

4.02 In view of the regional nature of the project, and also in view of the considerable practical problems that would arise if Dahomey, Upper Volta, Mali, Niger and Senegal were to conclude separate construction contracts for the execution of that portion of the project located in their respective territories, Dahomey, Upper Volta, Mali, Niger and Senegal ask the Canadian International Development Agency (hereinafter referred to as CIDA), which hereby accepts the said mandate, to act on their behalf or to appoint another Department, Agency or Organization of the Government of Canada to do so, and to conclude with the contractor or contractors, who will be selected by Canada, the contract or contracts required for execution of the entire project.

4.03 It is understood that the contract or contracts referred to in paragraph 4.02 shall be awarded and administered by CIDA in accordance with the Government Contract Regulations of the Government of Canada which are in effect at the time the contracts are made. Dahomey, Upper Volta, Mali, Niger and Senegal shall indicate their agreement with the choice of contractor or contractors selected by CIDA to execute the project and with the provisions of the contracts made with the contractors.

4.04 The terms and conditions upon which the equipment, goods and services required to carry out the project will be obtained and paid for are stated in Schedule "B" of this Agreement. Schedule "C" defines the duties, obligations and responsibilities of Dahomey, Upper Volta, Mali, Niger and Senegal with regard to the project, and also specifies the customs regulations governing customs duty, import and inspection fees, direct or indirect taxes or other taxes of a similar nature.

4.05 The goods and services purchased with the proceeds of the loans granted under this Agreement shall be used exclusively for execution of the project; goods and services obtained from Canada and financed by means of these loans shall be of Canadian origin in an overall proportion of at least sixty-six and two-thirds per cent ($66\frac{2}{3}\%$), unless Canada authorizes otherwise.

4.06 The loans may not be used to purchase goods or pay the cost of services provided under agreements concluded prior to the present Agreement, without the explicit consent of Canada.

4.07 The loans granted by Canada to Dahomey, Upper Volta, Mali, Niger and Senegal under this Agreement may not be used by the latter to pay taxes, fees, expenses, customs duty or import or inspection fees levied directly or indirectly by any of these countries on goods imported or services obtained from Canada and required for execution of the project.

ARTICLE V

Withdrawals from the Loan Accounts

5.01 Withdrawals from the loan accounts opened by Canada for Dahomey, Upper Volta, Mali, Niger and Senegal pursuant to this Agreement shall be considered to be made on the dates when Canada makes payments on their behalf to the Canadian contractor or contractors responsible for carrying out the project, or to their duly authorized representatives, for goods provided and services rendered in connection with that portion of the project located in their respective territories.

5.02 Dahomey, Upper Volta, Mali, Niger and Senegal agree that Canada may withdraw on their behalf from the loan accounts established under this Agreement the sums required to pay the cost of goods provided and services rendered by the