

**No. 53035\***

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**Canada  
and  
Romania**

**Agreement between the Government of Canada and the Government of Romania for the promotion and reciprocal protection of investments (with annex). Bucharest, 17 April 1996**

**Entry into force:** *11 February 1997 by notification, in accordance with article XVIII*

**Authentic texts:** *English, French and Romanian*

**Registration with the Secretariat of the United Nations:** *Canada, 16 October 2015*

**Note:** *See also annex A, No. 53035.*

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**Canada  
et  
Roumanie**

**Accord entre le Gouvernement du Canada et le Gouvernement de la Roumanie pour l'encouragement et la protection des investissements (avec annexe). Bucarest, 17 avril 1996**

**Entrée en vigueur :** *11 février 1997 par notification, conformément à l'article XVIII*

**Textes authentiques :** *anglais, français et roumain*

**Enregistrement auprès du Secrétariat des Nations Unies :** *Canada, 16 octobre 2015*

**Note :** *Voir aussi annexe A, No. 53035.*

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[ ENGLISH TEXT – TEXTE ANGLAIS ]

**AGREEMENT  
BETWEEN  
THE GOVERNMENT OF CANADA  
AND  
THE GOVERNMENT OF ROMANIA  
FOR THE PROMOTION AND RECIPROCAL  
PROTECTION OF INVESTMENTS**

**THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF ROMANIA**, hereinafter referred to as the "Contracting Parties".

**RECOGNIZING** that the promotion and the protection of investments of investors of one Contracting Party in the territory of the other Contracting Party will be conducive to the stimulation of business initiative and to the development of economic cooperation between them,

**HAVE AGREED** as follows

**ARTICLE I**

**Definitions**

For the purpose of this Agreement

- (a) "enterprise" means
  - (i) any entity constituted or organized under applicable law, whether or not for profit, whether privately-owned or governmentally-owned, including any corporation, trust, partnership, sole proprietorship, joint venture or other association, and
  - (ii) a branch of any such entity
- (b) "existing measure" means a measure existing at the time this Agreement enters into force,
- (c) "financial service" means a service of a financial nature, including insurance, and a service incidental or auxiliary to a service of a financial nature,
- (d) "financial institution" means any financial intermediary or other enterprise that is authorized to do business and regulated or supervised as a financial institution under the law of the Contracting Party in whose territory it is located,
- (e) "intellectual property rights" means copyright and related rights, trademark rights, patent rights, rights in layout designs of semiconductor integrated circuits, trade secret rights, plant breeders' rights, rights in geographical indications and industrial design rights.

(f) "investment" means any kind of asset owned or controlled either directly, or indirectly through an investor of a third State by an investor of one Contracting Party in the territory of the other Contracting Party in accordance with the latter's laws and, in particular, though not exclusively includes

- (i) movable and immovable property and any related rights such as mortgages, liens or pledges,
- (ii) shares, stock, bonds and debentures or any other form of participation in a company, business enterprise or joint venture,
- (iii) money, claims to money, and claims to performance under contract having a financial value,
- (iv) goodwill,
- (v) intellectual property rights,
- (vi) rights, conferred by law or under contract, to undertake any economic and commercial activity, including any rights to search for, cultivate, extract or exploit natural resources

but does not mean real estate or other property, tangible or intangible, not acquired in the expectation or used for the purpose of economic benefit or other business purposes

Any change in the form of an investment does not affect its character as an investment

(g) "investor" means

in the case of Canada

- (i) any natural person possessing the citizenship of or permanently residing in Canada in accordance with its laws, or
- (ii) any enterprise incorporated or duly constituted in accordance with applicable laws of Canada,

who makes the investment in the territory of Romania, and

in the case of Romania

- (i) any natural person who, according to the Romanian law, is considered to be its citizen and who does not possess the citizenship of Canada,
- (ii) any legal person, including any company, corporation, business association or other organization, which is constituted or otherwise duly organized, under the Romanian law and has its seat, together with real economic activities in the territory of Romania,

who makes the investment in the territory of Canada

(h) "measure" includes any law, regulation, procedure, requirement, or practice,

(i) "returns" means all amounts yielded by an investment and in particular, though not exclusively, includes profits, interest, capital gains, dividends, royalties, fees or other current income irrespective of the form in which returns are paid,

(j) "state enterprise" means an enterprise that is governmentally-owned or controlled through ownership interests by a government,

- (k) "territory" means
- (i) in respect of Canada, the territory of Canada, as well as those maritime areas including the seabed and subsoil adjacent to the outer limit of the territorial sea, over which Canada exercises, in accordance with international law, sovereign rights for the purpose of exploration and exploitation of the natural resources of such areas
  - (ii) in respect of Romania, the territory of Romania, including the territorial sea and the economic exclusive zone over which Romania exercises, in accordance with internal and international law, sovereignty, sovereign rights and jurisdiction

## ARTICLE II

### Establishment, Acquisition and Protection of Investments

- 1 Each Contracting Party shall encourage the creation of favourable conditions for investors of the other Contracting Party to make investments in its territory
- 2 Each Contracting Party shall accord investments or returns of investors of the other Contracting Party
  - (a) fair and equitable treatment in accordance with principles of international law and national legislation, provided, however, in the event of a conflict between the principles of international law and national legislation, the principles of international law will prevail and
  - (b) full protection and security
- 3 Each Contracting Party shall permit establishment of a new business enterprise or acquisition of an existing business enterprise or a share of such enterprise by investors or prospective investors of the other Contracting Party on a basis no less favourable than that which, in like circumstances, it permits such acquisition or establishment by
  - (a) its own domestic investors or prospective investors, or
  - (b) investors or prospective investors of any third state
- 4
  - (a) Decisions by either Contracting Party pursuant to measures not inconsistent with this Agreement, as to whether or not to permit an acquisition shall not be subject to the provisions of Articles XIII or XV of this Agreement
  - (b) Decisions by either Contracting Party not to permit establishment of a new business enterprise or acquisition of an existing business enterprise or a share of such enterprise by investors or prospective investors in accordance with its laws and regulations shall not be subject to the provisions of Article XIII of this Agreement

### ARTICLE III

#### **Most-Favoured-Nation (MFN) Treatment after Establishment and Exceptions to MFN**

- 1 Each Contracting Party shall grant to investments, or returns of investors of the other Contracting Party, treatment no less favourable than that which, in like circumstances, it grants to investments or returns of investors of any third State
- 2 Each Contracting Party shall grant investors of the other Contracting Party, as regards their management, use, enjoyment or disposal of their investments or returns, treatment no less favourable than that which, in like circumstances, it grants to investors of any third State
- 3 Subparagraph (3)(b) of Article II and paragraphs (1) and (2) of this Article do not apply to treatment by a Contracting Party pursuant to any existing or future bilateral or multilateral agreement
  - (a) establishing, strengthening or expanding a free trade area or customs union,
  - (b) negotiated within the framework of the GATT or its successor organization and liberalizing trade in services, or
  - (c) relating to
    - (i) aviation,
    - (ii) telecommunications transport networks and telecommunications transport services,
    - (iii) fisheries,
    - (iv) maritime matters, including salvage, or
    - (v) financial services

### ARTICLE IV

#### **National Treatment after Establishment and Exceptions to National Treatment**

- 1 Each Contracting Party shall grant to investments or returns of investors of the other Contracting Party treatment no less favourable than that which, in like circumstances, it grants to investments or returns of its own investors with respect to the expansion, management, conduct, operation and sale or disposition of investments
- 2 Subparagraph (3)(a) of Article II, paragraph (1) of this Article, and paragraphs (1) and (2) of Article V do not apply to
  - (a) (i) any existing non-conforming measures maintained within the territory of a Contracting Party For further certainty, it is acknowledged that, in accordance with the Constitution of Romania and the Land Act 18/1991 natural persons who do not have Romanian citizenship and are not resident in Romania as well as legal persons who do not have Romanian nationality and a registered office in Romania cannot acquire land in any form through acts inter vivos, and