



**AGREEMENT
BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF PARAGUAY
AND
THE GOVERNMENT OF THE STATE OF QATAR
FOR
THE RECIPROCAL PROMOTION AND
PROTECTION OF INVESTMENTS**

The Government of the Republic of Paraguay and the Government of the State of Qatar, hereinafter referred to as the "Contracting Parties";

DESIRING to intensify economic cooperation to the mutual benefit of both States;

INTENDING to create and maintain favorable conditions for investments by investors of one Contracting Party in the territory of the other Contracting Party;

RECOGNIZING the need to promote and protect these investments with the aim to foster the economic prosperity of both Contracting Parties;

AGREEING that fair and equitable treatment of investments is desirable in order to maintain a stable framework for investments and maximum effective utilization of economic resources;

HAVE AGREED as follows:

**ARTICLE 1
Definitions**

For the purposes of this Agreement and unless stated otherwise the following words and terms shall have the corresponding meanings:

1. The term "Investor" refers to any natural or juridical person of one Contracting Party:
 - a) The term "natural persons", refers with regard to either Contracting Party to any natural person, who is a national of the Parties to this Agreement. The provisions of this Agreement shall not apply to investments made by natural persons who are nationals of one Contracting Party in the territory of the other Contracting Party if such persons, on the date of the investment, reside permanently in the latter Contracting Party, unless it is proved that the resources related to these investments come from abroad;



- b) The term "juridical person", refers with regard to either Contracting Party, to any juridical person including enterprises, companies, corporations, firms or business associations constituted or organized under the applicable law of that Contracting Party and having its seat in the territory of that same Contracting Party, whether or not for profit, and whether privately or governmentally owned or controlled;
 - c) In addition, Juridical persons include governments, official agencies, authorities, sovereign funds, trusts, and organizations established or organized in accordance with the respective state legislation of the Contracting Parties or of a third party in which the investor referred to above exercise effective control.
2. The term "Investment" means any kind of asset invested by an investor of one Contracting Party in the territory of the other Contracting Party in accordance with the laws and regulations of the latter Contracting Party, which is made and effectively controlled, directly or indirectly by natural or juridical persons defined in the previous paragraphs. and in particular, though not exclusively, shall include:
- a) Movable and immovable property and any other property rights, such as servitudes, guarantees, mortgages, liens, pledges and similar rights;
 - b) Shares, securities, titles or participation rights in companies or any other form of participation in companies or joint venture businesses, as well as the economic interests resulting from such activity;
 - c) Rights to money or to any performance under contract having an economic value;
 - d) Intellectual and industrial property rights, intangible property rights, including, in particular copyrights, patents, industrial designs, trademarks, trade names, technical and technological procedures, Know How, goodwill, key value and plant breeders, which are protected under domestic laws of the host State;
 - e) Any rights of economic nature granted by law or contracts, such as concessions to performance activities including those to search for, process, extract and exploit natural resources.

Any changes in the form in which assets are invested or reinvested shall not affect their qualification as investments provided that, such alteration is not in conflict with the provisions of this Agreement and the legislation of the Contracting Party in whose territory the investment is made.



3. The term "Returns" means output from an investment and money yielded by an investment and includes, in particular although not exclusively, profits, dividends, interest, capital gains, royalties and fees.
4. The term "freely usable currency" means a currency widely used to make payments for international transactions as classified by the IMF.
5. The term "Output of investment" refer to all goods and service including intellectual and industrial property rights produce from economic activities that have used the investments of the investor of the Contracting Party in the territories of the other Contracting Party.
6. "Territory":
 - a) For the State of Qatar: land, inland waters and territorial of the State of Qatar and their bed and subsoil, and air space above them, and the economic zone and continental shelf, which is exercised by the State of Qatar's sovereign rights and jurisdiction, in accordance with the provisions of international law and domestic laws and regulations.
 - b) In relation to the Republic of Paraguay, it refers to territorial extension over which the State exercises its sovereignty or jurisdiction in accordance with international and national law, the National Constitution.

ARTICLE 2

Scope of the Agreement

This Agreement shall apply to all investors and investments made by investors of either Contracting Party in the territory of the other Contracting Party, accepted as such in accordance with its laws and regulations, whether made before or after the coming into force of this Agreement, but shall not apply to any dispute raised before the entry into force of this Agreement.

ARTICLE 3

Promotion and encouragement of investments

1. Each Contracting Party, as far as possible, shall encourage and create favorable conditions for investors of the other Contracting Party to make investments in its territory, and admit such investments in accordance with its laws and regulations in force.
2. When a Contracting Party shall have admitted an investment in its territory, it shall facilitate the granting in accordance with its laws and regulations the necessary permits in connection with such an investment.



3. Investments made by 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 in accordance with customary international law.
4. Neither Contracting Party shall in any way impair by unreasonable or discriminatory measures the operation, management, maintenance, use, enjoyment or disposal of investments in its territory by investors of the other Contracting Party.

ARTICLE 4 **Treatment of Investment**

1. Each Contracting Party shall in its territory accord to investments and returns of investors of the other Contracting Party treatment which is fair and equitable and no less favorable than that which it accords to investments and returns of its own investors or to investments and returns of investors of any Third Party, whichever is more favorable to the investor.
2. Each Contracting Party shall in its territory accord to investors of the other Contracting Party, as regards management, maintenance, use, enjoyment or disposal of their investments, treatment which is fair and equitable and no less favorable than that which it accords to its own investors.
3. Each Contracting Party shall in its territory accord to investors of the other Contracting Party treatment no less favorable than that which it accords to investors of any Third Party.
4. The treatment granted under paragraph 1, 2, and 3 of this Article shall not be construed so as to oblige one Contracting Party to extend to the investors of the other Contracting Party and their investment the benefit of any treatment, preference or privilege resulting from:
 - a) its membership of, or association with, any existing or future customs union, common market monetary union, free trade area or;
 - b) any international agreement or arrangement relating wholly or mainly to taxation or any domestic legislation relating wholly or mainly to taxation.



ARTICLE 5

Expropriation and Compensation

1. Neither of the Contracting Parties shall take measures of expropriation, nationalization or any other measures having the same effect against investments belonging to investors of the other Contracting Party (hereinafter: referred to as: "expropriation") unless the measures are taken in the public interest, on a non-discriminatory basis and under due process of law and upon the payment of effective and adequate compensation. Such compensation shall amount to the market value criteria of the expropriated investment immediately before the expropriation or the impending expropriation became public knowledge, whichever is the earlier (hereinafter: referred to as: "valuation date").
2. If an agreement between both parties on the value of the compensation is not reached, it shall be resolved by the provisions in the Dispute Settlement Article 8 of this agreement.
3. Such market value shall be expressed in a freely usable currency, at the market rate of exchange prevailing for that currency on the valuation date. Compensation shall be paid without delay, be effectively realizable and transferable in a freely usable currency. The compensation shall include also the interest from the date of expropriation until the date of payment.
4. Where a Contracting Party expropriates the assets of a company which is incorporated or constituted under the law in force in any part of its own territory, and in which investors of the other Contracting Party own shares, it shall ensure that the provisions of this article are applied so as to guarantee adequate and effective compensation in respect of their investment to such investors of the other Contracting Party who are owners of those shares.
5. Investors of either Contracting Party Who suffer losses of their investments in the territory of the other Contracting Party due to war or to other armed conflict, a state of national emergency, revolution, insurrection or riot shall be accorded with respect to restitution, indemnification, compensation or other settlement, a treatment which is no less favorable than that accorded to its own investors or to investors of any third state whichever is more favorable to the investor.

ARTICLE 6

Transfer

1. Each Contracting Party shall guarantee the free transfer of outputs from all investment made by an investor of the other Contracting Party in its territory and guarantee the free transfer of all funds of an investor of the other Contracting Party related to an investment in its territory. Such investments would include but not be limited to:



- a) capital and additional capital amounts used to maintain and increase investment;
 - b) returns;
 - c) repayments of any loan including interest thereon, relating to the investment;
 - d) proceeds from sales of their shares;
 - e) proceeds received by investors in case of sale or partial sale or liquidation;
 - f) the earnings of natural persons of one Contracting Party or other personnel from abroad who work in connection with an investment in the territory of the other Contracting Party;
 - g) payments arising from an investment dispute;
 - h) compensation pursuant to Article (5) of this Agreement.
2. Transfers under the present Article shall be made without delay in any freely usable currency, at the market rate of exchange applicable on the date of transfer.
 3. The aforementioned transfers shall be made, after compliance with the corresponding tax obligations.
 4. The Contracting Parties shall undertake to accord to transfer referred to in paragraphs 1 and 2 of this Article, a treatment no less favorable than that accorded to transfers originating from investments made by any third state.
 5. A Contracting Party may delay a transfer in an equitable and non-discriminatory basis and in good faith related to the following:
 - a. Bankruptcy, insolvency or the protection of the rights of creditors;
 - b. Criminal or penal offences;
 - c. Ensuring compliance of judicial orders issued in legal proceedings in application of legal provisions related exclusively to the investment.

ARTICLE 7 Subrogation

1. Where one Contracting Party or its designated agency has guaranteed any indemnity against non-commercial risks in respect of an investment by any of its investors in the territory of the other Contracting Party and has made payment to such investors in respect of their claims under this Agreement, the other contracting Party agrees that the first Contracting Party or its designated agency is entitled by virtue of subrogation to exercise the rights and assert the claims of those investors. The subrogated rights or claims shall not exceed the original rights or claims of such investors.
2. In case of subrogation as defined in paragraph 1 of this Article, the investor shall not be entitled to require a claim, unless he is authorized to do so by the Contracting Party or its designated agency.



ARTICLE 8
**Settlement of Disputes between a Contracting Party and an Investor
of the Other Contracting Party**

1. Any dispute under the provisions of this Agreement, arising directly from an investment between one Contracting Party and an investor of the other Contracting Party shall be settled amicable among themselves.
2. If such disputes cannot be settled according to the provisions of paragraph (1) of this Article within (3) three months from the date of request in writing for settlement, the investor concerned may submit at his preference the dispute settlement to:
 - a) the competent court of the host Contracting Party for decision; or
 - b) the International Center for the Settlement of Investment disputes established under the Convention on the settlement of Investment disputes between States and Nationals of other States of March 18, 1965 done in Washington, D. C., if this Convention is applicable to the Contracting Parties; or
 - c) an Ad Hoc Arbitral Tribunal, subject to the Arbitration rules of the United Nations Commission for International Trade law (UNCITRAL), 1976.

Once an investor has submitted the dispute to one of the above mentioned mechanisms of dispute settlement, the investor shall not be entitled to resort to the others.

3. The Ad Hoc Arbitral Tribunal specified under paragraph (2) (c) of this article shall be established as follows:
 - a) each Contracting Party to the dispute shall appoint one arbitrator, and the two arbitrators thus appointed. Shall select by mutual agreement a third arbitrator, who must be a citizen of a third country, and who shall act as the Chairman of the Tribunal. All the arbitrators must be appointed within two months from the date of notification by one Party to the other Party of its intention to submit the dispute to arbitration.
 - b) if the periods specified in paragraph (3) (a) of this article herein above have not been respected, either Contracting Party, in the absence of any of other agreement, shall invite the Secretary General, or Vice-Secretary General of the Permanent Court of Arbitration at The Hague to make the necessary appointments.
 - c) the Ad Hoc Arbitral Tribunal shall reach its decisions by a majority of vote. These decisions shall be final and legally binding upon the Contracting parties and shall be enforced. The decisions shall be taken in conformity within the following order: first, the provisions of this Agreement, and second the principles of international law. Unless otherwise decided by the Tribunal, in accordance with special Circumstances, each party to the dispute shall bear the cost of its representation in the arbitral proceedings; the cost of the arbitrators and the remaining costs shall be borne in equal parts by the parties to the dispute.



- d) the Tribunal shall interpret its award and give reasons and bases of its decision at the request of either Contracting Party. Unless otherwise agreed by the Parties, the venue of arbitration shall be at the seat of the Permanent Court of Arbitration at The Hague (The Netherlands).
4. No investment dispute may be submitted for resolution by arbitration under the present Article if more than (5) five years have elapsed from the date on which the investor first acquired knowledge of the alleged breach and the loss or damage that the letter has allegedly incurred.

ARTICLE 9

Entry and Sojourn of Personnel

A Contracting Party shall, subject to its laws and regulations relating to the entry and sojourn of non-citizens, permit natural persons of the other Contracting Party and other persons appointed or employed by investors of the other Contracting Party to enter and remain in its territory for the purpose of engaging in activities connected with investments.

ARTICLE 10

More Favorable Provisions

1. If the domestic law of either Contracting Party, or obligations under international law existing at present or established hereafter between the Contracting Parties in addition to this Agreement contains a provision, whether general or specific, entitling investments by investors of the other Contracting Party to a treatment more favorable than is provided for by this Agreement, such provision shall, to the extent that it is more favorable to an investor, prevail over this Agreement.
2. Whenever the treatment accorded by one Contracting Party to the investors of the other Contracting Party, according to its laws and regulations or other provisions of specific contract or investment authorization or agreement, is more favorable than that provided under this agreement, the most favorable treatment shall apply.

ARTICLE 11

Denial of Benefits

Following notification, a Contracting Party may deny the benefits of this Agreement to:

1. an investor of the other Contracting Party that is a juridical person of such Contracting Party and to an investment of such investor if the juridical person is owned or controlled by investors of a third party and the Denying Contracting Party does not maintain diplomatic relations with the third party;



2. an investor of the other Contracting Party that is a juridical person of such other Contracting Party and to investments of that investor, if an investor of a non-Contracting Party owns or controls the juridical person and the juridical person has no substantive business operations in the territory of the other Contracting Party.

ARTICLE 12

Entry Into force

1. This Agreement, or any amendments thereof, shall enter into force on the latter date on which either Contracting Party notifies the other that its internal juridical requirements for the entry into force of this Agreement or its amendments have been fulfilled.
2. This Agreement may be amended by written agreement between the two Contracting Parties.

ARTICLE 13

Consultations

The Contracting Parties may, at the request of either, hold consultations on any matter relating to the implementation or application of this Agreement. These consultations shall be held on the proposal of one of the Contracting Parties at a place and a time to be agreed upon through diplomatic channels.

ARTICLE 14

Duration and Denunciation

1. This Agreement shall remain in force for a period of ten (10) years and shall continue in force thereafter for similar period or periods unless, one year before the expiration of the initial or any subsequent period, either Contracting Party notifies the other Contracting Party of its intention to denounce the Agreement.
2. The notice of denunciation shall become effective one year after it has been received by the other Contracting Party.
3. With respect to investments made prior to the date when the notice of denunciation of this Agreement become effective, the provisions of this Agreement shall continue to be effective for a period of (10) ten years from the date of denunciation of this Agreement.



IN WITNESS WHEREOF, the undersigned duly authorized thereto by their respective Governments, have signed this Agreement.

Done in Doha the 11th day of February 2018, in two original versions, in Spanish, Arabic, and English language, all texts being equally authentic. In case of divergence of interpretation, the English text shall prevail.

A blue ink signature, consisting of a long horizontal stroke followed by a shorter one, representing the representative of the Republic of Paraguay.

**FOR THE GOVERNMENT OF THE
REPUBLIC OF PARAGUAY**

A blue ink signature, consisting of several horizontal strokes with a large loop at the end, representing the representative of the State of Qatar.

**FOR THE GOVERNMENT OF
THE STATE OF QATAR**