

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

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

## **PREAMBLE**

**Cyprus Energy Regulatory Authority**, having its headquarters in **20, Agias Paraskevis street, 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. **14/2023** for the award of the Framework Agreement for the **Provision of services for the harmonization of the legislative framework and provision of regulatory (financial, legal, technical) support for the development of cross-border electrical interconnection in the Republic of Cyprus**, 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 Framework Agreement.
  - b. The Tender Documents.
  - c. Annex I. GENERAL CONDITIONS FOR SERVICE CONTRACTS.
  - d. Annex II. TERMS OF REFERENCE – TECHNICAL SPECIFICATIONS.
  - e. Annex III. NON-DISCLOSURE AGREEMENT.
  - f. Annex IV. DATA PROCESSING AGREEMENT.
  - g. The Contractor’s Tender as submitted on **<date of submission of tender>** and any correspondence relating thereto between the Contracting Authority and the Contractor.
  - h. The Work Orders.
  - i. The Call-off Arrangements concluded.

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

## 2. FRAMEWORK AGREEMENT SCOPE

1. By the present Framework Agreement, the Contractor undertakes to **provide services to the Cyprus Energy Regulatory Authority (CERA) for the harmonization of the legislative framework and provision of regulatory (financial, legal, technical) support for the development of cross-border electrical interconnection in the Republic of Cyprus** as described in Annex II of the tender procedure documents, and in accordance with the terms and conditions laid down in the Framework Agreement and outlined in section 3.1 of Part A of the Tender Procedure Documents.

## 3. FRAMEWORK AGREEMENT VALUE

1. The total Framework Agreement Value amounts to **four hundred thousand euro (€400,000)**, exclusive of VAT. This amount corresponds to two hundred-thousand-euro (€200,000) exclusive of VAT for the first two (2) years and two hundred-thousand-euro (€200,000) exclusive of VAT for the next two (2) years in case of renewal.

In case the amount of **two hundred-thousand-euro (€200,000)**, exclusive of VAT, is not covered in the first two (2) years, there is an option upon approval from the **Contracting Authority** for the remaining amount to be transferred to the next two years in case of renewal.

2. The value of the Framework Agreement will be equal to the sum of the value of the Individual Call-Off Arrangements that the Contractor will conclude with the Contracting Authority during the period of validity of the Framework Agreement on the basis of the submitted Work Orders.
3. The value of each Call-Off Arrangement is determined based on the man-day rate of the Key Experts declared in the Contractor's Financial Offer and the employment time of each Key Expert involved for the implementation of the object of the Call-Off Arrangement, as will be specified in each Work Order. The man-day costs of the Contractor's Key Expert declared in his Financial Offer are as follows:

Key Experts	Man-day rate (corresponds to 8 working hours) (exclusive of VAT), (€)
<b>Key Expert 1: Project leader</b>	
<b>Key Expert 2: Legal Expert</b>	
<b>Key Expert 3: Financial Expert</b>	

4. The Framework Agreement Value, which the Contractor deems legitimate, reasonable and adequate consideration for the performance of the Framework Agreement 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 FRAMEWORK AGREEMENT IMPLEMENTATION**

1. The Contractor shall be fully responsible for the execution of the Framework Agreement Scope.
2. The Contracting Authority shall have the key responsibility of supervising and controlling the progress in the performance of the Framework Agreement Scope and the quality and completeness of the Deliverables of the Framework Agreement.
3. Cooperation between the Contracting Authority and the Contractor in all stages of performance of the Framework Agreement 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. The Contractor designates Key Expert 1 as Project Leader, who bears overall responsibility for the execution of the Framework Agreement and the individual Call-Off Arrangements that may be assigned under it and for the administration of the Project Team.

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

1. The present Framework Agreement shall enter into effect as of the time of its signature by both parties and the duration of its execution shall be **two (2) years** from the date of signing the Framework Agreement or until the estimated maximum value of the Framework Agreement is covered, whichever occurs earlier. In case of renewal, the renewed Framework Agreement shall enter into effect as of the time of its signature, but before the implementation period of the two (2) years end, and the duration of its execution shall be **two (2) years** from the date of signing the renewed Framework Agreement or until the estimated maximum value of the renewed Framework Agreement is covered.
2. The date of commencement of performance of the objective of each Call-Off Arrangement shall be specified within each Call-Off Arrangement.
3. The duration of execution of the objective of each Call-Off Arrangement and the delivery times of the individual deliverables will be specified in the Work Order and in the Contractor's individual offer.
4. Implementation of the individual activities and delivery of the individual deliverables of each Call-Off Arrangement, as required in each case, may be varied in time in accordance with the procedures specified in Article 13 of Annex I of the Tender Documents.
5. This Contract shall cease to be in effect upon the final acceptance of all services and activities included in the Framework Agreement 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

1. The Contractor is obliged to prepare and submit the Reports specified in each individual Call-Off Arrangement.

## 7. CONDITIONS AND PROCEDURE FOR PAYMENT

2. 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.
3. Payments for each Call-Off Arrangement that may be assigned to the Contractor will be made, subject to the issuance of an invoice, in accordance with the following procedure, pursuant to the provisions of Articles 16 and 17 of Annex I:
  - a. Down-payment of a value of 0% - 20% of the contract value of each Call-Off Arrangement, upon signature of each Call-Off Arrangement and against submission by the Contractor of an Advance Payment Guarantee for the same amount, drawn up in accordance with the relevant Template (Form 13).

The Guarantee shall be issued by financial institutions or other legal persons lawfully operating in Cyprus or in other countries of the European Union (EU) or of the European Economic Area (EEA) or in third countries who have signed and ratified the International Government Procurement Agreement (GPA) or in other countries who have signed and ratified association agreements or bilateral agreements with the EU or with the Republic of Cyprus, and having the right to issue such guarantees in accordance with the legislation of these countries.

If the Contractor wishes not to pay the amount of the advance payment against the presentation of an equal amount advance guarantee by the Contractor, that amount, will be provided together with the first instalment.

- b. Payment of the remaining 80% - 100% of the contract value of each Call-Off Arrangement, upon the final acceptance of the relevant deliverables and/or completion of the provision of consulting services, as prescribed by the Contracting Authority in the Work Order and the relevant Call-Off Arrangement.

The above-mentioned percentages will be specified in the Work Order and will take into account the size, various stages and schedules of the objective of each Call-Off Arrangement.

## 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 Call-Off Arrangement 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 **0.5%** of the contract value of each Call-Off Arrangement, 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 of each Call-Off Arrangement, the Contracting Authority may declare the Contractor in default and terminate the Framework Agreement, the specific provisions of Annex I applying.

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

## **10. REPLACEMENT OF PERSONNEL**

1. The Contractor shall not make changes to the personnel agreed under the terms of the Framework Agreement without notifying the Contracting Authority, which may oppose such a change on the basis of the Framework Agreement.
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 Framework Agreement 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 Framework Agreement.
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 Framework Agreement, 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 Framework Agreement shall follow to reduce accordingly the man-day rate.
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 Framework Agreement Scope and each Call-Off Arrangement, but

also for the Administrative Cost that the Contracting Authority will incur following this replacement.

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

1. The Framework Agreement shall not be exempted from duties and taxes, including also VAT.

## **12. SETTLEMENT OF DISPUTES**

1. 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 Framework Agreement and the individual Call-Off Arrangements shall be governed by the legislation of the Republic of Cyprus.
2. The language of the Framework Agreement and the individual Call-Off Arrangements and of all written communications between the Contractor and the Contracting Authority shall be the English language.

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

1. Any written communication relating to the present Framework Agreement 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 Agias Paraskevis Street, Strovolos, 2002 Nicosia** or to the electronic mail address **regulator.cy@cera.org.cy** or, if sent by facsimile, to **+357 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/2024>**.

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

Witnesses:

Signature: .....

Title: .....

Name: .....

1. Signature: .....

Name: .....

2. Signature: .....

Name: .....

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

Signature: .....

Title: .....

Name: .....

Witnesses:

1. Signature: .....

Name: .....

2. Signature: .....

Name: .....