Appendix C

2009 ASEAN Comprehensive Investment Agreement

Signed by the Economic Ministers at the 14th ASEAN Summit in Cha-am, Thailand on 26 February 2009

[http://www.aseansec.org/22244.htm]

The Governments of Brunei Darussalam, the Kingdom of Cambodia, the Republic of Indonesia, the Lao People's Democratic Republic, Malaysia, the Union of Myanmar, the Republic of the Philippines, the Republic of Singapore, the Kingdom of Thailand and the Socialist Republic of Viet Nam, Member States of the Association of Southeast Asian Nations ("ASEAN"), hereinafter collectively referred to as "Member States" or singularly as "Member State";

RECALLING the decisions of the 39th ASEAN Economic Ministers ("AEM") Meeting held in Makati City, Philippines on 23 August 2007 to revise the Framework Agreement on the ASEAN Investment Area signed in Makati City, Philippines on 7 October 1998 ("AIA Agreement"), as amended, into a comprehensive investment agreement which is forward-looking, with improved features and provisions, comparable to international best practices in order to increase intra-ASEAN investments and to enhance ASEAN's competitiveness in attracting inward investments into ASEAN;

RECOGNISING the different levels of development within ASEAN especially the least developed Member States which require some flexibility including special and differential treatment as ASEAN moves towards a more integrated and interdependent future;

REAFFIRMING the need to move forward from the AIA Agreement and the ASEAN Agreement for the Promotion and Protection of Investments signed in Manila, Philippines on 15 December 1987 ("ASEAN IGA"), as amended, in order to further enhance regional integration to realise the vision of the ASEAN Economic Community ("AEC");

CONVINCED that sustained inflows of new investments and reinvestments will promote and ensure dynamic development of ASEAN economies;

RECOGNISING that a conducive investment environment will enhance freer flow of capital, goods and services, technology and human resource and overall economic and social development in ASEAN; and

DETERMINED to further intensify economic cooperation between and among Member States,
HAVE AGREED as follows:

Section A

Article 1
Objective
The objective of this Agreement is to create a free and open investment regime in ASEAN in order to achieve the end goal of economic integration under the AEC in accordance with the AEC Blueprint, through the following:

(a) progressive liberalisation of the investment regimes of Member States;
(b) provision of enhanced protection to investors of all Member States and their investments;
(c) improvement of transparency and predictability of investment rules, regulations and procedures conducive to increased investment among Member States;
(d) joint promotion of the region as an integrated investment area; and
(e) cooperation to create favourable conditions for investment by investors of a Member State in the territory of the other Member States.

Article 2
Guiding Principles
This Agreement shall create a liberal, facilitative, transparent and competitive investment environment in ASEAN by adhering to the following principles:

(a) provide for investment liberalisation, protection, investment promotion and facilitation;
(b) progressive liberalisation of investment with a view towards achieving a free and open investment environment in the region;
(c) benefit investors and their investments based in ASEAN;
(d) maintain and accord preferential treatment among Member States;
(e) no back-tracking of commitments made under the AIA Agreement and the ASEAN IGA;
(f) grant special and differential treatment and other flexibilities to Member States depending on their level of development and sectoral sensitivities;
(g) reciprocal treatment in the enjoyment of concessions among Member States, where appropriate; and
(h) accommodate expansion of scope of this Agreement to cover other sectors in the future.