Consultant’s Services
Time-Based
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Preface

1. The standard Contract form consists of four parts: the Form of Contract to be signed by the Client and the Consultant, the General Conditions of Contract (GCC), including Attachment 1 (Bank’s Policy – Corrupt and Fraudulent Practices); the Special Conditions of Contract (SCC); and the Appendices.

2. The General Conditions of Contract, including Attachment 1, shall not be modified. The Special Conditions of Contract that contain clauses specific to each Contract intend to supplement, but not over-write or otherwise contradict, the General Conditions.
CONTRACT FOR CONSULTANT’S SERVICES
Time-Based

Project Name ____________________________

[Loan/Grant] No.________________________

Contract No. _____________________________

between

__________________________

[Name of the Client]

and

__________________________

[Name of the Consultant]

Dated: _________________________
I. Form of Contract

TIME-BASED

[Text in brackets [] is optional; all notes should be deleted in the final text]

This CONTRACT (hereinafter called the “Contract”) is made the [number] day of the month of [month], [year], between, on the one hand, [name of Client] (hereinafter called the “Client”) and, on the other hand, [name of Consultant] (hereinafter called the “Consultant”).

[Note: If the Consultant consist of more than one entity, the above should be partially amended to read as follows: “…(hereinafter called the “Client”) and, on the other hand, a Joint Venture [insert name of the JV] consisting of the following entities, each member of which will be jointly and severally liable to the Client for all the Consultant’s obligations under this Contract, namely, [insert name of member] and [insert name of member] (hereinafter called the “Consultant”).]

WHEREAS

(a) the Client has requested the Consultant to provide certain consulting services as defined in this Contract (hereinafter called the “Services”);

(b) the Consultant, having represented to the Client that it has the required professional skills, expertise and technical resources, has agreed to provide the Services on the terms and conditions set forth in this Contract;

(c) the Client has received [or “has applied for”] a loan [or “grant”] from the European, Bank for Reconstruction and Development toward the cost of the Services and intends to apply a portion of the proceeds of this [loan/grant] to eligible payments under this Contract, it being understood that (i) payments by the Bank will be made only at the request of the Client and upon approval by the Bank; (ii) such payments will be subject, in all respects, to the terms and conditions of the [loan/grant] agreement, including prohibitions of withdrawal from the [loan/grant] account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the Bank, is prohibited by the decision of the United Nations Security council taken under Chapter VII of the Charter of the United Nations; and (iii) no party other than the Client shall derive any rights from the [loan/grant] agreement or have any claim to the [loan/grant] proceeds;
NOW THEREFORE the parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract:

   (a) The General Conditions of Contract (including Attachment 1 “Bank Policy – Corrupt and Fraudulent Practices);
   (b) The Special Conditions of Contract;
   (c) Appendices:  
      [For Loan-Funded Assignments:]  
      Appendix A: Terms of Reference  
      Appendix B: Key Experts  
      Appendix C: Remuneration Cost Estimates  
      Appendix D: Reimbursables Cost Estimates  
      Appendix E: Form of Advance Payments Guarantee  
      [For Grant-Funded Assignments:]  
      Appendix A: Terms of Reference  
      Appendix B: Key Experts  
      Appendix C/D: Breakdown of Costs  
      Appendix E: Form of Advance Payments Guarantee

   In the event of any inconsistency between the documents, the following order of precedence shall prevail: the Special Conditions of Contract; the General Conditions of Contract, including Attachment 1; Appendix A; Appendix B; Appendix C and Appendix D; Appendix E. Any reference to this Contract shall include, where the context permits, a reference to its Appendices.

2. The mutual rights and obligations of the Client and the Consultant shall be as set forth in the Contract, in particular:

   (a) the Consultant shall carry out the Services in accordance with the provisions of the Contract; and
   (b) the Client shall make payments to the Consultant in accordance with the provisions of the Contract.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

For and on behalf of [Name of Client]

[Authorized Representative of the Client – name, title and signature]

For and on behalf of [Name of Consultant or Name of a Joint Venture]
[Authorized Representative of the Consultant – name and signature]

[Note: For a joint venture, either all members shall sign or only the lead member, in which case the power of attorney to sign on behalf of all members shall be attached.

For and on behalf of each of the members of the Consultant [insert the name of the Joint Venture]

[Name of the lead member]

[Authorized Representative on behalf of a Joint Venture]

[add signature blocks for each member if all are signing]
II. General Conditions of Contract

A. General Provisions

1. Definitions

1.1. Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:


(b) “Applicable Law” means the laws and any other instruments having the force of law in the Client’s country, or in such other country as may be specified in the Special Conditions of Contract (SCC), as they may be issued and in force from time to time.

(c) “Bank” means the European Bank for Reconstruction and Development.

(d) “Borrower [or Recipient or Beneficiary]” means the Government, Government agency or other entity that signs the financing [or loan/grant/project] agreement with the Bank.

(e) “Client” means the executing agency that signs the Contract for the Services with the Selected Consultant.

(f) “Consultant” means a legally-established professional consulting firm or entity selected by the Client to provide the Services under the signed Contract.

(g) “Contract” means the legally binding written agreement signed between the Client and the Consultant and which includes all the attached documents listed in its paragraph 1 of the Form of Contract (the General Conditions (GCC), the Special Conditions (SCC), and the Appendices).

(h) “Day” means a working day unless indicated otherwise.

(i) “Effective Date” means the date on which this Contract comes into force and effect pursuant to Clause GCC 11.

(j) “Experts” means, collectively, Key Experts, Non-Key Experts, or any other personnel of the Consultant, Sub-consultant or JV member(s) assigned by the Consultant to perform the Services or any part thereof under the Contract.

(k) “Foreign Currency” means any currency other than the currency
of the Client’s country.

(l) “GCC” means these General Conditions of Contract.

(m) “Government” means the government of the Client’s country.

(n) “Joint Venture (JV)” means an association with or without a legal personality distinct from that of its members, of more than one entity where one member has the authority to conduct all businesses for and on behalf of any and all the members of the JV, and where the members of the JV are jointly and severally liable to the Client for the performance of the Contract.

(o) “Key Expert(s)” means an individual professional whose skills, qualifications, knowledge and experience are critical to the performance of the Services under the Contract and whose Curricula Vitae (CV) was taken into account in the technical evaluation of the Consultant’s proposal.

(p) “Local Currency” means the currency of the Client’s country.

(q) “Non-Key Expert(s)” means an individual professional provided by the Consultant or its Sub-consultant to perform the Services or any part thereof under the Contract.

(r) “Party” means the Client or the Consultant, as the case may be, and “Parties” means both of them.

(s) “SCC” means the Special Conditions of Contract by which the GCC may be amended or supplemented but not over-written.

(t) “Services” means the work to be performed by the Consultant pursuant to this Contract, as described in Appendix A hereto.

(u) “Sub-consultants” means an entity to whom/which the Consultant subcontracts any part of the Services while remaining solely liable for the execution of the Contract.

(v) “Third Party” means any person or entity other than the Government, the Client, the Consultant or a Sub-consultant.

2. Relationship between the Parties

2.1. Nothing contained herein shall be construed as establishing a relationship of master and servant or of principal and agent as between the Client and the Consultant. The Consultant, subject to this Contract, has complete charge of the Experts and Sub-consultants, if any, performing the Services and shall be fully responsible for the Services performed by them or on their behalf hereunder.
II. General Conditions of Contract

3. **Law Governing Contract**

3.1. This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law.

4. **Language**

4.1. This Contract has been executed in the language specified in the SCC, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

5. **Headings**

5.1. The headings shall not limit, alter or affect the meaning of this Contract.

6. **Communications**

6.1. Any communication required or permitted to be given or made pursuant to this Contract shall be in writing in the language specified in Clause GCC 4. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent to such Party at the address specified in the SCC.

6.2. A Party may change its address for notice hereunder by giving the other Party any communication of such change to the address specified in the SCC.

7. **Location**

7.1. The Services shall be performed at such locations as are specified in Appendix A hereto and, where the location of a particular task is not so specified, at such locations, whether in the Government’s country or elsewhere, as the Client may approve.

8. **Authority of Member in Charge**

8.1. In case the Consultant is a Joint Venture, the members hereby authorize the member specified in the SCC to act on their behalf in exercising all the Consultant’s rights and obligations towards the Client under this Contract, including without limitation the receiving of instructions and payments from the Client.

9. **Authorized Representatives**

9.1. Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the Client or the Consultant may be taken or executed by the officials specified in the SCC.

10. **Corrupt and Fraudulent Practices**

10.1. The Bank requires compliance with its policy in regard to prohibited practices as set forth in Attachment 1 to the GCC.

a. **Commissions and Fees**

10.2. The Client requires the Consultant to disclose any commissions, gratuities or fees that may have been paid or are to be paid to agents or any other party with respect to the selection process or execution of the Contract. The information disclosed must include at least the name and address of the agent or the other party,
the amount and currency, and the purpose of the commission, gratuity or fee. Failure to disclose such commissions, gratuities or fees may result in termination of the Contract and/or sanctions by the Bank.

B. **Commencement, Completion, Modification and Termination of Contract**

11. **Effectiveness of Contract**
   11.1. This Contract shall come into force and effect on the date (the “Effective Date”) of the Client’s notice to the Consultant instructing the Consultant to begin carrying out the Services. This notice shall confirm that the effectiveness conditions, if any, listed in the SCC have been met.

12. **Termination of Contract for Failure to Become Effective**
   12.1. If this Contract has not become effective within such time period after the date of Contract signature as specified in the SCC, either Party may, by not less than twenty two (22) days written notice to the other Party, declare this Contract to be null and void, and in the event of such a declaration by either Party, neither Party shall have any claim against the other Party with respect hereto.

13. **Commencement of Services**
   13.1. The Consultant shall confirm availability of Key Experts and begin carrying out the Services not later than the number of days after the Effective Date specified in the SCC.

14. **Expiration of Contract**
   14.1. Unless terminated earlier pursuant to Clause GCC 19 hereof, this Contract shall expire at the end of such time period after the Effective Date as specified in the SCC.

15. **Entire Agreement**
   15.1. This Contract contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make, and the Parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein.

16. **Modifications or Variations**
   16.1. Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the scope of the Services, may only be made by written agreement between the Parties. However, each Party shall give due consideration to any proposals for modification or variation made by the other Party.

   16.2. In cases of substantial modifications or variations, the prior written consent of the Bank is required.

17. **Force Majeure**
   a. **Definition**
   17.1. For the purposes of this Contract, “Force Majeure” means an event which is beyond the reasonable control of a Party, is not
II. General Conditions of Contract

foreseeable, is unavoidable, and makes a Party’s performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible under the circumstances, and subject to those requirements, includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action confiscation or any other action by Government agencies.

17.2. Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party or such Party’s Experts, Sub-consultants or agents or employees, nor (ii) any event which a diligent Party could reasonably have been expected to both take into account at the time of the conclusion of this Contract, and avoid or overcome in the carrying out of its obligations hereunder.

17.3. Force Majeure shall not include insufficiency of funds or failure to make any payment required hereunder.

b. No Breach of Contract

17.4. The failure of a Party to fulfill any of its obligations hereunder shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of this Contract.

c. Measures to be Taken

17.5. A Party affected by an event of Force Majeure shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall take all reasonable measures to minimize the consequences of any event of Force Majeure.

17.6. A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any case not later than fourteen (14) calendar days following the occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give written notice of the restoration of normal conditions as soon as possible.

17.7. Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

17.8. During the period of their inability to perform the Services as a result of an event of Force Majeure, the Consultant, upon instructions by the Client, shall either:
(a) demobilize, in which case the Consultant shall be reimbursed for additional costs they reasonably and necessarily incurred, and, if required by the Client, in reactivating the Services; or

(b) continue with the Services to the extent reasonably possible, in which case the Consultant shall continue to be paid under the terms of this Contract and be reimbursed for additional costs reasonably and necessarily incurred.

17.9. In the case of disagreement between the Parties as to the existence or extent of Force Majeure, the matter shall be settled according to Clauses GCC 48 & 49.

18. Suspension

18.1. The Client may, by written notice of suspension to the Consultant, suspend all payments to the Consultant hereunder if the Consultant fails to perform any of its obligations under this Contract, including the carrying out of the Services, provided that such notice of suspension (i) shall specify the nature of the failure, and (ii) shall request the Consultant to remedy such failure within a period not exceeding thirty (30) calendar days after receipt by the Consultant of such notice of suspension.

19. Termination

19.1. This Contract may be terminated by either Party as per provisions set up below:

a. By the Client

19.1.1 The Client may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (f) of this Clause. In such an occurrence the Client shall give at least thirty (30) calendar days’ written notice of termination to the Consultant in case of the events referred to in (a) through (d); at least sixty (60) calendar days’ written notice in case of the event referred to in (e); and at least five (5) calendar days’ written notice in case of the event referred to in (f):

(a) If the Consultant fails to remedy a failure in the performance of its obligations hereunder, as specified in a notice of suspension pursuant to Clause GCC 18;

(b) If the Consultant becomes (or, if the Consultant consists of more than one entity, if any of its members becomes) insolvent or bankrupt or enter into any agreements with their creditors for relief of debt or take advantage of any law for the benefit of debtors or go into liquidation or receivership whether compulsory or voluntary;

(c) If the Consultant fails to comply with any final decision reached as a result of arbitration proceedings pursuant to
Clause GCC 49.1;

(d) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) calendar days;

(e) If the Client, in its sole discretion and for any reason whatsoever, decides to terminate this Contract;

(f) If the Consultant fails to confirm availability of Key Experts as required in Clause GCC 13.

19.1.2 Furthermore, if the Client determines that the Consultant has engaged in corrupt, fraudulent, collusive and/or coercive practices, in competing for or in executing the Contract, then the Client may, after giving fourteen (14) calendar days written notice to the Consultant, terminate the Consultant's employment under the Contract.

b. By the Consultant

19.1.3 The Consultant may terminate this Contract, by not less than thirty (30) calendar days’ written notice to the Client, in case of the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause.

(a) If the Client fails to pay any money due to the Consultant pursuant to this Contract and not subject to dispute pursuant to Clauses GCC 49.1 within forty-five (45) calendar days after receiving written notice from the Consultant that such payment is overdue.

(b) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) calendar days.

(c) If the Client fails to comply with any final decision reached as a result of arbitration pursuant to Clause GCC 49.1.

(d) If the Client is in material breach of its obligations pursuant to this Contract and has not remedied the same within forty-five (45) days (or such longer period as the Consultant may have subsequently approved in writing) following the receipt by the Client of the Consultant’s notice specifying such breach.

c. Cessation of Rights and Obligations

19.1.4 Upon termination of this Contract pursuant to Clauses GCC 12 or GCC 19 hereof, or upon expiration of this Contract pursuant to Clause GCC 14, all rights and obligations of the Parties hereunder shall cease, except (i) such rights and
II. General Conditions of Contract

a. Standard of Performance

20.1 The Consultant shall perform the Services and carry out the Services with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as a faithful adviser to the Client, and shall at all times support and safeguard the Client’s legitimate interests in any dealings with the third parties.

20.2 The Consultant shall employ and provide such qualified and
experienced Experts and Sub-consultants as are required to carry out the Services.

20.3 The Consultant may subcontract part of the Services to an extent and with such Key Experts and Sub-consultants as may be approved in advance by the Client. Notwithstanding such approval, the Consultant shall retain full responsibility for the Services.

b. Law Applicable to Services

20.4 The Consultant shall perform the Services in accordance with the Contract and the Applicable Law and shall take all practicable steps to ensure that any of its Experts and Sub-consultants, comply with the Applicable Law.

20.5 Throughout the execution of the Contract, the Consultant shall comply with the import of goods and services prohibitions in the Client’s country when

   (a) as a matter of law or official regulations, the [Borrower’s or Beneficiary’s] country prohibits commercial relations with that country; or

   (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower’s Country prohibits any import of goods from that country or any payments to any country, person, or entity in that country.

20.6 The Client shall notify the Consultant in writing of relevant local customs, and the Consultant shall, after such notification, respect such customs.

21. Conflict of Interests

21.1 The Consultant shall hold the Client’s interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or their own corporate interests.

   a. Consultant Not to Benefit from Commissions, Discounts, etc.

   21.1.1 The payment of the Consultant pursuant to GCC F (Clauses GCC 41 through 46) shall constitute the Consultant’s only payment in connection with this Contract and, subject to Clause GCC 21.1.3, the Consultant shall not accept for its own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract or in the discharge of its obligations hereunder, and the Consultant shall use its best efforts to ensure that any Sub-consultants, as well as the Experts and agents of either of them, similarly shall not receive any such additional payment.

   21.1.2 Furthermore, if the Consultant, as part of the Services, has the responsibility of advising the Client on the procurement
of goods, works or services, the Consultant shall comply with the Bank’s Applicable Guidelines, and shall at all times exercise such responsibility in the best interest of the Client. Any discounts or commissions obtained by the Consultant in the exercise of such procurement responsibility shall be for the account of the Client.

b. Consultant and Affiliates Not to Engage in Certain Activities

21.1.3 The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, as well as any Sub-consultants and any entity affiliated with such Sub-consultants, shall be disqualified from providing goods, works or non-consulting services resulting from or directly related to the Consultant’s Services for the preparation or implementation of the project, unless otherwise indicated in the SCC.

c. Prohibition of Conflicting Activities

21.1.4 The Consultant shall not engage, and shall cause its Experts as well as its Sub-consultants not to engage, either directly or indirectly, in any business or professional activities that would conflict with the activities assigned to them under this Contract.

d. Strict Duty to Disclose Conflicting Activities

21.1.5 The Consultant has an obligation and shall ensure that its Experts and Sub-consultants shall have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Client, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Consultant or the termination of its Contract.

22. Confidentiality

22.1 Except with the prior written consent of the Client, the Consultant and the Experts shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the Consultant and the Experts make public the recommendations formulated in the course of, or as a result of, the Services.

23. Liability of the Consultant

23.1 Subject to additional provisions, if any, set forth in the SCC, the Consultant’s liability under this Contract shall be as determined under the Applicable Law.

24. Insurance to be Taken out by the Consultant

24.1 The Consultant (i) shall take out and maintain, and shall cause any Sub-consultants to take out and maintain, at its (or the Sub-consultants’, as the case may be) own cost but on terms and conditions approved by the Client, insurance against the risks, and for the coverage specified in the SCC, and (ii) at the Client’s request, shall provide evidence to the Client showing that such insurance has
been taken out and maintained and that the current premiums therefore have been paid. The Consultant shall ensure that such insurance is in place prior to commencing the Services as stated in Clause GCC 13.

25. Accounting, Inspection and Auditing

25.1 The Consultant shall keep, and shall make all reasonable efforts to cause its Sub-consultants to keep, accurate and systematic accounts and records in respect of the Services—and in such form and detail as will clearly identify relevant time changes and costs.

25.2. The Consultant shall permit and shall cause its Sub-consultants to permit, the Bank and/or persons appointed by the Bank to inspect the Site and/or all accounts and records relating to the performance of the Contract and the submission of the Proposal to provide the Services, and to have such accounts and records audited by auditors appointed by the Bank if requested by the Bank. The Consultant’s attention is drawn to Clause GCC 10 which provides, inter alia, that acts intended to materially impede the exercise of the Bank’s inspection and audit rights provided for under this Clause GCC25.2 constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility under the Bank’s prevailing sanctions procedures.)

26. Reporting Obligations

26.1 The Consultant shall submit to the Client the reports and documents specified in Appendix A, in the form, in the numbers and within the time periods set forth in the said Appendix.

27. Proprietary Rights of the Client in Reports and Records

27.1 Unless otherwise indicated in the SCC, all reports and relevant data and information such as maps, diagrams, plans, databases, other documents and software, supporting records or material compiled or prepared by the Consultant for the Client in the course of the Services shall be confidential and become and remain the absolute property of the Client. The Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents to the Client, together with a detailed inventory thereof. The Consultant may retain a copy of such documents, data and/or software but shall not use the same for purposes unrelated to this Contract without prior written approval of the Client.

27.2 If license agreements are necessary or appropriate between the Consultant and third parties for purposes of development of the plans, drawings, specifications, designs, databases, other documents and software, the Consultant shall obtain the Client’s prior written approval to such agreements, and the Client shall be entitled at its discretion to require recovering the expenses related to the development of the program(s) concerned. Other restrictions about the future use of these documents and software, if any, shall be specified in the SCC.
28. Equipment, Vehicles and Materials

28.1 Equipment, vehicles and materials made available to the Consultant by the Client, or purchased by the Consultant wholly or partly with funds provided by the Client, shall be the property of the Client and shall be marked accordingly. Upon termination or expiration of this Contract, the Consultant shall make available to the Client an inventory of such equipment, vehicles and materials and shall dispose of such equipment, vehicles and materials in accordance with the Client’s instructions. While in possession of such equipment, vehicles and materials, the Consultant, unless otherwise instructed by the Client in writing, shall insure them at the expense of the Client in an amount equal to their full replacement value.

28.2 Any equipment or materials brought by the Consultant or its Experts into the Client’s country for the use either for the project or personal use shall remain the property of the Consultant or the Experts concerned, as applicable.

D. CONSULTANT’S EXPERTS AND SUB-CONSULTANTS

29. Description of Key Experts

29.1 The title, agreed job description, minimum qualification and time-input estimates to carry out the Services of each of the Consultant’s Key Experts are described in Appendix B.

29.2 If required to comply with the provisions of Clause GCC 20a, adjustments with respect to the estimated time-input of Key Experts set forth in Appendix B may be made by the Consultant by a written notice to the Client, provided (i) that such adjustments shall not alter the original time-input estimates for any individual by more than 10% or one week, whichever is larger; and (ii) that the aggregate of such adjustments shall not cause payments under this Contract to exceed the ceilings set forth in Clause GCC 41.2.

29.3 If additional work is required beyond the scope of the Services specified in Appendix A, the estimated time-input for the Key Experts may be increased by agreement in writing between the Client and the Consultant. In case where payments under this Contract exceed the ceilings set forth in Clause GCC 41.1, the Parties shall sign a Contract amendment.

30. Replacement of Key Experts

30.1 Except as the Client may otherwise agree in writing, no changes shall be made in the Key Experts.

30.2 Notwithstanding the above, the substitution of Key Experts during Contract execution may be considered only based on the Consultant’s written request and due to circumstances outside the reasonable control of the Consultant, including but not limited to death or medical incapacity. In such case, the Consultant shall
forthwith provide as a replacement, a person of equivalent or better qualifications and experience, and at the same rate of remuneration.

31. Approval of Additional Key Experts

31.1 If during execution of the Contract, additional Key Experts are required to carry out the Services, the Consultant shall submit to the Client for review and approval a copy of their Curricula Vitae (CVs). If the Client does not object in writing (stating the reasons for the objection) within twenty two (22) days from the date of receipt of such CVs, such additional Key Experts shall be deemed to have been approved by the Client.

32. Removal of Experts or Sub-consultants

32.1 If the Client finds that any of the Experts or Sub-consultant has committed serious misconduct or has been charged with having committed a criminal action, or shall the Client determine that Consultant’s Expert of Sub-consultant have engaged in corrupt, fraudulent, collusive and/or coercive practice while performing the Services, the Consultant shall, at the Client’s written request, provide a replacement.

32.2 In the event that any of the Key Experts, Non-Key Experts or Sub-consultants is found by the Client to be incompetent or incapable in discharging assigned duties, the Client, specifying the grounds therefore, may request the Consultant to provide a replacement.

32.3 Any replacement of the removed Experts or Sub-consultants shall possess better qualifications and experience and shall be acceptable to the Client.


33.1 Except as the Client may otherwise agree, (i) the Consultant shall bear all additional travel and other costs arising out of or incidental to any removal and/or replacement, and (ii) the remuneration to be paid for any of the Experts provided as a replacement shall not exceed the remuneration which would have been payable to the Experts replaced or removed.

34. Working Hours, Overtime, Leave, etc.

34.1 Working hours and holidays for Experts are set forth in Appendix B. To account for travel time to/from the Client’s country, experts carrying out Services inside the Client’s country shall be deemed to have commenced or finished work in respect of the Services such number of days before their arrival in, or after their departure from, the Client’s country as is specified in Appendix B.

34.2 The Experts shall not be entitled to be paid for overtime nor to take paid sick leave or vacation leave except as specified in Appendix B, and the Consultant’s remuneration shall be deemed to cover these items.

34.3 Any taking of leave by Key Experts shall be subject to the prior approval by the Consultant who shall ensure that absence for
leave purposes will not delay the progress and or impact adequate supervision of the Services.

E. OBLIGATIONS OF THE CLIENT

35. Assistance and Exemptions

35.1 Unless otherwise specified in the SCC, the Client shall use its best efforts to:

(a) Assist the Consultant with obtaining work permits and such other documents as shall be necessary to enable the Consultant to perform the Services.

(b) Assist the Consultant with promptly obtaining, for the Experts and, if appropriate, their eligible dependents, all necessary entry and exit visas, residence permits, exchange permits and any other documents required for their stay in the Client’s country while carrying out the Services under the Contract.

(c) Facilitate prompt clearance through customs of any property required for the Services and of the personal effects of the Experts and their eligible dependents.

(c) Issue to officials, agents and representatives of the Government all such instructions and information as may be necessary or appropriate for the prompt and effective implementation of the Services.

(d) Assist the Consultant and the Experts and any Sub-consultants employed by the Consultant for the Services with obtaining exemption from any requirement to register or obtain any permit to practice their profession or to establish themselves either individually or as a corporate entity in the Client’s country according to the applicable law in the Client’s country.

(e) Assist the Consultant, any Sub-consultants and the Experts of either of them with obtaining the privilege, pursuant to the applicable law in the Client’s country, of bringing into the Client’s country reasonable amounts of foreign currency for the purposes of the Services or for the personal use of the Experts and of withdrawing any such amounts as may be earned therein by the Experts in the execution of the Services.

(f) Provide to the Consultant any such other assistance as may be specified in the SCC.

36. Access to Project Site

36.1 The Client warrants that the Consultant shall have, free of charge, unimpeded access to the project site in respect of which access is required for the performance of the Services. The Client
## II. General Conditions of Contract

### 37. Change in the Applicable Law Related to Taxes and Duties

37.1 If, after the date of this Contract, there is any change in the applicable law in the Client’s country with respect to taxes and duties which increases or decreases the cost incurred by the Consultant in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the Consultant under this Contract shall be increased or decreased accordingly by agreement between the Parties hereto, and corresponding adjustments shall be made to the ceiling amounts specified in Clause GCC 41.1.

### 38. Services, Facilities and Property of the Client

38.1 The Client shall make available to the Consultant and the Experts, for the purposes of the Services and free of any charge, the services, facilities and property described in the Terms of Reference (Appendix A) at the times and in the manner specified in said Appendix A.

38.2 In case that such services, facilities and property shall not be made available to the Consultant as and when specified in Appendix A, the Parties shall agree on (i) any time extension that it may be appropriate to grant to the Consultant for the performance of the Services, (ii) the manner in which the Consultant shall procure any such services, facilities and property from other sources, and (iii) the additional payments, if any, to be made to the Consultant as a result thereof pursuant to Clause GCC 41.3.

### 39. Counterpart Personnel

39.1 The Client shall make available to the Consultant free of charge such professional and support counterpart personnel, to be nominated by the Client with the Consultant’s advice, if specified in Appendix A.

39.2 If counterpart personnel are not provided by the Client to the Consultant as and when specified in Appendix A, the Client and the Consultant shall agree on (i) how the affected part of the Services shall be carried out, and (ii) the additional payments, if any, to be made by the Client to the Consultant as a result thereof pursuant to Clause GCC 41.3.

39.3 Professional and support counterpart personnel, excluding Client’s liaison personnel, shall work under the exclusive direction of the Consultant. If any member of the counterpart personnel fails to perform adequately any work assigned to such member by the Consultant that is consistent with the position occupied by such
member, the Consultant may request the replacement of such member, and the Client shall not unreasonably refuse to act upon such request.

40. Payment Obligation

40.1 In consideration of the Services performed by the Consultant under this Contract, the Client shall make such payments to the Consultant and in such manner as is provided by GCC F below.

F. PAYMENTS TO THE CONSULTANT

41. Ceiling Amount

41.1 An estimate of the cost of the Services is set forth in Appendix C and Appendix D.

41.2 Payments under this Contract shall not exceed the ceilings in foreign currency and in local currency specified in the SCC.

41.3 For any payments in excess of the ceilings specified in GCC 41.2, an amendment to the Contract shall be signed by the Parties referring to the provision of this Contract that evokes such amendment.

42. Remuneration and Reimbursable Expenses

42.1 The Client shall pay to the Consultant (i) remuneration that shall be determined on the basis of time actually spent by each Expert in the performance of the Services after the date of commencing of Services or such other date as the Parties shall agree in writing; and (ii) reimbursable expenses that are actually and reasonably incurred by the Consultant in the performance of the Services.

42.2 All payments shall be at the rates set forth in Appendix C and Appendix D.

42.3 Unless the SCC provides for the price adjustment of the remuneration rates, said remuneration shall be fixed for the duration of the Contract.

42.4 The remuneration rates shall cover: (i) such salaries and allowances as the Consultant shall have agreed to pay to the Experts as well as factors for social charges and overheads (bonuses or other means of profit-sharing shall not be allowed as an element of overheads), (ii) the cost of backstopping by home office staff not included in the Experts’ list in Appendix B, (iii) the Consultant’s profit, and (iv) any other items as specified in the SCC.

42.5 Any rates specified for Experts not yet appointed shall be provisional and shall be subject to revision, with the written approval of the Client, once the applicable remuneration rates and allowances
II. General Conditions of Contract

43. Taxes and Duties

43.1 The Consultant, Sub-consultants and Experts are responsible for meeting any and all tax liabilities arising out of the Contract unless it is stated otherwise in the SCC.

43.2 As an exception to the above and as stated in the SCC, all local identifiable indirect taxes (itemized and finalized at Contract negotiations) are reimbursed to the Consultant or are paid by the Client on behalf of the Consultant.

44. Currency of Payment

44.1 Any payment under this Contract shall be made in the currency(ies) specified in the SCC.

45. Mode of Billing and Payment

45.1 Billings and payments in respect of the Services shall be made as follows:

(a) **Advance payment.** Within the number of days after the Effective Date, the Client shall pay to the Consultant an advance payment as specified in the SCC. Unless otherwise indicated in the SCC, an advance payment shall be made against an advance payment bank guarantee acceptable to the Client in an amount (or amounts) and in a currency (or currencies) specified in the SCC. Such guarantee (i) is to remain effective until the advance payment has been fully set off, and (ii) is to be in the form set forth in Appendix E, or in such other form as the Client shall have approved in writing. The advance payments will be set off by the Client in equal installments against the statements for the number of months of the Services specified in the SCC until said advance payments have been fully set off.

(b) **The Itemized Invoices.** As soon as practicable and not later than fifteen (15) days after the end of each calendar month during the period of the Services, or after the end of each time interval otherwise indicated in the SCC, the Consultant shall submit to the Client, in duplicate, itemized invoices, accompanied by the receipts or other appropriate supporting documents, of the amounts payable pursuant to Clauses GCC 44 and GCC 45 for such interval, or any other period indicated in the SCC. Separate invoices shall be submitted for expenses incurred in foreign currency and in local currency. Each invoice shall show remuneration and reimbursable expenses separately.

(c) The Client shall pay the Consultant’s invoices within sixty (60) days after the receipt by the Client of such itemized invoices with supporting documents. Only such portion of an invoice that is not satisfactorily supported may be withheld from payment. Should any discrepancy be found to exist between
actual payment and costs authorized to be incurred by the Consultant, the Client may add or subtract the difference from any subsequent payments.

(d) **The Final Payment**. The final payment under this Clause shall be made only after the final report and a final invoice, identified as such, shall have been submitted by the Consultant and approved as satisfactory by the Client. The Services shall be deemed completed and finally accepted by the Client and the final report and final invoice shall be deemed approved by the Client as satisfactory ninety (90) calendar days after receipt of the final report and final invoice by the Client unless the Client, within such ninety (90) calendar day period, gives written notice to the Consultant specifying in detail deficiencies in the Services, the final report or final invoice. The Consultant shall thereupon promptly make any necessary corrections, and thereafter the foregoing process shall be repeated. Any amount that the Client has paid or has caused to be paid in accordance with this Clause in excess of the amounts payable in accordance with the provisions of this Contract shall be reimbursed by the Consultant to the Client within thirty (30) days after receipt by the Consultant of notice thereof. Any such claim by the Client for reimbursement must be made within twelve (12) calendar months after receipt by the Client of a final report and a final invoice approved by the Client in accordance with the above.

(e) All payments under this Contract shall be made to the accounts of the Consultant specified in the SCC.

(f) With the exception of the final payment under (d) above, payments do not constitute acceptance of the Services nor relieve the Consultant of any obligations hereunder.

### 46. Interest on Delayed Payments

46.1 If the Client had delayed payments beyond fifteen (15) days after the due date stated in Clause GCC 45.1 (c), interest shall be paid to the Consultant on any amount due by, not paid on, such due date for each day of delay at the annual rate stated in the SCC.

### G. FAIRNESS AND GOOD FAITH

### 47. Good Faith

47.1 The Parties undertake to act in good faith with respect to each other’s rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.
H. SETTLEMENT OF DISPUTES

48. Amicable Settlement

48.1 The Parties shall seek to resolve any dispute amicably by mutual consultation.

48.2 If either Party objects to any action or inaction of the other Party, the objecting Party may file a written Notice of Dispute to the other Party providing in detail the basis of the dispute. The Party receiving the Notice of Dispute will consider it and respond in writing within fourteen (14) days after receipt. If that Party fails to respond within fourteen (14) days, or the dispute cannot be amicably settled within fourteen (14) days following the response of that Party, Clause GCC 49.1 shall apply.

49. Dispute Resolution

49.1 Any dispute between the Parties arising under or related to this Contract that cannot be settled amicably may be referred to by either Party to the adjudication/arbitration in accordance with the provisions specified in the SCC.
II. General Conditions

Attachment 1: Bank’s Policy – Corrupt and Fraudulent Practices

1.1 The Bank requires that Clients (including beneficiaries of Bank-financed operations), as well as tenderers, suppliers, contractors, subcontractors, concessionaires, Consultants, Sub-consultants, and Experts under Bank financed contracts, observe the highest standard of ethics during the procurement and execution of such contracts.

Consultants are responsible for making sure that no person or entity contemplated by the Proposal, including without limitation member of a Joint Venture, suppliers, contractors, subcontractors, concessionaires, and Consultants, Sub-consultants, and Experts is, as at the relevant date, ineligible pursuant to the Bank’s Enforcement Policy and Procedures (EPPs) to become a Bank Counterparty (as defined in the EPPs). The EPPs and the list of all ineligible persons and entities can be found on the Bank's website: www.ebrd.com.

The contemplation in a proposal of an ineligible Bank Counterparty shall result in the immediate rejection of the proposal.

The Bank defines the terms set forth below as Prohibited Practices (each a Prohibited Practice):

(i) “corrupt practice” means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;

(ii) “fraudulent practice” means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;

(iii) “coercive practice” means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party; and

(iv) “collusive practice” means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.

Any occurrence, or suspected occurrence, of a Prohibited Practice in the procurement, award or implementation of a Bank-financed consultancy services contract in the context of a Bank Project (as defined in the EPPs) or any finding of a Prohibited Practice by either a final judgment of a judicial process in a Member of the Bank or a finding by the enforcement (or similar) mechanism of another international organization shall be dealt with in accordance with the provisions of the EPPs.

A finding of a Prohibited Practice in accordance with the Bank’s EPPs may result in one or more of the following actions:
(i) Rejection of a proposal for award of a consultancy services contract to the person or entity (and any of its affiliates as defined in the EPPs, “Affiliates”) found to have committed the Prohibited Practice(s);

(ii) Cancellation of a portion of Bank finance allocated to the person or entity (and any of its Affiliates) found to have committed the Prohibited Practice(s) in respect of a consultancy services contracts;

(iii) Issuance of a formal “Letter of Reprimand” to the person or entity (and any of its Affiliates) found to have committed the Prohibited Practice(s);

(iv) Declaration that the person or entity (and any of its Affiliates) found to have committed the Prohibited Practice(s) is ineligible, either indefinitely or for a stated period of time, to become a Bank Counterparty in any new Bank Project (as those terms are defined in the Bank’s EPPs); such debarment may also be with conditional release, that is subject to conditional reinstatement pursuant to which the period of debarment is reduced or terminated if the person or entity debarred demonstrates compliance with specified conditions such as the introduction and/or implementation of corporate compliance or ethics programmes;

(v) A declaration of Conditional Non-Debarment pursuant to which the person or entity (and any of its Affiliates) found to have committed the Prohibited Practice(s) is required to comply, within stated time periods, with certain remedial, preventative or other measures as a condition to avoid debarment. In the event the persons or entity(ies) fail(s) to demonstrate its (their) compliance with the prescribed conditions within the time periods established, a debarment would automatically become effective either indefinitely or for a stated period of time;

(vi) A declaration of Debarment with Conditional Release, pursuant to which the person or entity (and any of its Affiliates) found to have committed the Prohibited Practice(s) is declared ineligible for a stated period of time subject to conditional reinstatement pursuant to which the period of debarment is reduced or terminated if the person or entity (and any of its Affiliates) found to have committed the Prohibited Practice(s) demonstrates compliance with specified conditions such as the introduction and/or implementation of corporate compliance and ethics programs;

(vii) The person or entity (and any of its Affiliates) found to have committed the Prohibited Practice(s) is (are) ordered to make restitution of the diverted funds to any other party.

Clients and Consultants awarded a Bank-financed consultancy services contract shall promptly notify the Bank if they obtain any information regarding suspected Prohibited Practice in respect to the Bank-financed consultancy services contract. Provisions to this effect shall also be included in any subcontract to be awarded by the Bank-financed Consultant.

1.2 Clients and Consultants awarded a Bank-financed consultancy services contract shall: fully cooperate in good faith with a Bank investigation into an alleged Prohibited Practice carried out pursuant to the EPPs; promptly furnish to the Bank such information as the Bank reasonably requests; and permit the Bank or its representative to have access to the books and
account and records as may be relevant for such investigation. Provisions to this effect shall also be included in any subcontract to be awarded by the Bank-financed Consultant.
### III. Special Conditions of Contract

*Notes in brackets are for guidance purposes only and should be deleted in the final text of the signed contract*

<table>
<thead>
<tr>
<th>Number of GC Clause</th>
<th>Amendments of, and Supplements to, Clauses in the General Conditions of Contract</th>
</tr>
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</table>
| 1.1(b) and 3.1      | The Contract shall be construed in accordance with the law of [insert country name].  
                      
                      [Note: Bank-financed contracts normally designate the law of the Client’s country as the law governing the contract. However, the Parties may designate the law of another country, in which case the name of the respective country should be inserted, and the square brackets should be removed.] |
| 4.1                 | The language is:____________. |
| 6.1 and 6.2         | The addresses are:  
                      Client :  
                      ___________________________  
                      Attention :  
                      ___________________________  
                      Facsimile :  
                      ___________________________  
                      E-mail (where permitted):________________________  
                      Consultant :  
                      ___________________________  
                      Attention :  
                      ___________________________  
                      Facsimile :  
                      ___________________________  
                      E-mail (where permitted) :________________________  
| 8.1                 | [Note: If the Consultant consists only of one entity, state “N/A”; OR  
                      If the Consultant is a Joint Venture consisting of more than one entity, the name of the JV member whose address is specified in Clause SCC6.1 should be inserted here.]  
                      The Lead Member on behalf of the JV is __________  
                      ___________________________ [insert name of the member] |
| 9.1                 | The Authorized Representatives are: |
### III. Special Conditions of Contract

| For the Client: | [name, title] ________________________________ |
| For the Consultant: | [name, title] ________________________________ |

#### 11.1

[Note: If there are no effectiveness conditions, state “N/A”]

**OR**

List here any conditions of effectiveness of the Contract, e.g., approval of the Contract by the Bank, effectiveness of the Bank [loan/grant], receipt by the Consultant of an advance payment, and by the Client of an advance payment guarantee (see Clause SCC45.1(a), etc.]

The effectiveness conditions are the following: [insert “N/A” or list the conditions]

#### 12.1

Termination of Contract for Failure to Become Effective:

The time period shall be __________________________ [insert time period, e.g.: four months].

#### 13.1

Commencement of Services:

The number of days shall be ___________________ [e.g.: ten].

Confirmation of Key Experts’ availability to start the Assignment shall be submitted to the Client in writing as a written statement signed by each Key Expert.

#### 14.1

Expiration of Contract:

The time period shall be __________________________ [insert time period, e.g.: twelve months].

#### 21 b.

The Client reserves the right to determine on a case-by-case basis whether the Consultant should be disqualified from providing goods, works or non-consulting services due to a conflict of a nature described in Clause GCC 21.1.3

Yes______ No ______

#### 23.1

No additional provisions.

[OR]
The following limitation of the Consultant’s Liability towards the Client can be subject to Contract negotiations:

“Limitation of the Consultant’s Liability towards the Client:

(a) Except in the case of gross negligence or willful misconduct on the part of the Consultant or on the part of any person or a firm acting on behalf of the Consultant in carrying out the Services, the Consultant, with respect to damage caused by the Consultant to the Client’s property, shall not be liable to the Client:

(i) for any indirect or consequential loss or damage; and

(ii) for any direct loss or damage that exceeds [insert a multiplier, e.g.: one, two, three] times the total value of the Contract.

(b) This limitation of liability shall not

(i) affect the Consultant’s liability, if any, for damage to Third Parties caused by the Consultant or any person or firm acting on behalf of the Consultant in carrying out the Services;

(ii) be construed as providing the Consultant with any limitation or exclusion from liability which is prohibited by the [insert “Applicable Law”, if it is the law of the Client’s country, or insert “applicable law in the Client’s country”, if the Applicable Law stated in Clause SCC1.1 (b) is different from the law of the Client’s country].

[Notes to the Client and the Consultant: Any suggestions made by the Consultant in the Proposal to introduce exclusions/limitations of the Consultant’s liability under the Contract should be carefully scrutinized by the Client and discussed with the Bank prior to accepting any changes to what was included in the issued RFP. In this regard, the Parties should be aware of the Bank’s policy on this matter which is as follows:

To be acceptable to the Bank, any limitation of the Consultant’s liability should at the very least be reasonably related to (a) the damage the Consultant might potentially cause to the Client, and (b) the Consultant’s ability to pay compensation using its own assets and reasonably obtainable insurance coverage. The Consultant’s liability]
shall not be limited to less than a multiplier of the total payments to the Consultant under the Contract for remuneration and reimbursable expenses. A statement to the effect that the Consultant is liable only for the re-performance of faulty Services is not acceptable to the Bank. Also, the Consultant’s liability should never be limited for loss or damage caused by the Consultant’s gross negligence or willful misconduct.

The Bank does not accept a provision to the effect that the Client shall indemnify and hold harmless the Consultant against Third Party claims, except, of course, if a claim is based on loss or damage caused by a default or wrongful act of the Client to the extent permissible by the law applicable in the Client’s country.

24.1 The insurance coverage against the risks shall be as follows:

[Note: Delete what is not applicable except (a)].

(a) Professional liability insurance, with a minimum coverage of \[\text{insert amount and currency which should be not less than the total ceiling amount of the Contract}\];

(b) Third Party motor vehicle liability insurance in respect of motor vehicles operated in the Client’s country by the Consultant or its Experts or Sub-consultants, with a minimum coverage of \[\text{insert amount and currency or state “in accordance with the applicable law in the Client’s country”}\];

(c) Third Party liability insurance, with a minimum coverage of \[\text{insert amount and currency or state “in accordance with the applicable law in the Client’s country”}\];

(d) employer’s liability and workers’ compensation insurance in respect of the experts and Sub-consultants in accordance with the relevant provisions of the applicable law in the Client’s country, as well as, with respect to such Experts, any such life, health, accident, travel or other insurance as may be appropriate; and

(e) insurance against loss of or damage to (i) equipment purchased in whole or in part with funds provided under this Contract, (ii) the Consultant’s property used in the performance of the Services, and (iii) any documents prepared by the Consultant in the performance of the Services.
### II. Special Conditions of Contract

| 27.1 | **Note:** If applicable, insert any exceptions to proprietary rights provision__________________________ |
| 27.2 | **Note:** If there is to be no restriction on the future use of these documents by either Party, this Clause SCC 27.2 should be deleted. If the Parties wish to restrict such use, any of the following options, or any other option agreed to by the Parties, could be used: |

- [The Consultant shall not use these [insert what applies........documents and software...........] for purposes unrelated to this Contract without the prior written approval of the Client.]  
  OR  
- [The Client shall not use these [insert what applies........documents and software...........] for purposes unrelated to this Contract without the prior written approval of the Consultant.]  
  OR  
- [Neither Party shall use these [insert what applies........documents and software...........] for purposes unrelated to this Contract without the prior written approval of the other Party.]  

| 35.1 (a) through (e) | **Note:** List here any changes or additions to Clause GCC 35.1. If there are no such changes or additions, delete this Clause SCC 35.1. |
| 35.1(f) | **Note:** List here any other assistance to be provided by the Client. If there is no such other assistance, delete this Clause SCC 35.1(f). |

| 41.2 | The ceiling in foreign currency or currencies is:  

[insert amount and currency for each currency] [indicate: “inclusive” or “exclusive”] of local indirect taxes.  

The ceiling in local currency is:  

[insert amount and currency] [indicate: “inclusive” or “exclusive”] of local indirect taxes.  

Any indirect local taxes chargeable in respect of this Contract for the Services provided by the Consultant shall be [insert as appropriate: “paid” or “reimbursed”] by the Client [insert as appropriate: ”for“ or “to”] the Consultant. |
### 42.3 Price adjustment on the remuneration ................. [insert “applies” or “does not apply”]

**Note:** If the Contract is less than 18 months, price adjustment does not apply.

If the Contract has duration of more than 18 months, a price adjustment provision on the remuneration for foreign and/or local inflation may be included here. The adjustment should be made every 12 months after the date of the contract for remuneration in foreign currency and – except if there is very high inflation in the Client’s country, in which case more frequent adjustments should be provided for – at the same intervals for remuneration in local currency. Remuneration in foreign currency should be adjusted by using the relevant index for salaries in the country of the respective foreign currency (which normally is the country of the Consultant) and remuneration in local currency by using the corresponding index for the Client’s country. A sample provision is provided below for guidance:

Payments for remuneration made in [foreign and/or local] currency shall be adjusted as follows:

1. Remuneration paid in foreign currency on the basis of the rates set forth in Appendix C shall be adjusted every 12 months (and, the first time, with effect for the remuneration earned in the 13th calendar month after the date of the Contract Effectiveness date) by applying the following formula:

   \[
   R_f = R_{fo} \times \frac{I_f}{I_{fo}} \quad \text{(or} \quad R_f = R_{fo} \times \left[ 0.1 + 0.9 \times \frac{I_f}{I_{fo}} \right] \text{)}
   \]

   where

   - \( R_f \) is the adjusted remuneration;
   - \( R_{fo} \) is the remuneration payable on the basis of the remuneration rates (Appendix C) in foreign currency;
   - \( I_f \) is the official index for salaries in the country of the foreign currency for the first month for which the adjustment is supposed to have effect; and
   - \( I_{fo} \) is the official index for salaries in the country of the foreign currency for the month of the date of the Contract.

The Consultant shall state here the name, source institution, and any necessary identifying characteristics of the official index for salaries corresponding to \( I_f \) and \( I_{fo} \) in the adjustment formula for remuneration paid in foreign currency: [Insert the name, source
II. Special Conditions of Contract

(2) Remuneration paid in local currency pursuant to the rates set forth in Appendix D shall be adjusted every [insert number] months (and, for the first time, with effect for the remuneration earned in the [insert number] the calendar month after the date of the Contract) by applying the following formula:

\[ R_t = R_{lo} \times \frac{I_t}{I_{lo}} \]

\[ R_t = R_{lo} \times [0.1+0.9 \frac{I_t}{I_{lo}}] \]

where

- \( R_t \) is the adjusted remuneration;
- \( R_{lo} \) is the remuneration payable on the basis of the remuneration rates (Appendix D) in local currency;
- \( I_t \) is the official index for salaries in the Client’s country for the first month for which the adjustment is to have effect; and
- \( I_{lo} \) is the official index for salaries in the Client’s country for the month of the date of the Contract.

The Client shall state here the name, source institution, and any necessary identifying characteristics of the official index for salaries corresponding to \( I_t \) and \( I_{lo} \) in the adjustment formula for remuneration paid in local currency: [Insert the name, source institution, and necessary identifying characteristics of the index for foreign currency]

(3) Any part of the remuneration that is paid in a currency different from the currency of the official index for salaries used in the adjustment formula, shall be adjusted by a correction factor \( X_0/X \). \( X_0 \) is the number of units of currency of the country of the official index, equivalent to one unit of the currency of payment on the date of the contract. \( X \) is the number of units of currency of the country of the official index, equivalent to one unit of the currency of payment on the first day of the first month for which the adjustment is supposed to have effect.

43.1 and 43.2

[Note: The Bank leaves it to the Client to decide whether the Consultant (i) should be exempted from indirect local tax, or (ii) should be reimbursed by the Client for any such tax they might have to pay (or that the Client would pay such tax on behalf of the Consultant)]

The Client warrants that [choose one applicable option consistent with]
III. Special Conditions of Contract

the ITC 16.3 and the outcome of the Contract’s negotiations (Form FIN-2, part B “Indirect Local Tax – Estimates”):

If ITC16.3 indicates a tax exemption status, include the following: “the Consultant, the Sub-consultants and the Experts shall be exempt from”

OR

If ITC16.3 does not indicate the exemption and, depending on whether the Client shall pay the withholding tax or the Consultant has to pay, include the following:

“the Client shall pay on behalf of the Consultant, the Sub-consultants and the Experts,” OR “the Client shall reimburse the Consultant, the Sub-consultants and the Experts”

any indirect taxes, duties, fees, levies and other impositions imposed, under the applicable law in the Client’s country, on the Consultant, the Sub-consultants and the Experts in respect of:

(a) any payments whatsoever made to the Consultant, Sub-consultants and the Experts (other than nationals or permanent residents of the Client’s country), in connection with the carrying out of the Services;

(b) any equipment, materials and supplies brought into the Client’s country by the Consultant or Sub-consultants for the purpose of carrying out the Services and which, after having been brought into such territories, will be subsequently withdrawn by them;

(c) any equipment imported for the purpose of carrying out the Services and paid for out of funds provided by the Client and which is treated as property of the Client;

(d) any property brought into the Client’s country by the Consultant, any Sub-consultants or the Experts (other than nationals or permanent residents of the Client’s country), or the eligible dependents of such experts for their personal use and which will subsequently be withdrawn by them upon their respective departure from the Client’s country, provided that:

(i) the Consultant, Sub-consultants and experts shall follow the usual customs procedures of the Client’s country in importing property into the Client’s country; and

(ii) if the Consultant, Sub-consultants or Experts do not withdraw but dispose of any property in the Client’s country upon which customs duties and taxes have been exempted, the Consultant, Sub-consultants or Experts,
as the case may be, (a) shall bear such customs duties and taxes in conformity with the regulations of the Client’s country, or (b) shall reimburse them to the Client if they were paid by the Client at the time the property in question was brought into the Client’s country.

| 44.1 | The currency [currencies] of payment shall be the following: [list currency(ies) which should be the same as in the Financial Proposal, Form FIN-2] |
| 45.1(a) | [Note: The advance payment could be in either the foreign currency, or the local currency, or both; select the correct wording in the Clause here below. The advance bank payment guarantee should be in the same currency(ies)]

The following provisions shall apply to the advance payment and the advance bank payment guarantee:

1. An advance payment of [insert amount in foreign currency] [and of [insert amount in local currency] shall be made within [insert number] days after the Effective Date. The advance payment will be set off by the Client in equal installments against the statements for the first [insert number] months of the Services until the advance payment has been fully set off.

2. The advance bank payment guarantee shall be in the amount and in the currency of the currency(ies) of the advance payment.

| 45.1(b) | [Note: Delete this Clause SCC 45.1(b) if the Consultant shall have to submit its itemized statements monthly. Otherwise, the following text can be used to indicate the required intervals:

The Consultant shall submit to the Client itemized statements at time intervals of ____________________ [e.g. “every quarter”, “every six months”, “every two weeks”, etc.].] |

| 45.1(e) | The accounts are:

for foreign currency: [insert account].
for local currency: [insert account].

| 46.1 | The interest rate is: [insert rate]. |
| 49. | Any dispute, controversy or claim arising out of or relating to this Contract or the breach, termination or invalidity hereof which cannot be amicably settled between the parties shall be referred to and settled, in accordance with the UNCITRAL Arbitration rules as in force and effect on the effective date of the Contract. There shall be one arbitrator and the appointing authority for the purposes of the UNCITRAL rules shall be the London Court of International Arbitration. The seat and place of arbitration shall be London, England and the English language shall be used throughout the arbitral proceedings. The parties hereby waive any right under the Arbitration Act 1996 or otherwise to appeal any arbitration award or to seek a determination of a preliminary point of law by the courts of England or elsewhere. Where the UNCITRAL rules do not provide for a particular situation the arbitrator shall have absolute discretion to determine which course of action shall be followed and the arbitrator’s decision shall be final. Any award given by the arbitrator shall be final and binding on the parties and shall be in lieu of any other remedy. |
IV. Appendices

APPENDIX A – TERMS OF REFERENCE

[Note: This Appendix shall include the final Terms of Reference (TORs) worked out by the Client and the Consultant during the negotiations; dates for completion of various tasks; location of performance for different tasks; detailed reporting requirements; Client’s input, including counterpart personnel assigned by the Client to cooperate with the Consultant’s team; specific tasks that require prior approval by the Client.

Insert the text based on the Section 7 (Terms of Reference) of the ITC in the RFP and modified based on the Forms TECH-1 through TECH-5 in the Consultant’s Proposal. Highlight the changes to Section 7 of the RFP]

[If the Services consist of or include the supervision of civil works, the following action that require prior approval of the Client shall be added to the “Reporting Requirements” section of the TORs: “Taking any action under a civil works contract designating the Consultant as “Engineer”, for which action, pursuant to such civil works contract, the written approval of the Client as “Employer” is required.”]

APPENDIX B - KEY EXPERTS

[Insert a table based on Form TECH-6 of the Consultant’s Technical Proposal and finalized at the Contract’s negotiations. Attach the CVs (updated and signed by the respective Key Experts) demonstrating the qualifications of Key Experts.]

[Specify Hours of Work for Key Experts: List here the hours of work for Key Experts; travel time to/from the Client’s country; entitlement, if any, to leave pay; public holidays in the Client’s country that may affect Consultant’s work; etc. Make sure there is consistency with Form TECH-6. In particular: one month equals twenty two (22) working (billable) days. One working (billable) day shall be not less than eight (8) working (billable) hours.]
IV. Appendices

[For loan-funded assignments, Appendices C and D will apply; for grant-funded assignments, Appendix C/D will apply.]

**APPENDIX C – REMUNERATION COST ESTIMATES**

1. Monthly rates for the Experts:

   [Insert the table with the remuneration rates. The table shall be based on Form FIN-3 of the Consultant’s Proposal and reflect any changes agreed at the Contract negotiations, if any. The footnote shall list such changes made to Form FIN-3 at the negotiations or state that none has been made.]

**APPENDIX D – REIMBURSABLE EXPENSES COST ESTIMATES**

1. [Insert the table with the reimbursable expenses rates. The table shall be based on Form FIN-4 of the Consultant’s Proposal and reflect any changes agreed at the Contract negotiations, if any. The footnote shall list such changes made to Form FIN-4 at the negotiations or state that none has been made.]

2. All reimbursable expenses shall be reimbursed at actual cost, unless otherwise explicitly provided in this Appendix, and in no event shall reimbursement be made in excess of the Contract amount.

**APPENDIX C/D – REMUNERATION AND REIMBURSABLE EXPENSES COST ESTIMATES**

[Insert the table with the Breakdown of Costs. The table shall be based on Form FIN-3/4 of the Consultant’s Proposal and reflect any changes agreed at the Contract negotiations, if any. The footnote shall list such changes made to Form FIN-3/4 at the negotiations or state that none has been made.]
APPENDIX E - FORM OF ADVANCE PAYMENTS GUARANTEE

[Note: See Clause GCC 45.1 (a) and SCC 45.1(a)]

Bank Guarantee for Advance Payment

_____________________________ [Bank’s Name, and Address of Issuing Branch or Office]

Beneficiary: _____________________ [Name and Address of Client]

Date: __________________

ADVANCE PAYMENT GUARANTEE No.: ______________

We have been informed that ____________ [name of Consultant or a name of the Joint Venture, same as appears on the signed Contract] (hereinafter called "the Consultant") has entered into Contract No. ____________ [reference number of the contract] dated ____________ with you, for the provision of ________________ [brief description of Services] (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum of _____ [insert currency] ____________ [insert amount in figures] (__________) [insert currency and amount in words] is to be made against an advance payment guarantee.

At the request of the Consultant, we ________________ [name of bank] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of _______ [insert currency] ____________ [amount in figures] (__________) [insert currency and amount in words] upon receipt by us of your first demand in writing accompanied by a written statement stating that the Consultant are in breach of their obligation under the Contract because the Consultant have used the advance payment for purposes other than toward providing the Services under the Contract.

It is a condition for any claim and payment under this guarantee to be made that the advance payment referred to above must have been received by the Consultant on their account number ____________ at _________________ [name and address of bank].

1 The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency(ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the Client.
The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Consultant as indicated in copies of certified monthly statements which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of the monthly payment certificate indicating that the Consultant has made full repayment of the amount of the advance payment, or on the ___ day of __________, 20__2, whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.

_____________________

[signature(s)]

Note: All italicized text is for indicative purposes only to assist in preparing this form and shall be deleted from the final product.

2 Insert the expected expiration date. In the event of an extension of the time for completion of the Contract, the Client would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Client might consider adding the following text to the form, at the end of the penultimate paragraph: “The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months][one year], in response to the Client’s written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee.”