

PART B

ARTICLE 2

Scope and Application

1. This Agreement shall apply to measures adopted or maintained by a Contracting Party relating to investors of the other Contracting Party and covered investments.
2. A Contracting Party's obligations under this Agreement shall apply to any entity whenever that entity exercises any regulatory, administrative or other governmental authority delegated to it by that Contracting Party, such as the power to expropriate, grant licenses, approve commercial transactions or impose quotas, fees or other charges.
3. Each Contracting Party shall take all necessary measures in order to ensure observance of the provisions of this Agreement by provincial governments.²

ARTICLE 3

Promotion and Admission of Investment

Each Contracting Party shall encourage investors of the other Contracting Party to make investments in its territory and admit such investments in accordance with its laws, regulations and rules.

ARTICLE 4

Minimum Standard of Treatment

1. Each Contracting Party shall accord to covered investments fair and equitable treatment and full protection and security, in accordance with international law.
2. The concepts of "fair and equitable treatment" and "full protection and security" in paragraph 1 do not require treatment in addition to or beyond that which is required by the international law minimum standard of treatment of aliens as evidenced by general State practice accepted as law.
3. A determination that there has been a breach of another provision of this Agreement, or of a separate international agreement, does not establish that there has been a breach of this Article.

² For Canada, "provincial government" includes a territorial government.