# VOLUME 2

# SECTION 1

# CONTRACT FORM/CONTRACT AGREEMENT

WORKS CONTRACT FOR EUROPEAN UNION EXTERNAL ACTIONS

**NO <Contract number>**

**FINANCED FROM THE EU GENERAL BUDGET**

Between

Directorate of Public Works

Novaka Miloševa 18

81000 Podgorica, Montenegro

(‘The Contracting Authority / Employer’),

of the one part,

and

<Full official Name of Contractor>

[Legal status/title][[1]](#footnote-1)

[Official registration number][[2]](#footnote-2)

[Full official address]

[VAT number],[[3]](#footnote-3)

(‘the Contractor’)

of the other part,

have agreed as follows:

**PROJECT:** **Construction of the Sewage Network and Waste Water Treatment Plant (WWTP) in the Municipality of Berane**

**CONTRACT TITLE: Rehabilitation and Construction of the Sewerage Network in Berane**

**Identification number**  EuropeAid/136869/IH/WKS/ME

Whereas the Contracting Authority would like the Contractor to carry out the following work: “**Rehabilitation and Construction of the Sewage System in Berane”**

and has accepted a tender by the Contractor for the execution and completion of such works and the remedying of any defects therein.

**It is hereby agreed as follows:**

**(1)** In this Contract, words and expressions shall have the meanings assigned to them in the contractual conditions set out below.

**(2)** 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 Contract Form/Contract Agreement,
2. the Tender Form and Appendix to Tender,
3. the Particular Conditions of Contract,
4. the General Conditions of Contract (FIDIC 1999, Red Book),
5. the Specifications,
6. the Drawings,
7. the Schedules,
8. the Tender, excluding the Schedules

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.

**(3)** In consideration of the payments to be made by the Contracting Authority/Employer to the Contractor as hereinafter mentioned, the Contractor undertakes to execute and complete the works and remedy defects therein in full compliance with the provisions of the Contract.

**(4)** The Contracting Authority/Employer hereby agrees to pay the Contractor in consideration of the execution and completion of the works and remedying of defects therein the amount of:

**The Accepted Contract Amount (**excluding VAT/other taxes**):**

(**excl.** Contingencies and Dayworks) Euro...................................................

(in words :...........………..........……………………………….…....…......................................

…………………….........…..………………………….......................................……..... Euro)

(Contingencies and Dayworks) Euro...................................................

(in words :...........………..........……………………………….…....…......................................

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(**incl.** Contingencies and Dayworks) Euro ...................................................

(in words :...........………..........……………………………….…....…......................................

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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. VAT and other taxes shall not be paid on the funds originating from EU funds.

(**5)** Other specific conditions applying to the Contract

The following Conditions to the Contract shall apply:

FIDIC “Conditions of Contract for Construction for Bu8ilding and Engineering Works Designed by the Employer ” (First Edition 1999; FIDIC “Red Book”).

In witness whereof the parties hereto have signed the Contract. This Contract shall take effect on the date on which it is signed by the last party, namely the Contractor.

Done in English in four originals, one original for the Contracting Authority/Employer, one original for the Beneficiary ,one original for the European Commission, and one original for the Contractor.

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| --- | --- | --- | --- |
| **For the Contractor** | | **For the Contracting Authority / Employer** | |
| Name: |  | Name: |  |
| Title: |  | Title: |  |
| Signature: |  | Signature: |  |
| Date: |  | Date: |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Endorsed for financing by the European Union** | | | |
| Name: |  |  |  |
| Title: |  |  |  |
| Signature: |  |  |  |
| Date: |  |  |  |

1. Where the contracting party is an individual. [↑](#footnote-ref-1)
2. Where applicable. [↑](#footnote-ref-2)
3. Except where the contracting party is not VAT registered. [↑](#footnote-ref-3)