

AGREEMENT BETWEEN THE UNITED ARAB EMIRATES AND THE EASTERN REPUBLIC OF URUGUAY FOR PROMOTION AND PROTECTION RECIPROCAL OF INVESTMENTS

The United Arab Emirates and the Eastern Republic of Uruguay (hereinafter referred to as the "Contracting Parties")

Desiring to promote greater economic co-operation, with respect to investments made by investors of one Contracting Party in the territory of the other Contracting Party, on the basis of mutual benefit

Recognizing that an agreement for the reciprocal promotion and protection of investments will stimulate the flow of capital and the economic development of the Contracting Parties;

Accepting that a stable framework for investment will enhance the effective use of economic resources and improve living standards;

Desiring to achieve these objectives in a manner consistent with the protection of health, safety and the environment in line with public policy objectives;

Encouraging the sustainable development of the Contracting Parties

Have agreed as follows:

Article 1. Definitions

For the purposes of this Agreement:

1. The term "investor of a Contracting Party" means a natural or legal person of that Contracting Party which has made an investment in the territory of the other Contracting Party:

(a) a natural person means a national of a Contracting Party in accordance with its laws and regulations

(b) a legal person of a Contracting Party means any legal entity duly constituted or organised under the laws and regulations of that Contracting Party, whether for profit or not and whether public or private, such as a company, partnership, commercial association, sole proprietorship or other entity, having its headquarters (1) in the territory of that other Contracting Party, and carrying out significant business activities in the territory of that other Contracting Party;

2. The term "investment" (2) means any type of asset owned or controlled, directly or indirectly, by investors of one Contracting Party in the territory of the other Contracting Party in accordance with its laws and regulations, and shall include the following:

(a) movable and immovable property as well as any related property rights such as mortgages, pledges, usufruct;

(b) shares, capital stock and other forms of participation in companies;

(c) bonds, debentures, loans and other forms of debt and rights or interest derived therefrom;

(d) intellectual property rights, as defined in multilateral agreements concluded under the auspices of the World Intellectual Property Organization, to the extent that both Contracting Parties are parties thereto, including copyrights and related rights, industrial property rights, trademarks, patents, trade secrets, trade names and trade dress.

The investment is:

"owned" by an investor, if more than fifty percent of the equity interest benefits the investor;

"controlled" by an investor if the investor has the power to appoint the majority of its directors or otherwise legally direct its

shares;

Changes in the manner in which assets are invested will not affect their investment character, provided that such changes do not contradict the approvals granted, if any, to the assets originally invested.

Consequently, the investments will not be:

(i) financial claims arising exclusively from:

i.i) commercial contracts for the sale of goods or services by a national or legal entity in the territory of a Contracting Party to a legal entity in the territory of the other Contracting Party; or

i.ii) the extension of credit in connection with a commercial transaction, such as a financial exchange; or

(ii) any other pecuniary claim not involving the rate of interest set out in subparagraphs (a) to (d);

For greater certainty, to qualify as an investment, an asset must have the characteristics of an investment, such as the contribution of capital or other resources, the expectation of gain or profit, and the assumption of risk. Market share and expectation of profit are not in themselves considered an investment.

In the case of the United Arab Emirates, this Agreement shall not include natural resources.

In the case of the Eastern Republic of Uruguay, the exploration, exploitation and extraction of natural resources are conferred in accordance with the laws and regulations in force.

3. The term "national" means:

(a) for the United Arab Emirates, a natural person who holds the citizenship of the United Arab Emirates in accordance with its laws and regulations

(b) for the Eastern Republic of Uruguay, a natural person who holds the citizenship of Uruguay in accordance with its laws and regulations.

4. The term "return" refers to income from an investment and includes, in particular but not exclusively: profits, dividends, capital gains, interest, royalties and any other rights.

5. The term "freely convertible currency" means any currency that is widely used in international transactions and has liquidity in the major exchange markets, as determined by the International Monetary Fund in accordance with the Articles of Agreement of the International Monetary Fund and amendments thereto.

6. The term "territory" means with respect to:

(a) the Eastern Republic of Uruguay: the territory, internal waters, territorial sea, airspace under its sovereignty, exclusive economic zone and continental shelf, in respect of which the Eastern Republic of Uruguay exercises sovereign rights and jurisdiction in accordance with international law and its domestic laws and regulations.

(b) the United Arab Emirates means the territory of the United Arab Emirates, its territorial waters, airspace and submarine areas over which the United Arab Emirates exercises sovereignty, in accordance with international law and the laws of the United Arab Emirates sovereign rights, including the Exclusive Economic Zone and the mainland and islands under its jurisdiction in respect of any activities carried on in its waters, on the seabed and in the subsoil thereof in connection with the exploration or exploitation of natural resources under its law and international law.

(1) The term "headquarters" refers to the principal place of management of a company, or, if that place cannot be established, to the centre of its economic interests.

(2) The term "investment" does not include orders or judgments in judicial or administrative proceedings.

Article 2. Promotion and Encouragement of Investments

1. Each Contracting Party shall encourage and create the most favourable conditions possible for investors of the other Contracting Party to make investments in its territory and to admit such investments in accordance with its laws and regulations.

2. In order to encourage the flow of mutual investments, each Contracting Party shall use its best endeavours to inform the other Contracting Party, at the request of either Contracting Party, of investment opportunities in its territory.

Article 3. Investment Protection

1. Investments of investors of one Contracting Party made in the territory of another Contracting Party in accordance with the laws and regulations of the latter Contracting Party shall at all times be treated fairly and equitably and shall be afforded full protection and security in accordance with customary international law.

2. Paragraph 1 sets forth the minimum standards of customary international law for the treatment of aliens as the standard of treatment to be accorded to investments of investors of the other Contracting Party. The concepts of "fair and equitable treatment" and "full protection and security" do not require treatment in addition to or beyond that required by that standard and do not create additional substantive rights. The obligation in Paragraph 1 to ensure

(a) "fair and equitable treatment" includes the obligation of the Contracting Party not to deny justice in criminal, civil or administrative proceedings in accordance with the principle of due process of law; and

(b) "full protection and security" requires that each Contracting Party provide the level of police protection required under customary international law.

3. A determination that there has been a violation of another provision of this Article or of another international agreement does not establish that there has been a violation of this Article.

4. Neither Contracting Party shall impede, by arbitrary or discriminatory measures, the development, management, use, expansion, sale and, where appropriate, liquidation of investments in its territory of investors of the other Contracting Party.

5. In accordance with its laws and regulations, each Contracting Party shall, to the extent possible, make available to the public its laws and regulations of general application relating to investments.

6. Each Contracting Party shall, in accordance with its laws and regulations, grant investors of the other Contracting Party the right of access to its courts, administrative tribunals, agencies and all other judicial authorities.

Article 4. National Treatment

1. Subject to its laws and regulations, each Contracting Party shall accord to investments of investors of the other Contracting Party in its territory only with respect to the management, maintenance, use, expansion or sale of their investments, treatment no less favourable than that which would be accorded in like circumstances (3) to investments of its own investors, whichever is more favourable to the investments of the investors concerned.

2. Each Contracting Party shall accord to investors of the other Contracting Party in its territory only as regards the management, maintenance, use, expansion or sale of their investments, treatment no less favourable than that which would be accorded in like circumstances (4) to its own investors, whichever is more favourable to the investors concerned.

3. National treatment as provided for in paragraphs 1 and 2 shall not apply to the following

(a) government procurement;

(b) subsidies or grants provided by a Contracting Party, including government-supported loans, guarantees and insurance; or

(c) fiscal measures

(3) For greater certainty, whether treatment is granted in "like circumstances" under Article 4 will depend on the totality of the circumstances, including whether the treatment in question distinguishes between investors or investments based on legitimate public welfare objectives.

(4) For greater certainty, whether treatment is granted in "like circumstances" under Article 4 will depend on the totality of the circumstances, including whether the treatment in question distinguishes between investors or investments on the basis of legitimate public welfare objectives.

Article 5. Most-favoured-nation Treatment

1. Each Contracting Party shall accord to investors of the other Contracting Party in its territory only as regards the management, maintenance, use, expansion or sale of their investments, treatment no less favourable than that which would be accorded in like circumstances (5) to investors and investments of any third State, whichever is more favourable to the investors and investments in question.

2. The provisions of paragraph 1 of this Article shall not be construed as requiring a Contracting Party to extend to investors of the other Contracting Party the benefit of any treatment, preference or privilege which might be extended to them by the former Contracting Party under

(a) any present or future customs, economic or monetary union, free trade area or similar international agreement to which either Contracting Party is or may become a party;

(b) any international agreement or arrangement, in whole or in part, relating to taxation matters.

Without prejudice to any other investment agreement or international trade agreement that the Contracting Parties may have entered into with non-Contracting Parties before or after the entry into force of this Agreement, most-favoured-nation treatment shall not apply to procedural or judicial matters.

4. The most-favoured-nation treatment referred to in paragraph 1 of this Article does not include the treatment accorded to investors of a non-Contracting Party and their investments by provisions relating to the settlement of disputes concerning investments, such as the mechanism set out in Articles 10 and 11, which are provided for in other international investment treaties or trade agreements between a Contracting Party and a non-Contracting Party.

5. Most-favoured-nation treatment under paragraph 1 shall not apply to

(a) government procurement;

(b) subsidies or grants provided by a Contracting Party, including government-supported loans, guarantees and insurance; 0

(c) fiscal measures.

(5) For greater certainty, whether treatment is granted in "like circumstances" under Article 5 will depend on the totality of the circumstances, including whether the relevant treatment distinguishes between investors or investments on the basis of legitimate public welfare objectives.

Article 6. Performance Requirements

Neither Contracting Party may impose mandatory measures in its territory on investments by investors of the other Contracting Party, relating to the purchase of materials, means of production, operation, transport, marketing or export of its products or similar orders. If such measures are duly taken by either Contracting Party because they are necessary for compliance with economic adjustments, or otherwise, such measures shall be taken in a non-discriminatory or arbitrary manner against the investor and its investment, they shall be taken in a less competitive manner in similar circumstances. (6)

(6) For greater certainty, whether treatment is granted in "like circumstances" under Article 6 will depend on the totality of the circumstances, including whether the treatment in question distinguishes between other investors and their investments on the basis of legitimate public welfare objectives.

Article 7. Compensation for Damage or Loss

1. Where investments made by investors of either Contracting Party suffer loss or damage due to war or another armed conflict, civil disturbance, state of national emergency, revolution, revolt or similar events in the territory of the other Contracting Party, they shall be treated by the latter Contracting Party, as regards restitution, compensation or other settlement, no less favourably than the treatment which the latter Contracting Party would accord to its own investors or to investors of any third State, whichever is more favourable to the investors concerned.

2. Notwithstanding the provisions of paragraph 1 of this Article, investors of a Contracting Party who, in any of the circumstances referred to in that paragraph, suffer damage or loss in the territory of the other Contracting Party as a result of

(a) requisition of their property or part thereof by the forces or authorities of the latter Contracting Party; or

(b) destruction of their property or part thereof by the forces or authorities of the latter Contracting Party, other than in battle or as a result of necessity;

prompt, adequate and effective compensation or restitution shall be made to it for damage or loss sustained during the period of requisition or as a result of the destruction of its property in accordance with Article 9.

Article 8. Expropriation

1. A Contracting Party shall not directly or indirectly expropriate or nationalize in its territory an investment of an investor of the other Contracting Party or take measures having an equivalent effect (hereinafter referred to as "expropriation") unless the following conditions occur simultaneously, with prior notification to the other Contracting Party

(a) for public purposes;

(b) on a non-discriminatory basis;

(c) in accordance with due process of law; and

(d) in conjunction with the payment of prompt, adequate and effective compensation.

2. The amount of compensation shall be equivalent to the fair market value of the expropriated investment immediately before the expropriation took place or before the imminent expropriation became publicly known, whichever is earlier. shall include interest at the applicable commercial rate from the date of expropriation until the date of payment.

3. Where fair market value cannot be established, compensation may be determined on an equitable basis taking into account relevant factors and circumstances, such as the capital invested, the nature and duration of the investment and the replacement value.

4. Compensation shall be payable without delay, shall be effectively realizable and shall be freely transferable into a freely convertible currency.

5. An investor of one Contracting Party affected by an expropriation by the other Contracting Party shall have the right to a prompt review of his case, including the valuation of his investment and the payment of compensation in accordance with the provisions of this Article, by a judicial or other competent and independent authority of the Contracting Party concerned.

6. Where a Contracting Party expropriates the assets of a legal person constituted in its territory in accordance with its laws and regulations and in which investors from another Contracting Party participate, it shall ensure that the provisions of this Article shall apply to its participation in such legal person in such a manner as to guarantee adequate and effective compensation to such investors.

7. This Article does not apply to the issuance of compulsory licences granted in relation to intellectual property rights or to the revocation, limitation or creation of intellectual property rights, to the extent that such issuance, revocation, limitation or creation complies with the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

(7) This Article shall be interpreted in accordance with the Annex (Expropriation).

Article 9. Transfers

1. In accordance with its laws and regulations in force in the territory of the Contracting Party, each Contracting Party shall ensure that all payments connected with an investment in its territory by an investor of the other Contracting Party may be freely transferred into and out of its territory without undue delay. Such transfers shall include, in particular, but not be limited to

(a) initial capital and additional amounts to maintain or increase an investment;

(b) returns (8);

(c) payments made on a contractual basis, including repayments under a loan agreement;

(d) proceeds from the sale or liquidation of all or any part of an investment;

(e) payments of compensation under Articles 7 and 8 of this Agreement;

(f) payments under Article 10 of this Agreement;

(g) payments arising from the settlement of a dispute relating to an investment in accordance with Article 11;

(h) earnings and other remuneration of personnel hired from abroad in connection with an investment,

2. Each Contracting Party shall ensure that transfers under paragraph 1 of this Article are made without unnecessary delay and in a freely convertible currency at the exchange or market rate prevailing on the date of transfer and in accordance with the laws and regulations in force in the territory of the Contracting Party where the investments are made.

Notwithstanding paragraphs 1 and 2 of this Article, a Contracting Party may, in accordance with its laws and regulations, in good faith and on an equitable and non-discriminatory basis, defer or prevent transfers in accordance with its laws and regulations with respect to

(a) bankruptcy, insolvency or protection of creditor's rights

(b) criminal offences;

(c) issuing, trading or dealing in securities and derivative products;

(d) financial disclosure or registration of transfers where necessary to assist financial regulatory or law enforcement authorities; or

(e) ensuring compliance with orders or judgments in legal proceedings.

4. A Contracting Party may adopt or maintain measures that do not comply with paragraphs 1 and 2 of this Article:

(a) in case of serious balance of payments and financial difficulties or threat thereof;

(b) in cases where, in exceptional circumstances, capital movements cause or threaten to cause serious difficulties for macroeconomic management, in particular monetary or exchange rate policies.

5. The measures referred to in paragraph 4 of this Article:

(a) shall be in accordance with the Articles of Agreement of the International Monetary Fund with respect to capital movements;

(b) shall not be discriminatory or arbitrary between the investor and the investor of a Third Party;

(c) not exceed what is necessary to meet the circumstances set out in paragraph 4 of this article;

(d) be temporary and shall be discontinued as soon as conditions permit; and

(e) be promptly notified to the other Contracting Party;

(f) shall not be used as a means for the Parties to avoid a commitment or obligation under this Article.

(8) For greater certainty, the profitability of domestic airlines is included.

Article 10. Subrogation

1. If the Contracting Party or its designated agency makes a payment under a guarantee of indemnity or a contract of insurance granted in respect of an investment of an investor in the territory of the other Contracting Party, the latter Contracting Party shall recognize:

(a) the assignment of any right or claim of such investor to the former Contracting Party or its designated agency; and

(b) the right of the former Contracting Party or its designated agency to exercise by subrogation any right and claim to the same extent as its predecessor in title.

With respect to payments made to that prior Contracting Party or its designated agency pursuant to such assignment of right or claim and the transfer of such payment, the provisions of Articles 8 and 9 shall apply mutatis mutandis.

2. This Article does not recognize under Article 11 the right of a Contracting Party or its designated agency to make a claim solely on the ground that any of them has made a payment on the basis of an indemnity, guarantee or insurance contract

against commercial risk.

3. Notwithstanding paragraph 1, subrogation shall take place after the prior consent of the State in which the investment is made.

Article 11. Settlement of Disputes between a Contracting Party and an Investor of the other Contracting Party

1. This Article applies to disputes between a Contracting Party (hereinafter referred to as "Disputing Party") and an investor of the other Contracting Party (hereinafter referred to as "Disputing Investor") regarding an alleged breach of an obligation of the former Contracting Party under this Agreement, which causes loss or damage to the investor (hereinafter referred to as "investment disputes").

2. To enter into consultations and negotiations, the investor shall send the Contracting Party written notice of the consultation or negotiations. The notice of consultations or negotiations shall specify:

- (a) the name and address of the Disputing Investor
- (b) the provisions of this Agreement alleged to have been breached;
- (c) the factual and legal basis of the claim;
- (d) the relief sought and the amount of damages claimed.

3. An investor of a Contracting Party having an investment dispute with the other Contracting Party shall initially seek to resolve it amicably through consultations and negotiations which may include the use of non-binding third party procedures.

4. If the investment dispute cannot be resolved amicably through such consultations and negotiations within six months after receipt of the notice of consultations or negotiations, the investor may submit the investment dispute for resolution in accordance with one of the following alternatives:

- (a) the competent court of the Contracting Party in whose territory the investment was made; or
- (b) arbitration in accordance with 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 of March 18, 1965, done at Washington, DC, if this Convention applies to the Contracting Parties; or
- (c) an Ad Hoc Arbitral Tribunal composed of three arbitrators under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL).

5. Once a disputing investor has submitted an investment dispute under one of the specific dispute resolution procedures under Paragraph 4, the election shall be final.

6. An investor may not bring an investment dispute alleging a breach, or otherwise invoke Article 5 (Most-Favoured-Nation Treatment) on the grounds that another international agreement contains most-favoured-nation rights or obligations,

7. At least ninety (90) days before submitting any investment dispute to international arbitration under this Article, the disputing investor shall deliver to the disputing Party written notice of its intention to submit the investment dispute to arbitration (hereinafter referred to in this Article as "notice of intent"). The notice of intent shall specify:

- (a) the name and address of the disputing investor and investment;
- (b) the provisions of this Agreement alleged to have been breached and any other relevant provisions;
- (c) the legal and factual basis for that claim; and
- (d) the compensation sought and the amount of damages claimed.

8. No investment dispute may be submitted to arbitration under this Article if more than three (3) years have elapsed from the date on which the disputing investor first acquired, or should have first acquired, whichever is earlier, knowledge of the breach alleged under Paragraph 1 and knowledge that the disputing investor had incurred loss or damage.

9. The Ad Hoc Arbitral Tribunal specified in Paragraph (4)(c) shall be constituted as follows

- (a) each Contracting Party to the dispute shall appoint an arbitrator within two months from the date on which the

investment dispute was submitted to arbitration, and the two arbitrators so appointed shall agree upon a third arbitrator within one month. The arbitrator selected must be a national of a third country, must not have his place of habitual residence in the territory of one of the Contracting Parties if he is an employee of either of the Disputed Parties, nor have dealt with the investment dispute in any way, and shall be the presiding arbitrator of the Tribunal.

(8) If the periods specified in paragraph (9) (a) above have not been observed, any of the Disputing Parties may request any of the Contracting Parties, in the absence of any other agreement, or the Secretary-General of the International Centre for Settlement of Investment Disputes (hereinafter referred to as "ICSID" in this Article), to appoint the arbitrator or arbitrators not yet appointed by the Panel of Arbitrators of ICSID, subject to the requirements of Paragraphs (9)(a) and (10) of this Article.

10. In appointing arbitrators, the Disputing Parties consider that the arbitrators of an arbitral tribunal should

(a) have investment competence and experience in law or international trade

(b) be chosen strictly on the basis of objectivity, reliability and sound judgment; and

(c) not receive instructions from the government of any Contracting Party.

11. The Disputing Parties may agree on the legal place of any arbitration under the arbitration rules applicable pursuant to Paragraph 4. If the Disputing Parties fail to agree, the court shall determine the place in accordance with the applicable arbitration rules, provided that the place is in the territory of the State that is a party to the New York Convention.

12. No Contracting Party shall be obliged to disclose information or confidential information which is privileged or protected from disclosure under its applicable laws and regulations or to disclose information which would impede law enforcement or otherwise be contrary to the public interest or would prejudice privacy or legitimate commercial interests.

13. The arbitral tribunal shall decide in accordance with the provisions of this Agreement, the law of the Contracting Party involved in the dispute and the principles of international law.

14. The arbitral tribunal may not award punitive damages and may only rule:

(a) a judgment as to whether the disputing Party has breached any obligation under this Agreement with respect to the disputing investor and its investments;

(b) one or both of the following remedies, only if there has been such a breach

(i) monetary damages and applicable interest; and

(ii) restitution of property, in which case the award shall provide that the disputing party may pay monetary damages and any applicable interest in lieu of restitution.

The arbitral tribunal may also award costs and attorneys' fees in accordance with this Agreement and the applicable arbitration rules.

15. The arbitral tribunal shall make its decision by a majority vote. The award shall be final and binding on the disputing parties with respect to the particular case. Each Contracting Party shall ensure the recognition and enforcement of the arbitral award in accordance with its laws and regulations.

16. For greater certainty, if a dispute arises between the Contracting Parties as to the meaning or scope of an award, either Contracting Party may request the interpretation of the award in accordance with the rules of procedure of the selected forum.

17. A Contracting Party to a dispute shall not at any stage of the arbitration proceedings or the enforcement of the award raise an objection that the disputing investor in the dispute has received compensation under insurance in respect of all or part of its losses.

18. For greater certainty, with respect to this Agreement, a breach of contract does not establish a breach of the Agreement.

Article 12. Settlement of Disputes between the Contracting Parties

1. Disputes between the Contracting Parties concerning the interpretation or application of this Agreement shall be settled as far as possible by negotiation or other diplomatic channels.

2. If a dispute under paragraph 1 of this Article cannot be settled through negotiation or other diplomatic channels within

six months, it shall be submitted to an arbitral tribunal of three members at the request of any of the Contracting Parties.

Such arbitral tribunal shall be constituted on an ad hoc basis. Each Contracting Party shall appoint a member and these two members shall designate by common agreement a national of a third State as its chairman. These members shall be appointed within two months of the date on which a Contracting Party has informed the other Contracting Party of its intention to submit the dispute to an arbitral tribunal, the chairman of which shall be appointed within two months. The third arbitrator shall not have his place of habitual residence in any of the Contracting Parties or be employed by any of the Contracting Parties and shall be a national of the country with which the Contracting Party has diplomatic relations.

4. If the periods specified in paragraph 3 of this Article are not observed, any of the Contracting Parties may, in the absence of any other relevant agreement, invite the President of the International Court of Justice to make the necessary appointments. If the President of the International Court of Justice is a national of any of the Contracting Parties or if for any other reason he is prevented from exercising that function, or if he has his place of habitual residence in any of the Contracting Parties or is an employee of any of the Contracting Parties, the Vice-President shall be invited, in case of impossibility, to make the necessary appointments under the same conditions. The appointed judge must be a national of a State having diplomatic relations with the Contracting Parties.

5. In appointing arbitrators, the Contracting Parties consider that the arbitrators in an arbitration should

(a) have investment competence and experience in law or international trade

(b) not receive instructions from the government of any of the Contracting Parties.

6. The arbitral tribunal shall establish its own rules of procedure unless the Contracting Parties decide otherwise.

7. The arbitral tribunal shall take its decision under this Agreement and in accordance with the rules of international law. It shall take its decision by majority vote; the decision shall be final and binding.

8. Notwithstanding the provisions of Paragraph 7 of this Article, each Contracting Party may request the arbitration tribunal, within thirty (30) days after the notification of its decision, to provide clarification or interpretation of the decision. The arbitration tribunal shall decide on such request within fifteen (15) days after the request.

9. Each Contracting Party shall bear the expenses of its own member and its legal representative in the arbitration proceedings. The costs of the chairman and the remaining costs shall be borne equally by both Contracting Parties.

Article 13. Transparency

1. Each Contracting Party shall, to the extent possible and to the extent required by national law, promptly publish or make available to the public its laws and regulations of general application and international agreements that may affect the operation of this Agreement.

2. Nothing in this Agreement requires a Contracting Party to provide or permit access to

(a) information relating to the financial affairs and accounts of individual customers of particular investors or investments; or

(b) any confidential or proprietary information, including information concerning individual investors or investments, the disclosure of which would impede law enforcement or otherwise be contrary to its laws protecting confidentiality or prejudicial to the legitimate commercial interests of a particular enterprise.

3. Nothing in this Agreement shall prevent a Contracting Party from requiring an investor of the other Contracting Party, or its investment, to provide on a voluntary basis routine information on that investment for information or statistical purposes only.

Article 14. Application of other Rules

If the laws and regulations of either Contracting Party or obligations under international law existing at present or hereafter established between the Contracting Parties, in addition to this Agreement, contain general or specific provisions authorising investments by investors of the other Contracting Party at a treatment more favourable than that provided for in this Agreement, such provisions shall prevail over this Agreement to the extent that they are more favourable.

Article 15. Implementation of the Agreement

This Agreement shall apply to investments made before or after the entry into force of this Agreement, but shall not apply to any investment dispute that may have arisen or to any investment dispute that has been resolved before the entry into force of this Agreement.

Article 16. Consultations

The Contracting Parties shall, at the request of either of them, consult on any matter relating to the implementation or application of this Agreement. These consultations shall be held at the proposal of one of the Contracting Parties at a time and place agreed upon through diplomatic channels.

Article 17. Denial of Benefits

1. The benefits of this Agreement shall not be available to an investor of a Contracting Party, if the primary objective of acquiring the nationality of that Contracting Party was to obtain benefits under this Agreement that would not otherwise be available to the investor. For greater certainty, this includes investors or investments that have been established or restructured.

2. Subject to prior notification and consultation, a Contracting Party may deny the benefits of this Agreement to an investor of the other Contracting Party which is a legal entity of that other Contracting Party and to investments of that investor, if the legal entity has no significant business activities in the territory of the other Contracting Party and persons of a non-Contracting Party, or if the denying Party owns or controls the legal entity.

Article 18. General and Security Exceptions

1. Subject to the requirement that such measures shall not be applied by one Contracting Party in a manner which would constitute a means of arbitrary or unjustifiable discrimination against the other Contracting Party, or a disguised restriction on investments of investors of the other Contracting Party in the territory of the first Contracting Party, nothing in this Agreement shall be construed to prevent the first Contracting Party from adopting or applying measures:

- (a) necessary to protect human, animal or plant life or health
- (b) necessary to protect public morals or to maintain public order, provided that the public order exception may be invoked only where a genuine and sufficiently serious threat is posed to one of the fundamental interests of society;
- (c) necessary to secure compliance with laws or regulations which are not inconsistent with the provisions of this Agreement, including those relating to the protection of individual privacy with respect to the processing and disclosure of personal data and the protection of the confidentiality of personal accounts and records;
- d) imposed for the protection of national treasures of artistic, historical or archaeological value;
- (e) necessary for the conservation of living or non-living exhaustible natural resources.

2. Nothing in this Agreement shall be construed to prevent any Contracting Party from adopting or enforcing any measure:

- (a) which it considers necessary for the protection of its essential security interests in the following areas
 - (i) taken in time of war, armed conflict or another emergency in that Contracting Party or in international relations; or
 - (ii) in connection with the implementation of national policies or international agreements on the non-proliferation of weapons; or
- (b) in fulfilment of its obligations under the Charter of the United Nations for the maintenance of international peace and security.

Article 19. Entry Into Force, Amendment, Duration and Termination

1. This Agreement shall enter into force thirty (30) days after the date of receipt of the last notification through diplomatic channels by which either Contracting Party notifies the other Contracting Party that its internal legal requirements for the entry into force of this Agreement have been complied with.

2. This Agreement may be amended by mutual consent of the Contracting Parties. Such amendments shall enter into force in accordance with the same procedure as the Agreement.

3. This Agreement shall remain in force for a period of ten (10) years and shall be extended thereafter for further periods of ten (10) years unless, one (1) year before the end of the initial or subsequent period, either Contracting Party notifies the other Contracting Party of its intention to terminate the Agreement.

4. With respect to investments made prior to the date on which the termination of this Agreement becomes effective, the provisions of this Agreement shall continue in effect for a period of ten (10) years from the date on which the termination of this Agreement becomes effective.

5. This Agreement shall apply regardless of the existence of diplomatic or consular relations between the Contracting Parties.

In witness whereof, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement.

Done at Abu Dhabi on 24 October 2018, in duplicate, in the Arabic, English and Spanish languages, all three texts being equally authentic. In case of divergence of interpretation, the English text shall prevail.

(signature)

For the Eastern Republic of Uruguay

(signature)

For the Government of the United Arab Emirates

Annex. Expropriation

The Contracting Parties confirm their shared understanding that

1. Article 8 (1) is intended to reflect customary international law concerning the obligation of States with respect to expropriation.

2. An action or series of actions by a Contracting Party cannot constitute an expropriation unless it interferes with a property right or a tangible or intangible property interest in an investment.

3. Paragraph 1 of Article 8 addresses two situations. The first is known as direct expropriation, where an investment is either nationalized or directly expropriated through the formal transfer of title or direct seizure.

4. The second situation addressed in paragraph 1 of Article 8 is known as indirect expropriation, where an action or series of actions by a Contracting Party has an effect equivalent to direct expropriation without formal transfer of title or direct expropriation.

(a) the determination of whether an action or series of actions by a Contracting Party, in a specific factual situation, constitutes an indirect expropriation requires a case-by-case investigation, based on facts which it considers, inter alia

(i) the economic impact of the government's action, although the fact that an action or series of actions by a Contracting Party has an adverse effect on the economic value of an investment does not in itself establish that an indirect expropriation has occurred;

(ii) the extent to which the government action interferes with distinct and reasonable expectations supported by the investment; and

(iii) the nature of the government action.

5. Except in exceptional circumstances, non-discriminatory or arbitrary regulatory measures by a Contracting Party designed and applied to protect legitimate public welfare objectives in the field of public health, safety, the environment and social matters do not constitute indirect expropriations.

Protocol

At the time of signing the Agreement between the Government of the United Arab Emirates and the Eastern Republic of Uruguay for the Promotion and Protection of Investments, the undersigned agreed that the following provision would form an integral part of the Agreement

With respect to Article 1, the Contracting Parties recognize that the purchase of debt issued by a Contracting Party involves a commercial risk and is governed by the applicable rules of the operation of the corresponding public debt. In the event of a dispute relating to public debt operations, such issue shall be resolved through consultations between the Contracting Parties in good faith, and may only be submitted to arbitration under Articles 11 and 12 of this Agreement if no agreement is reached between the Contracting Parties, and the failure of a Contracting Party to fulfil its debt obligations is due to the arbitrary and discriminatory failure of that Contracting Party to fulfil its debt obligations, despite its means of doing so. For greater certainty, an award cannot be made in favour of a disputing investor for a claim of breach or default of a debt issued by a Contracting Party, unless the disputing investor meets its burden of proving the arbitrary and discriminatory conduct of that Contracting Party.

In witness whereof the undersigned, being fully authorised thereto by their respective Governments, have signed this Protocol.

Done in duplicate at Abu Dhabi on Wednesday, 24 October 2018, in the Arabic, English and Spanish languages, all texts being equally authentic. In case of divergence of interpretation, the English text shall prevail.

(signature)

For the Eastern Republic of Uruguay

(signature)

For the Government of the United Arab Emirates