REQUEST FOR PROPOSAL

TO:

Date of issue:	21.05.2024
RFP no.:	RDRS-01-2024
Contract title:	Providing Technical Skills Development Training on TVET under different programs and projects of RDRS
Closing date:	10.06.2024
Contracting Authority:	**RDRS Bangladesh** **For email (to send RFQ), Phone (if needed):** **Md. Nazrul Islam**(Member Secretary, Rangpur Central Procurement Committee) Mob: 01730-328007 Email: nazrul@rdrsbangladesh.org

RDRS BANGLADESH INVITES YOU TO SUBMIT PROPOSAL FOR PROVIDING TECHNICAL SKILLS DEVELOPMENT TRANING ON TVET

Dear Sir/Madam,

The Consulting Service is required for long term/framework agreement to provide training service on` Technical Skill Development Training on TVET' to youth and young women under RDRS Bangladesh. Please find enclosed the following documents, which constitute the Request for Proposal:

A – Instructions
B – Draft Contract including annexes
Annex 1: Terms of Reference
Annex 2: Proposal Submission Form (to be completed by the Candidate)
Annex 3: General Terms and Conditions for Service Contracts
Annex 4: Code of Conduct for Contractors

If this document is a PDF format, upon request, a complete copy of the above documents can be forwarded in a WARD format for electronic completion. It is forbidden to make alterations to the text.

We should be grateful if you would inform us by email of your intention to submit or not a proposal.

A. INSTRUCTIONS

In submitting a proposal the Firms/Institutes accepts in full and without restriction the special and general conditions including annexes governing this Contract as the sole basis of this procedure, whatever their own conditions of services may be, which the Firm hereby waives. The Firms/Institutes are expected to examine carefully and comply with all instructions, forms, contract provisions and specifications contained in this Request for Proposal.

A.1. Scope of services

The Services required by the Contracting Authority are described in the Terms of Reference in Annex 1.

The Firm/Institute shall offer the totality of the Services described in the Terms of Reference. Firm/Institute offering only part of the required Services will be rejected.

A.2. Cost of proposal

The Firm/Institute shall bear all costs associated with the preparation and submission of their proposal and the Contracting Authority is not responsible or liable for these costs, regardless of the conduct or outcome of the process.

A.3. Eligibility and qualification requirements

The contractor Firm/Institutes are not eligible to participate in this procedure if they are in one of the situations listed in article 33 of the General Terms and Conditions for Service Contracts

Firm shall in the Proposal Submission Form attest that they meet the above eligibility criteria. If required by the Contracting Authority, the firm whose proposal is accepted shall further provide evidence satisfactory to the Contracting Authority of its eligibility.

As a rule, the arrival of a proposal in due time is always the firms responsibility. Late proposals refer to any proposal arriving after the Closing date for submitting proposals, and any proposals arriving late due to a delay, for instance, in the delivery of mail or due to a technical problem related to electronic data transmission.

Firms are also requested to certify that they comply with the Code of Conduct for Contractors.

A.4. Exclusion from award of contracts

Contracts may not be awarded to firm who, during this procedure:

(a) are subject to conflict of interest
(b) are guilty of misrepresentation in supplying the information required by the Contracting Authority as a condition of participation in the Contract procedure or fail to supply this information

A.5. Documents comprising the Request for Proposal

The Firm/Institute shall complete and submit the following documents with their proposal:

a. Proposal Submission Form Annex 2 duly completed and signed by the Firm/Institute
b. Profile highlighting the Firm's experience in the specific field of the Services and their specific experience in the country/region where the Services are to be performed;

The proposal and all correspondence and documents related to the Request for Proposal exchanged by the Firm and the Contracting Authority must be written in the language of the procedure, which is English.

A.6. Financial proposal

The Financial Proposal shall be presented as an amount in BDT in the Proposal Submission Form in Annex 2. The proposed contract amount of the firm under the Contract shall be determined as follows:

Total price: The firm shall indicate in their proposal proposed global contract amount for the performance of the Services. The firm shall be deemed to have satisfied themselves as to the

sufficiency of their proposed global contract amount, to cover both their fee rate, including overhead, profit, all their obligations, leave, overtime and holiday pay, taxes, social charges, etc. and all expenses (such as transport, accommodation, food, office, etc.) to be incurred for the performance of the Contract. The proposed global contract amount shall cover all obligations of the successful bidder under the Contract (without depending on actual time spent on the assignment) and all matters and things necessary for the proper execution and completion of the Services and the remedying of any deficiencies therein.

VAT applicable to the purchase of services shall be indicated separately in the proposal.

A.7. Validity

Proposals shall remain valid and open for acceptance for 30 days after the closing date.

A.8. Submission of proposals and closing date

Proposals must be received at the address mentioned on the front page by email no later than the closing date and time specified on the front page.

A.9. Evaluation of Proposals

The evaluation method will be the quality and cost based selection. A two-stage procedure shall be utilized in evaluating the Proposals; a technical evaluation and a financial evaluation.

Negotiations

The Contracting Authority reserves the right to contact the firm having submitted proposals determined to be substantially and technically responsive, in order to propose a negotiation of the terms of such proposals. Negotiations will not entail any substantial deviation to the terms and conditions of the Request for Proposal, but shall have the purpose of obtaining from the bidders better conditions in terms of technical quality, implementation periods, payment conditions, etc.

Negotiations may however have the purpose of reducing the scope of the services or revising other terms of the Contract in order to reduce the proposed amount when the proposed amount exceed the available budget.

A.10. Award Criteria

The Contracting Authority will award the Contract to the firm whose proposal has been determined to be substantially responsive to the documents of the Request for Proposal and which has obtained the highest overall score.

A.11. Signature and entry into force of the Contract

Prior to the expiration of the period of the validity of the proposal, the Contracting Authority will inform the successful firm in writing that its proposal has been accepted and inform the unsuccessful firm(s) in writing about the result of the evaluation process.

Within 03 days of receipt of the Contract, not yet signed by the Contracting Authority, the successful firm must sign and date the Contract and return it to the Contracting Authority. On signing the Contract, the successful bidder will become the Contractor and the Contract will enter into force once signed by the Contracting Authority.

If the successful bidder fails to sign and return the Contract within the days stipulated, the Contracting Authority may consider the acceptance of the proposal to be cancelled without prejudice to the Contracting Authority's right to claim compensation or pursue any other remedy in respect of such failure, and the successful bidder will have no claim whatsoever on the Contracting Authority.

A.12. Cancellation for convenience

The Contracting Authority may for its own convenience and without charge or liability cancel the procedure at any stage.

B. DRAFT CONTRACT (SERVICE)

CONTRACT TITLE:

PROVIDING TECHNICAL SKILLS DEVELOPMENT TRANING (TVET)

Reference no.:

Instructions to Firm(s): At this stage of the Request for Proposals this document is for your information and intended to make you aware of the contractual provisions. The information missing in this document will be filled in when a Contractor has been selected, and the "draft" Contract will then become the "final" Contract" between the Contracting Authority and the successful Contractor.

RDRS Bangladesh
of the one part,

and:

of the other part, have agreed as stipulated in the attached document:

The Contract is done in English in 02 originals, 01 originals being for the Contracting Authority and 01 original being for the Contractor.

For the Contractor	**For the Contracting Authority**
Name:	Name:
Title:	Title:
Signature:	Signature:
Date:	Date:

This Contract shall be signed and stamped by the Contractor and returned to the RDRS Bangladesh, Contact person: Email: nazrul@rdrsbangladesh.org; latest within two (2) working days from date of receipt.

Special conditions

B.1. Scope of services

The subject of the Contract is of RDRS Bangladesh the National Development Organization at Rangpur region. The "Services" are described in the Terms of Reference

B.2. Commencement and Completion Date

B.3. The Contract shall commence on 25.06.2025 and come to a completion will have a long tram agreement up to December/2025with necessary interval based on availability of donor budget. (having the interval required for the tasks and mutually agreed by both the authority).

B.4. Terms and Termination

The Contract is valid for a period of 03 months (having agreed intervals), and commences on the commencement date, unless earlier termination in accordance with the General Terms and Conditions of this contract.

The Contracting Authority shall be entitled to renegotiate the contract for a further period of 15 days on similar terms and conditions, by giving the Contractor written notice of its intention to renegotiate the contract not less than 15 days prior to the expiry date, provided however that in the event of a breach of the Agreement by one of the Parties, the other party may for valid cause terminate the Contract as per General Terms and Conditions article 26 and 27.

B.5. Delivery of Services

The Contractor agrees to deliver Services to the Contracting Authority pursuant to the Contract, which shall conform with the Terms of References, Annex 1, and the price specified in this Contract.

In the event of the Contracting Authority placing a contract, which the Contractor firm considers it cannot substantially meet because of unavailability of staff or inability to meet the Terms of References, before proceeding to make a partial delivery of the services, the Contractor shall seek further written instructions from the Contracting Authority.

The Contractor shall cover all costs related to the remedy of an unacceptable Service.

The Contractor shall be responsible for providing all the necessary personnel, equipment, materials and supplies and for making all necessary arrangement for the performance of its obligations under this Contract.

B.6. Price/Remuneration

1: Total Price

In consideration for their services, the Contractor shall receive a total price of BDT ----------.This price covers the Contractor's fee rate, including overhead, profit, all their obligations, leave, sick leave, overtime and holiday pay, taxes, social charges, etc. and all expenses (such as transport,

accommodation, food, office expenses, etc. as an when applicable) to be incurred for the performance of the Contract. The price covers all obligations of the Contractor under the Contract (without depending on actual time spent on the assignment) and all matters and things necessary for the proper execution and completion of the services and the remedying of any deficiencies therein.

Costs and expenses, which are not mentioned above shall be deemed covered by the overhead of profit included in the Contractor's global price of amount.

1 Payment

Payments shall be made in BDT through account payee cheque in the name of the Contractor within 30 days from approval by the Contracting Authority and receipt of the Contractor's invoice.

VAT and Tax

The Contracting Authority shall deduct VAT and Tax at source as per government rules (if applicable).

2 Order of precedence of contract documents

The Contract is made up of the following documents, in order of precedence:

1. This Contract
2. Terms of Reference (Annex 1)
3. Profile of training providing institute, Trade license of institutes (for respective district), Vat and Tax update registration certificate, Accreditation letter from BTEB or NSDA, Bank account and profile of trainers.
4. Proposal Submission Form (<Annex 2>)
5. General Terms and Conditions for Service Contracts - (<Annex 3>)
6. Code of Conduct for Contractors (<Annex 4>)

The various documents making up the Contract shall be deemed to be mutually explanatory; in cases of ambiguity or divergence, they should be read in the order in which they appear above.

3 Language

The language of this Contract and of all written communications between the Contractor and the Contracting Authority shall be in English.

4 Entry into force and duration

The Contract shall enter into force and effect after signature by both parties of this Contract. The Contract shall remain into force and effect until the end of the liability period as defined in the General Terms and Conditions for Service Contracts.

5 Notices

Any written communication relating to this contract between the Contracting Authority and the Contractor must state the Contract title and Contract number, and must be sent by post, fax, email or by hand to the addresses identified in this Contract.

6 General Terms and Conditions

The Contracting Authorities' General Terms and Conditions attached shall apply to this contract and all contracts subsequently issued pursuant to this contract. In the case of any inconsistencies, the following order of precedence shall prevail:

a) a contract subsequently issued pursuant to this contract.

ANNEX 1: TERMS OF REFERENCE

1. BACKGROUND INFORMATION

RDRS Bangladesh has been working for rural development by empowering the rural poor in northwest Bangladesh for over 45 years. RDRS was formally established as the Bangladesh field programme of the Geneva-based Lutheran World Federation/Department for World Service (LWF/DWS) on 8 February 1972 to provide relief, rehabilitation and development assistance to the war-affected people in northwest Bangladesh. The Cooch Bihar Refugee Service (CBRS), which assisted thousands of people fleeing from war-ravaged Rangpur-Dinajpur region to adjoining Cooch Behar in India during the War of Liberation in 1971, is the forerunner of RDRS.

Vision: A just and peaceful society where citizens live in dignity, freed from poverty, distress and ignorance in a sustainable environment.

Mission: RDRS works with the poor and their organizations in order to build their capacity to advance their empowerment; create resilience to withstand adversity; and improve access to opportunities for the poor to realize decent lives free from poverty and distress.

Strategic Aims: RDRS seeks to ensure the rights of the rural poor (women, landless, ultra-poor, char dwellers, ethnic minorities, enclave residents, and people with disabilities) in our working area in particular and more widely across Bangladesh, to:

- Enjoy the full benefits of citizenship and thus challenge exclusion, discrimination, violence, exploitation and injustice.
- Organize as a group, be fully represented, have their voices heard, and ensure their rights through accountable local governance.
- Live a decent life, with good and equitable access to basic social services, health and education.
- Secure a sustainable livelihood with food security through supporting microenterprise, vocational training, and climate adaptation.
- Minimize harm, including domestic and social conflict, disaster, environmental degradation and climate change effects.

EXPECTED TECHNICAL COMPETENCIES OF TRAINING PROVIDING FIRM/INSTITUTE FOR

INSTITUTE FOR PROVIDING TECHNICAL SKILLS DEVELOPMENT TRANING ON TVETUNDER DIFFERENT PROGRAMS AND PROJECTS OF RDRS BANGLADESH

- Must have a accreditation from Bangladesh Technical Education Board(BTEB) or National skill Development Authority(NSDA) for the TVET insitution.
- Must have the willingness to provide the required training at Kurigram/Rangpur/Lalmonirhat/Gaibandha districts level (as per needs) in person.
- The Traninng providing insttitute will develop and customize curriculum for the vocations of Electrical Installation and Maintenance, Refrigeration and Air-conditioning, Mobile Phone Servicing, Motorcycle Servicing,Welding,Consumer Electronics Graphic Design,Tailoring and Dress Making, Motor Driving & Maintinance,Computer Office Application, IT Support Technician,Nursing and other areas which might evolve over time to develop skill among the trainees.
- The trainer must possess the same occupational certificate (BTEB/NSDA) in the occupation they are teaching to the participants. It is preferable if he or she is competent at level-4 (Training and Assessments).
- The vocational trainees will require 360 training hours with in maximum 2 months but not in below 1.5 month, depending on the extent of the course as per CS of BTEB.

- Supply at least the required training hours of skilled and experienced trainers for different courses. The trainer and student ratio should preferably be 1:20 (Max) and with required number of supporting staff for the participants.
- After successful completion of the course, the trainees will receive certificate of achievemen from the training providing institute.
- The Traning providing institue will ensure a suumartvie assement by BTEB and will ensure certification from BTEB for 90% of total traninees.
- Offer students the chance to appear in one-time re-examination without any additional charge(only provide reassesment fee of BTEB/NSDA) in case the student doesn't Competent her/his exam at the first time by BTEB.
- Offer the appropriate level of training materials (to support the students in their learning during the course;
- Ensure enough and good-quality training equipment is available for practical training session conducting.
- The Traninng providing institue will support to ensure the Job Placement at least 70-80% of total traninees and as well as to find gainful employment or start-up their own business after completing the courses.
- To ensure safety and security of trainees in training venue premises.
- To ensure health and safety aspects for the students and deal with any emergency of the participants associated with training as a health hazards.
- Traning providing institute will provide necessary documents and papers to the trainees and one set to RDRS for further documentation as a facilitating organization.
- Must have hygienic food and accomodation facilities for the trainees at the venue.
- The traning providing institute will participate in the orietation on saferguarding and should be abide the safeguarding policy by the institute.
- Take responsibility in that all trainees meet their minimum attendance 90% and keeps a record of its efforts.

1. Time frame

The consultant /organization will submit a proposed work plan with key milestones within next 3 days of signing the contract; this work plan will be reviewed and approved by RDRS Bangladesh. During the whole period of the assignment, follow up meetings will be held between the contracted consultant/consulting firm and RDRS Bangladesh as frequently as possible to review and asses the progress and any findings, feedback, or operational, administrative and technical issues and decide to meet the needs by both the parties. Any field problems should be anticipated and addressed beforehand.

Serial	Activity	# of days	Persons/Department(s) involved
1.	*Scrutiny & finalisation of proposal submitted by the consultant*	*7 calendar days*	*Programme &Finance department, RDRS with the assistance of donors/funding associates (if needed)*
2.	*Inception*	*01day*	*Consultant firm*
3.	*Training of enumerator on project/program and Safeguarding issues*	*01 day*	*RDRS, Consultant Farm, donors/funding associates*
4.	*Provide Training*	*360 hours (45-60 days)*	*Consultant firm*
5.	*Assessment of the trainees*	*Based on no. Of trainees*	*Consultant firm(Assessed by BTEB/NSDA)*
6.	*Re-examination of the Not Yet*	*XX days*	*Consultant firm*

	Competent students (if any)		
7.	*Result Sharing with completion report*	*5 Days of completion the batch*	*Consultant firm*

2. Parameters for Selection of Firm/Individual to Carry Out the Mid-term evaluation

The following table outlines the selection criteria:

	Selection Criteria	**Weighted Score**	**Score Given**	**Remark**
1	*The Firm's track record including experience and capacity on technical Training* *-Consultant has provided comparable assignments that they have successfully completed. (5)* *-Consultant has a track record of work in the area of technical training (10)*	15		
2	*The qualifications and competence in the combination of personnel proposed are suitable to undertake the analysis as specified in the ToR (5)* *-The consultant possess the academic qualifications, training and experience requested in the ToR (15)*	20		
3	*The methodology and the detailed training/capacity building plan* *-Does the methodology adequately address the objectives and scope outlined in the ToR? (10)* *-Is the methodology technically proven and comprehensive? (20)* *- Consultant has identified sophisticated tools and techniques for training (quantitative and qualitative) (15)*	45		
4	*Budget* *-Does the budget seem realistic? (05)* *-Does the budget address all critical costs? (05)* *-Is it competitive? (10)*	20		
	TOTAL SCORE	100		

The Schedule of the Batches

TVET(20-30 trainees each batch)	**Courses**
Batch Starting from July, 2024	Batch wise as per required trade(s)

The contractor/consultant/vendor will manage all the logistics themselves. If they need to accommodation at working place (preparation purpose for short term duration), contracting authority will provide accommodation on condition of payment of bill including VAT and Tax as per govt. rules.

3. How to Apply

Interested firms are requested to submit proposal and related documents in a sealed envelope on or before *2:00 PM, on 10 June, 2024* toChairman, Procurement Committee, RDRS Bangladesh, Jail Road, Radhaballav, Rangpur.
Complete Technical and Financial proposals to also be submitted electronically to: nazrul@rdrsbangladesh.org(Cell: +88 01730-328007)

The both envelop and email subject line must be marked with the title of the assignment mentioned at the starting of this document

The proposal will be scored on both technical (methodology) and financial (budget) aspects weighted at 80% and 20% respectively.
Closing date for submission of the application package is end of business day on 12 June, 2024
For any technical queries please contact at email:almamun@rdrsbangladesh.org(Cell: +8801730-328115)

Proposal Submission Checklist
The consultant firm will submit a detailed proposal for the technical skill development training. The proposal must reflect the methodology, tools plan in detail. The proposal should be divided into two parts i.e. technical and financial.

- A detailed technical proposal not more than 5 pages clearly outlining the proposed methods for the assignment.
- Short Curriculum Vitae(s) of proposed staff outlining relevant education, expertise and experience.
- A financial proposal with a detailed breakdown of costs for planning and carrying out the assignment
- A proposed timeframe detailing activities and a schedule/work plan in line with the timeframe provided in this TOR and with consideration for the time it will take for Plan to review documents before finalization.
- A copy of 1-2 previous reports of similar work undertaken
- A Consulting Firm Profile (see below)
- Legal papers (Copy of trade license, Copy of VAT registration, Copy of TIN certificates), Copy of Accreditation Certificate/NSDA Certificate

The detailed technical proposal should:

- Show a thorough understanding of this terms of reference
- Include a description of how you would conduct the assignment gathering methods prescribed in this TOR
- Demonstrate previous experience in conducting such asignment

The financial proposal should contain:

- Itemized training fees/costs
- Itemized administrative expenses
- Other area of Expenses those are relevant

The consulting team profile should contain:

- The full names of all participating consultants in the firm and their roles, including technical expertise
- Physical address of the firm
- Telephone number(s) of the firm (if applicable) and participating consultants
- Full name and contact information of the contact person within the team
- Full names of Directors/Proprietors

The financial part will describe the estimated cost for the work in detail. It should be given in a separate sealed envelope/ file. Please mention the preferred mode of payment.

4. Ethical Considerations

There will be nothing in the training course which may be harmful for participants trainees regarding legal or medical ground. Thus, written consent of the trainees would be taken before. Written consent will be taken from the parents (either mother or father) in case of children under 18.

Supervision/Management of Assignment

The consultant firm will be required to work closely with the TVET Technical team of RDRS Bangladesh. The firm will be directly accountable to the RDRS Bangladesh focal person. The firm will keep the focal person continually informed on the progress of the assignment through updates via email and Skype conferences.

5. Payment Schedule

The consultant is expected to pay all government taxes for which they are responsible. Where applicable, RDRS Bangladesh shall deduct all applicable government taxes and submit them to the National Board of Revenue (NBR), Bangladesh.

The payment schedule and mode of payment will be as follows:

- 1st payment: after enrollment the students having perfect trades and completed essential formalities, procedures, payment to be done on the ratio will be decided as per policy alligning of both RDRS the result of negotiation with the contractor firm
- Rest payment: Rest payment of total fees after submitting the completion report along with the assesment report of the training.
- Payment will be made through Account Payee Cheque. As per government rule vat & tax will be deducted (If applicable) during payment.
- Payment will be made on availability of fund.

6. Child Protection

RDRS Bangladesh is committed to actively safeguarding children from harm and ensuring children's rights to protection are fully realized. It takes seriously the commitment to promote child safe practices and protect children from harm, abuse, neglect and any form of exploitation as they come into contact with RDRS supported interventions. In addition, positive action will be taken to prevent child abusers from becoming involved with the RDRS Bangladesh in any way and take stringent measures against any Staff and/or Associate who abuses a child. Decisions and actions in response to child protection concerns will be guided by the principle of 'the best interests of the child'.

Environments and working methods should be adapted to youth capacities; time and resources should be made available to ensure that youth are adequately prepared and have the confidence and opportunity to contribute their views.

7. Disclaimer

RDRS Bangladesh reserves the right to accept or reject any or all proposals/application without assigning any reason what so ever.

8. Disclosure of Information

It is understood and agreed that the Consultant(s)/firm shall, during and after the effective period of the contract, treat as confidential and not divulge, unless authorized in writing by RDRS, any information obtained in the course of the performance of the Contract. Information will be made available for the consultants on a need-to-know basis. Any necessary field visits will be facilitated by RDRS's staff.

9. Bindings

All documents, papers and data produced during the assessment are to be treated as RDRS's property and restricted for public use. The contracted agency/consultant firm will submit all original documents, materials and data to RDRS Bangladesh (if required).

Annex 2: proposal submission form

Our financial proposal for our services is as follows:

(Note: please select one of the below options and harmonize this section with article A.6. Financial Proposal)

(Option 1: Total price)

	BDT	**Amount**
Total price (fees and expenses) Per Trainee (45-60 Days)		
VAT 15%		
Total price incl. VAT &taxes		

CANDIDATE OR COMPANY INFORMATION	
Company (legal name)	
Street name and no.	
City	
Postal code	
Country	
Phone no.	
Email	
Website	
CEO (name)	

(Option: GENERAL COMPANY INFORMATION)	
Year of establishment	
Number of fulltime employees	
Licensing authority	
Licence number (VAT no./TAX id)	
Countries with registered office:	
Registration Certificate – please attach	

REFERENCES				
Name and country of customer	**Type of contract**	**Value**	**Contact name**	**Phone/fax and email**

Include details of the experience and past performance on contracts of a similar nature within the past five years and information on other contracts in hand and/or future commitments including details of the actual and effective participation in each of such contracts, description of the Candidate's assignments and periods of engagement. Additional documents can be attached to the above form.

The proposal is valid for a period of 30days after the closing date in accordance with the <Article no> Validity.

After having read your Request for Proposal no. <number> for <contract title> dated <date>, and after having examined the Request for Proposal, I/we hereby offer to execute and complete the services in conformity with all conditions in the Request for Proposal for the sum indicated in our financial proposal.

Further, I/we hereby:

- Accept, without restrictions, all the provisions in the Request for Proposal including the General Terms and Conditions for Service Contracts - Ver2 2012 and the draft Service Contract including all annexes.

- Provided that a contract is issued by the Contracting Authority I/we hereby commit to perform all services described in the Terms of Reference, Annex 1

- Certify and attest compliance with eligibility criteria of article 33 of the General Terms and Conditions for Service.

- Certify and attest compliance with the Code of Conduct for Contractors in <Annex 4>.

The above declarations will become an integrated part of the Contract and misrepresentation will be regarded as grounds for termination.

Signature and stamp:

Signed by:

The Candidate/ Firm
Name of the Contractor/company

Address:
Telephone no.
Email:
Name of contact person:

ANNEX 3: GENERAL TERMS AND CONDITIONS FOR SERVICE CONTRACTS

1. DEFINITIONS

In these general terms and conditions:

a) "contract" is the agreement entered into by the Contracting Authority and the Contractor for the performance of the services described in the terms of reference, to which these general terms and conditions are made applicable; the contract is constituted of the documents listed in the Service Contract.

b) The Contracting Authority's "partners" are the organisations to which the Contracting Authority is associated or linked;

c) "personnel" is any person assigned by the Contractor to the performance of the services or any part hereof, whether through employment, sub-contracting or any other agreement; and "key experts" are those members of the personnel whose involvement is considered instrumental in the achievement of the contract objectives;

d) "beneficiary country" is the country where the services are to be performed, or where the project to which the services relate is located.

2. RELATIONS BETWEEN THE PARTIES

Nothing contained in the contract shall be construed as establishing a relation of master and servant or of agent and principal as between the Contracting Authority and the Contractor. Except if otherwise provided in the contract, the Contractor shall under no circumstances act as the representative of the Contracting Authority or give the impression that the Contractor has been given such authority. The Contractor has complete charge of the personnel and shall be fully responsible for the services performed by them.

3. SCOPE OF SERVICES

The scope of the services including the methods and means to be used by the Contractor, the results to be achieved by him and the verifiable indicators are specified in the Terms of Reference. The Contractor shall be responsible for everything which is required for the performance of the services in accordance with what is specified in the contract, or which must otherwise be regarded as forming part of the services.

4. COMPLIANCE WITH LAWS AND RESPECT OF TRADITIONS

The Contractor shall respect and abide by all laws and regulations in force in the beneficiary country and shall ensure that its personnel, their dependants, and its local employees also respect and abide by all such laws and regulations. The Contractor shall indemnify the Contracting Authority against any claims and proceedings arising from any infringement by the Contractor, its personnel and their dependants of such laws and regulations.

The Contractor, its personnel and their dependents shall respect human rights and undertake not to offend the political, cultural and religious practices prevailing in the beneficiary country.

5. CODE OF CONDUCT

The Contractor shall at all times act loyally and impartially and as a faithful adviser to the Contracting Authority and shall perform the services with due care, efficiency and diligence, in accordance with the best professional practice.

6. DISCRETION AND CONFIDENTIALITY

The Contractor shall treat all documents and information received in connection with the contract as private and confidential, and shall not, save in so far as may be necessary for the purposes of the performance thereof, publish or disclose any particulars of the contract without the prior consent in writing of the Contracting Authority. It shall, in particular, refrain from making any public statements concerning the project or the services without the prior approval of the Contracting Authority,

7. CONFLICT OF INTEREST

The Contractor shall refrain from engaging in any activity which conflicts with his obligations towards the Contracting Authority under the contract.

The Contractor shall take all necessary measures to prevent or end any situation that could compromise the impartial and objective performance of the Contract. Such conflict of interests could arise in particular as a result of economic interest, political or national affinity, family or emotional ties, or any other relevant connection or shared interest. Any conflict of interests which could arise during performance of the Contract must be notified in writing to the Contracting Authority without delay. The Contractor shall replace, immediately and without compensation from the Contracting Authority, any member of its personnel exposed to such a situation.

8. CORRUPT PRACTICES

The Contractor and the personnel shall refrain from performing, condoning or tolerating any corrupt, fraudulent, collusive or coercive practices, whether such practices are in relation with the performance of the contract or not. "Corrupt practice" means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value as an inducement or reward for doing or forbearing to do any act in relation to the contract or any other contract with the Contracting Authority, or for showing favour or disfavour to any person in relation to the contract or any other contract with the Contracting Authority.

The payments to the Contractor under the contract shall constitute the only income or benefit it may derive in connection with the contract and neither it nor its personnel shall accept any commission, discount, allowance, indirect payment or other consideration in connection with, or in relation to, or in discharge of, its obligations under the contract.

The execution of the contract shall not give rise to unusual commercial expenses. Unusual commercial expenses are commissions not mentioned in the contract or not stemming from a properly concluded contract referring to the contract, commissions not paid in return for any actual and legitimate service, commissions remitted to a tax haven, commissions paid to a recipient who is not clearly identified or commission paid to a company which has every appearance of being a front company.

The Contractor further warrants that no official of the Contracting Authority and/or their partner has received or will be offered by the Contractor any direct or indirect benefit arising from this Contract.

9. JOINT VENTURE OR CONSORTIUM

If the Contractor is a joint venture or a consortium of two or more legal persons, all such persons shall be jointly and severally bound to fulfil the terms of the contract. The person designated by the joint venture or consortium to act on its behalf for the purposes of this contract shall have the authority to bind the joint venture or consortium.

For the purposes of performance of the contract, the joint venture or consortium shall act as, and be considered, a single person and, in particular, shall have bank account opened in its name, shall submit to the Contracting Authority single guarantees if required, and shall submit single invoices and single reports.

The composition of the joint venture or a consortium shall not be altered without the prior written consent of the Contracting Authority.

10. SPECIFICATIONS AND DESIGNS

The Contractor shall prepare all specifications and designs using accepted and generally recognised systems acceptable to the Contracting Authority and taking into account the latest design criteria.

11. INFORMATION

The Contractor shall furnish the Contracting Authority or any person authorised by the Contracting Authority with any information relating to the services and the project as the Contracting Authority may at any time request.

12. REPORTS

The frequency, deadlines, format and contents of the reports to be drawn up by the Contractor in relation to the performance of the contract shall be described in the Terms of Reference.

13. CONTRACTOR'S PERSONNEL

13.1. The Contractor shall employ and provide such qualified and experienced personnel as are required to carry out the services, and the Contractor shall be responsible for the quality of the personnel.

The names, outputs, duties and CVs of key experts and the titles, job descriptions, minimum qualifications, estimated periods of engagement in the carrying out of the services of each of the personnel and key experts are described in the Organisation and Methodology part of the contract. The Contractor must inform the Contracting Authority of all non-expert personnel it intends to use for the implementation of the contract. The Contracting Authority shall have the right to oppose the Contractor's choice of personnel.

13.2. No changes shall be made in the personnel without the prior consent of the Contracting Authority. The Contractor shall provide a replacement with at least equivalent qualifications and experience and acceptable to the Contracting Authority if:

a) on account of death, sickness or accident, a member of the Personnel is unable to continue providing his services,

b) any member of the personnel is found by the Contracting Authority to be incompetent in discharging or unsuitable for the performance of his duties under the Contract,

c) for any reasons beyond the control of the Contractor, it becomes necessary to replace any member of the Personnel.

The request for replacement must be made in writing and state the reasons therefore. The Contractor shall proceed swiftly with the request and propose a replacement with at least equivalent qualifications and experience. The remuneration to be paid to the replacement cannot exceed that received by the replaced member of the personnel.
Failure by the Contractor to propose a replacement for a key expert satisfactory to the Contracting Authority, shall give the right to the Contracting Authority to terminate the contract.

Additional costs arising out of a replacement shall be borne by the Contractor.

13.3. Working hours

The days and hours of work of the Contractor or/and its personnel in the beneficiary country shall be fixed on the basis of the laws, regulations and customs of the beneficiary country and the requirements of the services.

13.4. Leave entitlement

Any taking of holiday leave by the personnel during the period of implementation of the contract must be at a time approved by the Contracting Authority.

Overtime, sick leave pay and holidays leave pay are deemed to be covered by the Contractor's remuneration.

14. SUB-CONTRACTING

Except from the subcontractors listed in the contract, the Consultant shall not subcontract to nor engage another independent contractor to perform any part of the services without the prior written consent of the Contracting Authority. Subcontractors must satisfy the eligibility criteria applicable for the award of the contract.

The Contracting Authority shall have no contractual relations with the subcontractors. The provisions of the contract, including these general terms and conditions, and in particular article 13.2 shall, where practicable, apply to the subcontractors and their personnel.

15. LIABILITY

At its own expense, the Contractor shall indemnify, protect and defend, the Contracting Authority, its agents and employees, from and against all actions, claims, losses or damages arising from any act or omission by the Contractor in the performance of the services, including any violation of any legal provisions, or rights of third parties, in respect of patents, trademarks and other forms of intellectual property such as copyrights.

Approval by the Contracting Authority of the Contractor's reports and issue of Completion Certificate shall not relieve the Contractor of its liability and shall not prevent the Contracting Authority from claiming damages.

The Contractor shall remain liable for any breach of its obligations under the contract for such period after the services have been performed as may be determined by the law governing the contract (the "liability period"). This time limit does not however apply when the damage arises from gross negligence or wilful misconduct of the Contractor.

During the liability period, or as soon as practicable after its expiration, the Contractor shall, at its expense, upon instruction of the Contracting Authority, remedy any deficiencies in the performance of the services. In case of default on the part of the Contractor to carry out such instructions, the Contracting Authority shall be entitled to hire another contractor to carry out the same, at the Contractor's expense.

16. INSURANCE

Within 20 days of signing the contract, the Contractor shall take out and maintain, at its own cost, a full indemnity insurance policy covering its professional liability under the contract and article 15 above, from the commencement date and until the end of the liability period.

Within 20 days of signing the contract, the Contractor shall take out and maintain a full indemnity insurance policy for a sum up to the higher of the maximum amount foreseen by the legislation of the country of the Contracting Authority and the amount foreseen by the legislation of the country in which the Contractor has its headquarters and covering, during the period of implementation of the contract, the following risks:

a) loss of or damage to property purchased with funds provided under the contract, or produced by the Contractor;

b) loss or damage to equipment, material and office facilities made available to the Contractor by the Contracting Authority;

c) civil liability for accidents caused to third parties arising out of acts performed by the Contractor, its personnel and their dependents;

d) employer's liability and workers' compensation in respect of the personnel as well as sickness, accident or death affecting the personnel and their dependents, including the cost of repatriation on health grounds;

e) such other insurance as required by the laws in force in the beneficiary country.

Prior to the commencement date, the Contractor shall provide evidence to the Contracting Authority that the above insurances have been effected. During execution of the contract, the Contractor shall, when required, provide the Contracting Authority with copies of the insurance policies and the receipts for payment of premiums.

17. INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS

All reports and data such as maps, diagrams, drawings, specifications, plans, statistics, calculations, databases, software and supporting records or materials acquired, compiled or prepared by the Contractor in the performance of the contract shall, with the copyright thereto, be the absolute property of the Contracting Authority. The Contractor shall, upon completion of the contract, deliver all such documents and data to the Contracting Authority. The Contractor may not retain copies of such documents and data and shall not use them for purposes unrelated to the contract without the prior written consent of the Contracting Authority.

The Contractor shall not publish articles relating to the services or refer to them when carrying out any services for others, or divulge information obtained from the Contracting Authority, without the prior written consent of the Contracting Authority.

18. RECORDS

The Contractor shall keep separate, accurate and systematic records and accounts in respect of the services in such form and detail as is customary in the profession and sufficient to establish accurately that the number of working days and the actual reimbursable expenditure identified in the Contractor's invoice(s) have been duly incurred for the performance of the services.

For a fee-based contract, timesheets recording the days worked by the Contractor's personnel must be maintained by the Contractor. The timesheets must be approved by the Contracting Authority or any person authorised by the Contracting Authority or the Contracting Authority itself on a monthly basis. The amounts invoiced by the Contractor must correspond to these timesheets. In the case of long-term experts, these timesheets must record the number of days worked. In the case of short-term experts, these timesheets must record the number of hours worked. Time spent travelling exclusively and necessarily for the purpose of the Contract may be included in the numbers of days or hours, as appropriate, recorded in these timesheets.

Such records must be kept for a 7-year period after the final payment made under the contract. These documents comprise any documentation concerning income and expenditure and any inventory, necessary for the checking of supporting documents, including timesheets, plane and transport tickets, pay slips for the remuneration paid to the experts and invoices or receipts for

reimbursable expenditure. Failure to maintain such records constitutes a breach of contract and will result in the termination of the contract.

19. OBLIGATIONS OF CONTRACTING AUTHORITY

19.1. The Contracting Authority shall provide the Contractor as soon as possible with any information and/or documentation at its disposal which may be relevant to the performance of the contract.
On all matters properly referred to it in writing by the Contractor, the Contracting Authority shall give its decisions so as not to delay the services, and within a reasonable time.

19.2. The contract shall specify whether the Contracting Authority is to provide the Contractor with equipment, facilities, counterpart personnel or specific assistance, and shall detail under which conditions. If the provision of such agreed counterpart personnel, equipment, facilities and assistance is delayed or not forthcoming, the Contractor shall endeavour to perform the Services as far as is possible. The parties shall agree on how the affected parts of the services shall be carried out, and the additional payments, if any is due, to be made by the Contracting Authority to the Contractor as a result of additional expenditures.

20. CONTRACT PRICE AND PAYMENTS

Contracts are either "Total price" or "fee-based".

20.1. Fee-based contract

In consideration of the services performed by the Contractor under the contract, the Contracting Authority shall make to the Contractor such payments of fees and such reimbursement of costs as provided in the contract.
Fees shall be determined on the basis of time actually spent by the key experts in the performance of services at the fee rates specified in the contract. Fee rates are deemed to remunerate all the activities of the Contractor in the performance of the services and to cover all expenses and costs incurred by the Contractor which are not included in the agreed reimbursable costs.
The Contracting Authority shall reimburse to the Contractor the reimbursable costs and expenses specified in the contract, actually and reasonably incurred in the performance of the services.
Costs and expenses which are not mentioned in the contract shall be deemed covered by the overhead of profit included in the fees.
The currency of payments of fees and reimbursable costs and applicable exchange rates are set out in the contract.

20.2. Total price contract

The Total price covers both the Contractor's and its personnel's fees and all expenses to be incurred for the performance of the contract. The Total price is in consideration for all obligations of the Contractor under the contract and all matters and things necessary for the proper execution and completion of the services and the remedying of any deficiencies therein.

20.3. Revision

Unless otherwise stipulated in the contract, the Total price of a Total price contract and the fee rates of a fee-based contract shall not be revised.

20.4. Guarantees

In the case an advance payment for fees and for reimbursable costs (fee-based contract) or a pre-financing payment (Total price contract) is agreed in the contract, its payment by the Contracting Authority shall be subject to the prior presentation by the Contractor to the Contracting Authority of an approved performance security, advance payment or pre-financing guarantee, if so agreed and under the conditions specified in the Service Contract.

20.5. Conditions of Payment

Payments will be made by the Contracting Authority with the frequency, instalments, time limits, amounts and currencies, and under the conditions, in particular on the contents of invoices, specified in the special conditions of the contract. Payment of the final balance shall be subject to performance by the Contractor of all its obligations under the contract and the issue by the Contracting Authority of the completion certificate described in article 25.

20.6. Late payment

If the time periods laid down for payments by the Contracting Authority have been exceeded by more than two months and where the Contracting Authority cannot invoke a case of suspension or withholding of payments provided for in these terms and conditions, the Contractor may claim interest calculated on any amount due, prorata on the number of days of delay at the official bank rate of the beneficiary country (if amounts due are in the currency of that country), or at the rate applied by the European central bank (where amounts due are in Euro), plus 2% per year.

21. DELAYS IN PERFORMANCE

If the Contractor does not perform the services within the period of implementation specified in the contract, the Contracting Authority shall, without formal notice and without prejudice to its other remedies under the contract, be entitled to liquidated damages for every day, or part thereof, which shall elapse between the end of the period of implementation specified in the contract and the actual end of the period of implementation.

The daily rate for liquidated damages is calculated by dividing the contract value by the number of days of the period of implementation.

If these liquidated damages exceed more than 15% of the contract value, the Contracting Authority may, after giving notice to the Contractor:

a) terminate the contract; and

b) complete the services at the Contractor's own expense

22. BREACH OF CONTRACT

Either party commits a breach of contract where it fails to discharge any of its obligations under the contract.

Where a breach of contract occurs, the party injured by the breach shall be entitled to the following remedies:

a) liquidated damages; and/or

b) termination of the contract.

In any case where the Contracting Authority is entitled to damages, it may deduct such damages from any sums due to the Contractor or call on the appropriate guarantee.

The Contracting Authority shall be entitled to compensation for any damage which comes to light after the contract is completed in accordance with the law governing the contract.

23. SUSPENSION OF PERFORMANCE

The Contractor shall, on the request of the Contracting Authority, suspend the performance of the services or any part thereof for such time and in such manner as the Contracting Authority may consider necessary.

In such event of suspension, the Contractor shall take immediate action to reduce the costs incident to the suspension to a minimum. During the period of suspension, and except where the suspension is due to any default of the Contractor, the Contractor shall be reimbursed for additional costs reasonably and necessarily incurred by it as a result of the suspension.

24. AMENDMENT OF THE CONTRACT

Substantial modifications to the contract, including modifications to the total contract amount, must be made by means of an addendum.

25. Completion Certificate

Upon completion of the services, and once (a) the Contracting Authority has approved the Contractor’s completion report, (b) the Contracting Authority has approved the Contractor’s final

invoice and final audited statement, the Contracting Authority shall deliver a completion certificate to the Contractor.

26. TERMINATION BY THE CONTRACTING AUTHORITY

26.1 The Contracting Authority may terminate the contract after giving a 7 days' notice to the Contractor in any of the following cases:

a) the Contractor is in breach of its obligations under the contract and/or fails to carry out the services substantially in accordance with the contract;
b) the Contractor fails to comply within a reasonable time with the notice given by the Contracting Authority requiring it to make good the neglect or failure to perform its obligations under the contract which seriously affects the proper and timely performance of the services;
c) the Contractor refuses or neglects to carry out instructions given by the Contracting Authority;
d) the Contractor's declarations in respect if its eligibility (article 33) and/or in respect of article 31 and article 32, appear to have been untrue, or cease to be true;
e) the Contractor takes some action without requesting or obtaining the prior consent of the Contracting Authority in any case where such consent is required under the contract;
f) any of the key experts is no longer available, and the Contractor fails to propose a replacement satisfactory to the Contracting Authority;
g) any organisational modification occurs involving a change in the legal personality, nature or control of the Contractor or the joint venture or consortium, unless such modification is recorded in an addendum to the contract;
h) the Contractor fails to provide the required guarantees or insurance, or the person providing the underlying guarantee or insurance is not able to abide by its commitments.

26.2 Termination by Contracting Authority for convenience

The Contracting Authority may terminate the contract in whole or in part for its convenience, upon not less than 14 days' notice. The Contracting Authority shall not use this right of termination in order to arrange for the services to be executed by another contractor, or to avoid a termination of the contract by the Contractor.

27. TERMINATION BY THE CONTRACTOR

The Contractor may terminate the contract after giving a 7 days' notice to the Contracting Authority in any of the following cases:

a) the Contractor has not received payment of that part of any invoice which is not contested by the Contracting Authority, within 90 days of the due payment date,
b) the period of suspension of the performance of the contract under article 23 has exceeded six months;
c) the Contracting Authority is in material breach of its obligations under the Contract and has not taken any actions to remedy the same within 30 days following the receipt by the Contracting Authority of the Contractor's notice specifying such breach.

If the Contractor is a natural person, the contract shall be automatically terminated if that person dies.

28. RIGHTS AND OBLIGATIONS UPON TERMINATION

28.1. Upon termination of the contract by notice of either party to the other, the Contractor shall take immediate steps to bring the services to a close in a prompt and orderly manner and in such a way as to keep costs to a minimum.

28.2. If the Contracting Authority terminates the contract in accordance with article 26.1 it may, thereafter, complete the services itself, or conclude any other contract with a third party, at the Contractor's expense.

The Contracting Authority shall, as soon as is possible after termination, certify the value of the services and all sums due to the Contractor as at the date of termination. It shall, subject to article 28.1 and 28.3, make the following payments to the Contractor:

(a) remuneration pursuant to the contract for services satisfactorily performed prior to the effective date of termination;
(b) reimbursable costs (if fee-based contract) for costs actually incurred prior to the effective date of termination;
(c) except in the case of termination pursuant to article 26.1 reimbursement of any reasonable cost incident to the prompt and orderly termination of the contract;
(d) in case of termination under article 26.2 and 27, reimbursement for the actual and reasonable costs incurred by the Contractor as a direct result of such termination and which could not be avoided or reduced by appropriate mitigation measures.

The Contractor shall not be entitled to claim, in addition to the above sums, compensation for any loss or injury suffered.

28.3. In case of termination of the contract for any reason whatsoever, any pre-financing guarantee which might have been granted to the Contracting Authority under article 20.4, may be invoked forthwith by the Contracting Authority in order to repay any balance still owed to the Contracting Authority by the Contractor, and the guarantor shall not delay payment or raise objection for any reason whatever.

28.4. If the Contracting Authority terminates the contract under article 26.1, it shall be entitled to recover from the Contractor any loss it has suffered up to that part of the contract value which corresponds to that part of the services which has not, by reason of the Contractor's default, been satisfactorily completed.

29. FORCE MAJEURE

Neither party shall be considered to be in breach of its obligations under the contract if the performance of such obligations is prevented by any circumstances of force majeure which arise after the date of signature of the contract by both parties.

The term "force majeure", as used herein shall mean acts of God, strikes, lock-outs or other industrial disturbances, acts of the public enemy, wars, whether declared or not, blockades, insurrection, riots, epidemics, landslides, earthquakes, storms, lightning, floods, washouts, civil disturbances, explosions, and any other similar unforeseeable events, beyond the control of either party and which by the exercise of due diligence neither party is able to overcome.

A party affected by an event of force majeure shall take all reasonable measures to remove such party's inability to fulfil its obligations hereunder with a minimum of delay.

If either party considers that any circumstances of force majeure have occurred which may affect performance of its obligations it shall notify the other party immediately giving details of the nature, the probable duration and likely effect of the circumstances. Unless otherwise directed by the Contracting Authority in writing, the Contractor shall continue to perform its obligations under the contract as far as is reasonably practicable, and shall seek all reasonable alternative means for performance of its obligations which are not prevented by the force majeure event. The Contractor shall not put into effect such alternative means unless directed so to do by the Contracting Authority.

30. APPLICABLE LAW AND DISPUTES

The contract is governed by, and shall be construed in accordance with the laws of the Contracting Authority's country.

Any dispute or breach of contract arising under this contract shall be solved amicably if at all possible. If not possible and unless provided in the Service Contract, it shall be settled finally by court

decision, which shall be held under the law of the Contracting Authority's country. Any ruling by the court will be final and directly executable in the country of the Contractor.

31. CHILD LABOUR AND FORCED LABOUR

The Contractor (and each member of a joint venture or a consortium) warrants that it and its affiliates comply with the UN *Convention on the Rights of the Child*and that it or its affiliates has not made or will not make use of forced or compulsory labour. Furthermore the Contractor warrants that it, and its affiliates, respect and uphold basic social rights and working conditions for its employees. Any breach of this representation and warranty, in the past or during the performance of the contract, shall entitle the Contracting Authorityto terminate this contract immediately upon notice to the Contractor, at no cost or liability for the Contracting Authority.

33. INELIGIBILITY

By signing the purchase order, the Contractor (or, if a joint venture or a consortium, any member thereof) certifies that they are NOT in one of the situations listed below:

(a) They are bankrupt or being wound up, are having their affairs administrated by courts, have entered into an agreement with creditors, have suspended business activities, are the subject of proceedings concerning house matters, or are in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
(b) They have been convicted of an offence concerning their professional conduct by a judgement that has the force of *res judicata;*
(c) They have been guilty of grave professional misconduct proven by any means that the Contracting Authority can justify;
(d) They have not fulfilled obligations relating to the payment of social security contributions or payment of taxes in accordance with the legal provisions of the country in which they are established or with those of the country of the Contracting Authority or those of the country where the contract is to be performed;
(e) They have been the subject of a judgement that has the force of *res judicata* for fraud, corruption, involvement in a criminal organisation or any other illegal activity detrimental to the Contracting Authority or the European Communities financial interests;
(f) Following another procurement procedure or grant award procedure financed by the European Community budget or following another procurement procedure carried out by the Contracting Authority or one of their partners, they have been declared to be in serious breach of contract for failure to comply with their contractual obligations.

34. CHECKS AND AUDITS

The Contractor shall permit the Contracting Authority or its representative to inspect, at any time, records including financial and accounting documents and to make copies thereof and shall permit the Contracting Authority or any person authorized by it, including the European Commission, the European Anti-Fraud Office and the Court of Auditors in case the contract is financed by the European Community budget, at any time, to have access to its financial accounting documents and to audit such records and accounts both during and after the provision of the services. In particular, it may carry out whatever documentary or on-the-spot checks it deems necessary to find evidence in case of suspected unusual commercial expenses.

Annex 4: Code of Conduct for Contractors

- Ethical Principles and Standards

By this Code of Conduct, the Contracting Authority applies ethics to procurement. We expect our contractors to act socially and environmentally responsible and actively work for the implementation of the standards and principles in this Code of Conduct. The code is applicable for all our contractors who supply goods, services and works to our operations and projects.

General Conditions

The Code of Conduct defines the ethical requirements and standards for our contractors, whom we expect to sign and respect the code, and work actively towards the implementation hereof. By signing the Code of Conduct contractors agree to place ethics central to their business activities.

The provision of the ethical standards constitutes minimum rather than maximum standards. National laws shall be complied with, and where the provisions of law and the Contracting Authority's standards address the same subject, the highest standard shall apply.

It is the responsibility of the Contractor to assure that their contractors comply with the ethical requirements and standards set forth in this Code of Conduct.

The Contracting Authority acknowledge that implementing ethical standards and ensuring ethical behaviour in our supply chain is a continuous process and a long term commitment for which we also have a responsibility. In order to achieve high ethical standards for procurement we are willing to engage in dialogue and collaboration with our contractors. In addition we expect our contractors to be open and willing to engage in dialogue with us to implement ethical standards for their businesses. Unwillingness to co-operate or serious violations of the Code of Conduct will lead to termination of contracts.

Human Rights and Labour Rights

Contractors must at all times protect and promote human- and labour rights and work actively to address issues of concern. As a minimum they are obliged to comply with the following ethical standards:

Respect for Human Rights

The basic principles of the Universal Human Rights are that all human beings are born free and equal in dignity and in rights, and everyone has the right to life, liberty and security of the person. Contractors must not flaunt their responsibility to uphold and promote the Human Rights toward employees and the community in which they operate.

- *Non exploitation of Child Labour*

  Contractors must not engage in the exploitation of child labour and contractors must take the necessary steps to prevent the employment of child labour. A child is defined as a person under the age of 18 and children shall not be engaged in labour that compromise their health, safety, mental and social development, and schooling. Children under the age of 15 may not be engaged in regular work,
- *Employment is freely chosen*

  Contractors must not make use of forced or bonded labour and must respect workers freedom to leave their employer.
- *Freedom of association and the right to collective bargaining*

  Contractors must recognise workers right to join or form trade unions and bargain collectively, and should adopt an open attitude towards the activities of trade unions (even if this is restricted under national law).
- *Living wages are paid as per government rules.*

  As a minimum, national minimum wage standards or ILO wage standards must be met by contractors. Additionally a living wage must be provided. A living wage is contextual, but must always meet basic needs such as food, shelter, clothing, health care and schooling and provide a discretionary income - which is not always the case with a formal minimum wage.
- *No discrimination in employment* and the UN Convention on Discrimination against Women.

  Contractors must not practice discrimination in hiring, salaries, job termination, retiring, and access to training or promotion - based on race, national origin, caste, gender, sexual orientation, political affiliation, disability, marital status, or HIV/AIDS status.

- *No harsh or inhumane treatment of employees*

  The use of physical abuse, disciplinary punishment, sexual abuse, the threat of sexual and physical abuse, and other forms of intimidation may never be practiced by contractors.
- *Working conditions are safe and hygienic*

  Contractors must take adequate steps to provide a safe and hygienic working environment. Additionally workers safety must be a priority and adequate steps must be taken to prevent accidents and injury to health associated with or occurring in the course of work.
- *Working hours are not excessive*

  Contractors must ensure that working hours comply with national law and international standards. A working week of 7 days should not exceed 48 hours and employees must have one day off per week. Overtime shall be compensated, limited and voluntary.
- *Regular employment is provided*

  All Work performed must be on the basis of a recognised employment relationship established through international conventions and national law. Contractors must protect vulnerable group's regular employment under these laws and conventions and must provide workers with a written contract.

Protection of the Environment

The Contracting Authority wishes to minimise the environmental damages applied to nature via our procurement activities and we expect our suppliers and contractors to act in an environmentally responsible manner. This involves respecting applicable national and international environmental legislation and acting in accordance with the Rio Declaration.

As a minimum, contractors should address issues related to proper waste management, insuring recycling, conservation of scarce resources, and efficient energy use.