

II 1. Contracts for the purchase of goods or commissioning of services financed by the Government of Canada and required for the execution of individual projects will be signed by the Government of Canada or one of its agencies or corporations.

2. However, it may be provided in any subsidiary arrangement or loan agreement entered into pursuant to the present Agreement that such contracts shall be signed by the Government of China, its agencies, or corporations, in accord with the terms and conditions specified in said subsidiary arrangements or loan agreements. Said terms and conditions will normally include the following:

(a) goods or services must be acquired in Canada and have a Canadian content of not less than sixty-six and two-thirds per cent (66 2/3 %);

(b) competitive bidding must take place and the contract must be awarded to the lowest bidder that conforms to the specifications and fulfils the other terms and conditions of the tender documents;

(c) the terms of payment, the technical specifications or the scope of work, as the case may be, and other terms and conditions of contracts as the Government of Canada may determine, must be approved beforehand by the Government of Canada; and

(d) the suppliers shall be paid directly by the Government of Canada.

III 1. The Government of Canada shall submit to the Government of China for approval the names and curricula vitae of the Canadian personnel and the names of their dependants which it proposes to assign to China under any subsidiary arrangement or loan agreement. In the absence of a documented reply within sixty (60) days of receipt by China of the information provided by Canada, the said Canadian personnel shall be deemed to be accepted by the Government of China.

2. The Government of Canada shall provide the Government of China sufficiently in advance of arrival with a list of the Canadian personnel and their dependants entitled to the rights and privileges set forth in this Agreement.

3. The Government of China reserves the right to approve the fielding of Canadian personnel. If any Canadian personnel or their dependants are found unsuitable for staying and/or working in China, such person(s) can be removed at the Chinese or Canadian initiative, with the reason clearly stated in each case, and discussed by the Ministry of Foreign Economic Relations and Trade and the Canadian International Development Agency before a final ruling is made by the Government of China. The Government of Canada shall replace as soon as possible any Canadian personnel who have been removed.