

## **DEVELOPMENT INSTITUTIONS MEMBERS OF THE COORDINATION GROUP**



**Islamic Development Bank**



**Abu Dhabi Fund for  
Development**



**The OPEC Fund for International  
Development**



**The Saudi Fund for Development**



**Arab Fund for Economic and  
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**Kuwait Fund for Arab Economic  
Development**



**Arab Bank for Economic  
Development in Africa**

## **MODEL AGREEMENT FOR CONSULTING SERVICES (FEASIBILITY STUDIES)**

**First Edition 1995**

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## PREFACE

This document contains the Model Agreement for Feasibility Studies which comprises the terms and conditions approved by the *Coordination* Group consisting of Islamic Development Bank, Abu Dhabi Fund for Development, the Opec Fund for International Development, the Saudi Fund for Development, Arab Fund for Economic and Social Development, Kuwait Fund for Arab Economic Development and Arab Bank for Economic Development in Africa.

The Agreement consists of twenty four clauses which endeavoured to strike a reasonable balance between the interests of both the Client and the Consultant. The most important sections of the Agreement were devoted to the obligations of the Consultant, the standard of his performance, the nature of the relationship between the Client and the Consultant while discharging his obligations and the confidentiality of information and documents put by the Client at the disposal of the Consultant while performing his services.

Taking heed of the important role played by the members of the Consultant's team, the Agreement contains a number of sections emphasising the importance of providing an adequate number of qualified and experienced employees whose appointment shall be subject to the approval of the Client after examining their qualifications and past experience detailed in their curricula vitae. The Agreement has also made it an obligation incumbent upon the Consultant to give priority in recruitment to local personnel and to personnel of Arab, Islamic and OPEC countries whenever possible. The Agreement also catered for training of local personnel by the Consultant by allowing the Client to appoint counterpart personnel to work with the Consultant's team while they are discharging their obligations.

As the role played by the Client is of equal importance for the success of the Consultant's assignment, the Agreement devoted a number of sections to specify the Client's obligations, such as furnishing the Consultant with all the pertinent data and information available to him relating to the Study, and giving such assistance as shall reasonably be required by the Consultant for carrying out his duties. The Agreement has also specified, in detail, the facilities which the Client should extend to the Consultant and his personnel, inter-alia, exemption from all forms of taxation and the permission to transfer their remuneration in addition to the usual facilities and exemptions from Customs duties.

The Agreement has also specified the rights and obligations of the parties in case of postponement or termination, the law applicable and has chosen arbitration as a means of settlement of disputes. The Agreement comprises one schedule only indicating the phasing of payments to the Consultant as the contents of the other schedules naturally differ from one Study to another.

**MODEL AGREEMENT FOR CONSULTING SERVICES  
(FEASIBILITY STUDY)**

This Agreement is made on \_\_\_\_\_ between

\_\_\_\_\_

(hereinafter called the Client) and \_\_\_\_\_

(hereinafter called the Consultant).

Preamble:

Whereas, the Client is desirous that Consulting Services be rendered for carrying out the following Study.

(Name of the Feasibility Study)

Whereas, the Consultant has represented to the Client that he possesses the necessary skills, competence and capability to render the services required under this Agreement and has submitted a proposal to the Client dated \_\_\_\_\_ for carrying out these Services.

Whereas, the Client has accepted the aforesaid proposal of the Consultant, subject to such modifications as reflected in this Agreement and the Appendices thereto.

Now, therefore, the Parties hereto have agreed as follows :

**1. Incorporation of Preamble in the Agreement**

The above preamble shall be deemed to constitute an integral part of this Agreement which shall be construed accordingly.

**2. Definitions and Interpretation**

**2.1. Definitions**

In this Agreement, unless otherwise required by the context, the following terms, whenever used, shall have the respective meanings shown against each:

- (a) "Agreement" means this Agreement and the documents and appendices forming part hereof as defined in Section 2.2 of this Agreement.

- (b) "Consultant" means the firm or firms, company or companies entered hereinabove as party or parties to this Agreement.
- (c) "Study" means the Study referred to in the preamble to this Agreement.
- (d) "Services" means the services described in Appendix (A) hereto as amended or modified from time to time by agreement between the parties.
- (e) "Month" means any period of one month according to the Gregorian Calendar.
- (f) "Day" means the period between one midnight and the next.
- (g) "Local Currency" means the currency of the country where the proposed project subject of the Study is to be carried out and "Foreign Currency" means any other currency.
- (h) "Sub-Consultant" means any entity to which the Consultant sub-contracts any part of the services with the approval of the Client.
- (i) "Local Personnel" means personnel domiciled in the country where the Study is to be carried out who are employed by the Consultant or any sub-consultant thereof for the purpose of the services and "Foreign Personnel" means any other personnel.

## 2.2. Documents Constituting the Agreement

The following documents shall be deemed to form and be read and construed as part of the Agreement :

- (a) The Letter of Acceptance;
- (b) The Appendices, namely :
  - (i) Appendix (A) : Scope of Services (Terms of Reference);
  - (ii) Appendix (B) : Schedule of Completion of Services;
  - (iii) Appendix (C) : The Consultant's Personnel;
  - (iv) Appendix (D) : Personnel, Equipment, Facilities and Services to be Provided by the Client; and
  - (v) Appendix (E) : Remuneration and Payments.

- (c) The Consultant's proposal dated \_\_\_\_\_ insofar as it is not inconsistent with this Agreement or any other document forming part thereof but only to the extent that such proposal amplifies the Services or describes the methodology to be adopted by the Consultant in performing them.

### 2.3. Interpretation

2.3.1. The headings shall not limit, alter or affect the meaning of any provision in this Agreement.

2.3.2. Words importing the singular also include the plural and the masculine includes the feminine and vice versa, unless the context otherwise requires.

## 3. Appointment of the Consultant

- 3.1. The Client hereby appoints the Consultant to perform the Services on the terms and conditions set forth in this Agreement and the Consultant accepts the appointment and undertakes to carry out the Services.
- 3.2. Insofar as the Consultant comprises more than one firm and/or company associated together for the purpose of performing the Services, all such firms and/or companies shall be jointly and severally liable for the obligations of the Consultant under this Agreement. Such firms and/or companies shall designate and authorize one of their number to liaise on their behalf with and represent them vis-a-vis the Client who shall be entitled to deal with them through such representative.

## 4. Relation Between the Parties

Nothing stated herein shall be construed as establishing a relation of master and servant or principal and agent between the Parties.

## 5. Commencement and Completion of the Services

- 5.1. Unless otherwise agreed between the Parties, the Services shall be commenced within \_\_\_\_\_ days [after entry into force of this Agreement/after issue by the Client of the order of commencement of the Services]\*.

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\* Delete as appropriate.



- 5.2. The Services shall be performed and completed in accordance with the Schedule set forth in Appendix (B) hereto.

## **6. Obligations of the Consultant**

### **6.1. Standard of Performance**

The Consultant shall perform the Services and carry out all his obligations under this Agreement, including his obligations under Clause 5 hereof, with all due care, skill, efficiency and diligence in accordance with the highest standards recognized in the profession. In performing the Services the Consultant shall act as the faithful adviser of the Client. Any approval by the Client of any reports, plans, or any other documents or recommendations made by the Consultant shall not absolve the Consultant of any of his obligations under this provision.

### **6.2. Observing Local Laws**

The Consultant, his employees, Sub-Consultants and any other third party employed by him whilst in the country in which the Study is to be carried out, shall respect the laws of the said country.

### **6.3. Remuneration of the Consultant**

The remuneration of the Consultant according to Appendix (E) of this Agreement shall constitute his only remuneration in connection with this Agreement.

### **6.4. Specialist Advice and Services**

The consultant shall provide all the expert technical advice and skills which are normally required for the type of services provided for in this Agreement. Where specialist technical advice, not being within the contemplation of the scope of services stated in Appendix (A) hereto, is required, the Consultant may with the prior written agreement of the Client, arrange for the provision of such specialist services, and the client shall either pay for such services or reimburse the consultant for all reasonable costs relating thereto. However, the Consultant shall retain full and unseverable responsibility for all the services including the specialist technical advice and assistance which is obtained.

### **6.5. Sub-Contracting**

The Consultant shall not sub-contract any part of the Services or any of his obligations under this Agreement to any third party except with the prior written consent of the Client. Any such third party and the terms and conditions of the sub-contract made with him as well any modifications or termination thereof shall be subject to the approval of the Client in writing.

Notwithstanding any such approval, the Consultant shall remain fully responsible for the performance by any such sub-contractor of the part or parts of the Services so sub-contracted as well as for any other obligations hereunder in relation thereto.

**6.6. Confidentiality**

All information, data, documents and designs provided to the Consultant by the Client or developed by the Consultant in the course of performing the Services shall be treated by him as confidential and shall not be published or disclosed to any third party without the prior written approval of the Client.

**6.7. Ownership of Documents**

All plans, reports and other documents prepared by the Consultant in performing the Services shall become and remain the property of the Client and while in the custody of the consultant shall be fully available to the Client. The Consultant shall, not later than the date of completion of the Services or the premature termination thereof, deliver all such documents to the Client together with a detailed inventory thereof. The Consultant may retain copies of such documents but shall not use them for purposes unrelated to this Agreement without the prior written consent of the Client.

**6.8. Ownership of Equipment**

Equipments and materials furnished to the Consultant by the Client or purchased out of funds wholly provided or reimbursed by the Client shall be the property of the Client and shall be so marked. Upon completion or termination of the Services the Consultant shall furnish to the Client an inventory of the said equipment and remaining materials and shall dispose of same as directed by the Client.

**6.9. Reporting**

The Consultant shall submit to the Client the reports and documents specified in Appendices (A) and (B) hereto, in the form, language or languages, number of copies and within such periods as specified in the relevant Appendix.

**7. Liability of the Consultant**

The Consultant shall be liable to the Client for any breach of the obligations of the Consultant under this Agreement. However, the Consultant's liability to compensate the Client in respect of any damage or loss shall be limited to the total amount of his remuneration under this Agreement, provided that the liability of the Consultant shall not be subject to such limit in the event of

damage or loss suffered by the Client as a result of gross negligence or wilful default in the performance of his obligations by the Consultant or his personnel.

## **8. Indemnification of the Client by the Consultant**

The Consultant shall indemnify and hold harmless the Client against all claims, actions, proceedings, demands and costs, including legal fees and expenses in connection therewith, arising as a result of:

- (a) any death, injury or damage to the property of any third party (including personnel of the Client or the Consultant) caused by any error, omission, negligence or wilful act of the Consultant or his personnel; and
- (b) any infringement by the Consultant in the course of performing the Services of any copyright, patented invention, article, design or proprietary process of any third party.

Provided that the Consultant shall not be liable to indemnify the Client in respect of any claim relating to injury or loss of life or damage to property arising solely from acts and omissions of the Client, his servants and agents or if the infringement of any right of third parties was the result of instructions given by the Client in writing.

## **9. Insurance\***

9.1. The Consultant shall take out and maintain at his own cost but on terms satisfactory to the Client the following insurances:

- (a) Professional liability insurance with a minimum coverage of  
\_\_\_\_\_
- (b) Third party liability insurance with a minimum coverage of  
\_\_\_\_\_
- (c) Employers' liability and workmen's compensation insurance as required by law in respect of the Consultant's personnel engaged in carrying out the Services in the Client's country.
- (d) Insurance against loss or damage to equipment purchased in whole or in part with funds provided under this Agreement.\*\*

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\* This provision may be dispensed with or modified if the Consulting Engineer is a parastatal organization in the Client's country and is not allowed to carry any of the insurances referred to in the provision.

\*\* The types of insurance referred to under paragraphs (b), (c) and (d) shall be specified when deemed necessary.

The Consulting Engineer shall at the request of the Client produce evidence that the aforesaid insurances have been taken and maintained and that the current premiums therefor have been paid.

- 9.2 The Consultant shall take out and maintain such additional insurance cover at the Client's cost as may be requested in writing by him.

## **10. The Consultant's Personnel**

- 10.1. The Consultant shall provide qualified and experienced personnel as are required to carry out the Services, and such personnel, unless designated by name in Appendix (C) hereto, shall be subject to the approval of the Client.
- 10.2 For the purpose of carrying out the Services, the Consultant shall give priority in recruitment to local and or Arab / Islamic / OPEC Countries personnel insofar as they are available and suitable for the tasks involved.
- 10.3. The Client may at his own cost appoint counterpart personnel. Notwithstanding the appointment of such personnel, the Consultant shall at all times be fully responsible for the due performance of his obligations under this Agreement and for the satisfactory completion of the Services.
- 10.4. The titles, agreed job description and minimum qualifications and experience of personnel to be assigned by the Consultant for carrying out the Services are stated in Appendix (C) hereto together with the names of such personnel already approved for this purpose by the Client. Insofar as any personnel required for performing the services have not been approved by the Client at the time hereof, the Consultant shall submit to the Client for review and approval a copy of their biographical data (with supporting documents, if so required by the Client) and, in the case of foreign personnel to be assigned to the country where the Services are to be performed, a medical certificate relating to each evidencing his fitness for service in that country. All requests for approval of assignment of personnel for carrying out the Services shall be submitted to the Client at least one (1) month before the date when the proposed assignment is to take effect.
- 10.5. The Consultant shall designate a team leader to be in charge of the Study and to be responsible for liaison between the Client and the Consultant.
- 10.6. The Consultant shall furnish to the client a monthly/quarterly statement of the staff assigned by him to the site where the Study is to be carried out and a detailed program of the assignment of said personnel.

## 10.7. Replacement or Removal of Personnel

10.7.1. Should it become necessary for the Consultant to replace any of the personnel assigned by him to carry out the Services, he shall, after obtaining the approval of the Client for such replacement, arrange for substitute personnel with equivalent or better qualifications and experience. The cost of replacement of such personnel shall be borne by the Consultant except where such replacement is necessitated by illness or accident attributable to the conditions of work, in which case such costs shall be borne by the Client.

10.7.2. The Client may instruct the Consultant to remove and/or replace any of the personnel assigned by him to carry out the Services, stating in such instruction the reason therefor. If the personnel to be removed or replaced is guilty of misconduct or if the Client has reasonable cause to be dissatisfied with the performance of such personnel, the costs relating to his repatriation and to his replacement shall be borne by the Consultant.

## 11. Obligations of the Client

11.1. The Client shall furnish without charge and within a reasonable time all pertinent data and information available to him relating to the Study and shall give such assistance as shall reasonably be required by the Consultant for carrying out his duties under this Agreement. However, if any decisions are required to be made by the Client in the course of the Study, such decisions shall be made within a reasonable time so as not to delay or disrupt the Consultant's work.

11.2. The Client shall assist the Consultant, his personnel and, where applicable, their dependants, in respect of the timely granting of or facilitating the following:

- (i) visas for entry to and exit from the country where the Services are to be carried out and such licenses and permits as may be necessary;
- (ii) access to all sites and locations involved in carrying out the Services;
- (iii) the privilege of remittance by such personnel of such portion, as may be permitted in accordance with the laws and regulations of the country where the Services are to be carried out, of amounts earned by such personnel under their employment contracts relating to the Services;

- (iv) insofar as the Consultant's remuneration is payable in the Client's country, a firm authorization from the country's Central Bank or other appropriate authority that the foreign exchange component of the remuneration under this Agreement shall be transferable to the Consultant's home country; and
  - (v) repatriation of the Consultant's personnel in the event of emergencies.
- 11.3. The Client shall render assistance in connection with clearance through customs of any equipment, materials and supplies required for the services and with clearance of the personal effects of the Consultant's personnel.
- 11.4. Except when exemption has been arranged, the Client shall compensate the Consultant for the unrecovered cost of any taxes, duties, levies and other impositions under the laws and regulations in the country where the Services are carried out in respect of:
  - (i) any equipment, materials and supplies brought into the said country for the purpose of carrying out the Services and which will be subsequently withdrawn therefrom;
  - (ii) any property brought into the aforesaid country by the Consultant or his personnel for their personal use and which will be subsequently withdrawn therefrom upon the departure of the Consultant and his personnel; and
  - (iii) any stamp and other duties payable on documents.
- 11.5. The Client shall make available, free of charge for use by the Consultant and his personnel for the purpose of carrying out the Services, the equipment, facilities and services described in Appendix (D).
- 11.6. In the event of delay in making available to the Consultant the equipment, facilities or services set forth in Appendix (D), the Consultant shall notify the Client of such delay and shall be entitled to an appropriate extension of the time for the performance of the Services and a proportional remuneration for completion of the Services, insofar as additional costs are incurred by the Consultant.
- 11.7. If the anticipated equipment and/or facilities are not forthcoming the Client and the Consultant shall agree on how the affected part of the Services shall be carried out and shall agree on a revised remuneration therefor insofar as additional costs are incurred by the Consultant.

- 11.8. The Client will in consultation with the Consultant arrange for the selection and provision of counterpart personnel to be trained by and work under the exclusive direction of the Consultant. Such personnel shall be integrated in the Consultant's Study team to enable them to gain additional experience. In the event that any of the counterpart personnel fails to perform adequately the work assigned to him by the Consultant, provided such work assignment is consistent with the position occupied by the staff member, the Consultant may request that he be replaced and such request shall not be unreasonably refused.
- 11.9. The Client undertakes to arrange for the provision of services by third parties, if so provided and to the extent stated in Appendix (D) hereto. The Consultant shall co-operate with such firms and/or individuals engaged by the Client for the provision of such services. In the event that the Consultant is delayed in obtaining the services of others as set forth in Appendix (D), he shall notify the Client of such delay and shall be entitled to an appropriate extension of the time for performance of the Services and a proportional remuneration for completion of the Services insofar as any additional expenses are incurred by the Consultant. If the anticipated services are not forthcoming, the Client and the Consultant shall agree on how the affected part of the Services will be carried out and on the additional remuneration therefor insofar as such services are to be performed by the Consultant.

The Client shall hold the Consultant harmless against any losses or claims resulting from the failure of third parties to provide the services to be arranged by the Client in accordance with Appendix (D).

## **12. Indemnification of the Consultant by the Client**

The Client shall indemnify the Consultant and hold him harmless against any loss of life or property, injury, damage, actions, proceedings, claims by third parties, costs, including legal fees and expenses, suffered or incurred by the Consultant as a result of any wrongful act, negligence or breach of contract on the part of the Client or his servants.

## 13. Taxes

The Consultant shall be exempt in the Client's country from tax on income derived from the performance of the Services or shall be reimbursed by the Client in respect of such tax, provided that the Consultant shall not be entitled to such exemption or reimbursement in the following circumstances:

- (a) If he is a national or subject of or resident in the Client's country.
- (b) If the Consultant would otherwise be liable to tax on such income or part thereof in accordance with any agreement between the Client's country and the home country of the Consultant for the avoidance of double taxation, but only to the extent of such liability.
- (c)\* If the Consultant has a fixed base in the Client's country regularly available to him for performing his activities and the income is attributable to such fixed base, provided that an office made available to the Consultant or established by him solely for the purpose of performance of the Service shall not be deemed as a fixed base for the purposes of this provision.

## 14. Postponement and Termination

### 14.1. By notice of the Client

The Client may by written notice to the Consultant at any time give prior notice of his intention to omit any part of the Services or to abandon the Services in whole or the remaining part thereof and terminate this Agreement. Unless otherwise agreed between the parties, the effective date of termination of this Agreement shall not be less than sixty (60) days after receipt of such notice. But the Consultant shall upon receipt of such notice take immediate steps to bring the Services to a close and to reduce expenditure to a minimum.

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\* As an alternative to paragraph (c) the following may be used, if considered appropriate:

"if, notwithstanding the absence of an agreement between the Consultant's home country and the Client's country for the avoidance of double taxation, the Consultant would be entitled to a tax credit in his home country in respect of income tax paid in the Client's country, but only to the extent of such tax credit".



#### 14.2. Force Majeure

The Consultant shall promptly notify the Client, in writing, of any situation or event arising from circumstances beyond his control and which he could not reasonably foresee which makes it impossible for the Consultant to carry out in whole or in part his obligations under this Agreement. Upon the occurrence of such a situation or event and provided that the same is sufficiently verified and acknowledged by the client, who shall not unreasonably withhold his acknowledgement, the Services shall be deemed to be postponed for a period of time equal to that caused by the Force Majeure and a reasonable period not exceeding one (1) month for remobilization by the Consultant for continuation of the Services.

#### 14.3. Default by the Client

The Consultant may by written notice to the Client terminate this Agreement:

- (i) if he has not received payment of that part of any invoice, which is not contested, within ninety (90) days of submission thereof; and
- (ii) if the Services have been postponed as provided for in Sub-Clause 14.2 and the period of postponement has exceeded three (3) months.

#### 14.4. Entitlement of Consultant upon Postponement or Termination.

Upon postponement of the Services or termination of this Agreement under Sub-Clauses 14.1, 14.2 or 14.3 and subject to the obligation of the Consultant to reduce expenditure to a minimum as stated in Sub-Clause 14.1, the Consultant shall be entitled to receive the remuneration due up to the effective date of postponement or termination and reimbursement in full for such of the costs specified in Appendix (E) as shall have been incurred prior to the effective date of such postponement or termination and for all costs incidental to the orderly termination of the Services, including return travel of the Consultant's personnel, their dependents and effects.

#### 14.5. Default by the Consultant

The Client shall notify the Consultant, in writing, if he considers that the Consultant is in breach of any of his obligations under this Agreement, stating the default on the part of the Consultant constituting such breach. In the event that the Consultant does not respond to such notice within fifteen (15) days or fails to rectify the default within a reasonable period not exceeding thirty (30) days, the Client may by further notice to the Consultant terminate the Agreement as of the date stated in such further notice. Such termination shall be without prejudice to the right of the Client to claim damages for default of the Consultant.

#### 14.6. Claims for Default

Any claim for damages on the ground of default in the performance of this Agreement or in connection with its termination shall be the subject of negotiation and agreement between the Client and the Consultant and, failing such agreement, shall be referred for determination under Clause 22 of this Agreement.

#### 14.7. Rights and Liabilities of the Parties

Termination of this Agreement, for whatever reason, shall not prejudice or affect the accrued rights or claims of either party to this Agreement against the other.

### **15. Remuneration of the Consultant**

15.1. In consideration of performing the Services and his other obligations under this Agreement the Consultant shall be remunerated by the Client in accordance with the conditions and schedule of remuneration and payments set forth in Appendix (E) hereto.

15.2. In the event that supplementary services, in addition to those provided for in Appendix (A) hereto, are required as a result of alterations or modifications to the Services or the schedule of performance thereof, specifically requested by the Client in writing and agreed with the Consultant, or in the event of delay in performance of the Services due to circumstances beyond the control of the Consultant and which could not reasonably have been foreseen by him, the Consultant shall, insofar as he has incurred any extra costs, receive additional remuneration computed either on time basis or as may be otherwise agreed between the Client and the Consultant, together with any reimbursable expenses incurred. The Consultant shall also be entitled to additional remuneration on the aforesaid basis in respect of any additional services not covered by Appendix (A) hereto which are necessarily incidental to termination of the Agreement other than termination for breach by the Consultant of any part of his obligations under this Agreement.

### 15.3. Changes in Legislation

If in the country in which the study is being carried out there shall occur, subsequent to the date of this Agreement, changes to any National or State Statute, Ordinance, Decree or other Law or any regulation or by-law of any local or other duly constituted authority, or the introduction of any such State Statute, Ordinance, Decree, Law, regulation or by-law which results in increased or decreased costs to the Consultant in connection with the performance of his Services, such additional or reduced cost shall be paid by or credited to the Client and the agreed remuneration adjusted accordingly.

## 16. Payments to the Consultant

16.1. The Client shall effect payments to the Consultant in accordance with the payment schedules and in the manner set forth in Appendix (E).

16.2. Amounts due to the Consultant shall be paid promptly. If the Client fails to pay the Consultant within\* \_\_\_\_\_ ( \_\_\_\_ ) days of the date of receipt of an invoice in respect of an amount which has fallen due, the Client [shall pay interest to the Consultant from the date of expiry of this period until the date of actual payment at the rate specified in Appendix (E)/ reimburse the Consultant in respect of such reasonable costs or bank charges as may be actually incurred by the Consultant as a result of the delay in payment after the expiry of the said period]\*\*.

16.3. If any item or part of an item of an invoice submitted by the Consultant is disputed or questioned by the Client, he shall so inform the Consultant within 30 days of receiving the invoice stating the reasons for disputing or questioning such item or items of the invoice. Payment by the Client of the undisputed item or items of the invoice shall not be withheld on grounds that any other item is disputed or subject to question and the provisions of Sub-Clause 16.2 hereof shall apply to the undisputed part of the invoice and also to any disputed or questioned item or items of the invoice to the extent of the amount thereof subsequently agreed or determined as due to the Consultant.

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\* A period of (60) days is recommended.

\*\* Delete as appropriate.

- 16.4. All payments made by the Client in foreign currency as required by Appendix (E) hereto shall be transferrable abroad by the Consultant, unless and insofar as otherwise provided in the said Appendix.
- 16.5. Whenever it shall be necessary to evaluate one currency in terms of another for the purpose of the payment of an amount specified in Appendix (E) the rate of exchange applicable shall be the selling rate published by the Central Bank in \_\_\_\_\_ on the date of payment.\*
- 16.6. The Consultant shall keep accurate accounts and records in respect of the Services rendered under this Agreement in accordance with recognized and sound accounting practices and shall permit the Client or his designated representatives to inspect and audit such accounts periodically during the period of performance of this Agreement and thereafter for a period of one year.

## **17. Assignment**

- 17.1. The Consultant shall not without the prior written consent of the Client assign any part of his obligations under this Agreement.
- 17.2. The Consultant shall not without the prior written consent of the Client assign any benefit under this Agreement, other than the assignment to the Consultant's bankers of any monies due or to become due.

## **18. Partnerships**

- 18.1. Should the Consultant be a partnership and at any time take an additional partner or partners, he or they shall thence be deemed to be included in the expression the "Consultant".
- 18.2. Should the Consultant be a partnership, the Agreement shall not be affected by the death or withdrawal of one or more members of the partnership.

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\* Unless the parties agree otherwise.

## **19. Notices**

19.1. Any notice, request or consent required or permitted to be given or made pursuant to this Agreement shall be in writing. Any such notice, request or consent shall be deemed to have been duly given or made when delivered in person to an authorized representative or the Party to whom the communication is addressed, or when sent by registered mail, telex, telegram or facsimile to such Party at the following address :

### **For the Client**

Attention : \_\_\_\_\_

Cable Address : \_\_\_\_\_

Telex : \_\_\_\_\_

Facsimile : \_\_\_\_\_

### **For the Consultant**

Attention : \_\_\_\_\_

Cable Address : \_\_\_\_\_

Telex : \_\_\_\_\_

Facsimile : \_\_\_\_\_

19.2. Notice will be deemed to be effective as follows

- (a) in the case of personal delivery or registered mail, on delivery;
- (b) in the case of telegrams after 72 hours of transmission; and
- (c) in the case of telexes or facsimiles after 48 hours of transmission provided that subsequent confirmation in writing is received within 5 days of transmission.

19.3. A Party may change its address for notices hereunder by giving the other Party notice of such change pursuant to this Clause.

## **20. Language**

The ruling language for communication between the Client and the Consultant shall be \_\_\_\_\_. The language according to which this Agreement is to be construed and interpreted, designated the "Ruling Language", is \_\_\_\_\_.

## **21. Applicable Law**

This Agreement shall be governed by and shall be construed and applied in accordance with the law of \_\_\_\_\_.

## **22\* . Settlement of Disputes**

22.1. If any dispute, or controversy arises between the Client and the Consultant relating to the interpretation or application of this Agreement and which cannot be settled amicably, the matter in dispute shall be referred to an Arbitration Tribunal composed of three (3) arbitrators. One arbitrator shall be nominated by the Client and one by the Consultant and the third arbitrator who shall be the chairman of the Tribunal, shall be appointed by both parties. If either party fails to appoint his arbitrator within one month of the appointment of the arbitrator by the other party, or if the two parties fail to agree on the third arbitrator within two months of the date of the request to refer the dispute to arbitration, such arbitrator or arbitrators shall be appointed by \_\_\_\_\_, at the request of either or both parties.

22.2. The decision of the Arbitrators shall be final and binding on both the Client and the Consultant. Conduct of the arbitration shall be subject to the law of \_\_\_\_\_. The award of costs incidental to the proceedings shall be at the discretion of the Arbitration Tribunal.

22.3. Unless otherwise agreed by the parties arbitration proceedings shall take place at \_\_\_\_\_.

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\* Alternative Clause

22 Any dispute or controversy between the parties hereto relating to the interpretation or application of this Agreement and which cannot be settled amicably through negotiations between the parties shall be submitted to the court of competent jurisdiction in the country of the Client.

**23. Modification of the Agreement**

The terms and conditions of this Agreement, including the scope of Services may be modified by agreement of the parties provided that such agreement shall be in writing.

**24. Entry into Force**

This Agreement shall come into force and effect upon signature by both parties [and fulfilment of the following condition/s]\* :

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IN WITNESS WHEREOF, The parties hereto have caused this Agreement to be signed by their duly authorized representatives in \_\_\_\_\_ copies in the city of \_\_\_\_\_ on the day and year first above written.

**For the Client**

**For the Consultant**

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(Designation)

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(Designation)

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\* Delete as appropriate.

## **Appendices**

- 1- Appendix (A) : Scope of Services (Terms of Reference)
- 2- Appendix (B) : Schedule of Completion of Services
- 3- Appendix (C) : The Consultant's Personnel
- 4- Appendix (D) : Personnel, Equipment, Facilities and Services to be Provided by the Client
- 5- Appendix (E) : Remuneration and Payments





**Scope of Services  
(Terms of Reference)**



## **Schedule of Completion of Services**



## **The Consultant's Personnel**



**Personnel, Equipment, Facilities and  
Services to be Provided by the Client**





## Remuneration and Payments

The remuneration for professional services which shall include salaries, overhead costs, profits, travel, accommodation, miscellaneous costs and expenses of the consultant and sub-contractors, shall be paid according to the following schedule:

- (i) \_\_\_\_\_% ( \_\_\_\_\_ percent) upon signing the Agreement against a bank guarantee. The advance payment shall be deducted from the total amount due to the Consultant.
- (ii) \_\_\_\_\_% ( \_\_\_\_\_ percent) upon presentation of the first Progress Report.
- (iii) \_\_\_\_\_% ( \_\_\_\_\_ percent) upon presentation of the second Progress Report.
- (iv) \_\_\_\_\_% ( \_\_\_\_\_ percent) upon presentation of the Draft Final Report.
- (v) \_\_\_\_\_% ( \_\_\_\_\_ percent) upon presentation of the Final Report.
- (vi) \_\_\_\_\_% ( \_\_\_\_\_ percent) upon acceptance of the Final Report and delivery of all documents.

The total foreign currency requirement amounts to US \$ equivalent to \_\_\_\_\_ % of total amount of the Consultant's remuneration.

