

VOLUME 2

SECTION 3 SPECIAL CONDITIONS FOR EUROPEAN UNION EXTERNAL ACTIONS

CONTENTS

These conditions amplify and supplement the general conditions governing the contract. Unless the special conditions provide otherwise, the general conditions remain fully applicable. The numbering of the articles of the special conditions is not consecutive but follows the numbering of the general conditions. Exceptionally, and with the approval of the competent European Commission departments, other clauses can be indicated to cover particular situations.

Contract value

The contracting authority hereby agrees to pay to the contractor, in consideration of the execution and completion of the works and remedying of defects therein, the amount of the contract value mentioned in article 2 of the Main Conditions or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the contract. VAT will be paid in compliance with the binding regulations, national law and international agreements concerning the execution of the project.

Order of precedence of contract documents

The following documents shall be deemed to form and be read and construed as part of this contract, in the following order of precedence:

- (a) the contract,
- (b) the special conditions,
- (c) the general conditions,
- (d) the technical and/or performance specifications,
- (e) the design documentation (drawings),
- (f) the breakdown of lump-sum price,
- (g) the tender,
- (h) any other documents forming part of the contract.

The various documents making up the contract shall be deemed to be mutually explanatory; in cases of ambiguity or divergence, they shall prevail in the order in which they appear above. Addenda shall have the order of precedence of the document they are amending.

Other conditions applying to the contract

The parties agree to the set of rights and obligations described in the attached contractual documents, with the following main characteristics, further detailed in the attachments:

			Contract- article:
1	Price	Lump sum contract	49
		Prices cannot be revised	48
2	Duration	<...> months implementation of works	34
		Provisional acceptance, after completion of works	60
		Defects liability period of 365 days, after provisional acceptance	61

		Final acceptance, after expiry of defects liability period	62
3	Delay	0.1% of the contract price for every day of delay	36
4	Supervisor	<....>	5
5	Bank guarantees	no performance, prefinancing and retention guarantees	15, 46, 47
6	Insurances	For damage to 3 rd parties, unlimited for bodily injury	16
		Contractor all risk insurance	16
		Insurance against accidents at work	16
		Insurance for soundness of works	16
7	Payments	lump sum advance for 20% of the original contract price, after conclusion of the contract	46
		Interim payment for <...>% of the contract price, after completion of <phase/percentage of quantities, cf. 49 SC>	49, 50
		Interim payment for <...>% of the contract price, after completion of <phase/percentage of quantities, cf. 49 SC>	49, 50
		
		Retention money for 10% of the contract price, after signed final statement of account	47, 49

Article 2 Language of the contract

2.1 The language used shall be English.

Article 4 Communication

4.1 Communication details

Biruk Admassu, Bole Subcity, Woreda 3, house nr. 2434, Addis Ababa, b.admassu@cuamm.org

Article 5 Supervisor and supervisor's representative

5.2 Under this contract, the supervisor does not delegate his duties and authority to a supervisor's representative.

Article 16 Liabilities and insurance

16.1 a) By way of derogation from Article 16.1, a) paragraph 2, of the general conditions, compensation for damage to the works resulting from the contractor's liability in respect of the contracting authority is capped at an amount equal to the contract value.

16.1 b) By way of derogation from Article 16.1, b), paragraph 2, of the general conditions, compensation for damage resulting from the contractor's liability in respect of the contracting authority is capped at an amount equal to the contract value.

Article 17 Programme of implementation of tasks

17.1 The contractor shall provide the supervisor with a simplified programme of implementation of the tasks. This programme shall include at least the order and time limits in which the contractor proposes to carry out the works, and shall be based on the tranches foreseen in Article 49.1 of the special conditions.

17.2. The supervisor shall return this document to the contractor with any relevant remarks within 10 days of receipt, save where the supervisor, within those 10 days, notifies the contractor of its wish for a meeting in order to discuss the documents submitted.

Article 34 Period of implementation of tasks

34.1 The period of implementation of tasks is 80 days.

Article 36 Delays in the implementation of tasks

36.1 The rate of liquidated damages for delays in the completion of works shall be 0.1% of the contract price for every day or part thereof which elapses between the end of the period of implementation of tasks and the actual date of completion, up to a maximum amount of 10 % of the contract price or, if the contract is subdivided into phases, 10 % of the price of the phase concerned.

Article 43 Ownership of plant and materials

43.2 The equipment, temporary structures, plant and materials on the site shall for the duration of the execution of the works, be vested in the contracting authority.

Article 44: General principles for payments

44.1 Payments shall be made in ETB only.

44.2 Pre-financing payment to the contractor for the lump-sum advance shall be made within 60

Article 46 Pre-financing

46.1 The only pre-financing granted to the contractor, is the lump sum advance referred to in Article 46.1(a).

46.2 By derogation to Article 46.2 of the general conditions, the lump sum advance referred to in Article 46.1(a) shall be 20% of the original contract price.

Article 47 Retention monies

47.1 The sum retained to guarantee implementation of the contractor’s obligations during the defects liability period is 10 % of the contract price. By derogation to Article 47.1 of the general conditions, that money is not retained from interim payments. The tranches laid down in Article 49.1 of these special conditions are determined so that the retention sum amounts to 10% of the contract price at the moment of the certificate of provisional acceptance.

47.2 By derogation to Article 47.2 of the general conditions, the retention sums cannot be substituted by a retention guarantee.

Article 48 Price revision

48.1 Prices are fixed and shall not be revised.

Article 49 Measurement

49.1 This is a lump-sum contract.

Under the conditions imposed by the special conditions and general conditions, the amounts due shall be calculated through the following tranches, expressed as percentage of the contract price:

	Percentage	Nature	Timing
1.	20%	Lump-sum advance of Article 46.1(a)	After conclusion of the contract
2.	...%	Interim payment of Article 50	After completion of <to be determined phase in construction> [When determining the % of the interim payment,

			take account that 1) the 20% pre-financing is not repaid through each interim payment and 2) the 10% retention sum is neither deducted from each interim payment: the interim payment tranches should hence be determined in such a way as to implicitly recuperate the 20% pre-financings, while keeping 10% unpaid after provisional acceptance].
4.	...%	Interim payment of Article 50	[as above]
...	...%	Interim payment of Article 50	After issuing of the certificate of provisional acceptance
<la st>	10%	Retention money of Article 47	Within 45 days of the issuing of the signed final statement of account

Article 50 Interim payments

50.7 The interim payments will be paid as determined in Article 49.1 of these special conditions.

Article 53 Delayed payments

53.1 By derogation from Article 53.1 of the general conditions, once the time-limit referred Article 44.3 has expired, the contractor shall be entitled to late-payment interest at the rate and for the period mentioned in the general conditions.

However, when the interest calculated in accordance with the first subparagraph is lower than or equal to EUR 200, it shall be paid to the creditor only upon a demand submitted within two months of receiving late payment]

Article 61 Defects liability

61.1 The defects liability period is defined as the period commencing on the date of provisional acceptance, during which the contractor is required to make good any effect in, or damage to, any part of the work which may appear or occur during this period as notify by the supervisor or the contracting authority. The rights and obligations of the parties with regard to this defects liability period are laid down in Article 61 of the general conditions.

Article 68 Dispute settlement

68.1 Any disputes arising out of or relating to this contract which cannot be settled otherwise shall be referred for arbitration in accordance with the rules of arbitration of the Ethiopian Law.

Article 72 Data protection

Processing of personal data related to the implementation of the contract by the contracting authority takes place in accordance with the national legislation of Ethiopia