

Riga

07. april 2017

**The Ministry of Environmental Protection and Regional Development** (hereinafter – the Commissioning Party), represented by Sandis Cakuls Deputy State Secretary, who acts based on internal rules No 15 (03.04.2014.) “Procedure how ministry organises public procurement” and order No 1-27 (12.01.2017) “On responsible for basic budget programmes, subprograms and measures” from one side,

and **Public company “Pirmoji Kava”**, company registration code 225293310 (hereinafter – Contractor), represented by director Julija Matulaite, who acts based on Public company “Pirmoji Kava” statutes, from the other side, (hereinafter jointly – Parties), according to results in procurement procedure “Provision of technical and content organization of seminars and other events for Interreg V-A Latvia-Lithuania Programme 2014 - 2020” (VARAM 2017/6), which is performed according Law on public procurement of Latvia (article 8(2), part 16) (Procurement Commission decision No 2 of 15 March 2017), financed from State budget subprogramme 69.08.00 “Cross border cooperation programme implementation, projects and measures (2014-2020) Latvia – Lithuania cross border cooperation programme (MEPRD share – foreign assistance), bank account No. LV33TREL221049645900B, conclude the following procurement contract (hereinafter – Contract):

### **1. Subject of Contract**

Commissioning Party orders and Contractor undertakes to ensure **Event Organization Services for Interreg V-A Latvia-Lithuania Programme 2014 – 2020** in accordance with the Technical Specification (Annex 1 to the Contract), Estimate of Expenditure (Annex 2 to the Contract) and terms of this Contract.

### **2. Validity of Contract**

2.1. Contract comes into force on the day of its conclusion and remains in force until the complete fulfilment of obligations of the Parties. Deadline of the provision of service for the indicative amount of work foreseen in Technical Specification Point 1 **is until 31 December 2017** or up to the moment, when the total funding of Contract is absorbed (whichever condition occurs earlier).

2.2. Commissioning Party has the unilateral right to suspend the fulfilment of Contract with written notice, if one of the following conditions occur:

2.2.1. Cabinet of Ministers has initiated reassessment of foreign financial instrument planning period priorities and activities and in this regard financing intended by the Commissioning Party for payment of Contract may be reduced or withdrawn;

2.2.2. According to a decision of Cabinet of Ministers or authority involved in the management of foreign financial instrument;

2.3. In case any of the conditions stated in Point 2.2. come into effect and Commissioning Party has informed Contractor with written notice, Contractor shall immediately stop the fulfilment of Contract and Parties shall agree in written form on further fulfilment of Contract obligations. Commissioning Party has no obligation to pay for any actual work done after Contractor has received written notice from Commissioning Party about the conditions referred to in Point 2.2. In cases stated in points 2.2.1. and 2.2.2. fulfilment of Contract is ceased until relevant decision of Cabinet of Ministers are postponed or until the end of reassessment procedure stated above.

2.4. Commissioning Party has the unilateral right to terminate Contract, by making a written notice to Contractor 10 days in advance, if:



2.4.1. fulfilment of Contract does not meet the terms of Contract or the Estimate of Expenditure and these inadequacies cannot be corrected until the deadline stated in Contract;

2.4.2. Contractor has provided false or incomplete information or statements regarding subject of Contract at the moment of conclusion or during fulfilment of Contract;

2.4.3. Contractors insolvency proceedings have been proclaimed or other circumstances that prevent or may prevent to continue fulfilment of Contract according to terms of the Contract or negatively influence rights of Commissioning Party deriving from Contract;

2.4.4. Contractor repeatedly breaches or does not fulfil terms of Contract;

2.4.5. Authority involved in the management of foreign financial instrument regarding Contractor action or failure to act has imposed a foreign financial instrument project expenditure correction of more than 25 % from the Contract price;

2.4.6. Contractor has arbitrarily ceased fulfilment of Contract, including if Contractor is not reachable in its legal address.

2.4.7. Contractor has missed at least one of the deadlines stated in Contract;

2.4.8. Contractor caused damage to Commissioning Party;

2.4.9. Contractor committed unlawful action related to fulfilment of Contract.

2.5. Contract shall be immediately terminated in case at least one of the following conditions occur:

2.5.1. in case one of the Parties receives a written notice from the other Party about Force Majeure circumstances (Point 7.2.) that further fulfilment of Contract is challenging or impossible;

2.5.2. Cabinet of Ministers has made a decision on reassessment of foreign financial instrument planning period priorities and in this regard financing intended by the Commissioning Party for payment of the Contract is essentially reduced or withdrawn.

2.6. Unilateral termination of Contract according to Points 2.4.1.-2.4.9. does not stop the Commissioning Party to pursue retribution for the losses it has encountered according to terms of Contract.

### **3. Contract price and terms of payment**

3.1. Commissioning Party undertakes to pay for the service provided by Contractor based on Estimate of Expenditure which is an integral part of Contract.

3.2. The Commissioning Party shall pay for the performed actual service within 15 (fifteen) days after completion of service (organized event), signing of the Handover – Acceptance Act and reception of the respective invoice from Contractor.

3.3. The agreed Contract price includes all expenses Contractor will encounter while fulfilling Contract as well as all payments that the Contractor has to make or subtract from the payments of Commissioning Party.

3.4. All payments for Contract shall be made only via bank transfer to the corresponding accounts of the Parties as stated in requisites.

3.5. The total contract price cannot exceed **15 000,00 EUR** (fifteen thousand *euro*, 00 cents) without VAT.

### **4. Procedure for acceptance of work**

4.1. Contractor fulfils Contract according to terms of Contract, Technical Specification and in accordance with Estimate of Expenditure and deadline for fulfilment of works, in cooperation with Commissioning Party.

4.2. Contractor undertakes to immediately inform Commissioning Party for all complications that occur during fulfilment of Contract and may endanger fulfilment of Contract including, but not limited to, possible or foreseeable delays, circumstances, events or problems, that can affect the precise and full fulfilment of Contract or its fulfilment by set deadline.

4.3. Commissioning Party provides Contractor with information at its disposal, needed for fulfilment of Contract within 2 (two) working days after the Contract is concluded.



4.4. Commissioning Party has the right to give instructions and objections to Contractor on fulfilment of obligations under Contract.

4.5. After notification from Contractor on fulfilment of service (organized event) is received, representative of Commissioning Party within 5 (five) working days inspects the quality of fulfilment of actual.

4.6. In case the inspection reveals any inadequacy to terms of Contract or Commissioning Party instructions given during fulfilment of Contractor in case, Commissioning Party has justified objections about the quality of fulfilment of Contract, Commissioning Party submits to Contractor a written objection stating all inadequacies. Contractor within 10 (ten) working days after written objection is received has to correct all inadequacies with its own resources

4.7. Party representatives for Contract:

4.7.1. From Commissioning Party side: senior Expert of Latvia-Lithuania Programme Division, Development Instruments Department, Jānis Vanags; phone + 371 26424272; [janis.vanags@varam.gov.lv](mailto:janis.vanags@varam.gov.lv);

4.7.2. From Contractors side: director Julija Matulaite, phone +370 68722006; email: [julija@jmr.lt](mailto:julija@jmr.lt).

## **5. Liability of Parties**

5.1. Parties are liable for fulfilment of obligations under Contract.

5.2. Parties are liable for any losses it has caused to other Party by its actions or failure to act.

5.3. For poorly, in partial amount or inadequate to terms of Contract work the Contract price (related to event) shall be proportionally reduced by Commissioning Party and justified objections for it shall be stated in the Handover – Acceptance Act, except where such inadequacies are corrected according to Point 4.6.

5.4. If the deadline of performing any of event mentioned in Annex one of this Contract is not followed, Commissioning Party may demand a contractual penalty of 0.3% from Contract price for each day the deadline is not followed, but not more than 10% from the total Contract price.

5.5. For breach of payment or payment scheme, Contractor may demand a contractual penalty of 0.3% from Contract price for each day the deadline is not followed, but not more than 10% from the total Contract price.

## **6. Warranty obligations**

The Contractor shall guarantee that the Service will be provided professionally, proficiently and in compliance with the terms and conditions of the Agreement. In the event of non-conformity, the Contractor shall immediately eliminate the irregularities so that the Service complies with the terms and conditions of the Agreement.

## **7. Force Majeure**

7.1. Parties shall not be held liable for delay or undue fulfilment of the obligations under Contract, if it has been caused by circumstances beyond their control.

7.2. Parties are exempt from liabilities for total or partial undue fulfilment of the obligations under Contract, if it was caused by Force Majeure during fulfilment of Contract. Force Majeure circumstances are all extraordinary events which are impossible to avoid and consequences of which are impossible to overcome, which were not predictable when Contract was concluded, which were not caused by Parties or their controlled persons and which make fulfilment of obligations under Contract not only challenging but impossible.

7.3. In case circumstances in Point 7.1. occur, Contractor without delay in written form informs Commissioning Party on delay or undue fulfilment of the obligations under the Contract, stating the cause, impact of Force Majeure on work and the expected time period of delay or undue fulfilment.



## **8. Confidentiality**

- 8.1. Parties have reached an agreement that all information obtained within this contract is confidential, if the existing legislation do not foresee otherwise.
- 8.2. As derogation, the following information is not confidential:
- 8.2.1. information at Contractors disposal before Commissioning Party has provided it;
- 8.2.2. information which Commissioning Party has provided to third parties without set limitations;
- 8.2.3. information that is created by Contractor independently from information provided by Commissioning Party;
- 8.2.4. information that is accessible in public domain, without breaching confidentiality terms in Contract;
- 8.2.5. information that is legally obtainable by Contractor from any third party;
- 8.3. Parties undertake all necessary action to protect confidential information, including informing its employees and other persons involved in fulfilment of Contract about protection of confidential information.
- 8.4. Parties have the obligation not to reveal confidential information to any third party without written agreement from the other Party, except when required by legislation.
- 8.5. If any Party is required by legislation to give confidential information to third party, it shall without delay but not later than 2 (two) working days inform the other Party if legislation allows for other Party to be informed.

## **9. Copyrights**

- 9.1. All copyright material created as a result of fulfilment of Contract shall be the property of Commissioning Party from the moment the Handover – Acceptance Act is signed, and only Commissioning Party has the right to use the copyright material in the future.
- 9.2. Contractor confirms that it represents all authors, who will work under Contract to which copyright applies, and Contractor has the right to represent these authors for their economic and property rights, their use and transfer of them.
- 9.3. Contractor confirms that it represents all authors for all parts of work, which are created as a result of work under Contract to which copyright applies, and Contractor has the right to represent these authors for their economic and property rights, their use and transfer of them.
- 9.4. During fulfilment of work and after the Handover – Acceptance Act is signed, Contractor will be liable for any possible infringement of third parties regarding fulfilment of work, usage of work of an author or during fulfilment of work created work of an author.

## **10. Other**

- 10.1. Parties have the right to make only non-essential amendments to Contract by mutual agreement. All amendments shall be done in written form and shall enter into force after signature of both Parties. All amendments form an integral part of Contract.
- 10.2. Any dispute between Parties is resolved by way of mutual negotiations. When dispute cannot be resolved by way of mutual negotiations, it shall be resolved according to the national legislation of the Republic of Latvia in court in Latvia.
- 10.3. Contractor guarantees that employees that are involved in fulfilment of Contract and of whom it provided information to Commissioning Party and whose conformity to the qualification requirements was assessed by Commissioning Party, as well as the subcontractors on whose abilities Contractor relied on to certify that the qualification thereof conforms to the requirements specified in the notice regarding the Contract and the procurement procedure documents, shall be changed only with a written consent of Commissioning Party.
- 10.4. Contract shall be interpreted according to national legislation of the Republic of Latvia.

10.5. Contract during its validity shall be also binding to legal successors of any of the Parties.

10.6. The Contract is drawn in English language on 15 pages with Annex 1, Annex 2 and Annex 3 in two originals, one for each Party. Both originals of Contract have the same legal power.

## 11. Requisites and legal addresses of the Parties

Commissioning Party:

**Ministry of Environmental Protection  
and Regional Development**

Reg. No. 90000028508

Address: Peldu street 25

Riga, Latvia, LV – 1494

Payment account:

Bank: State Treasury

Account No.: LV33TREL221049645900B

Code: TRELLV22

Contractor:

**Public company "Pirmoji Kava"**

Reg. No.: 225293310

Address: P.Vilcišio street 18,

Vilnius, LT 10306

Payment account:

Bank: AB Swedbank

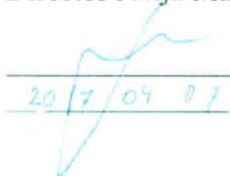
Account No.: LT647300010000267594

Code: HABALT22

Deputy State Secretary Sandis Cakuls

  
5. April

Director Julija Matulaite

  
20. 7. 04. 07

**Representative of Commissioning Party**

J. Vanags

  
29 March

**Madars Laurs**  
Juridiskā departamenta  
Eiropas Savienības fondu  
projektu tiesiskā nodrošinājuma  
nodaļas vadītājs

  
Z. Mangule  
29.03.2017  
(25.03.17)

Atbilstības instrumentu  
departamenta direktore  
I. Kravale  
29.03.17

JURIDISKĀ  
PAPILDPĀRBAUDI  
VEIKTA  
Dainis Špeļs  
ES fondu projektu tiesiskā  
nodrošinājuma nodaļas jurists  
31.03.2017