

**EXCHANGE OF NOTES BETWEEN THE GOVERNMENT OF CANADA
AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA
CONSTITUTING AN AGREEMENT CONCERNING THE CONSTRUCTION
OF NEW CHANCERIES IN OTTAWA AND WASHINGTON
RESPECTIVELY**

I

*The Ambassador of Canada to the Secretary of State
of the United States of America*

Washington, May 13, 1985

No. 280

Sir:

I have the honour to propose that, by mutual agreement of our two governments, only contractors of the host country will be permitted to bid on and to be awarded contracts for the construction of the new chanceries of our two governments to be built in Ottawa and Washington respectively.

More specifically it is proposed that, in respect of the new Canadian chancery in Washington, bidding and the award of contracts shall be restricted to United States contractors. In the case of the new chancery of the United States of America in Ottawa, it is proposed that bidding and the award of contracts shall be restricted to Canadian contractors.

Bidder qualification under this Agreement shall be determined on the basis of nationality of ownership, the burden of which shall be on the prospective bidder. Qualification as regards a contractor of the United States or a contractor of Canada shall require evidence of: (a) performance of similar construction work in the contractor's own country, and (b) either (i) ownership in excess of fifty percent by host country citizens or permanent residents, or (ii) incorporation in the host country for more than three years and employment of host country nationals or permanent residents in more than half of the corporation's permanent full-time professional and managerial positions in the host country.

It is understood that each government will advise the other in a timely manner concerning procedures for the implementation of this Agreement, and its application to contractors of both countries.

If these proposals are acceptable to the Government of the United States, I have the honour to propose that this Note, which is authentic in English and French, and your reply indicating such concurrence, shall constitute an Agreement between our two governments which shall enter into force on the date of your reply and remain in force until terminated by mutual consent following the completion of construction of the new chanceries.