



**Lusaka**  
Counsellor / Head of Administration  
Gunnel Gomez  
+260 211 426 100  
gunnel.gomez@gov.se

## GENERAL CONDITIONS FOR FRAMEWORK AGREEMENT

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## § 1 SCOPE AND APPLICABILITY

These general conditions apply to contracts for services and to the supply of goods, if the supply of goods does not represent the major part of the Contractor's obligation.

Unless otherwise agreed by the Parties, these conditions shall apply to the Framework Agreement with the Embassy.

## § 2 DEFINITIONS

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

## § 3 THE ASSIGNMENT

### **3.1 Performance**

The Contractor shall carry out the Assignment in accordance with the Framework Agreement and the requests made for adhoc Assignments. The Contractor shall provide such qualified and experienced Personnel as are required to carry out the Assignments, 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 Contractor shall not engage itself in activities nor have any financial or other interests that may reduce the Embassy's confidence in the Contractor's performance of the Services. The Contractor shall not enter into agreements on behalf of the Embassy, or in any other way represent The Embassy, or act as if they were representing The Embassy.

Unless otherwise agreed between the parties, the Assignment shall include that the Contractor obtains the opinions, approvals and

permits necessary in order to perform the Assignment in accordance with applicable law.

### **3.2 Personnel**

When the Embassy and the Contractor have agreed that specific personnel are to be used to perform a service, the personnel may not be replaced without the Embassy's written consent. The Contractor is responsible for expenses and time involved in changing personnel.

However, if any Personnel are unable, for any reason, to perform the Services or carry out the Assignment or part thereof, the Contractor shall, with no costs for The Embassy, immediately provide as a replacement a person with equivalent qualifications and experience.

### **§ 4 SUBCONTRACTORS**

The Contractor may not engage any subcontractor without prior written approval from the Embassy.

If a subcontractor or parties other than the Contractor's personnel is engaged, it is the responsibility of the Contractor to ensure that all the commitments under this agreement are fulfilled by the party actually performing the service and the Contractor shall be liable for the subcontractor's work as though it was its own. Unless otherwise agreed between the parties, the Contractor shall be liable for payments to any subcontractors.

The Contractor undertakes, in the agreement with any subcontractor, to reserve the Embassy's rights according to § 7.3 below. The Contractor warrants that any subcontractor holds insurance according to § 7.5 below.

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

## **§ 5 FEES AND REIMBURSABLE COSTS**

The Embassy will not pay any fees or costs beyond those explicitly specified in the framework agreement.

The Contractor is only entitled to payment for time actually worked and only for services stated in the request for adhoc services.

The fee shall be calculated by the hour for adhoc services.

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

The Contractor is only entitled to costs incurred by the Contractor. Costs which are not explicitly reimbursable according to the Framework Agreement and/or the request for adhoc services and the budget regarding the Assignment shall not be reimbursed but are included in the fee.

## **§ 6 INVOICING AND PAYMENT**

The Embassy shall pay invoices monthly in arrears. The payments will be made within thirty days from the date the invoice was issued (invoice date).

The final invoice must have been received by the Embassy no later than three months after the service has been completed. Demands made later do not entail the right to compensation.

The Contractor shall send to The Embassy an original 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 Contractor or a subcontractor, number of hours worked, account to which payment is to be made, agreement number of Framework Agreement, date and number of invoice, Contractor's company registration number and VAT number.

The Contractor's invoicing shall be verifiable by means of time reporting system and bookkeeping. The Embassy shall be entitled to inspect such documents of the Contractor as are required for assessing the Contractor's invoicing.

Where the assignment involves the supply of security equipment, unless the parties have agreed otherwise, delivery is to be included in the price agreed. Delivery must be made at the time or within the time frame specified in the contract. If no delivery time has been agreed, the goods must be delivered within a reasonable time following purchase or call-off order.

Delivery must not be made earlier than agreed without the approval of the Embassy.

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

No invoicing charges or equivalent may be charged. Reminder fees may be charged. However, reminder fees will not be paid for invoices that, according to law or this agreement, are incomplete or incorrectly addressed.

Payment of invoices does not in itself mean that the Embassy has refrained from claiming compensation for delayed or defective services.

## **§ 7 LIABILITY AND INSURANCE**

### **7.1 Contractor's Liability**

The Contractor shall be liable for damage caused to The Embassy by the Contractor or subcontractors engaged by the Contractor.

### **7.2 The Embassy's Liability**

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

### **7.3. Defects in the service and Remedy**

The service is considered defective if:

- a. the service or the result of the service does not meet the requirements set in the agreement or the call-off order concerning the service or the result of the service;

- b. the result deviates from information relevant to evaluating the service's nature or suitability and can be assumed to have had an influence on the agreement and was provided by the Contractor when entering into the agreement or otherwise in marketing; or
- c. the Contractor has otherwise neglected, before entering into the contract, to inform the Embassy of a matter concerning the service's nature or suitability that the Contractor knew about or should have known about and which the Contractor realised or should have realised was of importance to the Embassy.

The Contractor shall, upon the Embassy's written request, at its own expense, remedy any defects of the assignment within thirty days of the Embassy's request.

In the event that the defect on the part of the Contractor is not remedied within the aforementioned time, the Embassy may withhold payment that has not yet been made. In addition, the Embassy may also demand a discount or price reduction. The Contractor must compensate the Embassy for direct damages suffered because of defects on the part of the Contractor.

The Embassy's right to price reduction or discount does not deprive the Embassy 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 six 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 Contractor shall take out a liability insurance, which, during the term of the Framework Agreement, shall cover the Contractors liability (see Framework Agreement § 6). If so requested by The Embassy, the Contractor shall furnish proof of the existence of such liability insurance.

## **§ 8 PENALTY FOR DELAY ON THE PART OF THE CONTRACTOR**

Delay on the part of the Contractor occurs where all or part of the service, without the Embassy in any way being at fault, has not been performed within the agreed time frame or, if no time frame has been agreed, within the time that is reasonable with consideration to what is normal for a service of a similar nature and scope.

Delay on the part of the Contractor also occurs where the Contractor does not observe the agreed time for initiating the service or for the progression of the work.

In the event of a delay on the part of the Contractor, the Embassy may penalise them by withholding a payment that has not yet been made. In addition, the Embassy may demand that the Contractor perform the service. The Contractor must compensate the Embassy for direct damages that it has suffered because of a delay on the part of the Contractor.



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

The Embassy shall inform the Contractor in writing of any penalty imposed at the latest six months after the delay took place.

The imposition of a penalty on the Contractor does not deprive the Embassy 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 Contractor undertakes not to disclose information to which they have gained access when performing the service without the written consent of the Embassy. The same applies to information that the Contractor has compiled on behalf of the Embassy.

The Contractor shall inform its employees of the duty of confidentiality. The Embassy has the right to request that employees confirm in writing that they have been informed of their duty of confidentiality.

Professional confidentiality applies even after the service has been completed and the agreement has ceased to apply.

Professional confidentiality does not apply if there exists an obligation by law or other statute for the Contractor to disclose information. Nor does professional confidentiality apply concerning information that is common knowledge

The Contractor undertakes to adhere to the Embassy's instructions regarding handling of information.

### **9.3 Documentation**

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

### **9.4 Evaluation**

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

### **9.5 Transfer of the agreement, assignment of rights and duties**

Neither party has the right to transfer this contract, or rights or responsibilities under this contract, to a third party without the prior written approval of the other party. This also applies to a transfer of the right to invoice.

### **9.6 Changes to the agreement**

Changes and additions to this agreement are to be made in writing and must be signed by both parties to be valid.

### **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 and a confirmation of receipt of e-mail is received.

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 e-mail and in addition, be hand delivered to the Embassy.

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

### **9.8 Security**

When on the Embassy premises, the Contractor's personnel must comply with the existing regulations regarding safety and security at the Embassy.

The Contractor's personnel may only be present on areas within the Embassy premises where such presence is necessary for the performance of the service.

The Contractor accepts that the Embassy may carry out police record checks. The Contractor must change the personnel if the check warrants such action. The Contractor and the personnel concerned must provide the consent required for checks to be carried out.

### **9.9 Use of the Embassy for marketing purposes**

The Contractor shall not use the Embassy's name for marketing purposes without first obtaining prior written consent of the Embassy. This provision applies even when the agreement has otherwise ceased to apply.

## **10. Conflict of interests**

The Contractor must report to the Embassy, in writing and without delay, any circumstances that may give rise to a conflict of interests or similar for the Contractor.

### **10.1 Bribery and Anti-Corruption**

The Anti-Corruption Act ... 2009, Laws of Zambia, criminalises Bribery, Corruption, Influence peddling, Abuse of Office, Nepotism, and other like offences. Complicity in, including incitement, aiding and abetting, attempt, conspiracy and authorization of such offences also amounts to a criminal offence.

The Embassy shall use its best endeavours to prevent bribery and corruption in its work with all service providers.

## **§ 10 CANCELLATION AND TERMINATION**

### **10.1 Cancellation**

A party has the right to cancel the agreement if:

- a. the other party disregards terms in the agreement that are of major importance to the opposite party, or
- b. the other party violates the terms of the agreement on repeated occasions, even if each single violation is not of major importance.

If one party cancels the agreement in accordance with this clause, the other party is obliged to compensate the direct damages incurred by the cancelling party because of the cancellation.

The Embassy shall, subject to 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 Contractor 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 Contractor shall immediately take measures to close the Assignment at the least possible cost.

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

## **10.2 Termination**

The Embassy shall be entitled to terminate the Framework Agreement, including any Call-off Order requesting for adhoc services

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 the Embassy, or
- b) the Contractor 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 because of which it is unable to perform the Services and is also unable to provide satisfactory security for performance thereof, or
- c) the Contractor 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 The Embassy likely that the decision will become legally binding or that the decision will not be revised in a higher court, or
- d) the Contractor has not fulfilled obligations in respect of social security fees or taxes, or
- e) a court of law or other government authority finds in a judgment or a decision that the Contractor has not complied with the Discrimination Act (2008:567), or
- f) the Contractor otherwise acts in such a manner that it would be objectionable in the eyes of the public for the Embassy to fulfil the contract, or
- g) the Contractor breaches the agreement on repeated occasions, or
- h) before or after signature of the Framework Agreement, the Contractor 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 Contractor fails to provide information, which it is liable to provide to The Embassy 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 agreement 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.

#### **§ 11. GROUNDS FOR EXEMPTION**

A party shall be exempt from fulfilling its obligations under the agreement if such fulfilment is hindered or unreasonably impeded because of events beyond the control of the party, and if it was not possible to foresee the event at the time of concluding the agreement and if its consequences could not reasonably have been avoided or overcome.

Among those events considered to be beyond the control of the party are labour disputes, natural disaster, fire, war, mobilisation, unforeseen large-scale military call-ups, terrorist acts, requisition, confiscation, uprisings and riots if the party or a sub-contractor to the party, in or outside Sweden, is affected by the event. Labour disputes due to failure by the party to comply with rules and principles in force or otherwise currently in practice on the labour market are not to be considered events beyond the control of the party.

If there are grounds for exemption due to an event affecting a subcontractor, the Contractor is required to use a different subcontractor where possible.

A party is required to immediately inform the other party in writing should any such event occur that hinders or unreasonably impedes that party's performance of contractual obligations. A party must inform the other party of an estimated date of performance. During the period that grounds for exemption exist, the Embassy has the right to contact another Contractor. The party concerned is obliged to immediately perform contractual undertakings when the circumstances causing the grounds for exemption no longer exist.

If either party has invoked grounds for exemption and such grounds have existed for more than two months, either party may make a written request for the immediate cancellation of the agreement.

## **§ 12 SETTLEMENT OF DISPUTES**

Any dispute, controversy or claim arising out of or in connection with this contract, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce.

The arbitral tribunal shall be composed of a sole arbitrator.

The seat of arbitration shall be Zambia.

The language of the arbitration shall be English

This contract shall be governed by the substantive law of Zambia.



