



**CONTRACT**  
**CONCERNING A TIED FINANCIAL DONATION**

*Concluded between the following Contracting Parties*

**Czech Republic – Ministry of Foreign Affairs**

Registered office address: Loretánské nám. 101/5, 118 00 Praha 1 – Hradčany

Business ID: 45769251

Bank account number: 08 003 00071 50 342087 62

Swift code: BIATTNTT

IBAN: TN59 08 003 00071 50 342087 62

Bank: Banque Internationale Arabe de Tunisie

Address: 70-72, Av.Habib Bourguiba Tunis

Account holder: Ambassade de la République tchèque

Represented by: Mgr.Jan Vyčítal – ambassador

(hereinafter referred to as the “**MFA – Embassy in Tunis**”)

and

**Name – Adnen Bouassida – Mayor of Raoued**

Registered office address: Municipalité de Raoued Ariana Essoghra – Raoued

Matricule fiscale: 838046TNN000

Bank account number: 17 001 00000 01 410367 33

Swift code: LPTNTNTT

IBAN: TN59 17 001 00000 01 410367 33

Bank: La Poste Tunisienne, PTT

Account holder: Post Office Ariana Raoued 2056

Represented by: Mr. Adnen Bouassida – Mayor of Raoued

(hereinafter referred to as the “**Recipient**”)

**Article I**  
**Objectives of the Contract**

1. The Recipient implements a project entitled “**WASTE WATER TECHNOLOGY CLEANING**”, as described in Annex 1 to this Contract (hereinafter referred to as the “**Project**”). The MFA-Embassy in Tunis hereby agrees to provide to the Recipient a tied financial donation. The Recipient agrees to accept and use such financial donation to implement the Project, subject to the terms and conditions of this Contract. The MFA-Embassy in Tunis shall provide the tied financial donation under the programme of the Government of the Czech Republic “**TIED FINANCIAL DONATION (AFRICA)**”.

2. The Recipient hereby agrees to ensure that any funds received from the MFA-Embassy in Tunis are used for the purposes of the Project in accordance with the terms and conditions of this Contract, and to make every effort to successfully complete the Project.

## **Article II**

### **Terms and conditions of the tied financial donation**

1. The MFA-Embassy in Tunis shall provide to the Recipient a tied financial donation of **CZK 9 940 000** (nine million nine hundred and forty thousand Czech Crowns), and the Recipient agrees to use the tied financial donation strictly to cover the implement the above-mentioned Project. The Contracting Parties agree that the amount of the tied financial donation as stated in the previous sentence is final and that it shall not be increased.
2. The tied financial donation shall not be provided if there is a reasonable suspicion that any funds received may bring any direct or indirect profit to a person or authority, subject to international sanctions in the Czech Republic under Section 2 of Act No. 69/2006 on the implementation of international sanctions, as amended.
3. The MFA-Embassy in Tunis provides to the Recipient a list of Czech companies with a binding expression of interest to fulfil supplies according to the Project, the details of the Czech companies are contained in Annex 2 to this Contract.
4. The Recipient shall present to the MFA-Embassy in Tunis a notice in writing identifying the Supplier of the subject of the Project selected by the Recipient (hereinafter referred to as the “**Supplier**”). The Recipient may use the services of more than one Supplier of the subject of the Project contained in Annex 2. If the Recipient selects a supplier not included in Annex 2, the MFA-Embassy in Tunis retains the right to examine the selected Supplier before the final decision on the provision of the tied financial donation.
5. The Recipient's notice referred to in Article II (4) above shall state the Supplier's name, registered office address, business ID, contact details and a contact person. A scan of the signed bilateral contract with the Supplier shall be enclosed.

## **Article III**

### **Form of the tied financial donation**

1. The tied financial donation shall be transferred by the MFA-Embassy in Tunis to the Recipient's bank account as identified in the recitals of this Contract.
2. MFA The Recipient may conclude with the MFA – Embassy in Tunis an Amendment to this Contract, in which the Recipient confirms the selected Supplier and may also request the financial means to be transferred to the Supplier's bank account with a credit or financial institution based in the EU. In such case, the Recipient's contract with the Supplier shall include a clause whereby the Supplier agrees to repay the tied financial donation or its part directly into the bank account of the MFA-Embassy in Tunis in any of the situations where this Contract requires the Recipient to return the tied financial donation or its part, and not later than 20

days after the request presented by the Recipient or by the MFA – Embassy in Tunis.

3. The -Embassy in Tunis shall transfer up to 50 % of the tied financial donation to one of the bank accounts referred to in the previous paragraphs no later than 15 working days after the Recipient presents to the MFA-Embassy in Tunis the original of its contract with the Supplier and concludes an Amendment to this Contract according the Article III (2), if appropriate. The balance of the tied financial donation shall be remitted by the MFA-Embassy in Tunis no later than 15 working days after the Recipient presents to the MFA-Embassy in Tunis a formal record confirming the delivery and acceptance of the subject of the Project by the Supplier. Where justified, the time limits set in this paragraph may be extended to no more than 30 working days.
4. In case the cost billed by the Supplier is less than the full amount of the tied financial donation, e.g. due to a change in prices or equipment requirements, the MFA-Embassy in Tunis shall provide to the Recipient the billed portion of the tied financial donation. In case the cost of the Equipment is higher than the full amount of the tied financial donation, the Recipient agrees to ensure that any costs in excess of the tied financial donation are paid from other resources. In case the tied financial donation or its part is not used to cover the cost of the Equipment, the Recipient shall repay the full amount of such unused funds into the bank account of the MFA-Embassy in Tunis by 31 October 2021 at the latest.
5. Any payments referred to in this Contract shall be made by bank transfer in CZK or TND, unless otherwise agreed between the Contracting Parties.

#### **Article IV Rights and obligations of the Contracting Parties**

1. The MFA-Embassy in Tunis shall have the right to monitor the implementation of the Project. To this end, the Recipient agrees to provide the MFA-Embassy in Tunis with any cooperation as necessary.
2. The Recipient agrees to notify the MFA-Embassy in Tunis, in advance and in writing, of any changes likely to affect the implementation or total cost of the Project. If the change requires a more than 10 per cent adjustment of the total cost of the Project, the Recipient shall present to the MFA-Embassy in Tunis a request for prior approval of the change. The request shall include a draft of the revised text of Annex No. 1 to this Contract. Once the change is approved, both Contracting Parties shall sign an amendment to this Contract and the agreed revised text of Annex No. 1 shall constitute an annex to such amendment.
3. In case the implementation of the Project is to take more than 6 months, the Recipient shall present to the MFA-Embassy in Tunis a written report on the current state of the Project every three months starting from the commencement of the Project. The report shall include information on funds drawn down from the tied financial donation to date.
4. The Recipient shall present to the MFA-Embassy in Tunis a written final report on the activities and results of the Project no later than one month after completing

the Project. A financial report accounting for the funds drawn down from the tied financial donation shall constitute an integral part of such final report. The MFA-Embassy in Tunis shall approve the final report on condition that the report reflects the real situation and clearly shows that the terms and conditions of this Contract, as well as any other arrangements agreed between the Contracting Parties, have been complied with. Otherwise, the MFA-Embassy in Tunis shall invite the Recipient to rectify any shortcomings.

5. During implementation of the Project and whenever presenting its results, the Recipient shall make references to the funding or co-funding received from Czech Republic's Official Development Assistance budget, and shall appropriately present the Czech Republic's Official Development Assistance logo. The MFA-Embassy in Tunis agrees to provide the logo for this purpose.
6. The Contracting Parties agree not to make or provide to any third party, directly or indirectly, any kind of offer, donation, payment, consideration and/or advantage constituting an illegal or corrupt practice, as a bribe or remuneration for awarding or implementing this Contract. The Contracting Parties declare that they have not engaged in such practices in the context any of their past activities undertaken for the purpose of implementation of the Project or conclusion of this Contract.
7. During the term of this Contract as well as after its expiry or termination, the Contracting Parties agree to maintain confidentiality on any facts the Contracting Parties may learn in connection with the implementation of this Contract, unless such facts are publicly available.
8. The Recipient agrees to use the subject of the Project strictly for the purposes of the Project and not to dispose of it for the benefit of any third party without the consent of the MFA-Embassy in Tunis for a period of 2 years after the date of completion of the Project.
9. The Recipient shall ensure that a person or authority, subject to international sanctions in the Czech Republic under Section 2 of Act No. 69/2006 on the implementation of international sanctions, as amended, which may have any direct or indirect profit from the donation, shall not take part in the implementation of the Project. Any inconsistency with this provision will be sanctioned according to Article V (2), first sentence.
10. Before the beginning of the implementation, the Recipient obliges to execute any and all preparatory works necessary for the initiation of the construction in situ needed to the successful plug-in of flotation unit. Especially the preparation of the groundwork for placement of flotation technology e.g. build-in the ISO 1 AAA High Cube (40'-12m) container or tank foundation. It is required secure electrical installation, water connection, both inlet/outlet with diameter DN 200, whereas the installation of the suction pipeline shall not be installed higher than 2100 mm above ground level. Flotation technology unit in container sucks in water for purification from the detention reservoir or aboveground tank (both options with volume of about 10m<sup>3</sup>). The water entering into flotation unit for purification has to be free of coarse impurities. The technological line for the collection of sledges and impurities has to be designed; estimated daily sludge volume is about 6-10 m<sup>3</sup>, appropriate tank for storage purposes of the sludge is needed. There is a

prerequisite of daily supply of consumables and chemicals for proper functioning of the flotation unit, such consumables and chemicals are not included in the delivery. After the implementation shall be initiated, the definition of individual interface of the deliveries shall be subject to further negotiations.

#### **Article V Sanctions**

1. The Recipient shall be liable to the MFA-Embassy in Tunis for any damage resulting from a breach of any of the Recipient's statutory or contractual obligations.
2. In case the Recipient uses the tied financial donation or its part in a manner inconsistent with this Contract, the MFA-Embassy in Tunis shall be authorised to claim from the Recipient the repayment of the improperly used donation or its part together with a penalty amounting to 10 per cent of the total amount of the tied financial donation. The Contracting Parties agree that the above shall also apply, *mutatis mutandis*, in case any of the representations in Article IV (6) is found untrue. In the event of a breach of the Recipient's obligations set out in Article IV (5), the Recipient agrees to compensate the MFA-Embassy in Tunis for any damage incurred and to pay a contractual penalty amounting to 5 per cent of the total amount of the tied financial donation.
3. The payment of the contractual penalty referred to in the previous paragraph shall be without prejudice to the injured party's right to claim compensation for any damage resulting from a breach of the other Contracting Party's contractual obligation.
4. The Contracting Parties agree to make any payments charged under this article without undue delay in accordance with the procedure laid down in Article III (4).

#### **Article VI Term of the Contract**

1. This Contract shall take effect on the date of signature by both Contracting Parties.
2. The Recipient may in written form request termination of the project due to serious reasons which could hinder the successful implementation of the project. The relevant application form will be provided upon request by the MFA-Embassy in Tunis. Such termination shall take effect on the fifteenth day after the the service of the request for termination on the MFA-Embassy in Tunis, unless otherwise agreed in writing between the Contracting Parties. Thereafter the Recipient shall, without undue delay, fully refund the financial donation, or pay to the MFA-Embassy in Tunis an amount equivalent to the sum of the unused portion of the tied financial donation.
3. The MFA-Embassy in Tunis may terminate this Contract at any time, in whole or in part, by a notice in writing served on the other Contracting Party, namely, but not exclusively, in the event of the Recipient's fault, negligence, delay or non-compliance with any of the terms and conditions of the Contract. Such

termination shall take effect on the fifteenth day after the service of the notice of termination on the Recipient, and thereafter the Recipient shall, without undue delay, pay to the MFA-Embassy in Tunis an amount equivalent to the sum of any unused portion of the tied financial donation, any improperly used portion of the tied financial donation, and a contractual penalty in amounts according to Article V (2), unless otherwise agreed in writing between the Contracting Parties.

## Article VII Final Provisions

1. This Contract shall be governed by the legislation of the Czech Republic and any disputes arising from this Contract shall be adjudicated by the courts of the Czech Republic.
2. Any changes to this Contract, including any annexes and amendments thereto, shall be made in writing and signed by the authorised representatives of both Contracting Parties.
3. Following annexes to this Contract constitute an integral part thereof:
  - a. Identification Form and Budget – Tied Financial Donation (Annex 1)
  - b. List of companies – possible Suppliers (Annex 2)
4. The Contracting Parties prefer a speedy and equitable resolution of any disputes arising from or related to this Contract. The Contracting Parties agree to resolve their disputes directly and in good faith, within a period no longer than 10 working days from the receipt of the other Contracting Party's notice of dispute.
5. This Contract is done in the Czech and English languages, both language versions being equally valid and binding, in 3 copies per each language version. The MFA-Embassy in Tunis shall retain two copies of each language version, and the Recipient shall retain one copy of each language version.
6. Neither Contracting Party shall be entitled to assign or otherwise transfer its rights and obligations arising from this Contract without the prior written consent of the other Contracting Party, unless explicitly provided otherwise in this Contract.
7. The Contracting Parties jointly declare that they are competent to enter into this Contract, that they have read the Contract before signing, that they understand and agree with the content of this Contract, and they enter into this Contract freely and earnestly. In witness thereof, they append their personal signatures.

Tunis, 25.3. 2021

For the MFA-Embassy in Tunis

For the Recipient

