

Chapter 11: Provisions that Might Apply

In circumstances in which one or more of the exceptions or reservations described in the preceding section do not apply, the basic obligations contained in Chapter 11 could be relevant. These include MFN and national treatment for all NAFTA investors and their investments as well as limits on the imposition of certain performance requirements (e.g., local content requirements).

In addition, even where an exception or reservation does apply, the Chapter 11 provisions on minimum standard of treatment and expropriation described above are applicable to all levels of government.

These are some key points for consideration. Please consult the online Guide for more detail and guidance.

Chapter 12: Exceptions and Reservations

The same exceptions and reservations described above for Chapter 11 apply to Chapter 12. Accordingly:

- Measures affecting services that predate the entry into force of NAFTA are grandfathered, along with trade-liberalizing amendments to such measures.
- Sectors or measures listed by country in an Annex to NAFTA (Annex II) are subject to specified reservations. In this Annex, Canada has reserved the right to maintain or adopt measures inconsistent with the national treatment obligation and certain performance requirements, including with respect to: