

Contract for Architectural and Engineering Services

A23

The

**Deutsche Gesellschaft für
Internationale Zusammenarbeit
(GIZ) GmbH
Dag-Hammarskjöld-Weg 1 – 5
D-65760 Eschborn
Federal Republic of Germany**

- hereinafter referred to as the -
- **"Employer"** -

and

SRL Arhideea Grup

- hereinafter referred to as the -
- **"Contractor"** -

herewith enter into the following Contract

for the Project: Management of Planning & Construction
of a Training Center for Service Dog handlers and service dogs in Chisinau,
Republic of Moldova

Country: Republic of Moldova

For correspondence (Please quote on all correspondence and invoices)

Contract No. (Cosoft No.): 83498944

Project Processing No.: 24.9017.5-001.00

Date: 13/11/2025

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1 Scope of Services

In order to achieve the construction works of

Refurbishment of the K9-Unit for the General Border Police, Chisinau Moldova

Management of planning and construction of a training centre for service dog handlers and service dogs in Chisinau, Moldova

the Contractor shall perform the services according to the Terms of Reference (Annex 1) and the stipulations in the subsequent clauses outlined hereinafter.

2 Two Phases of Contract

2.1 By signing this contract, the Employer commissions the Contractor with the services pursuant to Section 3 (Phase 1) only.

2.2 In case of execution of the construction works, the Employer has the option to commission the Contractor with the task of author supervision as described under Section 4 (Phase 2).

The Contractor shall be obliged to provide the relevant services/results if the Employer exercises the option within 12 months after acceptance of the results of the previous Phase 1.

The Contractor shall have no legal claim for the assignment of services for Phase 2.

2.3 The assignment for Phase 2 pursuant to Sub-Sections 2.2 shall be made in writing.

2.4 The Employer reserves the right to limit the assignment to individual services of Phase 2.

2.5 The Contractor cannot derive any increase in remuneration from the limitation of assignment to individual services of Phase 2.

The Contractor shall not have the right to claim any remuneration for individual services that are not commissioned in writing by the Employer.

3 Phase 1 (Preparation of the Documents for Building Permission and Construction)

Within this phase the Contractor shall execute the following services according to ToR:

3.1 Establishing whether cadastral maps, surveyors' plans, soil investigations or other documents of the building site exist. If not, or if the existing documents do not suffice, procurement of appropriate tenders shall be prepared, and the assignment shall be

ensured after prior written approval by the Employer. Costs arising out of this procurement shall be paid as reimbursable expenditures in addition to the remuneration as laid out in Section 7.

- 3.1.a Optional position; applicable for refurbishment, renovation and/or reconstruction works: Assessment of existing infrastructure or building; verification of existing plans and other documents including the original structural calculation, if available. If relevant documents are not available taking measurements of existing infrastructure and

elaborating the corresponding drawings for further planning is part of the assignment. The Contractor is responsible for using correct measurements and shall not rely on existing plans without verifying them.

3.2 Preliminary design / Phase 1A

- 3.2.1 Sketching of a preliminary design and a site layout plan in a suitable scale, including outdoor facilities, State boundaries and neighbouring infrastructures.

- 3.2.2 Preparation of preliminary design plans for the buildings and outdoor facilities on a scale to be agreed with the Employer of 1:200 or 1:100 or 1:500.

- 3.2.3 Preparation of an explanatory report for the buildings and outdoor facilities with photos (if possible).

- 3.2.4 Preparation of a cost estimate for the buildings and outdoor facilities

- Prove of land title
- Necessary expert opinions (e.g. soil survey)

- 3.3 Obtaining of building permission and other permits required for the execution of the works

- 3.4 Preparation of the final design plans for construction / Phase 1B.

- 3.4.1 Architectural design planning:

- (1) Layout plan on a scale of 1:500* or 1:200*,
- (2) Floor-plans, sections and elevations for all buildings and/or structures on a scale of 1:100*,
- (3) Plans for the outdoor facilities on a suitable scale.

- 3.4.2 Preparation of the working drawings on a scale of 1:50*, important details on a scale of 1:10, 1:5 or 1:1 and all outdoor facilities on a suitable scale.

- 3.4.3 Structural planning:

- (1) Elaboration of the structural analysis suitable for review and approval
- (2) Preparation of reinforcement plans and/or plans for structural steel works as supplement to the working drawings pursuant to Section 3.4.2.

* unless a different scale has been agreed upon.



- 3.4.4 Planning of mechanical, electrical and sanitary and/or other installations:
- (1) Determination of technical requirements and output values.
 - (2) Dimensioning of all equipment and parts of installations.
 - (3) Pertaining drawings on a scale of 1:100.
 - (4) Determination of pipe channels and openings in walls, ceilings and floors.
 - (5) Working and detail drawings on a scale to be agreed with the Employer.
- 3.5 Services for the award of construction contract according to the Employer's instructions
- 3.5.1 Compilation of the specifications with technical preface.
 - 3.5.2 Calculation of quantities and preparation of the Bill of Quantities.
 - 3.5.3 Calculation of a priced Bill of Quantity as cost estimate.
 - 3.5.4 Suggestion of building contractors to be invited to tender (preparation of short list).
 - 3.5.5 Supporting of the tendering process, if instructed to do so by the Employer.
 - 3.5.6 Evaluation of the Tenders received, including a price comparison between all Tenders on the level of individual positions and elaboration of a proposal for the award of contract.
 - 3.5.7 Conducting of or supporting in contract negotiations, if requested by the Employer.

4 Phase 2 (Author-Supervision)

- 4.1 It is anticipated that the Contractor shall supervise all construction works **for 10 months.**

The beginning and the end of the period of assignment shall be stipulated in writing when the Contractor is commissioned with Phase 2 according to Sub-Section 2.2. – 2.5.

- 4.2 The Contractor shall carry out all engineering and author supervision functions and duties in accordance with the contractual provisions made between the Employer and the construction company.

Without claim of completeness, these functions and duties are as follows:

- 4.3 Technical Services

- 4.3.1 Due and proper author supervision of the execution of the construction, mechanical, electrical, sanitary and/or other installation works, to ensure that they conform with the specifications and drawings, the recognized engineering principles and all applicable regulations.



- 4.3.2 Provide technical advice and necessary support to all personnel assigned to and engaged with the execution of the project.
- 4.3.3 Examination and approval or rejection of materials for construction work supplied by the construction company/companies.
- 4.3.4 Amending of the working drawings in accordance with the actual execution of the works (see paragraph 5.2.2: as-built drawings).
- 4.3.5 Technical inspection of the execution of the structure to ensure that it conforms with the approved structural documents.
- 4.3.6 Inspection of concrete production and processing at the building site and evaluation of quality controls.
- 4.3.7 Follow-up of the working progress schedule provided by the construction company or, if not available, own compilation of a suitable programme (e.g. bar chart) which has to be agreed to and signed by the construction company.
- 4.3.8 Joint measurements of the work in place with the construction company. This includes the preparation of special intermediate measurement records for works that cannot be measured after the construction work has been completed. All measurements shall be confirmed in writing by the construction company and the Resident Engineer.

(This provision is not applicable for lump sum construction contracts)
- 4.3.9 Preparation of and participation in taking-over procedures by the Employer (Taking-Over Certificate).
- 4.3.10 Participation in the handing-over of the completed project, compilation and handing over of the necessary documents; independent handing over and drawing up of the handing-over certificate to the project executing agency/beneficiary, if instructed to do so by the Employer (Handing Over Certificate).
- 4.3.11 Inspections during the construction companies defects liability period and author supervision of rectification of any faults and defects that may occur.
- 4.4 Commercial Services connected with the construction
 - 4.4.1 Checking and, if necessary, correction of invoices, reports, lists, etc. of the construction company within the periods stipulated in the contract between the Employer and the construction company. Calculations of quantities, accounting files and cost calculations shall be checked for technical and arithmetical accuracy and certified by date and signature. In order to show that this has been done, the Contractor shall tick all correct values and amounts reported.
 - 4.4.2 Examination of new prices for additional or amended services to ensure that they are in line with the cost estimate of the original tender as well as the current local price structure.
- 4.5 Assignment of Personnel for Site Supervision
 - 4.5.1 In order to supervise the construction work, the Contractor shall assign the following personnel **for 10 months**.

- 1) Nicolae Petrov – Resident Engineer
- 2) Grigore Vascan – Quantity Surveyor
- 3) Petru Popa – Construction Engineer
- 4) Iurie Pascari – Internal/External Electricity Networks Specialist
- 5) Alexandru Slivco – Water supply and Sewerage Expert

Any change of assigned personnel requires prior written approval of the Employer.

4.6 Reports

4.6.1 The Contractor shall submit

- mid-term report on the progress of construction which should include), photographs and other relevant data as well as details on completed work, percentage of completion as well as occurred changes.
- a final report one months after completion and taking-over of the construction works, comprising:
 - a brief description of the progress of the entire project from planning to taking-over or handing-over, comments about the construction period, listing major problems encountered during construction and how these were solved.

4.6.2 Special reports shall be forwarded to the Employer immediately in case of important incidents or circumstances that may occur. Each such report shall include in particular events and circumstances that may establish or raise claims against the construction company commissioned with the execution of the construction works.

4.6.3 All reports shall be submitted to the Employer in English language as an electronic file.

5 Documentation

5.1 All documents shall clearly indicate that they were produced on behalf of the Employer. The Employer shall approve the title block of the drawings. All documents shall be drawn up in English language.

5.2 The Contractor shall provide the following number of files:

5.2.1 Phase 1 :

Documents for Building Permission pursuant to Section 3.2.2 to 3.2.4 and 3.3

1 electronic file / 5 hard copies

Architectural design plans pursuant to Section 3.4.1 (tender drawings)

1 electronic file / 5 hard copies

	Working drawings, structural analysis, reinforcement plans and installation drawings pursuant to Sections 3.4.2 to 3.4.4	1 electronic file / 5 hard copies
	Specifications and Bill of Quantities pursuant to Sections 3.5.1 and 3.5.2, 3.5.3.	1 electronic file / 5 hard copies
	Reproducible of final design and working drawings	1 electronic file / 5 hard copies
5.2.2	Phase 2 :	
	Finalizing and confirming the as-built drawings for all buildings and outdoor facilities, including structures and installations.	1 electronic file / 5 hard copies
	Photographs of all buildings/installations after completion	1 electronic file / 5 hard copies

6 Deadlines / Penalty for Delay

The following deadlines shall apply for the services to be performed by the Contractor:

- 6.1 **Phase 1-A** - First submission of the preliminary design sketches pursuant to Sub-Section 3.2.1 (A23) and 6.1 a)-r) (TOR): **10 CW** after signing the contract
- 6.2 **Phase 1-A** - Preparation of all Documents for Building Permission (if necessary) pursuant to Sub-Section 3.2.2 through 3.2.4 (A23) and 6.1 r) (TOR): **10 CW** after approval of the first preliminary design sketches
- 6.3 **Phase 1-B** - Preparation of the Construction Documents pursuant to Section 3.4 (A23) and 6.2 a)-m) and 6.2.1 n)-s) (TOR): **10 CW** after approval of the building permission incl. preparation of tender documents (construction)
- 6.4 Completion and submission of the as-built drawings and photographs pursuant to Sub-Section 5.2.2:
weeks after acceptance and taking over of the works.
- 6.5 The Contractor shall complete the Services/Results as listed above.
- 6.6 If the contractor fails to meet the agreed dates and deadlines for an agreed work and does not deliver the work within the period of grace set by GIZ, then GIZ shall be entitled, as soon as the period of grace has expired, to demand a contractual penalty of 0.5% of the remuneration for each week or part thereof after expiration of the set period of grace; however, the contractual penalty shall not exceed a total of 8% of the remuneration.
- 6.7 The payment of such penalty shall not relieve the Contractor from his obligation to complete the Services or from any other obligation or liability under this Contract.



7 Remuneration

7.1 The Contractor shall be entitled to the following remuneration in MDL (Currency):

7.1.1 Phase 1 (A&B) the lump-sum of 1,200,400

7.1.2 Phase 2

- (1) For a Lead Architect site supervision, a fee of 3,500 MDL per day is requested, the calculation for 9 days author supervision the total amount of 31,500 MDL
- (2) For a Structural Engineer site supervision, a fee of 2,500 MDL per day is requested, the calculation for 4 days author supervision the total amount of 10,000 MDL
- (3) For a Mechanical Engineer site supervision, a fee of 2,500 MDL per day is requested, the calculation for 4 days author supervision the total amount of 10,000 MDL
- (4) For a Electrical Engineer site supervision, a fee of 2,500 MDL per day is requested, the calculation for 4 days author supervision the total amount of 10,000 MDL

7.1.3 **Total Remuneration** **(Up to)**
1,261.900

(in words: one million seven hundred six thousand five hundred)

7.2 All lump sums and expert/month-rates as stated above are fixed prices and shall include all costs incurring in connection with the performance of these services.

7.3 The Contractor shall invoice turnover tax if and as prescribed by law; the Employer will refund the amount in addition to the remuneration.

Amount of turnover tax *(if applicable)*:

8 Terms of Payment

8.1 All payments shall be made in MDL (Currency) to the following bank and account number of the Contractor:

SRL „Arhideea Grup“
Legal address: MD-3401, or. Hincesti, str 31 august nr. 6A
IDNO Fiscal Code: 1009605002409
IBAN (MDA): MD48ML00000000225112311
Bank: BC "Moldincombank" SA/ Hincesti branch
Bank code: MOLDMD2X323

- 8.2 Each invoice shall be submitted in duplicate and bear the project and contract number indicated on the front page of this Contract.
- 8.3 Payments on account shall be made in accordance with the progress of the works (milestones/indicators as agreed under 8.4) for the services as described above under point 3 and – if applicable – under point 4.
- 8.4 The following schedule of payments shall be agreed for interim statements of account and the final statement of account; the payments will be done once in 2,5 months.

Statement of account	Anticipated amounts	Phase 1 or Phase 2	Milestones/Indicators
1 st interim payment	750,000 MDL	Phase 1A	Submission of complete documents/ full set of preliminary design documents finalized and released by GIZ & NP
2 nd interim payment	450,400 MDL	Phase 1B	Submission of complete documents/ full set of final design documents finalized and released by GIZ & NP
3 rd interim payment	30,750 MDL	Phase 2	depending on construction process
Final payment	30,750 MDL	Phase 2	handing over of the object incl. finalizing and confirming the as-built drawings for all buildings and outdoor facilities of the project

- 8.5 An amount of 5 % of the total of each payment on account, i.e. of each interim payment certificate, shall be withheld by the Employer as Retention Money.
- 8.6 After the successful completion of
- phase 1 (commission for phase 1 only) or
- phase 1 and phase 2 (commission for both phases)
as well as presentation of the final bill and as-built drawings, the remuneration due shall be paid reduced by 3 % of the total Contract Price.
- 8.6.1 These 3 % shall be released after the defects liability period has expired, provided the results of the Works are free of defects.
- 8.6.2 The 3 % may be released against the provision of a Defects Liability Guarantee, which is to be provided at the order and at the expenses of the Contractor, and that



by a bank accepted by the Employer in compliance with the format enclosed (see Annex A 7).

- 8.7 The Retention of 3 % for the defects liability period will not be withheld, if the final contract amount is not exceeding the equivalent of Euro 50.000, –.

9 Duty of Care and Exercise of Authority

- 9.1 The Contractor shall exercise reasonable and due skill, care and diligence in the performance of his obligations under the Contract and shall observe all local regulations in force and the recognized rules of engineering.
- 9.2 Regarding any claims of the Employer against the construction company or any third party, the Contractor shall take the necessary measures to protect the Employers rights provisionally if and to the extent that the Employer cannot be informed in good time.
- 9.3 Where the Services include the exercise of powers or performance of duties authorised or required by the terms of the contract between the Employer and the construction company, the Contractor shall
- * act in accordance with this contract and the contract between the Employer and the construction company,
 - * if authorized to certify, decide or exercise discretion, do so fairly and balanced between the Employer's and the construction company's interests, not as an arbitrator but as an independent professional that acts by his skill and judgement.

10 Warranty period

- 10.1 If the contractor is commissioned for phase 1 only, the warranty period of the services of the Contractor shall be 12 months after acceptance of the respective services and results.
- 10.2 If the contractor is commissioned for phase 1 and phase 2, the warranty period of the services of the Contractor shall be the same as stipulated in the Contract between the Employer and the construction company, beginning with the taking-over of the building or other construction works. The usual warranty period stipulated for construction contracts is 12 months after taking over.

11 Insurance for Liability

- 11.1 The Contractor undertakes to take out an insurance for liability for damage caused negligently by the Contractor, his staff and other persons he engages for or in connection with the implementation of the Contract to the Employer, the recipient of the works in the country of assignment or to third parties.
- 11.2 The insurance sum shall be as customary in the country where the works are to be executed.
- 11.3 Upon request, the Contractor shall prove to the Employer sufficient insurance coverage.

12 Copyright

The Contractor retains copyright of all documents prepared by him. The Employer shall be entitled to use them or copy them only for the Works and the purpose for which they are intended and is not required to obtain the Contractors permission to copy documents for such use.

13 Conflict of Interest

Unless otherwise permitted in writing by the Employer, the Contractor and his personnel shall have no interest in nor receive remuneration in connection with the Project except as provided for in this Contract. The Contractor shall not engage in any activity which might conflict with the interest of the Employer under this Contract.

14 Arbitration and Governing law

14.1 All disputes arising out or in connection with the present Contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one arbitrator appointed in accordance with the said Rules.

14.2 The law governing the Contract will be the law of the country in which the Employer has its company's seat, save for such situations, in which the laws of the country - in which the Works are to be carried out - are to be respected, as the same are explicitly envisaged by the relevant clauses of this Contract.

14.3 The place of arbitration will be in the city, in which the Employer has its company's seat.

14.4 English will be the language of arbitration.

15 Modifications and Alterations

Any modifications, additions and/or deletions to this contract as well as all fundamental communication shall be made in writing only.

16 Termination of the Contract

16.1 The Employer may terminate the Contract at any time either wholly or in respect of individual parts of the work or the services.

16.2 Should the Employer terminate the Contract for a reason for which the Contractor is not answerable, the Contractor shall be entitled to demand the agreed sum in remuneration. However, he shall agree to non-incurred expenses or avoidable expenditure being deducted from the sum otherwise due. Salaries and ancillary costs in respect of salaries for the experts of the Contractor assigned to the project shall as a rule be deemed not incurred if they would have become due more than 3 months after the date on which termination of the Contract took effect. The Contractor shall bear the burden of proof for exceptions to this rule.

16.3 If the Employer terminates the Contract for a reason for which the Contractor or its experts are answerable, remuneration shall be paid only for the works already executed, provided that the Employer can utilize them, in accordance with the Contract

prices, or that part actually executed shall be remunerated as a proportion of the total contractual works on the basis of the Contract prices. Those works executed which the Employer cannot utilize shall be returned to the Contractor at the latter's expense. Insofar as the contractual work comprises the rendering of services, the services rendered up to the date of termination shall be deemed utilizable works. In no case shall there be a claim to more than the contractual amount.

16.4 The Contractor shall be deemed answerable for the reason for termination if the Employer terminates because bankruptcy proceedings have been initiated against the assets of the Contractor, or because judicial competition proceedings have been initiated against the Contractor, or if it has discontinued its payments not only on a temporary basis, thus jeopardizing the proper execution of the Contract.

16.5 Other legal rights and claims of the Employer and Contractor shall remain unaffected.

17 Partial Invalidity

The invalidity of one or several provisions of this Contract shall not affect the validity of the remaining provisions. Invalid provisions shall be substituted by provisions that are closest to the economic purpose pursued by the contracting parties with the respective provisions.

18 Copies

This Contract shall be drawn up in duplicate, and each party shall receive one copy thereof.

Place, date : Chisinau,
13.11.2025

The Employer
Deutsche Gesellschaft für
Internationale Zusammenarbeit
(GIZ) GmbH



Adrian Stranzenbach Andrei Zapanovici
Project Manager Head of Finance
and Administration

Place, date: Chisinau,
13.11.2025

SRL Arhideea Grup

Nicolae Petrov
Administrator

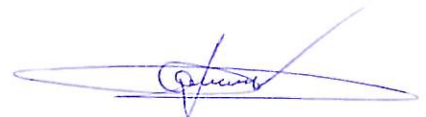


Encl.: List of Annexes



List of Annexes:

- 1** **Terms of Reference**
- A 7** Defects Liability Guarantee (if applicable)
- A 8** Performance Guarantee (if applicable)
- A 9** Taking-Over Certificate
- A 19** Guide for the Preparation of the Explanatory Report
- A 20** Form of Cost Estimate
- A 21** Specimen of Construction Progress Report
- A 22** Handing-Over Certificate



Supplementary terms and conditions for Architectural and Engineering Services

1. Framework conditions and sustainability

1.1 Environmental and social standards, human rights

When performing the Architectural and Engineering Services, the Contractor must observe applicable national and international environmental law, minimise greenhouse gas emissions and avoid all activities that could increase the vulnerability of the population and/or ecosystems to the effects of climate change.

The Contractor must also ensure, with due regard for international standards and multilateral agreements (in particular international agreements on human rights), that measures are in place to respect human rights, protect children, prevent violence, abuse or exploitation of any kind, prevent discrimination (in particular with regard to origin, ethnicity, religion, age, gender identity, sexual orientation or disability) and promote equality of opportunity for all genders.

The Contractor must implement appropriate measures to prevent sexual harassment at the workplace and must refrain from any incitement to violence or hatred and from any objectively unjustified discrimination against individuals or groups of people.

1.2 Labour standards and minimum wages

In performing the contract, the Contractor is obliged to comply with the fundamental principles and rights at work as stated in the Declaration of the International Labour Organization (ILO) of 18 June 1998 (freedom of association, the right to collective bargaining, the elimination of all forms of forced or compulsory labour, the effective abolition of child labour and the elimination of discrimination in respect of employment and occupation).

In particular, the Contractor is obliged in the performance of the contract to comply with the regulations enacting the ILO core labour standards (conventions nos. 29, 87, 98, 100, 105, 111, 138 and 182) in the legislation of the country of assignment. If the country of assignment has not ratified one or more core labour standards or not enacted them in national legislation, the Contractor is obliged to comply with such regulations in the country of assignment which pursue the same goal as the core labour standards.

1.3 Avoiding unintended adverse impacts when implementing the contract

When performing the Architectural and Engineering Services, the Contractor must seek to avoid or mitigate any unintended adverse impacts on the environment, the climate, climate change adaptation, human rights, gender equality and fragile contexts involving conflict and violence by implementing attributable mitigation measures. The Contractor also undertakes to fully harness all opportunities to promote gender equality.

1.4 Legal consequences of breach of these obligations

If the Contractor breaches any of the obligations set out in section 1 and GIZ terminates the contract for this reason, responsibility for termination lies with the Contractor.



2. Integrity

2.1 Conflicts of interest

The Contractor must avoid all conflicts of interests in relation to the contract. Conflicts of interest can arise in particular as a result of commercial interests, political allegiances or national ties, links to family members or friends and other ties or interests. In particular, the Contractor undertakes:

- (a) not to accept any additional remuneration from third parties in connection with the contract;
- (b) during the term of the contract with GIZ, not to accept any other contract where a conflict of interest is to be anticipated due to the nature of that contract or due to the Contractor's personal or financial connections with a third party, unless prior consent has been given by GIZ in text form;
- (c) in relation to the contract with GIZ, not to enter into any contracts with natural or legal persons with whom it has personal or financial ties unless GIZ has previously agreed to this in writing.

The Contractor undertakes to inform GIZ without delay of any circumstances that constitute or could lead to a conflict of interest. It must discuss and agree with GIZ any further steps to be taken. If the parties are unable to reach agreement and GIZ then terminates the contract, responsibility for termination lies with the Contractor.

2.2 Integrity principles

Whether directly or via a third party, the Contractor must not offer or grant any gifts or benefits and must not accept or demand gifts or benefits for itself or others in connection with the award and/or implementation of the contract; this also applies to facilitating payments.

The Contractor must not agree any restraints on competition with one or more other companies.

Any form of corruption is prohibited. The Contractor is obliged to take appropriate and reasonable measures to prevent and combat corruption. In connection with the implementation of the contract, it is also obliged to report confirmed cases and strong suspicions of corruption and/or property offences (e.g. fraud, misappropriation and breach of trust) without delay to GIZ's whistleblower system. The whistleblower system can be accessed through the whistleblower portal at [Whistleblowing \(giz.de\)](https://www.giz.de/Whistleblowing), GIZ's Integrity Advisor by email (integrity-mailbox@giz.de) and the external ombudsperson via the website at [Whistleblowing \(giz.de\)](https://www.giz.de/Whistleblowing) GIZ external ombudsperson.

2.3 Consequences of breach of the integrity rules

If the Contractor breaches any of the prohibitions or obligations set out in section 2.2 and GIZ terminates the contract for this reason, responsibility for termination lies with the Contractor. In response to a breach of any of the obligations set out in section 2.2, GIZ is entitled, where appropriate, to exclude the Contractor from future tenders for a limited period.

3. Specific contractual penalties

Following any breach of the obligations set out in sections 1.1 (Environmental and social standards, human rights), 1.2 (Labour standards and minimum wages) and 2 (Integrity), the Contractor is obliged to pay a contractual penalty of EUR 25,000 in respect of each individual breach. If a benefit-in-kind given is greater than EUR 25,000, the Contractor is liable to pay a contractual penalty equal to the amount of the benefit-in-

kind. This is without prejudice to any further claims for damages by GIZ. However, the contractual penalty will be deducted from any such claims for damages.

4. Prevention of the financing of terrorism and compliance with embargoes

The Contractor must ensure that the remuneration provided by GIZ is not used to make funds or other economic resources directly or indirectly available to third parties that are included on a sanctions list issued by the United Nations and/or the European Union (EU).

When implementing the contract, the Contractor may enter into and/or maintain business relations only with third parties that are reliable and that are not subject to any statutory ban on entering into a contract or business relations.

Furthermore, when implementing the contract, the Contractor must comply with embargoes and other trade restrictions issued by the United Nations, the EU or the Federal Republic of Germany.

The Contractor must notify GIZ without delay and on its own initiative if the Contractor itself or a member of its official managing body and/or other administrative bodies, its shareholders and/or staff is included on a sanctions list issued by the United Nations or the EU. This also applies if the Contractor learns of any occurrence that leads to such a listing.

The Contractor must notify GIZ without delay and on its own initiative of any violation of the provisions stipulated in this section 4.

- End of Supplementary terms and conditions -

