

contracting procedures relating to that Co-operating Member's contribution shall meet such requirements. The responsibility for awarding the main contracts shall rest with the Corporation.

4. The Corporation shall present through the Co-ordinator to the Co-operating Members as soon as possible after the entry into force of this agreement and on each 30 June and 31 December thereafter a budget prepared in consultation with the Co-ordinator covering estimated expenditure, both in foreign and local currencies, for the ensuing twelve months. Co-operating Members shall take due cognizance of the financial requirements of the budget thus prepared.

5. Whenever drawings upon foreign contributions whether in cash or in kind are required, the Corporation shall provide the Co-ordinator with the necessary justification for each drawing in such manner as may be agreed with each Co-operating Member. Each request for drawing shall be validated by the counter-signature of the Co-ordinator. Provided that the request does not exceed the undrawn portion of its contribution each Co-operating Member shall then arrange payment accordingly.

6. The Corporation on the advice of the consulting engineer shall establish suitable procedures for financial control of work in progress on all construction sites, including procedures for periodic stocktaking and for safe custody of engineering stores.

7. The Bank entrusted with the accountancy in respect of the foreign contributions shall set up suitable accounting procedures for this purpose and shall at quarterly intervals transmit to the Co-ordinator statements of accounts relating to the project for which it is responsible.

8. Upon the termination of the Agreement any unused contribution or part thereof remaining to the credit of the Government with the Bank shall be reimbursed to the Co-operating Member in question unless otherwise agreed between the Government and the Co-operating Member.

9. The Co-ordinator shall send to each Co-operating Member and the United Nations Development Programme (i) quarterly reports concerning the progress of the Project and (ii) quarterly reports containing appropriate information on the use of the contributions.

10. The Government and the Co-ordinator shall arrange for the comprehensive and regular audit of all financial transactions, stores and equipment.

## ARTICLE VI

### *Undertakings of Cambodia*

1. The Government shall cause the Project to be carried out with due diligence and efficiency and in conformity with sound engineering and financial practices and shall accord first priority, in its development programme, to the Project.

2. The Government shall make good any deficit in foreign exchange which may arise in the course of the execution of the Project.

3. The Government shall make available promptly as required the necessary local currency for carrying out the Project. In preparing a schedule for the use of local currency, the Government shall consult with the Co-ordinator.