



Minister van Buitenlandse Zaken

H.E. mr. Robert Mugabe
President of the Republic of Zimbabwe

The Hague
1 November 2009

A handwritten signature in cursive script, likely belonging to the Minister of Foreign Affairs of the Netherlands.

I refer to the Award rendered on 22 April 2009 by the arbitral tribunal constituted under the 1965 Convention on the Settlement of Investment Disputes between States and Nationals of other States ('ICSID Convention') in the case of *Dutch investors Bernardus Henricus Funnekotter and others versus the Republic of Zimbabwe* (ICSID Case No. ARB/05/6).

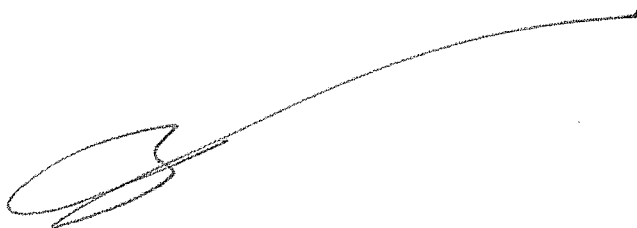
This Award was based on the Tribunal's findings that the respective Dutch investors were denied their rights under the Agreement on Encouragement and Reciprocal Protection of Investments between the Republic of Zimbabwe and the Kingdom of the Netherlands, which entered into force in May 1998 ('the Agreement').

On behalf of the Kingdom of the Netherlands I would like to express our serious concerns regarding the Republic of Zimbabwe's non-compliance with the Award within the legally required period of three months as provided for in the Award. Under Article 9 of the Agreement in conjunction with Article 53 of the ICSID Convention, the Award is binding on the Republic of Zimbabwe and it must abide by and comply with the terms of the Award.

With reference to Article 13 of the Agreement, the Netherlands urges the Republic of Zimbabwe to honour the Award and not to further breach its international obligations under the Agreement. Non-compliance with the Award is a very negative signal in respect of Zimbabwe's investment climate and will harm its recovery efforts and its role in the international arena.

The Netherlands reiterates the importance of the overall protection and fair and equitable treatment of foreign investors by Zimbabwe as laid down in the Agreement.

In the event of continuing non-compliance, the Netherlands will consider further appropriate steps with a view to ensuring compliance by the Government of Zimbabwe.

A handwritten signature in black ink, consisting of a large, stylized initial 'M' followed by a long, sweeping horizontal line that curves slightly upwards at the end.

Maxime Verhagen
Minister of Foreign Affairs of the Kingdom of the Netherlands