

INVESTMENT LAW OF THE REPUBLIC OF TAJIKISTAN

This law regulates relations which are associated with investment in the Republic of Tajikistan and defines the legal economic basis of the stimulation of investments, guarantees the rights of investors carrying out the investments in the republic of Tajikistan.

The objective of present Law is to attract and to utilize effectively material and financial recourses, advanced technology, administrative experiences, to the economy of the Republic of Tajikistan; to provide encouraging investing atmosphere; defines the measures of state support of investments and maintains international law and international investment cooperation.

The present Law shall not regulate relations associated with the investments by the funds of the Government of the Republic of Tajikistan and also non-commercial organizations investment.

Investment dispute

investors.

The state guarantees equal

investment and industrial activity is guaranteed.

3. In case of termination of the investment activity not by investor's fault, investor has the right to compensation of his investment and his incomes, either monetary or in commodity form which the rate of the moment of the termination of investment activity.

Article 8. Currency transactions

1. Investors have right in all payments regarding investment activity in the Republic of Tajikistan, to free converting of national currency of the Republic of Tajikistan in other currencies, and also purchase of foreign currency for payment of operations outside the Republic of Tajikistan.

2. Currency transactions are made by investors according to the Law of the Republic of Tajikistan « On currency regulation and the currency control ».

3. In order to prevent legalization operations of illegal incomes there might be restriction of remittance in foreign currency to the Republic of Tajikistan and from the Republic of Tajikistan for investors, transaction in foreign currency is allowed on the basis of law.

Article 9. Openness of the state bodies activity regarding investors

1. Official notification of the state bodies of the Republic of Tajikistan and the normative legal acts concerning interests of investors, shall be published according to provisions of the legislation of the Republic of Tajikistan.

2. Free access to data on registration of legal persons and their charters, registration of agreements concerning real estate, and also licensing, except for the information containing commercial and other secret protected by the law is provided to the investors.

Article 10. Supervision of government bodies over Investor's Activities

Official bodies that are granted supervision and control rights will control and supervise the investor's activities. Government bodies have no right to interfere in investment activity, except for the cases stipulated by the legislation of the Republic of Tajikistan.

Article 11. Guarantees of the Rights of Investors in the Case of Nationalization and Requisition.

1. In case of disasters, accidents, infectious diseases, epidemics, ephizootis and at other force majeure the property can be withdrawn from the proprietor for the interests of society on the conditions established by the legislation, with payment of market value of the property (requisition).

The estimation of the cost, compensated to the proprietor of the requisitioned property, may be challenged in the court. The person whose property is requisitioned, has right after terminating the situation which lead to requisition, to demand return of the remain property, and in the case of refusal – he can apply to the court.

2. Through nationalization transferring the property belonging to citizens and legal persons, to state ownership can be done only on the basis of the legislation on nationalization of the property according to the Constitution of the Republic of Tajikistan, with compensation to the person whose property is nationalized.

3. The size of compensation of the cost of the nationalized or requisitioned investment property is determined on the basis of market cost of property. Compensation should be carried out, executed in the terms, coordinated by the sides, and paid in hard to currency.

4. The valuation according to which the owner has been reimbursed for the requisitioned property may be challenged in the court of the Republic of Tajikistan, and also in the arbitration court, the international court and the international arbitration court if it is stipulated by the agreement of the sides or the international treaty.

Article 12. Transfer of the rights of an investor to another person on a guarantee of contracts of insurance contracts

If the foreign state body authorized thereby makes a payments in favour of an investor under the guarantee (under insurance contract) which was granted to him in respect of investments carried out on the territory of the Republic of Tajikistan, and such foreign state of the state body authorized thereby are assigned the rights (assigned the rights of claim) of the investor with respect to the mentioned investments, then in the Republic of Tajikistan such assignments of rights (assignments of a right to claim) shall be recognized as lawful only in the case of the performance by the investor of investments in the Republic of Tajikistan and (or) the fulfillment by the investor of his specified contractual obligations.

Article 13. Obligations of the Republic of Tajikistan regarding investments

The Republic of Tajikistan is not responsible for obligations of residents and the non-residents attracting investments, except for cases when these obligations are guaranteed by the state and by the law.

Article 14. Guarantee for the right of the investor on export of equipment and information

The investor who imported equipments to the Republic of Tajikistan, which are registered as the investment, has right to export them without problem (without quoting, licensings and applications) from Republic of Tajikistan after the termination of investment activity according to the customs legislation of the Republic of Tajikistan.

Settlement of Disputes

1. Investment disputes shall be resolved through negotiations, including with involvement of experts, or in accordance with the procedure for resolution of disputes agreed by parties in advance.

2. In the case of the impossibility of resolution of investment disputes in accordance with the provisions of item 1 of this article, the settlement of disputes shall be carried out in accordance with international treaties and legislative acts of the Republic of Tajikistan in courts of the Republic of Tajikistan, as well as by means of international arbitration agreed by the parties.

Article 15. Rights of investor to objects of intellectual property

All rights of the investor concerning objects of intellectual property, are protected by the legislation of the Republic of Tajikistan.

Article 16. Rights of investors for using natural resources

1. Acquire the right of using lands by the investor, other natural resources shall be carried in accordance with the legislation of the Republic of Tajikistan.

2. During reinvestment the investor enjoys full, legal protection, guarantees and the privileges established by the present Law.

CHAPTER 3. STATE SUPPORT OF INVESTMENTS

Article 18. The Objective of State Promotion of investor

1.The objective of state support of investments shall be the creation of a favorable investment climate to develop the economy and stimulate investments into the establishment of new facilities, enlargement and renewal of existing facilities, with application of up-to-date tech

CHAPTER 4. REQUIREMENTS FOR INVESTORS

Article 20. Observance by investor legislation of the Republic of Tajikistan

During implementation of investment activity in the territory of the Republic of Tajikistan the investor is obliged to observe legislation of the Republic of Tajikistan.

Article 21. Labour relations between the investor and citizens of the Republic of Tajikistan

Relations between the investor and the workers, who are citizens of the Republic of Tajikistan, are regulated by labour legislation of the Republic of Tajikistan and the international legal acts recognized by Tajikistan.

CHAPTER 5. FINAL PROVISIONS

Article 22. Settlement Disputes

1. Investment disputes between participants of investment activity are solved according to the conditions stipulat

