AGREEMENT
BETWEEN
THE GOVERNMENT OF THE REPUBLIC OF INDONESIA
AND
THE GOVERNMENT OF THE REPUBLIC OF ZIMBABWE
CONCERNING THE PROMOTION AND PROTECTION OF INVESTMENTS

The Government of the Republic of Indonesia and the Government of the Republic of Zimbabwe (hereinafter referred to as "Contracting Parties");

Bearing in mind the friendly and cooperative relations existing between the two countries and their peoples;

Intending to create favourable conditions for investments by investors of one Contracting Party in the territory of the other Contracting Party on the basis of sovereign equality and mutual benefit; and

Recognizing that the Agreement on the Promotion and Protection of such Investments will be conducive to the stimulation of investment activities in both countries;

Have agreed as follows :

ARTICLE I
DEFINITIONS

For the purpose of this Agreement :

1. The term "investments" means any kind of asset invested by investors of one Contracting Party in the territory of the other Contracting Party, in conformity with the laws and regulations of the latter, including, but not exclusively :

a. movable and immovable property as well as other rights such as mortgages, privileges, and guarantees and any other similar rights;

b. rights derived from shares, bonds or any other form of interest in companies or joint venture in the territory of the other Contracting Party;

c. claims to money or to any performance having a financial value;

d. intellectual property rights, goodwill and know-how;

e. business concessions conferred by law or under contract related to investment including concessions to search for or exploit natural resources.

2. The term "investor" means national of one Contracting Party who invests in the territory of the other Contracting Party comprising :

(i) natural person having the nationality of that Contracting Party;
(ii) legal person constituted under the law of that Contracting Party;

3. The term "without delay" shall be deemed to be fulfilled if a transfer is made within such period as is normally required by international financial practices.

4. "Territory" shall mean :

a. In respect of the Republic of Indonesia :
The Territory of the Republic of Indonesia as defined in its laws.

b. In respect of the Republic of Zimbabwe :
The Territory of the Republic of Zimbabwe

ARTICLE II
PROMOTION AND PROTECTION OF INVESTMENTS

1. Either Contracting Party shall encourage and create favourable conditions for investors of the other Contracting Party to invest in its territory, and shall admit such capital in accordance with its laws and regulations.

2. Investments of investors of either Contracting Party shall at all times be accorded fair and equitable treatment and shall enjoy adequate protection and security in the territory of the other Contracting Party. Neither Contracting Party shall impair, by unreasonable or discriminatory measures, the operation, management, maintenance, use, enjoyment or disposal thereof by those investors.

ARTICLE III
MOST-FAVOURED-NATION PROVISIONS

1. Each Contracting Party shall in its territory accord to such investments treatment which in any case shall not be less favourable than that accorded to investments of investors of any third state.

2. If a Contracting Party has accorded special advantages to investors of any third state by virtue of agreements establishing customs unions, economic unions, monetary unions or similar institutions, or on the basis of interim agreements leading to such unions of institutions or double taxation agreements or any other similar agreements, that Contracting Party shall not be obliged to accord such advantages to investors of the other Contracting Party.

ARTICLE IV
EXPROPRIATION

Each Contracting Party shall not take any measures of expropriation, nationalization or any other dispossession, having effect equivalent to nationalization or expropriation against the investments of an investor of the other Contracting Party except where :

(a) the measures are taken for a lawful purpose or public purpose and under process of law;

(b) the measures are non discriminatory;

(c) the measures are accompanied by provisions for the payment of prompt, adequate and effective compensation. Such compensation shall amount to the fair market value without delay before the measure of dispossession became public knowledge. Such market value shall be determined in accordance with internationally acknowledged practices and methods or, where such fair market value cannot be determined, it shall be such reasonable amount as may be mutually agreed between the Contracting Parties hereto, and it shall be freely transferable in freely usable currencies from the Contracting Party.

ARTICLE V
COMPENSATION FOR LOSSES

1. Investors of one Contracting Party, whose investments in the territory of the other Contracting Party suffer losses owing to war or other armed conflict, revolution, a state of national emergency, revolt, insurrection or riot in the territory of the latter Contracting Party, shall be accorded by the latter Contracting Party treatment, as regards restitutions, indemnification, compensation or other settlement.

2. The treatment shall not be less favourable than that which the latter Contracting Party accords to its own investors or investors of any third state, whichever is more favourable to the investors concerned.

ARTICLE VI
TRANSFER

1. Either Contracting Party shall grant, within the scope of its laws and regulations in respect to investments by investors of the other Contracting Party, the transfer, without delay, of :

   a. profits, interests, dividends and other current income;

   b. funds necessary
      (i) for the acquisition of raw or auxiliary materials, semi fabricated or finished products, or
      (ii) to replace capital assets in order to safeguard the continuity of an investment;

   c. additional funds necessary for the development of an investment;

   d. funds in repayment of loans;

   e. royalties or fees in respect to the investments as referred to in Article I.1.d;

   f. earnings of natural persons;

   g. the proceeds of sale or liquidation of the investment;

   h. compensation for losses:

   i. compensation for expropriation.

2. Such transfer shall be made at the prevailing rate of exchange on the date of transfer with respect to current transaction in the currency to be transferred.

ARTICLE VII
SUBROGATION

If the investments of an investor of one Contracting Party are insured against non-commercial risks under a system established by law, any subrogation of the insurer or re-insurer to the rights of the said investor pursuant to the terms of such insurance shall be recognized by the other Contracting Party, provided, however, that the insurer or the re-insurer shall not be entitled to exercise any rights other than the rights which the investor would have been entitled to exercise.

ARTICLE VIII
SETTLEMENT OF DISPUTES BETWEEN INVESTOR AND THE CONTRACTING PARTY

1. Any dispute between a Contracting Party and an investor of the other Contracting Party, concerning an investment of the latter in the territory of the former, shall be settled amicably through consultations and negotiations.

2. If such a dispute cannot be settled within a period of six months from the date of a written notification either party requested amicable settlement, the dispute shall, at the request of the investor concerned, be submitted either to the judicial procedures provided by the Contracting Party concerned or to international arbitration or conciliation.

3. Each Contracting Party hereby consents to submit any dispute arising between that Contracting Party and an investor of the other Contracting Party concerning an investment of that investor in the territory of the former Contracting Party to the International Center for Settlement of Investment Disputes 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, D.C, on 18 March 1965.

General of the Permanent Court of Arbitration at the Hague. The third arbitrator shall not be a national of either Contracting Party.

(ii) The parties shall appoint their respective arbitrators within two months.

(iii) The arbitral award shall be made in accordance with the provisions of this Agreement.

(iv) The arbitral tribunal shall state the basis of its decision and give reasons upon the request of either party.

(v) The arbitral award shall be final and binding on both the parties.

ARTICLE 10
Disputes between the Contracting Parties

1. Disputes between the Contracting Parties concerning the interpretation or application of this Agreement shall, as far as possible, be settled amicably through negotiation.

2. If a dispute between the Contracting Parties cannot thus be settled within six months from the time the dispute arose, 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. Those 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 Member of the International Court of Justice next in seniority who is not a national of either Contracting Party shall be invited to make the necessary appointments.

2. This Agreement may be amended at any time, if deemed necessary, by mutual consent.

ARTICLE XIII

ENTRY INTO FORCE, DURATION AND TERMINATION

1. The present Agreement shall enter into force three months after the date of the last notification by either Contracting Party of the accomplishment of its internal procedures of ratification. It shall remain in force for a period of ten years and shall continue in force thereafter for successive periods of ten years unless denounced in writing by either Contracting Party one year before its expiration.

2. In respect of investments made prior to the date of termination of this Agreement becomes effective, the provisions of Article I to XII shall remain in force for a further period of ten years from the date of termination of the present Agreement.

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

Done in duplicate at Montego Bay on 8th February 1999 in Indonesian and English languages.

Both texts are equally authentic. If there is any divergence concerning the interpretation, the English text shall prevail.

FOR THE GOVERNMENT OF THE REPUBLIC OF INDONESIA	FOR THE GOVERNMENT OF THE REPUBLIC OF ZIMBABWE