

EU for Economic Growth (EU4EG) Project

Contracting Authority:
Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ)

**CALL FOR PROPOSALS FOR EXISTING MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs)
TO USE BUSINESS SUPPORT SERVICES (BSSs)
CALL REF: EU4EG_MSMEs_4**

Annex D. SAMPLE SERVICE AGREEMENT

[Company Name], with registration number [Registration Number] and registered address [Address]
(hereinafter referred to as "**Contractor 1**" and/or "**Supplier**"),

[Company Name], with registration number [Registration Number] and registered address [Address]
(hereinafter referred to as "**Contractor 2**" and/or "**Customer**"),

And

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, St. Antonie Grubisik No.5,
Skopje, North Macedonia, with registration number 6161294, represented by [Authorized
Representative's Name and Title] (hereinafter referred to as "**GIZ**").

Hereby is agreed as follows:

Preamble:

This Service Agreement ("Agreement") is made by and between the **Contractor 1** - the Supplier of the services, **Contractor 2** - the Customer, and **GIZ**. It outlines the intention of GIZ to contribute to the advancement of the economy in North Macedonia, regulates manner of the provision of the services, the conditions for receiving a payment from GIZ, and the responsibilities of each party.

Article 1

SUBJECT OF THE CONTRACT

The Supplier is engaged to render the services specified in Annex n.1-Special Agreement and Terms of Reference - ToR (hereinafter referred to as "Annex n.1"), adhering to the standards and deadlines defined herein.

Article 2

PRICE AND PAYMENT

The fixed fee for the Services defined in Article 1 of this Agreement shall be gross amount of MKD, whereas 50% from fees shall be paid by the Contractor 2- the Customer, and the remaining 50% shall be paid by the GIZ.

The amount in paragraph 1 of this Article is fixed and includes all costs, fees and taxes, which the parties may incur in the performance of the Agreement.

1. Parties agreed that within the period of 5 (five) days as of the day when the service has been finally delivered to the Customer in accordance with this Agreement, the Supplier shall issue to the Customer an invoice in gross amount of MKD.

The payment by the Customer shall be wired within 30(thirty) days from the day when the invoice has been received.

2. The outstanding part of the service fees in the gross amount of MKD, shall be invoiced by the Supplier to the GIZ, immediately after GIZ confirms in written to the parties that:

Have received hard copy of the documents related to the commenced services in accordance with this Agreement, and evidence that the Customer have fully paid the invoice issued by the Supplier.

The payment by the GIZ shall be wired within 30 (thirty) days from the day when the invoice has been received.

Notwithstanding with any provision from this agreement, Parties agreed that GIZ is under no obligation to make any payment unless **(i)** the Supplier has fully and satisfactorily performed the services in accordance with the terms and conditions outlined in this Agreement, Annex n.1 and Annex n.2 - General terms and conditions of contract Local (hereinafter referred as Annex n.2) and **(ii)** the Customer has made full payment of the service fees to the Supplier in accordance with paragraph 1 from this Article. If these conditions are satisfied, which is obligatory to be confirmed by GIZ in written, the Supplier shall be entitled to issue an invoice towards GIZ.

In the event of any late payment the Supplier is entitled to claim penalty interest in accordance with the law.

Article 3

DELIVERY PROTOCOL

The manner of execution and all details related to the services subject to this Agreement, shall be determined in Annex n.1, which prior signing shall be agreed between the Supplier and the Customer, and the same shall be considered as an integral part of this Agreement. The contractual parties - the Supplier and the Customer waive in advance the possibility of amending Annex n.1. Parties agreed that GIZ retains

the right to approve the content of the Annex n.1 prior its signing, thus Customer and Supplier are obliged to comply with instructions and requests related to the content of the Annex n.1 given by the GIZ.

Upon completing the Services, the Supplier will notify the Customer in writing and submit the documents related to the services. The Customer has **[Number of Days]** to review and either accept the Services or report deficiencies, which the Supplier will promptly address. If the Customer does not provide a written response within the specified period, it shall be deemed that there are no remarks regarding the submitted documentation.

Article 4

TERM

Services under this Agreement shall be delivered within [specified duration] from this Agreement's signing date. Extension of the service performance timeline is permissible only in the event of force majeure.

Article 5

CONTRACTOR 1 OBLIGATIONS

Contractor 1 -the Supplier shall perform the Services with the highest level of professionalism, care, and expertise, in compliance with all applicable laws and regulations, and in accordance with the performance standards and deadlines outlined in this Agreement, Annex n.1 and Annex n.2.

In the event that for execution of the services subject to this Agreement it is required, the Supplier guarantees to have active and valid needing license.

Article 6

CONTRACTOR 2 OBLIGATIONS

Contractor 2-the Customer shall cooperate with the Supplier by providing necessary information, access to facilities, and decisions in a timely manner to facilitate the completion of the Services.

The Customer is obligated to make payment for the services in accordance with Article 2 from this Agreement after the delivery of the documentation related to the performed service in Accordance with this Agreement and Annex n.1 and Annex n.2. If there are specific deficiencies in relation to the delivered documentation related to the service, in that case, the Customer is obligated to make the payment for the service immediately after the removal of the deficiencies and the final rendering of the service.

Article 7

The parties have agreed that GIZ bears no responsibility for the fulfillment of obligations by either the Supplier or the Customer under this Agreement. GIZ shall not be liable for the non-fulfillment of any

obligations specified in this Agreement, and both the Supplier and the Customer relinquish in advance any right to initiate any proceedings against GIZ.

GIZ reserves the right to verify the authenticity and other aspects (such as quality, expertise, etc.) of the documentation pertaining to the services governed by this Agreement. GIZ also retains the right to withhold payment until all disputed aspects are conclusively resolved.

Article 8

CONTRACTUAL PENALTY

Parties agreed that Contractor 1 and Contractor 2 are obliged to perform its obligations in a timely manner and deadlines defined with this Agreement, in case of default, they are obliged to pay a contractual penalty of 0.5% on a weekly basis for each week of delay in fulfilling the obligations, but not exceeding 8% of the value of the Agreement.

Article 9

CORRESPONDENCE

All notices, requests, consents, claims, demands, waivers, and other communications hereunder (each, a “Notice”) shall be in writing and addressed to the parties at their address set forth on the first page of this Agreement.

Any address changes must be communicated in writing among the parties.

Article 10

TERMINATION

The parties waive the possibility of unilaterally termination of the Agreement, except in the following cases:

- 10.1 Unilaterally by the Customer or GIZ, if the Supplier after the expiry of the term defined in Article 4, partially or fully fails to perform the services subject to this Agreement;
- 10.2 Unilaterally by the Supplier or GIZ, in the event that bankruptcy proceedings or liquidation proceedings are initiated against the Customer;
- 10.3 Unilaterally by GIZ, at any time if GIZ determines that any contractual party is not performing or does not fulfilling the obligations in the manner as it is defined in this Agreement or defined with Annex 1-Special Agreement and Terms of Reference (ToR);
- 10.4 Unilaterally by GIZ, at any time if the GIZ determines that any contractual party shall not comply with obligations defined in the Annex 2- General terms and conditions of contract Local;

The contracting parties waive the right to initiate proceedings and to claim damage against GIZ regardless of which contracting party terminates the contract.

Article 11

FINAL PROVISIONS

- 11.1 In the event that specific provision of this Agreement is void or contrary to law, the parties agreed to replace that provision or part of it with a new applicable one, and in any case, the Agreement remains in force.
- 11.2 Each contractual party declares that it fully understands the content of the same, that it has consulted with a professional who is authorized to provide legal assistance, and that it signs this Agreement without any coercion from anyone.
- 11.3 The contracting parties agree that Annex n.1 and Annex n.2 constitute an integral part of this Agreement and that they have priority application in the relations between the contracting parties. For matters not regulated by this Agreement, the annexes attached to this Agreement shall be primarily applicable.

If there are provisions in the Agreement that contradict the provisions of the Annexes, the provisions within the Agreement shall prevail.

- 11.4 In case of dispute, parties will use all efforts to find the solution peacefully and in the spirit of good business relationship. If not, the courts in Skopje shall be the competent court.

Annex 1: Special agreement and Terms of Reference (ToR)

Annex 2: General terms and conditions of contract Local (enclosed and known)

For the **Contractor 1/ Supplier**

For the **Contractor 2/Customer**

For **GIZ**
