

Proposal by Canada on effective control

“Effective control” of an applicant or contractor means:

- a. with respect to a State which is the State of Nationality of the applicant or Contractor, “effective control” means the existence of regulatory control and meaningful economic ties between the applicant or Contractor and that State;
or
- b. with respect to another State that is not referred to in (a) above, or to a national of that State, “effective control” means the exercise of influence resulting in *de facto* control of the applicant or Contractor by that State.