

ARTICLE I

The purpose of this Agreement is to provide for a long-term continuing framework for close cooperation between Canada and the Agency for the new period following that covered by the Agreements referred to in the Preamble.

ARTICLE II

Canada shall benefit from all activities executed under the Agency's General Budget, except that Canada shall not participate in the basic technological research programme. However, where technology closely related to preparatory programme(s) in which Canada is participating is concerned, Canadian firms can also be considered in the relevant procurement proposals.

ARTICLE III

Canada may also participate in other parts of the Agency's mandatory and optional activities and programmes or operational activities in accordance with detailed arrangements to be concluded in each case between Canada and the Agency.

ARTICLE IV

1. Canada shall contribute annually to the Agency's General Budget expenditure (excluding the outputs "Technological research" and "Head Office building") in its initially approved version. This contribution shall represent 50% of its contribution scale calculated on the basis used for the Member States of the Agency and adopted in accordance with Article XIII.1 of the Agency's Convention. However, this level of contribution shall be progressively reached and shall be fully applicable as from the third year following the entry into force of this Agreement: (4.22% for the first year; 4.86% for the second year).
2. Canada shall contribute to the expenditure of the activities and programmes in which it participates, in accordance with the provisions of the relevant detailed arrangements concluded pursuant to Article III.
3. Canada's contributions as provided for in this Article shall be updated and paid in conformity with the rules and procedures in force in the Agency.