AGREEMENT BETWEEN THE GOVERNMENT OF THE ARGENTINE REPUBLIC AND THE GOVERNMENT OF THE TUNISIAN REPUBLIC ON THE PROMOTION AND RECIPROCAL PROTECTION OF INVESTMENTS

The Government of the Argentine Republic and the Government of the Republic of Tunisia, hereinafter referred to as the "Contracting Parties":

With the desire to intensify economic cooperation between the two countries and to create favourable conditions for Tunisian investments in Argentina and Argentine investments in Tunisia

Convinced that the promotion and protection of these investments will encourage the transfer of capital and technology between the two countries in the interest of their economic development

Have agreed as follows:

Article 1.

For the purposes of this Agreement:

1. The term "investment" means assets, such as property, rights and interests of every kind, and includes in particular, but not exclusively:

(a) movable and immovable property and all other rights in rem, such as mortgages, privileges, usufruct, pledges and similar rights

(b) shares, share premiums and other forms of participation, even if minority or indirect, in companies incorporated in the territory of one of the Contracting Parties;

(c) obligations, claims and rights to all benefits having an economic value;

(d) copyrights, industrial property rights (such as patents, licences, trademarks, industrial designs and models), technical processes, registered names and goodwill;

e) concessions granted by law or contract, in particular concessions relating to the prospecting, cultivation, extraction or exploitation of natural resources, including those located in the maritime area of the Contracting Parties.

It is understood that such assets must be or have been invested in accordance with the legislation governing foreign investment in the Contracting Party in whose territory or maritime area the investment is made, before or after the entry into force of this Agreement.

Any change in the form of the investment of assets shall not affect their qualification as investments provided that such change is not contrary to the law of the Contracting Party in whose territory or maritime zone the investment was made.

2. The term "investor" means:

(a) natural persons who are nationals of one of the Contracting Parties, in accordance with its legislation, and who make an investment in the territory of the other Contracting Party

b) legal persons formed in accordance with the laws of one of the Contracting Parties and having their registered office in the territory of that Contracting Party, and making an investment in the territory of the other Contracting Party:

(c) the provisions of Articles 6 and 8 of this Agreement shall not apply to investments by natural persons who are nationals of a Contracting Party and who, at the date of the investment in the territory of the other Contracting Party, have had their domicile in the territory of that Contracting Party for a period exceeding two years, unless the investment comes from

abroad. Reinvestment of the profits from the investment thus admitted shall benefit from the provisions of this Agreement.

3. The term "profits" means the amounts produced by an investment, such as profits, dividends or interest during a given period.

Profits from the investment and, in the case of reinvestment in accordance with the legislation in force, profits from its reinvestment shall enjoy the same protection as the investment.

4. This Agreement applies to the territory of each Contracting Party, as well as to the maritime area of each Contracting Party, defined as the economic area and the continental shelf, which extends beyond the limit of the territorial waters of each Contracting Party and over which the Contracting Parties have, in accordance with international law, sovereign rights or jurisdiction for the purpose of exploring, exploiting and preserving natural resources.

Article 2.

1. Each Contracting Party shall admit and promote, within the framework of its legislation and the provisions of this Agreement, investments made by investors of the other Contracting Party, in its territory and maritime area.

2. The Contracting Parties shall give sympathetic consideration, within the framework of their domestic legislation, to applications for entry and for authorization to stay, work and move, submitted by nationals of a Contracting Party, by virtue of an investment made in the territory of the other Contracting Party.

Article 3.

Each Contracting Party shall ensure in its territory and in its maritime area fair and equitable treatment, in accordance with the principles of international law, of investments made by investors of the other Contracting Party.

Article 4.

1. Under the conditions set out in the provisions of paragraphs 2, 3 and 4 of this Article, each Contracting Party shall accord in its territory and maritime area to investors of the other Contracting Party, in respect of their investments and activities connected therewith, as well as to investors authorised, in accordance with the laws in force, to work in its territory or maritime area by virtue of an investment, treatment no less favourable than that accorded to its nationals or to investors of the most favoured nation, whichever is the better.

2. This treatment shall not extend to privileges accorded by a Contracting Party to investors of a third State by virtue of its participation in or association with a free trade area, customs union, common market or any other form of regional economic organization.

3. Furthermore, this treatment shall not extend to privileges accorded by a Contracting Party to investors of a third State under a convention for the avoidance of double taxation or any other convention in the field of taxation.

4. Most-favoured-nation treatment shall not extend to special privileges accorded by each Contracting Party to foreign investors for an investment made in the framework of concessional financing.

Article 5.

1. Investments made by investors of one of the Contracting Parties shall enjoy in the territory or maritime area of the other Contracting Party full and complete protection and security.

2. The Contracting Parties shall not take, directly or indirectly, measures of expropriation or nationalization or any other equivalent measure having a similar effect of dispossession, except for reasons of public interest and on condition that such measures are non-discriminatory.

The measures referred to above which are taken shall give rise to the payment of prompt and adequate compensation, the amount of which shall be calculated on the basis of the actual value of the investments concerned on the day immediately preceding the day on which such measures were taken or became public.

This compensation, its amount and the methods of payment shall be fixed no later than the date of the dispossession. This compensation will be effectively feasible, paid without delay and freely transferable.

3. Investors of a Contracting Party whose investments have suffered losses due to war, or any other armed conflict,

revolution, state of national emergency or revolt occurring in the territory or maritime zone of the other Contracting Party, shall receive from the latter treatment not less favourable than that accorded by the latter to its own investors or those of the most favoured nation.

Article 6.

1. Each Contracting Party in whose territory or maritime area investments have been made by investors of the other Contracting Party shall agree to the free transfer of its assets to such investors and in particular:

(a) profits, dividends and other current earnings:

(b) sums required for the repayment of loans regularly taken out which are directly linked to the realisation or development of the investment and interest thereon;

(c) proceeds from the sale or liquidation of all or part of the investment, including increases in capital employed;

(d) compensation paid pursuant to Article 5.

(e) profits deriving from the incorporeal rights referred to in paragraph 1 (d) and (e) of Article 1.

Nationals of each Contracting Party who have been authorised to work in the territory or maritime area of the other Contracting Party by virtue of an admitted investment shall also be authorised to transfer to their home country an appropriate part of their remuneration.

2. The transfers provided for in the preceding paragraphs shall be made without delay, at the normal rate of exchange applicable on the date of transfer, in accordance with the procedures laid down by the law of the country concerned, which may not refuse, suspend or distort the free transfer.

Article 7.

1. In so far as the regulations of one of the Contracting Parties provide for a guarantee for investments made abroad, this guarantee may be granted, within the framework of a case-by-case examination, to investments made by investors of this Contracting Party in the territory or maritime area of the other Contracting Party.

2. Investments made by investors of one Contracting Party in the territory or maritime area of the other Contracting Party cannot benefit from the above guarantee unless they have first obtained the acceptance of the latter Contracting Party.

Article 8.

1. Any dispute concerning investment, under the terms of this Agreement, between a Contracting Party and an investor of the other Contracting Party shall be settled as far as possible on an amicable basis between the two parties to the dispute.

2. If the dispute cannot be settled within six months from the time when it was raised by one or other of the parties concerned, it shall be submitted, at the request of the investor:

- either to the national jurisdictions of the Contracting Party involved in the dispute

- or to international arbitration under the conditions described in paragraph 3 below.

Once an investor has submitted the dispute to the jurisdictions of the Contracting Party concerned, or to international arbitration, the choice of either procedure shall be final.

3. In the event of recourse to international arbitration, the dispute may be brought before one of the arbitration bodies designated below, at the choice of the investor:

- 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", opened for signature in Washington on 18 March 1965, once each State Party to this Agreement has acceded to it. Until this condition is met, each Contracting Party gives its consent to submit the dispute to arbitration under the rules of the ICSID Additional Facility;

- to an "ad-hoc" arbitration tribunal established in accordance with the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL).

4. The arbitration body shall decide on the basis of the provisions of this Agreement, the law of the Contracting Party that is

a party to the dispute, including the rules on conflict of laws, the terms of any particular agreements concluded in relation to investment and the principles of international law in this field.

5. Arbitration awards shall be final and binding on the parties to the dispute.

Article 9.

If one of the Contracting Parties, by virtue of a guarantee given for an investment made in the territory or maritime area of the other Contracting Party, makes payments to one of its investors, the latter shall be subrogated by virtue of this fact to the rights and shares of that investor, in particular those defined in Article 8 of this Agreement.

Article 10.

Investments which have been the subject of a particular commitment by one of the Contracting Parties in relation to investors from the other Contracting Party shall, subject to the provisions of this Agreement, be governed by the terms of that commitment to the extent that it contains provisions more favourable than those provided for in this Agreement.

Article 11.

1. Disputes concerning the interpretation or application of this Agreement shall be settled, as far as possible, through diplomatic channels.

2. If it has not been possible to settle the dispute within six months after it has been raised by one of the Contracting Parties, the dispute shall, at the request of either Contracting Party, be submitted to an Arbitral Tribunal.

3. The Arbitral Tribunal shall be constituted for each case as follows.

Each Contracting Party shall appoint a member and the two members shall designate by common agreement a national of a third State who shall be appointed as chairman by the two Contracting Parties. All members must be appointed within two months of the date on which one of the Contracting Parties notifies the other Contracting Party of its intention to have recourse to arbitration.

4. If the time limits provided for in paragraph 3 of this Article are not observed, and in the absence of any other arrangement, either Contracting Party shall invite the Secretary-General of the United Nations to make the necessary appointments. If the Secretary-General is a national of one of the Contracting Parties, or is prevented from doing so for any other reason, the most senior Deputy Secretary-General, who is not a national of any of the Contracting Parties, shall make the necessary appointments.

5. The Arbitral Tribunal shall take its decision by a majority of votes. This decision shall be final and binding in law on the Contracting Parties.

The tribunal shall establish its own rules of procedure. It shall interpret the judgment at the request of any Contracting Party.

Unless the tribunal decides otherwise, taking into account particular circumstances, the costs of the arbitration proceedings, including those of the arbitrators, shall be borne equally by the Contracting Parties.

Article 12.

This Agreement shall not apply to differences or disputes arising prior to the date of signature of this Agreement, nor to investments made before 1956.

Article 13.

Each Contracting Party shall notify the other the fulfillment of the internal procedures required for the Entry into Force of this Agreement, which will be effective one month after the date of receipt of the last notification.

Each Contracting Party shall notify the other of the completion of the internal procedures required for the entry into force of this Agreement, which shall take effect one month after the day of receipt of the last notification.

The Agreement is concluded for an initial period of ten years: it will remain in force after that period unless one of the Contracting Parties denounces it through diplomatic channels with one year's notice.

After the expiry of the period of validity of this Agreement, its provisions will continue to apply to investments made, when the Agreement was in force, for a further period of fifteen years.

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

Done at Buenos Aires on 17 June 1992, in duplicate in the Spanish, Arabic and French languages, all three texts being equally authentic.

FOR THE GOVERNMENT OF THE ARGENTINE REPUBLIC

FOR THE GOVERNMENT OF THE TUNISIAN REPUBLIC