# ANNEX A

**GENERAL CONDITIONS FOR CONTRACTS FOR PROVISION OF SERVICES**

(revised September 2009)

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SECTION 1 – GENERAL PROVISIONS

Article 1.1. Definitions

Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

(1) APPLICABLE LAW means the laws and any other instruments having the force of law governing this Contract;

(2) AUTHORIZED REPRESENTATIVE means the person(s) authorized to represent a Party in the execution of the Contract;

(3) CONFIDENTIAL INFORMATION means any and all information regarding each Party's affairs or business or method of carrying out business, and any other materials or information created or developed by either Party in connection with this Contract or otherwise;

(4) CONTRACT means this Contract signed by International IDEA and the Contractor, to which these General Conditions for Contracts for Provision of Services together with all the annexes referred to herein are attached;

(5) CONTRACTOR means the party entering into the Contract with International IDEA (company, consortium of companies, organisation, individual expert or group of individual experts);

(6) CONTRACT PRICE means the maximum amount to be paid by International IDEA to the Contractor for the performance of the Services or any part thereof;

(7) CURRENCY OF THE CONTRACT means the currency the Contract Price is expressed in;

(8) FORCE MAJEURE means any event beyond the reasonable control of the Parties, which by the exercise of due diligence neither Party is able to overcome and which makes a Party's performance of its obligations hereunder impossible or as impracticable as reasonably to be considered impossible under the circumstances;

(9) GC means the General Conditions for Contracts for Provision of Services, attached as Annex A to this Contract;

(10) INTERNATIONAL IDEA means the International Institute for Democracy and Electoral Assistance;

(11) LANGUAGE OF THE CONTRACT means the language the Contract is executed in;

(12) PARTY means International IDEA or the Contractor, as the case may be, and "PARTIES" means both of them;

(13) PERSONNEL means any person assigned by the Contractor directly or through its Sub-Contractors to the performance of the Services or any part thereof;

(14) SERVICES means the activities to be performed by the Contractor pursuant to this Contract, as described in Annex B – Terms of Reference;

(15) SC means the Special Conditions by which these General Conditions for Contracts for Provision of Services, attached as Annex A to the Contract, are supplemented and/or amended;

(16) SUB-CONTRACTOR means any entity to which the Contractor entrusts the performance of any part of the Services in accordance with the provisions of this Contract;

(17) WORK means any and all of the materials, documents and deliverables of any kind produced in whatever format as part and result of the Services.

Article 1.2. Applicable Law

(1) The Applicable Law governing this Contract, its meaning and interpretation, and the relation between the Parties shall be the law of Sweden.

(2) The Contractor shall take all practicable steps to ensure that its Personnel as well as all its Sub-contractors comply with the Applicable Law.

Article 1.3. Language of the Contract

(1) The Language of the Contract shall be the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

Article 1.4. Authorized Representatives

(1) Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the Parties may be taken or executed by the officials nominated as authorized representatives of the Parties in the SC.

Article 1.5. Communication between Parties

(1) Any notice, request or consent made, required, permitted or given under this Contract shall be in writing in the Language of the Contract under the signature of the Authorized Representative of the initiating Party.

(2) The communication shall be deemed duly given or made when delivered by hand, mail, facsimile or electronic mail to the Authorized Representative of the Party to whom the communication is addressed, at the coordinates specified in the SC or otherwise communicated in writing by either Party.

Article 1.6. Modification of the Contract

(1) Each Party shall promptly inform the other Party in writing of any event or situation that may necessitate a revised or new Contract between the Parties, due to a modification of the scope, character, duration or execution of the Services, the Contract Price, or other aspects of the Contract.

(2) Any modification of the terms and conditions of this Contract, including annexes hereto, shall only be valid if in writing signed by or on behalf of the Parties hereto.

Article 1.7. Severability

(1) If any of the provisions of this Contract is found by a court of competent jurisdiction to be void or unenforceable then that provision shall be deemed to be deleted from this Contract and the remaining provisions of this Contract shall continue in full force and effect.

Article 1.8. Effectiveness of the Contract

(1) The Contract comes into effect upon signature by both Parties and shall be in full force until the Services have been completed and the obligations of the Parties fulfilled.

(2) On expiration or termination for whatever cause of the Contract:
(i) the rights granted under Article 2.13 shall remain unaffected;
(ii) Articles 1.2, 1.3, 1.7, 1.8, 2.8, 2.10, 2.11, 2.13, 3.6, 3.7, 4.5, 4.6 and 5 herein shall remain in effect.
(iii) any rights and obligations of either Party which have arisen on or before expiration or termination, including the right to claim damages for a breach of this Contract shall remain unaffected.

Article 1.9. Immunities

(1) No provision of this Contract shall be understood as an express or implicit waiver of the privileges and immunities to which the Parties are entitled.

SECTION 2 – PERFORMANCE OF THE SERVICES

Article 2.1. Object

(1) The Object of this Contract is the performance by the Contractor of the Services specified in the SC and further described in Annex B to the Contract – Terms of Reference.
Article 2.2. Performance Period

(1) The Services will be carried out during the period specified in the SC. A detailed time schedule, where applicable, is included with Annex B – Terms of Reference.

Article 2.3. Personnel

(1) The Contractor is responsible for provision of such qualified and experienced Personnel as is required to diligently carry out the Services in accordance with the professional standards required by International IDEA.

(2) International IDEA may request that all Personnel are approved before being assigned to perform the Services. Where applicable, a list of the Personnel to perform the Services is provided in the SC by position (and name if already selected by the Contractor and approved by International IDEA prior to signing the Contract).

(3) Where necessary, a Team Leader acceptable to International IDEA will be appointed by the Contractor to take charge of the performance of the Services and coordinate the activity of the Personnel.

(4) No changes may be made in the approved Personnel unless International IDEA has given its prior approval. Any request for such replacements has to be duly justified in advance in writing to International IDEA. Personnel proposed as replacement shall conform in experience and skills to the qualifications originally agreed to for the post.

(5) All the costs arising out of or incidental to any removal and/or replacement of Personnel shall be borne by the Contractor, except when International IDEA requests the withdrawal of Personnel due to reasons not attributable to the Contractor.

Article 2.4. Information

(1) The Parties undertake to promote close collaboration and exchange of information on the performance of the Services.

(2) The Contractor shall furnish International IDEA with such information concerning the performance of the Services as International IDEA may from time to time reasonably request, or as otherwise provided or agreed.

(3) In any event, the Contractor shall advise immediately International IDEA of any difficulties or circumstances likely to hamper or delay the performance of the Services.

Article 2.5. Performance Standards

(1) The Contractor shall exercise all reasonable skill, care and diligence in the performance of the Services and shall carry out all its/their obligations in accordance with generally accepted and recognised professional standards.

(2) The Contractor shall make every effort to mobilise all the financial, human and material resources required for full performance of the Services, as specified in Annex B – Terms of Reference.

(3) The Contractor shall at all times, in respect of any matter relating to this Contract or to the Services, act to protect the legitimate interests of International IDEA and shall take all reasonable steps to keep all costs to a minimum and consistent with sound professional practices.

Article 2.6. Codes of Conduct

(1) The Contractor shall not engage and shall cause its Personnel as well as its Sub-contractors and their personnel not to engage during the term of this Contract, either directly or indirectly, in fraudulent behaviour, corrupt practices, illegal activities or any other activity that is incompatible with the proper discharge of the Services or the association with International IDEA, or in any work, business or professional activities which would conflict with the activities assigned to it under this Contract.

(2) The Contractor shall seek to avoid any activities and in particular any kind of public pronouncement that may adversely reflect on its integrity, independence, and impartiality required by the status of an International IDEA Contractor.

(3) Where appropriate, the Contractor shall terminate contracts with partners or Sub-contractors involved in activities that are incompatible with their association with International IDEA as per Article 2.8 (1) and Article 2.6 (2) herein.

Article 2.7. Relationship between the Parties

(1) The Contractor shall perform the Services as an independent contractor. Nothing contained in this Contract shall be deemed to create any association, partnership, joint venture, or relationship of principal and agent or employer and employee between the Parties hereto. The Contractor must not represent itself and must ensure that its Personnel and Sub-contractors participating in the performance of the Services do not represent themselves as being employees or agents of International IDEA.

(2) International IDEA shall not be responsible for withholding taxes with respect to the amounts payable to the Contractor under this Contract. The Contractor shall have no claim against International IDEA or otherwise for employee benefits of any kind (e.g. vacation pay, sick leave, social security, health or disability benefits, unemployment insurance benefits, pension, etc) in relation to the Personnel.

(3) Nothing in this Contract can under any circumstances be construed as International IDEA granting the Contractor the right to directly or indirectly assume or create or attempt to assume or create any obligation on behalf of or in the name of International IDEA.

(4) The Contractor is not entitled to use International IDEA's logo and name on business cards or letterheads, and no publication or material produced by the Contractor may carry the International IDEA logo and/or name without International IDEA's prior written consent thereto.

(5) International IDEA may in writing, for the purpose of a specific assignment, designate the Contractor to represent International IDEA, for example at conferences and seminars.

Article 2.8. Confidentiality

(1) The Parties acknowledge the likely disclosure to each other, during the term of this Contract, of Confidential Information. Each Party agrees not to use such Confidential Information other than in furtherance of this Contract, nor to disclose such information to any person or entity without the prior written consent of the other Party. All Confidential Information shall remain the exclusive property of the disclosing Party.

Article 2.9. Sub-contracting

(1) Except with the prior written approval of International IDEA, the Contractor may not assign or transfer the Contract or any part thereof, nor may the Contractor sub-contract any third party to carry out any part of the Services.

(2) International IDEA’s approval on assigning or transferring of any part of the Contract or on the engagement of a Sub-contractor to perform any part of the Services shall not exonerate the Contractor of any of its obligations under this Contract and the Contractor shall be fully responsible for the co-ordination and execution of all sub-contracted activities and for the performance of its Sub-contractors. International IDEA recognises no contractual link between itself and the Contractor’s Sub-contractors.

(3) The sub-contracting and any procurement of services or goods financed by International IDEA under this Contract shall observe the principles of sound financial management, ensuring transparency, competitive, equitable and unbiased selection, efficiency, high quality and economy.
(4) Failure to comply with the procurement principles set forth in Article 2.9 (3) herein may result in relevant costs not being considered eligible for funding by International IDEA.

(5) The Contractor undertakes to ensure that in sub-contracting or the procurement of services or goods under this Contract no orders shall be placed or contracts awarded to entities associated with terrorism and which appear on the list maintained by the UN Security Council Committee established pursuant to Resolution 1267/1999. The updated list can be accessed at http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm.

(6) Engaging of the Contractor in corrupt, fraudulent or illegal practices in sub-contracting or procurement under this Contract shall result in termination of the Contract.

Article 2.10. Liability

(1) The Contractor shall be responsible for any losses, damages, costs and expenses of whatever kind or nature suffered by International IDEA as a result of any act or omission relating to this Contract which is attributable to the Contractor as a result of its negligence or errors or any breach of its warranties set out in Article 2.13 (6) herein.

(2) Approval of parts of the work performed shall not prevent International IDEA from claiming damages, unless the approval of such parts explicitly so states.

(3) The indemnification will be limited to the ceiling amount of this Contract. This limit does not, however, apply when the Contractor is guilty of having caused damage wilfully or through gross negligence or has breached any of its warranties in Article 2.13 (6) herein.

(4) The Contractor retains full responsibility for any third party liability that might arise due to the Contractor’s activities, acts, or omissions under the Contract, and for its Personnel and property during the performance of the Services or as a consequence thereof. International IDEA shall have no responsibility with regard to any liability which may arise in relation to this Contract and will therefore accept no claim for compensation or increasing in payment in connection to such damage or injury.

Article 2.11. Insurance

(1) The Contractor shall be responsible for taking out and maintaining appropriate insurance policies covering its potential liability towards International IDEA during the contract liability period. The insurance policies should in particular cover the following risks:

(i) compensation claims by third parties (International IDEA included) in relation to the performance of the Services by the Contractor and its Personnel;

(ii) life, health, accident, travel, or other insurance which may be necessary or desirable for the Personnel performing the Services and/or employer’s liability, in accordance with the relevant provisions of the law of the country where the Services are carried out;

(iii) insurance against loss of or damage to the Contractor’s property or rented equipment/ facilities used in the performance of the Services or to any documents prepared or otherwise dealt with by the Contractor in the performance of the Services.

(2) International IDEA shall retain no responsibility for the above risks or for the Contractor’s not taking out the appropriate insurances and shall be under no liability in respect of any incidental expenses incurred by the Contractor. Where part of the Services has been sub-contracted in accordance with the provisions of Article 2.9 herein, the Contractor shall be responsible to ensure that the Sub-contractors take out the appropriate insurances.

Article 2.12. Deliverables and Reporting Obligations

(1) The Contractor shall submit to International IDEA the reports and deliverables specified in Annex B – Terms of Reference in the form, in the numbers and within the periods set forth in the said Annex.

(2) All the reports/deliverables specified in Annex B – Terms of Reference shall be prepared in the Language of the Contract, signed by the Contractor’s Authorized Representative and submitted to the Authorized Representative of International IDEA specified in the SC, who shall be responsible for their acceptance and approval.

(3) If in International IDEA’s opinion, the quality of reporting/ deliverables is not acceptable or the content of the reports does not correspond to the Contractor’s undertaking, International IDEA shall, within 30 days of receiving the report/deliverable, give notice and reasons for this opinion. If not agreed otherwise, within 15 days of such notice, the Contractor shall either contest International IDEA’s opinion or present a revised report/ deliverable that meets its requirements.

(4) The reports/deliverables (and the corresponding invoices attached, where appropriate) will be deemed approved by International IDEA if no communication setting out comments is remitted to the Contractor within 30 days of confirmation by International IDEA of receipt of the reports/deliverables.

(5) Approval of a report/deliverable does not imply recognition by International IDEA of the regularity, authenticity, completeness and correctness of the declarations and information contained therein.

Article 2.13. Ownership of Copyright

(1) The Work is deemed to belong to International IDEA. Accordingly, the Contractor hereby assigns to International IDEA by way of assignment of present and future copyright the entire copyright in and to the Work and all other intellectual property rights in the products of the Services throughout the world in all media whether now known or in the future developed, for the full term of copyright and all renewals and extensions of that term.

(2) The Contractor will, both during the term of this Contract and after, at its own expense, execute all documentation and undertake all formalities and procedures necessary to give effect to Article 2.13 (1).

(3) International IDEA shall be entitled, in its sole discretion and without informing or consulting with the Contractor to:

(i) change, alter, amend, add to, delete from, adapt and otherwise modify the Work, including but not limited to, making any and all cuts, edits, summaries, rearrangements, changes to formats and translations;

(ii) assign and transfer or license the Work, and

(iii) exploit the Work and any of its revisions made as per Article 2.13 (3) (i) herein in any way, including, without being limited to: digitise, publish, display, store, reproduce, redistribute (whether by sale or otherwise), syndicate, broadcast, make the Work available on-line under any terms and in any form either on its own or in combination with any other work(s) in any form or by any media anywhere in the world and to license third parties to exploit in any such manner all or part of the Work.

(4) The Contractor shall:

(i) ensure that all Personnel shall assign any rights they have acquired during their performance of the Services to the Contractor; and

(ii) procure that all Personnel consent to the assignment, transfer or licence of the Work and consent to waive their moral rights in respect of the Work. Such waiver shall include the waiver of any and all present and future claims to rights of integrity, disclosure and withdrawal and any other rights that may be known as ‘moral rights’. In addition, such waiver shall explicitly entitle International IDEA to alter the Work in the manner and for the purposes described in Article 2.13 (3) herein.

(5) The Work shall be delivered in the form specified in Annex B – Terms of Reference. If applicable, the delivery of the Work shall include electronic copies of the documents.
The Contractor undertakes and warrants to International IDEA that:

(i) the Contractor has the right and power to enter this Contract;
(ii) the Contractor is the legal and beneficial owner of the copyright and all other rights in and to the Work assigned to International IDEA under this Contract;
(iii) the Work, except to the extent that it incorporates material made available to the Contractor by or at the instance of International IDEA, will not infringe the copyright or any other rights of any third party, nor will it breach any contract or duty of confidence. If the Contractor wishes to include copyright material in the Work that has been produced by a party other than the Contractor or Personnel, it must obtain the copyright owner’s prior written permission. Such permission must not limit International IDEA’s ability to exploit the Work in any way;
(iv) the Work will contain nothing defamatory, obscene, improper, or blasphemous.

The Contractor shall be entitled to use the Work for the Contractor’s professional purposes generally, provided, unless otherwise agreed, that International IDEA has given its written consent and that appropriate acknowledgement is given to International IDEA or International IDEA’s name is not disclosed, as advised by International IDEA.

Unless otherwise agreed, International IDEA will acknowledge the contribution by the Contractor in any publication of the Work by International IDEA. In addition, International IDEA will endeavour to require that a similar undertaking is given in respect of any editions of the Work licensed by International IDEA. In addition, International IDEA will endeavour to require that a similar undertaking is given in respect of any editions of the Work licensed by International IDEA.

Article 2.14. Force Majeure

(1) Failure of a Party to fulfil any of its obligations hereunder as a result of an event of Force Majeure arising after the date of signature of the Contract shall not be considered a breach of, or default under, this Contract.

(2) A Party affected by an event of Force Majeure shall notify as soon as practicable the other Party of occurrence of such event and afterwards of restoration of normal conditions.

(3) Upon notification of occurrence of an event of Force Majeure by the affected Party, the performance of the Services shall be considered suspended until the notification of restoration of normal conditions or, if the achievement of the objectives of the Contract is no longer possible at all or not to a satisfactory degree, until the Parties’ decision to terminate the Contract.

SECTION 3 – FINANCIAL PROVISIONS

Article 3.1. Contract Price

(1) The Contract is either a Global Price Contract or a Fee-based Price Contract, whichever is specified in the SC.

(i) Global Price Contracts are normally used in result-oriented assignments, where the outcome is clearly defined (studies, research papers, etc.), and the technical and time input and operational means by which it is achieved are not necessarily relevant to International IDEA. Under the Global Price Contracts, the Contract Price is an agreed lump sum which includes all the costs incurred by the Contractor in carrying out the Services, and the payments can be linked to the delivery of clearly specified outcomes.

(ii) Fee-based Price Contracts are used where the Contractor is to provide the Services, reimbursed on the basis of real cost.

(2) If the Contract is a Global Price Contract, the following provisions apply:

(i) The Contractor hereby undertakes to provide the Services for the Contract Price specified in the SC. It is agreed that the Contract Price includes all of the Contractor’s costs and profits as well as any tax obligation that may be imposed on the Contractor in relation to the amounts due or received under the Contract. Costs incurred in the performance of the Services include, without being limited to: remuneration for personnel, travel and accommodation costs, printing, communications, equipment, software, training, and the like, while the tax obligations refer to VAT, income/corporate taxes, all the personnel related charges and social contributions and any other applicable taxes and duties.

(ii) The Contract Price shall not be subject to any price adjustment. Except as may be otherwise agreed by the Parties in accordance with Article 1.6 and Article 3.5 herein, the payments under this Contract shall not exceed the Contract Price.

(3) If the Contract is a Fee-based Price Contract, the following provisions apply:

(i) For the Services rendered under the Contract, the Contractor shall be paid the agreed fees and shall be reimbursed for incidental expenses as per the breakdown provided in Annex C – Budget for the Services, up to a total amount not to exceed the Contract Price specified in the SC.

(ii) The Parties hereby agree that the Contractor is entitled to fees for the work performed in providing the Services as per the provisions of Article 3.2 herein and according to the rates and for the periods specified in Annex C – Budget for the Services, with total payment not to exceed the ceiling for the fee specified in the SC. Agreed fees are valid for the entire Contract period and shall not be subject to any adjustment. In addition to the fees, the Contractor is entitled to reimbursement for additional costs incurred in the performance of the Services, as per the provisions of Article 3.3 herein and according to the breakdown provided in Annex C – Budget for the Services, up to the ceiling for reimbursable expenses specified in the SC.

(iii) Except as may be otherwise agreed by the Parties in accordance with Article 1.6 and Article 3.5 herein, the payments under this Contract shall not exceed the Contract Price and the ceilings set forth for fees and reimbursable expenses in the SC.

Article 3.2. Calculation of Fees in Fee-based Price Contracts

(1) It is understood that the agreed fees or unit fee rates cover salaries, insurances, social security, pension contributions, insurance costs, and paid leave for the personnel, overheads, costs of secretarial and other backstopping services, recipient bank charges in connection to the transfers from International IDEA and any other costs incurred in the performance of the Services that are not explicitly reimbursable. The fees include also any tax obligation that may be imposed on the Contractor in relation to the amounts due or received under the Contract, such as, without being limited to: VAT, income/corporate taxes, and all the personnel related charges and contributions.

(2) The fees shall be calculated based on the time actually spent by the Contractor in the performance of the Services (no. of hours/ days/ weeks/ months) and the corresponding agreed unit fee rates. For the purposes of this Contract, one working day is equivalent to 8 working hours and one working week is equivalent to 5 working days. No compensation or special allowance will be granted for overtime or work performed outside normal office hours, during weekends, public holidays or vacation days.

(3) When travel is specifically requested by International IDEA for the purpose of the Services, the Contractor may be entitled, with International IDEA’s prior consent, to payment of the agreed fee for the time spent in travel, up to a maximum of 8 hours per 24 hours of travel in each direction.
Article 3.3. Reimbursable Expenses in Fee-based Price Contracts

(1) Reimbursable expenses are incidental expenses incurred by the Contractor in relation to the performance of the Services.

(2) In order to be considered eligible for reimbursement under this Contract, the costs must fulfill the following general conditions:
   (i) costs must have been necessary for the performance of the Services;
   (ii) costs must have actually been incurred during the performance period of the Contract defined in the SC;
   (iii) costs must be identifiable, supported by evidence (invoices, receipts, or other payment documents) and be recorded in the Contractor’s accounts.

(3) Subject to the conditions above, the following incidental expenses may in particular be considered eligible for reimbursement under this Contract:
   (i) cost of travel for the Personnel assigned to the Services. The travel has to be undertaken by the most appropriate means of transport, the most direct practicable route and the least costly fare structure (economy class if air fare) to be eligible for reimbursement;
   (ii) travel related expenses for the Personnel assigned to the Services. Travel related expenses are costs eligible for reimbursement are cost of transportation to and from airport and airport taxes. Cost of passports, visas, travel permits, travel insurance and cost of minor excess baggage for project materials or equipment are only reimbursed when specifically requested by International IDEA and agreed upon in advance;
   (iii) daily subsistence allowance (DSA) for the Personnel assigned to the Services for every day of mission outside their home office. The DSA is paid as a lump sum in increments of half day and is intended to cover all the personal costs incurred by the participants while on mission except for accommodation, e.g.: food, local transport, communication, etc. The per-diem rates paid to local participants will normally follow the local market and the rates for international participants will under no circumstances exceed the rates used by UN agencies. In the event that accommodation and/or food is paid for directly by International IDEA, the Contractor, or a third party, reduced amounts of DSA will apply;  
   (iv) cost of consumables and supplies directly attributable to the Services;
   (v) cost of national and/or international communication (telephone, internet) and postage directly attributable to the Services;
   (vi) cost of local transportation directly attributable to the Services;
   (vii) cost of goods and services purchased specifically for the implementation of the Services. Unless otherwise agreed in writing by the Parties, any equipment and non-expendable materials or other property furnished or financed by International IDEA under the Contract shall remain the property of and shall be returned to International IDEA upon completion of Services or termination of the Contract;
   (viii) costs directly related to events organised as part of the Services, such as:
      1. travel and travel related expenses for participants. The travel has to be undertaken by the most appropriate means of transport, the most direct practicable route and the least costly fare structure (economy class if air fare) to be eligible for reimbursement. Travel related expenses eligible for reimbursement are cost of transportation to and from airport and airport taxes. Cost of passports, visas, travel permits, travel insurance and cost of minor excess baggage for project materials or equipment are only reimbursed when specifically requested by International IDEA and agreed upon in advance;
      2. accommodation expenses for participants if accommodation is not paid for separately from other sources;
      3. per-diem for participants (only with International IDEA’s prior approval). Per-diem should normally not be paid to participants, especially when the meals are provided. If granted, the per-diem will be paid to participants for every day of mission outside their home office. The per-diem is paid as a lump sum in increments of half day and is intended to cover all the personal costs incurred by the participants while on mission except for accommodation, e.g.: food, local transport, communication, etc. The per-diem rates paid to local participants will normally follow the local market and the rates for international participants will under no circumstances exceed the rates used by UN agencies. In the event that accommodation and/or food is paid for directly by International IDEA, the Contractor, or a third party, reduced amounts of DSA will apply;
      4. fees for speakers to conferences (only with International IDEA’s prior approval);
      5. rental of equipment and venue;
      6. cost of production, translation, printing and distribution of materials for conferences, workshops, etc.;
      7. other activities incidental to the events.
   (ix) costs deriving directly from specific requirements of this Contract (reporting, evaluation, insurance, etc.);

(4) The following costs shall not be considered eligible for reimbursement under this Contract:
   (i) miscellaneous travel expenses such as cost for vaccinations, medications, etc.;
   (ii) currency exchange loses and bank charges that may arise as a result of the currency of the Contractor’s bank account being different from the Currency of the Contract.

Article 3.4. Terms and Schedule of Payments

(1) Subject to the provisions of this article, payments under this Contract shall be made in the Currency of the Contract as per the schedule provided in the SC.

(2) Payment timing under Global Price Contracts shall be linked to milestones/deliverables. Payments shall be made upon receipt and acceptance by International IDEA of the deliverables specified in the SC, accompanied by valid invoices from the Contractor.

(3) Payment timing under Fee-based Price Contracts shall be linked to the Contractor’s work input and performance. The invoices issued by the Contractor shall distinguish between fees and reimbursable expenses and shall be accompanied by supporting documents in original (timesheets, progress reports or any other deliverables required by the Terms of Reference and the SC for fees, and receipts, invoices, tickets and other proofs of payment for reimbursable expenses). In the case of DSA, evidence of the days spent on mission such as flight tickets/boarding passes and/or hotel bills should be supplied, except where paid for directly by International IDEA.

(4) Advance payments shall normally not be granted. However, where the Contractor does not have the necessary internal cash flow to cover the expenses incurred in the inception phase of the Services or before the submission of any deliverables, an advance payment may be granted by International IDEA. Advance payments may under no circumstances exceed 15% of the Contract Price in the case of Global Price Contracts and 15% of the total fee in the case of Fee-based Price Contracts. In addition, under Fee-based Price Contracts, advance payments may also be granted to cover incidental expenses to be incurred by the Contractor. However, such payments will be limited to a reasonable amount that the Consultant must pay in advance to third parties before being reimbursed by International IDEA.

(5) The final payment shall be made upon receipt and acceptance by International IDEA of the Final Report and deliverables under the Contract, accompanied by a valid invoice from the Contractor.

(6) Payments will be made to the Contractor’s bank account specified in the SC within 30 days from approval by International IDEA of the reports and corresponding invoice.

(7) In the case where due to the Contractor’s not providing the correct bank account details the payment is returned to International IDEA’s bank account and the transfer has to be re-executed, all additional bank charges related to the return and repayment of the amount shall be borne by the Contractor.
Article 3.5. Modification of the Contract Price

(1) The Contractor shall promptly inform International IDEA in writing if it foresees that the Services cannot be completed within the Contract Price specified in the SC. Such notification shall contain a detailed budget follow-up and an account of work performed as well as a thorough analysis of additional activities needed to complete the Services.

(2) The Parties shall promptly discuss any such situation and associated proposals for increase of the Contract Price, and if the Parties agree to increase the Contract Price, such agreement must be formalized in an addendum to the Contract.

(3) If no such agreement is reached, International IDEA has no obligation to pay the Contractor more than the agreed Contract Price. In this case, if the Contractor chooses to breach the Contract and not complete the Services, International IDEA retains the right to claim damages for non-fulfilment of the Contractor's obligations under the Contract.

(4) In the case of Fee-Based Price Contracts, modifications of the budget within the Contract Price, such as transfers between budget lines or introduction/deletion/replacement of budget items, may be agreed between the Parties in writing, subject to the provisions of Articles 3.2 and 3.3 herein.

Article 3.6. Return of Unspent Funds

(1) In the event that any of the funds advanced to the Contractor for the performance of the Services remain unspent, the Contractor undertakes to return such funds to International IDEA within 30 days of the termination of the Services or of receipt of International IDEA’s claim for refund.

(2) Bank charges incurred by the repayment of the amounts due to International IDEA shall be borne entirely by the Contractor.

Article 3.7. Record-keeping and Accounts

(1) The Contractor shall keep accurate and systematic accounts and records in respect of the performance of the Services hereunder, in accordance with internationally accepted accounting principles and in such form and detail as will clearly identify all income and expenditure and relevant time changes.

(2) Unless otherwise required by International IDEA’s external auditors and notified in advance to the Contractor, all financial and accounting records in relation to the performance of the Services under the Contract, including original payment documents, shall be kept for at least five years after the end of the Services and shall be made available to International IDEA upon request.

(3) The Contractor agrees to permit International IDEA, its external auditors or its designated representatives to inspect its accounts, records or any other relevant financial information concerning the Services, for a period of up to five years as from the end of the Services.

SECTION 4 – SUSPENSION AND TERMINATION OF THE CONTRACT

Article 4.1. Suspension of the Contract

(1) If required by circumstances and agreed in writing by the Parties, the Contract may be suspended in whole or in part for a limited period of time and resumed as soon as practicable and as decided by the Parties.

(2) In case of occurrence of an event of Force Majeure, the performance of the Services will be suspended and afterwards resumed in accordance with the provisions of Article 2.14 herein.

(3) In case of suspension of the Contract, the performance period shall be extended for a period equal to the time during which the performance of the Services has been suspended.

Article 4.2. Termination by Mutual Agreement between the Parties

(1) If the Parties consider that, due to existing circumstances, the achievement of the objectives of the Contract is no longer possible at all or not to a satisfactory degree, the Parties may decide at any moment to terminate the Contract on a date mutually agreed upon.

(2) The decision of termination shall be signed by the Authorized Representatives of both Parties and shall be without prejudice to any other rights of the Parties under the Contract.

Article 4.3. Termination by International IDEA

(1) International IDEA may terminate the Contract by written notice with immediate effect to the Contractor (except for the case listed under paragraph (iv) below, for which there shall be a written notice of not less than thirty days):

   (i) if the Contractor fails to carry out its obligations as stipulated under the Contract and fails to remedy the deficiencies within a reasonable time after being notified in writing by International IDEA;

   (ii) if the Contractor, in the judgement of International IDEA, is in a position, or has engaged in activities which have a material negative effect on the rights, obligations, image or interests of International IDEA;

   (iii) if the Contractor fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Article 5.2 herein;

   (iv) if International IDEA, for overriding considerations outside the Contract between the Parties, finds it necessary to terminate the Contract in whole or in part.

Article 4.4. Termination by the Contractor

(1) The Contractor may terminate the Contract by providing written notice to International IDEA when payments have not been made by International IDEA within thirty days of the due payment dates, and still not been made within thirty days of notice thereof to International IDEA by the Contractor. For the purposes of this Contract, a payment is considered due 30 days as from the date of the approval by International IDEA of the corresponding invoice, as per the provisions of Article 3.4 (6) herein.

(2) The termination by the Contractor shall enter into effect in no less than fifteen days of receipt of the written notice of termination by International IDEA, unless International IDEA directs otherwise.

Article 4.5. Winding-up the Services

(1) Upon agreement of termination under Article 4.2, receipt of notice of termination under Article 4.3, or submission of the notice of termination under Article 4.4, the Contractor shall take immediate steps to terminate the performance of the Services in a prompt and orderly manner, reduce losses, and keep further costs to a minimum.

Article 4.6. Reporting and Payment upon Termination

(1) Within 30 days of termination of the Contract pursuant to Article 4.2, Article 4.3 or Article 4.4 herein, the Contractor shall submit a final report providing full information on technical and financial aspects regarding the performance of the Services up to the date of termination of the Contract.

(2) Following termination of the Contract under Article 4.2, Article 4.3 or Article 4.4 herein, and subject to Article 4.5 and Article 4.6 (1) herein, the Contractor shall be entitled to reimbursement for costs reasonably incurred in the satisfactory performance of the Services prior to the date of the termination of the Contract.

(3) Failure to submit the final report upon termination as required by Article 4.6 (1) herein may result in International IDEA refusing to settle any further payment request and recovering any amounts paid in excess of the amounts legitimately due.
SECTION 5 – SETTLEMENT OF DISPUTES

Article 5.1. Amicable Settlement
(1) The Parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this Contract or its interpretation.

Article 5.2. Arbitration
(1) Any dispute, controversy, or claim which cannot be settled amicably, or the breach, termination or invalidity thereof, shall be submitted to and finally settled by arbitration in the following manner:
(i) The arbitration shall be held in accordance with the Rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce, unless the Arbitration Institute of the Stockholm Chamber of Commerce, taking into account the complexity of the case, the amount in dispute and other circumstances, determines, in its discretion, that the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce shall apply. In the latter case, the arbitration shall be conducted by an arbitral tribunal composed of one arbitrator who, failing agreement between the Parties on the nomination of the arbitrator, shall be appointed by the Arbitration Institute of the Stockholm Chamber of Commerce.
(ii) The decision of the arbitrator shall be final and binding on the Parties.
(iii) The place of arbitration shall be determined by the Arbitration Institute of the Stockholm Chamber of Commerce.
(iv) The English language shall be the official language to be used in the arbitral proceedings and for all purposes related to arbitration.
(2) Each Party hereby warrants that there exist no legal provisions according to which the above arbitration clause would not be binding to the Party.