



Embassy of the United States of America

Doha, Qatar.

March 28, 1987

Note No.: 71

INVESTMENT INCENTIVE AGREEMENT BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF THE STATE OF QATAR

Excellency:

I have the honor to refer to conversations which have recently taken place between representatives of our two Governments relating to economic activities in Qatar which promote the development of the economic resources and productive capacities of Qatar and to investment insurance (including reinsurance) and guaranties which are backed in whole or in part by the credit or public monies of the United States of America and are administered either directly by the Overseas Private Investment Corporation ("OPIC"), an independent government corporation organized under the laws of the United States of America, or pursuant to arrangements between OPIC and commercial insurance, reinsurance and other companies. I also have the honor to confirm the following Agreement reached as a result of those conversations:

ARTICLE 1

As used herein, the term "Coverage" shall refer to any investment insurance, reinsurance or guaranty which is issued in accordance with this Agreement by OPIC, by any successor agency of the United States of America or by any other entity or group of entities, pursuant to arrangements with OPIC or any successor agency, all of whom are hereinafter deemed included in the term "issuer" to the extent of their interest as insurer, reinsurer, or guarantor in any Coverage, whether as a party or successor to a contract providing Coverage or an agent for the administration of Coverage.

His Excellency

Shaykh Abdul Aziz bin Khalifa Al Thani
Minister of Finance and Petroleum
Doha, State of Qatar

ARTICLE 2

The procedure set forth in this Agreement shall apply only with respect to coverage relating to a contract or investment entered into with the Government of the State of Qatar or an agency thereof or otherwise approved in accordance with the applicable laws and regulations of the State of Qatar.

ARTICLE 3

(a) If the Issuer makes payment to any party under Coverage, the Government of the State of Qatar shall, subject to the provisions of Article 4 hereof, recognize the transfer to the Issuer of any currency, credits, assets, or investment on account of which payment under such Coverage is made as well as the succession of the Issuer to any right, title, claim, privilege, or cause of action existing, or which may arise, in connection therewith.

(b) The Issuer shall assert no greater rights than those of the transferring party under Coverage with respect to any interests transferred or succeeded to under this Article. Nothing in this Agreement shall limit the right of the Government of the United States of America to assert a claim under international law in its sovereign capacity, as distinct from any rights it may have as Issuer.

(c) The issuance of Coverage outside of Qatar with respect to a project or activity in Qatar shall not subject the Issuer to regulation under the laws of Qatar applicable to insurance or financial organizations.

ARTICLE 4

To the extent that the laws of Qatar partially or wholly invalidate or prohibit the acquisition from a party under Coverage of any interest in any property within the territory of Qatar by the Issuer, the Government of the State of Qatar shall permit such party and the Issuer to make appropriate arrangements pursuant to which such interests are transferred to an entity permitted to own such interests under the laws of Qatar.

ARTICLE 5

Amounts in the lawful currency of Qatar, including credits thereof, acquired by the Issuer by virtue of such Coverage shall be accorded treatment by the Government of Qatar no less favorable as to use and conversion than the treatment to which such funds would be entitled in the hands of the party under Coverage.

Such amounts and credits may be transferred by the Issuer to any person or entity and upon such transfer shall be freely available for use by such person or entity in the territory of Qatar.

ARTICLE 6

(a) Differences between the two Governments concerning the interpretation of the provisions of this Agreement shall be resolved, insofar as possible, through negotiations between the two Governments. If such a difference cannot be resolved within a period of three months following the request for such negotiations, it shall be submitted, at the request of either Government, to an arbitral tribunal for resolution in accordance with paragraph 6(c).

(b) Any claim, arising out of any investment for which coverage has been issued in accordance with this Agreement, against either of the two Governments, which, in the opinion of the other, presents a question of public international law shall, at the request of the Government presenting the claim, be submitted to negotiations. If at the end of three months following the request for negotiations the two Governments have not resolved the claim by mutual agreement, the claim, including the question of whether it presents a question of public international law, shall be submitted, at the request of either Government, to an arbitral tribunal for resolution in accordance with paragraph 6(c).

(c) The arbitral tribunal for resolution of disputes pursuant to paragraphs 6(a) and 6(b) shall be established and function as follows:

(i) Each Government shall appoint one arbitrator; these two arbitrators shall designate a President by common agreement who shall be a citizen of a third State and be appointed by the two Governments. The arbitrators shall be appointed within two months and the President within three months of the date of receipt of either Government's request for arbitration. If the appointments are not made within the foregoing time limits, either Government may, in the absence of any other agreement, request the President of the International Court of Justice to make the necessary appointment or appointments, and both Governments agree to accept such appointment or appointments.

(ii) The arbitral tribunal shall base its decision on the applicable principles and rules of public international law. The arbitral tribunal shall decide by majority vote. Its decision shall be final and binding. Only the two Governments may request the arbitral procedure and participate in it.

(iii) Each of the Governments shall pay the expense of its arbitrator and of its representation in the proceedings before the arbitral tribunal; the expenses of the President and the other costs shall be paid in equal parts by the two Governments. The arbitral tribunal may adopt regulations concerning the costs, consistent with the foregoing.

(iv) In all other matters, the arbitral tribunal shall regulate its own procedures.

ARTICLE 7

This Agreement shall continue in force until six months from the date of receipt of a note by which one Government informs the other of an intent no longer to be a party to the Agreement. In such event, the provisions of the Agreement with respect to Coverage issued while the Agreement was in force shall remain in force for the duration of such Coverage, but in no case longer than twenty years after the denunciation of the Agreement.

ARTICLE 8

The English and Arabic texts of this Agreement shall be equally authoritative.

Upon receipt of a note from Your Excellency indicating that the foregoing provisions are acceptable to the Government of the State of Qatar, the Government of the United States of America will consider that its note, in English, and the Ministry's reply thereto, in Arabic, constitute an Agreement between the two Governments of Qatar and of the United States of America on this subject, to enter into force on the date of the note by which the Government of the State of Qatar notifies the Government of the United States of America that it has ratified the Agreement pursuant to its constitutional procedures.

Accept, Excellency, the renewed assurances of my highest consideration.

A handwritten signature in black ink, appearing to read 'J. Chougassian', written in a cursive style with a long horizontal flourish at the end.

Joseph Chougassian
Ambassador of
the United States of America in Doha