republic of Mauritania undertake to cooperate and provide, in conformity with their legislation and within the limits of their possibilities, mutual assistance for the development of their countries, especially in the area of economic and technical.

Article 2. Most-favoured-nation Treatment

Each High Contracting Parties agree to grant each other the most favoured nation treatment with respect to tariffs and customs formalities.

However, the most-favoured-nation treatment does not extend to the privileges, exemptions and concessions that each of the contracting parties is or will be:

- In countries adjacent to frontier traffic;

- The countries with a customs, a customs union or association with a free trade area already established or which may be established in the future.

Article 3. Import Regime In Switzerland

The Government of the Swiss Confederation shall grant to imports of products originating in Switzerland of the Islamic Republic of Mauritania treatment no less favourable than that accorded to any third country, subject to the provisions of article 2.

Article 4. Import Regime In the Islamic Republic of Mauritania

The Government of the Islamic Republic of Mauritania grant to the import of products originating in Switzerland treatment no less favourable than that accorded to any third country, subject to the provisions of article 2.

Article 5. Payment Arrangements

Payments between the Swiss Confederation and the Islamic Republic of Mauritania, including the settlement of goods traded within the framework of this Agreement shall be made in convertible currencies.

Article 6. Promotion and Protection of Investments

Each Contracting Party shall promote as far as possible investment capital in its territory by nationals or companies, foundations, associations of the other Contracting Party and admit such investments in accordance with its legislation.

Investment as well as the property rights and interests belonging to nationals or companies, foundations, associations of one of the High Contracting Parties in the territory of the other party or indirectly held by those nationals or companies, foundations, associations will receive treatment which is fair and equitable and not less than that granted by each party to its nationals or, if it is more favourable treatment accorded to nationals or companies, foundations, associations most-favoured nation.

Each Party shall grant, in accordance with the legislation in force, the transfer of proceeds of labour or activity carried out in its territory by nationals or companies, foundations, associations of the other contracting party, as well as the transfer of profits, interest, dividends, royalties and other income, depreciation and, in the event of partial or total liquidation of the product.

If a party or nationaliserait expropriate property rights or interests belonging to nationals or companies, foundations, associations of the other party or indirectly held by those nationals or companies, foundations, associations, or will be taken against those nationals or companies associations, foundations, any other measures of dispossession, direct or indirect, it shall provide for the payment of adequate and effective compensation in accordance with international law.

The amount of such compensation shall be fixed at the time of expropriation, nationalization or dispossession, other shall be settled in a currency transferable and will be paid in Switzerland or in Mauritania without undue delay to the person entitled thereto, irrespective of their place of residence. However, the measures of expropriation, nationalization or dispossession other shall not be discriminatory, nor contrary to a specific commitment.

Article 7. Arbitration Clause for the Protection of Investments

If any dispute should arise between the contracting parties concerning the interpretation or the implementation of the provisions of Article 6 above and the dispute cannot be settled within a period of six months in a satisfactory manner through diplomatic channels, it shall be submitted, at the request of either party to an arbitral tribunal of three members. Each Party shall appoint an arbitrator. The two arbitrators appointed shall appoint the Umpire who shall be a national of a third State.

If a Party has not appointed its arbitrator and has not followed the invitation of the other party within two months of such appointment, the arbitrator shall be appointed by the latter Party upon request by the President of the International Court of Justice.

If the two arbitrators cannot reach an agreement within two months after their appointment, at the choice of an umpire, the latter shall be appointed upon the request of either party by the President of the International Court of Justice.

If in the cases specified in paragraphs 2 and 3 of this article, the President of the International Court of Justice is prevented or if he is a national of either party, the appointment shall be made by the Vice-President. If the latter is prevented or if he is a national of either party, the appointment shall be made by the most senior member of the Court who is not a national of either party.

Unless the Parties decide otherwise, the tribunal shall determine its own procedure.

The decisions of the Tribunal shall be binding on the parties.

Article 8. Implementation of the Agreement In Liechtenstein

Articles 2 to 5 of this Agreement shall apply to the Principality of Liechtenstein as long as it relates to the Swiss Confederation by a customs union treaty (1).

Article 9. Entry Into Force and Extension

This Agreement shall be applied provisionally upon signature and shall enter into force when the contracting parties will have notified each other of the completion of the constitutional formalities required for the conclusion and entry into force of international treaties.

It shall be renewed on a yearly basis tacitly renewed until either of the Contracting Parties has not reported by written notice of three months before its expiration.

In the event of denunciation, the provisions of articles 6 and 7 above apply even during six years for the investments made prior to the termination of the Agreement.

Done at Nouakchott on 9 September 1976 in two originals in the English language.

For the Government of the Swiss Confederation

E. Moser

For the Government of the Islamic Republic of Mauritania

Hasni Ould Didi