

and, if such invitation is not accepted, inform the other of the outcome of such negotiations; and

- (b) inform each other promptly of any significant modification of the terms of its financial assistance and of any contractual remedy that is applied in respect of its respective financial assistance of such project or program. To the extent practical, each party shall afford the other a reasonable opportunity to exchange views before effecting any such modification or exercising any such contractual remedy.

3. The Bank shall supervise projects and programs in accordance with its normal policies and procedures, provided, however, that where funds are being provided on a tied basis, the Government shall be exclusively responsible for ensuring compliance with the applicable procurement procedures in respect of items to be financed out of such funds. Supervision activities required by the Government in respect of activities and items financed out of funds made available pursuant to this Agreement shall be carried out by CIDA. The Bank shall invite CIDA to participate, subject to the consent of recipient, in the supervision and evaluation missions carried out by the Bank.

4. The Government and the Bank shall from time to time, at the request of either party, exchange views through their representatives with regard to the progress of cofinanced projects and programs and any other matters relating to their respective financing thereof.

ARTICLE VI

Other Forms of Cooperation

In addition to the cofinancing of projects and programs provided for in this Agreement, where agreed between the Government and the Bank, the Government may make available funds to recipient countries, which funds the Bank shall administer, to cover the costs of various studies (including pre-feasibility and feasibility studies) for the preparation of projects and programs of mutual interest to the Government and the Bank; in this event the provisions of paragraph A.2 of Article IV of this Agreement shall apply in respect thereof. Where agreed between the Government and the Bank, the Government may further make available to the Bank funds for it to administer to cover the costs of miscellaneous activities of interest to the Government such as workshops. In any such case, the provisions of paragraph B of Article IV of this Agreement shall apply in respect thereof.

ARTICLE VII

Miscellaneous

1. This Agreement shall enter into force on the date of its signature. The 1977 Agreement shall thereafter apply only in respect of those cofinancing arrangements between the Government and the Bank entered into prior to the date of entry into force of this Agreement. This Agreement shall remain in effect unless cancelled by