

ANNEX "A"

RESPONSIBILITIES OF THE GOVERNMENT OF CANADA

- I Unless otherwise indicated in subsidiary arrangements or loan agreements, the Government of Canada shall finance the following expenditures based on the rates authorized in its Regulations.
- A. Expenditures related to Chinese trainees:
1. registration and tuition fees, books, supplies, or material required;
 2. a living allowance;
 3. medical and hospital expenses;
 4. where the training in Canada of any Chinese trainees is for a period of six (6) months or more, return travel costs between the nearest point serviced by the Civil Aviation Administration of China and the site of training and other costs of travel within Canada arising under the training programme; where the training in Canada of any Chinese trainees is for a period of less than six (6) months, return travel costs between China and the place of training and other costs of travel within Canada.
- B. Expenditures related to Canadian personnel:
1. their salaries, fees, allowances and other benefits;
 2. their travel expenses and those of their dependants between their normal place of residence and the port of entry and departure in China;
 3. the cost of shipping, between their normal place of residence and the port of entry and departure in China, their personal and household effects, those of their dependants, and the professional and technical material and equipment required by said personnel in the performance of their functions in China.
- C. Expenditures related to certain projects:
1. the cost of accommodation, meals and transportation for Canadian personnel engaged in project identification and definition work;
 2. the cost of consulting and other service contracts required for the execution of projects;
 3. the cost of providing equipment, materials, supplies and other goods and of the transportation of same to the port of entry in China.