

No. 52444*

**Canada
and
Barbados**

Exchange of notes between the Government of Canada and the Government of Barbados constituting an agreement relating to Canadian investments in Barbados insured by the Government of Canada through its agent, the Export Development Corporation. Port of Spain, 26 October 1970, and Bridgetown, 17 November 1970

Entry into force: *17 November 1970 by the exchange of the said notes, in accordance with their provisions*

Authentic texts: *English and French*

Registration with the Secretariat of the United Nations: *Canada, 14 January 2015*

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**Canada
et
Barbade**

Échange de notes entre le Gouvernement du Canada et le Gouvernement de la Barbade constituant un accord relatif aux investissements canadiens en Barbade et aux garanties de ces investissements de la part du gouvernement canadien par l'intermédiaire de son mandataire, la Société pour l'expansion des exportations. Port of Spain, 26 octobre 1970, et Bridgetown, 17 novembre 1970

Entrée en vigueur : *17 novembre 1970 par l'échange desdites notes, conformément à leurs dispositions*

Textes authentiques : *anglais et français*

Enregistrement auprès du Secrétariat des Nations Unies : *Canada, 14 janvier 2015*

** Numéro de volume RTNU n'a pas encore été établie pour ce dossier. Les textes reproduits ci-dessous, s'ils sont disponibles, sont les textes authentiques de l'accord/pièce jointe d'action tel que soumises pour l'enregistrement et publication au Secrétariat. Pour référence, ils ont été présentés sous forme de la pagination consécutive. Les traductions, s'ils sont inclus, ne sont pas en form finale et sont fournies uniquement à titre d'information.*

**EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF CANADA AND THE
GOVERNMENT OF BARBADOS CONSTITUTING AN AGREEMENT RELATING
TO CANADIAN INVESTMENTS IN BARBADOS INSURED BY THE GOVERN-
MENT OF CANADA THROUGH ITS AGENT, THE EXPORT DEVELOPMENT
CORPORATION**

I

The High Commissioner for Canada to the Prime Minister of Barbados

Port of Spain, October 26, 1970.

No. 226

DEAR PRIME MINISTER,

I have the honour to refer to conversations which have recently taken place between representatives of our two Governments relating to investments in Barbados which would further development of economic relations between Barbados and Canada, and to guarantees of such investments by the Government of Canada, through its agent the Export Development Corporation. I also have the honour to confirm the following understandings reached as a result of these conversations:

1. In the event of payment by the Export Development Corporation of any loss under a Contract of Insurance issued pursuant to this Agreement the Corporation will be recognized by the Government of Barbados and by the laws of Barbados as successor to, or subrogated to all the rights of the investor for the purpose of recovering the amount of that loss.

2. In the event of payment by the Corporation of any loss under a Contract of Insurance issued pursuant to this Agreement the Corporation will be accorded by the Government of Barbados and by the laws of Barbados treatment as favourable as that accorded other persons suffering loss by reason of the causes described below:

- (a) War, riot, insurrection, revolution or rebellion in Barbados;
- (b) The arbitrary seizure, expropriation, confiscation or deprivation of use of any property by a Government, or agency thereof, in Barbados;
- (c) Any action by a Government, or agency thereof, in Barbados, other than action of the kind described in paragraph (b) that deprives the investor of any rights in, or in connection with, an investment; and
- (d) Any action by a Government, or agency thereof, in Barbados that prohibits or restricts transfer of any money or removal of any property from that country.

3. This Agreement shall apply only with respect to insured investments in projects or activities approved by the Government of Barbados.

4. In the event of nationalization or expropriation of industry or business, regardless of item (2) above, the investor, or in a case where a claim has been

paid, the Government of Canada, will be entitled to reasonable compensation for properties thus nationalized or expropriated.

5. (a) Differences between the two Governments concerning the interpretation and application of provisions of this Agreement shall be settled, insofar as possible, through negotiations between the two Governments. If such differences cannot be resolved within a period of three months following the request for such negotiations, it shall be submitted, at the request of either Government, to an Ad Hoc Tribunal for settlement in accordance with applicable principles and rules of public international law. The Arbitral Tribunal shall consist of three members and shall be established as follows: each Government shall appoint one arbitrator; a third member, who shall act as Chairman, shall be appointed by the other two members. The Chairman shall not be a national of either party. The arbitrator shall be appointed within two months and the Chairman within three months of the date of receipt of either Government's request for arbitration. If the foregoing time limits are not met, either Government may, in the absence of any other Agreement, request the President of the International Court of Justice to make the necessary appointment or appointments and both Governments agree to accept such appointment or appointments. The Arbitral Tribunal shall decide by majority vote. Its decision shall be binding and definitive. Each of the Governments shall pay the expenses of its member and its representation in the proceedings before the Arbitral Tribunal; expenses of the Chairman and the other costs shall be paid in equal parts by the two Governments. The Arbitral Tribunal may adopt other regulations concerning costs. In all other matters, the Arbitral Tribunal shall regulate its own procedures.
- (b) Any claim, arising out of investments insured in accordance with this Agreement, against either of the two Governments, which in the opinion of the other presents a question of public international law shall, at the request of the Government presenting the claim be submitted to negotiations. If at the end of three months following the request for negotiations, the two Governments have not resolved the claim by mutual agreement, the claim, including the question of whether it presents a question of public international law, shall be submitted for settlement to the Arbitral Tribunal selected in accordance with the above paragraph. The Arbitral Tribunal shall base its decision exclusively on applicable principles and rules of public international law. Only the respective Governments may request arbitral procedure and participate in it.

6. I have the honour to propose that, if the foregoing is acceptable to your Government, this note, which is authentic in English and French, and your reply to that effect shall constitute an Agreement between our two Governments which shall enter into force on the date of your reply. This Agreement shall continue in force until terminated by either party on six months' notice in writing to the other. In the event of termination, the provisions of the Agreement shall continue to apply, in respect of guarantees issued by the Government of Canada while the Agreement was in force, for the duration of these guarantees, provided that in no case shall the Agreement continue to

apply to such guarantees for a period longer than fifteen years after termination of this Agreement.

Accept, Sir, renewed assurances of my highest consideration.

G. A. RAU
High Commissioner for Canada.

The Right Honourable E. W. Barrow,
Prime Minister and Minister of External Affairs of Barbados,
Bridgetown, Barbados.