The Unified Agreement for the Investment of Arab Capital in the Arab Countries

Chapter Two: Treatment of the Arab Investor

Article 10

1. An Arab Investor shall be entitled to compensation for damage incurred by him as a result of the following being taken by the State of its institution or any of its public or municipal authorities:

(a) Violation of any of the rights of guarantees granted to Arab Investor in this Agreement or in a decision issued pursuant to it from a competent authority.

(b) Violation of an international obligation or commitment undertaken by a Contracting State under this agreement for the benefit of an Arab Investor, or its failure, intentionally or negligently, to do whatever necessary to execute the same.

(c) Failure to execute a final court decision relating to the investment.

(d) Causing, in any other way whether by action or inaction, damage to the Arab Investor in violation of legal provision in force in the State where the investment takes place.

2. The amount of compensation shall equal the damage incurred by the Arab Investor and shall be determined in relation to the nature and magnitude of damage.

Article 11

1. Compensation shall be in monetary terms if it becomes impossible to restore the investment to its condition prior to the occurrence of damage.

2. Monetary compensation shall be estimated within six months from the date of occurrence of damage, and shall be payable within one year from the date of agreement on the amount of compensation or the date on which the estimate of compensation becomes final; otherwise the Investor shall be entitled, from the day next to the expiry of the above period, to a fee for the delay, with respect to the unpaid amount, at the banking interest rate prevailing in the State where the investment takes place.

Referring Principles:

XI.1 - Compensation for expropriation