

ANNEX "A"

RESPONSIBILITIES OF THE GOVERNMENT OF CANADA

- I Unless otherwise indicated in any subsidiary arrangement, CANADA or one of its agencies shall finance the following expenditures based on the rates authorized in its regulations:
- (A) Expenditures related to Indian fellowship holders:
 - (1) registration and tuition fees, books, supplies or materials required;
 - (2) a living allowance;
 - (3) medical and hospital expenses;
 - (4) economy-class fares for travel by air or any other approved means of transportation, in compliance with the requirements of the fellowship programme.
 - (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 their place of residence in the Republic of India;
 - (3) the cost of shipping, between their normal place of residence and their place of residence in the Republic of India, their personal and household effects, those of their dependants and the professional and technical materials required by the said personnel for the execution of their duties.
 - (C) Expenditures related to certain projects:
 - (1) the cost of consulting and other services required for the design and execution of projects;
 - (2) the cost of providing equipment, materials, supplies other goods and of the transportation of same from their point of departure to the Republic of India.
- II Contracts for the purchase of goods or commissioning of services financed by CANADA and required for the execution of projects shall be signed by CANADA or one of its agencies. However, it may be provided in any subsidiary arrangement that such contracts may be signed by INDIA or one of its agencies in accordance with the terms and conditions specified in such subsidiary arrangement.