

**PART B: AGREEMENT – SPECIAL CONDITIONS OF  
CONTRACT**

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## **PART B: AGREEMENT – SPECIAL CONDITIONS OF CONTRACT**

### **PREAMBLE**

**Cyprus Energy Regulatory Authority**,, having its headquarters in **Ag. Paraskevis 20, Strovolos, 2002, Nicosia** (hereinafter “Contracting Authority”)

of the one part,

and

**<Business Name or Name and Surname of Contractor>**, having its registered office in **<postal address>**, **<name of town/city>** (hereinafter “Contractor”), legally represented by **<name and surname, capacity>**

of the other part,

following a tender procedure no. **07/2023** for the award of the Contract for the **Provision of expertise for the assessment of the economic part of the investment request of the PCI project with title ‘Eastmed Pipeline’** which was awarded pursuant to award decision no. **<award decision number>**,

have agreed as follows.

### **1. STRUCTURE OF THE CONTRACT**

1. It is explicitly agreed that the Contract consists of the following documents, which form integral parts of it:
  - a. The present Agreement.
  - b. Annex II. TERMS OF REFERENCE – TECHNICAL SPECIFICATIONS
  - c. Annex I. GENERAL CONDITIONS FOR SERVICE CONTRACTS
  - d. Annex III. *Non-Disclosure Agreement*
  - e. *Annex IV. DATA PROCESSING AGREEMENT*
  - f. The Contractor’s Tender as submitted on **<date of submission of tender>** and any correspondence relating thereto between the Contracting Authority and the Contractor.

In the case of differences between the above parts, their provisions shall be applied according to the above order of precedence.

### **2. CONTRACT SCOPE**

1. By the present Contract, the Contractor undertakes to **provide expertise to the Cyprus Energy Regulatory Authority (CERA) on the assessment of the economic part of the investment request of the PCI project with title ‘Eastmed Pipeline’** as described in Annex II of the tender procedure documents, and in accordance with the terms and

conditions laid down in the Contract and outlined in section 3.1 of Part A of the Tender Procedure Documents.

### **3. CONTRACT VALUE**

1. The Contract Value amounts to .....Euro. The amount is exclusive of VAT.
2. The Contract Value, which the Contractor deems legitimate, reasonable and adequate consideration for the performance of the Contract Scope, is inclusive of all types of costs which the Contractor shall or may require in order to meet its obligations, and of the Contractor's expenses and profit, including any fees of third parties, without any further charge whatsoever to the Contracting Authority.

### **4. ORGANISATION AND ADMINISTRATION OF CONTRACT IMPLEMENTATION**

1. The Contractor shall be fully responsible for the execution of the Contract Scope.
2. The Contracting Authority shall have the key responsibility of supervising and controlling the progress in the performance of the Contract Scope and the quality and completeness of the Deliverables of the Contract.
3. Cooperation between the Contracting Authority and the Contractor in all stages of performance of the Contract Scope and until its final acceptance, shall be an obligation of both parties.
4. The Project Manager on behalf of the Contracting Authority is **Ms. Maria-Eleni Delenta**.

### **5. COMMENCEMENT AND PERIOD OF IMPLEMENTATION**

1. The present Contract shall enter into effect as of the time of its signature.
2. The date of commencement of the performance of the Contract Scope shall be the date of signature of the Contract.
3. The Contractor should ensure close collaboration with CERA's experts through regular conference calls as necessary.

The Contractor should furthermore participate and actively contribute to a kick-off meeting upon start of the project and a wrap-up meeting (conference call) upon closure of deliverables 1-6.

The Contractor should also participate and actively contribute to the consultation between CERA, Project Promoter and relevant national regulatory authorities as well as any other involved party.

Prior to these meetings, the Contractor should circulate a detailed agenda to CERA.

The wrap-up meeting should inter alia include short presentations of all the activities carried out in the context of the project. The slides used during these presentations should be concise and self-explanatory and provided in electronic format (.pdf or .ppt) to CERA.

CERA will upon request share with the Contractor all data, documents and reports in its possession that are deemed necessary to carry out the technical assistance in a satisfactory

manner. The contractor should sign a non-disclosure agreement with CERA, for all the data to be provided with respect to the investment request.

4. The period of implementation of the Contract Scope shall be from the date of the commencement of the Contract Scope until the official and final acceptance of the deliverables, as these are defined in the contract scope or as additionally agreed on between the Contracting Authority and the Contractor.
5. Implementation of the individual activities, as required in each case, and delivery of the individual Deliverable of the Contract may be varied in time in accordance with the procedures in force, following mutual agreement and on condition that the overall period of implementation of the Contract does not change.
6. The timeline of the Deliverables is as below:

<b><i>Actions/Deliverables</i></b>	<b><i>Timetable</i></b>
<b><i>Entry into force of the contract</i></b>  <i>= Date of signature</i>	<b><i>Signature of the contract</i></b>  <i>= Reference date</i>
<i>Kick-off meeting- conference call</i>	<i>Reference date + 1 week</i>
<i>Report on the assessment of the financial part of the Detailed Implementation Plan (<b>Deliverable 1</b>)</i>	<i>Reference date + 4 weeks</i>
<i>Report on the assessment of the preliminary investment decision (<b>Deliverable 2</b>)</i>	<i>Reference date + 1 week</i>
<i>Provide a report on the assessment of the project-specific CBA (<b>Deliverable 3</b>)</i>	<i>Reference date + 4 weeks</i>
<i>Report on the assessment of the business plan (<b>Deliverable 4</b>)</i>	<i>Reference date + 4 weeks</i>
<i>Report on the assessment of the substantiated proposal for cross-border cost allocation and guidance to CERA on its final decision on the CBCA (<b>Deliverable 5</b>)</i>	<i>Reference date + 4 weeks</i>
<i>Evaluate and assess in collaboration with the contractor responsible for the</i>	<i>Reference date + 2 weeks</i>

<i>technical part of the investment request, whether the project promoter has completed the summary data as per Annex IV of the recommendation 05/2015. (Deliverable 6)</i>	
<i>Assess any additional documents and studies provided by the Project Promoter that are based and related to the outcome of the above deliverables. (Deliverable 7)</i>	<i>Date of submission of additional documents + 3 weeks</i>
<i>Wrap-up meeting (call conference) , including the provision of short, self-explanatory presentations of all deliverables in .ppt or .pdf format (Deliverable 8)</i>	<i>Reference date + 6 weeks</i>

7. The present Contract shall cease to be in effect upon the final acceptance of all services and activities included in the Contract Scope or at an earlier time, should the Contractor perform and the Contracting Authority accept the aforementioned services and activities at an earlier time, or if the need arises to apply the articles on termination of the Contract of Annex I.

## **6. REPORTS**

The Contractor is obliged to draw up and submit the Reports specified in Annex II.

All reports shall be written in English and submitted to CERA in draft form for comments, according to the timetable above. All reports will be reviewed by CERA to ensure quality control. If CERA does not react within 45 working days, the report shall be deemed approved. If there are comments by CERA, these need to be included or taken into account by the Contractor for the final version of the deliverable, within 10 working days. Final approval to release payment is done by CERA. The reports will be submitted electronically in .pdf and MS Word (.doc , .docx) formats.

## **7. CONDITIONS AND PROCEDURE FOR PAYMENT**

1. Payments shall be made in **EURO** into the bank account notified by the Contractor to the Contracting Authority in accordance with article 16.1 of Annex I, subject to the issuance of an invoice.
2. The payments shall be made in accordance with the following schedule, subject to the provisions of articles 16 and 17 of Annex I:
  - a. Down-payment of a value of 5% of the Contract Value upon signature of the contract.

- b. Payment of the 75% of the Contract Value upon the final quantitative and qualitative delivery of *Deliverables 1-6 and 8*.
- c. Payment of the remaining 20% of the Contract Value upon the final quantitative and qualitative delivery of *Deliverable 7*.

## **8. PENALTIES FOR DELAY**

1. In the event of a delay in the performance of work or in the submission of a Deliverable under the Contract for which the Contractor is responsible, a Penalty for Delivery Delay shall be imposed.
2. Such penalty shall amount to a per cent rate of **0.25%** of the Contract Value, for every day of delay of delivery.
3. Any penalties imposed by the Contracting Authority in accordance with the above paragraphs shall be withheld from the next payment to the Contractor or, if such payment is insufficient, shall be paid by the Contractor.
4. In the event that the delivery periods set have been exceeded and the penalties for delay imposed in connection therewith have reached in total **ten percent (10%)** of the Contract Value, the Contracting Authority may declare the Contractor in default and terminate the Contract, the specific provisions of Annex I applying.

## **~~9. PERFORMANCE GUARANTEE - NOT APPLICABLE~~**

- ~~1. The Contractor shall furnish a Performance Guarantee. This guarantee must remain in effect one month after the completion of the contract scope.~~
- ~~2. The Performance Guarantee for the Contract shall be returned to the Contractor after the final qualitative and quantitative acceptance of the Contract Scope has taken place and after the claims, if any, of both parties have been settled, while it shall be automatically forfeited in favour of the Contracting Authority in the event of failure by the Contractor to fulfil its obligations, as these derive from the Contract.~~

## **10. REPLACEMENT OF PERSONNEL**

1. The Contractor shall not make changes to the personnel agreed under the terms of the Contract without notifying the Contracting Authority, which may oppose such a change on the basis of the Contract.
2. The Contractor must on its own initiative propose the replacement of Project Team members in the following cases:
  - (a) In the event of death, illness or accident of a Project Team member.
  - (b) If it becomes necessary to replace a Project Team member for any other reasons beyond the Contractor's control (resignation etc.).

3. Moreover, in the course of the execution of the Contract and on the basis of a written and justified request, the Contracting Authority may request a replacement if it considers that a Project Team member is inefficient or does not perform its duties under the Contract.
4. Where a Project Team member must be replaced, the replacement must meet the minimum qualification criteria as set in the tender documents. In cases where the evaluation process involved the marking of the project team, the replacement should meet at least the marks granted by the member to be replaced. Where the Contractor is unable to provide such a replacement, the Contracting Authority may either decide to terminate the Contract, if the due execution thereof is jeopardised, or, if it considers that this is not the case, accept the replacement, it being understood that an amendment of the Contract shall follow to reduce accordingly the Contract Value.
5. Any expenses which may be necessary due to the replacement of personnel are the responsibility of the Contractor. Where the Project Team member is not replaced immediately and sometime elapses before the new member assumes its duties, the Contracting Authority may request the Contractor to assign temporarily to the project another person pending the arrival of the new member, or to take other measures to compensate for such temporary absence.
6. The Contracting Authority, additional to any other matters that are regulated independently, may deduct an amount, according to each case, for the Project Team member that is replaced as a setoff for the period that it will be required for the new member to adjust to and get acquainted with the Contract Scope, but also for the Administrative Cost that the Contracting Authority will incur following this replacement.

## **11. TAX AND CUSTOMS ARRANGEMENTS**

The Contract shall not be exempted from duties and taxes, including also VAT.

## **12. SETTLEMENT OF DISPUTES**

The dispute settlement procedure of article 25 of Annex I shall apply.

## **13. LAW AND LANGUAGE OF THE CONTRACT**

1. All matters not covered by the Contract shall be governed by the legislation of the Republic of Cyprus.
2. The language of the Contract and of all written communications between the Contractor and the Contracting Authority shall be the English language.

## **14. COMMUNICATION BETWEEN THE PARTIES**

Any written communication relating to the present Contract between the Contracting Authority and the Contractor must state the follows:



- a. If addressed by the Contractor to the Contracting Authority, to the postal address **20 Ayias Paraskevis Street, Strovolos, 2002, Nicosia** or to the electronic mail address **regulator.cy@cera.org.cy** or, if sent by facsimile, to 00357 **22 667763**
- b. If addressed by the Contracting Authority to the Contractor, to the postal address **<postal address>** or to the electronic mail address **<electronic mail address>** or, if sent by facsimile, to **<facsimile number>**.

Drafted in three originals, where two originals are intended for the Contracting Authority and one for the Contractor, and signed on **<day>**, **<XX/XX/20XX>**.

**For and on behalf of the Contracting Authority:**

Witnesses:

Signature: .....

1. Signature: .....

Title: .....

Name: .....

Name: .....

2. Signature: .....

Name: .....

**For and on behalf of the Contractor:**

Witnesses:

Signature: .....

1. Signature: .....

Title: .....

Name: .....

Name: .....

2. Signature: .....

Name: .....