No. 8954

BELGO-LUXEMBOURG ECONOMIC UNION and MOROCCO

Convention concerning the encouragement of capital investment and the protection of property (with exchange of letters). Signed at Rabat, on 28 April 1965

Official text: French.

Registered by Belgium on 30 January 1968.

UNION ÉCONOMIQUE BELGO-LUXEMBOURGEOISE et MAROC

Convention relative à l'encouragement des investissements de capitaux et à la protection des biens (avec échange de de lettres). Signée à Rabat, le 28 avril 1965

Texte officiel français.

Enregistrée par la Belgique le 30 janvier 1968.

[TRANSLATION — TRADUCTION]

No. 8954. CONVENTION[1] BETWEEN THE BELGO-LUXEMBOURG ECONOMIC UNION AND THE KINGDOM OF MOROCCO CONCERNING THE ENCOURAGEMENT OF CAPITAL INVESTMENT AND THE PROTECTION OF PROPERTY. SIGNED AT RABAT, ON 28 APRIL 1965

The Government of the Kingdom of Belgium, acting by virtue of the Convention for the Establishment of the Belgo-Luxembourg Economic Union both on its own behalf and on behalf of the Grand Duchy of Luxembourg and the Government of the Kingdom of Morocco,

Desiring to create favourable conditions for capital investment by nationals or corporations of either Contracting Party in the territory of the other Contracting Party,

Recognizing that the contractual protection of investments is likely to stimulate private economic initiative and increase prosperity,

Have agreed as follows:

Article 1

Each Contracting Party undertakes to ensure in its territory just and equitable treatment for the investments, property, rights and interests belonging to nationals and corporations of the other Contracting Party and to prevent unjustified or discriminatory measures from interfering with the excercise of the right thus recognized.

To that end, each Contracting Party shall accord such investments, property, rights or interests the same security and protection as it accords those of its own nationals or investments of nationals and corporations of third States.

Article 2

Each Contracting Party undertakes to authorize, in conformity with the regulations promulgated in pursuance of the legislation in force in its territory at the time each investment is made or of any more favourable legislation that may be enacted in the future or of rules agreed upon between the two Parties, the transfer:

[1] Came into force on 18 October 1967, two weeks after the exchange of the instruments of ratification which took place at Rabat on 3 October 1967, in accordance with third paragraph of article 8.

— of net profits, interests, dividends and royalties due to nationals or corporations of the other Party;

— of the proceeds of the complete or partial liquidation of investments and reinvestments approved by the country in which they are made.

Article 3

Each Contracting Party undertakes to authorize, in conformity with the regulations promulgated in pursuance of its legislation, the transfer of an adequate part of the earned income of nationals authorized to work in the territory of either Contracting Party.

Article 4

When one Party expropriates or nationalizes investments, property, rights or interests belonging to nationals or corporations of the other Contracting Party, it shall make provision, in accordance with international law, for the payment of effective and adequate compensation. The amount of such compensation, which shall be fixed at the time of the expropriation or nationalization, shall be paid to the due recipient without delay and transferred as soon as the due recipient has proved his residence abroad. Measures of expropriation or nationalization shall be neither discriminatory nor inconsistent with a specific undertaking.

Article 5

Where a dispute arises between the Contracting Parties as to the interpretation or application of the provisions of articles 1 to 4 above and where such a dispute cannot be settled satisfactorily through the diplomatic channel within a period of six months, it shall be submitted, at the request of either Party, to an arbitral tribunal consisting of three members. Each Party shall appoint one arbitrator. The two arbitrators so appointed shall select a referee who shall not be a national of either Party.

If either Party fails to appoint its arbitrator and fails to comply with the other Party's request to make such an appointment within two months, the arbitrator shall be appointed, at the request of the latter Party, by the President of the International Court of Justice.

If the two arbitrators cannot agree within a period of two months following their appointment on the choice of a referee, the latter shall be appointed at the request of either Party by the President of the International Court of Justice.

If, in the cases provided for in paragraphs 2 and 3 of this article, the President of the International Court of Justice is unable to act, or if he is a national of either Party, the Vice-President shall make the appointment. If the Vice-President is unable to act, or if he is a national of either Party, the appointment shall be made by the senior member of the Court who is not a national of either Party.