



**Contract**

**between**

**the Swiss Confederation, represented by the Swiss Federal Department of Foreign Affairs,  
acting through**

**ESPRIT 1 ESPRIT 1a**

**and**

**ESPRIT 2 ESPRIT 3**

**ESPRIT 4  
ESPRIT 5  
ESPRIT 6**

**concerning the granting of a contribution to the project/activities  
ESPRIT 7**

Contract no. **ESPRIT 8**

The Swiss Confederation, represented by the Swiss Federal Department of Foreign Affairs, acting through **ESPRIT 1** (hereinafter “the donor”) and **ESPRIT 2** (hereinafter “the organization”) agree as follows:

**Article 1 Object of the contract**

- 1.1. The donor grants the organization a contribution of maximum **ESPRIT 9 ESPRIT 10** (hereinafter the contribution) as a participation towards the realization of the project/activities of the organization (hereinafter the project/activities) as per description of the project/activities (annex 1) and budget (annex 2), which form an integral part of the present contract.
- 1.2. The contribution of the donor is intended to cover at the maximum **ESPRIT10a** % of the total budget of the project/activities, as accepted by the donor. The financing of the remaining amount is assured by the organization and/or by third parties.
- 1.3. The organization commits to use the contribution solely in conformity with the objectives of the project/activities. The organization is solely responsible for the project/activities and the appropriate use of the granted contribution.

## Article 2 Budget

- 2.1. The budget agreed by the parties and detailed in annex 2 must be respected. Any modification requires the prior written approval of the donor.
- 2.2. However, the organization may without prior consultation of the donor make budgetary changes within the budget, provided that these modifications (i) do not cause the total amount of the project/activities budget to be exceeded, (ii) do not exceed 10% per individual budget position, and (iii) are notified to the donor with the next financial report at the latest. If, in the course of the execution of the contract, the organization notices that the budget might be subject to significant modifications (more than 10% per individual budget position) and that differences may arise between the effective expenditures (per different budget position) and those budgeted and/or the project/activities budget considered in its entirety (income and expenses), the organization must immediately inform the donor and request its prior written approval.

## Article 3 Operational and financial reports

- 3.1. The organization shall provide the donor with the following combined operational and financial reports:

<b>Report/Account/Budget</b>	<b>For the Period</b>		<b>to receive</b>	<b>Copies</b>
	<b>from</b>	<b>to</b>	<b>at the latest:</b>	
A <b>ESPRIT 12</b>	<b>ESPRIT 13</b>	<b>ESPRIT 14</b>	<b>ESPRIT 15</b>	
- final operational and financial report				

- 3.2. The financial reports shall conform to the budget and shall mention expenditures and income, as well as any possible interest income related to the whole project/activities. The accounts, supporting and other documents shall be kept for a period of at least 10 years.
- 3.3. **ESPRIT 16**
- 3.4. Upon request the organization shall provide the donor with audited financial statements of the whole organization.

## Article 4 Payment

- 4.1. The contribution shall be paid into an interest bearing bank account of the organization in the following manner:
- a first instalment of **ESPRIT 9 ESPRIT 17** after signing the present contract by both parties,
  - a second instalment of **ESPRIT 9 ESPRIT 18** after the receipt and approval by the donor of the document no. A listed under the article 3.1.;
  - a final instalment of a maximum of **ESPRIT 9 ESPRIT 19** after the receipt and approval by the donor of the final operational and financial report listed under the article 3.1.

- 4.2. The above-mentioned instalments shall be adjusted in function of the balance of the preceding period and carried over to the following period (either positive or negative). A possible positive final balance shall be reimbursed to the donor within 90 days following the end of the present contract.
- 4.3. If it is determined that activities not foreseen in the present contract have been financed by the contribution, the costs of such activities shall be deducted from the next instalment or reimbursed on demand to the donor. In addition, the donor is entitled to terminate the contract prematurely as per Art. 10.2 below.
- 4.4. Interest income must be clearly declared in the financial reports and may be used as an additional contribution, but solely within the framework of the project/activities.
- 4.5. Should the total of all contributions of all donors exceed the total cost of the project/activities, the surplus shall be reimbursed to the donor in proportion of his contribution.

### **Article 5 General provision**

- 5.1. The organization commits to execute the present contract with due care and diligence.
- 5.2. The organization is responsible for all decisions concerning the purchase of services and/or goods and commits to respect the principles of free and equitable competition, as well as the legal provisions of the country of origin of the purchases. All purchases or equipment acquired for the project/activities immediately become the property of the organization and shall be used only for the project/activities. The organization will maintain an up-to-date inventory.
- 5.3. Unless otherwise informed by the donor, the organization commits to clearly mention his participation in the project/activities.
- 5.4. The results of the activities performed based on the present contract, as well as any intellectual property rights, including copy rights (pertaining thereto), shall be considered to be the property of the organization. The donor is the co-holder of these rights. If these intellectual property rights generate any income, the parties will agree on the utilization of the said income.

### **Article 6 Anti-corruption clause**

Within the framework of this contract, the parties shall neither directly nor indirectly propose benefits of any nature whatsoever. They shall not accept any such proposals. Any corrupt or illegal behaviour constitutes a violation of the present contract and justifies its termination as well as/or the recourse to supplementary measures in accordance with applicable legislation.

### **Article 7 Anti-discrimination clause**

The organization must generally refrain from incitement to violence or hatred, and from discrimination on the grounds of race, ethnic origin or religion. Such obligation applies to all activities undertaken by the organization, including those falling outside the framework of the present contract. Any breach of the above-mentioned obligation justifies the immediate termination of the present contract by the donor, and entitles the donor to demand the full reimbursement of its effective contribution.

The above-mentioned obligation shall be contractually imposed on any subcontractor working towards the execution of the present contract.

### **Article 8 Right of examination**

The donor as well as any third party appointed by it and the Federal Audit Office are entitled to a right to examine the project/activities and all respective documents at any time.

## **Article 9 Annexes**

The following attachments form an integral part of this contract:

[ESPRIT 20](#)

## **Article 10 Amendments**

Any amendment to the present contract shall be drawn up in writing with the consent of both parties.

## **Article 11 Termination**

- 11.1. The present contract may be terminated at any time by each of the parties, subject to written notice given [ESPRIT 21](#) in advance.
- 11.2. In the event of non-compliance, non-execution or breach of the assumed obligations by one of the parties, the other party may, after written notice, terminate the contract with immediate effect.
- 11.3. If events resulting from force majeure (natural disaster, etc.) prevent the execution of this contract, either party may terminate the contract from the moment of the impossibility of implementation.
- 11.4. In case of a premature termination of the contract, the organization shall establish a final operational report and a final financial report. The donor shall participate in possible expenses incurred or arising from the premature termination according to the initial financing key, except in case of defaults by the organization. All instalments paid by the donor and all material purchased with his funds which have not been committed to the project/activities, shall be returned to the donor within three months following the moment of premature termination.

## **Article 12 Duration**

The contract covers the period from [ESPRIT 22](#) to [ESPRIT 23](#). It shall come into force on the date of its signature by both parties and shall end when each party has fulfilled all its contractual obligations.

### **Article 13 Applicable law and place of jurisdiction**

In case of dispute arising out or in relation to the present contract, the parties agree to undertake all efforts to find an adequate amicable settlement before instituting any legal procedures.

The law applicable to this contract shall be the private law of **ESPRIT 24**. The place of jurisdiction shall be **ESPRIT 25**.

Signed in **ESPRIT 26**

in **ESPRIT 27**

on

on

**ESPRIT 29**

**ESPRIT 32**

**ESPRIT 30**

**ESPRIT 31**

**ESPRIT 33**