

ANNEX "A"

PROCUREMENT PROCEDURES

1. *Procurement of Goods*

Canadian suppliers shall be given equal opportunity with those of the Corporation member countries to tender for goods to be procured under the Loan.

For the purposes of this Agreement, goods eligible for financing from Canada shall mean equipment and supplies with a sixty-six and two-third per cent Canadian content procured either directly from suppliers in Canada or from suppliers outside Canada and warranted to meet normal Canadian content requirements of the Canadian International Development Agency. In order to obtain this warranty the Canadian companies invited to tender shall be instructed to:

- i) include in their tender a declaration of the Canadian content of the items they are offering for purchase;
- ii) send copies of all tenders to the Canadian International Development Agency at the same time as they are forwarded to the recipient procurement authority. (The copies of tenders received by the Canadian International Development Agency will be treated as a closed tender call and not opened until the dates established by the recipient).
- iii) complete a Canadian content form and forward it to the Canadian International Development Agency with each copy of tender. Neither the Corporation nor its borrowers shall be held responsible for monitoring the Canadian content of goods supplied. The warranty referred to above shall be sufficient evidence that the goods do in fact meet the definition of goods produced in Canada.

Should the Canadian International Development Agency have reason to believe that any goods supplied did not in fact meet the Canadian content requirement, the Canadian International Development Agency may notify in writing the Corporation that those goods should, for future invitations to tender, be considered ineligible for financing from the Loan. On receipt of such a written notification, the Corporation shall regard the goods named in the notification as ineligible for financing from the Loan unless the Corporation is subsequently informed in writing to the contrary by the Canadian International Development Agency.

For the purposes of this Agreement, goods from the Corporation's member countries will be eligible for financing if a reasonable per cent of their content is manufactured within the region of the Corporation.

2. *Procurement of Services*

Canadian firms shall be given equal opportunity with those of the Corporation member countries for the provision of professional, consulting or other services required under the Loan.

For the purposes of this Agreement, services from Canadian firms or their subsidiaries abroad shall be eligible for financing. Canadian firms shall mean firms incorporated in Canada, and managed and operated from Canada, employing Canadian personnel and having not less than 51 per cent of their shares beneficially owned by Canadians.