

Global Water Partnership Organisation

Standard Conditions for Consulting Services

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DEFINITIONS

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| AUTHORISED REPRESENTATIVES | means the Person(s) authorised in the Contract to represent their party |
| BUDGET | means the detailed cost estimate for the Services |
| CEILING AMOUNT | means the maximum amount that GWPO will pay the Consultant under the Contract. Separate Ceiling Amounts may be agreed for fees and for reimbursable costs. |
| CONSULTANT | means the party entering into the Contract with GWPO |
| CONTRACT | means the Contract, including the Appendices referred to therein, signed between GWPO and the Consultant. |
| HOME COUNTRY | means the country where the Consultant is incorporated or a legal resident |
| PARTY | means GWPO or the Consultant |
| PERSONNEL | means any person employed by the Consultant for the purpose of carrying out the Services and such other personnel as may be assigned to or otherwise work for the Consultant in any way related to the Services including sub-contractors' personnel. It shall, on the other hand, exclude any personnel provided by GWPO |
| SERVICES | means all activities described in the Terms of Reference that the Consultant undertakes to perform in the Contract |
| WEEK | means seven days |

SECTION 1 SERVICES

1.1 PERFORMANCE OF THE SERVICES

The Consultant shall exercise all reasonable skill, care and diligence in the performance of the Services and shall carry out all the Consultant's responsibilities in accordance with recognized professional standards.

In carrying out the Services, the Consultant shall follow the Terms of Reference and, if any uncertainty should arise, subsequent further clarification of the Terms of Reference given by GWPO.

The Consultant shall, at all times, act to protect the interests of GWPO and shall take all reasonable steps to keep all costs to a minimum, consistent with sound professional practice.

The Services shall be carried out by the Personnel specified in the Contract and for the respective periods of time indicated therein. Professional back-up services, consultations and supervision shall be provided by the home office or other normal duty stations of the Consultant, whenever such services are necessary.

The Consultant shall under no circumstances act as the representative of GWPO or give the impression that the Consultant has been given such authority.

The Personnel shall have the professional as well as language skills necessary to perform the Services satisfactorily.

1.2 INFORMATION

Each Party shall promptly inform the other Party, in writing, of any event or situation which may necessitate an agreement between the Parties on a modification of the scope, character or execution of the Services, of the Budget or Time Schedule, or of other aspects of the Contract. Any such modification shall be agreed upon between the Parties prior to execution.

The Consultant shall furnish GWPO with such information concerning the Services as GWPO may from time to time reasonably request.

1.3 SUB-CONSULTANTS

The Consultant may not, except with the prior approval of GWPO, assign or transfer the Contract or any part of the Services. Nor may he engage any sub-consultant to perform any part of the Services.

GWPO's approval of the assignment or transfer of any part of the Contract, or of the engagement of any sub-consultant, to perform any part of the Services, shall not relieve the Consultant of any of the Consultant's obligations under the Contract.

1.4 DELIVERABLES AND REPORTING

The Consultant shall deliver the outputs and reports as specified in the Terms of Reference. If, in GWPO's opinion, the outputs or reports do not correspond to the Consultant's undertaking, GWPO shall, within two months, give its reasons for this opinion. The Consultant shall either contest GWPO's opinion within two weeks or without delay present a revised report that meets the requirements of the Contract or agree with GWPO in writing on how to rectify the shortcomings.

SECTION 2 LIABILITY AND INSURANCE

2.1 SCOPE OF LIABILITY

The Consultant shall be responsible for any damage caused to GWPO as a result of any act or omission relating to the Services which is attributable to him as a result of his negligence or errors.

Approval of parts of the work performed shall not prevent GWPO from claiming damages, unless the approval explicitly says so.

GWPO shall make indemnification claims within six months of the time when the damage is discovered by GWPO and in no case later than three years after the expiry of the Contract. These time limits do not, however, apply when the Consultant is guilty of having caused the damage through gross negligence.

The Consultant retains full responsibility for any third party liability that might arise due to the Consultant's or the Personnel's activities, acts, or omissions.

2.2 INSURANCE

Unless otherwise agreed between the Parties, the Consultant shall, during the contractual liability period, maintain insurance which covers the Consultant's liabilities towards GWPO.

The Consultant shall take out and maintain adequate insurance against loss of or damage to property purchased in whole or in part with funds provided under the Contract, or produced by the Consultant, including papers and documents necessary for the Services, until such property or documents have been delivered in accordance with GWPO's instructions.

The Consultant shall take out and maintain full insurance against claims by third party resulting from acts performed by the Consultant, or the Consultant's Personnel, carrying out the Services.

The Consultant shall have the responsibility to take out and maintain insurance on life, health, accident, property, travel or other which may be necessary for the Personnel.

SECTION 3 - STAFFING

3.1 SELECTION OF PERSONNEL

The Consultant is responsible for the recruitment of his Personnel.

GWPO may request that all personnel shall be approved by GWPO before being assigned to the Services. To enable GWPO to judge whether the candidates meet the requirements, the Consultant shall provide GWPO with relevant documents. If GWPO so requests the Consultant shall arrange for GWPO to have the opportunity to interview the candidates. The Consultant shall take the initiative of presenting documentation for approval of key personnel. GWPO will not pay any extra costs for recruiting another candidate if the candidate first proposed by the Consultant is not approved by GWPO.

3.2 REPLACEMENT OF PERSONNEL

The Consultant shall withdraw all Personnel found unable to carry out assigned responsibilities, negligent in performing their duties, or guilty of misconduct.

No other replacement of Personnel shall be made by the Consultant, unless reasons for doing so are beyond the control of the Consultant. In such cases, the Consultant shall obtain GWPO's approval prior to making the replacement.

Replacements shall be persons possessing the qualifications originally agreed for the post. Any resultant changes in the fee rates or the reimbursable costs, shall be subject to prior approval by GWPO.

Costs for recall and replacement shall be borne by the Consultant.

3.3 PERIODS OF SERVICE

The Services shall be carried out by the Personnel specified in the Contract and for the respective periods of time indicated therein.

The Consultant may make such minor adjustments of the periods of service indicated in the Contract as may be appropriate in order to ensure an efficient performance of the Services. The aggregate of such adjustments may not cause the fees to be paid to the Consultant to exceed the Ceiling Amount payable under the Contract. All other adjustments of the periods of service shall be agreed between the Parties.

3.4 PROHIBITION OF CONFLICTING ACTIVITIES

Personnel assigned to the Services shall not, unless otherwise agreed between the Authorised Representatives, engage, directly or indirectly, in any other work, business or professional activities than the performance of their duties and assignments under the Contract.

3.5 TEAM LEADER

The Consultant shall ensure that at all times during the performance of the Services a member of the Personnel shall be appointed Team Leader. The selection shall be approved by GWPO.

SECTION 4 CALCULATION OF FEES

4.1 MODE OF CALCULATION

Fees shall be paid for time actually worked by the Consultant's Personnel directly engaged in performing the Services for the times specified in the Contract. The fee shall be calculated at a daily or hourly basis, as specified in the agreement, subject to the conditions herein.

For Services where the deliverables and required work are clearly assessable, the agreement may set out a fixed fee for the work performed.

The agreed fee rates include salary, social security charges, costs in respect of insurance, sickness, vacation pay, pension funds and similar payments as well as overhead charges including secretarial services and other administrative back-up services including

consultations and supervision provided by the home office staff, bank charges, and the Consultant's profit and risk.

Time worked by the management of the Consultant will not be reimbursed, unless specified in the Contract as part of the Services.

4.2 DAILY FEE

If a daily rate has been agreed, the daily rate applies to work performed in and outside the Consultant's Home Country and is calculated per day worked. The Consultant is not entitled to charge more than five times the daily fee during one week.

For work during less than a day the daily fee shall be prorated to the time actually worked, based on an 8 hour workday.

Work entitles the Consultant to the agreed daily fee only, irrespective of whether the work has been performed during or outside normal office hours. No additional payment for extra hours will be paid.

4.3 HOURLY FEE

If an hourly rate has been agreed the fees for work performed in the Consultant's Home Country shall be calculated on an hourly basis. Work in the Consultant's Home Country entitles the Consultant to the agreed hourly fee only, irrespective of whether the work has been performed during or outside normal office hours.

For work performed outside the Consultant's Home Country, the fees shall be calculated per day or per week. The daily fee shall correspond to eight times the hourly fee. The weekly fee shall correspond to five times the daily fee. The weekly fee shall correspond to five times the daily fee. For work during a period shorter than a week, the daily fee shall be charged. In no event shall the Consultant be entitled to charge more than five times the daily fee during one week. No additional payment for extra hours will be paid.

4.4 FIXED FEE

If a fixed fee has been set out in the agreement work entitles the Expert to the agreed fixed fee only, irrespective of whether the work has been performed during or outside normal office hours. No additional payment for extra hours will be paid.

4.3 FEES DURING TRAVEL TIME

When travel takes place for the purpose of the Services, intercontinental travel entitles the Consultant to one daily fee in each direction if a daily or hourly fee has been agreed. In addition, a full day's fee may be charged even if work has been performed only during a part of the day of arrival or departure. If a fixed fee has been agreed, time spent on intercontinental travel shall be included in the time remunerated by the fixed fee.

Time spent on travel within a country abroad for the purpose of performing the Services shall be included in the time remunerated by the daily or weekly fee.

Fees for travel time shall be considered as included in the Ceiling Amount for fees.

4.4 SURPASSING OF CEILING AMOUNTS

The Consultant shall promptly inform GWPO in writing if the Consultant foresees that the Services cannot be completed within the Ceiling Amounts. Such information shall contain a detailed budget follow-up and an account for work performed as well as thorough

analyses of additional activities needed to complete the Services. Furthermore, the Consultant shall clearly indicate the financial and other consequences if no additional funds for the Services can be made available and propose appropriate action.

The Parties shall promptly discuss the situation and agree upon action to be taken with regard to the programme/project activities and the Services.

Such agreement shall contain a new Ceiling Amount, if agreed. If no such agreement has been reached, GWPO is not obliged to pay the Consultant more than the agreed Ceiling Amount. GWPO retains the right to claim damages or fulfilment of the Consultant's undertaking according to the Contract with no extra cost to GWPO if the Consultant is in breach of section 1.1, 1.2 or 2.1 hereof. The Consultant may choose to fulfil his undertaking without any payment above the Ceiling Amounts. Otherwise the Services shall be wound up with no extra cost to GWPO.

SECTION 5 REIMBURSABLE COSTS

Unless otherwise specified in the Contract this section shall apply.

5.1 DAILY ALLOWANCES AND ACCOMMODATION

Daily allowances and accommodation for time spent abroad for the purpose of the Services shall be reimbursed in accordance with GWPO Travel Policy and Travel Regulations. The amounts are revised annually, and can be obtained from GWPO.

5.2 SERVICE TRAVEL

GWPO shall reimburse costs for service travel to and from the country where the Services are to be performed by the Personnel. Such travel shall be made by the most appropriate means of transport and the most direct, practicable route. In the case of air travel the least expensive IATA fare applicable in the circumstances shall apply. GWPO will not reimburse extra costs due to travelling first or business class or the equivalent. These provisions shall also apply to other service travel.

Costs for airport-taxes and visas will be reimbursed as well as costs for minor excess luggage for project equipment and materials.

Costs for passports, inoculation etc will not be reimbursed.

5.3 LOCAL TRAVEL

The costs for local travel for the purpose of the Services shall be reimbursed, if not otherwise provided for.

5.4 COMMUNICATIONS AND POSTAGE

The costs for international communications and postage are reimbursed, unless provided free of charge to the Consultant. A fixed amount may be agreed between the Parties.

5.5 OTHER COSTS

In the event that GWPO requests the Consultant to provide reports in more than five copies, the additional cost for producing such copies shall be borne by GWPO.

Costs which are not explicitly reimbursable shall be covered by the fee.

5.6 VALUATION OF COSTS

Actual costs of expenses specified as reimbursable and incurred by the Consultant will be reimbursed.

SECTION 6 INVOICING AND PAYMENT

6.1 INVOICING

The invoices for the Services shall be sent to the place and to the “attention” specified in the Contract and refer to the number of the Contract.

Invoices shall distinguish between fees and reimbursable costs.

All amounts debited shall refer to applicable budget items and be clearly described.

The costs shall be expressed in the currency of the original expenditure as well as in the equivalent amount in Euro.

The invoice shall contain the following information:

- name of the Bank to which GWPO shall make the payment,
- the address
- the account number,
- the account holder,
- fedwire/branch//sort code,
- IBAN number
- the SWIFT-code, and
- the currency of the account.

The Consultant shall follow GWPO’s instructions to separate costs for different sub-projects and any other instructions from GWPO regarding the presentation of items in the invoice.

Copies of vouchers regarding reimbursable costs shall be provided upon request by GWPO.

Invoices shall only cover costs incurred and fees for work performed. The invoice shall contain information about Swedish tax status and VAT number (when applicable)

6.2 VALUATION OF CURRENCIES

Whenever it is necessary for the purpose of this Contract to determine the value of any other currency in terms of Euro, such value shall be calculated on the basis of www.oanda.com interbank rate on the date of the transaction.

6.3 CURRENCY OF PAYMENT

Payments under the Contract shall be made in Euro, unless otherwise agreed in the Contract.

6.4 PAYMENT

Payments will be made to the bank account specified by the Consultant in the invoice. Payments shall clearly indicate the date and number of the invoices to which such payments refer.

GWPO may withhold payment of the last invoice or ten per cent of the total fees under the Contract until GWPO has approved the satisfactory execution of the Services. GWPO shall, within two months, approve the satisfactory execution of the Services or give its reasons for withholding such approval.

GWPO is entitled to corrections of errors discovered by inspection of the Consultant's books and records irrespective of the time elapsed since the invoice was presented to GWPO.

If the Consultant has received payment and the Consultant according to the above shall repay or credit part or all of the amounts, GWPO is entitled to demand interest on such amount.

SECTION 7 GENERAL PROVISIONS

7.1 SECRECY

The Consultant shall ensure that his Personnel, sub-consultants and their personnel respect the restrictions laid down by GWPO regarding secret and confidential information.

7.2 RECORDS

The Consultant shall keep and file accurate and systematic records and accounts per project/contract in respect of the Services in such form and detail as is customary and as shall be sufficient to establish that the reimbursable costs charged for the Services and costs for procurement for the project have been duly incurred. Time spent by the Personnel on the Services shall be recorded.

The Consultant shall permit the duly authorised representative of GWPO to inspect the Consultant's records and accounts relating to the Services from time to time.

7.3 OWNERSHIP OF WORK/COPYRIGHT

Design documents, specifications, reports and all relevant data such as maps, diagrams, plans, statistics and supporting records and materials compiled or prepared in the course of the Services shall be the property of GWPO with the right to transfer the Copyright, unless otherwise decided by GWPO. Such documentation shall be sorted and indexed by the Consultant prior to delivery to GWPO. The Consultant may retain a copy thereof, provided, however, that such copy shall not be used by the Consultant for purposes unrelated to the Contract without the approval of GWPO.

Before termination of this Contract the Parties shall agree upon the final destination of documents and data according to this sub-section.

Two copies of any training materials, manuals, curricula and other materials compiled or prepared for training purposes in the course of the Services shall always be sent to GWPO in Stockholm. GWPO shall be entitled to use such material as it may decide for any purpose related to its operations.

This licence for GWPO to use the material includes the right to reproduce, publish or sell such material designated as copyrighted. In cases where the copyright of material referred to in this sub-section rests elsewhere than with the Consultant, the Consultant

shall be responsible for securing the approval of the holder of the copyright for the transfer of this right to GWPO. The Consultant shall hold GWPO harmless against any claims for infringement of copyright.

In cases where material and documents referred to in this sub-section are computerized, the stipulations stated above shall apply to computer disks.

GWPO shall have the right to use source programmes and documentation on database design and programmes structure if the Consultant is entitled to transfer such right. In all cases the Consultant shall transfer to GWPO as much copyright and licence as he is in a legal position to transfer. At an early stage of the performance of the Services he shall discuss such copyright matters with GWPO.

7.4 APPROVALS, NOTICES OR REQUESTS

Approvals and agreements including amendments under the Contract shall be immediately confirmed in writing.

Any notice or request required or permitted to be given or made under the Contract shall be in writing in the language stipulated for the Contract. Such notice or request shall be deemed to be duly given or made when it has been delivered by hand, mail or cable to the Party to which it is required to be given or made at such Party's address as specified in the Contract, or at any other address as either Party may specify in writing.

7.5 EVALUATION

GWPO carries out evaluations of project performance including the performance of Services by Consultants. The Consultant undertakes to co-operate with GWPO for such evaluations during and after the execution of the Services.

SECTION 8 TERMINATION OF THE CONTRACT

8.1 TERMINATION BY GWPO

- a) If a default in the performance of the Services or in any other undertaking by the Consultant under the Contract occurs, GWPO may, by written notice to the Consultant, terminate the Contract with immediate effect.
- b) If GWPO, for overriding considerations outside the contractual relationship between the Parties, finds it necessary to terminate the Contract in whole or in part, GWPO may do so with immediate effect.
- c) In any event, GWPO may terminate the Contract, in whole or in part, within thirty days by giving written notice to the Consultant.

8.2 TERMINATION BY THE CONSULTANT

The Consultant may terminate the Contract by giving written notice to GWPO:

- a) If payment has not been made within thirty days of the due date and no correction has been made within thirty days of the Consultant's written notice to this effect;
- b) In the event that (i) circumstances arise which prevent the Consultant from carrying out the Consultant's duties, (ii) the Consultant has made every effort to

surmount such circumstances, (iii) a meeting with GWPO has been held in order to find a solution for surmounting such circumstances, and (iv) not less than thirty days have elapsed following such a meeting.

The Consultant's notice of termination shall specify the date of termination, which shall be not less than thirty days from the date of serving such notice.

8.3 WINDING-UP THE SERVICES

- a) Upon termination of the Contract under sub-section 8.1., the Consultant shall take immediate steps to terminate the Services in a prompt and orderly manner, and to reduce losses and to keep further costs to a minimum.
- b) Upon termination of the Contract (unless such termination shall have been occasioned by the default of the Consultant), the Consultant shall be entitled to reimbursement in full for fees and reimbursable costs as shall have been duly incurred prior to the date of the termination of the Services.
- c) Claims for remuneration according to b) above shall be presented to GWPO not later than three months after the expiry of the Contract, or as otherwise agreed before that date.

SECTION 9 SETTLEMENT OF DISPUTES

Should any dispute of difference, which cannot be settled amicably, arise regarding the meaning and/or interpretation of the provision of the Contract or relating to the rights and obligations of any of the Parties, or their successors in title, such dispute or difference shall be submitted to and determined by arbitration in the following manner:

- a) The arbitration shall be held in accordance with the Rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce;
- b) The arbitration shall be conducted by one arbitrator which, failing agreement between the Parties on the nomination of the arbitrator shall be appointed by the Stockholm Chamber of Commerce;
- c) The decision of the arbitrator shall be final and binding on the Parties;
- d) The arbitration shall be held in Stockholm, Sweden in the English language.

Each Party hereby warrants that there exists no provision in law according to which the above arbitration clause would not be binding on such Party.