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**Negotiating Group on the Multilateral Agreement on Investment (MAI)**

**Expert Group No.1 on Selected Issues Concerning Dispute Settlement and Geographical Scope**

**APPLICATION OF THE MAI TO OVERSEAS TERRITORIES**

**(Note by the Chairman)**

## **Application of the MAI to Overseas Territories**

*(Note by the Chairman)*

1. At its meeting on 6-8 March, the Group agreed to review a draft proposed article dealing with the question of the application of the MAI to overseas territories. This note reproduces the draft article that was distributed to the Group as a room document.
2. Delegates are invited to comment on the draft and to indicate whether they are prepared to include a draft provision dealing with this issue in its April report to the Negotiating Group. The Group could also decide that the matter needs to be more fully considered and can request a renewal of its mandate to take account of this.

### **Draft Article**

#### **Territorial Scope**

A state may at any time declare in writing to the Depositary that this Agreement shall be binding upon it with respect to all or to one or more of the territories for the international relations of which it is responsible. Such declaration, made prior to or upon ratification, accession or acceptance, shall take effect upon entry into force of this agreement for that Party. A subsequent declaration shall take effect with respect to the territory or territories concerned on the ninetieth day following receipt of the declaration by the Depositary.

A Party may at any time declare in writing to the Depositary, that this Agreement shall cease to be binding upon it with respect to all or to one or more of the territories for the international relations of which it is responsible. Such declaration shall take effect upon the expiry of one year from the date of receipt of the declaration by the Depositary, with the same effect regarding existing agreements as withdrawal of a Party.