

Chapter 10
Investment

Article 10.1
Scope

1. This Chapter shall apply to measures adopted or maintained by a Party related to:

- (a) investors of the other Party;
- (b) investments of investors of the other Party in the Area of the former Party; and
- (c) with respect to Articles 10.7 and 10.17, all investments in the Area of the former Party.

Note 1: For greater certainty, this Chapter shall also apply to measures adopted or maintained by a Party related to investments made by investors of the other Party in the Area of the former Party prior to the entry into force of this Agreement.

Note 2: For greater certainty, this Chapter shall not apply to claims arising out of events which occurred prior to the entry into force of this Agreement.

2. In the event of any inconsistency between this Chapter and Chapter 7:

- (a) with respect to matters covered by Articles 10.3, 10.4 and 10.7, Chapter 7 shall prevail to the extent of the inconsistency; and
- (b) with respect to matters not falling under subparagraph (a), this Chapter shall prevail to the extent of the inconsistency.

3. Nothing in this Chapter shall impose any obligation on either Party regarding measures pursuant to immigration laws and regulations.

Article 10.2
Definitions

For the purposes of this Chapter:

- (a) the term "Bilateral Investment Agreement" means the Agreement between Japan and Mongolia concerning the Promotion and Protection of Investment signed at Tokyo on February 15, 2001;
- (b) an enterprise is:
 - (i) "owned" by an investor if more than 50 percent of the equity interest in it is owned by the investor; and
 - (ii) "controlled" by an investor if the investor has the power to name a majority of its directors or otherwise to legally direct its actions;
- (c) the term "existing" means in effect on the date of entry into force of this Agreement;
- (d) the term "freely usable currency" means freely usable currency as defined under the Articles of Agreement of the International Monetary Fund;
- (e) the term "investment activities" means establishment, acquisition, expansion, operation, management, maintenance, use, enjoyment and sale or other disposal of an investment; and
- (f) the term "measure" means any measure, whether in the form of a law, regulation, rule, procedure, decision, administrative action or any other form.

Article 10.3
National Treatment

1. Each Party shall in its Area accord to investors of the other Party and to their investments treatment no less favorable than the treatment it accords in like circumstances to its own investors and to their investments with respect to investment activities.

2. Paragraph 1 shall not be construed to prevent a Party from adopting or maintaining a measure that prescribes special formalities in connection with investment activities of investors of the other Party in its Area, provided that such special formalities do not impair the substance of the rights of such investors under this Chapter.

Article 10.4 Most-Favored-Nation Treatment

Each Party shall in its Area accord to investors of the other Party and to their investments treatment no less favorable than the treatment it accords in like circumstances to investors of a non-Party and to their investments with respect to investment activities.

Article 10.5 General Treatment

1. Each Party shall in its Area accord to investments of investors of the other Party treatment in accordance with international law, including fair and equitable treatment and full protection and security.

Note 1: This paragraph prescribes the customary international law minimum standard of treatment of aliens as the minimum standard of treatment to be afforded to investments of investors of the other Party. The concepts of "fair and equitable treatment" and "full protection and security" do not require treatment in addition to or beyond that which is required by the customary international law minimum standard of treatment of aliens. 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 paragraph.

Note 2: "Fair and equitable treatment" includes the obligation of the Party not to deny justice in criminal, civil or administrative adjudicatory proceedings in accordance with the principle of due process of law.

2. Each Party shall observe any written obligation it may have entered into with respect to a specific investment by an investor of the other Party, which the investor could have relied on at the time of establishment, acquisition or expansion of such investment.

3. This Article shall apply to taxation measures.

Article 10.6 Access to the Courts

1. Each Party shall in its Area accord to investors of the other Party treatment no less favorable than the treatment it accords in like circumstances to its own investors or to investors of a non-Party with respect to access to the courts and administrative agencies in all degrees of jurisdiction, both in pursuit and in defense of such investors' rights.

2. This Article shall apply to taxation measures.

Article 10.7 Prohibition of Performance Requirements

1. Neither Party shall impose or enforce any of the following requirements, or enforce any commitment or undertaking, in connection with investment activities of an investor of a Party or of a non-Party in its Area to:

- (a) export a given level or percentage of goods or services;
- (b) achieve a given level or percentage of domestic content;
- (c) purchase, use or accord a preference to goods produced or services provided in its Area, or to purchase goods or services from persons in its Area;

- (d) relate in any way the volume or value of imports to the volume or value of exports or to the amount of foreign exchange inflows associated with an investment of the investor;
- (e) restrict sales of goods or services in its Area that an investment of the investor produces or provides by relating such sales in any way to the volume or value of its exports or foreign exchange earnings;
- (f) restrict the exportation or sale for export;
- (g) appoint, as executives, managers or members of boards of directors, individuals of any particular nationality;
- (h) locate the headquarters of that investor for a specific region or the world market in its Area;
- (i) hire a given number or percentage of its nationals;
- (j) supply one or more of the goods that the investor produces or the services that the investor provides to a specific region or the world market, exclusively from the Area of the former Party; or
- (k) adopt:
 - (i) given rate or amount of royalty under a license contract; or
 - (ii) a given duration of the term of a license contract,

with respect to any license contract freely entered into between the investor and a person in its Area, whether it has been entered into or not, provided that the requirement is imposed or the commitment or undertaking is enforced by an exercise of governmental authority of the Party.

Note: A "license contract" referred to in this subparagraph means any license contract concerning transfer of technology, a production process, or other proprietary knowledge.

2. Neither Party shall condition the receipt or continued receipt of an advantage, in connection with investment activities of an investor of a Party or of a non-Party in its Area, on compliance with any of the following requirements to:

- (a) achieve a given level or percentage of domestic content;
- (b) purchase, use or accord a preference to goods produced or services provided in its Area, or to purchase goods or services from persons in its Area;
- (c) relate in any way the volume or value of imports to the volume or value of exports or to the amount of foreign exchange inflows associated with an investment of the investor;
- (d) restrict sales of goods or services in its Area that an investment of the investor produces or provides by relating such sales in any way to the volume or value of its exports or foreign exchange earnings; or
- (e) restrict the exportation or sale for export.

3. (a) Nothing in paragraph 2 shall be construed to prevent a Party from conditioning the receipt or continued receipt of an advantage, in connection with investment activities of an investor of a Party or of a non-Party in its Area, on compliance with a requirement to locate production, supply a service, train or employ workers, construct or expand particular facilities, or carry out research and development, in its Area.

- (b) Subparagraph 1(k) shall not apply when the requirement is imposed or the commitment or undertaking is enforced by a court or competition authority to remedy an alleged violation of laws controlling the anti-competitive activities.
- (c) Subparagraphs 1(a), 1(b), 1(c), 2(a) and 2(b) shall not apply to qualification requirements for goods or services with respect to foreign aid programs.
- (d) Subparagraphs 2(a) and 2(b) shall not apply to requirements imposed by an importing Party related to the content of goods necessary to qualify for preferential tariffs or preferential quotas.

4. Paragraphs 1 and 2 shall not apply to any requirement other than the requirements set out in those paragraphs.

Article 10.8 Non-Conforming Measures

- 1. Articles 10.3, 10.4 and 10.7 shall not apply to:
 - (a) any existing non-conforming measure that is maintained by the central government of a Party, as set out in its Schedule in Annex 8;
 - (b) any existing non-conforming measure that is maintained by a local government of a Party;
 - (c) the continuation or prompt renewal of any non-conforming measure referred to in subparagraphs (a) and (b); or
 - (d) an amendment or modification to any non-conforming measure referred to in subparagraphs (a) and (b), to the extent that the amendment or modification does not decrease the conformity of the measure, as it existed immediately before the amendment or modification, with Articles 10.3, 10.4 and 10.7.

2. If a Party considers that the non-conforming measure referred to in subparagraph 1(b) and adopted or maintained by a prefecture or the city of Ulaanbaatar or a province of the other Party creates an impediment to investment activities of an investor of the former Party, that former Party may request consultations with respect to the application of that measure with a view to achieving mutually satisfactory solution.

3. Articles 10.3, 10.4 and 10.7 shall not apply to any measure that a Party adopts or maintains with respect to sectors, sub-sectors or activities, as set out in its Schedule in Annex 9.

4. Neither Party shall, under any measure adopted after the date of entry into force of this Agreement and covered by its Schedule in Annex 9, require an investor of the other Party, by reason of its nationality, to sell or otherwise dispose of an investment that exists at the time when the measure becomes effective.

5. In cases where a Party makes an amendment or a modification to any existing non-conforming measure set out in its Schedule in Annex 8 or where a Party adopts any new or more restrictive measure with respect to sectors, sub-sectors or activities set out in its Schedule in Annex 9 after the date of entry into force of this Agreement, the Party shall, prior to the implementation of the amendment or modification or the new or more restrictive measure, or in exceptional circumstances, as soon as possible thereafter:

- (a) notify the other Party of detailed information on such amendment, modification or measure; and
- (b) hold, upon request of the other Party, consultations in good-faith with the other Party with a view to achieving mutual satisfaction.

6. Each Party shall endeavor, where appropriate, to reduce or eliminate the non-conforming measures specified in its Schedules in Annexes 8 and 9 respectively.

7. Articles 10.3 and 10.4 shall not apply to any measure covered by the exceptions to, or derogations from, obligations under Articles 3 and 4 of the TRIPS Agreement, as specifically provided in Articles 3 through 5 of the TRIPS Agreement.

8. Articles 10.3, 10.4 and 10.7 shall not apply to any measure that a Party adopts or maintains with respect to government procurement.

Article 10.9 Expropriation and Compensation

1. Neither Party shall expropriate or nationalize an investment in its Area of investors of the other Party or take any measure equivalent to expropriation or nationalization (hereinafter referred to as "expropriation") except:

- (a) for a public purpose;
- (b) in a non-discriminatory manner;
- (c) upon payment of prompt, adequate and effective compensation in accordance with paragraphs 2 through 4; and
- (d) in accordance with due process of law and Article 10.5.

2. The compensation shall be equivalent to the fair market value of the expropriated investment at the time when the expropriation was publicly announced or when the expropriation took place, whichever is earlier. The fair market value shall not reflect any change in value occurring because the intended expropriation had become publicly known earlier.

3. The compensation shall be paid without delay and shall include interest at a commercially reasonable rate, taking into account the length of time until the time of payment. It shall be effectively realizable and freely transferable, and shall be freely convertible into the currency of the Party of the investors concerned and into freely usable currencies at the market exchange rate prevailing on the date of expropriation.

4. Without prejudice to the provisions of Article 10.13, the investors affected by expropriation shall have a right of access to the courts or administrative agencies of the Party making the expropriation to seek a prompt review of the investors' case and the amount of compensation in accordance with the principles set out in this Article.

5. This Article shall apply to taxation measures, to the extent that such taxation measures constitute expropriation.

6. This Article shall be interpreted in accordance with Annex 10.

Article 10.10 Protection from Strife

1. Each Party shall accord to investors of the other Party that have suffered loss or damage related to their investments in the Area of the former Party due to armed conflict or a state of emergency such as revolution, insurrection, civil disturbance or any other similar event in the Area of that former Party, treatment, as regards restitution, indemnification, compensation or any other settlement, that is no less favorable than the treatment it accords to its own investors or to investors of a non-Party, whichever is more favorable to the investors of the other Party.

2. Any payment as a means of settlement referred to in paragraph 1 shall be effectively realizable, freely transferable and freely convertible at the market exchange rate into the currency of the Party of the investors concerned and freely usable currencies.

3. Notwithstanding the provisions of Article 1.10, neither Party shall be relieved of its obligation under paragraph 1 by reason of its measures taken in accordance with that Article.

Article 10.11
Transfers

1. Each Party shall ensure that all transfers related to investments in its Area of an investor of the other Party may be freely made into and out of its Area without delay. Such transfers shall include, in particular, though not exclusively:

- (a) the initial capital and additional amounts to maintain or increase investments;
- (b) profits, interest, capital gains, dividends, royalties, fees and other current incomes accruing from investments;
- (c) payments made under a contract including loan payments in connection with investments;
- (d) proceeds of the total or partial sale or liquidation of investments;
- (e) earnings and remuneration of personnel from the other Party engaged in activities in connection with investments in the Area of the former Party;
- (f) payments made in accordance with Articles 10.9 and 10.10; and
- (g) payments arising out of the settlement of a dispute under Article 10.13.

2. Each Party shall further ensure that such transfers may be made without delay in freely usable currencies at the market exchange rate prevailing on the date of the transfer.

3. Notwithstanding paragraphs 1 and 2, a Party may delay or prevent a transfer through the equitable, non-discriminatory and good-faith application of its laws and regulations related to:

- (a) bankruptcy, insolvency or the protection of the rights of creditors;
- (b) issuing, trading or dealing in securities;

- (c) criminal or penal offenses; or
- (d) ensuring compliance with orders or judgments in adjudicatory proceedings.

Article 10.12
Subrogation

If a Party or its designated agency makes a payment to any investor of that Party under an indemnity, guarantee or insurance contract, pertaining to an investment of such investor in the Area of the other Party, the latter Party shall recognize the assignment to the former Party or its designated agency of any right or claim of such investor on account of which such payment is made and shall recognize the right of the former Party or its designated agency to exercise by virtue of subrogation any such right or claim to the same extent as the original right or claim of the investor. As regards payment to be made to that former Party or its designated agency by virtue of such assignment of right or claim and the transfer of such payment, the provisions of Articles 10.9, 10.10 and 10.11 shall apply *mutatis mutandis*.

Article 10.13
Settlement of Investment Disputes between a Party
and an Investor of the Other Party

1. For the purposes of this Article:
 - (a) the term "disputing investor" means an investor who is a party to an investment dispute;
 - (b) the term "disputing Party" means a Party that is a party to an investment dispute;
 - (c) the term "disputing parties" means the disputing investor and the disputing Party;
 - (d) the term "ICSID Convention" means the Convention on the Settlement of Investment Disputes between States and Nationals of Other States, done at Washington, March 18, 1965;

- (e) the term "ICSID Additional Facility Rules" means the Rules Governing the Additional Facility for the Administration of Proceedings by the Secretariat of the International Centre for Settlement of Investment Disputes;
- (f) the term "investment dispute" means a dispute between a Party and an investor of the other Party that has incurred loss or damage by reason of, or arising out of, an alleged breach of any obligation of the former Party under this Chapter with respect to the investor of that other Party or its investment in the Area of the former Party; and
- (g) the term "New York Convention" means the Convention on the Recognition and Enforcement of Foreign Arbitral Awards, done at New York, June 10, 1958.

2. Subject to subparagraph 6(a)(i), nothing in this Article shall be construed to prevent a disputing investor from seeking administrative or judicial settlement within the Area of the disputing Party.

3. An investment dispute shall, as far as possible, be settled amicably through consultations between the disputing parties.

4. If the investment dispute cannot be settled through such consultations within 120 days from the date on which the disputing investor requested in writing the disputing Party for the consultations, the disputing investor may, subject to paragraph 6, submit the investment dispute to one of the following international arbitrations:

- (a) arbitration in accordance with the ICSID Convention, so long as the ICSID Convention is in force between the Parties;
- (b) arbitration under the ICSID Additional Facility Rules, provided that either Party, but not both, is a party to the ICSID Convention;
- (c) arbitration under the Arbitration Rules of the United Nations Commission on International Trade Law; and

- (d) if agreed with the disputing Party, any arbitration in accordance with other arbitration rules.

5. The applicable arbitration rules shall govern the arbitration set forth in paragraph 4 except to the extent modified in this Article.

- 6. (a) Notwithstanding paragraphs 4 and 8, no claim may be submitted to the arbitration set forth in paragraph 4 unless:

- (i) the disputing investor gives the disputing Party written waiver of any right to initiate before any court under the law of either Party or other dispute settlement procedures including the investment dispute settlement procedures under the Bilateral Investment Agreement, any proceedings with respect to any measure of the disputing Party alleged to constitute a breach referred to in subparagraph 1(f); and
- (ii) the disputing investor has not initiated before the investment dispute settlement procedures under the Bilateral Investment Agreement, any proceedings with respect to any measure of the disputing Party alleged to constitute a breach referred to in subparagraph 1(f).

- (b) Notwithstanding subparagraph (a), the disputing investor may initiate or continue an action that seeks interim injunctive relief that does not involve the payment of monetary damages before any competent court of the disputing Party.

7. The disputing investor who intends to submit the investment dispute to arbitration in accordance with paragraph 4 shall give to the disputing Party written notice of intent to do so at least 90 days before the investment dispute is submitted. The notice of intent shall specify:

- (a) the name and address of the disputing investor;

- (b) the specific measures of the disputing Party at issue and a brief summary of the factual and legal basis of the investment dispute sufficient to present the problem clearly, including the obligations under this Chapter alleged to have been breached;
 - (c) arbitration set forth in paragraph 4 which the disputing investor chooses to invoke; and
 - (d) the relief sought and the approximate amount of damages claimed.
- 8.
 - (a) Each Party hereby consents to the submission of investment disputes by a disputing investor to arbitration set forth in paragraph 4 chosen by the disputing investor.
 - (b) The consent given under subparagraph (a) and the submission by a disputing investor of an investment dispute to arbitration shall satisfy the requirements of:
 - (i) Chapter II of the ICSID Convention or the ICSID Additional Facility Rules, for written consent of the parties to a dispute; and
 - (ii) Article II of the New York Convention for an agreement in writing.

9. Notwithstanding paragraph 8, no investment disputes may be submitted to arbitration set forth in paragraph 4, if more than three years have elapsed since the date on which the disputing investor acquired or should have first acquired, whichever is the earlier, the knowledge that the disputing investor had incurred loss or damage referred to in subparagraph 1(f).

10. Unless the disputing parties otherwise agree, an arbitral tribunal established under paragraph 4 shall comprise three arbitrators, one arbitrator appointed by each of the disputing parties and the third, who shall be the presiding arbitrator, appointed by agreement of the disputing parties. If the disputing investor or the disputing Party fails to appoint an arbitrator or arbitrators within 60 days from the date on which the investment dispute was submitted to arbitration, the Secretary-General of the International Centre for Settlement of Investment Disputes in the case of arbitration referred to in subparagraph 4(a) or 4(b), or the Secretary-General of the Permanent Court of Arbitration, at The Hague in the case of arbitration referred to in subparagraph 4(c) or 4(d), may be requested by either of the disputing parties, to appoint the arbitrator or arbitrators not yet appointed, subject to the requirements of paragraph 11.

11. Unless the disputing parties otherwise agree, the third arbitrator shall not be a national of either Party, nor have his or her usual place of residence in either Party, nor be employed by either of the disputing parties, nor have dealt with the investment dispute in any capacity.

12. Unless the disputing parties otherwise agree, the arbitration shall be held in a country that is a party to the New York Convention.

13. An arbitral tribunal established under paragraph 4 shall decide the issues in dispute in accordance with this Chapter and other provisions of this Agreement as applicable and applicable rules of international law.

14. The disputing Party shall deliver to the other Party:

- (a) written notice of the investment dispute submitted to the arbitration no later than 30 days after the date on which the investment dispute was submitted; and
- (b) copies of all pleadings filed in the arbitration.

15. The Party which is not the disputing Party may, upon written notice to the disputing parties, make submissions to the arbitral tribunal on a question of interpretation of this Chapter and other provisions of this Agreement as applicable.

16. The arbitral tribunal may order an interim measure of protection to preserve the rights of the disputing investor, or to facilitate the conduct of arbitral proceedings, including an order to preserve evidence in the possession or control of either of the disputing parties. The arbitral tribunal shall not order attachment or enjoin the application of the measure alleged to constitute a breach referred to in subparagraph 1(f).

17. Before ruling on the merits, the arbitral tribunal shall address and, if warranted, decide as a preliminary question any objection by the disputing Party to the jurisdiction of the arbitral tribunal and to the admissibility of the claim of the disputing investor. When the arbitral tribunal decides such an objection as a preliminary question, it may, if warranted, award to the prevailing disputing party reasonable costs and attorney's fees incurred in submitting or opposing the objection. In determining whether such an award is warranted, the arbitral tribunal shall consider whether either the disputing investor's claim or the disputing Party's objection was frivolous. In doing so, the arbitral tribunal shall provide the disputing parties a reasonable opportunity to comment.

18. The arbitral tribunal may award only:

- (a) a judgment whether or not there has been a breach by the disputing Party of any obligation under this Chapter with respect to the disputing investor and its investment; and
- (b) one or both of the following remedies, only if there has been such a breach:
 - (i) monetary damages and applicable interest;
and

- (ii) restitution of property, in which case the award shall provide that the disputing Party may pay monetary damages and any applicable interest, in lieu of restitution.

The arbitral tribunal may also award costs and attorneys' fees in accordance with this Article and the applicable arbitration rules.

19. The disputing Party may make available to the public in a timely manner all documents, including an award, submitted to, or issued by, an arbitral tribunal established under paragraph 4, subject to redaction of:

- (a) confidential business information;
- (b) information which is privileged or otherwise protected from disclosure under the applicable laws and regulations of either Party; and
- (c) information which shall be withheld in accordance with the relevant arbitration rules.

20. The award rendered by the arbitral tribunal shall be final and binding upon the disputing parties. This award shall be executed in accordance with the applicable laws and regulations, as well as relevant international law including the ICSID Convention and the New York Convention, concerning the execution of award in force in the country where such execution is sought.

21. Neither Party shall give diplomatic protection, or bring an international claim, with respect to an investment dispute which the other Party and an investor of the former Party have consented to submit or submitted to arbitration set forth in paragraph 4, unless the other Party has failed to abide by and comply with the award rendered in such investment dispute. Diplomatic protection, for the purposes of this paragraph, shall not include informal diplomatic exchanges for the sole purpose of facilitating a settlement of the investment dispute.

22. This Article shall apply to disputes regarding taxation measures to the extent covered by Article 10.5, 10.6 or 10.9.

Article 10.14
Temporary Safeguard Measures

1. A Party may adopt or maintain restrictive measures with respect to cross-border capital transactions as well as payment and transfers related to investments:

- (a) in the event of serious balance-of-payments and external financial difficulties or threat thereof; or
- (b) in exceptional cases where movements of capital cause or threaten to cause serious difficulties for macroeconomic management, in particular monetary and exchange rate policies.

2. Restrictive measures referred to in paragraph 1:

- (a) shall be applied on the basis of national treatment and most-favored-nation treatment;
- (b) shall be consistent with the Articles of Agreement of the International Monetary Fund;
- (c) shall avoid unnecessary damage to the commercial, economic and financial interests of the other Party;
- (d) shall not exceed those necessary to deal with the circumstances described in paragraph 1; and
- (e) shall be temporary and be phased out progressively as the situation specified in paragraph 1 improves.

3. Any restrictions adopted or maintained in accordance with paragraph 1, or any changes therein, shall be promptly notified to the other Party.

4. Nothing in this Article shall be construed to alter the rights enjoyed and obligations undertaken by a Party as a party to the Articles of Agreement of the International Monetary Fund.

Article 10.15
Prudential Measures

1. Notwithstanding any other provisions of this Chapter, a Party shall not be prevented from adopting or maintaining measures related to financial services for prudential reasons, including measures for the protection of investors, depositors, policy holders or persons to whom a fiduciary duty is owed by an enterprise supplying financial services, or to ensure the integrity and stability of its financial system.

2. Where the measures adopted or maintained by a Party in accordance with paragraph 1 do not conform with this Chapter, they shall not be used as a means of avoiding the obligations of the Party under this Chapter.

Article 10.16
Denial of Benefits

1. A Party may deny the benefits of this Chapter to an investor of the other Party that is an enterprise of the other Party and to its investment if the enterprise is owned or controlled by an investor of a non-Party and the denying Party:

- (a) does not maintain diplomatic relations with the non-Party; or
- (b) adopts or maintains measures with respect to the non-Party that prohibit transactions with the enterprise or that would be violated or circumvented if the benefits of this Chapter were accorded to the enterprise or to its investment.

2. A Party may deny the benefits of this Chapter to an investor of the other Party that is an enterprise of the other Party and to its investment if the enterprise is owned or controlled by an investor of a non-Party and the enterprise has no substantial business activities in the Area of the other Party.

Article 10.17
Health, Safety and Environmental Measures
and Labor Standards

The Parties shall refrain from encouraging investment by investors of each Party or of a non-Party by relaxing their respective health, safety or environmental measures or by lowering its labor standards. To this effect each Party should not waive or otherwise derogate from such measures or standards as an encouragement for the establishment, acquisition or expansion in its Area of investments by investors of each Party or of a non-Party.

Article 10.18
Sub-Committee on Investment

1. For the purposes of the effective implementation and operation of this Chapter, the Parties hereby establish a Sub-Committee on Investment (hereinafter referred to in this Article as "the Sub-Committee").
2. The functions of the Sub-Committee shall be:
 - (a) reviewing and monitoring the implementation and operation of this Chapter;
 - (b) exchanging information on any matters related to this Chapter;
 - (c) discussing any issues related to this Chapter;
 - (d) reporting the findings and the outcome of discussions of the Sub-Committee to the Joint Committee; and
 - (e) carrying out other functions as may be delegated by the Joint Committee.
3. The Sub-Committee shall be composed of representatives of the Governments of the Parties.
4. The Sub-Committee may invite representatives of relevant entities other than the Governments of the Parties with the necessary expertise relevant to the issues to be discussed.

5. The Sub-Committee shall hold meetings at such times and venues or by means, as may be agreed by the Parties.

6. This Article shall apply to matters regarding taxation measures to the extent covered by Article 10.5, 10.6 or 10.9.

Article 10.19

Relation to the Bilateral Investment Agreement

1. Notwithstanding paragraph 2 of Article 17 of the Bilateral Investment Agreement, the Bilateral Investment Agreement shall be terminated upon the date of entry into force of this Agreement.

2. The Parties confirm that with respect to investments and returns acquired prior to the date of termination of the Bilateral Investment Agreement, the provisions of Articles 1 through 16 of the Bilateral Investment Agreement shall continue to be effective for a further period of 15 years from that date in accordance with paragraph 3 of Article 17 of the Bilateral Investment Agreement.

3. For the purposes of paragraph 2, nothing in this Agreement shall affect the rights and obligations of a Party under the relevant provisions of the Bilateral Investment Agreement.

Article 10.20

Duration and Termination

With respect to investments acquired prior to the date of termination of this Agreement, the provisions of this Chapter, as well as provisions of this Agreement which are directly related to this Chapter, shall continue to be effective for a period of 10 years from the date of termination of this Agreement.