

5. Articles 8.3, 8.4, and 8.7 do not apply to:

- (a) procurement by a Party or a state enterprise; or
- (b) subsidies or grants provided by a Party or a state enterprise, including government-supported loans, guarantees, and insurance.

Article 8.10: Investment and Environment

1. This Chapter is not to be construed to prevent a Party from adopting, maintaining, or enforcing a measure consistent with this Chapter that it considers appropriate to ensure that investment activity in its territory is undertaken in a manner sensitive to environmental concerns.

2. The Parties recognise that it is inappropriate to encourage investment by relaxing domestic health, safety, or environmental measures. Accordingly, a Party should not waive or otherwise derogate from, or offer to waive or otherwise derogate from, such measures as an encouragement for the establishment, acquisition, expansion, or retention in its territory of an investment of an investor. If a Party considers that the other Party has offered such an encouragement, that Party may request consultations with the other Party and the Parties shall consult with a view to avoiding any such encouragement.

Article 8.11: Expropriation and Compensation⁹

1. A Party shall not expropriate or nationalise a covered investment, directly or indirectly, through a measure equivalent to expropriation or nationalisation (hereinafter referred to as “expropriation”), except:

- (a) for a public purpose;
- (b) in a non-discriminatory manner;
- (c) in accordance with due process of law; and
- (d) on payment of prompt, adequate, and effective compensation.

2. The compensation referred to in paragraph 1(d) shall:

- (a) be paid without delay;

⁹ For greater certainty, Article 8.11.1 shall be interpreted in accordance with Annex 8-B.