

CONSULTANCY CONTRACT

between

Ministry of Foreign Affairs Iceland

and

[Consultant]

CONSULTANCY CONTRACT

This CONTRACT (hereinafter called the “Contract”) is made the [date], between, on the one hand, Ministry for Foreign Affairs Iceland (hereinafter called the “Client”) and, on the other hand, [the Consultant](hereinafter called the “Consultant”).

Whereas the Client has, through the Icelandic State Trading Centre, advertised a procurement process for Consultants (20739 Þróunarsamvinna - Ráðgjöf á sviði sjálfbærrar nýtingar sjávarauðlinda og verndunar hafsins) to provide consulting services (Services), on a demand basis in relation to its international development cooperation;

Whereas the Consultant has submitted a registration to the Icelandic State Trading Centre for eligible consultants available for such geothermal consulting services; the parties hereby agree to the following terms of the contract for the provision of such Services;

Article 1

Description of the Services and Contract Documents

- 1.1. The Consultant will provide the Client access to the Consultants it has registered in relation to its geothermal development assistance, according to the timeframe as may be required in each assignment and the requests of the Client and cooperating organizations.
- 1.2. Assignments that will be implemented under this contract will be defined and agreed upon by both parties in specific Terms of Reference (ToR) for each assignment, where timeframe and input of assignment will be defined.
- 1.3. The Consultant is not authorized to sub-contract any part of the performance of the assignment without the Client’s prior written approval. Approval by the Client of engagement of sub-contractors does not relieve the Consultant of any of his duties and obligations according to the Contract made with the Client.

Article 2

Contract Price and Payment Schedule

- 2.1. In accordance with the terms advertised by the Icelandic State Trading Centre, for the Client, for Services, the daily Consultancy rates shall be:
 - [Relevant rates for A and B, firm or individual consultant]
 - These amounts are exclusive of indirect taxes in the Client’s country.
 - The daily consultancy rates shall be reviewed yearly by the Client taking aim of World Bank consultancy rates.
 - Per diems, if applicable, will be paid in accordance with the Icelandic Government’s standards and regulations.
- 2.2. If applicable, reimbursable costs, including travel costs, visas, vaccinations and health insurances are the responsibility of the Consultant, and shall be budgeted and agreed upon separately before commencement of each assignment.
- 2.3. The Consultant is responsible for meeting any and all other tax liabilities arising out of the Contract.
- 2.4. The payments under this Contract shall be paid on the basis of monthly invoices for the work performed.
- 2.5. The final payment under each assignment shall be made only after a final report has been submitted by the Consultant and approved as satisfactory by the Client. The Services shall

then be deemed completed and finally accepted by the Client. The last payment shall be deemed approved for payment by the Client within thirty (30) calendar days after receipt of the final report by the Client unless the Client, within such thirty (30) calendar day period, gives written notice to the Consultant specifying in detail deficiencies in the final report. The Consultant shall thereupon promptly make any necessary corrections, and thereafter the foregoing process shall be repeated.

Article 3

Work Plan

- 3.1. The Services will be carried out in accordance with an agreed Terms of Reference by both parties and in line with the agreed upon workplan for each assignment.

Article 4

Performance and Obligations of the Consultant

- 4.1. The Consultant shall perform 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.
- 4.2. 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 third parties.
- 4.3. The Consultant shall immediately inform the Client of any indications that the Services cannot be completed as per agreed work plan.
- 4.4. The Consultant shall contribute to a positive dialogue and good cooperation with all parties involved (including third parties).
- 4.5. The Consultant shall perform the Services in accordance with the Contract and the Applicable Law and shall take all practicable steps to ensure that any of its Experts and Sub-contractors comply with the Applicable Law and with the Law of the respective country of implementation.
- 4.6. The Consultant shall carry out the assignment with ethical considerations in mind, respects for human rights, and sensitivity to local cultures and social values.
- 4.7. Except with the prior written consent of the Client, the Consultant, sub-contractors and the Experts shall not at any time communicate to any person or entity any information defined as confidential 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.
- 4.8. The Consultant shall ensure that any sub-contractor and Experts engaged follows the same terms and conditions as described in this Contract.
- 4.9. The Consultant shall report on the assignment and submit the deliverables in the form, in the numbers and within the time periods set forth in the Appendix A.

Article 5

Modifications of the Scope of the Services

- 5.1. The Client may, if deemed necessary, request modifications of the scope of the Services as long as these do not exceed reasonable limits, or what could have been expected when the Contracting Parties entered into this Contract. The modifications might apply to the implementation of the Services and/or changes of the work plan.
- 5.2. In the event of modifications of the Services which has been agreed upon, the Consultant shall present a written work plan and budget along with comments about the potential impact of the additional work on the Services. Implementation of any additional work is not authorized until a written consent of the Client has been issued.

Article 6

Cancellation of the Services

- 6.1. The Client may cancel an assignment carried out under this Contract by giving a written notice thereof to the Consultant. The Consultant shall discontinue all or part of the Services within 3 days of receiving the notice. In such cases the Client shall remunerate the Consultant for the work that has been carried out; no additional payments will be made because of cancellation.

Article 7

Intellectual Property rights

- 7.1. The property rights of all results and materials generated by the Consultant through the Services shall rest with the Client or the relevant implementing agencies as may be applicable. 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 in the course of the Services shall be confidential and become and remain the property of the Implementing Agency.

Article 8

Fairness and good Faith

- 8.1. 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.

Article 9

Non-compliance

- 9.1. If the Consultant or the Client fail to carry out their obligations in accordance with the Contract, both Parties are authorised to:
 - a. Discontinue payments and the execution of the Services until contractual obligations have been fulfilled.
 - b. Request compensation in case of direct loss caused by the breach of contract. However, the Contracting Parties are not liable for any resulting losses.

Article 10

Anti-Corruption

- 10.1 No offer, payment, consideration, or benefit of any kind, which constitutes or could be construed as an illegal or corrupt practice, shall be made, either directly or indirectly, as an inducement or reward for the award or execution of this contract. Any such practice

will be grounds for terminating this contract or taking any other corrective action as appropriate (including civil or criminal action). The Consultant agrees to take all measures to counteract fraud and corruption as well as report any allegations to the Client.

Article 11

Notices

11.1. All notices, claims and other communications shall be submitted in writing to the representative of the concerned party.

On behalf of the Client:

On behalf of the Consultant:

Article 12

Force majeure

12.1. 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.

12.2. 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.

12.3. In the event of Force majeure, the Parties shall jointly assess the situation with regard to the continuation of the Services and the obligations of each Party according to the Contract.

Article 13

Disputes

13.1. The Parties shall seek to resolve any dispute amicably by mutual consultation. Legal proceedings arising from disputes relating to the implementation or interpretation of this Contract shall be referred to the Reykjavik District Court. This Contract is governed by Icelandic Law.

Article 14

Duration

14.1. This Contract will be effective upon the date of signature and be valid [date]. Either Party may terminate this Contract by giving six (6) months' prior written notice to the other Party.

Article 15

Signatures

15.1. This Contract is signed in two originals, one copy given to each Party.

Reykjavík _____ 2018

On behalf of the Client

On behalf of the Consultant