

No. 5639

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**CANADA**  
**and**  
**UNITED KINGDOM OF GREAT BRITAIN**  
**AND NORTHERN IRELAND**  
**(ON BEHALF OF THE WEST INDIES)**

**Exchange of notes (with annex) constituting an agreement giving formal effect to the Statement of Principles agreed between the two countries for co-operative economic development of the West Indies. Ottawa, 18 October 1958**

*Official text: English.*

*Registered by Canada on 21 March 1961.*

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**CANADA**  
**et**  
**ROYAUME-UNI DE GRANDE-BRETAGNE**  
**ET D'IRLANDE DU NORD**  
**(AU NOM DES ANTILLES)**

**Échange de notes (avec annexe) constituant un accord mettant officiellement en vigueur la Déclaration de principes formulée d'un commun accord par les deux pays en vue du développement économique des Antilles sur une base coopérative. Ottawa, 18 octobre 1958**

*Texte officiel anglais.*

*Enregistré par le Canada le 21 mars 1961.*

No. 5639. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN CANADA AND THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND (ON BEHALF OF THE WEST INDIES) GIVING FORMAL EFFECT TO THE STATEMENT OF PRINCIPLES AGREED BETWEEN THE TWO COUNTRIES FOR CO-OPERATIVE ECONOMIC DEVELOPMENT OF THE WEST INDIES. OTTAWA, 18 OCTOBER 1958

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*The Prime Minister of Canada to the Prime Minister of The West Indies*

OFFICE OF THE PRIME MINISTER  
CANADA

Ottawa, October 18, 1958

Dear Mr. Prime Minister,

During the course of the Commonwealth Trade and Economic Conference, I was able to inform you that, subject to the authority of the Parliament of Canada, the Canadian Government was prepared to make available \$10 million over five years; as you know the Parliament of Canada has already provided certain funds for this Programme as a first instalment of the \$10 million sum. We would now propose that we establish agreed principles to guide and to facilitate the activities of the governments of our two countries in the furtherance of the Aid Programmes, and in order to make it as effective and efficient as possible.

For this purpose I attach a "Statement of Principles Agreed by the Government of Canada and the Government of the West Indies for the Canada-West Indies Aid Programme". If the Government of The West Indies concurs in this Statement, I suggest that they can be taken as the basis on which it is agreed that the Programme shall proceed.

I am, dear Mr. Prime Minister,  
Yours sincerely,

John G. DIEFENBAKER

The Hon. Sir Grantley Adams, C.M.G., Q.C.

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<sup>1</sup> Came into force on 18 October 1958 by the exchange of the said notes.

*CANADA-WEST INDIES AID PROGRAMME*

## STATEMENT OF PRINCIPLES AGREED BETWEEN THE GOVERNMENT OF CANADA AND THE GOVERNMENT OF THE WEST INDIES FOR THE CANADA-WEST INDIES AID PROGRAMME

The Governments of Canada and The West Indies, being desirous to co-operate for their mutual benefit by the promotion of the economic development of The West Indies through a programme to be known as the Canada-West Indies Aid Programme, have decided to establish the following principles governing the provision of aid under the programme, and according to which supplementary understandings may be reached to cover specific schemes and projects, including the terms of service for technical and administrative personnel provided by Canada :

1. The aid supplied by the Government of Canada to the Government of the West Indies under the Canada-West Indies Aid Programme shall consist of goods and services, in accordance with specific programmes agreed upon from time to time as necessary between the two Governments. Similarly, an understanding will be reached on the methods of procurement and transfer.
2. All goods and services provided under the Programme will be on a grant basis. The particular terms or provisions under which aid is provided to each specific programme or project will be a matter for agreement between the two Governments. In any specific undertaking under which goods provided by the Canadian Government are sold or otherwise distributed to the West Indian public, appropriate arrangements may be established for the setting up of "counterpart funds".

When counterpart funds are to be set up, the Government of The West Indies will establish a special account for any such funds, and will keep separate records of the amounts placed in the account in connection with each specific programme or project. It will put into this account the equivalent of the Canadian expenditure on goods and services supplied under any such programme or project, which are sold or distributed. The Government of The West Indies will report periodically to the Government of Canada on the position of this account, and will supply a certified statement of the account from the Director of Audit of The West Indies. The two Governments will from time to time agree on the economic development projects in The West Indies to be financed from these counterpart funds.

3. Goods and services supplied by the Government of Canada to the Government of The West Indies will be designed to strengthen and support the Federation. To that end priority will be given to projects which make the most effective contribution to the Federation as a whole.
4. The Government of Canada will endeavour to supply such goods and services as are normally available in Canada, and as would not otherwise be available to The West Indies either locally or from other sources abroad, whether of a public or a private character. However, if The West Indies assigns a high priority to a project and will affirm that the goods and services for that project cannot be provided in any other way, consideration will be given to the financing of local costs and to the provision of goods and services

not available in Canada which are essential to projects under the Canadian aid programme or associated with it.

5. Due consideration will be given to forms of aid which make more effective projects or programmes already assisted by Canada or to which Canadian aid has already been promised.
6. Priority will be given, insofar as practicable, to projects and programmes which can be expected to benefit the Federation within a reasonably short period.
7. All technical and administrative personnel financed by the Government of Canada to perform work for the Canada-West Indies Aid Programme except citizens or permanent residents of The West Indies shall be exempted in The West Indies from taxes on income and on the ownership or use of personal property (including automobiles) intended for their own use. Such personnel may at any time during official residence in The West Indies import and export free of customs duties, import and export taxes their household goods, baggage and personal effects (including an automobile for each such individual).

## II

### *The Prime Minister of the West Indies to the Prime Minister of Canada*

THE WEST INDIES  
THE PRIME MINISTER'S OFFICE  
PORT OF SPAIN, TRINIDAD

October 18, 1958

Dear Mr. Prime Minister,

You were good enough to write suggesting that we should establish agreed principles to guide and facilitate the activities of the Governments of Canada and The West Indies in the furtherance of the Canada-West Indies Aid Programme. To this end officials of our two Governments have conferred in Port of Spain and Ottawa and reached agreement on the text of the proposed "Statement of Principles Agreed by the Government of Canada and the Government of The West Indies for the Canada-West Indies Aid Programme"<sup>1</sup>. I accordingly now have the honour to confirm that the Government of The West Indies concurs in the Statement attached to this letter and that it is to be taken as the basis on which it is agreed that the Programme shall proceed.

I am, dear Mr. Prime Minister,

Yours sincerely,

Grantley H. ADAMS

The Rt. Hon. John Diefenbaker, P.C., Q.C.

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<sup>1</sup> See p. 64 of this volume.