

ANNEX D.34**Exclusions**

1. A decision by Canada following a review under the *Investment Canada Act*, an Act respecting investment in Canada, with respect to whether or not to:

- (a) initially approve an investment¹² that is subject to review; or
- (b) permit an investment that is subject to national security review;

shall not be subject to the dispute settlement provisions under Article 15 and Part C of this Agreement.

2. A decision by China following a review under the Laws, Regulations and Rules relating to the regulation of foreign investment, with respect to whether or not to:

- (a) initially approve an investment that is subject to review; or
- (b) permit an investment that is subject to national security review¹³;

shall not be subject to the dispute settlement provisions under Article 15 and Part C of this Agreement.

¹² For Canada, the concept of “initially approve an investment” in paragraph 1 means all decisions made with respect to whether or not to permit an investment under the *Investment Canada Act*.

¹³ For China, “national security review” may include a review of various forms of investments for national security purposes. At the time of the entry into force of this Agreement, the specific legal document on China’s national security review is the *Circular of the General Office of the State Council on the Establishment of the Security Review System For The Merger and Acquisition of Domestic Enterprises by Foreign Investors*, focusing on the review of mergers and acquisitions of domestic enterprises by foreign investors.