

Request for Proposals Consulting Services

**Consultant's Qualification- based or Direct Selection
methods**

**For Procurement under COVID-19 Emergency Response
Operations**

May 2020

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Request for Proposals Consulting Services

Procurement of:

STOP COVID MOBILE APPLICATION

RFP No: COVID19-CS-RFP-01

Project: P173911 – Georgia Emergency COVID-19 Respond

Purchaser: Ministry of IDP from the Occupied Territories, Labour, Health and Social Affairs

Country: Georgia

Issued on: October, 22, 2020

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Invitation for Proposal

Ref No: COVID19-CS-RFP-01

Date: 22.10.2020

To: Grabner & Gretzmacher MDL GmbH

Dear consultant,

The Government of Georgia has received financing from the World Bank (Bank) toward the cost of the Georgia Emergency COVID-19 Response Project and intends to apply part of the proceeds toward payments under the contract of the consulting services for **STOP COVID MOBILE APPLICATION**,

The The Ministry of IDP from Occupied Territories, Labor, Health and Social Affairs (MoIDPLHSA) now invites your Proposal to provide the following consulting services (hereinafter called “Services”) for **STOP COVID MOBILE APPLICATION**.

More details on the Services are provided in **Annex 1- Terms of Reference**.

Validity of Proposal

The validity of your Proposal shall not be less than 30 calendar days from the date of submission of the Proposals.

Proposal

The Technical and Financial Proposals shall be prepared using the forms provided in Annex 2.

The Financial Proposal shall not be adjusted for foreign and/or local inflation during the execution of the contract.

You may propose your price in a freely convertible foreign currency of your choice in addition to the currency of the Client’s Country (for any local costs as applicable).

Clarifications

Any clarification request regarding this invitation for direct contracting may be sent in writing to Giorgi Tsotskolauri at info@moh.gov.ge before **October 26 , 2020 16:00 hrs. of local time**.

Submission of Proposals

- a. Please submit your Proposal within five (5) working days using the forms attached in **Annex 2** and by email.
- b. The address for submission of Proposal is:
- c. Attention:
- d. Deputy Minister
- e. Giorgi Tsotskolauri

f. **E-mail address:** info@moh.gov.ge

Evaluation of Technical Proposal

The technical proposal shall be evaluated to assess adequacy of the following:

- quality of the proposed methodology, and work plan in responding to the Terms of Reference; and
- Key Experts' qualifications and competence for the Assignment according to the **Annex 1- Terms of Reference**

Evaluation of Financial Proposal

The financial proposal shall be evaluated to review that the Consultant has adequately priced the technical proposal.

Contract negotiations and award of contract

The award of contract will be subject to the satisfactory conclusion of negotiations. In light of the circumstances, any negotiation is expected to be virtual.

The Client shall publish a contract award notice on its website with free access, if available, or in a newspaper of national circulation or UNDB online, within 15 days after award of contract or as soon as practicable thereafter. The information shall include the name of the successful Consultant, the Contract Price, the Contract duration and summary of its scope.

Commencement of the Services:

The Services are expected to be commenced on October, 2020.

Conflict of Interest

The Consultant is required to provide professional, objective, and impartial advice, at all times holding the Client's interest's paramount, strictly avoiding conflicts with other assignments or its own corporate interests, and acting without any consideration for future work.

The Consultant has an obligation to disclose to the Client any situation of actual or potential conflict that impacts its capacity to serve the best interest of its Client. Failure to disclose such situations may lead to the disqualification of the Consultant or the termination of its Contract and/or sanctions by the Bank.

Fraud and Corruption

The Bank requires compliance with the Bank's Anti-Corruption Guidelines and its prevailing sanctions policies and procedures as set forth in the WBG's Sanctions Framework, as set forth in the attachment to the Contract Conditions (Attachment 1).

In further pursuance of this policy, the Consultant shall permit and shall cause its agents (where declared or not), subcontractors, sub consultants, service providers, suppliers, and personnel, to permit the Bank to inspect all accounts, records and other documents relating to any shortlisting process, proposal submission, and contract performance (in the case of award), and to have them audited by auditors appointed by the Bank.

On behalf of the Client:

Signature:

Name:

Title/position:

Attachments:

Annex 1: Terms of Reference

Annex 2: Proposal Submission Form and attachments

Annex 3: Contract Forms

ANNEX 1: Terms of Reference

**TERMS OF REFERENCE
THE GEORGIA EMERGENCY COVID-19 RESPONSE PROJECT
STOP COVID MOBILE APPLICATION
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BACKGROUND INFORMATION

An outbreak of COVID-19 caused by the 2019 novel COVID-19 (SARS-CoV-2) has been spreading rapidly across the world since December 2019. To mitigate COVID-19, the Government of Georgia (GoG) has taken early steps. A state of emergency was declared on March 21, 2020, to counter the global coronavirus pandemic. The first cases of COVID-19 in Georgia were confirmed on February 26, 2020.

Since then, substantial financial support from various international donor organizations has been mobilized, among them, the GoG together with the World Bank (WB) and the Asian Infrastructure and Investment Bank (AIIB) started the Georgia Emergency COVID-19 Response Project (hereinafter, the Project). The overall objective of the Project is to prevent, detect and respond to the threat posed by the COVID-19 pandemic in the country, and to strengthen the national system for public health preparedness, under the global framework of the World Bank's COVID-19 Response Facility.

Georgia has been a successful case in COVID-19 response across the World Health Organization (WHO) European Region, the same time promoting innovation across various aspects of the response, including IT solutions applied in priority areas of epidemic control.

In this context, upgrade and continuous support for functioning the Government's Stop COVID-19 application to trace the new diagnosed cases and control spread of the disease considered under the project.

SPECIFIC BACKGROUND

Georgia is facing the second wave of the pandemic, as the number of COVID-19 positive patients is dramatically increasing. Given the epidemiological situation, Government of Georgia has considered crucial to continue to use the innovative application called 'Stop Covid'.

An innovative application called 'Stop Covid' has been created to help stem the further spread of the new coronavirus in Georgia.

The application aims to combat the virus by informing people if they have been in contact with a COVID-19 infected person. The system is in line with European data protection standards.

The application is available for iOS and Android users.

To discover which smartphones have been in contact with each other, the system uses technologies including Bluetooth, GPS. The application will log interactions that span more than 15 minutes and take place within two meters.

If an individual tests positive, they can inform the application, and can provide information pertaining to contacts in the last five days to the Health Ministry.

If a person tests positive for COVID-19, all other users which have been in contact with him/her in the last five days will be notified by applications in order to isolate themselves or go to the hospital.

OBJECTIVES OF THE ASSIGNMENT

The objective of the assignment is to inform the users of a risk of contamination when they have been in close proximity to another user who has been diagnosed or tested positive for COVID-19. It is a "contact tracing" application, which is voluntary and based on Bluetooth technology.

SCOPE OF SERVICE, TASKS (COMPONENT) AND EXPECTED DELIVERABLES.

Task N1 - Inception Report

Deliverables	Submission Date
3.1.1. Preparation XML-Connectivity: Within the current setup, an email is issued to an operator of the Georgian Government when a user of the Stop Covid App reports an infection. The operator then has to manually compare the transmitted phone number with the data within the NCDC database where COVID-19 infections are stored.	Delivered 6 working days after order confirmation.

Atomizing this functionality by issuing an XML-request from the Stop Covid backend to the NCDC backend. This will eliminate possible human error, speed up the process and allow automatic re-checks for cases where the data was not present in the NCDC backend at the time of the first request.	
3.1.2. Google Data studio Dashboard: provide a visual dashboard with necessary operation metrics including downloads of the Stop Covid iOS and Android app, infections and app usage on a daily bases in order to allow faster decision making regarding promotion and operation of the app.	Delivered 7 working days after order confirmation.
3.1.3. App Store Management: Due to the fact that there are no national app stores respectively they are not used by the Georgian population, the Stop Covid app has to be issued in various foreign stores, including Russia, US, and France. In order to better track store performance and make it easier to react on user reviews and recensions it will be implemented a monitoring tool for managing multiple app stores within one application.	Delivered 3 working days after order confirmation.
3.1.4. Setup Security Concept: set up a security concept to evaluate possible risks within the application. This concept will be integrated in our ISO27001 security measures. Implementation Security Measures: redundancy concept and separation of application source code from databases in order to provide a higher level of security, availability and data integrity.	Delivered 8 working days after order confirmation.

Task N2 - Monthly reports.

Monthly Deliverables	Submission Date
3.2.1. Pos. 1-6: The Stop Covid application contains of smartphone applications for iOS and Android devices as well as a product backend. This backend is hosted on Google Cloud Platform using GCE (Google Cloud Engine), Cloud SQL for databases management, Stack driver logging for application integrity, App Engine for smartphone app management and Cloud Storage & DNS for data management.	Monthly Service delivery
3.2.2. Push Messaging Engine: Push notifications allow to address at very low costs. Push messages are created on the Stop Covid backend based on analytics events provided by the iOS and Android app to support automated messaging via the Marketing Automation engine.	Monthly Service delivery
3.2.3. Marketing Automation: allows to communicate with users of the Stop Covid App in a contextual way based on their behavior. Notifications are sent e.g. when users don't provide the right permissions to guarantee correct functionality.	Monthly Service deliver

3.2.4. Monitoring and Maintenance: automated procedures and measurements as well as Dev/Ops personnel to monitor the technical functionality of the application.	Monthly Service
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TEAM QUALIFICATION AND REQUIREMENTS

Consultant's relevant experience in the field

The Consultant should have At least 3 years of experience of providing similar service.

Team composition and qualification

The Consultant shall provide a team of personnel of proven competence and experience to undertake the tasks defined by these Terms of Reference. Team members shall have the prerequisite experience specified in relation to their assignments.

This assignment requires a team with at least 5 key staff with a total input of three man months. This will be undertaken by a Consulting company, which shall compose the following team (key experts).

	Name	Area of Specialization, Qualification
	Key Experts	
1	iOS specialist	At least 5 years of working experience in the related field, Bachelor's or master's degree in Engineering, Computer Science, and Software Engineering or the other relevant fields and 3 years of experience with iOS, Objective-C, Cocoa. Solid understanding of the full mobile development life cycle.
2	Android Developer	At least 7 years of professional experience in relevant assignments; BS/MS degree in Computer Science, Engineering or a related subject. Software development experience and Android skills development. Proven working experience in Android app development and.
3	Backend developer	At least 10 years of professional experience in relevant assignments Bachelor's degree in computer programming, computer science, or a related field. Fluency or understanding of specific languages, such as Java, PHP, or Python, and operating systems may be required.
4	Architect	-BS/MS degree in Computer Science, Engineering or a related subject with 5 years of professional experience in relevant assignments;
5	Product Manager-	BS/MS degree in Computer Science, Engineering or a related subject with 6 years of professional experience in relevant assignments

THE TOTAL DURATION OF ASSIGNMENT

The estimated period of implementation of the service contract is 3 months.

Subject to consulting service satisfactory performance as well as needs of the Service, after obtaining the World Bank's no objection the contract duration may be extended.

DELIVERABLES

Reporting Requirements and Time Schedule for Deliverables

This assignment is expected to be finalized within three months after commencement.

Deliverables (report (s)) should provide information on the state of progress of the service over the period, for ease of monitoring activities and outputs and should clearly distinguish between activities/outputs achieved and considered finished, and activities still in progress, so that the evaluation of the project is clear

MONITORING AND REIMBURSMANT

Administrative support to the contractor's team will be provided by the MoILHSA, PIU throughout the assignment. The Consultants will prepare and submit to the Client (MoILHSA) the deliverables in English and ensure translation of reports in Georgian language.

Monitoring to the consultancy service will be provided by the Department of Information Technology of the MoILHSA,

Reimbursement of services will be conducted based on the deliverables after approval by Department of Information Technology of the MoILHSA in the following manner:

Payment N1 – upon satisfactory completion of the task N1 and after delivery and acceptance of Inception Report prepared according to the Appendix A – Terms of Reference.

Payment N2 – upon satisfactory completion of the monthly deliverables according to the task N2 and after delivery and acceptance of monthly Reports prepared according to the Appendix A – Terms of Reference.

MoILHSA shall provide all necessary information and documents needed for the execution of the assignment under this TOR.

ANNEX 2: Proposal Submission Form

---- October, 2020

To: **The The Ministry of IDP from Occupied Territories, Labor, Health and Social Affairs (MoIDPLHSA)**

Dear Mr. Tsotskolauri

We, the undersigned, offer to provide the consulting services for **STOP COVID MOBILE APPLICATION** in accordance with your Invitation for Proposal (RFP) dated *[Insert Date]* and our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal and a Financial Proposal.

Our Financial Proposal is for the amount of *{Indicate the corresponding to the amount(s) currency(ies)} {Insert amount(s) in words and figures}*, including “of all indirect local taxes in accordance with the Invitation for Proposal. The estimated amount of local indirect taxes is *{Insert currency} {Insert amount in words and figures}* which shall be confirmed or adjusted, if needed, during negotiations.

We hereby declare that:

- (a) All the information and statements made in this Proposal are true and we accept that any misinterpretation or misrepresentation contained in this Proposal may lead to our disqualification by the Client and/or may be sanctioned by the Bank.
- (b) Our Proposal shall be valid and remain binding upon us until *[insert day, month and year]*.
- (c) We have no conflict of interest.
- (d) We confirm our understanding of our obligation to abide by the Bank’s policy in regard to Fraud and Corruption.
- (e) We, along with any of our sub-consultants, subcontractors, suppliers, or service providers for any part of the contract, are not subject to, and not controlled by any entity or individual that is subject to, a temporary suspension or a debarment imposed by the World Bank Group or a debarment imposed by the World Bank Group in accordance with the Agreement for Mutual Enforcement of Debarment Decisions between the World Bank and other development banks. Further, we are not ineligible under the Client’s country laws or official regulations or pursuant to a decision of the United Nations Security Council;
- (f) We undertake to negotiate a Contract on the basis of the proposed Key Experts.
- (g) Our Proposal is binding upon us and subject to any modifications resulting from the Contract negotiations.

Commissions and gratuities paid or to be paid by us to an agent or any third party relating to preparation or submission of this Proposal and Contract execution, paid if we are awarded the Contract, are listed below:

Name and Address of Agents	Amount and Currency	Purpose of Commission or Gratuity
NONE		

We undertake, if our Proposal is accepted and the Contract is signed, to initiate the Services related to the assignment no later than the expected commencement date specified in the Invitation for Proposal.

We understand that the Client is not bound to accept any Proposal that the Client receives.

We remain,

Yours sincerely,

Signature (of Consultant's authorized representative) *{In full and initials}*:

Full name: *{insert full name of authorized representative}*

Title: *{insert title/position of authorized representative}*

Address: *{insert the authorized representative's address}*

Phone/fax: *{insert the authorized representative's phone and fax number, if applicable}*

Email: *{insert the authorized representative's email address}* _____

ATTACHMENTS:

1. Work Schedule and planning for deliverables
2. Team Composition, Assignment, and Key Experts' inputs
3. CVs

WORK SCHEDULE AND PLANNING FOR DELIVERABLES

N°	Deliverables ¹ (D-..)	Month			
		1	2	3	TOTAL
D-1	Task N1 - Inception Report				
	3.1.1. Preparation XML-Connectivity: Within the current setup, an email is issued to an operator of the Georgian Government when a user of the Stop Covid App reports an infection. The operator then has to manually compare the transmitted phone number with the data within the NCDC database where COVID-19 infections are stored. Atomizing this functionality by issuing an XML-request from the Stop Covid backend to the NCDC backend. This will eliminate possible human error, speed up the process and allow automatic re-checks for cases where the data was not present in the NCDC backend at the time of the first request.				7 working days
	3.1.2. Google Data studio Dashboard: provide a visual dashboard with necessary operation metrics including downloads of the Stop Covid iOS and Android app, infections and app usage on a daily bases in order to allow faster decision making regarding promotion and operation of the app.				3 working days
	3.1.3. App Store Management: Due to the fact that there are no national app stores respectively they are not used by the Georgian population, the Stop Covid app has to be issued in various foreign stores, including Russia, US, and France. In order to better track store performance and make it easier to react on user reviews and recessions it will be implemented a monitoring tool for managing multiple app stores within one application.				8 working days
	3.1.4. Setup Security Concept: set up a security concept to evaluate possible risks within the application. This concept will be integrated in our ISO27001 security measures. Implementation Security Measures: redundancy concept and separation of application source code from databases in order to provide a higher level of security, availability and data integrity.				7 working days
D-2	Task N2 - Monthly reports.				
	3.2.1. Pos. 1-6: The Stop Covid application contains of smartphone applications for iOS and Android devices as well as a product backend.				Three months

	This backend is hosted on Google Cloud Platform using GCE (Google Cloud Engine), Cloud SQL for databases management, Stack driver logging for application integrity, App Engine for smartphone app management and Cloud Storage & DNS for data management.				
	3.2.2. Push Messaging Engine: Push notifications allow to address at very low costs. Push messages are created on the Stop Covid backend based on analytics events provided by the iOS and Android app to support automated messaging via the Marketing Automation engine.				Three months
	3.2.3. Marketing Automation: allows to communicate with users of the Stop Covid App in a contextual way based on their behavior. Notifications are sent e.g. when users don't provide the right permissions to guarantee correct functionality.				Three months
	3.2.4. Monitoring and Maintenance: automated procedures and measurements as well as Dev/Ops personnel to monitor the technical functionality of the application.				Three months

- 1 List the deliverables with the breakdown for activities required to produce them and other benchmarks such as the Client's approvals. For phased assignments, indicate the activities, delivery of reports, and benchmarks separately for each phase.
- 2 Duration of activities shall be indicated in a form of a bar chart.
3. Include a legend, if necessary, to help read the chart.

N°	Name	Expert's input (in person/month) per each Deliverable											Total time-input (in Months)		
		Position		Tasks N1		Task N2		Full/ Part time input					Home	Field	Total
										Subtotal					
										Total					

- Months are counted from the start of the assignment/mobilization. One (1) month equals twenty-two (22) working (billable) days. One working (billable) day shall be not less than eight (8) working (billable) hours.
- “Home” means work in the office in the expert’s country of residence. “Field” work means work carried out in the Client’s country or any other country outside the expert’s country of residence.

 Full time input

 Part time input

CURRICULUM VITAE (CV)

Position Title and No.	{e.g., K-1, TEAM LEADER}
Name of Expert:	{Insert full name}
Date of Birth:	{day/month/year}
Country of Citizenship/Residence	

Education: {List college/university or other specialized education, giving names of educational institutions, dates attended, degree(s)/diploma(s) obtained}

Employment record relevant to the assignment: {Starting with present position, list in reverse order. Please provide dates, name of employing organization, titles of positions held, types of activities performed and location of the assignment, and contact information of previous clients and employing organization(s) who can be contacted for references. Past employment that is not relevant to the assignment does not need to be included.}

Period	Employing organization and your title/position. Contact information for references	Country	Summary of activities performed relevant to the Assignment
<i>[e.g., May 2015-present]</i>	<i>[e.g., Ministry of, advisor/consultant to ... For references: Tel...../e-mail.....;]</i>		

Membership in Professional Associations and Publications:

Language Skills (indicate only languages in which you can work): _____

Adequacy for the Assignment:

Detailed Tasks Assigned on Consultant's Team of Experts:	Reference to Prior Work/Assignments that Best Illustrates Capability to Handle the Assigned Tasks
{List all deliverables/tasks in which the Expert will be involved}	

Expert's contact information: (e-mail, phone.....)

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience, and I am available, as and when necessary, to undertake the assignment in case of an award. I understand that any misstatement or misrepresentation described herein may lead to my disqualification or dismissal by the Client, and/or sanctions by the Bank.

{day/month/year}

Name of Expert

Signature

Date

{day/month/year}

Name of authorized

Signature

Date

Representative of the Consultant (the same who signs the Proposal)

SUMMARY OF COSTS

Item	Cost	
	{Delete columns which are not used}	
	{Insert Foreign Currency as applicable}	{Insert Local Currency as applicable}
Cost of the Financial Proposal		
Including:		
(1) Remuneration		
(2) Reimbursable		
<u>Total Cost of the Financial Proposal indirect local taxes in</u> <i>{Should match the amount in the Proposal Submission Form}</i>		
Indirect Local Tax Estimates – to be discussed and finalized at the negotiations if the Contract is awarded		
(i) {insert type of tax: e.g., VAT or sales tax}		
<u>Total Estimate for Indirect Local Tax:</u>		

BREAKDOWN OF REMUNERATION

When used for Lump-Sum contract assignment, information to be provided in this Form shall only be used to demonstrate the basis for the calculation of the Contract's ceiling amount; to calculate applicable taxes at contract negotiations; and, if needed, to establish payments to the Consultant for possible additional services requested by the Client. This Form shall not be used as a basis for payments under Lump-Sum contracts.

No.	Name	Position	Person-month Remune- ration Rate	Time Input in Person/Month	Foreign Currency	Local Currency	
	Key Experts						
K-1		IOS specialist	[Home]	3 (three) person month	000000		
K-2			[Home]				
	Non-Key Experts						
N-1			[Home]				
N-2			[Field]				
	Total Costs						

ANNEX 3: Condition of Contract and Contract Forms

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Appendix A – Terms of Reference

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Appendix B - Key Experts

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Appendix C – Breakdown of Contract Price

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Appendix C – Remuneration Cost Estimates

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Appendix C' – REIMBURSABLE EXPENSES COST ESTIMATE (*applies only to Time-Based Contracts; Delete for LUMP-SUM Contracts*)

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Appendix D - Form of Advance Payments Guarantee

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CONTRACT FOR CONSULTING SERVICES

Project Name Georgia Emergency COVID-19 Response Project – P173911

LOAN NUMBER 9113-GE and LOAN NUMBER LO388A

Contract No. RFP No: COVID19-CS-RFP-01

Assignment Title: **STOP COVID MOBILE APPLICATION**

Between

Purchaser: Ministry of IDP from the Occupied Territories, Labour, Health and Social Affairs

and

Grabner & Gretzmacher MDL GmbH

Dated: 22.10.2020

I. Form of Contract

“LUMP-SUM”

This CONTRACT (hereinafter called the “Contract”) is made the 25th day of the month of October, 2020, between, on the one hand, **Minister of IDPs from the Occupied Territories, Labour, Health and Social Affairs of Georgia**, (hereinafter called the “Client”) and, on the other hand, **Grabner & Gretzmacher MDL GmbH** (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 a loan from the IBRD and AIIB: toward the cost of the Services and intends to apply a portion of the proceeds of this loan 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 agreement, including prohibitions of withdrawal from the loan 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 agreement or have any claim to the loan 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 Conditions of Contract (including Attachment 1 “Fraud and Corruption”);
- (b) Appendices:

Appendix A: Terms of Reference

Appendix B: Key Experts

Appendix C: “Breakdown of Contract Price

In the event of any inconsistency between the documents, the following order of precedence shall prevail: The Conditions of Contract, including Attachment 1; Appendix A; Appendix B; Appendix C; 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.

To facilitate this emergency procurement, it is acceptable to the Client and the Consultant, electronic signature of the Contract.

For and on behalf of Client

Minister of IDPs from the Occupied Territories, Labour, Health and Social Affairs of Georgia,

Deputy Minister **Giorgi Tsotskolaure**

For and on behalf of Consultant

Grabner & Gretzmacher MDL GmbH

Chief Executive officer -----

II. Conditions of Contract

A. GENERAL PROVISIONS

1. Definitions

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

- (a) **“Applicable Law”** means the laws and any other instruments having the force of law **as specified in CC 2.1**, as they may be issued and in force from time to time.
- (b) **“Bank”** means the International Bank for Reconstruction and Development (IBRD) or the International Development Association (IDA).
- (c) **“Borrower”** means the Government, Government agency or other entity that signs the financing agreement with the Bank.
- (d) **“CC”** means these Conditions of Contract.
- (e) **“Client”** means the implementing agency that signs the Contract for the Services with the Selected Consultant.
- (f) **“Client’s Personnel”** refers to the staff, labor and other employees (if any) of the Client engaged in fulfilling the Client’s obligations under the Contract; and any other personnel identified as Client Personnel, by a notice from the Client to the Consultant.
- (g) **“Consultant”** means a legally-established professional consulting firm or entity selected by the Client to provide the Services under the signed Contract.
- (h) **“Contract”** means the legally binding written agreement signed between the Client and the Consultant and which includes all documents attached to it and listed in its paragraph 1 of the Form of Contract.
- (i) **“Day”** means a working day unless indicated otherwise.
- (j) **“Effective Date”** means the date on which this Contract comes into force and effect pursuant to **CC 2.1**.
- (k) **“Experts”** means, collectively, Key Experts, Non-Key Experts or any other personnel of the Consultant, Sub-consultant or member(s) assigned by the Consultant to perform the Services or any part thereof under the Contract.
- (l) **“Foreign Currency”** means any currency other than the currency of the Client’s country.
- (m) **“Government”** means the government of the Client’s country.
- (n) **“Joint Venture (JV)”** means an association with or without legal personality distinct from that of its members, of more than one

one entity where one member has the authority to conduct 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 Curriculum 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, 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) **“Services”** means the work to be performed by the Consultant pursuant to this Contract, as described in Appendix A hereto.
- (t) **“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.
- (u) **“Third Party”** means any person or entity other than the Government, the Client, the Consultant or a Sub-consultant.

2. Contract Specific Information

2.1. General

Contract Price

The Contract price is: _____ [insert amount and currency/ies as applicable] [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 [insert as appropriate: “be paid” or “reimbursed”] by the Client [insert as appropriate: “for” or “to”] the Consultant.

Schedule of Payments [Modify as appropriate]

The schedule of payments is specified below:

First payment within 5 business days upon satisfactory completion of the task N1 and after delivery and acceptance of Inception Report prepared according to the Appendix A – Terms of Reference.

Payment N2, upon satisfactory completion of the monthly deliverables according to the task N2 and after delivery and acceptance of monthly Reports prepared according to the Appendix A – Terms of Reference.

- (a) The agreed contract prices shall not be adjusted for foreign and/or local inflation during the execution of the contract
- (b) All payments under this Contract shall be made to the accounts of the Consultant.

The accounts are:

for foreign currency: [insert account].

for local currency: [insert account].

- (c) Applicable Law: Client's Country",
- (d) The language of the contract is: English
- (e) Effective Date of the Contract: October, 2020
- (f) Consultant's confirmation of availability of Key Experts and commencement of Services: 3 calendar days.
- (g) Expiration of Contract: three months.
- (h) Reporting obligations of the Consultant shall be as specified in Appendix A.

2.2. Any notice given by one Party to the other pursuant to the Contract shall be in writing to the address hereafter using the quickest available method such as electronic mail with proof of receipt.

Address for notices to the Client:

Giorgi Tsotskolauri,

Deputy Minister 144, Ak. Tsereteli ave.

Tbilisi, Georgia Info@moh.gov.ge

Address for notices to the Consultant:

[insert the name of officer authorized to receive notices]

[title/position]

[department/work unit]

[address]

[Electronic mail address].

CC 10: State: “No additional provisions”

2.3. CC 31 (a): Appointing authority - In the case of a dispute between the parties the dispute shall be referred to adjudication in accordance with the laws of the Client’s Country.

- | | |
|--|--|
| <p>3. Authority of Member in Charge</p> | <p>3.1. In case the Consultant is a Joint Venture, the members hereby authorize the Lead Member specified in CC 2.3 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.</p> |
| <p>4. Authorized Representatives</p> | <p>4.1. 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 authorized representatives specified in CC 2.4.</p> |
| <p>5. Standard of Performance</p> | <p>5.1. 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.</p> <p>5.2. 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.</p> |
| <p>6. Confidentiality</p> | <p>6.1. 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.</p> |
| <p>7. Fraud and Corruption</p> | <p>7.1. The Bank requires compliance with the Bank’s Anti-Corruption Guidelines and its prevailing sanctions policies and procedures as set forth in the Bank’s Sanctions Framework, as set forth in Attachment 1 to the CC.</p> |
| <p>a. Commissions and Fees</p> | <p>7.2. 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</p> |

execution of the Contract. The information disclosed must include at least the name and address of the agent or 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.

8. Accounting, Inspection and Auditing

- 8.1. 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.
- 8.2. Pursuant to paragraph 2.2 e. of **Attachment 1 to the CC**, the Consultant shall permit and shall cause its agents (where declared or not), subcontractors, sub consultants, service providers, suppliers, and personnel, to permit, the Bank and/or persons appointed by the Bank to inspect the site and/or the accounts, records and other documents relating to the procurement process, selection and/or contract execution, and to have such accounts, records and other documents audited by auditors appointed by the Bank. The Consultant's and its Subcontractors' and sub consultants' attention is drawn to **CC 7.1** (Fraud and Corruption) which provides, inter alia, that acts intended to materially impede the exercise of the Bank's inspection and audit rights constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility pursuant to the Bank's prevailing sanctions procedures).

9. Modifications or Variations

- 9.1. 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.
- 9.2. For Lump-Sum contracts, any change to the Contract price can be made only if the Parties have agreed to the revised scope of Services pursuant to **CC 9.1** and have amended in writing the Terms of Reference in **Appendix A**. For Time-Based contracts, for any payments in excess of the ceilings specified in **CC 2.1**, an amendment to the Contract shall be signed by the Parties referring to the provision of this Contract that evokes such amendment.

10. Liability of the Consultant

- 10.1. Subject to additional provisions, if any, set forth below, the Consultant's liability under this Contract shall be provided by the Applicable Law, subject to the additional provisions specified in **CC 2.5**.

- 11. Insurance to be taken out by the Consultant**
- 11.1. 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 in **CC 2.6**, 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.
- 12. Proprietary Rights of the Client in Reports and Records**
- 12.1. 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.
- 12.2. 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, are specified in **CC 2.7**.
- 13. Equipment, Vehicles and Materials**
- 13.1. 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. 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.
- 14. Forced Labor**
- 14.1. The Consultant, including its Subconsultants, shall not employ or engage forced laborer persons subject to trafficking, as described in **CC 14.2** and **CC 14.3**.
- 14.2. Forced labor consists of any work or service, not voluntarily performed, that is exacted from an individual under threat of force or penalty, and includes any kind of involuntary or compulsory

labor, such as indentured labor, bonded labor or similar labor-contracting arrangements.

- 14.3. Trafficking in persons is defined as the recruitment, transportation, transfer, harboring or receipt of persons by means of the threat or use of force or other forms of coercion, abduction, fraud, deception, abuse of power, or of a position of vulnerability, or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purposes of exploitation.

15. Child Labor

- 15.1. The Consultant, including its Subconsultants, shall not employ or engage a child under the age of 14 unless the national law specifies a higher age (the minimum age)

- 15.2. The Consultant, including its Subconsultants, shall not employ or engage a child between the minimum age and the age of 18 in a manner that is likely to be hazardous, or to interfere with, the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development.

Work considered hazardous for children is work that, by its nature or the circumstances in which it is carried out, is likely to jeopardize the health, safety, or morals of children. Such work activities prohibited for children include work:

- (a) with exposure to physical, psychological or sexual abuse;
- (b) underground, underwater, working at heights or in confined spaces;
- (c) with dangerous machinery, equipment or tools, or involving handling or transport of heavy loads;
- (d) in unhealthy environments exposing children to hazardous substances, agents, or processes, or to temperatures, noise or vibration damaging to health; or
- (e) under difficult conditions such as work for long hours, during the night or in confinement on the premises of the employer.

16. Non-Discrimination and Equal Opportunity

- 16.1. The Consultant shall not make decisions relating to the employment or treatment of Experts on the basis of personal characteristics unrelated to inherent job requirements. The Consultant shall base the employment of Experts on the principle of equal opportunity and fair treatment, and shall not discriminate with respect to any aspects of the employment relationship.

17. Health and safety obligations

- 17.1. The Consultant, including its Subconsultants shall comply, with all applicable health and safety regulations, laws, guidelines, and any other requirements stated in **Appendix A**.

18. Force Majeure

- a. Definition**
- 18.1. For the purposes of this Contract, “Force Majeure” means an event which is beyond the reasonable control of a Party, is not 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.
- 18.2. 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.
- 18.3. Force Majeure shall not include insufficiency of funds or failure to make any payment required hereunder.
- b. No Breach of Contract**
- 18.4. The failure of a Party to fulfil 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**
- 18.5. 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.
- 18.6. 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.
- 18.7. 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.

18.8. 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.

18.9. 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 **CC 30 & 31**.

19. Suspension

19.1. The Client may, by written notice of suspension to the Consultant, suspend part or 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.

20. Termination

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

a. By the Client

20.1.1. 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 **CC 19**;

(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 **CC 31**;

(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 **CC 2.1**.

20.1.2. Furthermore, if the Client determines that the Consultant has engaged in Fraud and Corruption, as defined in paragraph 2.2 a of Attachment 1 to the CC, 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

20.1.3. 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 **CC 2.1** 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 **CC 31**.

(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

20.1.4. Upon termination of this Contract pursuant to Clauses **CC 20** hereof, or upon expiration of this Contract pursuant to **CC 2.1**, all rights and obligations of the Parties hereunder shall cease, except (i) such rights and obligations as may have accrued on the date of termination or expiration, (ii) the obligation of confidentiality set forth in **CC 6**, (iii) the Consultant's obligation to permit inspection, copying and auditing of their accounts and records set forth in **CC 8** and to

cooperate and assist in any inspection or investigation, and (iv) any right which a Party may have under the Applicable Law.

- d. Cessation of Services** 20.1.5. Upon termination of this Contract by notice of either Party to the other pursuant to Clauses **CC 20a** or **CC 20b**, the Consultant shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditures for this purpose to a minimum. With respect to documents prepared by the Consultant and equipment and materials furnished by the Client, the Consultant shall proceed as provided, respectively, by Clauses **CC 12** or **CC 13**.
- e. Payment upon Termination** 20.1.6. Upon termination of this Contract, the Client shall make the following payments to the Consultant:
- (a) payment for Services satisfactorily performed prior to the effective date of termination; and
 - (b) in the case of termination pursuant to paragraphs (d) and (e) of **CC 20.1.1**, reimbursement of any reasonable cost incidental to the prompt and orderly termination of this Contract, including the cost of the return travel of the Experts.

B. CONSULTANT'S EXPERTS AND SUB-CONSULTANTS

- 21. Description of Key Experts, Working Hours, Overtime, etc.** 21.1. The title, agreed job description, minimum qualification and estimated period of engagement to carry out the Services of each of the Consultant's Key Experts are described in **Appendix B**.
- 22. Replacement of Key Experts** 22.1. Except as the Client may otherwise agree in writing, no changes shall be made in the Key Experts.
- 22.2. 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.
- 23. Removal of Experts or Sub-consultants and Approval of Additional Experts** 23.1. The Consultant shall have a code of conduct for the Experts.
- The Consultant shall take all necessary measures to ensure that each Expert is made aware of the code of conduct including specific behaviours

that are prohibited as stated in **CC 23.2**, and understands the consequences of engaging in such prohibited behaviours.

23.2. If the Client finds that any of the Experts or Sub-consultant:

- (a) persists in any misconduct or lack of care;
- (b) carries out duties incompetently or negligently;
- (c) fails to comply with any provision of the Contract;
- (d) based on reasonable evidence, is determined to have engaged in Fraud and Corruption during the execution of the Services;
- (e) engages in Sexual Harassment, which means unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature with other Experts, or Client's Personnel;
- (f) engages in Sexual Exploitation, which means any actual or attempted abuse of position of vulnerability, differential power or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another;
- (g) engages in Sexual Abuse, which means the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions; or
- (h) engages in any form of sexual activity with individuals under the age of 18, except in case of pre-existing marriage

the Consultant shall, at the Client's written request, provide a replacement.

23.3. In the event that any of 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.

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

23.5. The Consultant shall bear all costs arising out of or incidental to any removal and/or replacement of such Experts.

C. OBLIGATIONS OF THE CLIENT

24. Assistance and Exemptions

24.1. The Client shall use its best efforts to assist the Consultants, as specified in **CC 2.8**.

25. Access to sites

25.1. The Client warrants that the Consultant shall have, free of charge, unimpeded access to the sites in respect of which access is required for the performance of the Services. The Client will be

responsible for any damage to the sites or any property thereon resulting from such access and will indemnify the Consultant and each of the experts in respect of liability for any such damage, unless such damage is caused by the wilful default or negligence of the Consultant or any Sub-consultants or the Experts of either of them.

**26. Change in the
Applicable Law
Related to Taxes
and Duties**

26.1. 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 Contract price.

**27. Services, Facilities
and Property of the
Client**

27.1. 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 in **Appendix A** at the times and in the manner specified in that appendix.

**28. Counterpart
Personnel**

28.1. 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**.

28.2. Professional and support counterpart personnel, excluding Client's liaison personnel, shall work under the exclusive direction of the Consultant. The Client shall not unreasonably refuse to replace any member of the counterpart personnel that fails to perform its duties adequately.

D. FAIRNESS AND GOOD FAITH

29. Good Faith

29.1. 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.

E. SETTLEMENT OF DISPUTES

30. Amicable Settlement

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

30.2. 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, **CC 31** shall apply.

31. Dispute Resolution

(a) In the case of a dispute between the Client and a Consultant who is a national of the Client's Country, the dispute shall be referred to adjudication in accordance with the laws of the Client's Country.

II. Conditions of Contract

Attachment 1

Fraud and Corruption

(Text in this Attachment shall not be modified)

1. Purpose

1.1 The Bank's Anti-Corruption Guidelines and this annex apply with respect to procurement under Bank Investment Project Financing operations.

2. Requirements

2.1 The Bank requires that Borrowers (including beneficiaries of Bank financing); bidders (applicants/proposers), consultants, contractors and suppliers; any sub-contractors, sub-consultants, service providers or suppliers; any agents (whether declared or not); and any of their personnel, observe the highest standard of ethics during the procurement process, selection and contract execution of Bank-financed contracts, and refrain from Fraud and Corruption.

2.2 To this end, the Bank:

a. Defines, for the purposes of this provision, the terms set forth below as follows:

- i. "corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
- ii. "fraudulent practice" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation;
- iii. "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
- iv. "coercive practice" is 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;
- v. "obstructive practice" is:

(a) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or

(b) acts intended to materially impede the exercise of the Bank's inspection and audit rights provided for under paragraph 2.2 e. below.

b. Rejects a proposal for award if the Bank determines that the firm or individual recommended for award, any of its personnel, or its agents, or its sub-consultants, sub-contractors, service providers, suppliers and/ or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;

- c. In addition to the legal remedies set out in the relevant Legal Agreement, may take other appropriate actions, including declaring misprocurement, if the Bank determines at any time that representatives of the Borrower or of a recipient of any part of the proceeds of the loan engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices during the procurement process, selection and/or execution of the contract in question, without the Borrower having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur, including by failing to inform the Bank in a timely manner at the time they knew of the practices;
- d. Pursuant to the Bank's Anti- Corruption Guidelines and in accordance with the Bank's prevailing sanctions policies and procedures, may sanction a firm or individual, either indefinitely or for a stated period of time, including by publicly declaring such firm or individual ineligible (i) to be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner;¹ (ii) to be a nominated² sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract; and (iii) to receive the proceeds of any loan made by the Bank or otherwise to participate further in the preparation or implementation of any Bank-financed project;
- e. Requires that a clause be included in bidding/request for proposals documents and in contracts financed by a Bank loan, requiring (i) bidders (applicants/proposers), consultants, contractors, and suppliers, and their sub-contractors, sub-consultants, service providers, suppliers, agents personnel, permit the Bank to inspect³ all accounts, records and other documents relating to the procurement process, selection and/or contract execution,, and to have them audited by auditors appointed by the Bank.

¹ For the avoidance of doubt, a sanctioned party's ineligibility to be awarded a contract shall include, without limitation, (i) applying for pre-qualification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.

² A nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider (different names are used depending on the particular bidding document) is one which has been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.

³ Inspections in this context usually are investigative (i.e., forensic) in nature. They involve fact-finding activities undertaken by the Bank or persons appointed by the Bank to address specific matters related to investigations/audits, such as evaluating the veracity of an allegation of possible Fraud and Corruption, through the appropriate mechanisms. Such activity includes but is not limited to: accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data and information (whether in hard copy or electronic format) deemed relevant for the investigation/audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third party verification of information.

APPENDIX D - FORM OF ADVANCE PAYMENTS GUARANTEE

[See CC 2.1]

{Guarantor letterhead or SWIFT identifier code}

Bank Guarantee for Advance Payment

Guarantor: _____ *[insert commercial Bank's Name, and Address of Issuing Branch or Office]*

Beneficiary: _____ *[insert Name and Address of Client]*

Date: _____ *[insert date]* _____

ADVANCE PAYMENT GUARANTEE No.: _____ *[insert number]* _____

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 _____ *[insert date]* _____ with the Beneficiary, 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 amount in figures]* (_____) *[amount in words]* is to be made against an advance payment guarantee.

At the request of the Consultant, we, as Guarantor, hereby irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of _____ *[amount in figures]* (_____) *[amount in words]*¹ upon receipt by us of the Beneficiary's complying demand supported by the Beneficiary's a written statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating that the Consultant is in breach of its obligation under the Contract because the Consultant:

- (a) has failed to repay the advance payment in accordance with the Contract conditions, specifying the amount which the Consultant has failed to repay;
- (b) has used the advance payment for purposes other than toward providing the Services under the Contract.

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.

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]*.

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Consultant as indicated in certified statements or invoices marked as “paid” by the Client which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of the payment certificate or paid invoice indicating that the Consultant has made full repayment of the amount of the advance payment, or on the ___ day of *[month]* _____, *[year]* __, 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 (URDG) 2010 revision, ICC Publication No. 758.

[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.”

Sample Letter of Invitation for Negotiations

[modify as appropriate]

[use letterhead paper of the Client]

[date]

To: *[name and address of the Consultant]*

Subject: ***Invitation for negotiations of Contract No.***

In reference to the invitation for a proposal issued by us, *[insert reference number and date]*, your proposal *[insert reference number and date]* has been accepted for contract negotiations.

We invite you for contract negotiations ***[Insert logistics detail, date and time for negotiations (expected to be virtual in light of the COVID-19 circumstances)]***

Authorized Signature: _____

Name and Title of Signatory: _____

Name of Agency: _____