

III. Special Conditions of Contract

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
1.1(a)	<p>The Contract shall be construed in accordance with the laws of the Republic of Lebanon.</p> <p>The Consultant is considered acquainted with and aware of the laws in force in the Republic of Lebanon</p>
4.1	The language is: English.
6.1 and 6.2	<p>The addresses are:</p> <p>Client: Council for Development and Reconstruction (CDR) Tallet El Serail, Beirut Central District - Lebanon Attention: The President of the CDR Telephone: (961-1) 981431/2 – 980096/7 Facsimile: (961-1) 981252/3</p> <p>Consultant: KREDO s.a.l Ashrafieh, Saydeh Street, Carmel Bldg. 5th floor Beirut - Lebanon Attention: Mr. Jean Karam Telephone: (961-1) 204358/9</p>
8.1	Not Applicable.
9.1	<p>The Authorized Representatives are:</p> <p>For the Client: Mr. Mohamad-Ali Kabbani, President of CDR For the Consultant: Mr. Jean Karam, Authorised Representative</p>
11.1	<p>The effectiveness conditions are the following:</p> <p>Signature of the Contract by both Parties and notification to the Consultant.</p>
12.1	<p>Termination of Contract for Failure to Become Effective:</p> <p>The time period shall be one (1) month</p>
13.1	<p>Commencement of Services:</p> <p>Part I: Design Services The date of the Commence of Services is the “Effective Date” of the Contract referred to in SCC11.1</p>

	<p>Part II: Supervision Services</p> <p>The Consultant shall begin carrying out the Supervision Services from the “Notice to Commence” issued by the Client to the Contractor.</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>
<p>14.1</p>	<p>Expiration of Contract:</p> <p>The time period shall be as follows:</p> <ul style="list-style-type: none"> a) two (2) months to complete the Design and the Tender Documents, starting from the Notification Date (ND) of the Contract to the Consultant. b) one and a half (1.5) months to assist the Client during the tendering process of the Project, starting from the date on which the tendering is launched by the Client. c) six (6) months for supervision services, starting from the date of the “Notice to Commence” issued by the Client to the Contractor. d) twelve (12) months for the Defect Notification Period, starting from the date stated in the Taking over Certificate.
<p>20.1</p>	<p>N/A</p>
<p>23.1</p>	<p>No additional provisions.</p>
<p>24.1</p>	<p>The insurance coverage against the risks shall be as follows:</p> <ul style="list-style-type: none"> (a) Professional liability insurance, with a minimum coverage of two hundred fifty thousand United States Dollars (US\$250,000); (b) Third Party motor vehicle liability insurance in respect of motor vehicles operated in the Client’s country by the Consultant or its Experts or Sub-consultants, in accordance with the applicable law in the Republic of Lebanon. (c) Third Party liability insurance, with a minimum coverage in accordance with the applicable law in the Republic of Lebanon. (d) Employer’s liability and workers’ compensation insurance in respect of the experts and Sub-consultants in accordance with the relevant provisions of the applicable law in the Client’s country, as well as, with respect to such Experts, any such life, health, accident, travel or other insurance as may be appropriate; and (e) Insurance against loss of or damage to (i) equipment purchased in whole or in part with funds provided under this Contract, (ii) the Consultant’s property used in the performance of the Services, and (iii) any documents prepared by the Consultant in the performance of the Services. <p>Copy of the above insurance policy shall be presented to the Client within 30 days after the Effective Date of this Contract.</p>

27.1	N/A
27.2	The Consultant shall not use these documents and software for purposes unrelated to this Contract without the prior written approval of the Client.
43.1 (a) through (f)	N/A.
43.1(g)	N/A.
49.2	<p>The ceiling in foreign currency is: U.S\$192,248.27 (one hundred ninety two thousand two hundred forty eight United States Dollars) inclusive of local taxes:</p> <p>- Contract price (exclusive local taxes): U.S\$185,980.00 - local taxes: U.S\$6,268.27</p> <p>VAT being not applicable according to the terms of the Law no.379 dated 14/12/2001 amended by the Law no.64 dated 20/10/2017</p> <p>The amount of local taxes is specified in Fin-2 of Appendix C.</p>
50.3	N.A
51.1 and 51.2	<p>The Client will pay such taxes on behalf of the Consultant only according to the following:</p> <ol style="list-style-type: none"> 1. <u>Income Tax</u>: <ol style="list-style-type: none"> i) For foreign consultants an Income Tax of 8.5% shall be deducted from each certificate, and paid by the Client on behalf of the Consultant. ii) For local consultants no deductions (i.e. no payment on their behalf) shall be made. Local consultants are required to submit a proper clearance statement from the Ministry of Finance (MoF). 2. <u>Stamp Duties</u> For foreign and local consultants, the Stamp Duties of 0.8% are payable as follows: <ul style="list-style-type: none"> • 0.4% of contract price upon signature of contract, payable directly by the consultant to the MoF within five (5) working days from contract signature. • 0.4% deducted from payment certificates, and paid by the Client on behalf of the Consultant. 3. <u>Value Added Tax (VAT)</u>: VAT is not applicable since the project is 100% financed by the World Bank.
52.1	The currency of payment shall be: United States Dollars (USD)

<p>53.1(a)</p>	<p>The following provisions shall apply to the advance payment and the advance bank payment guarantee:</p> <p>(1) Within (45) days after the Effective Date (for the Design Services) and receipt of a bank guarantee to the amount of the advance payment, the Client shall cause to be paid to the Consultant an optional advance payment of ten (10%) percent of the total fee of the Design Services as specified in FIN-2 of Appendix C.</p> <p>The advance payment guarantee shall be an unconditional bank guarantee issued by a Lebanese bank or a foreign bank through its correspondent in Lebanon. The bank guarantee shall be in a form as specified in Appendix E.</p> <p>(2) The advance payment will be set off by the Client by deducting 20% from each statement requested by the Consultant for “Part I – Design and Preparation of Tender Documents”.</p> <p>(3) The advance payment bank guarantee shall be in the amount and in the currency of the advance payment.</p> <p>(4) The bank guarantee shall be released when the advance payment has been fully set off.</p>
<p>53.1(b)</p>	<p>The payment schedule:</p> <p>Payment of installments are linked to the deliverables specified in the Terms of Reference in Appendix A</p> <p>Part I: “Design Services” amounting U.S\$113,580.00</p> <ul style="list-style-type: none"> - 5% of the total amount of Part I as set up in SCC49.2; <i>upon submission of Inception Report (U.S\$5,679.00).</i> - 5% of the total amount of Part I as set up in SCC49.2; <i>upon submission of Farmer Needs Assessment Report (U.S\$5,679.00).</i> - 5% of the total amount of Part I as set up in SCC49.2; <i>upon submission of Draft Environmental and Social Safeguards Report (U.S\$5,679.00).</i> - 5% of the total amount of Part I as set up in SCC49.2; <i>upon submission of Draft Tender Documents (U.S\$5,679.00).</i> - 65% of the total amount of Part I as set up in SCC49.2; <i>upon submission of Final Design Report (U.S\$73,827.00).</i> - 10% of the total amount of Part I as set up in SCC49.2; <i>upon approval of Final Tender Documents (U.S\$11,358.00).</i> - 5% of the total amount of Part I as set up in SCC49.2; <i>upon approval of Bid Evaluation Report (U.S\$5,679.00).</i> <p>The Client shall pay the Consultant within sixty (60) days after the receipt by the Client of the deliverable(s) and the cover invoice for the related lump-sum installment payment. The payment can be withheld if the Client does not approve the submitted deliverable(s) as satisfactory in which case the Client shall provide comments to the Consultant within the same sixty (60) days period. The Consultant shall thereupon promptly make any necessary corrections, and thereafter the foregoing process shall be repeated.</p>

	<p>Part II: “Supervision Services” amounting U.S\$72,400.00</p> <p>During Supervision Services monthly installments shall be requested by the Consultant to cover the Person/month as set in FIN-3 of Appendix C.</p> <p><i>[Total sum of all installments shall not exceed the Ceiling amount mentioned above]</i></p> <p>All applicable taxes shall be shown and added as a separate line item in each payment.</p>
53.1(e)	<p>The accounts are:</p> <p>Account Name: KREDO SAL Currency: USD Account Number: 0339-662230-922 IBAN: LB35 0005 0000 0000 3396 6223 0922 Swift Code: ARABLBBX Bank Name: ARAB BANK PLC Address: Dekwaneh, Point Center, General Fouad Chehab Avenue Tel: +961 1 240316</p>
54.1	<p>The interest rate is: The financing charges shall be calculated as follows: simple annual interest rate “Secured Overnight Financing Rate (SOFR) +2%.”</p>
57.	<p>Any dispute between the Parties arising under or related to this contract that cannot be settled amicably shall be referred to, by either Party to the Competent Lebanese Courts.</p>

