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**Canada
and
Nicaragua**

General Agreement on Development co-operation between the Government of Canada and the Government of the Republic of Nicaragua (with annexes). Managua, 18 December 1990

Entry into force: *18 December 1990 by signature, in accordance with article XVIII*

Authentic texts: *English, French and Spanish*

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**Canada
et
Nicaragua**

Accord général sur la coopération au développement entre le Gouvernement du Canada et le Gouvernement de la République du Nicaragua (avec annexes). Managua, 18 décembre 1990

Entrée en vigueur : *18 décembre 1990 par signature, conformément à l'article XVIII*

Textes authentiques : *anglais, français et espagnol*

Enregistrement auprès du Secrétariat des Nations Unies : *Canada, 13 avril 2015*

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[ENGLISH TEXT - TEXTE ANGLAIS]

GENERAL AGREEMENT
ON
DEVELOPMENT CO-OPERATION
BETWEEN
THE GOVERNMENT OF CANADA
AND
THE GOVERNMENT OF THE REPUBLIC OF NICARAGUA

The Government of Canada and the Government of the Republic of Nicaragua,

Wishing to strengthen the existing cordial relations between the two countries and their peoples, and

Desiring to foster development co-operation between the two countries in conformity with the objectives of the Government of the Republic of Nicaragua for the economic and social development of Nicaragua,

Have agreed as follows:

ARTICLE I

The Government of Canada and the Government of the Republic of Nicaragua shall under this Agreement promote a programme of development co-operation, between their two countries, consisting of the following components:

- (a) the sending of missions to Nicaragua, from the planning to the evaluation stage to study and analyze potential development projects;
- (b) the development and carrying out of studies and projects designed to contribute to the attainment of the objectives of this Agreement;
- (c) the provision of Canadian technical assistance through the assignment of experts, advisers and other specialists to Nicaragua and, the provision of training programs to Nicaraguan nationals;
- (d) the provision of equipment, materials, goods and services required for the successful execution of development projects in Nicaragua;
- (e) the development and carrying out of studies and projects by Canadian non-governmental institutions or organizations;

- (f) the encouragement and promotion of cooperation and mutually beneficial relations between firms, institutions and persons of the two countries; and
- (g) any other form of assistance which may be mutually agreed upon.

ARTICLE II

1. In the attainment of the objectives of this Agreement, the Government of Canada and the Government of the Republic of Nicaragua acting through their competent agencies, may conclude subsidiary agreements in respect of one or several components of the programme described in Article I.
2. Unless stated otherwise, subsidiary agreements referred to in paragraph 1 of Article II shall be considered as administrative agreements.
3. Subsidiary agreements shall make specific reference to this Agreement and the terms of this Agreement shall, unless stated otherwise, apply to such subsidiary agreements.

ARTICLE III

Unless otherwise indicated, the Government of Canada shall assume the responsibilities described in Annex "A" and the Government of the Republic of Nicaragua shall assume the responsibilities described in Annex "B" in respect of any specific project established under a subsidiary agreement. Annexes "A" and "B" shall be integral parts of this Agreement.

ARTICLE IV

The Government of the Republic of Nicaragua shall ensure that development aid funds provided under any subsidiary agreement are not used to pay any taxes, fees, customs duties or any other levies and charges imposed directly or indirectly by the Government of the Republic of Nicaragua, on any goods, materials, equipment, vehicles and services purchased or acquired in Nicaragua or imported into Nicaragua for, or related to, the execution of any project being carried out in Nicaragua pursuant to a subsidiary agreement or by a Canadian non-governmental institution or organization as defined in Article XV.

ARTICLE V

For the purposes of this Agreement:

- (a) "Canadian firm" means Canadian or other non-Nicaraguan firms, organizations, institutions or non-governmental organizations or institutions engaged in any project established under a subsidiary agreement;
- (b) "Canadian personnel" means Canadians or non-Nicaraguan or other non-permanent residents of Nicaragua, who are working in Nicaragua on any project established under a subsidiary agreement; and
- (c) "dependant" means
 - i) the spouse of a member of the Canadian personnel, including a person of the opposite sex, with whom the member of the Canadian personnel has lived and publicly represented as his or her spouse for a period of not less than one year before the commencement of his or her period of service in Nicaragua;
 - ii) a child of the member of the Canadian personnel or his or her spouse who is:
 - (a) under twenty-one years of age and dependent on the member of the Canadian personnel or his or her spouse for support, or
 - (b) twenty-one years of age or older and dependent on the member of the Canadian personnel or his or her spouse for support by reason of a mental or physical incapacity.

ARTICLE VI

The Government of the Republic of Nicaragua shall indemnify and save harmless the Government of Canada, Canadian firms and Canadian personnel from civil liability incurred in Nicaragua and under Nicaraguan law for acts or omissions occurring in the course of the performance of their duties in the execution of any specific project established under any subsidiary agreement except for acts arising from gross negligence or wilful misconduct of Canadian firms or Canadian personnel.

ARTICLE VII

As a prior condition to the obligation set forth in Article VI, the Government of the Republic of Nicaragua shall be promptly notified of any claim and kept abreast of any action arising thereunder. Moreover, the Government of the Republic of Nicaragua shall be subrogated in all the rights remedies, securities, set off, indemnification coverage from insurance and the likes that the Government of Canada, Canadian firms and Canadian personnel has with reference to the claim to the extent that the law so provides.

ARTICLE VIII

The Government of the Republic of Nicaragua shall exempt Canadian firms and Canadian personnel and their dependants from taxes imposed on income, provided such income arises from sources outside of Nicaragua or from Canadian aid funds as provided for in any subsidiary agreement. In addition, the Government of the Republic of Nicaragua shall exempt Canadian firms and Canadian personnel, including their dependants, from any obligations to present written declarations in relation to these exemptions.

ARTICLE IX

The Government of the Republic of Nicaragua shall exempt Canadian firms and Canadian personnel from customs and excise duties, sales taxes, charges, levies and fees, on all goods, materials, equipment, vehicles and services and on any other goods or services acquired in or imported into Nicaragua for, or related to, the execution of projects established under any subsidiary agreement.

For projects where the Government of the Republic of Nicaragua and the Government of Canada agree that a given ministry or agency of the Government of the Republic of Nicaragua or a third party shall be responsible for the payment of such duties, taxes, charges and fees, the subsidiary agreement in respect of that specific project shall provide for it specifically.

ARTICLE X

The Government of the Republic of Nicaragua shall exempt Canadian personnel from the payment of customs duties, excise duties and sales taxes in respect of bona fide personal effects and essential basic household equipment brought into Nicaragua for their own use or the use of their dependants. Canadian personnel may purchase duty free such locally manufactured\assembled items provided that such purchases shall be made from the manufacturers and delivery shall be made from bonded warehouses. In the event of theft, fire or other destruction, the exemptions under this Article may be re-exercised at any time during the assignment of the Canadian personnel.