

**AGREEMENT BETWEEN THE GOVERNMENT OF THE REPUBLIC OF
THE PHILIPPINES AND THE GOVERNMENT OF THE PEOPLE'S
REPUBLIC OF BANGLADESH FOR THE PROMOTION AND
RECIPROCAL PROTECTION OF INVESTMENTS
PREAMBLE**

The Government of the Republic of the Philippines and the People's Republic of Bangladesh hereinafter referred to as the Contracting Parties,

DESIRING to intensify the economic cooperation of both States on the basis of equality and mutual benefits,

INTENDING to create favourable conditions for investments by investors of one Contracting Party in the territory of the other Contracting Party,

RECOGNIZING that the reciprocal encouragement, promotion and protection of such investments will be conducive to stimulating business initiative of the investors and will increase prosperity in both States,

HAVE AGREED AS FOLLOWS:

**ARTICLE I
DEFINITION OF TERMS**

For the purpose of this Agreement:

1. The term "investment" shall mean any kind of asset accepted in accordance with the respective laws and regulations of either Contracting Party, and more particularly:

- (a) movable and immovable property as well as other rights in rem, such as mortgages, liens, pledges, usufructs and similar rights;
- (b) shares of stock and any other kind of participation in companies;
- (c) claims to money or to any other performance having an economic value;
- (d) copyrights, industrial property rights, know-how and technological process;
- (e) concessions conferred by a law, including concessions to search for or exploit natural resources.

2. The term "investors" shall mean:

- (a) With respect to the Republic of the Philippines, citizens of the Republic of the Philippines within the meaning of its Constitution.
- (b) With respect to People's Republic of Bangladesh, natural persons who have nationality of the People's Republic of Bangladesh in accordance with its laws;

(c) With respect to both countries, legal entities, including companies, associations of companies, trading corporate entities and other organizations that are incorporated or, in any event, are properly organized and actually doing business under the laws of the respective Party and have their headquarters in the territory of the respective Party where effective management is carried out.

3. The term "returns" means the amounts yielded by investments, such as profits, dividends, interest, royalties or other legitimate income.

4. The term "territory" shall mean:

(a) with respect to the Republic of the Philippines, the national territory as defined in Article I of its Constitution.

(b) with respect to the People's Republic of Bangladesh, the territory as defined in its Constitution, including its territorial waters and airspace above it and other maritime zones including exclusive Economic Zone and continental shelf over which the People's Republic of Bangladesh has sovereignty, sovereign rights or exclusive jurisdiction in accordance with its laws in force, the 1982 United Nations Convention on the Law of the Sea and International Law.

ARTICLE II PROMOTION AND ACCEPTANCE

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

2. When a Contracting Party shall have admitted an investment on its territory, it shall grant in accordance with its laws and regulations the necessary permits in connection with such an investment and with the carrying out of licensing agreements and contracts for technical, commercial or administrative assistance. Each Contracting Party shall, whenever needed, endeavour to issue the necessary authorizations concerning the activities of consultants and other qualified persons of foreign nationality.

ARTICLE III TREATMENT

1. Investments and returns of investors of each Contracting Party shall at all times be accorded fair and equitable treatment and shall enjoy full protection and security in the territory of the other Contracting Party. Neither Contracting Party shall in any way impair by unreasonable or discriminatory measures the management, maintenance, use, enjoyment, extension, or disposal of such investments.

2. Each Contracting Party shall in its territory accord investments or returns of investors of the other Contracting Party treatment not less favourable than that which it accords to investments or returns of its own investors or to investments or returns of investors of any third State, whichever is more favourable to the investor concerned.

3. Each Contracting Party shall in its territory accord investors of the other Contracting Party, as regards the management, maintenance, use, enjoyment, or

disposal of their investments, treatment not less favourable than that which it accords to its own investors or investors of any third State, whichever is more favourable to the investor concerned.

4. The treatment of the most favoured nation according to this Article shall not be construed so as to oblige one Contracting Party to extend to investors of the other the benefit of any treatment, preference or privilege resulting from:

- (a) any existing or future free trade area, customs union, common market, economic union, or any similar regional economic organization, to which either Contracting Party is or may become a party, or
- (b) any international agreement relating wholly or mainly to taxation.

ARTICLE IV EXPROPRIATION

1. Neither Contracting Party shall take measures of expropriation, nationalization or dispossession, either direct or any measure equivalent thereto against investments belonging to investors of the other Contracting Party, unless the measures are taken in the public interest, public use or in the interest of the national defense on a non-discriminatory basis and under due process of law and upon payment of just compensation.

2. Such compensation shall amount to the market value of the expropriated investment immediately before the impending expropriation becomes public knowledge. The compensation shall be made without undue delay, and shall be effectively realizable and freely transferable.

ARTICLE V COMPENSATION

If a Contracting Party makes restitution, indemnification, compensation or other settlement for losses suffered owing to war, revolution, state of the nation emergency, revolt, insurrection, riot, or other armed conflicts in the territory of such Contracting Party, it shall accord to the investors of the other Contracting Party whose investments in the territory of the former have suffered such losses, treatment no less favourable than that which the Contracting Party shall accord to the investors of any third State. Resulting payments shall be freely

transferable.

ARTICLE VI TRANSFERS

1. Each Contracting Party shall, subject to its laws and regulations, guarantee the investors of the other Contracting Party the transfer of their investments and returns held in the territory of the Contracting Party first mentioned:

- (a) profits, dividends, interests and other legitimate income;
- (b) amounts from total or partial liquidation of investments;
- (c) payment made pursuant to a loan agreement in connection with investment;
- (d) royalties in paragraph 1 (d) of Article I;