

ANNEX "A"

RESPONSIBILITIES OF THE GOVERNMENT OF CANADA

- I. Unless otherwise indicated in any subsidiary arrangement, the Government of Canada shall finance the following expenditures based on the rates authorized in its regulations:
 - (A) Expenditures related to Philippines fellowship holders:
 - (1) registration and tuition fees, books, supplies or materials required;
 - (2) a living allowance including accommodation and winter clothing;
 - (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 the port of entry and departure in the Philippines;
 - (3) the cost of shipping, between their normal place of residence and the port of entry and departure in the Philippines, 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 engineers, architects and other services required for the execution of projects;
 - (2) the cost of providing equipment, materials, supplies and other goods and of the transportation of same from their point of departure to the Philippines.
- II. Contracts for the purchase of goods or commissioning of services financed by the Government of Canada and required for the execution of projects shall be signed by the Government of Canada or one of its agencies. However, it may be provided in any subsidiary arrangement that such contracts may be signed by the Government of the Republic of the Philippines or one of its agencies in