GENERAL CONDITIONS FOR MANDATE AGREEMENTS WITH FUND MANAGEMENT
OF THE SWISS AGENCY FOR DEVELOPMENT AND COOPERATION (SDC)

1. General provisions

1.1. Unless otherwise agreed in written, the present general conditions shall be an integral part of any mandate agreement with fund management (hereinafter the Agreement) relating to the execution of a project in the framework of Swiss international cooperation and humanitarian aid (hereinafter the Project) concluded between the Swiss Confederation, represented by Swiss Agency for Development and Cooperation (hereinafter SDC), and a contractual partner mandated with the management of the Project which is the object of the Agreement (hereinafter the Institution). The present general conditions shall be accepted by the Institution upon presentation of the offer. The annexes to the present general conditions shall be deemed to be annexes to the Agreement.

1.2. All amendments to the Agreement, to the general conditions, to the other annexes to the Agreement or to any other attached documents must be drawn up in writing.

1.3. The contracting parties shall be bound only by provisions in writing. Up to conclusion of the Agreement, withdrawal from the negotiations by either of the parties shall entail no financial obligation, each of the parties being responsible for its own expenses.

1.4. In case of invitation to tenders, the tender, including demonstrations, shall not be subject to payment, unless the invitation to tender states otherwise. The Institution shall present its tender on the basis of the invitation to tender. Unless stipulated otherwise in the tender documents, the Institution is free to make additional proposals. The tender shall bind the Institution for the three months following the submittal of the tender.

1.5. If the Institution is a consortium, the Agreement must be signed by all the members of the consortium. The members of the consortium shall assume joint and several responsibility. The consortium shall appoint the competent authority whose actions are binding on the consortium and which is entitled to receive the payments.

2. Responsibility – Rights and obligations of the Institution

2.1. The Institution shall itself be responsible for the loyal and careful execution of the Agreement, including services pursuant to the contractual conditions and specifications as well as the scientific and technical standards applicable.
It shall declare that it possesses experience in the field which is the object of the Agreement and that it is cognisant of the legal basis underlying Swiss cooperation and humanitarian aid, as well as of the provisions of the Federal Law on Federal Finances (LFC) (RS 611.0). It shall do all in its power to ensure that the financial and technical resources available are used in an efficient and economic manner.

2.2. The Institution shall at regular intervals inform SDC about the progress of the work and notify the latter immediately and in writing of any event which might modify the implementation of the Agreement in the manner intended or exercise a negative influence on the implementation of the Agreement or compromise it in any way. In cases of emergency, it shall take all necessary provisional measures and inform SDC of them without delay. Any amendment to the Project description must be agreed in writing.

2.3. In the framework of the Agreement, SDC shall assume obligations with respect to the Institution only if the latter acts as subject of private law. As a general rule, the Institution shall itself realise the Project which is entrusted to it. With respect to third parties or in the event of sub-contracting or the conclusion of any other agreement by the Institution, the latter shall remain solely responsible for actions by third parties and shall in no circumstances engage the responsibility of SDC; in addition and in the event of sub-contracting, the Institution shall commit itself to providing SDC on request copies of any agreements and terms of reference upon which it may have agreed. The Institution shall inform SDC of the conclusion of any sub-contracting agreement which relates to the execution of the Agreement either in whole or in part. **The Institution shall ensure that any sub-contracting agreements which it may conclude are in compliance with the Agreement and its annexes and that the sub-contractors do not benefit from conditions which are more favourable than those applying to SDC.**

2.4. The Institution may not transfer the benefit of the Agreement without the written consent of SDC.

2.5. SDC shall be alone competent to award orders and to order modifications, and it shall remain responsible for all conceptual decisions (integration of the Project into the national programme, objectives of new phases, evaluation, continuation or termination of a Project, etc.). The Institution shall contribute to the elaboration of appropriate solutions; it shall verify during the execution that the concept of the Project is viable and, where necessary, submit to SDC proposals for its adjustment.

2.6. Unless provided otherwise in writing, all contractual deadlines shall be considered as fixed deadlines.

In the event of non-compliance with an imperative deadline defined as such in the Agreement, the Institution shall be in default immediately. In other cases, an appropriate respite shall be granted. Upon expiry of such deadline, SDC may withdraw from the Agreement after written notification to the Institution. All services provided up to the date of termination of the Agreement must be paid for.

In particular cases agreed in writing and in the event of delay by the Institution in complying with an imperative deadline laid down, SDC may require the Institution to pay a penalty clause for non-performance of Agreement. Such penalty clause for non-performance shall correspond to 1 pro mil of the price of the service for each late day, but shall not amount to more than 10% of the total cost of the services to be provided. Payment of the penalty clause shall not liberate the Institution from its contractual obligations. In the event of force majeure and in cases where the Institution is able to prove that it is not in default, the penalty clause for non-performance shall not be applied.

2.7. The Institution shall at all times state clearly that it is acting in the framework of Swiss cooperation and humanitarian aid. It shall commit itself to safeguarding to the full the interests of SDC and to working in favour of continuing good relations between Switzerland and the country in which the Agreement is being executed by means of an
appropriate course of conduct. It undertakes to abstain from all interference in the internal affairs of the country concerned and to cooperate in a constructive manner with the administration of the country.

2.8. The Institution declares that it will not engage, even without payment, in accessory activities which might be detrimental, or might be considered as such, to the execution of the Agreement and to relations between SDC and the country in question.

2.9. By virtue of the Agreement, SDC shall mandate the Institution to carry out duties under public law. In respect of all operations in relation with such duties, the Institution and its staff shall be subject to Article 19 of the Federal Law on responsibility of the Federal Government, of members of the Authorities and of their officials (RS 170.32). The Institution shall draw the attention of its staff to this fact (see in this respect the memorandum relating to the execution of duties in public law, which may be obtained from the Legal Affairs Division of SDC).

2.10. For all activities carried out by the Institution acting as a subject of private law, the Institution shall be responsible for the conduct of its auxiliary staff pursuant to Article 101 of the Swiss Code of Obligations (CO; RS 220), and for the conduct of its subcontractors pursuant to Article 399 of the CO. It shall not be responsible to SDC for damage due to force majeure or accidental events.

3. Budget

3.1. The budget shall be laid down according to the agreement pursuant to the Annex of the Agreement. It must in all cases include the following two parts:

a) the budget for services (payment for the services of the Institution). It shall include all the services of the Institution which are required for the execution of the Project,

and

b) the budget for the fiduciary funds (the funds made available to the Institution by DC on a fiduciary basis) for the implementation of the Project. It shall cover the funds required for the execution of the Project and made available by SDC. The budget must be presented in Swiss francs and in local currency with indication of the rate of exchange, according to the requirements of the Project. In the latter case and if budget items do not contain local costs, they shall be presented in Swiss francs.

3.2. The budget must be distinguished from the total budget of the Project. The total budget of the Project shall include the budget as described at Article 3.1. and at the Annex, plus the budget of resources made available by third parties for the execution of the Project. The total budget shall form part of the Annex of the Agreement “Project description”.

4. Engagement of project staff

4.1. The Institution shall organise the selection and availability of the staff required for the Project. It shall engage only staff carefully chosen and possessing an appropriate level of training. Before engaging and/or appointing the Project head, the Institution shall obtain the written consent of SDC. In case of invitation of tenders, it shall submit the contents of the contractual conditions for expatriate staff and the local head to SDC for checking fees.

4.2. Staff sent by the Institution to work in the Project country must have undergone a medical examination and be recognised as apt to carry out the duties which are assigned to them, and their qualifications must also be appropriate for the Project.
4.3. The Institution shall conclude work contracts writing with the staff of the Project. Taken overall and unless provided otherwise in writing, employment conditions must not be more favourable than those applying to SDC. The Institution shall lay down its conditions clearly and inform SDC about them on request. Adequate social benefits (insurance, holidays, etc.,) must be guaranteed.

4.4. With the agreement of the Institution, the SDC coordinator in the Project country may lay down directives relating to the principles by which local staff are employed (equal treatment at the local level) which shall be binding on the Institution.

4.5. The Institution shall be responsible for the training of Project staff. SDC shall be responsible only for the cost of necessary specific training which it may consider indispensable, pursuant to the budget.

4.6. The Institution or the Project head, shall be responsible for staff and shall ensure in particular that such staff comply with the laws of the partner country, abstain from any interference in local political life and do nothing to harm, in any way whatsoever, relations between Switzerland and the partner country.

4.7. The Institution shall take cognisance of and comply with the provisions contained in the SDC Instruction relating to security, which may be obtained from the Legal Affairs Section of SDC.

4.8. In the country in which the Project is implemented and with respect to the Institution, its staff and their families where relevant, SDC shall endeavour to provide assistance in the following areas:
- providing the documents required for entry, residence and work in the country in question, as well as exit from such country,
- helping with import, export and customs facilities for personal effects and the goods required by the Project,
- organising repatriation in cases of emergency,
- ensuring free site access required for the Project,
- providing access to other bodies for collection of information which is to be obtained by the Institution.

5. Cooperation between the SDC Coordination office and the Institution

5.1. The SDC Coordination Office (hereinafter the Coordination Office) shall represent SDC in the partner country. If the coordinator (the head of the Coordination Office) issues a directive for the attention of the Institution this must be in writing.

5.2. The Institution shall appoint its representative for the Project in the country (hereinafter the representative of the Institution). Any action whatsoever by the representative of the Institution shall be regarded as an action by the Institution and considered as having been performed by it.

5.3. The coordinator and the representative of the Institution shall support each other, provide each other with advice and exchange information on matters relating to the Project as well as on general matters regarding Swiss international cooperation in the partner country. The coordinator shall be responsible for political contacts with the partner country, coordinate Swiss international cooperation in the partner country and inform the Institution about matters relating to it. The Institution shall be responsible for operational
contacts with the official bodies of the Project and shall inform the coordinator about such operational contacts.

5.4. In the event of crisis (war, political disturbance, danger of life and limb for the experts, etc.) the representative of the Institution shall immediately contact the coordinator. The latter shall inform the nearest Swiss diplomatic representation of the circumstances. Should there be no coordination Office in that country, the representative of the Institution shall inform the nearest Swiss diplomatic representatives of conditions regarding security as well as of any measures already taken.

5.5. In the event of crisis, the coordinator may in particular order at any time the withdrawal of the staff of the Institution for reasons of security. The representative of the Institution shall participate in all such decision-making relating to the Project. SDC shall assist in the repatriation of Institution staff working in the field. The Institution and/or its representative may order the withdrawal of experts without corresponding order on the part of the coordinator.

5.6. The representative of the Institution shall regularly provide the coordinator with relevant reports relating to the Project. The coordinator shall have the right to visit a Project at any time and to obtain all information relating in particular to its operational and financial situation. The coordinator shall inform the Institution of any developments within the partner country which may have repercussions on the Project.

5.7. Cooperation between SDC and the Institution is furthermore regulated by guidelines for cooperation between SDC and Swiss Development Cooperation Project Managers, which may be obtained from SDC staff. Specific regulations agreed contractually between SDC and the Institution shall remain reserved.

6. Procurement of material for the project

6.1. Purchase of material for the Project mentioned in the budget shall be made by the Institution on behalf of and for the account of SDC or of the partner country, pursuant to the provisions contained in the Agreement and the Project agreement. Invoices shall be addressed to the Institution, which commits itself to exercising in its fiduciary role the obligations of the purchasers, and to protect the interests of SDC or the partner country.

On request, the Institution shall draw up detailed lists of necessary equipment and material ordered.

6.2. When purchasing material for the Project the Institution shall observe the principle of free competition. It must justify any deviation from this principle. The specifications for the goods, including their quality, must correspond to the requirements of the situation and to the place of implementation of the Project. At the request of SDC, the Institution shall provide all information regarding the technical and financial specifications of the material purchased. The Institution shall request information from the coordinator about the type of material used in other Swiss Projects in the same country as well as about maintenance opportunities available.

6.3. The Institution shall take all necessary business precautions, in particular respecting advances and financial securities as well as guarantees. It shall do all in its power to order directly from manufacturers in order to obtain optimal prices and conditions, including with respect to delivery deadlines and quality warranties.

6.4. Rebates and discounts obtained upon purchase of material shall be regarded as reductions in cost. Decisions regarding any sale of material intended for the Project shall be made with the agreement of SDC and shall be credited to the account of the Project.
6.5. The material shall remain the property of SDC in the absence of any contractual provisions to the contrary.

6.6. The Institution must ensure that an inventory of the material of the Project is kept. If the material is the property of SDC, the Institution shall be responsible for the inventory; if the material is assigned in the property of the partner, the Institution shall ensure adequate supervision of such transfer.

6.7. Upon assignment of property rights to the partner as a result of a decision by SDC, the Institution shall be responsible for the establishment at due time of an appropriate record of the transfer of the material.

6.8. Article 15 of the present general conditions is furthermore applicable, as well as the SDC Instruction relating to service vehicles, which may be obtained from the Legal Affairs Division of SDC.

7. Intellectual property - Copyright

7.1. In the framework of the Agreement, the result of the work of the Institution, including rights of use and of exploitation, as well as all intellectual property rights, including copyright, and their disclosure, remains the property of SDC. At the express request of the Institution, the latter’s participation shall be mentioned by SDC. In addition, SDC may, pursuant to a separate agreement, authorise the Institution to use and/or exploit such intellectual property rights either free of charge or against indemnity.

7.2. The Institution shall state that it has carried out all necessary enquiries to establish that the result of its work does not breach the rights of third parties. Failing this, it commits itself to meeting all requests by third parties concerning any breach of intellectual property rights by it and to pay any expenses arising from such violation, including any damages and interest.

7.3. SDC shall commit itself to informing the Institution immediately of any request for indemnity, as well as to providing it with all necessary documents for its defence, under reserve of the obligation to maintain secrecy.

8. Confidentiality

8.1. All verbal and written information, either in whole or in part, between SDC, other administrative bodies of the Swiss Confederation and the Institution shall be treated as confidential. All documents relating to the Project, as well as other papers, information and data resulting from the Agreement which are supplied to the Institution in connection with the Agreement or which the Institution may itself have elaborated, must be treated as confidential and must not, either in whole or in part, be made accessible to third parties unrelated to the Agreement nor used for purposes other than those for which they were supplied or elaborated. The Institution shall draw the attention of its staff to the confidentiality obligation resulting from the above. Any breach of professional secrecy is a criminal offence pursuant to Article 320 of the Swiss Penal Code (RS 311.0).

8.2. At the written request of the Institution, SDC may release it from professional secrecy for scientific or development purposes.

8.3. All publications and/or communications relating to exchange of information and documents mentioned under Article 8.1. must be the object of prior authorisation in writing by SDC. If SDC authorises the Institution in writing to supply information, the Institution must commit itself to providing such information accurately and with mention of the name of SDC.
8.4. Any communication relating to the Agreement to the mass media or in any public form whatsoever (press, radio, television, cinema, Internet, etc.) shall be subject to authorisation in writing by SDC.

8.5. The provisions described in article 8 shall remain valid after completion of the Agreement.

9. **Insurance**

9.1. The Institution shall ensure that its staff are insured against risks of illness, accident and death, both in Switzerland and abroad, and that the according mandatory social insurance premiums are paid.

9.2. The Institution shall guarantee directly or indirectly the conclusion of adequate and appropriate insurance to cover its liability under the Agreement. When liability insurance cover is taken out, the cost of such cover shall be paid by the Institution.

9.3. In the absence of a written request to the contrary by SDC, the Institution shall take all reasonable measures to insure, in conditions acceptable to SDC, the vehicles of the Project (including passenger insurance). The cost of such insurance shall be paid by SDC.

9.4. The cost of any other insurance which may be required by the Project shall be paid by SDC.

10. **Reports and accounts concerning the use of funds**

10.1. At the dates and pursuant to the procedure stipulated in the Agreement, the Institution shall supply to SDC and/or the coordinator operational reports accompanied by work sheets (including hours worked), as well as the financial accounts. At the end of each phase, the Institution shall supply to SDC a final operational and financial report for approval. On demand, the Institution will provide the SDC and the coordinator a report on funds available in Switzerland and abroad.

10.2. If the Project documents (Annex to the Agreement) require the establishment of operational plans, the Institution shall supply such operational plans annually to the coordinator and to the head office of SDC.

10.3. Copies of any relevant communications to the authorities of the partner country shall be attached to the operational reports and operational plans. SDC may require supplements to the reports and, as and when necessary, intermediate reports.

10.4. Details relating to the form and content of the final and intermediate financial reports are regulated in the Annex “Presentation of financial accounts”.

11. **Accounts of the Institution - Auditing**

11.1. Unless otherwise agreed, the Institution shall maintain consolidated accounts at its head office which shall include the accounts maintained at the site of the Project; for local accounting purposes the Institution shall guarantee that the local staff possess sufficient competence and are well acquainted with accounting techniques.

11.2. With the agreement of the coordination office responsible, or in default of the coordination office, the Institution shall mandate a local fiduciary to carry out an annual audit. The local auditing firm shall check the system of internal auditing and the regularity
of the accounts and shall state whether the expenditure has been in accordance with the basic documents of the Project as well as whether the funds have been used efficiently and economically. The minimum requirements for such an auditing Agreement with a local fiduciary are contained in the Annex “Minimum requirements for local audit contracts”. The result of the local accounts shall be integrated into the consolidated accounts of the Project which are maintained at the head office of the Institution.

11.3. If the Agreement or the Project agreement states that the local audit shall be the responsibility, either in whole or in part, of the local partner appointed contractually, the Institution shall check that such audit is carried out pursuant to the contractual provisions. If the Institution finds that the audit is defective, it shall inform SDC of the fact without delay and shall, in agreement with the latter, take measures to provide an audit of its own.

11.4. The consolidated accounts of the Project, held at the head office of the Institution, must be audited by an auditing establishment outside the Institution, which is independent and approved by SDC. The auditing establishment shall base its work on the report of the local audit and shall include in its report any remarks made by the latter. It shall check that the accounts are correct and shall certify that expenditure in Switzerland has been in accordance with the Agreement. In addition, the auditing establishment shall check the application by the Institution of the conditions contained in Article 11.2. The consolidated accounts of the Institution shall be submitted to SDC together with the reports of the auditing establishment pursuant to the procedure described in the Agreement.

11.5. Any incorrectness in the accounts without measures being taken by the Institution which are considered adequate by SDC shall lead to suspension of payments by SDC until the facts of the matter are made known. Any expenses which are not in accordance with the criteria of efficient and economic use of funds shall be paid by the Institution.

11.6. In addition, the contractual provisions relating to the supply of operational reports and accounts shall be applicable. At the request of SDC, the Institution shall provide it with its annual report.

12. Bank accounts

12.1. Bank account at the place of the head office of the Institution.

a) The Institution shall open, at the place of its head office and in its name, a bank account for the Project into which the funds intended for the Project shall be paid, or

b) SDC may require that the Institution, having opened a bank account pursuant to a) above, supply a bank guarantee or require the opening of the bank account in the name of SDC, into which the funds will be paid, the Institution possessing in such case a power of attorney for the purpose of making payments pursuant to the procedures described in the Annex “Special provisions”, or.

c) At the request of the Institution, SDC may authorise the latter to manage a single account in its own name grouping several Projects.

12.2. In addition, the Institution shall open a bank account in the partner country from which its representative may withdraw the funds necessary for the execution of the Project. All funds transferred to the partner country by the Institution for the execution of the Project must be deposited in this account, at the official rate of exchange recognised by the government of the partner country, or, if this is not possible, at a rate of exchange approved by SDC on the date of payment, or as foreign currency. The funds made available on this account shall be used for the Project only, to the exclusion of any personal use or use by a third party for any reason whatsoever. In addition, the Institution
shall take all measures necessary to guarantee the security of the funds and shall ensure in particular that such local bank account contains only funds required for the execution of the Project.

12.3. Under reserve of the payment of instalments at average due date, interest realised by the Institution on instalments by SDC shall be credited to the account of the Project as an integral part of the SDC payment and deducted from the final payment under the Agreement or repaid to SDC upon presentation of the annual global interest account to be provided by the Institution within 90 days following the end of each calendar year of the Project.

13. Right of inspection

13.1. SDC and the Swiss Federal Audit Office may at any time inspect and request information on all matters concerning the Agreement; they may delegate this right to third parties.

13.2. In the event of any inspection by SDC, by those delegated by it or by the Swiss Federal Audit Office, the Institution shall make available all necessary documents and information.

13.3. The Institution is required to keep all documents for a period of no less than 10 years.

14. Remuneration

14.1. General provisions

14.1.1. The Institution shall supply services at fixed prices, with an upper price limit (limit on the price of services). It shall distinguish in its offer and in the budget between the various categories of costs and rates. The remuneration of the Institution may take place pursuant to the procedures described at Articles 14.2. or 14.3. However, in the case of open or selective tenders or by invitation, these tenders shall be presented according to the provisions contained in Article 14.3., regardless of the type of Institution.

14.1.2. Unless stated otherwise in writing, prices agreed shall be fixed. Inflation shall be taken into account only if agreed in writing. In the event of special arrangements for price variations (inflation, exchanges rates, etc.), these shall be stipulated in the Annex “Specialprovisions”.

14.1.3. Payment shall take place pursuant to the timetable provided in the Agreement, according to the progress of the work and the expenses incurred. On the payment date, the Institution shall assert its right to payment by producing invoices based on work sheets.

14.2. Remuneration by lump-sum management indemnity

14.2.1. SDC shall cover the costs of the Project, whose budget shall have been laid down pursuant to the Annex, by paying to the Institution a lump-sum management indemnity equivalent to a maximum of 13% of the budget of the fiduciary funds and a specific proportion of the budget for services as laid in article 14.2.6.

14.2.2. The lump-sum management indemnity shall be paid in equal tranches at the same time as the instalments laid down in the Agreement.
14.2.3. SDC shall reserve the right to reduce the lump-sum management indemnity if the final account shows that the actual cost of the Project did not reach 80% of the cost budgeted and if such reduction resulted in a substantial reduction in management costs.

14.2.4. An increase in the budget of the fiduciary funds shall not automatically lead to an increase in the lump-sum management indemnity. The lump-sum management indemnity shall be increased only after discussions between the parties and if SDC requires supplementary services from the Institution which were not initially planned and if these give rise to an increase in costs.

14.2.5. In the event of sub-contracts, the Institution shall commit itself to complying with the provisions contained in article 14.3. below.

14.2.6. Remuneration by lump-sum management indemnity

The management indemnity:

a) Covers the following expenses incurred by the Institution in Switzerland:

- the fees of staff in Switzerland assigned to the Project, and/or undertaking tasks of a general nature and/or managing the Project in Switzerland;
- Travelling expenses of head office staff responsible for the administration of the Project (air tickets, visas, vaccinations, per diems, etc.);
- General language training for staff on the Project (in particular in French, English and German);
- The institution’s overheads in Switzerland (office rent, telephone, fax, water, electricity, taxes, etc.);
- Expenses arising in Switzerland connected with the recruitment of staff for the Project and their support (including that of their families) on their departure, during their stay in post and on their return;
- Expenses arising in Switzerland with the support of staff for the Project (including that of their families) on their departure, during their stay in post and on their return;
- Expenses connected with any calls for tender made within the Project, their award and expenses necessarily arising from the purchase, shipping and supervision of goods intended for the Project (not including shipping, insurance and delivery charges);
- The services of the institution connected with the financial administration of the Project (management, and accounts supervision and auditing in Switzerland);
- Costs connected with contact with SDC (meetings, reports, accounting, etc.) and travel in Switzerland.

b) The following items serve for calculating the PLE:

- Fees of expatriate staff (experts) assigned to the Project abroad;
- Fees and costs for technical advice connected with the Project given by international or local experts, firms or institutions;
- Expenses of members of staff assigned to the Project and their families accompanying them to the post, such as travelling expenses, the cost of shipping personal effects, accommodation, schooling, etc.;
• Direct expenses for recruitment of staff assigned to the Project (advertisement etc);
• The salaries and costs of local staff assigned to the Project;
• The net expenses of local administration of the Project, such as the hire and maintenance of premises, taxes, expenses connected with communications and vehicles (if a vehicle is sold, the whole of the sum raised is to be credited to the Project account), etc.;
• The institution’s local office costs (as a whole or in part) (office rent, telephone, fax, electricity, taxes, etc.);
• Local auditing expenses;
• Training specifically required for the Project and language training in the local language given to staff assigned to the Project;
• The cost of materials intended for the Project purchased with Swiss resources, and the cost of shipping them, related insurance and delivery;
• Expenditure on building and fitting out;
• Payments to holders of scholarships.

c) For the purposes of calculation of the PLE, following are excluded:
• Funds made available to the Project by the partner or by third parties for the execution of the Project;
• Revolving funds and associated expenditure (rules applicable to supervisory and other expenses, and their repayment, will be specified separately);
• Guarantees in respect of deficits;
• Sums budgeted for in an earlier phase, and carried forward to the new phase, on which the PLE has already been paid.

14.3. Remuneration by fee

14.3.1. SDC shall pay the Institution according to the budget laid down pursuant to the Annex covering the fees and expenses of the Institution. The fees shall cover in particular auxiliary expenses, such as general costs, social benefits and other contributions to cover the costs of illness, disability and death. Fees and costs shall be agreed upon by the parties. In principle, they shall be calculated on the basis of Article 14.3.3. below. Lump-sum amounts may be accepted.

14.3.2. The Institution shall recover its fees and costs by withdrawal from the bank account described in Article 12. Salaries paid shall be deducted from the bank account at the end of each month. Payments may be made by withdrawal from the bank account only on the dates at which such payments become due.

14.3.3. For work undertaken in Switzerland, hourly rates shall be applicable to each hour actually worked. In the case of duty journeys in Switzerland, the actual time taken for the outward and return journey up to a maximum of three hours shall count as working hours.

For work undertaken abroad, daily rates shall be applicable, corresponding to a working day of eight hours (actual working time). If the work abroad exceeds ten consecutive days, a maximum of six working days shall be paid per week. Travel on SDC business, whether from Switzerland to a place abroad, or entirely abroad, shall count as working
time (with a maximum of 8 hours a day). For contracts lasting more than two months monthly tariffs may be applied.

If the departure time from Switzerland to a place abroad is between 12.00 a.m. and 12.00 p.m. (travel time to the airport inclusive) and if the arrival time in Switzerland is between 12.00 p.m. and 12.00 a.m. (travel time to the place of residence inclusive) 50% of the daily fee shall be reimbursed.

14.3.4. Costs for accommodation and meals, travelling expenses and other expenses are reimbursable as follows:

Expenses are reimbursable in respect of journeys undertaken by the institution for the purposes of the Agreement, whether in Switzerland, in the Agreement country or in a third country, within the following upper limits:

a) **Expenses in Switzerland**

(i) Reimbursement of travelling expenses: in case of travel by railway, where a receipt is presented the cost of a first class ticket is reimbursable. Where no voucher is presented, 50% of the price of a full-fare second class ticket, will be refunded. Where travel is by private vehicle, an allowance can be made equal to 50% of the price of a full-fare second class ticket; in justified cases, an allowance based on kilometres can be foreseen in advance in writing;

(ii) Reimbursement of incidental travelling expenses such as duty telephone calls, telegrams, telex, visa indemnities, etc.;

(iii) Payment of an indemnification covering the costs for accommodation and meals, based on the rates as defined in the SDC lists “Food and Hotel Reimbursement” and “Indemnification Consultants”. The lists are available on the internet [www.deza.admin.ch](http://www.deza.admin.ch), chapter “Bidders”, or a printed version from SDC. They form integral part of the present general conditions GCB;

(iv) Reimbursement of other expenses consistent with the budget.

b) **Expenses going abroad and abroad**

(i) Travelling expenses: in principle, the Institution should order any air ticket from the Travel Center (TC) at Federal Department of Foreign Affairs. If the air ticket is obtained by the Institution, this must be done in agreement with the TC. In this case, SDC shall reimburse the institution the actual cost of a direct return flight from Switzerland, or a third country, to the country of assignment, against vouchers. For flights to destinations at a distance of less than 3000 miles, SDC shall reimburse the cost for an air ticket in economy class. For flights to destinations at a distance of 3000 miles and more, SDC shall reimburse the cost for an air ticket in business class. If the journey is interrupted by at least one night in a hotel, the respective routes, concerning mileage, are calculated separately.

If a member of the Institution is accompanied by employees of SDC, she/he is entitled to the same class of air-ticket as they are.

(ii) Reimbursement of necessary incidental travelling expenses, such as train fares, the cost of car travel or taxis, porters, vaccination, visas, duty telephone calls, telegrams, fax airport taxes, etc.

(iii) Payment of an indemnification covering the costs for accommodation and meals, based on the rates as defined in the SDC lists “Food and Hotel Reimbursement” and “Indemnification Consultants”. The lists are available on the internet [www.deza.admin.ch](http://www.deza.admin.ch), chapter “Bidders”, or a printed version from SDC. They form integral part of the present general conditions GCB;
(iv) Baggage sent by air: the cost of overweight will be met only exceptionally, and in cases where the baggage is necessary to carry out the Agreement, and a special request is made.

15. Regulations resulting from the federal law on public procurement

15.1. For services supplied in Switzerland, the Institution shall commit itself to complying with the regulations of the Federal Law on Public Procurement (RS 172.056.1).

15.2. For services supplied in Switzerland, the Institution shall commit itself to complying with the regulations relating to worker protection and working conditions in force at the place where the service is supplied. It shall guarantee equality of treatment between men and women at the salary level. Working conditions shall be deemed as meaning conditions which are contained in collective agreements and in labour Agreements, or similar, or, if such agreements and Agreements do not exist, working conditions usual in the region and the profession concerned.

15.3. A penalty clause may be levied if the Institution does not comply with the principles contained in Article 15.2 above. Such penalty clause shall amount to 10% of the contractual value and may amount to a sum between CHF 3,000.-- and CHF 100’000.--.

15.4. When there is a lack of free competition and when the contractual value (for services) is in excess of CHF 1 million, or when the conditions laid down in the Directive of the Federal Department of Finance of April 28, 1997, concerning the right to inspect in the case of Federal Procurement are present, the right to inspect the calculation of costs shall be agreed upon between SDC and the Institution. Such right of inspection shall be exercised pursuant to the procedure provided in the Agreement.

16. Termination of the agreement

16.1. Respect for democratic principles and fundamental human rights as set out in particular in the Universal Declaration of Human Rights inspires the internal and external policies of Switzerland and the Beneficiary State, and constitutes an essential element of co-operation between Switzerland and the Beneficiary State.

If the Beneficiary State violates this essential element, SDC shall inform the Institution of the situation and the measures contemplated.

If such violation continues or if no solution has been found with the Beneficiary State, SDC may take appropriate measures, including the termination of the present contract. In such cases, the parties undertake to take all possible measures to reduce as far as possible the cost of interrupting the contract, and abandon any claim for damages going beyond payment of expenses actually incurred.

16.2. If events resulting from force majeure (natural disaster, etc.) prevent the execution of the Agreement, either party may terminate the Agreement with effect from the moment when it becomes impossible to carry it out. A final report as well as a final account of the costs of the Project, including any costs deriving from the premature ending of the Project, must be drawn up by the Institution. If a management lump-sum indemnity is due, it shall be calculated on the basis of the actual costs (costs of suspension included).
16.3. In the event of non-compliance, non-execution or breach by one of the parties of the obligations binding upon it, the other party may, after formal notice has been given, terminate the Agreement with immediate effect, pursuant to the Federal Law on Federal Subsidies (RS 616.1).

17. **Duration of the agreement**

The Agreement shall end when each of the parties has fulfilled its contractual obligations, but at the latest on the date of the final payment by SDC, which cannot be made until after reception of the final report and the final account and approval of these documents by SDC. If a final payment is not due, the Agreement shall end six months after acceptance by SDC of the revised final report and final account, unless SDC has lodged objections in writing before the expiry of such deadline.

18. **Relationship between the Agreement and these general conditions**

The contractual provisions prevail these General Conditions.

19. **Protection of personal data**

The Institution takes note that SDC will evaluate the quality of the services provided and agrees that these data may be treated within the SDC in accordance with the terms of the Swiss law on the protection of data of June 19th, 1992 (RS 235.1). She has the right to consult these evaluations according to the above-mentioned law.

20. **Applicable law**

The present Agreement is subject to Swiss public law. In the event of litigation resulting from the present Agreement, the Federal Law on Administrative Procedure and the Federal Law on Judicial Organisation are applicable.