**VOLUME 2**

**SECTION 3  
  
SPECIAL CONDITIONS** **FOR EUROPEAN UNION EXTERNAL ACTIONS**

**CONTENTS**

These conditions amplify and supplement the general conditions governing the contract. Unless the special conditions provide otherwise, the general conditions remain fully applicable. The numbering of the articles of the special conditions is not consecutive but follows the numbering of the general conditions. Exceptionally, and with the approval of the competent European Commission departments, other clauses can be indicated to cover particular situations.

**Contract value**

The contracting authority hereby agrees to pay to the contractor, in consideration of the execution and completion of the works and remedying of defects therein, the amount of the contract value mentioned in article 2 of the Main Conditions or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the contract. VAT will be paid in compliance with the binding regulations, national law and international agreements concerning the execution of the project.

The amount of the contract value mentioned in article 2 of the Main Conditions shall be composed of:

* Contract price (excluding VAT/other taxes) EUR <amount>

**The EU component EUR[[1]](#footnote-1)<amount>**

**National contribution EUR<amount>**

- VAT and other taxes EUR <amount>

**Order of precedence of contract documents**

The following documents shall be deemed to form and be read and construed as part of this contract, in the following order of precedence:

1. The main conditions
2. the special conditions,
3. the general conditions,
4. [Only for contracts financed by post 2021 instruments (NDICI, IPA III, etc. [only where the PRAG Procedural rules are chosen in the special conditions]): applicable only if the contract is a transnational contract: the PRAG Procedural rules on conciliation and arbitration.]
5. the breakdown of lump-sum price,
6. the technical and/or performance specifications,
7. the design documentation (drawings),
8. any other documents forming part of the contract.

The various documents making up the contract shall be deemed to be mutually explanatory; in cases of ambiguity or divergence, they shall prevail in the order in which they appear above. Addenda shall have the order of precedence of the document they are amending.

**Article 2 Language of the contract**

2.1 The language used shall be English.

**Article 4 Communication**

4.1 Communication details

4.4 Communication via electronic exchange system (EES)

N.A.

4.5 & 4.6 Mail or email communication

If communications through the Portal have not been activated or a certain type of communication is not yet supported by the Portal, communications will be sent via email, or, exceptionally, on paper, via mail services, to the following addresses, until communications via the Portal are activated.

For the purpose of this contract, mail or email communications must be sent to the following addresses:

Contracting authority:

Municipality of Stip

Nikola Iliev

str.Vasil Glavinov 4B

Email: ilievnikola30@yahoo.com

Contractor (or leader in the case of a joint tender):

[*Full name*]

[*Function*]

[*Company name*]

[*Full official address*]

Email: [*complete*]

**Article 5 Supervisor and supervisor’s representative**

5.3 Under this contract, the supervisor does not delegate his duties and authority to a supervisor's representative.

**Article 8 Documents to be provided**

8.1 The supervisor shall provide to the contractor electronic version of the drawings prepared for the implementation of the tasks in dwg and pdf format.

The contractor shall give prompt notice to the supervisor, about any omission, fault, or other defect in the design the he discovers before executing the works. However, this situation shall not relieve the contractor of any of his obligation under the contract.

**Article 9 Access to the site**

9.1 The contractor is reminded that there is a head of delegation of the European Union in the state of the contracting authority. The contractor is obliged to give the head of delegation free access to its sites, factories, workshops, etc., and generally assist the head of delegation, like the project Supervisor, in the performance of his duties. The same provisions also apply to the appointed representatives of the head of delegation.

**Article 12 General obligations**

12.9 During the execution of works, the contractor is obliged to label the object by setting the board. The board should comply with the relevant rules lay down in the Communication and Visibility Manual for EU External Actions published by the European Commission.

After completing the work, the Contractor shall set Commemorative plaque at a location that will be determined by the Contracting Authority. The Commemorative plaque should comply with the relevant rules lay down in the Communication and Visibility Manual for EU External Actions published by the European Commission.

**Article 15 Performance guarantee**

15.1 The amount of the performance guarantee will be 5% of the amount of the contract and any addenda thereto.

**Article 16 Liabilities and insurance**

16.1 a) By way of derogation from Article 16.1, a) paragraph 2, of the general conditions, compensation for damage to the works resulting from the contractor's liability in respect of the contracting authority is capped at an amount equal to the contract value.

16.1 b) By way of derogation from Article 16.1, b), paragraph 2, of the general conditions, compensation for damage resulting from the contractor's liability in respect of the contracting authority is capped at an amount equal to the contract value.

**Article 17 Programme of implementation of tasks**

17.1 The contractor shall provide the supervisor with a simplified programme of implementation of the tasks. This programme shall include at least the order and time limits in which the contractor proposes to carry out the works, and shall be based on the tranches foreseen in Article 49.1 of the special conditions.

17.2. The supervisor shall return this document to the contractor with any relevant remarks within 10 days of receipt, save where the supervisor, within those 10 days, notifies the contractor of its wish for a meeting in order to discuss the documents submitted.

**Article 19 Contractor’s drawings and execution studies**

19.1 The manuals and as-built drawings shall be supplied in paper and electronic copy, into Macedonian language.

**Article 34 Period of implementation of tasks**

34.1 The period of implementation of tasks is 12 months.

**Article 36 Delays in the implementation of tasks**

36.1 The rate of liquidated damages for delays in the completion of works shall be 0.1% of the contract price for every day or part thereof which elapses between the end of the period of implementation of tasks and the actual date of completion, up to a maximum amount of 10 % of the contract price or, if the contract is subdivided into phases, 10 % of the price of the phase concerned.

**Article 39 Work register**

39.1 Work register is required and should be in accordance with legislation of North Macedonia.

39.2 Technical rules for drawing up statements are defined in the relevant Macedonian legislation and standards of North Macedonia.

**Article 40 Origin and quality of works and materials**

40.1 All goods purchased and materials under the contract may originate in any country.

## For these purposes, ‘origin’ means the place where the goods are mined, grown, produced or manufactured and/or from which services are provided. The origin of the goods must be determined according to the EU Customs Code or the applicable international agreement.

When importing goods, any change in the specified origin must be pointed out to the project supervisor and approved by him.

40.2 The works and the objects, appliances, equipment or materials used in their construction must comply with:

(\*) the following specifications Technical Specification Volume 3 of TD

(\*) the requirements of detailed design (Volume 5)

40.3 The preliminary technical acceptance is not necessary.

**Article 41 Inspection and testing**

41.3 The contractor shall give notice to the supervisor when any work is ready before it is covered up. The supervisor shall either carry out the examination inspection and testing without in a reasonable delay or promptly gift notice to the contractor that he does not intend to do so. In the case the contractor fails to give notice, upon supervisor requests, he shall uncover the work reinstating and making good to the supervisor satisfactions all activity will be performed at the contractor's cost, regardless of previous positive test results.

41.8 Inspection and testing shall be performed in accordance with the requirements of the applicable technical regulation and local legislation. All materials and equipment used are subject to inspection by the supervisor and/or his substitutes on arrival to the site.

**Article 43 Ownership of plant and materials**

43.2 The equipment, temporary structures, plant and materials on the site shall for the duration of the execution of the works, be vested in the contracting authority

**Article 44: General principles for payments**

44.1 Payments shall be made in mkd.

44.3 By derogation, pre-financing payment to the contractor for the lump-sum advance shall be made within 30 days. Other pre-financing payments to the contractor shall be made within 90 days. Interim payments to the contractor of the amounts due under each of the interim payment certificates approved by the supervisor shall be made within 90 days, and the final payment to the contractor of the amounts due after the final statement of account issued by the supervisor shall be made within 90 days.

**Article 46 Pre-financing**

46.1 The only pre-financing granted to the contractor, is the lump sum advance referred to in Article 46.1(a).

46.2 The lump sum advance referred to in Article 46.1(a) shall be 10% of the original contract price

46.8 Repayment of the pre-financing shall take the form of deductions based on monthly claims.

1. The flat‑rate pre-financing (maximum of 10 %) shall be repaid by means of deductions from instalments and, if necessary, the balance due to the contractor. This repayment shall begin with the first instalment and be completed, at the very latest, by the time 80 % of the amount of the contract has been paid.

Repayment shall be made in the same currency as the pre-financing.

The amount to be deducted from each instalment shall be calculated using the following formula:



where:

R = the amount to be repaid

Va = the total amount of pre-financing

Vt = the initial contract amount

D = the amount of the instalment.

The result is rounded up to two decimal places.

1. The pre-financing for plant, machinery and tools — and the pre-financing for other major prior outlays (20 % maximum) — shall be repaid by means of deductions from instalments and, if necessary, the balance due to the contractor. Repayment shall begin with the first instalment and end, at the very latest, by the time 90 % of the amount of the contract has been paid.

The amount to be deducted from each instalment shall be calculated using the following formula:



where:

R = the amount to be repaid

Va = the total amount of pre-financing

Vt = the initial contract amount

D = the amount of the instalment.

**Article 47 Retention monies**

47.1 The sum retained to guarantee implementation of the contractor’s obligations during the defects liability period is 10 % of the contract price. By derogation to Article 47.1 of the general conditions, that money is not retained from interim payments. The tranches laid down in Article 49.1 of these special conditions are determined so that the retention sum amounts to 10% of the contract price at the moment of the certificate of provisional acceptance.

47.2 By derogation to Article 47.2 of the general conditions, the retention sums cannot be substituted by a retention guarantee.

**Article 48 Price revision**

48.1 Prices are fixed and shall not be revised.

**Article 49 Measurement**

49.1 This is a lump‑sum contract.

The amounts due shall be calculated by measuring the percentage of works carried out in relation to the firm quantities of each item of the breakdown of the lump-sum price and by applying that percentage to the lump-sum price of the related item through the following tranches

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Percentage** | **Nature** | **Timing** |
| 1. | 20% | Lump-sum advance of Article 46.1(a) | After conclusion of the contract |
| 2. | 20% | Interim payment of Article 50 | After completion of 30% of the firm quantities for which the Contractor submitted its all-in price. |
| 3. | 20% | Interim payment of Article 50 | After completion of 50% of the firm quantities for which the Contractor submitted its all-in price. |
| 4. | 15% | Interim payment of Article 50 | After completion of 75% of the firm quantities for which the Contractor submitted its all-in price. |
| 5. | 15% | Interim payment of Article 50 | After issuing of the Certificate of provisional acceptance |

**Article 50 Interim payments**

50.1 The interim payments will be paid as determined in Article 49.1 of these special conditions.

**Article 51 Final statement of account**

51.1 The contractor shall, submit to the supervisor a draft final statement of account when it applies for the final acceptance certificate. In order to enable the supervisor to prepare the final statement of account, the draft final statement of account is submitted with supporting documents showing in detail the value of the work done in accordance with the contract and all further sums which the contractor considers to be due to it under the contract.

51.2 Within 30 days from issuing the final acceptance certificate referred to in Article 62, the supervisor shall prepare and signed the final statement of account.

**Article 61 Defects liability**

61.1 The defects liability period is defined as the period commencing on the date of provisional acceptance, during which the contractor is required to make good any defect in, or damage to, any part of the work which may appear or occur during this period as notify by the supervisor or the contracting authority. The rights and obligations of the parties with regard to this defects liability period are laid down in Article 61 of the general conditions.

**Article 68 Dispute settlement**

68.4 Any dispute arising out of or relating to this contract which cannot be settled otherwise shall be referred to the exclusive jurisdiction of the courts of North Macedonia in accordance with its national legislation.

**Article 72 Data protection**

For the purpose of Article 72 of the general conditions, for the part of the data transferred by the contracting authority to the European Commission:

(a) the controller for the processing of personal data carried out within the Commission is the head of contracts and finance unit R4 of DG Neighbourhood and Enlargement Negotiations

1. the privacy statement is available at <http://ec.europa.eu/europeaid/prag/annexes.do?chapterTitleCode=A>.

1. Processing of personal data related to the implementation of the contract by the contracting authority takes place in accordance with the national legislation of the state of the contracting authority and with the provisions of the respective financing agreement.

2. To the extent that the contract covers an action financed by the European Union, the Contracting Authority may share communications related to the implementation of the contract, with the European Commission. These exchanges shall be made to the Commission, solely for the purpose of allowing the latter to exercise its rights and obligations under the applicable legislative framework and under the financing agreement with the Partner country – contracting authority. The exchanges may involve transfers of personal data (such as names, contact details, signatures and CVs) of natural persons involved in the implementation of the contract (such as contractors, staff, experts, trainees, subcontractors, insurers, guarantors, auditors and legal counsel). In cases where the contractor is processing personal data in the context of the implementation of the contract, he/she shall accordingly inform the data subjects of the possible transmission of their data to the Commission. When personal data is transmitted to the Commission, the latter processes them in accordance with Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC[[2]](#footnote-2) and as detailed in the specific privacy statement published at ePRAG

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1. In the event of cofinancing, the EU-contribution must normally be entered as a lump sum in euro. [↑](#footnote-ref-1)
2. OJ L 205 of 21.11.2018, p. 39 [↑](#footnote-ref-2)