

2. The obligations in Section B (Substantive Obligations) apply to a person of a Party when it exercises a regulatory, administrative or other governmental authority delegated to it by that Party.

### **ARTICLE 3**

#### **Promotion of Investment**

Each Party shall encourage the creation of favourable conditions for investment in its area by investors of the other Party and shall admit those investments in accordance with its laws, regulations, and rules.

### **ARTICLE 4**

#### **Non-discriminatory Treatment as Compared with a Party's Own Investors**

1. Each Party shall accord to an investor of the other Party treatment no less favourable than that it accords, in like circumstances, to its own investors with respect to the expansion, management, conduct, operation and sale or other disposition of an investment in its area.
2. Each Party shall accord to a covered investment treatment no less favourable than that it accords, in like circumstances, to investments of its own investors with respect to the expansion, management, conduct, operation and sale or other disposition of an investment in its area.
3. For greater certainty, the treatment accorded by a Party under paragraphs 1 and 2 means, with respect to a sub-national government, treatment accorded, in like circumstances, by that sub-national government to investors, and to investments of investors, of the Party of which it forms a part.
4. The concept of "expansion" in this Article applies only with respect to sectors not subject to a prior approval process or admission requirements under the relevant sectorial guidelines and applicable laws, regulations and rules in force at the time of expansion. The expansion may be subject to prescribed formalities and other information requirements.

### **ARTICLE 5**

#### **Non-discriminatory Treatment as Compared with a Non-Party's Investors**

1. Each Party shall accord to an investor of the other Party treatment no less favourable than that it accords, in like circumstances, to investors of a non-Party with respect to the establishment, acquisition, expansion, management, conduct, operation and sale or other disposition of an investment in its area.