Agreement

between the Government of the
United Kingdom of Great Britain and Northern Ireland
and the Government of the Republic of Senegal

for the Promotion and Protection of Investments

London, 7 May 1980

[The Agreement entered into force on 9 February 1984]

Presented to Parliament
by the Secretary of State for Foreign and Commonwealth Affairs
by Command of Her Majesty
July 1984

LONDON
HER MAJESTY'S STATIONERY OFFICE
£2.25 net

Cmd. 9292
AGREEMENT

BETWEEN THE GOVERNMENT OF THE UNITED KINGDOM
OF GREAT BRITAIN AND NORTHERN IRELAND AND
THE GOVERNMENT OF THE REPUBLIC OF SENEGAL

PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the United Kingdom of Great Britain and Northern Ireland and the Government of the Republic of Senegal;

recognizing the need to create favourable conditions for greater investment by nationals of one State in the territory of the other State;

recognizing that the encouragement and reciprocal protection under bilateral agreement of such investments will be conducive to the promotion of individual business initiative and will increase prosperity in both States;

have agreed as follows:

ARTICLE 1

Definitions

For the purposes of this Agreement:

(a) "investment" means every kind of asset and in particular, though not exclusively, includes:

(i) movable and immovable property and any other property rights such as mortgages, liens or pledges;

(ii) shares, stock and debentures of companies or interests in the property of such companies;

(iii) claims having a financial value;

(iv) intellectual property rights and goodwill;

(v) business concessions conferred by law or under contract, including concessions to search for, cultivate, extract or exploit natural resources.

(b) "returns" means the amounts yielded by an investment and in particular, though not exclusively, includes profit, interest, capital gains, dividends, royalties or fees.

(c) "nationals" means, in respect of either of the Contracting Parties, physical persons having the nationality of that Party according to its legislation.

(d) "companies" means:

(i) in respect of the United Kingdom: profit-seeking corporations, firms or associations incorporated or constituted under the law of the United Kingdom;
in force in any part of the United Kingdom or in any territory to which this Agreement is extended in accordance with the provisions of Article 11;

(ii) in respect of Senegal: any private profit-seeking concern and any public corporation concerned with industrial or commercial business, constituted under the law in force in Senegal;

(e) "territory" means:

(i) in respect of the United Kingdom: Great Britain and Northern Ireland and any territory to which this Agreement is extended in accordance with the provisions of Article 11;

(ii) in respect of Senegal: Senegal.

ARTICLE 2

Promotion and Protection of Investment

(1) Each Contracting Party shall encourage and create favourable conditions for nationals or companies of the other Contracting Party to invest capital in its territory, and, subject to its right to exercise powers conferred by its laws existing when this Agreement enters into force, admit such capital.

(2) Investments of nationals or companies of either 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 discriminatory measures the management, maintenance, use, enjoyment and disposal of investments in its territory of nationals or companies of the other Contracting Party. Each Contracting Party shall observe any obligations it may have entered into with regard to investments of nationals or companies of the other Contracting Party.

ARTICLE 3

Most-favoured-nation Provisions

(1) Neither Contracting Party shall in its territory subject investments or returns of nationals or companies of the other Contracting Party to treatment less favourable than that which it accords to investments or returns of its own nationals or companies or to investments or returns of nationals or companies of any third State.

(2) Neither Contracting Party shall in its territory subject nationals or companies of the other Contracting Party, as regards their management, use, enjoyment or disposal of their investments, to treatment less favourable than that which it accords to its own nationals or companies or to nationals or companies of any third State.
ARTICLE 4

Compensation for Losses

Nationals or companies of one Contracting Party whose investments in the territory of the other Contracting Party suffer losses owing to war or armed conflict, revolution, a state of national emergency, revolt, or riot in the territory of the latter Contracting Party shall be entitled to treatment, as regards restitution, compensation or other settlement, no less favourable than the latter Contracting Party accords to its own nationals or to nationals or companies of any third State.

Without prejudice to paragraph (1) of this Article, nationals and companies of one Contracting Party who in any of the situations referred to in paragraph (1) suffer losses in the territory of the other Contracting Party shall be entitled to

(a) requisitioning of their property by its forces or authorities, or
(b) destruction of their property by its forces or authorities which was not caused in combat action or was not required by the necessity of the situation,

be accorded restitution or adequate compensation. Resulting payments shall be freely transferable.

ARTICLE 5

Dispossession

(1) Where investments of nationals or companies of either Contracting Party are nationalised, expropriated or subjected to measures having effect equivalent to nationalisation or expropriation (hereinafter referred to as dispossession) in the territory of the other Contracting Party, the Party making the dispossession shall make payment of prompt, adequate and effective compensation. Such compensation shall amount to the market value of the investment affected immediately before the dispossession or at the time it became public knowledge, shall be made without delay, be readily realisable and be freely transferable. Any measure of nationalisation or having effect equivalent to nationalisation would be carried out in conformity with international law. Any measure of expropriation or having effect equivalent to expropriation would be carried out for a public purpose related to the internal needs of the Contracting Party making the expropriation. The national or company affected shall have a right, under the law of the Contracting Party making the dispossession, to prompt review, by a judicial or other independent authority of that Party, of his or its case and of the valuation of his or its investment in accordance with the principles set out in this paragraph.

(2) Where a Contracting Party dispossesses of its assets a company which is incorporated or constituted under the law in force in any part of its own territory, and in which nationals or companies of the other Contracting Party own shares, it shall ensure that the provisions of paragraph (1) of this Article
are applied in order to guarantee prompt, adequate and effective compensation in respect of their investment to such nationals or companies of the other Contracting Party who are owners of those shares.

ARTICLE 6

Repatriation of Investment

Each Contracting Party shall in respect of investments guarantee to nationals or companies of the other Contracting Party the unrestricted transfer of their capital and of returns resulting from it, subject to the right of the Contracting Party in exceptional financial or economic circumstances to exercise equitably and in good faith powers conferred by its laws existing when this Agreement enters into force.

ARTICLE 7

Exceptions

The provisions in this Agreement relative to the grant of treatment no less favourable than that accorded to the nationals or companies of either Contracting Party or of any third State shall not be construed so as to oblige one Contracting Party to extend to the nationals or companies of the other benefit of any treatment, preference or privilege resulting from

(a) any existing or future customs union or similar international agreement to which either of the Contracting Parties is or may become a party, or

(b) any international agreement or arrangement relating wholly or mainly to taxation or any domestic legislation relating wholly or mainly to taxation.

ARTICLE 8

Reference to International Centre for Settlement of Investment Disputes

(1) Each Contracting Party hereby consents to submit to the International Centre for the Settlement of Investment Disputes (hereinafter referred to as "the Centre") for settlement by conciliation or arbitration under the Convention on the Settlement of Investment Disputes between States and Nationals of Other States opened for signature at Washington on 18 March 1965(1) any legal dispute arising between that Contracting Party and a national or company of the other Contracting Party concerning an investment of the latter in the territory of the former. A company which is incorporated or constituted under the law in force in the territory of one Contracting Party and in which before such a dispute arises the majority of shares are owned by nationals or companies of the other Contracting Party shall in accordance with Article 25 (2) (b) of the Convention be treated for the purposes of the Convention as a company of the other Contracting Party.

(1) Treaty Series No. 25 (1967), Cmnd. 3255.
such dispute should arise and agreement cannot be reached within
three months between the parties to this dispute through pursuit of local
channels or otherwise, then, if the national or company affected also consents
willing to submit the dispute to the Centre for settlement by conciliation or
arbitration under the Convention, either party may institute proceedings by
making a request to that effect to the Secretary-General of the Centre
providing in Articles 28 and 36 of the Convention. In the event of
agreement as to whether conciliation or arbitration is the more appropriate
procedure the national or company affected shall have the right to choose.
The Contracting Party which is a party to the dispute shall not raise as an
objection at any stage of the proceedings or enforcement of an award the
fact that the national or company which is the other party to the dispute has
benefited in pursuance of an insurance contract an indemnity in respect of
one or all of his or its losses.

(2) Neither Contracting Party shall pursue through diplomatic channels
any dispute referred to the Centre unless

(a) the Secretary-General of the Centre, or a conciliation commission or
an arbitral tribunal constituted by it, decides that the dispute is not
within the jurisdiction of the Centre, or

(b) the other Contracting Party should fail to abide by or to comply
with any award rendered by an arbitral tribunal.

ARTICLE 9

Disputes between the Contracting Parties

(1) Disputes between the Contracting Parties concerning the interpretation
or application of this Agreement should, if possible, be settled through
diplomatic channels.

(2) If a dispute between the Contracting Parties cannot thus be settled,
it shall upon the request of either Contracting Party be submitted to an
arbitral tribunal.

(3) Such an arbitral tribunal shall be constituted for each individual case
in the following way. Within two months of the receipt of the request for
arbitration, each Contracting Party shall appoint one member of the tribunal.
These two members shall then select a national of a third State who on
approval by the two Contracting Parties shall be appointed Chairman of the
tribunal. The Chairman shall be appointed within two months from the date
of appointment of the other two members.

(4) If within the periods specified in paragraph (3) of this Article the
necessary appointments have not been made, either Contracting Party may, in
the absence of any other agreement, invite the President of the International
Court of Justice to make any necessary appointments. If the President is
a national of either Contracting Party or if he is otherwise prevented from
discharging the said function, the Vice-President shall be invited to make
the necessary appointments. If the Vice-President is a national of either
Contracting Party or if he too is prevented from discharging the said function, the Member of the International Court of Justice next in seniority who is not a national of either Contracting Party shall be invited to make necessary appointments.

(5) The arbitral tribunal shall reach its decision by a majority vote. Such decision shall be binding on both Contracting Parties. Each Contracting Party shall bear the cost of its own member of the tribunal and of representation in the arbitral proceedings; the cost of the Chairman and of remaining costs shall be borne in equal parts by the Contracting Parties. The tribunal may, however, in its decision direct that a higher proportion of costs shall be borne by one of the two Contracting Parties, and this decision shall be binding on both Contracting Parties. The tribunal shall determine its own procedure.

**ARTICLE 10**

**Subrogation**

If either Contracting Party makes payment under an indemnity it is given in respect of an investment or any part thereof in the territory of the other Contracting Party the latter Contracting Party shall recognize

(a) the assignment, whether under law or pursuant to a legal transfer of any right or claim from the party indemnified to the former Contracting Party (or its designated Agency), and

(b) that the former Contracting Party (or its designated Agency) is entitled by virtue of subrogation to exercise the rights and enforce the claims of such a party.

The former Contracting Party (or its designated Agency) shall accord, if it so desires, be entitled to assert any such right or claim to the same extent as its predecessor in title either before a Court or tribunal in the territory of the latter Contracting Party or in any other circumstances. If the former Contracting Party acquires amounts in the lawful currency of the latter Contracting Party or credits thereof by assignment under the terms of indemnity, the former Contracting Party shall be accorded in respect of such treatment not less favourable than that accorded to the funds or nationals of the latter Contracting Party or of any third State of investment activities similar to those in which the party indemnified was engaged. Such amounts and credits shall be freely available to the former Contracting Party concerned for the purpose of meeting its expenses in the territory of the other Contracting Party.

**ARTICLE 11**

**Territorial Extension**

After the entry into force of this Agreement, the provisions of this Agreement may be extended to such territories for whose international relations the Government of the United Kingdom is responsible as agreed between the Contracting Parties in an exchange of notes.
ARTICLE 12
Entry into Force

This Agreement shall enter into force after each Contracting Party has notified the other of the completion of its constitutional procedures(3).

ARTICLE 13
Duration and Termination

This Agreement shall remain in force for a period of ten years. Thereafter it shall continue in force until the expiration of twelve months from the date on which either Contracting Party shall have given written notice of termination to the other. Provided that in respect of investments made whilst the Agreement is in force, its provisions shall continue in effect with respect to such investments for a period of ten years after the date of termination and without prejudice to the application thereafter of the rules of general international law.

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

Done in duplicate at London this 7th day of May 1980 in the English and French languages, both texts being equally authoritative.

For the Government of the United Kingdom of Great Britain and Northern Ireland:

CARRINGTON

For the Government of the Republic of Senegal:

[MOSTAPHA NIASSE]