

- (i) the principles set forth in subparagraph (c) (i) of Article XI and the policy expressed in subparagraph (c) (ii) of Article XI, of this Agreement;
 - (ii) experience gained during the period of the Interim Agreement and of the transitional management arrangements provided for in this Article;
 - (iii) the organization and procedures adopted by telecommunications entities throughout the world, with particular reference to the integration of policy and management and to management efficiency;
 - (iv) information, similar to that referred to in subparagraph (iii) of this paragraph, in respect of multinational ventures for implementing advanced technologies; and
 - (v) reports commissioned from not less than three professional management consultants from various parts of the world.
- (g) Not later than four years after the entry into force of this Agreement, the Board of Governors shall submit to the Assembly of Parties a comprehensive report, which incorporates the results of the study referred to in subparagraph (a) (iii) of this Article, and which includes the recommendations of the Board of Governors for the organizational structure of the executive organ. It shall also transmit copies of this report to the Meeting of Signatories and to all Parties and Signatories as soon as it is available.
- (h) By not later than five years after entry into force of this Agreement, the Assembly of Parties, after having considered the report of the Board of Governors referred to in paragraph (g) of this Article and any views which may have been expressed by the Meeting of Signatories thereon, shall adopt the organizational structure of the executive organ which shall be consistent with the provisions of Article XI of this Agreement.
- (i) The Director General shall assume office one year before the end of the management services contract referred to in subparagraph (a) (ii) of this Article or by December 31, 1976, whichever is earlier. The Board of Governors shall appoint the Director General, and the Assembly of Parties shall act upon the confirmation of the appointment, in time to enable the Director General to assume office in accordance with this paragraph. Upon his assumption of office, the Director General shall be responsible for all management services, including the performance of the functions performed by the Secretary General up to that time, and for the supervision of the performance of the management services contractor.
- (j) The Director General, acting under relevant policies and directives of the Board of Governors, shall take all necessary steps to ensure that the permanent management arrangements are fully implemented not later than the end of the sixth year after the date of entry into force of this Agreement.

ARTICLE XIII

Procurement

(a) Subject to this Article, procurement of goods and services required by INTELSAT shall be effected by the award of contracts, based on responses to open international invitations to tender, to bidders offering the best combination of quality, price and the most favorable delivery time. The services to which this Article refers are those provided by juridical persons.