



CONTRACT FOR SERVICES

(Role of Consultant)

between

Gargaara Company Limited

and

XXXXXX

I. Form of Contract (LUMP-SUM)

This CONTRACT (hereinafter called the “Contract”) is made on **xxxx 2025**, between, on the one hand, **Gargaara Company Limited** (hereinafter called the “Client”) and, on the other hand, **xxxxxxx** (hereinafter called the “Consultant”).

WHEREAS

- (a) The Client has requested the Consultant to provide certain consulting services as defined in this Contract (hereinafter called the “Services”);
- (b) the Consultant, having represented to the Client that it has the required professional skills, expertise and technical resources, has agreed to provide the Services on the terms and conditions set forth in this Contract;
- (c) the Client has received a grant from the Kreditanstalt für Wiederaufbau (KfW) toward the cost of the Services and intends to apply a portion of the proceeds of this grant to eligible payments under this Contract, it being understood that (i) payments by the Bank will be made only at the request of the Client and upon approval by the Bank; (ii) such payments will be subject, in all respects, to the terms and conditions of the grant agreement, including prohibitions of withdrawal from the grant account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the Bank, is prohibited by the decision of the United Nations Security council taken under Chapter VII of the Charter of the United Nations; and (iii) no party other than the Client shall derive any rights from the grant agreement or have any claim to the grant proceeds;

NOW THEREFORE the parties hereto hereby agree as follows:

- 1. This contract is for a period of 12 Months; renewable by the client based on the satisfactory work of the Consultant.
- 2. The mutual rights and obligations of the Client and the Consultant shall be as set forth in the Contract, in particular:
 - (a) The Consultant shall carry out the Services in accordance with the provisions of the Contract; and
 - (b) The Client shall make payments to the Consultant in accordance with the provisions of the Contract.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

For and on behalf of ***Gargaara Company Limited***

**Suleiman Abdi Dualeh,
Chief Executive Officer,
Gargaara Company Limited**

For the Consultant

Ms. xxxxxx

II. General Conditions of Contract

A. GENERAL PROVISIONS

- 1. Definitions**
- 1.1 Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:
- (a) “Applicable Law” means the laws and any other instruments having the force of law in the Client’s country, or in such other country as may be specified in the **Special Conditions of Contract (SCC)**, as they may be issued and in force from time to time.
 - (b) “Bank” means the Kreditanstalt für Wiederaufbau (KfW) or the International Development Association (IDA).
 - (c) “Borrower” means the Government, Government agency or other entity that signs the financing agreement with the Bank.
 - (d) “Client” means the implementing agency that signs the Contract for the Services with the Selected Consultant.
 - (e) “Consultant” means the professional entity selected by the Client to provide the Services under the signed Contract.
 - (f) “Contract” means the legally binding written agreement signed between the Client and the Consultant and which includes all the attached documents listed in its paragraph 1 of the Form of Contract (the General Conditions (GCC), the Special Conditions (SCC), and the Appendices).
 - (g) “Day” means a working day unless indicated otherwise.
 - (h) “Effective Date” means the date on which this Contract comes into force and effect pursuant to Clause GCC 10.
 - (i) “Foreign Currency” means any currency other than the currency of the Client’s country.
 - (j) “GCC” means these General Conditions of Contract.
 - (k) “Government” means the government of the Client’s country.
 - (l) “Local Currency” means the currency of the Client’s country.
 - (m) “Party” means the Client or the Consultant, as the case may be, and “Parties” means both of them.
 - (n) “SCC” means the Special Conditions of Contract by which the GCC may be amended or supplemented but not over-written.
 - (o) “Services” means the work to be performed by the Consultant pursuant to this Contract, as described in Appendix A hereto.
 - (p) “Third Party” means any person or entity other than the Government, the Client, the Consultant or a Sub-Consultant.
- 2. Relationship between the Parties**
- 2.1. Nothing contained herein shall be construed as establishing a relationship of master and servant or of principal and agent as between the Client and the Consultant.
- 3. Law Governing Contract**
- 3.1. This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law.

- 4. Language** 4.1. This Contract has been executed in the language specified in the **SCC**, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.
- 5. Headings** 5.1. The headings shall not limit, alter or affect the meaning of this Contract.
- 6. Communications** 6.1. Any communication required or permitted to be given or made pursuant to this Contract shall be in writing in the language specified in Clause GCC 4. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent to such Party at the address specified in the **SCC**.
- 6.2. A Party may change its address for notice hereunder by giving the other Party any communication of such change to the address specified in the **SCC**.
- 7. Location and Working Hours** 7.1. The Services shall be performed at such locations as are specified in **Appendix A** hereto and, where the location of a particular task is not so specified, at such locations, whether in the client's country or elsewhere, as the Client may approve.
- 7.2. The Consultant shall work part-time for a period not less than half the working days of any given month more specified in the **SCC**.
- 8. Authorized Representatives** 8.1 Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the Client or the Consultant may be taken or executed by the officials specified in the **SCC**.
- 9. Fraud and Corruption** 9.1 The Bank requires compliance with the Bank's Anti-Corruption Guidelines and its prevailing sanctions policies and procedures as set forth in the WBG's Sanctions Framework, as set forth in Attachment 1 to the GCC.
- a. Commissions and Fees** 9.2 The Client requires the Consultant to disclose any commissions, gratuities or fees that may have been paid or are to be paid to agents or any other party with respect to the selection process or execution of the Contract. The information disclosed must include at least the name and address of the agent or other party, the amount and currency, and the purpose of the commission, gratuity or fee. Failure to disclose such commissions, gratuities or fees may result in termination of the Contract and/or sanctions by the Bank.

B. COMMENCEMENT, COMPLETION, MODIFICATION AND TERMINATION OF CONTRACT

- 10. Effectiveness of Contract** 10.1 This Contract shall be effective upon execution by the parties (the “Effective Date”) ; the effectiveness conditions, if any, listed in the **SCC** having been met.
- 11. Termination of Contract for Failure to Become Effective** 11.1 Notwithstanding Clause GCC clause 10.1 above,; where this contract has been sent to the Consultant and he fails to sign and return said copy in 14 days, the contract stands terminated for failure to become effective.
- 12. Commencement of Services** 12.1 The Consultant shall confirm his availability, in line with the timelines above, and begin carrying out the Services not later than the number of days after the Effective Date specified in the **SCC**.
- 13. Expiration of Contract** 13.1 Unless terminated earlier pursuant to Clause GCC 18 hereof, this Contract shall expire at the end of such time period after the Effective Date as specified in the **SCC**.
13.2 Notwithstanding the above and taking into account clause GCC 18 below, this contract shall automatically expire and terminate upon the exhaustion of the contract price herein as indicated in APPENDIX C.
- 14. Entire Agreement** 14.1 This Contract contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make, and the Parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein.
- 15. Modifications or Variations** 15.1 Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the scope of the Services, may only be made by written agreement between the Parties. However, each Party shall give due consideration to any proposals for modification or variation made by the other Party.
- 16. Force Majeure**
- a. Definition** 16.1 For the purposes of this Contract, “Force Majeure” means an event which is beyond the reasonable control of a Party, is not foreseeable, is unavoidable, and makes a Party’s performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible under the circumstances, and subject to those requirements, includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action confiscation or any other action by Government agencies.
- 16.2 Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party or such Party’s Experts, Sub-Consultants or agents or employees, nor (ii) any

event which a diligent Party could reasonably have been expected to both take into account at the time of the conclusion of this Contract, and avoid or overcome in the carrying out of its obligations hereunder.

16.3 Force Majeure shall not include insufficiency of funds or failure to make any payment required hereunder.

b. No Breach of Contract

16.4 The failure of a Party to fulfill any of its obligations hereunder shall not be considered to be a breach of, or default under, this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of this Contract.

c. Measures to be Taken

16.5 A Party affected by an event of Force Majeure shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall take all reasonable measures to minimize the consequences of any event of Force Majeure.

16.6 A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any case not later than fourteen (14) calendar days following the occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give written notice of the restoration of normal conditions as soon as possible.

16.7 Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

16.8 During the period of their inability to perform the Services as a result of an event of Force Majeure, the Consultant, upon instructions by the Client, shall either:

- (a) demobilize, in which case the Consultant shall be reimbursed for additional costs they reasonably and necessarily incurred, and, if required by the Client, in reactivating the Services; or
- (b) continue with the Services to the extent reasonably possible, in which case the Consultant shall continue to be paid under the terms of this Contract and be reimbursed for additional costs reasonably and necessarily incurred.

16.9 In the case of disagreement between the Parties as to the existence or extent of Force Majeure, the matter shall be settled according to Clauses GCC 39 & 40.

17. Suspension

17.1 The Client may, by written notice of suspension to the Consultant, suspend part or all payments to the Consultant hereunder if the Consultant fails to perform any of its obligations under this Contract, including the carrying out of the Services, provided that such notice of suspension (i) shall specify the nature of the failure, and (ii) shall request the Consultant to remedy such failure within a period not exceeding thirty (30) calendar days after receipt by the Consultant of such notice of suspension.

18. Termination

18.1. This Contract may be terminated by either Party as per provisions set up below:

a. By the Client

18.1.1. The Client may terminate this Contract in case of the occurrence of any of the events specified in paragraphs (a) through (f) of this Clause. In such an occurrence the Client shall give at least thirty (30) calendar days' written notice of termination to the Consultant in case of the events referred to in (a) through (d); at least sixty (60) calendar days' written notice in case of the event referred to in (e); and at least five (5) calendar days' written notice in case of the event referred to in (f):

- (a) If the Consultant fails to remedy a failure in the performance of its obligations hereunder, as specified in a notice of suspension pursuant to Clause GCC 17;
- (b) If the Consultant becomes bankrupt or enter into any agreements with his creditors for relief of debt or take advantage of any law for the benefit of debtors or go into liquidation or receivership whether compulsory or voluntary;
- (c) If the Consultant fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GCC 39.1 and 40.1;
- (d) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of more than thirty (30) calendar days;
- (e) If the Client, in its sole discretion and for any reason whatsoever, decides to terminate this Contract;

18.1.2. Furthermore, if the Client determines that the Consultant has engaged in Fraud and Corruption in competing for or in executing the Contract, then the Client may, after giving fourteen (14) calendar days written notice to the Consultant, terminate the Consultant's employment under the Contract.

b. By the Consultant

18.1.3. The Consultant may terminate this Contract, by not less than thirty (30) calendar days' written notice to the Client, in case of the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause.

- (a) If the Client fails to pay any money due to the Consultant pursuant to this Contract and not subject to dispute pursuant

to Clause GCC 40.1 within forty-five (45) calendar days after receiving written notice from the Consultant that such payment is overdue.

- (b) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not more than sixty (60) calendar days.
- (c) If the Client fails to comply with any final decision reached as a result of arbitration pursuant to Clause GCC 40.1.
- (d) If the Client is in material breach of its obligations pursuant to this Contract and has not remedied the same within forty-five (45) days (or such longer period as the Consultant may have subsequently approved in writing) following the receipt by the Client of the Consultant's notice specifying such breach.
- (e) where the contract price/amount under APPENDIX C has been paid out and/or used up through payments made to and due to the Consultant.

c. Cessation of Rights and Obligations

18.1.4. Upon termination of this Contract pursuant to Clauses GCC 11 or GCC 18 hereof, or upon expiration of this Contract pursuant to Clause GCC 13, all rights and obligations of the Parties hereunder shall cease, except (i) such rights and obligations as may have accrued on the date of termination or expiration, (ii) the obligation of confidentiality set forth in this agreement, (iii) any right which a Party may have under the Applicable Law.

d. Cessation of Services

18.1.5. Upon termination of this Contract by notice of either Party to the other pursuant to Clauses GCC 18a or GCC 18b, the Consultant shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditures for this purpose to a minimum. With respect to documents prepared by the Consultant and equipment and materials furnished by the Client, the Consultant shall proceed as provided herein.

e. Payment upon Termination

18.1.6. Upon termination of this Contract, the Client shall make the following payments to the Consultant:

- (a) payment for Services satisfactorily performed prior to the effective date of termination; and
- (b) in the case of termination pursuant to paragraphs (d) and (e) of Clause GCC 18.1.1, reimbursement of any reasonable cost incidental to the prompt and orderly termination of this Contract, including the cost of the return travel of the Experts.

C. OBLIGATIONS OF THE CONSULTANT

19. General

a. Standard of Performance

19.1 The Consultant shall perform the Services and carry out the Services with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods.

19.2 The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as a faithful adviser to the Client, and shall at all times support and safeguard the Client's legitimate interests in any dealings with the third parties.

19.3 The standard of performance shall be what is expected as per the qualifications indicated in the terms of reference.

b. Law Applicable to Services

19.4 The Consultant shall perform the Services in accordance with the Contract and the Applicable Law and shall take all practicable steps to ensure that he complies with the Applicable Law.

19.5 Throughout the execution of the Contract, the Consultant shall comply with the import of goods and services prohibitions in the Client's country when

- (a) as a matter of law or official regulations, the Borrower's country prohibits commercial relations with that country; or
- (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's Country prohibits any import of goods from that country or any payments to any country, person, or entity in that country.

19.6 The Client shall notify the Consultant in writing of relevant local customs, and the Consultant shall, after such notification, respect such customs.

20. Conflict of Interest

20.1 The Consultant shall hold the Client's interest's paramount, without any consideration for future work, and strictly avoid conflict with other assignments or their own corporate interests.

a. Consultant Not to Benefit from Commissions, Discounts, etc.

20.1.1 The payment of the Consultant pursuant to GCC F shall constitute the Consultant's only payment in connection with this Contract and, subject to Clause GCC 21.1.3, the Consultant shall not accept for its own benefit any trade commission, discount or similar payment in connection with activities pursuant to this Contract or in the discharge of its obligations hereunder.

- b. Consultant and Affiliates Not to Engage in Certain Activities**

20.1.2 The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, shall be disqualified from providing goods, works or non-consulting services resulting from or directly related to the Consultant's Services for the preparation or implementation of the project.
 - c. Prohibition of Conflicting Activities**

20.1.3 The Consultant shall not engage, either directly or indirectly, in any business or professional activities that would conflict with the activities assigned to them under this Contract.
 - d. Strict Duty to Disclose Conflicting Activities**

21.1.5 The Consultant has an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Client, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the disqualification of the Consultant or the termination of its Contract.
- 21. Confidentiality**

21.1 Except with the prior written consent of the Client, the Consultant and the Experts shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the Consultant and the Experts make public the recommendations formulated in the course of, or as a result of, the Services.
- 22. Liability of the Consultant**

22.1 Subject to additional provisions, if any, set forth in the **SCC**, the Consultant's liability under this Contract shall be provided by the Applicable Law.

22.2 Notwithstanding the above, the Consultant shall be expected to take up insurance, at his own cost and for his own benefit as set forth in the **SCC**.
- 23. Reporting Obligations**

23.1 The Consultant shall submit to the Client the reports and documents specified in **Appendix A**, in the form, in the numbers and within the time periods set forth in the said Appendix.
- 24. Proprietary Rights of the Client in Reports and Records**

24.1 Unless otherwise indicated in this agreement, all reports and relevant data and information such as maps, diagrams, plans, databases, other documents and software, supporting records or material compiled or prepared by the Consultant for the Client in the course of the Services shall be confidential and become and remain the absolute property of the Client. The Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents to the Client, together with a detailed inventory thereof. The Consultant may retain a copy of such documents, data and/or software but shall not use the same for purposes unrelated to this Contract without prior written approval of the Client.

24.2 If license agreements are necessary or appropriate between the Consultant and third parties for purposes of development of the plans, drawings, specifications, designs, databases, other documents and software, the Consultant shall obtain the Client's prior written approval to such agreements, and the Client shall be entitled at its discretion to require recovering the expenses related to the development of the program(s) concerned.

25. Equipment, Vehicles and Materials

25.1 Equipment, vehicles and materials made available to the Consultant by the Client, or purchased by the Consultant wholly or partly with funds provided by the Client, shall be the property of the Client and shall be marked accordingly. Upon termination or expiration of this Contract, the Consultant shall make available to the Client an inventory of such equipment, vehicles and materials and shall dispose of such equipment, vehicles and materials in accordance with the Client's instructions. While in possession of such equipment, vehicles and materials, the Consultant, unless otherwise instructed by the Client in writing, shall insure them at the expense of the Client in an amount equal to their full replacement value.

28.2 Any equipment or materials brought by the Consultant into the Client's country for the use either for the project or personal use shall remain the property of the Consultant, as applicable save where the same falls under clause 25.1 above.

D. CONSULTANT'S EXPERTISE AND QUALIFICATION

26. Description of Expertise

26.1 The Consultant admits that he is qualified based on the terms of reference of the agreed job description, has minimum qualification and estimated period of engagement to carry out the Services as provided (which list is not exhaustive) under the terms of reference.

E. OBLIGATIONS OF THE CLIENT

27. Assistance and Exemptions

27.1 Unless otherwise specified in the SCC, the Client shall use its best efforts to:

- (a) Assist the Consultant with obtaining work permits and such other documents as shall be necessary to enable the Consultant to perform the Services.
- (b) Assist the Consultant with promptly obtaining all necessary entry and exit visas, residence permits, exchange permits and any other documents required for their stay in the Client's country while carrying out the Services under the Contract.
- (c) Facilitate prompt clearance through customs of any property required for the Services and of the personal effects of the Experts and their eligible dependents.

- (c) Issue to officials, agents and representatives of the Government all such instructions and information as may be necessary or appropriate for the prompt and effective implementation of the Services.
- (d) Assist the Consultant with obtaining exemption from any requirement to register or obtain any permit to practice their profession or to establish themselves either individually or as a corporate entity in the Client's country according to the applicable law in the Client's country.
- (e) Assist the Consultant with obtaining the privilege, pursuant to the applicable law in the Client's country, of bringing into the Client's country reasonable amounts of foreign currency for the purposes of the Services or for the personal use of the Consultant and of withdrawing any such amounts as may be earned therein by the Consultant in the execution of his Services.
- (f) Provide to the Consultant any such other assistance as may be specified in the SCC.

28. Access to Project Site

28.1 The Client warrants that the Consultant shall have, free of charge, unimpeded access to the project site in respect of which access is required for the performance of the Services. The Client will be responsible for any damage to the project site or any property thereon resulting from such access and will indemnify the Consultant in respect of liability for any such damage, unless such damage is caused by the willful default or negligence of the Consultant.

29. Change in the Applicable Law Related to Taxes and Duties

29.1 No change in the applicable law in the Client's country with respect to taxes and duties shall affect the fixed lump-sum amount herein. Expenses otherwise payable to the Consultant under this Contract shall not be increased or decreased by the Parties hereto, however corresponding adjustments shall be made to the Contract price amount where the same is not used up.

30. Services, Facilities and Property of the Client

30.1 The Client shall make available to the Consultant, for the purposes of the Services and free of any charge, the services, facilities and property described in the Terms of Reference (**Appendix A**) at the times and in the manner specified in said **Appendix A**.

31. Counterpart Personnel

31.1 The Client shall make available to the Consultant free of charge such professional and support counterpart personnel, to be nominated by the Client with the Consultant's advice, if specified in **Appendix A**.

32. Payment Obligation

32.1 In consideration of the Services performed by the Consultant under this Contract, the Client shall make such payments to the

Consultant as provided in **Appendix A** and in such manner as is provided by GCC F below.

F. PAYMENTS TO THE CONSULTANT

33. Contract Price

33.1 The Contract price is fixed and is set forth in the **SCC**. The Contract price breakdown is provided in **Appendix C**.

33.2 Any change to the Contract price specified in Clause GCC can be made only if the Parties have agreed to the revised scope of Services pursuant to Clause GCC 16 and have amended in writing the Terms of Reference in **Appendix A**.

34. Taxes and Duties

34.1 The Consultant are responsible for meeting any and all tax liabilities arising out of the Contract unless it is stated otherwise in the **SCC**.

34.2 The lump-sum amount is including all taxes, levies and duties and the Consultant shall make payment of the taxes and duties owing to the relevant authorities from the lump-sum payment

35. Currency of Payment

35.1 Any payment under this Contract shall be made in US Dollars which is the currency of the Contract.

36. Mode of Billing and Payment

36.1 The total payments under this Contract shall not exceed the Contract price set forth in Clause GCC 36.3 and shall be paid to the account stated in the **SCC**.

36.2 The payments under this Contract shall be made monthly against deliverables specified in **Appendix A**. The payments will be made according to the payment schedule stated in the **SCC**.

36.3 The salary per annum is USD **xxxx** which includes housing, home to office transport, taxes, and communication costs per annum.

37. Interest on Delayed Payments

37.1 Taking into account the payment structure and processes, no interest shall be paid to the Consultant on any amount due by, not paid on, such due date for each day of delay at the annual rate stated in the **SCC** save that the client shall always make prompt payment of the work undertaken by the Consultant.

G. FAIRNESS AND GOOD FAITH

38. Good Faith

38.1 The Parties undertake to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.

H. SETTLEMENT OF DISPUTES

39. Amicable Settlement

39.1 The Parties shall seek to resolve any dispute amicably by mutual consultation.

39.2 If either Party objects to any action or inaction of the other Party, the objecting Party may file a written Notice of Dispute to the other Party providing in detail the basis of the dispute. The Party receiving the Notice of Dispute will consider it and respond in writing within fourteen (14) days after receipt. If that Party fails to respond within fourteen (14) days, or the dispute cannot be amicably settled within fourteen (14) days following the response of that Party, Clause GCC 40.1 shall apply.

40. Dispute Resolution

40.1 Any dispute between the Parties arising under or related to this Contract that cannot be settled amicably may be referred to by either Party to the adjudication/arbitration in accordance with the provisions specified in the SCC.

II. General Conditions

Attachment 1

Fraud and Corruption

1. Purpose

1.1 The Bank's Anti-Corruption Guidelines and this annex apply with respect to procurement under Bank Investment Project Financing operations.

2. Requirements

2.1 The Bank requires that Borrowers (including beneficiaries of Bank financing); bidders (applicants/proposers), Consultants, contractors and suppliers; any sub-contractors, sub-Consultants, service providers or suppliers; any agents (whether declared or not); and any of their personnel, observe the highest standard of ethics during the procurement process, selection and contract execution of Bank-financed contracts, and refrain from Fraud and Corruption.

2.2 To this end, the Bank:

- a. Defines, for the purposes of this provision, the terms set forth below as follows:
 - i. "corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
 - ii. "fraudulent practice" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation;
 - iii. "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
 - iv. "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
 - v. "obstructive practice" is:
 - (a) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or
 - (b) acts intended to materially impede the exercise of the Bank's inspection and audit rights provided for under paragraph 2.2 e. below.

- b. Rejects a proposal for award if the Bank determines that the firm or individual recommended for award, any of its personnel, or its agents, or its sub-Consultants, sub-contractors, service providers, suppliers and/ or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;
- c. In addition to the legal remedies set out in the relevant Legal Agreement, may take other appropriate actions, including declaring mis-procurement, if the Bank determines at any time that representatives of the Borrower or of a recipient of any part of the proceeds of the loan engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices during the procurement process, selection and/or execution of the contract in question, without the Borrower having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur, including by failing to inform the Bank in a timely manner at the time they knew of the practices;
- d. Pursuant to the Bank's Anti- Corruption Guidelines and in accordance with the Bank's prevailing sanctions policies and procedures, may sanction a firm or individual, either indefinitely or for a stated period of time, including by publicly declaring such firm or individual ineligible (i) to be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner;¹ (ii) to be a nominated² sub-contractor, Consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract; and (iii) to receive the proceeds of any loan made by the Bank or otherwise to participate further in the preparation or implementation of any Bank-financed project;
- e. Requires that a clause be included in bidding/request for proposals documents and in contracts financed by a Bank loan, requiring (i) bidders (applicants/proposers), Consultants, contractors, and suppliers, and their sub-contractors, sub-Consultants, service providers, suppliers, agents personnel, permit the Bank to inspect³ all accounts, records and other documents relating to the procurement process, selection and/or contract execution,, and to have them audited by auditors appointed by the Bank.

¹ For the avoidance of doubt, a sanctioned party's ineligibility to be awarded a contract shall include, without limitation, (i) applying for pre-qualification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.

² A nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider (different names are used depending on the particular bidding document) is one which has been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.

³ Inspections in this context usually are investigative (i.e., forensic) in nature. They involve fact-finding activities undertaken by the Bank or persons appointed by the Bank to address specific matters related to investigations/audits, such as evaluating the veracity of an allegation of possible Fraud and Corruption, through the appropriate mechanisms. Such activity includes but is not limited to: accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data and information (whether in hard copy or electronic format) deemed relevant for the investigation/audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third party verification of information.

III. Special Conditions of Contract

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
1.1(a)	<i>The Contract shall be construed in accordance with the law of Federal Government of Somalia</i>
4.1	The language is: English
6.1 and 6.2	<p>The addresses are:</p> <p>Client: Gargaara Company Limited Airport Street Waberi District, Mogadishu, Somalia. C/o Suleiman Abdi Dualeh (CEO) Suleiman.Dualeh@gargaara.com</p> <p>Consultant: xxxxxx Contact: xxxxxx WhatsApp No- xxxxxx E-Mail: xxxxxx</p>
7.2	<p>The Consultant shall not work less than 5 days in any given week which period shall be full working week at the client unless otherwise prior agreed with the Client.</p> <p>Working hours shall be from 9am to 5 EAT for full day.</p>
8.1	Not applicable
10.1	The effectiveness conditions are the following: <i>Signing of the contract.</i>
11.1	Termination of Contract for failure to become Effective: <i>where this contract has been sent to the Consultant and he fails to sign and return said copy in 14 days, the contract stands terminated for failure to become effective.</i>
12.1	<p>Commencement of Services: <i>Upon execution</i></p> <p>Confirmation of Key Experts' availability to start the Assignment shall be submitted to the Client in writing as a written statement signed by each Key Expert.</p>
13.1	Expiration of Contract: <i>The time period shall be: Twelve (12) calendar months from the commencement of service.</i>
22.2	The insurance coverage against the risks shall be as follows:

	<p>(a) Health insurance, with a minimum coverage of according to the applicable laws of republic of Somalia.</p> <p>(b) Third Party motor vehicle liability insurance in respect of motor vehicles operated in the Client's country by the Consultant with a minimum coverage of applicable law of republic of Somalia</p> <p>(c) Third Party liability insurance, with a minimum coverage of applicable law of republic of Somalia</p>
32.1	The Contract price is: US Dollars \$ xxxx (xxxx United States Dollars Only) inclusive of local and indirect taxes.
36.1	<p>The accounts are:</p> <p>Account name: xxxxxx</p> <p>Bank Name & Address: xxxxxxx</p> <p>Account number: xxxx</p> <p>Swift code: xxxx</p> <p>IBAN NO: xxxx</p> <p>Currency: USD</p>
40.1	<p>Disputes shall be settled by arbitration in accordance with the following provisions:</p> <ol style="list-style-type: none"> 1. <u>Selection of Arbitrators.</u> Each dispute submitted by a Party to arbitration shall be heard by a sole arbitrator or an arbitration panel composed of three (3) arbitrators, in accordance with the following provisions: <ol style="list-style-type: none"> (a) Where the Parties agree that the dispute concerns a technical matter, they may agree to appoint a sole arbitrator or, failing agreement on the identity of such sole arbitrator within thirty (30) days after receipt by the other Party of the proposal of a name for such an appointment by the Party who initiated the proceedings, either Party may apply to, <i>the local Arbitration Mechanism</i> for a list of not fewer than five (5) nominees and, on receipt of such list, the Parties shall alternately strike names therefrom, and the last remaining nominee on the list shall be the sole arbitrator for the matter in dispute. If the last remaining nominee has not been determined in this manner within sixty (60) days of the date of the list, <i>the local Arbitration Mechanism</i> shall appoint, upon the request of either Party and from such list or otherwise, a sole arbitrator for the matter in dispute. (b) Where the Parties do not agree that the dispute concerns a technical matter, the Client and the Consultant shall each appoint one (1) arbitrator, and these two arbitrators shall jointly appoint a third arbitrator, who shall chair the arbitration panel. If the arbitrators

	<p>named by the Parties do not succeed in appointing a third arbitrator within thirty (30) days after the latter of the two (2) arbitrators named by the Parties has been appointed, the third arbitrator shall, at the request of either Party, be appointed by <i>the local Arbitration Mechanism</i>;</p> <p>(c) If, in a dispute subject to paragraph (b) above, one Party fails to appoint its arbitrator within thirty (30) days after the other Party has appointed its arbitrator, the Party which has named an arbitrator may apply to <i>the local Arbitration Mechanism</i> to appoint a sole arbitrator for the matter in dispute, and the arbitrator appointed pursuant to such application shall be the sole arbitrator for that dispute.</p>
	<p>2. <u>Rules of Procedure</u>. Except as otherwise stated herein, arbitration proceedings shall be conducted in accordance with the rules of procedure under the Laws of the Federal Republic of Somalia as in force on the date of this Contract.</p> <p>3. <u>Substitute Arbitrators</u>. If for any reason an arbitrator is unable to perform his/her function, a substitute shall be appointed in the same manner as the original arbitrator.</p> <p>4. <u>Nationality and Qualifications of Arbitrators</u>. The sole arbitrator or the third arbitrator appointed pursuant to paragraphs 1(a) through 1(c) above shall be an internationally recognized legal or technical expert with extensive experience in relation to the matter in dispute and shall not be a national of the Consultant's home country. For the purposes of this Clause, "home country" means any of:</p> <p>(a) the country of incorporation of the Consultant or</p> <p>(b) the country in which the Consultant's principal place of business is located; or</p> <p>(c) the country of nationality of a majority of the Consultant's shareholders; or</p> <p>(d) the country of nationality of the Sub-Consultants concerned, where the dispute involves a subcontract.</p>
	<p>5. <u>Miscellaneous</u>. In any arbitration proceeding hereunder:</p> <p>(a) proceedings shall, unless otherwise agreed by the Parties, be held in <i>Mogadishu, Somalia</i></p> <p>(b) the <i>English language</i> shall be the official language for all purposes; and</p>

	<p>(c) the decision of the sole arbitrator or of a majority of the arbitrators (or of the third arbitrator if there is no such majority) shall be final and binding and shall be enforceable in any court of competent jurisdiction, and the Parties hereby waive any objections to or claims of immunity in respect of such enforcement.</p>
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IV. Appendices

APPENDIX A – TERMS OF REFERENCE

Terms of Reference for the Role of Consultant at Gargaara Company Limited.

Job Description	
Post Title	BDS –Mentor- Lot x
Duty Station	Mogadishu
Expected starting date	xxxx
Appointment period	12 months
Reports to	<p>Gargaara Company Limited CEO</p> <p>The Consultant shall email-copy all reports, minutes and other deliverables to the following:</p> <p>Guleid Mohamed Guleid.mohamed@gargaara.com David Karari: david.karari@dt-global .com</p>
Supervises	None
1- Role	
Please refer to the ToR document for more information on role, tasks, qualifications and reporting requirements.	

APPENDIX B – DECLARATION OF UNDERTAKING

Declaration of Undertaking

Reference name of the Application/Offer/Contract: ("Contract")¹

To: ("Project Executing Agency")

1. We recognise and accept that KfW only finances projects of the Project Executing Agency ("PEA")² subject to its own conditions which are set out in the Funding Agreement it has entered into with the PEA. As a matter of consequence, no legal relationship exists between KfW and our company, our Joint Venture or our Subcontractors under the Contract. The PEA retains exclusive responsibility for the preparation and implementation of the Tender Process and the performance of the Contract.
2. We hereby certify that neither we nor any of our board members or legal representatives nor any other member of our Joint Venture including Subcontractors under the Contract are in any of the following situations:
 - 2.1) being bankrupt, wound up or ceasing our activities, having our activities administered by courts, having entered into receivership, reorganisation or being in any analogous situation;
 - 2.2) having been convicted by a final judgment or a final administrative decision or a preliminary investigation/charge is pending against us for involvement in a criminal organisation, money laundering, terrorist-related offences, child labour or trafficking in human beings, or have been subject to (financial) sanctions and/or embargo provisions by the United Nations, the European Union or the Federal Republic of Germany. This exclusion criterion is also applicable to legal persons whose shares (or the majority thereof) are owned or de facto controlled by natural or legal persons against whom such judgments, administrative decisions, (financial) sanctions and/or embargoes have been imposed and – in the case of (financial) sanctions and/or embargoes – these restrictive measures continue to apply;
 - 2.3) having been convicted by a final court decision or a final administrative decision by a court, the European Union, national authorities in the Partner Country or in Germany for Sanctionable Practice in connection with a Tender Process or the performance of a Contract or for an irregularity affecting the EU's financial interests (*in the event of such a conviction, the Applicant or Bidder shall attach to this Declaration of Undertaking supporting information showing that this conviction is not relevant in the context of this Contract and that adequate compliance measures have been taken in reaction*);
 - 2.4) having been subject, within the past five years to a Contract termination fully settled against us for significant or persistent failure to comply with our contractual obligations during such Contract performance, unless this termination was challenged and dispute resolution is still pending or has not confirmed a full settlement against us;

¹ Capitalised terms used, but not otherwise defined in this Declaration of Undertaking have the meaning given to such term in KfW's "Guidelines for the Procurement of Consulting Services, Works, Plant, Goods and Non-Consulting Services in Financial Cooperation with Partner Countries".

² The PEA means the purchaser, the Employer, the client, as the case may be, for the procurement of Consulting Services, Works, Plant, Goods or Non-Consulting Services.

2.5) not having fulfilled the applicable fiscal obligations with regard to the payment of taxes at the respective tax residence and in the country of origin of the PEA (*contractors based in Annex 1 countries*

(<https://www.consilium.europa.eu/de/policies/eu-list-of-non-cooperative-jurisdictions/>) must submit a fully completed and legally countersigned declaration of tax conformity (Appendix 1 to the Declaration of Undertaking) in addition to the Declaration of Undertaking at the time of award of the contract/contract review. This shall become an integral part of the contract. Failure to submit may result in exclusion from the awarding procedure. For contractors based in countries not listed as Annex 1 countries, only the Declaration of Undertaking must be submitted, and not the declaration of tax conformity);

2.6) being subject to an exclusion decision of the World Bank or any other multilateral development bank and being listed on the website <http://www.worldbank.org/debarr> or respectively on the relevant list of any other multilateral development bank (*in the event of such exclusion, the Applicant or Bidder shall attach to this Declaration of Undertaking supporting information showing that this exclusion is not relevant in the context of this Contract and that adequate compliance measures have been taken in reaction*); or

2.7) being guilty of misrepresentation in supplying the information required as a condition of participation in the Tender.

3. We hereby certify that neither we, nor any of the members of our Joint Venture or any of our Subcontractors under the Contract are in any of the following situations of conflict of interest:

3.1) being an Affiliate controlled by the PEA or a shareholder controlling the PEA, unless the stemming conflict of interest has been brought to the attention of KfW and resolved to its satisfaction;

3.2) having a business or family relationship with a PEA's staff involved in the Tender Process or the supervision of the resulting Contract, unless the stemming conflict of interest has been brought to the attention of KfW and resolved to its satisfaction;

3.3) being controlled by or controlling another Applicant or Bidder, or being under common control with another Applicant or Bidder, or receiving from or granting subsidies directly or indirectly to another Applicant or Bidder, having the same legal representative as another Applicant or Bidder, maintaining direct or indirect contacts with another Applicant or Bidder which allows us to have or give access to information contained in the respective Applications or Offers, influencing them or influencing decisions of the PEA;

3.4) being engaged in a Consulting Services activity, which, by its nature, may be in conflict with the assignments that we would carry out for the PEA;

3.5) in the case of procurement of Works, Plant or Goods:

- i. having prepared or having been associated with a Person who prepared specifications, drawings, calculations and other documentation to be used in the Tender Process of this Contract;
- ii. having been recruited (or being proposed to be recruited) ourselves or any of our Affiliates, to carry out works supervision or inspection for this Contract;

4. If we are a state-owned entity, and compete in a Tender Process, we certify that we have legal and financial autonomy and that we operate under commercial laws and regulations.

5. We undertake to bring to the attention of the PEA, which will inform KfW, any change in situation with regard to points 2 to 4 here above.
6. In the context of the Tender Process and performance of the corresponding Contract:
 - 6.1) neither we nor any of the members of our Joint Venture nor any of our Subcontractors under the Contract have engaged or will engage in any Sanctionable Practice, or violate the Guidelines during the Tender Process and in the case of being awarded a Contract will engage in any Sanctionable Practice during the performance of the Contract;
 - 6.2) neither we nor any of the members of our Joint Venture or any of our Subcontractors under the Contract shall acquire or supply any equipment nor operate in any sectors under an embargo of the United Nations, the European Union or Germany; and
 - 6.3) we commit ourselves to complying with and ensuring that our Subcontractors and major suppliers under the Contract comply with international environmental and labour standards, consistent with laws and regulations applicable in the country of implementation of the Contract and the fundamental conventions of the International Labour Organisation³ (ILO) and international environmental treaties. Moreover, we shall implement environmental and social risks mitigation measures when specified in the relevant environmental and social management plans or other similar documents provided by the PEA and, in any case, implement measures to prevent sexual exploitation and abuse and gender based violence.
7. In the case of being awarded a Contract, we, as well as all members of our Joint Venture partners and Subcontractors under the Contract will, (i) upon request, provide information relating to the Tender Process and the performance of the Contract and (ii) permit the PEA and KfW or an agent appointed by either of them, and in the case of financing by the European Union also to European institutions having competence under European Union law, to inspect the respective accounts, records and documents, to permit on the spot checks and to ensure access to sites and the respective project.
8. In the case of being awarded a Contract, we, as well as all our Joint Venture partners and Subcontractors under the Contract undertake to preserve above mentioned records and documents in accordance with Applicable Law, but in any case for at least six years from the date of fulfilment or termination of the Contract. Our financial transactions and financial statements shall be subject to auditing procedures in accordance with Applicable Law. Furthermore, we accept that our data (including personal data) generated in connection with the preparation and implementation of the Tender Process and the performance of the Contract are stored and processed according to the Applicable Law by the PEA and KfW.

Name: _____ In the capacity of: _____

³ In case ILO conventions have not been fully ratified or implemented in the Employer's country the Applicant/Bidder/Contractor shall, to the satisfaction of the Employer and KfW, propose and implement appropriate measures in the spirit of the said ILO conventions with respect to a) workers grievances on working conditions and terms of employment, b) child labour, c) forced labour, d) worker's organisations and e) non-discrimination.

Duly empowered to sign in the name and on behalf of⁴: _____

Signature:

Dated:

⁴ In the case of a JV, insert the name of the JV. The person who will sign the application, Bid or Proposal on behalf of the Applicant/Bidder shall attach a power of attorney from the Applicant/Bidder.