Appendix 3

GENERAL CONDITIONS FOR FRAMEWORK AGREEMENTS, 2002

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§ 1 APPLICABILITY

Unless otherwise agreed by the Parties, these conditions shall apply to Framework Agreements with Sida.

§ 2 DEFINITIONS

All words and expressions in these conditions shall be interpreted in accordance with the definitions given in the Framework Agreement that referring to the conditions.

§ 3 THE ASSIGNMENT

3.1 Performance

The Consultant shall carry out the Assignment in accordance with the Framework Agreement and the Call-off Order referring to the Assignment. The Consultant shall provide such qualified and experienced Personnel as are required to carry out the Assignment, exercise all reasonable skill, care and diligence in the performance and carry out all responsibilities in accordance with recognised professional standards. During the term of the Framework Agreement, the Consultant may not engage itself in activities nor have any financial or other interests that may reduce Sida's confidence in the Consultant's performance of the Services. The Consultant may not enter into agreements on behalf of Sida, or in any other way represent Sida, or act as if they were representing Sida.

Unless otherwise agreed between the parties, the Assignment shall include that the Consultant obtains the opinions, approvals and permits necessary in order to perform the Assignment in accordance with applicable law.

3.2 Personnel

The Consultant is not entitled to replace any Personnel stated in the Framework Agreement without prior approval of Sida. However, if any Personnel are unable, for any reason, to perform the Services or carry out the Assignment or part thereof, the Consultant shall, with no costs for Sida, immediately provide as a replacement a person with equivalent qualifications and experience.

§ 4 SUBCONSULTANTS

The Consultant may not engage any subconsultant without Sida's written consent. If a subconsultant is engaged, the Consultant shall be liable for the subconsultant's work as for its own. Unless otherwise agreed between the parties, the Consultant shall be liable for payments to any subconsultants.

The Consultant undertakes, in the agreement with any subconsultant, to reserve Sida's rights according to § 9.3 below. The Consultant warrants that any subconsultant holds insurance according to § 7.5 below.

Unless otherwise agreed by the parties, the Consultant shall not be entitled to remuneration for administrative expenses for the engagement of subconsultants.

§ 5 FEES AND REIMBURSABLE COSTS

The Consultant is only entitled to payment for time actually worked and only for personnel stated in the Call-off Order.

The fee shall be calculated by the hour. If work is based on weeks or months, one week shall be equivalent to 40 hours and one month to 160 hours.

Unless otherwise agreed between the parties the Consultant is not entitled to payment for additional hours or work outside normal office hours.

The Consultant is not entitled to any fees for time spent on travel.

The Consultant is only entitled to costs incurred by the Consultant. Costs which are not explicitly reimbursable according to the Framework Agreement and/or the Call-off Order and the budget regarding the Assignment shall not be reimbursed but are included in the fee.

The Consultant shall be entitled to reimbursement for business travel within Sweden in accordance with the terms applicable to civil servants in general (*Allmänt löne- och förmånsavtal*¹, *ALFA*, in the wording applicable

¹An agreement on salary levels and employment conditions, between the Swedish Agency for government employers and the main unions OFR/S/P/O, SACO-S and SEKO.

from time to time). Unless otherwise agreed by the parties, the Consultant shall only be entitled to reimbursement for the least expensive means of travel and reasonable accommodation costs.

§ 6 INVOICING AND PAYMENT

The Consultant shall send Sida an original of the invoice. The invoice shall be addressed to the contact for the Assignment.

The invoice shall contain the following: amount excl. VAT, VAT, type of service performed, whether the service was performed by the Consultant or a subconsultant, number of hours worked, name of person who performed the service, account to which payment is to be made, contract number of Framework Agreement, decision number of Call-off Order, date and number of invoice, Consultant's company registration number and VAT number.

Reimbursable expenses shall be given in Swedish kronor, itemised with references to the budget and attested by copies of original receipts.

The Consultant's invoicing shall be verifiable by means of time reporting and bookkeeping. Sida shall be entitled to inspect such documents of the Consultant as are required for making an assessment of the Consultant's invoicing.

Sida shall pay invoices within thirty days of the date the invoice was issued (fakturadatum). If the payment relates to remuneration for persons subject to SINK tax or holding an A-tax certificate, Sida shall, subject to the invoice being received no later than the first of each month, pay the invoice no later than on the twenty-fifth of the same month.

§ 7 LIABILITY AND INSURANCE

7.1 Consultant's Liability

The Consultant shall be liable for damage caused to Sida by the Consultant or subconsultants engaged by the Consultant.

7.2 Sida's Liability

Sida is only liable for damages in case of gross negligence or wilful misconduct. Sida shall not be liable for indirect losses such as, but not limited to, loss of profit.

7.3 Remedy

The Consultant shall, upon Sida's written request, at its own expense, remedy any defects of the Assignment within thirty days of Sida's request.

If the defect is not remedied within the aforementioned time, Sida shall be entitled to a reasonable price reduction. Sida's right to price reduction does not deprive Sida from its right to claim damages and to take other measures due to the defect of the Assignment.

7.4 Damages

Each party shall inform the other party in writing of any claim for damages within six months after the party became aware of the damage and in no case later than three years after the expiry of the Framework Agreement.

However, the time limitations stated above do not apply in case of gross negligence or wilful misconduct.

7.5 Insurance

The Consultant shall take out a consultancy liability insurance, which, during the term of the Framework Agreement, shall cover the Consultants liability (see Framework Agreement § 6). If so requested by Sida, the Consultant shall furnish proof of the existence of such liability insurance.

§ 8 PENALTY FOR DELAY

Upon delay of all, or a substantial part of the Assignment, the Consultant shall pay a penalty of one per cent of the total amount, as stated in the Call-off Order referring to the Assignment, for every commenced second week that the Assignment is delayed, unless such delay is beyond the control of the Consultant. If the delay continues for more than two months, the penalty shall be one per cent for every commenced week that the Assignment is delayed.

The article on Limitation of Liability in the Contract does not include any penalty for delay.

Sida shall inform the Consultant in writing of any penalty claim at the latest six months after the delay took place.

The payment of penalty does not deprive Sida from its right to claim damages and to take other measures due to the delay.

§ 9 GENERAL PROVISIONS

9.1 Duty to Inform

Each Party shall promptly inform the other Party of any event or situation, which may cause changes or delays in meeting the undertakings agreed between the Parties.

9.2 Confidentiality

The Consultant undertakes to respect and abide by the Swedish Secrecy Act (Sekretesslagen1980:100) in applicable parts.

The Consultant undertakes to adhere to Sida's instructions regarding handling of information.

9.3 Intellectual Property, etc.

Unless otherwise agreed between the Parties, Sida shall be the sole owner of all work, materials and results which have been used or accrued through the performance of the Assignment (hereinafter referred to as the Result). The ownership does not embrace development tools and methods which have been used in the performance of the Assignment and which are owned by the Consultant or a third party. Sida shall be the sole owner of any copyright, patent rights and other industrial and intellectual property rights connected with the Result. Sida is entitled to carry out alterations, modify and transfer the Result.

The Consultant is not entitled, without the prior written approval of Sida to use the Result.

The Consultant shall be liable for the Results not infringing the rights of others (e.g. copyright, patents, and rights over trademarks, etc). The Consultant shall be liable for damages and other expenses incurred by Sida through claims arising from infringements of the rights of others. The foregoing shall apply even when the Framework Agreement has ceased to be in force. Sida shall immediately inform the Consultant if any infringement claim is raised against Sida.

Any supporting documents handed over to the Consultant by Sida or which belong to a third party, shall, as the case may be, remain the property of Sida, or the third party.

9.4 Documentation

The Consultant shall keep and file documents, records and other relevant information relating to the Assignment in a secure manner.

9.5 Evaluation

Sida shall be entitled to carry out evaluations of the performance of the Assignment. The Consultant undertakes, in exchange for reasonable reimbursement, to co-operate with Sida for such evaluations during and after the execution of the Assignment.

9.6 Assignment of Rights and Duties

The Consultant may not assign rights or duties under the Framework Agreement without written approval of Sida.

9.7 Communications

All communications between the Parties shall be deemed to have reached the recipient

- a) if delivered by hand, the same day,
- b) if sent by e-mail, on the day of dispatch of a confirming fax (provided there is a receipt confirming the fax-transmission) or a confirming letter sent by mail,
- c) if sent by fax, the day of dispatch (provided there is a receipt confirming the fax-transmission),
- d) if sent by mail, the day after dispatch.

Requests § 7.3 and claims as provided by § 7.4 and § 8 above as well as cancellations as provided by § 10.1 and notice of termination as provided by §10.2 below shall always be sent by mail.

If a change of address takes place, the Parties shall immediately inform one another thereof in writing.

9.8 Bribery

It is a criminal offence for any person intentionally to offer, promise or give any undue pecuniary or other advantage, whether directly or through intermediaries, to a foreign public official, for that official or for a third party, in order to obtain or retain business or other improper advantage in the conduct of international business.

Complicity in, including incitement, aiding and abetting, attempt, conspiracy and authorization of an act of bribery of a foreign public official is also a criminal offence.

The bribery of a foreign public official shall be punishable by effective, proportionate and dissuasive criminal penalties.

"Foreign public official"

- 1. Any person holding a legislative, administrative or judicial office of a foreign country whether appointed or elected.
- 2. Any person exercising a public function for a foreign country, including for a public agency or public enterprise.
- 3. Any official or agent of a public international organization.

"Foreign Country"

1. All levels and subdivisions of government, from national to local.

"Act or refrain from acting in relation to the performance of official duties"

1. Includes any use of the public official's position, whether or not within the official authorized competence.

§ 10 CANCELLATION AND TERMINATION

10.1 Cancellation

Sida shall, with 30 days written notice, be entitled to cancel such parts of the Assignment as have not yet been carried out. In the event of cancellation, the Consultant shall be entitled to reimbursement for work done, costs incurred and all reasonable costs for terminating the Assignment. The reimbursement for reasonable costs shall be limited to a sum corresponding to that for fifteen working days.

On cancellation, the Consultant shall immediately take measures to close down the Assignment at the least possible cost.

The Consultant shall, in order not to forfeit its rights, inform Sida in writing of any claim for reimbursement no later than two months after the cancellation being received by the Consultant.

10.2 Termination

Sida shall be entitled to terminate the Framework Agreement, including any Call-off Order relating to an Assignment in progress, if one or more of the situations below exist:

- (a) If the Assignment in whole or in certain parts is delayed by more than four weeks and such delay is of material importance to Sida, or
- (b) the Consultant becomes bankrupt, enters into an agreement with its creditors for relief of debt, suspends its payments, goes into liquidation or becomes the object of insolvent administration by reason of which it is unable to perform the Services and is also unable to provide satisfactory security for performance thereof, or
- (c) the Consultant is convicted of a crime relating to its profession by a legally binding a decision or, if no such decision exists, it is in the judgement of Sida likely that the decision will become legally binding or that the decision will not be revised in a higher court, or
- (d) the Consultant has not fulfilled obligations in respect of social security fees or taxes, or
- (e) before or after signature of the Framework Agreement, the Consultant failed to provide information about the company that is objectively of material importance for the creation of or the applicability of the Framework Agreement. The same shall apply if the Consultant fails to provide information, which it is liable to provide to Sida under the Framework Agreement, or if such information is incorrect.

In addition to what is stated above, the Parties shall also be entitled to terminate the Framework Agreement, including any Call-off Order relating to any Assignment in progress, if the other party is in material breach of contract and does not rectify the situation within thirty days of a written request to do so.

In the event of termination of the Framework Agreement, the terminating party shall be entitled to indemnification.

In the event of cancellation or termination, the Consultant shall immediately hand over the Results (see § 9.3 above) to Sida. Sida shall be entitled to use the Results in the same manner as if the Assignment had been completed.

§ 11 SETTLEMENT OF DISPUTES

The Framework Agreement shall be governed by the substantive laws of Sweden without regard to its conflict of law rules. Any dispute arising out of the Framework Agreement shall be finally settled by the Swedish Court of law.