

Particular Conditions of Contract

Preamble

The following Particular Conditions of Contract include additions and amendments to the General Conditions of Contract ("GCC"). Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

Table of Contents

Particular Conditions of Contract	1
GCC 1. GENERAL PROVISIONS	4
GCC 1.1 DEFINITIONS	4
GCC 1.2 INTERPRETATION	6
GCC 1.5 PRIORITY OF DOCUMENTS.....	6
GCC 1.12 CONFIDENTIAL DETAILS	6
GCC 1.15 INSPECTIONS AND AUDIT BY THE BANK.....	7
GCC 2. THE EMPLOYER	8
GCC 2.4 EMPLOYER'S FINANCIAL ARRANGEMENTS	8
GCC 3. THE ENGINEER	9
GCC 3.1 ENGINEER'S DUTIES AND AUTHORITY.....	9
GCC 3.4 REPLACEMENT OF THE ENGINEER	9
GCC 4. THE CONTRACTOR	10
GCC 4.1 CONTRACTOR'S GENERAL OBLIGATIONS	10
GCC 4.2 PERFORMANCE SECURITY.....	10
GCC 4.3 CONTRACTOR'S REPRESENTATIVE	10
GCC 4.4 SUBCONTRACTORS	10
GCC 4.8 SAFETY PROCEDURES	11
GCC 4.18 PROTECTION OF THE ENVIRONMENT.....	11
GCC 4.21 PROGRESS REPORTS.....	12
GCC 4.22 SECURITY OF THE SITE	12
GCC 4.25 PREVENTION OF PROHIBITED PRACTICES	13
GCC 4.26 AGREEMENTS WITH THIRD PARTIES	13
GCC 4.27 PROTECTION OF THE HEALTH AND SAFETY OF PERSONNEL AND COMMUNITIES.....	13
GCC 6. STAFF AND LABOUR.....	15
GCC 6.1 ENGAGEMENT OF STAFF AND LABOUR.....	15
GCC 6.2 RATES OF WAGES AND CONDITIONS OF LABOUR	15
GCC 6.4 LABOUR LAWS	15
GCC 6.5 WORKING HOURS.....	15
GCC 6.6 FACILITIES FOR STAFF AND LABOUR.....	16
GCC 6.7 HEALTH AND SAFETY	16
GCC 6.8 CONTRACTOR'S SUPERINTENDENCE.....	19
GCC 6.9 CONTRACTOR'S PERSONNEL	19
GCC 6.12 COMPLIANCE WITH ILO PROVISIONS.....	19
GCC 6.13 PROTECTION OF PERSONNEL	21
GCC 6.14 FOREIGN PERSONNEL	21
GCC 6.15 SUPPLY OF FOODSTUFFS	22

GCC 6.16	SUPPLY OF WATER	22
GCC 6.17	MEASURES AGAINST INSECT AND PEST NUISANCE	22
GCC 6.18	ALCOHOLIC LIQUOR OR DRUGS.....	22
GCC 6.19	ARMS AND AMMUNITION	22
GCC 6.20	FESTIVALS AND RELIGIOUS CUSTOMS.....	23
GCC 6.21	FUNERAL ARRANGEMENTS.....	23
GCC 6.22	ESHS REPORTING	23
GCC 6.23	EVIDENCE OF COMPLIANCE WITH STAFF AND LABOUR REQUIREMENTS.....	23
GCC 8.	COMMENCEMENT, DELAYS AND SUSPENSION.....	26
GCC 8.1	COMMENCEMENT OF WORKS.....	26
GCC 12.	MEASUREMENTS AND EVALUATION.....	27
GCC 12.2	METHOD OF MEASUREMENT	27
GCC 13.	VARIATIONS AND ADJUSTMENTS.....	28
GCC 13.7	ADJUSTMENTS FOR CHANGES IN LEGISLATION	28
GCC 14.	CONTRACT PRICE AND PAYMENT	29
GCC 14.1	THE CONTRACT PRICE	29
GCC 14.2	ADVANCE PAYMENT.....	29
GCC 14.5	PLANT AND MATERIALS INTENDED FOR THE WORKS	30
GCC 14.7	PAYMENT.....	30
GCC 14.9	PAYMENT OF RETENTION MONEY.....	30
GCC 14.15	CURRENCIES OF PAYMENT.....	31
GCC 15.	TERMINATION BY EMPLOYER.....	32
GCC 15.2	TERMINATION BY EMPLOYER	32
GCC 16.	SUSPENSION AND TERMINATION BY CONTRACTOR	33
GCC 16.1	CONTRACTOR'S ENTITLEMENT TO SUSPEND WORK	33
GCC 16.2	TERMINATION BY CONTRACTOR	33
GCC 17.	RISK AND RESPONSIBILITY	34
GCC 17.7	USE OF EMPLOYER'S ACCOMMODATION/FACILITIES	34
GCC 18.	INSURANCE	35
GCC 18.1	GENERAL REQUIREMENTS FOR INSURANCE	35
GCC 19.	FORCE MAJEURE.....	36
GCC 19.1	DEFINITION OF FORCE MAJEURE.....	36
GCC 20.	CLAIMS, DISPUTES AND ARBITRATION.....	37
GCC 20.5	AMICABLE SETTLEMENT.....	37
GCC 20.6	ARBITRATION	37

GCC 1. GENERAL PROVISIONS

GCC 1.1 DEFINITIONS

GCC 1.1.1 The Contract

Replace the provision 1.1.1.8:

1.1.1.8 “**Tender**” means the Letter of Tender, the Contractor’s proposal and all other documents which the Contractor submitted with the Letter of Tender, as included in the Contract.

Add the following provision 1.1.1.11:

1.1.1.11 “**Requirements**” means the document entitled requirements, as included in the contract and any additions and modifications to the requirements in accordance with the Contract. Such document includes the Specification, Drawings and other Employer’s requirements, which the Contractor shall follow.

GCC 1.1.2 Parties and Persons

Add the following provisions 1.1.2.11 and 1.1.2.12:

1.1.2.11 “**Bank**” means the financing institution (if any) named in the Appendix to Tender.

1.1.2.12 “**Borrower**” means the institution or person (if any) named as the borrower in the Appendix to Tender.

GCC 1.1.6 Other Definitions

Add the following provisions 1.1.6.10 through 1.1.6.29:

1.1.6.10 “**Disclosure Actions**” means such action as defined in the Enforcement Policy and Procedures.

1.1.6.11 “**Enforcement Actions**” means such action as defined in the Enforcement Policy and Procedures.

1.1.6.12 “**Enforcement Policy and Procedures**” means the Enforcement Policy and Procedures dated **4 October 2019**, as amended from time to time, and any policy or procedures adopted by the EBRD, as a successor to or replacement of such policy and procedures.

1.1.6.13 “**ESAP**” means the document entitled the Environmental and Social Action Plan, developed in accordance with the Environmental and Social Policy, reflecting the Contract specific ESHS, and appended to the Requirements.

1.1.6.14 “**Environmental and Social Requirements**” means the document entitled the environmental and social requirements developed in accordance with the Environmental and Social Policy, reflecting the Contract specific ESHS, and appended to the Requirements.

1.1.6.15 “**Environmental and Social Policy**” means the Environmental and Social Policy dated **25 April 2019**, as amended from time to time, and any policy or procedures adopted by the EBRD, as a successor to or replacement of such policy.

1.1.6.16 “**ESHS**” means environmental, social, health and safety impact, standards, measures or actions, as appropriate and includes on a social side labour standards, as well as all social impacts on individuals, communities and workers, and the way, in which their working conditions, socio-economic status, cultural identify, human rights or health may be affected. It also includes measures to prevent or manage risks of sexual harassment, the Sexual Exploitation and

Abuse (together referred to as the “Gender-Based Violence”) in the workplace and the community.

- 1.1.6.17 “**ILO Core Conventions and Protocols**” means the following International Labour Organisation conventions:
- C029 on Forced Labour (1930) and Its Supplementing Protocol P029 (2014);
 - C087 on Freedom of Association and Protection of the Right to Organise (1948);
 - C098 on the Right to Organise and Collective Bargaining (1949);
 - C100 on Equal Remuneration (1951);
 - C105 on the Abolition of Forced Labour (1957);
 - C111 on Discrimination (Employment and Occupation) (1958);
 - C138 on Minimum Age (1973);
 - C155 on Occupational Safety and Health (1981);
 - C182 on the Worst Forms of Child Labour (1999); and
 - C187 on Promotional Framework for Occupational Safety and Health (2006).
- 1.1.6.18 “**Independent Project Accountability Mechanism**” means the accountability mechanism of the EBRD as set forth under the Project Accountability Policy dated April 2019, as such policy may be amended, supplemented or replaced from time to time.
- 1.1.6.19 “**Mutual Enforcement Institution**” means an international organisation that has entered into an agreement with the EBRD, pursuant to which such institution and the EBRD agree to the mutual enforcement of debarment decisions made by each other, provided that such other institution has given notice to the EBRD that it has fulfilled all requirements for the implementation of such agreement and has not subsequently withdrawn from such agreement.
- 1.1.6.20 “**Notice of Dissatisfaction**” means the notice given by either Party to the other under Sub-Clause 20.4 [Obtaining Dispute Adjudication Board’s Decision] indicating its dissatisfaction and intention to commence arbitration.
- 1.1.6.21 “**Procurement Policies and Rules**” means the Procurement Policies and Rules dated **15 May 2022**, as amended from time to time, and any policy or procedures adopted by the EBRD, as a successor to or replacement of such policy and procedures.
- 1.1.6.22 “**Prohibited Practices**” has the meaning as defined in the Enforcement Policy and Procedures.
- 1.1.6.23 “**Sexual Exploitation and Abuse**” means the following either of:
- (a) sexual exploitation, defined as any actual or attempted abuse of position of vulnerability, differential power or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another;
 - (b) sexual abuse, defined as the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions; or
 - (c) sexual harassment, defined as unwelcome sexual advances, requests for sexual favours, and other verbal or physical conduct of a sexual nature by the Contractor’s Personnel with other Contractor’s or Employer’s Personnel.

- 1.1.6.24 “**Third Party Finding**” means a final judgment of a judicial process in a member country of the EBRD or a finding by the enforcement (or similar) mechanism of an international organisation, which is not a Mutual Enforcement Institution, that an individual or entity has engaged in a Prohibited Practice or equivalent act of that member country or international organisation.
- 1.1.6.25 “**ECEPP**” means the EBRD Client E-Procurement Portal
- 1.1.6.27 “**C-ESMP**” means Construction Environmental and Social Management Plan identifying all environmental and social (E&S) impacts specific and relevant to the Works and providing explanation how the identified impacts will be managed by the Contractor.
- 1.1.6.28 “**Code of Conduct**” means the Code of Conduct that shall apply to the Contractor's Personnel and Subcontractors to ensure compliance with the ESHS provisions of the Contract.

GCC 1.2 INTERPRETATION

Add the words:

Unless otherwise stated by the Contractor in the Tender, provisions referring to profit and/or overhead charges deem the profit to be equivalent to *five per cent (5 %)* of the Cost, and the overhead charges to be maximum of *twenty five per cent (25 %)* of the overhead inclusive Cost.

GCC 1.5 PRIORITY OF DOCUMENTS

Replace Sub-Clause 1.5 with the text below:

The documents forming the Contract are to be taken as mutually explanatory of one another. For the purposes of interpretation, the priority of the documents shall be in accordance with the following sequence:

- (a) the Letter of Acceptance dated *[insert date]*;
- (b) the Letter of Tender dated *[insert date]*;
- (c) the Addenda nos. *[insert addenda numbers, if any]*;
- (d) the Particular Conditions of Contract;
- (e) the General Conditions of Contract;
- (f) the Requirements;
- (g) the Specifications;
- (h) the Drawings;
- (i) the completed Schedules; and
- (j) the Contractor's proposal.

If an ambiguity or discrepancy is found in the documents, the Engineer shall issue any necessary clarification or instruction.

GCC 1.12 CONFIDENTIAL DETAILS

Replace Sub-Clause 1.12 with the text below:

The Contractor's and the Employer's Personnel shall disclose all such confidential and other information as may be reasonably required in order to verify the compliance with the Contract and allow its proper implementation.

Each of them shall treat the details of the Contract as confidential, except to the extent necessary to carry out their respective obligations under the Contract or to comply with the Laws.

Unless required by the Laws, each of them shall not publish or disclose any information prepared by the other Party without the previous agreement of the other Party. However, the Contractor shall be permitted to disclose any publicly available information about the Contract, or information otherwise required to establish his qualifications to compete for other contracts.

Add Sub-Clause 1.15:

GCC 1.15 INSPECTIONS AND AUDIT BY THE BANK

The Contractor shall require and make available its officers, directors, employees, agents, representatives and Subcontractors as well as the Subcontractor's officers, directors, employees, agents or representatives with knowledge of the Contract to meet with and respond to questions from the Bank's representatives and to provide to the Bank promptly any information or documents necessary for (i) the Bank's investigation of allegations of Prohibited Practices, or (ii) the Bank's monitoring and evaluation of the Contract and to enable the Bank to examine and address any project-related complaints made under the Independent Project Accountability Mechanism.

The Contractor and its Subcontractors shall permit the Bank or persons appointed by the Bank to inspect the Site, as well as their assets, books, accounts, records, and other documents (on any media or in any format) relating to the procurement process, under which the Tender was submitted, or the Contract and to have such assets, books, accounts, records, and other documents audited by auditors appointed by the Bank, if required by the Bank.

The Contractor and its Subcontractors shall maintain all books, documents, records and other documents related to the Contract in accordance with the Laws, but in any case for at least six years from the date of substantial performance of the Contract.

The Contractor shall ensure that in any agreements with its Subcontractors concerning the execution of the Contract, provisions to the effect of this Sub-clause are included.

GCC 2. THE EMPLOYER

GCC 2.4 EMPLOYER'S FINANCIAL ARRANGEMENTS

The Contract is financed by the Bank.

The financial resources provided by the Bank shall not be used by the Employer for payments for the Works, Plant or Materials, or to the Contractor's Personnel or Subcontractors, which in accordance with the Procurement Policies and Rules are ineligible for the financing from such resources.

If the Bank has notified to the Borrower that it intends to suspend provision of financing of the Contract in whole or in part, the Employer shall give notice of such suspension to the Contractor with detailed particulars, including the date of such notification, with a copy to the Engineer, within 7 days of the Borrower having received the suspension notification from the Bank.

If alternative funds will be available to the Employer to continue making payments to the Contractor after the date of the suspension, the Employer shall provide the Contractor with reasonable evidence of the financial arrangements, time and extent to which such funds will be available.

GCC 3. THE ENGINEER

GCC 3.1 ENGINEER'S DUTIES AND AUTHORITY

Any act by the Engineer in response to a Contractor's request except as otherwise expressly specified shall be notified in writing to the Contractor within 28 days of receipt.

The following provisions shall apply:

The Engineer shall obtain the specific approval of the Employer before taking action under the following Sub-Clauses of these Conditions:

- (a) Sub-Clause 4.12: Agreeing or determining an extension of time and/or additional cost;
- (b) Sub-Clause 13.1: Instructing a Variation, except:
 - (i) in an emergency situation as determined by the Engineer, or
 - (ii) if such a Variation would increase the Accepted Contract Amount by not more than any percentage specified in the Appendix To Tender;
- (c) Sub-Clause 13.3: Approving a proposal for Variation submitted by the Contractor in accordance with Sub Clause 13.1 or 13.2; or
- (d) Sub-Clause 13.4: Specifying the amount payable in each of the applicable currencies.

Notwithstanding the obligation, as set out above, to obtain approval, if, in the opinion of the Engineer, an emergency occurs affecting the safety of life or of the Works or of adjoining property, he may, without relieving the Contractor of any of his duties and responsibility under the Contract, instruct the Contractor to execute all such work or to do all such things as may, in the opinion of the Engineer, be necessary to abate or reduce the risk. The Contractor shall forthwith comply, despite the absence of approval of the Employer, with any such instruction of the Engineer. The Engineer shall determine an addition to the Contract Price, in respect of such instruction, in accordance with Clause 13 and shall notify the Contractor accordingly, with a copy to the Employer.

GCC 3.4 REPLACEMENT OF THE ENGINEER

Replace Sub-Clause 3.4 with the text below:

If the Employer intends to replace the Engineer, the Employer shall, not less than 21 days before the intended date of replacement, give notice to the Contractor of the name, address and relevant experience of the intended replacement Engineer. If the Contractor considers the intended replacement Engineer to be unsuitable, he has the right to raise objection against him by notice to the Employer, with supporting particulars, and the Employer shall give full and fair consideration to this objection.

GCC 4. THE CONTRACTOR

GCC 4.1 CONTRACTOR'S GENERAL OBLIGATIONS

Add the text below at the end of the Sub-Clause:

The Contractor shall be responsible for:

- including a specific environmental and social (E&S) section, covering relevant aspects of the C-ESMP in accordance with the Specifications and other Employer's Requirements, in its documents describing the methods, which the Contractor intends to adopt in the execution of the Works;
- communicating the contents of the C-ESMP to their Subcontractors and suppliers (in particular, those for major supply items) and Contractor's Personnel and training them to ensure that they understand their respective responsibilities.

GCC 4.2 PERFORMANCE SECURITY

The Performance Security shall be issued by a reputable bank selected by the Contractor, and be acceptable to the Employer, and shall be in the form annexed to the Particular Conditions, or in another form approved by the Employer.

Without limitation to the provisions of the rest of this Sub-Clause, whenever the Engineer determines an addition or a reduction to the Contract Price as a result of a change in cost and/or legislation or as a result of a Variation, amounting to more than twenty five percent (25 %) of the portion of the Contract Price payable in a specific currency, the Contractor shall at the Engineer's request promptly increase, or may decrease, as the case may be, the value of the Performance Security in that currency by an equal percentage.

GCC 4.3 CONTRACTOR'S REPRESENTATIVE

Add the text below at the end of the Sub-Clause:

If the Contractor's Representative's delegates are not fluent in the language for communications defined in Sub-Clause 1.4 [Law and Language], the Contractor shall make competent interpreters available during all working hours in a number deemed sufficient by the Engineer.

GCC 4.4 SUBCONTRACTORS

The Contractor shall not subcontract more than twenty percent (20%) of the Works (excluding supply of Plant and Materials), except with explicit prior approval of the Employer.

The Contractor shall ensure that the requirements imposed on the Contractor by Sub-Clause 1.12 [Confidential Details] apply equally to each Subcontractor.

Where practicable, the Contractor shall give fair and reasonable opportunity for natural persons and legal entities from the Country to be appointed as Subcontractors.

GCC 4.8 SAFETY PROCEDURES

Add the text below at the end of the Sub-Clause:

The Contractor shall ensure the following:

- (a) the ecological sensitive areas (identified as such in the Employer's Requirements) shall be strictly avoided, unless the Engineer instructs otherwise;
- (b) to the extent possible, the Contractor's camps and equipment shall be located away from communities to minimise noise / vibration / air emissions and safety risks;
- (c) vehicle wash facilities, hazardous liquid / fuel storage, waste storage and waste treatment facilities shall be located at a distance of at least 50 meters from any permanent water features (such as watercourses and wetlands);
- (d) the Contractor's Equipment shall not cross waterbodies other than by established crossing points; the same applies to any Goods transported by vehicles;
- (e) a minimum buffer zone of 10 meters from any waterbodies (with exception of designated crossing points) shall be maintained while executing the works.

The Contractor shall conduct a survey to document the condition of working areas prior to the start of the work. Documentation shall comprise dated and georeferenced colour photographs which shall be named and transmitted to the Engineer following an agreed protocol.

The Contractor shall mark the boundaries of the working area in accordance with the Specification, in a manner that is clearly visible to the Personnel and ensure that all work remains within such boundaries. Any identified environmentally sensitive areas, as referenced in the Employer's Requirements, shall also be marked with signage or other appropriate measures.

GCC 4.18 PROTECTION OF THE ENVIRONMENT

Add the text below at the end of the Sub-Clause:

Moreover, the Contractor shall in performing the Contract comply and cause its Subcontractors to comply with the Environmental and Social Requirements and implement all the actions and adhere to the Environmental and Social Action Plan.

The Contractor shall plan, execute and document the Works in accordance with the Contract, the applicable Law and the Employer's Requirements related to protection of the environment and communities, and ensure the timely provision of sufficient resources to implement such requirements.

The Contractor shall be responsible for any foreseeable adverse environmental and social impacts arising from its activities and operations and for putting in place any necessary measures to avoid or, if not possible, mitigate them.

The Contractor shall manage all environmental and social risks and impacts associated with the Works, in a systematic manner, seeking to avoid impacts in the first instance and applying mitigation measures thereafter.

The Contractor shall undertake monitoring to ensure the effectiveness of the impact and risk management activities is assessed and any issues are promptly detected and shall implement timely actions to address such issues.

Based on the results of such monitoring the Contractor shall implement corrective and preventative actions to prevent re-occurrence of any issues. The Contractor shall include ESHS updates in the agenda of management meetings with the Engineer.

GCC 4.21 PROGRESS REPORTS

Add the words:

The Contractor's Progress Reports shall also include ESHS reporting as required under Sub-Clause 6.22 [ESHs Reporting].

In addition to reporting obligations described in the General Conditions of Contract, the Contractor shall provide immediate notification to the Employer in case of occurrence of an incident falling to any of the following categories (including full details of such incident):

- confirmed or likely violation of any law or international agreement;
- any fatality or serious (lost time) injury;
- significant adverse effects or damage to private property (e.g. vehicle accident, damage from fly rock, working beyond the boundary);
- major pollution of drinking water aquifer or damage or destruction of rare or endangered habitat (including protected areas) or species;
- any allegation of gender based violence (GBV), sexual exploitation or abuse, sexual harassment or sexual misbehaviour, rape, sexual assault child abuse, or defilement, or other violations involving children; or
- such incident or accident that has become, or is likely to become, public knowledge whether through media coverage or otherwise.

All other incidents, non-conformances and non-compliances shall be reported in monthly report for the respective month, unless the Employer's Requirements establish a shorter period.

Moreover, each report shall include information on the compliance with Environmental and Social Requirements and implementation of the Environmental and Social Action Plan.

GCC 4.22 SECURITY OF THE SITE

Add the words:

The Contractor shall implement adequate security management arrangements in accordance with good international practice and guided by the principle of proportionality and applicable laws in terms of hiring, rules of conduct, training, equipment and monitoring of security personnel. The Contractor shall not sanction any use of force except when used for preventive and defensive purposes in J proportion to the nature and extent of the threat.

Add the Sub-Clauses 4.25 to 4.27:

GCC 4.25 PREVENTION OF PROHIBITED PRACTICES

The Contractor shall not, and shall not authorise or permit any of its officers, directors, authorised employees, affiliates, agents, representatives, or its Subcontractors to, engage in Prohibited Practices with respect to the procurement, award, or execution of the Contract.

The Bank may declare the Contract to be ineligible for financing, and the Bank may take any of the Enforcement Actions and Disclosure Actions set out in the Enforcement Policy and Procedures, if in accordance with the Enforcement Policy and Procedures the Bank determines that:

- (a) the Contractor, including its Subcontractors have engaged in Prohibited Practices with respect to the procurement, award, or execution of the Contract; or
- (b) a Third Party Finding has sufficient relevance and seriousness for the Bank to warrant Enforcement Actions and Disclosure Actions against entities or individuals.

GCC 4.26 AGREEMENTS WITH THIRD PARTIES

The Contractor shall ensure that in any agreements with Subcontractors concerning the execution of the Contract provision are included:

- (a) stating that the Subcontractors shall not, and shall not authorise or permit any of their officers, directors, authorised employees, affiliates, agents or representatives to, engage in Prohibited Practices with respect to such agreements and the execution of the Contract; and
- (b) notifying the Subcontractors, that the Bank has the right to invoke the Enforcement Policy and Procedures, including any Enforcement Action and Disclosure Action set out therein, in respect of allegations of Prohibited Practices with respect to the procurement, award, or execution of the Contract.

GCC 4.27 PROTECTION OF THE HEALTH AND SAFETY OF PERSONNEL AND COMMUNITIES

Subject to Sub-Clause 6.7, the Contractor shall plan, execute and document the Works in accordance with the Contract, the applicable Law and the Employer's Requirements related to protection of the health and safety of the Contractor's Personnel, Employer's Personnel, any third-party personnel and communities, and ensure the timely provision of sufficient resources to implement such requirements.

The Contractor shall be responsible for managing all foreseeable health and safety hazards and their associated risks arising from, or in connection with, its activities and operations. The Contractor shall be responsible for implementing any necessary measures to prevent or, if not possible, minimise the health and safety risks to the Contractor's Personnel, Employer's Personnel, any third-party personnel and communities.

The Contractor shall manage all health and safety risks associated with the Works, in a systematic manner, seeking to apply the principles of prevention with eliminating the risks in the first instance and, where this is not practicable, reducing the risk, isolating the risk, introducing engineering controls and provide relevant information, instruction and training to the Contractor's Personnel, Employer's Personnel, any third-party personnel and communities, as appropriate.

The Contractor shall undertake periodical monitoring to ensure the effectiveness of the health and safety controls and the risk management system, and that any shortcoming is promptly

identified and corrective actions implemented timely to protect the Contractor's Personnel, Employer's Personnel, any third-party personnel and communities, and prevent reoccurrence.

GCC 6. STAFF AND LABOUR

GCC 6.1 ENGAGEMENT OF STAFF AND LABOUR

Add the words:

The Contractor shall establish Human Resource policies in accordance with the governing Law. The Contractor shall document and communicate to all workers their working conditions and terms of employment, including their entitlement to wages, hours of work, overtime arrangements and overtime compensation, and any benefits (such as leave for illness, maternity/paternity or holiday).

The Contractor is encouraged, to the extent practicable and reasonable, to employ staff and labour with appropriate qualifications and experience from sources within the Borrower's Country.

GCC 6.2 RATES OF WAGES AND CONDITIONS OF LABOUR

Add the words:

Where the Contractor is party to a collective agreement or is otherwise bound by it, the Contractor shall comply with its terms and conditions.

Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. Deductions must never lead to an employee receiving less than the applicable minimum wage.

All workers shall be provided with clearly understandable verbal and written information about the conditions in respect of wages before they enter employment and of the particulars of their wages for the pay period concerned each time that they are paid. Wages shall be paid in legal tender in full, on time and directly to the workers concerned. The Contractor shall maintain records of all payments and deductions made.

The Contractor shall inform the Contractor's Personnel about their liability to pay personal income taxes in the Country in respect of such of their salaries, wages, allowances and any benefits as are subject to tax under the Laws for the time being in force, and the Contractor shall perform such duties in regard to such deductions thereof as may be imposed on him/her by the Laws.

GCC 6.4 LABOUR LAWS

Add the words:

The Contractor shall ensure that obligations to staff and labour under labour, health and safety and social security laws and regulations arising from the employment relationship shall not be avoided through the use of labour-only contracting arrangements.

GCC 6.5 WORKING HOURS

Add the words:

Hours of work shall comply with the Laws, collective agreements, and industry standards. Overtime shall be voluntary wherever possible, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

GCC 6.6 FACILITIES FOR STAFF AND LABOUR

Add the words:

Where the Contractor provides living accommodation for workers, the accommodation shall be appropriate for its location and be clean, safe and, at a minimum, meet the basic needs of workers. The accommodation shall comply with national legislation and, where possible, follow international good practice as set out in the IFC/EBRD Public Guidance.

The Contractor shall ensure that workers' freedom of movement to and from the accommodation is not unduly restricted.

GCC 6.7 HEALTH AND SAFETY

Add the words:

The Contractor shall provide the Employer with a written health and safety policy and a project-specific health and safety plan (the "HSP") before the commencement of work. The HSP shall identify all risks specific and relevant to the project and shall provide information explaining how the identified risks will be managed by the Contractor. The HSP shall include details of the Contractor's occupational health and safety management system, including the Contractor's plans to manage and monitor the health and safety risks associated with all construction work under its control. The HSP shall be made available to the Bank prior to the start of Construction.

Every Contractor shall plan, manage and monitor construction work carried out by him or under his control in a way which ensures that, so far as is reasonably practicable, it is carried out without risks to health and safety. In instances where the Contractor is a joint venture, consortium or a similar entity, the Contractor shall coordinate its planning, management and monitoring activities in a manner that will ensure that any overlap does not create any potential risks to third parties.

All work-related tasks shall be risk assessed before any work is undertaken. All significant hazards shall be identified and control measures introduced to reduce foreseeable risks of injury and ill health, so far as reasonably practicable. High regard shall be given in particular to assess and control the following specific activities and these shall be documented in the HSP:

- Working at Heights;
- Lifting Operations;
- Movement of vehicles and mobile work equipment;
- Working close to live traffic;
- Temporary traffic management through work areas;
- Ground disturbance and excavations; and
- Working with and around live electrical conductors.

The Contractor shall ensure that a safe and healthy working environment is provided and that good international occupational health and safety practice is promoted. The Contractor shall take steps to prevent accidents, injury and disease arising in the course of work by identifying and controlling risks to workers, third parties and affected communities, so as far as is reasonably practicable. The Contractor shall ensure that all staff, labourers and persons entitled to be on site receive the necessary supervision, information, instruction and training to do their jobs in a manner that does not place themselves or third parties at risk. With regard to any unauthorised site visitors, the Contractor shall familiarise itself with, and comply with, any relevant provisions of the Laws. Where appropriate, the Contractor shall provide equipment to minimise health and safety risks and enforce its use. The Contractor shall carry out a risk assessment to ensure the correct selection of equipment is made for every task. The work equipment shall be in good working condition, designed for the specific task and not improvised in any way. The Contractor shall put in place arrangements for emergency prevention, preparedness and response.

Add the following Sub-Clauses 6.7.1 to 6.7.10:

GCC 6.7.1 Personal Protective Equipment

The Contractor shall provide, at no cost to its workers, Personal Protective Equipment (the "PPE") to control residual risks. The PPE shall be suitable for the relevant hazards workers are exposed to and replaced at no cost to the worker, when it becomes damaged or worn. As a minimum, the PPE shall be protective toecap safety footwear, head protection and an item of high visibility clothing.

GCC 6.7.2 Workers Welfare Accommodation

The Contractor shall provide a suitable seating area for workers to use during breaks. This area shall be clean, located where food will not become contaminated and provide reasonable thermal comfort during high and low temperatures. The Contractor shall also provide adequate access to toilets and wash basins for their workers.

GCC 6.7.3 Contractor's Personnel

The Contractor shall ensure that all personnel employed to carry out work are competent and fit to carry out the work they are employed to do. All Contractor personnel shall receive a site safety induction before they start work which should identify the hazards, the risk to their health and safety and the control measures that shall be implemented. Any worker who fails to cooperate with the Contractor or fails to take reasonable care of themselves or others and placing them at risk of injury or ill health, shall be removed from the Site.

GCC 6.7.4 First Aid

Prior to the start of work the Contractor shall carry out a first aid needs assessment to determine the provisions necessary to preserve life and provide immediate first aid to a casualty. The assessment shall consider the degree of hazards, potential risks and the number of employees at the Site. In addition consideration shall be made to risks created in the course of work in particular hot works causing burns and hazardous liquids splashing into the face. The Contractor shall ensure competent first aid trained personnel are available in convenient locations on site to ensure prompt response to administer immediate first aid.

GCC 6.7.5 Working at Heights

The Contractor shall introduce a procedure that requires all working at heights to be avoided where possible. Where working at heights cannot be avoided, the Contractor shall assess all working at heights to satisfy themselves that suitable fall prevention measures are in place

before any work activity commences. Where the risk of a fall may still exist, the Contractor shall introduce measures to mitigate a fall, in the event of one occurring. The Contractor shall undertake periodical monitoring of the working platforms and fall prevention measures to ensure they remain adequate and in a good working order.

GCC 6.7.6 Ground Disturbance and Excavations

The Contractor shall ensure all ground disturbance and excavation activities are to be carried out under a safe system of work which includes a comprehensive assessment of the risks by a competent person, regardless of depth, to ensure it is safe and adequately supported. Entry into any excavation by any person is to be avoided where possible. Where entry cannot be avoided, robust engineering methods shall be used to support excavations to prevent any worker being trapped or suffering injury or ill health. At no point shall any worker enter an unsupported excavation.

GCC 6.7.7 Live Electrical Services

The Contractor is to familiarise themselves with all electrical services within the designated Site, this shall include all above and below ground services. All live conductors are to be securely covered and be inaccessible to unauthorised personnel. Where there is a risk of contact, either by a worker or any operated equipment, the Contractor shall arrange for the service to be temporary isolated or rerouted prior to the start of work. At any time no worker or third party shall be exposed to any live conductors unless they are authorised and competent to work on or around these services.

GCC 6.7.8 Movement of Vehicles and Mobile Work Equipment

The Contractor shall minimise the movement of traffic and mobile work equipment and continually assess the on and off site effects. Where possible, one way systems shall be introduced to avoid vehicles coming into contact with each other. Reversing of vehicles and mobile work equipment shall be avoided on site, where this is not possible an effective system must be in place to control reversing so there is no risk of injury or damage to property. All moving vehicles and mobile work equipment on the Site shall have a fitted flashing amber warning beacon which must be in use while in operation. The Contractor shall ensure any vehicles or mobile work equipment entering the Site shall be checked and confirmed suitable for site conditions with specialist consideration to lights, brakes, steering, mirrors and restraints/seatbelts. Fitted restraints/ seatbelts shall be worn at all time when the vehicles or mobile plant is in operation.

GCC 6.7.9 Confined Space Working

The Contractor shall identify all areas which are, or could become a confined space, and prevent entry into these areas. If no method of working is possible without entry, the Contractor shall carry out a risk assessment and introduce a system of work to eliminate or control hazards and foreseeable risks and prevent a risk of injury or ill health to workers. At all times the Contractor shall ensure that the worker entering the confined space is provided with, as a minimum, uncontaminated breathable air, a method to detect unhealthy and flammable atmospheres, clear access to and egress from the confined space and emergency arrangements to remove the worker if self-rescue is not possible.

GCC 6.7.10 Preventative Measures

The Contractor shall develop and maintain throughout the execution of the Contract preventative measures relating to worker health concerns, including providing inoculations or other preventative treatments for disease that are either global in nature or endemic in the project area. The Contractor shall undertake appropriate measures to reduce the risk of transfer of STDs and HIV/AIDS among the Contractor's Personnel and the local community

including providing condoms and information for raising awareness among employees of sexually transmitted disease and HIV/AIDS.

GCC 6.8 CONTRACTOR'S SUPERINTENDENCE

Add the text below at the end of the Sub-Clause:

The Contractor shall ensure that a grievance mechanism is available to all workers and their organisations to use without fear of intimidation or retaliation. The Contractor will ensure that employees are informed about the grievance mechanism and that this is part of the training for new employees and information is posted in relevant areas on Site.

The Contractor shall ensure that the grievance mechanism involves an appropriate level of management and addresses concerns promptly, using an understandable and transparent process that provides feedback to those concerned without any retribution.

GCC 6.9 CONTRACTOR'S PERSONNEL

Replace Sub-Clause 6.9 with the following text:

The Contractor's Personnel shall be appropriately qualified, skilled and experienced in their respective trades or occupations. The Engineer may require the Contractor to remove (or cause to be removed) any person employed on the Site or Works, including the Contractor's Representative, if applicable, who:

- (a) persists in any misconduct or lack of care;
- (b) carries out their duties incompetently or negligently;
- (c) fails to conform with any provisions of the Contract;
- (d) persists in any conduct which is prejudicial to the health or safety of others, or to the protection of the environment; or
- (e) based on reasonable evidence, has engaged in a Prohibited Practice during the execution of the works.

If appropriate, the Contractor shall then appoint (or cause to be appointed) a suitable replacement person.

Add the following Sub-Clauses 6.12 to 6.22:

GCC 6.12 COMPLIANCE WITH ILO PROVISIONS

The Contractor shall, and shall cause their Subcontractors involved in any part of the Contract, (a) to be in compliance with ILO Core Conventions and Protocols, including those in respect of forced labour, child labour, freedom of association, non-discrimination and equal opportunities; and (b) to permit the Bank and/or persons appointed by them, the right to inspect the aforementioned compliance.

GCC 6.12.1 Forced Labour

The Contractor and their Subcontractors shall not employ forced labour, which consists of any work or service, not voluntarily performed, that is exacted from an individual under threat of

force or penalty, and includes any kind of involuntary or compulsory labour, such as involuntary prison labour, indentured labour, bonded labour or similar labour contracting arrangements.

GCC 6.12.2 Child Labour

The Contractor and their Subcontractors shall not employ any person under the age of 18, in a manner that is economically exploitative, or is likely to be hazardous, or to interfere with, their education, or to be harmful to their health or physical, mental, spiritual, moral, or social development. Where the relevant labour laws of the Country have provisions for employment of minors, the Contractor and/or their Subcontractors shall follow those laws applicable to them. The Contractor and/or their Subcontractors shall put in place a procedure to verify the ages of young workers. Persons below the age of 18 years shall not be employed in dangerous work or services.

GCC 6.12.3 Workers' Organisations

In countries where the relevant labour laws recognize workers' rights to form and to join workers' organisations of their choosing without interference and to bargain collectively, the Contractor and their Subcontractors shall comply with such laws. Where the relevant labour laws substantially restrict workers' organisations, the Contractor and/or their Subcontractors shall enable alternative means for their personnel to express their grievances and protect their rights regarding working conditions and terms of employment. In either case described above, and where the relevant labour laws are silent, the Contractor and their Subcontractors shall not discourage their personnel from forming or joining workers' organisations of their choosing or from bargaining collectively, and shall not discriminate or retaliate against the personnel who participate, or seek to participate, in such organisations and bargain collectively. The Contractor and their Subcontractors shall engage with such workers' representatives. Workers' organisations are expected to fairly represent the workers in the workforce. The Contractor and their Subcontractors shall ensure that workers' representatives have access to all workplaces necessary to enable them to carry out their representative functions.

GCC 6.12.4 Non-Discrimination and Equal Opportunity

The Contractor and their Sub-contractors shall not make employment decisions on the basis of personal characteristics unrelated to inherent job requirements. The Contractor and their Subcontractors shall base the employment relationship on the principle of equal opportunity and fair treatment, and shall not discriminate with respect to aspects of the employment relationship, including recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, promotion, termination of employment or retirement, and discipline. The Contractor and their Subcontractors shall ensure equal remuneration for men and women for work of equal value. In countries where the relevant labour laws provide for non-discrimination in employment, the Contractor and their Subcontractors shall comply with such laws. When the relevant labour laws are silent on non-discrimination in employment, the Contractor and their Subcontractors shall meet this Sub-Clause' requirements. Special measures of protection or assistance to remedy past discrimination or promote local employment opportunities or selection for a particular job based on the inherent requirements of the job shall not be deemed discrimination.

GCC 6.12.5 Employment Records of Workers

The Contractor shall keep complete and accurate records of the employment of labour at the Site. The records shall include the names, ages, genders, hours worked and wages paid to all workers. These records shall be summarised on a monthly basis and submitted to the Engineer, and these records shall be available for inspection by the Bank's auditors during normal working hours. These records shall be included in the details to be submitted by the Contractor under Sub-Clause 6.10 [Records of Contractor's Personnel and Equipment].

GCC 6.12.6 Social Security

The Contractor shall ensure that obligations to staff and labour under labour or social security laws and regulations arising from the employment relationship shall be respected, and that such obligations shall not be avoided through the use of labour-only contracting arrangements.

Add the following Sub-Clauses 6.13 to 6.22:

GCC 6.13 PROTECTION OF PERSONNEL

The Contractor and their Subcontractors shall take essential measures to prevent and address any forms of violence and harassment, bullying, intimidation, exploitation or abuse, including any form of gender-based violence, consisting of acts of sexual harassment, Sexual Exploitation and Abuse, directed at a person or persons on the basis of their gender.

The Contractor shall put in place an effective response mechanism for receiving and promptly addressing allegations of any forms of violence and harassment, bullying, intimidation, exploitation or abuse from the Contractor's, Engineer's and Employer's Personnel or any other person including third parties.

The Contractor's Personnel shall be informed of such response mechanism at the time of engagement for the Contract and informed of the measures put in place to protect them against any reprisal for its use.

For all other persons (including the Employer's Personnel and affected communities), information about this mechanism, including how to submit an allegation or concern and also measures protecting against reprisal, shall be displayed in local and official Contract languages at entry points to the Site and other wise made available in locations easily accessible to them.

As part of the response mechanism, the Contractor shall maintain and implement ethical and safe processes for investigating and addressing allegations.

The Contractor shall provide appropriate training to relevant Contractor's Personnel to administer the response mechanism.

Any allegation received by the Contractor, including through its Subcontractors, the Employer or the Engineer shall be documented and promptly submitted to the Employer and the Engineer, and further included in reporting in accordance with Sub-Clause 4.21 [Progress Report]. While maintaining confidentiality of the person who experienced the alleged incident, as appropriate, the documentation and submission should include the type of alleged incident, gender and age of the person who experienced the alleged incident.

Upon receipt of any allegation as described above, the Contractor shall immediately apply the response mechanism to review and address the allegation or concern.

GCC 6.14 FOREIGN PERSONNEL

The Contractor may bring into the Country any foreign personnel who are necessary for the execution of the Works to the extent allowed by the Laws. The Contractor shall ensure that these personnel are provided with the required residence visas and work permits. The Employer will, if requested by the Contractor, use his best endeavours in a timely and expeditious manner to assist the Contractor in obtaining any local, state, and national or government permission required for bringing in the Contractor's personnel.

The Contractor shall be responsible for the return of these personnel to the place where they were recruited or to their domicile. In the event of the death in the Country of any of these personnel or members of their families, the Contractor shall similarly be responsible for making the appropriate arrangements for their return or burial.

Where the Contractor requires repayment of travel costs of foreign personnel initially borne by the Contractor, the terms of repayment shall be reasonable, made clear to the worker, and documented, prior to the worker leaving their country of origin. The worker shall signify agreement with the terms of the loan and its repayment, and shall be entitled to resign under the terms of national labour legislation and elect to repay the outstanding debt.

GCC 6.15 SUPPLY OF FOODSTUFFS

The Contractor shall arrange for the provision of a sufficient supply of suitable, culturally appropriate food as may be stated in the Specification at reasonable prices for the Contractor's Personnel for the purposes of or in connection with the Contract.

GCC 6.16 SUPPLY OF WATER

The Contractor shall, having regard to local conditions, provide on the Site an adequate supply of potable drinking and other water for the use of the Contractor's Personnel. The Contractor shall not levy, or permit to be levied on any of their personnel, a charge for the access to potable drinking water.

GCC 6.17 MEASURES AGAINST INSECT AND PEST NUISANCE

The Contractor shall at all times take the necessary precautions to protect the Contractor's Personnel employed on the Site from insect and pest nuisance, and to reduce the danger to their health. The Contractor shall comply with all the regulations of the local health authorities, including use of appropriate insecticide.

GCC 6.18 ALCOHOLIC LIQUOR OR DRUGS

The Contractor shall not, otherwise than in accordance with the Laws of the Country, import, sell, give, barter or otherwise dispose of any alcoholic liquor or drugs, or permit or allow importation, sale, gift, barter or disposal thereof by Contractor's Personnel. The Contractor shall make all reasonable efforts to ensure no worker on the site under his control brings or consumes any alcohol or illicit drugs onto the site. The Contractor shall also immediately remove any Contractor's Personnel that it suspects or has confirmed is under any influence of alcohol or illicit drugs, from site.

GCC 6.19 ARMS AND AMMUNITION

The Contractor shall not give, barter, or otherwise dispose of, to any person, any arms or ammunition of any kind, or allow Contractor's Personnel to do so.

GCC 6.20 FESTIVALS AND RELIGIOUS CUSTOMS

The Contractor shall respect the Country's recognized festivals, days of rest and religious or other customs.

GCC 6.21 FUNERAL ARRANGEMENTS

The Contractor shall be responsible, to the extent required by local regulations, for making any funeral arrangements for any of his local employees who may die while engaged upon the Works.

GCC 6.22 ESHS REPORTING

As part of its reporting obligations under Sub-Clause 4.21 [Progress Reports] the Contractor shall provide information on occupational health and safety management and occupational health and safety record for the Contract, including the rates of accidents, lost time incidents and near-misses, any preventive or mitigating measures taken or planned by, any staff training on occupational health and safety and any other initiatives in relation to occupational health and safety management which have been implemented or planned.

Moreover, the Contractor shall report to the Employer and the Engineer, as expeditiously as possible on any

- (a) incident, accident, which occurs on the Site, or has or is likely to have a significant adverse effect on the environment, workers, or on public or occupational health or safety;
- (b) claim, proceeding, order or investigation commenced or threatened against the Contractor;
- (c) the results of any inspection carried out by the authorities;
- (d) violation of applicable laws, regulations or standards and any remedial action or fine relating to such violation, in respect of the ESHS matters; or
- (e) significant protest or petition by the Personnel or members of the public directed at or relating to the Contract.

GCC 6.23 EVIDENCE OF COMPLIANCE WITH STAFF AND LABOUR REQUIREMENTS

The Contractor reassures his adherence to the above and other Contract's requirements and agrees to submit evidence to the Employer and the Engineer which confirms the following:

- (a) The workforce does not include any prison labour:

The evidence to be provided by the Contractor shall be a signed statement from the Contractor's authorised representative as defined in the Contract that the workforce does not include any prison labour. This statement shall be provided within 21 days after the Commencement Date as well as before Tests on Completion are carried out.

- (b) All workers are provided with details of their employment terms and conditions which shall be in line with the Contract, Clause 6, in writing, in a language that they are able to understand. Additional guidance shall be given to those workers who are not literate.

- (c) Workers are provided with a copy of their employment terms and conditions which shall be in line with the Contract, Clause 6, as amended above, after they have been signed. If the worker originates from another country, then they shall have their contract signed prior to departure from their country.
- (d) Migrant workers have had their legal rights explained to them in accordance with their employment contract which shall be in line with the Contract, Clause 6, including their rights under Mongolian legislation whilst in Mongolia, and their rights from the legal jurisdiction that they originate from (i.e., the worker's country's legal framework).

To demonstrate compliance with the above requirements (b) to (d) the Contractor shall submit a register of workers indicating the date on which they signed their employment terms and conditions; the nationality of each worker; whether any additional guidance was provided to explain the employment terms and conditions; in the case of migrant workers the date of entry to Mongolia the date on which they started work; and the date on which they have had a meeting to explain their legal rights. The register shall be provided within 21 days after the Commencement Date as well as before Tests on Completion are carried out.

- (e) All workers have terms and conditions that reflect Mongolian law, including the Revised Labor Law of Mongolia October 2021.
- (f) Workers have the right to terminate their contract at any time, without penalties, and without legal obstruction.
- (g) Should a worker wish to terminate their contract, then repatriation costs (for migrant workers) are paid for by the Contractor to their original place of living. Penalties for early release shall not be charged.
- (h) If the Contractor offers to provide financial loan services to the workers during their employment, any interest charged must be reasonable, clearly explained in writing to the worker, and shall not include excessive fees. Early repayment charges shall not be charged.
- (i) Workers contracted on a performance-related basis are still be paid the applicable minimum wage, and working hours and public holidays shall be respected, as defined by national labour law and the performance-related pay shall not be unreasonable withheld but only if poor performance is demonstrated and proved.
- (j) Workers do not have their wages deducted for reasons associated with their direct employment, such as for the provision of camp accommodation, food, transport to/from work, energy costs, personal protective equipment (PPE) and the use of laundry facilities.
- (k) Medical support is provided to workers free of charge. It is not acceptable to charge a worker for loss of a day's pay if they are unable to work through illness, or to charge a worker to receive medical treatment.
- (l) Working hours are respected. Overtime is voluntary and recorded accurately. Overtime hours do not breach national labour law.

To demonstrate compliance with the above requirements (e) to (l), within 21 days after signing of this Contract, the Contractor shall submit template employment contracts for different employee levels including those for workers engaged through subcontractors, which stipulate that the conditions in requirements (e) to (l) are agreed, and that the provision of camp accommodation, food, transport to/from work, energy costs, personal protective equipment (PPE) and the use of laundry facilities is without cost to employees.

- (m) Recruitment agents (if used) shall not charge workers a fee for their involvement in the recruitment process. All fees paid to the agent must be paid by the Contractor. All

agencies used must be licensed or certified by the competent national authority in the country in which they are based.

To demonstrate compliance with the above requirement (m), within 21 days after signing of this Contract, the Contractor shall submit a register of recruitment agents used including their names and addresses, their license certification status (and reference number), and whether they have charged a fee to the workers.

- (n) The entire workforce (including all senior managers) have signed a Worker Code of Conduct that prohibits the use of threat of physical or sexual violence, harassment or intimidation against other workers, their families or close associates. Workers shall be provided with training on the Code and this training must be recorded using paper files and signed training records.

To demonstrate compliance with the above requirement (n), within 21 days after the Commencement Date, the Contractor shall submit the Worker of Code of Conduct and register of all workers identifying who has signed the Code and who has received training.

- (o) A Worker Grievance Mechanism is made available to the workforce, so that they are able to raise any concerns, should they wish to do so. Anonymous complaints must be able to be submitted. It shall be prohibited for management to threaten or retaliate against a worker who raises a concern.

To demonstrate compliance with the above requirement (o), within 21 after the Commencement Date, the Contractor shall submit a copy of the worker grievance mechanism procedure; evidence of awareness raising of the procedure (e.g., photographs and anonymous comment boxes); a template of the grievance register that will be used; and the register of grievances received and addressed or at least a summary thereof.

- (p) Workers are paid on time, provided with evidence of their payment, and are able to check that they have been paid through internet access to bank accounts.

To demonstrate compliance with the above requirement (p), within 21 days after signing of this Contract, the Contractor shall submit a summary of the procedure which the Contractor will use to pay workers and details of the way in which workers will be able to check if they have been paid.

- (q) Workers are able to move freely outside of working hours, should they wish to do so.

To demonstrate compliance with the above requirement (q), within 21 days after the Commencement Date, the Contractor shall submit evidence that this provision is included either in camp rules or employment contracts.

- (r) Workers (including migrant workers) are in possession of their identity documents or, if they decide that their employer should keep their document for safekeeping, access to their documentation must be granted easily, without obstructions, and upon request.

To demonstrate compliance with the above requirement (r), within 21 days after the Commencement Date, the Contractor shall submit a copy of induction slides and training records / employment contracts. In addition, when workers decide that their employer should keep their documents, provide written evidence of the agreement with a clear explanation of how it is ensured that documents are readily accessible.

GCC 8. COMMENCEMENT, DELAYS AND SUSPENSION

GCC 8.1 COMMENCEMENT OF WORKS

Replace Sub-Clause 8.1 with the following text:

The Commencement Date shall be the date at which the following precedent conditions have all been fulfilled and the Engineer's notification recording the agreement of both Parties on such fulfilment and instructing to commence the Works is received by the Contractor:

- (a) signature of the Contract Agreement by both Parties, and if required, approval of the Contract by relevant authorities in the Country;
- (b) delivery to the Contractor of reasonable evidence of the Employer's Financial arrangements (under Sub-Clause 2.4 [Employer's Financial Arrangements]);
- (c) possession of the Site or Sections given to the Contractor together with such permission(s) under (a) of Sub-Clause 1.13 [Compliance with Laws] as required for the commencement of the Works; and
- (d) receipt by the Contractor of the Advance Payment under Sub-Clause 14.2 [Advance Payment] provided that the corresponding bank guarantee has been delivered by the Contractor.

If the above said Engineer's instruction is not received by the Contractor within 180 days from his receipt of the Letter of Acceptance, the Contractor shall be entitled to terminate the Contract under Sub-Clause 16.2 [Termination by Contractor].

The Contractor shall commence the execution of the Works as soon as is reasonably practicable after the Commencement Date, and shall then proceed with the Works with due expedition and without delay.

However, the Contractor shall not carry out any Works, including mobilization and/or pre-construction activities (e.g. work site establishment), unless the Engineer is satisfied that appropriate measures are in place to address environmental, social, health and safety risks and impacts. At a minimum, the Contractor shall apply the ESHS and Labour Plans and the Code of Conduct, submitted as part of the Tender and agreed by the Engineer, subject to modifications that may be requested by the Engineer.

GCC 12. MEASUREMENTS AND EVALUATION

Replace Sub-Clause 8.1 with the following text:

GCC 12.2 METHOD OF MEASUREMENT

Except as otherwise stated in the Contract and notwithstanding local practice:

- (a) measurement shall be made of the net actual quantity of each item of the Permanent Works, and
- (b) the method of measurement shall be in accordance with the Bill of Quantities, other applicable Schedules, and/or Specification

GCC 13. VARIATIONS AND ADJUSTMENTS

GCC 13.7 ADJUSTMENTS FOR CHANGES IN LEGISLATION

Add the text below at the end of the Sub-Clause:

Notwithstanding the foregoing, the Contractor shall not be entitled to an extension of time if the relevant delay has already been taken into account in the determination of a previous extension of time and such Cost shall not be separately paid if the same shall already have been taken into account in the indexing of any inputs to the table of adjustment data in accordance with the provisions of Sub-Clause 13.8 [Adjustments for Changes in Cost].

GCC 14. CONTRACT PRICE AND PAYMENT

GCC 14.1 THE CONTRACT PRICE

Add the text below at the end of the Sub-Clause:

The Contractor's Equipment, including essential spare parts thereof, imported by the Contractor for the sole purpose of execution and completion of the Works and remedying any defects therein, shall be allowed to remain in the Employer's Country during the period of Contract implementation, subject to compliance with applicable customs procedures. The Employer warrants that the Contractor's Equipment brought into the Employer's country for the purpose of carrying out the Works and which, after having been brought into the Employer's Country, will be subsequently withdrawn by the Contractor upon completion of the Contract, shall free of import taxes and customs duties imposed under the applicable Law in the Employer's country.

Exemptions on the payment of taxes, customs duties, fees, levies and other impositions imposed, under the applicable Law in the Employer's Country in connection with this Contract shall be as follows:

- (a) Exemption from payment of Value Added Tax (VAT) shall be granted for VAT payable In connection with execution and completion of the Works and remedying any defects therein;
- (b) Exemption from payment of Value Added Tax (VAT) shall be granted for VAT payable on importation of the Plant and Materials and VAT payable on Plant and Materials purchased locally;
- (c) Exemption from payment of Customs Import Duties shall be granted for Customs Import Duties payable on importation of the Plant and Materials;
- (d) Exemption from payment of Personal Income Tax in the Employer's Country for the Contractor's Personnel (other than nationals or permanent residents of the Employer's country) for the period(s) of work exclusively for the purposes of the Contract.

In order to be eligible for tax exemptions regarding importation of the Plant and Materials, the Contractors shall obtain prior written approval of the Employer and all such items shall be imported in the name of the Employer. When the Employer is satisfied that such items are related to the Contract the Employer shall endorse the necessary exemption documents allowing the Contractor to proceed with the customs clearance.

GCC 14.2 ADVANCE PAYMENT

The advance payment guarantee shall be issued by a reputable bank selected by the Contractor, and be acceptable to the Employer, and shall be in the form annexed to the Particular Conditions or in another form approved by the Employer.

The Contractor shall provide the advance payment guarantee within 28 days after receiving the Letter of Acceptance.

If the advance payment guarantee is not received within the stated period of time this Sub-Clause shall not apply.

GCC 14.5 PLANT AND MATERIALS INTENDED FOR THE WORKS

Sub-Clause 14.5 does not apply:

GCC 14.7 PAYMENT

Replace Sub-Clause 14.7 with the following text:

The Employer shall pay the Contractor:

- (a) The first instalment of the advance payment within 42 days after issuing the Letter of Acceptance or within 21 days after receiving the documents in accordance with Sub-Clause 4.2 [Performance Security] and Sub-Clause 14.2 [Advance Payment], whichever is later;
- (b) the amount certified in each Interim Payment Certificate within 56 days after the Engineer receives the Statement and supporting documents or, at a time when the Bank's loan or credit (from which part of the payments to the Contractor is being made) is suspended, the amount shown on any statement submitted by the Contractor within 14 days after such statement is submitted, any discrepancy being rectified in the next payment to the Contractor; and
- (c) the amount certified in the Final Payment Certificate within 56 days after the Employer receives this Payment Certificate or, at a time when the Bank's loan or credit (from which part of the payments to the Contractor is being made) is suspended, the undisputed amount shown in the Final Statement within 56 days after the date of notification of the suspension in accordance with Sub-Clause 16.2.

Payment of the amount due in each currency shall be made only into the bank account(s), nominated by the Contractor and explicitly stated in the Contract Agreement.

Unless otherwise agreed by the Parties in writing, such bank account(s) shall be held in the name of the Contractor and be located either in the Contractor's country of incorporation or domicile, as applicable, or in the country, where the Contract is implemented.

If the Contractor constitutes (under applicable laws) a joint venture, consortium or other unincorporated grouping of two or more persons, such account(s) shall be in the name of any such persons and shall be located in such person's country of incorporation or domicile, as applicable, or in the country where the Contract is implemented.

Notwithstanding the above, the Bank will not make payments to a bank account in a jurisdiction which is deemed by the Financial Action Task Force, hereinafter referred to as the "FATF", to be on the list of non-cooperative countries or territories¹ at the date of payment.

GCC 14.9 PAYMENT OF RETENTION MONEY

Add the words:

¹ The FATF list of Non-Cooperative Countries or Territories (the list of High-Risk Jurisdictions subject to a Call for Action), can be found on the following web-page: <https://www.fatf-gafi.org/en/publications.html>

When the Taking-Over Certificate has been issued for the Works and the first half of the Retention Money has been certified for payment by the Engineer, the Contractor shall be entitled to substitute a guarantee, in the form annexed to these Particular Conditions or in another form approved by the Employer and provided by an entity approved by the Employer and issued by a reputable bank or financial institution selected by the Contractor, for the second half of the Retention Money. The Contractor shall ensure that the guarantee is in the amounts and currencies of the second half of the Retention Money and is valid and enforceable until the Contractor has executed and completed the Works and remedied any defects, as specified for the Performance Security in Sub-Clause 4.2. On receipt by the Employer of the required guarantee, the Engineer shall certify and the Employer shall pay the second half of the Retention Money. The release of the second half of the Retention Money against a guarantee shall then be in lieu of the release under the second paragraph of this Sub-Clause. The Employer shall return the guarantee to the Contractor within 21 days after receiving a copy of the Performance Certificate.

If the Performance Security required under Sub-Clause 4.2 is in the form of a demand guarantee, and the amount guaranteed under it when the Taking-Over Certificate is issued is more than half of the Retention Money, then the Retention Money guarantee will not be required. If the amount guaranteed under the Performance Security when the Taking-Over Certificate is issued is less than half of the Retention Money, the Retention Money guarantee will only be required for the difference between half of the Retention Money and the amount guaranteed under the Performance Security.

GCC 14.15 CURRENCIES OF PAYMENT

The Contract Price shall be paid in United States Dollars (USD).

GCC 15. TERMINATION BY EMPLOYER

GCC 15.2 TERMINATION BY EMPLOYER

Replace sub-paragraph (d) with the following text:

- (d) subcontracts the whole of the Works or a portion of the Works in excess of the limit for subcontracting specified in Sub-Clause 4.4 [Subcontractors], or assigns the Contract without the required agreement.

Add sub-paragraph (g) after subparagraph (f):

- (g) fails to comply with Sub-Clause 6.12 [Compliance with ILO Provisions] or 6.13 [Protection of Personnel].

Add Sub-Clause 15.6:

GCC 15.6 TERMINATION IN CASE OF PROHIBITED PRACTICES

If the Employer determines, based on reasonable evidence, that the Contractor has engaged in Prohibited Practices, in competing for or in executing the Contract, then the Employer may, after giving 14 days' notice to the Contractor, terminate the Contract and expel him from the Site, and the provisions of Clause 15 shall apply as if such termination had been made under Sub-Clause 15.2 [Termination by Employer].

GCC 16. SUSPENSION AND TERMINATION BY CONTRACTOR

Add the text below at the end of the Sub-Clause:

GCC 16.1 CONTRACTOR'S ENTITLEMENT TO SUSPEND WORK

Notwithstanding the other provisions of this Sub-Clause, if the Bank has suspended disbursements under the loan or credit from which payments to the Contractor are being made, in whole or in part, for the execution of the Works, and no alternative funds are available as provided for in Sub-Clause 2.4 [Employer's Financial Arrangements], the Contractor may by notice suspend work or reduce the rate of work at any time, but not less than 7 days after the Contractor was informed of the Borrower and the Employer having received the suspension notification from the Bank.

The Contractor's action shall not prejudice his entitlements to financing charges under Sub-Clause 14.8 [Delayed Payment] and to termination under Sub-Clause 16.2 [Termination by Contractor].

If the Contractor subsequently receives such Payment Certificate, evidence or payment (as described in the relevant Sub-Clause and in the above notice) before giving a notice of termination, the Contractor shall resume normal working as soon as is reasonably practicable.

If the Contractor suffers delay and/or incurs Cost as a result of suspending work (or reducing the rate of work) in accordance with this Sub-Clause, the Contractor shall give notice to the Engineer and shall be entitled subject to Sub-Clause 20.1 [Contractor's Claims] to:

- (a) an extension of time for any such delay, if completion is or will be delayed, under Sub-Clause 8.4 [Extension of Time for Completion], and
- (b) payment of any such Cost plus profit, which shall be included in the Contract Price.

After receiving this notice, the Engineer shall proceed in accordance with Sub-Clause 3.5 [Determinations] to agree or determine these matters.

GCC 16.2 TERMINATION BY CONTRACTOR

Add the following sub-paragraphs after subparagraph (g):

- (h) In the event the Bank suspends the financing from which part or whole of the payments to the Contractor are being made, if the Contractor has not received the sums due to him upon expiration of the 14 days referred to in Sub-Clause 14.7 [Payment] for payments under Interim or Final Payment Certificates, the Contractor may, without prejudice to the Contractor's entitlement to financing charges under Sub-Clause 14.8 [Delayed Payment], take one of the following actions, namely (i) suspend work or reduce the rate of work under Sub-Clause 16.1 above, or (ii) terminate under the Contract by giving notice to the Employer, with a copy to the Engineer, such termination to take effect 14 days after the giving of the notice, or
- (i) the Contractor does not receive the Engineer's instruction recording the agreement of both Parties on the fulfilment of the conditions for the Commencement of Works under Sub-Clause 8.1 [Commencement of Works].

GCC 17. RISK AND RESPONSIBILITY

Add Sub-Clause 17.7:

GCC 17.7 USE OF EMPLOYER'S ACCOMMODATION/FACILITIES

The Contractor shall take full responsibility for the care of the Employer provided accommodation and facilities, if any, as detailed in the Specification, from the respective dates of hand-over to the Contractor until cessation of occupation (where hand-over or cessation of occupation may take place after the date stated in the Taking-Over Certificate for the Works).

If any loss or damage happens to any of the above items while the Contractor is responsible for their care arising from any cause whatsoever other than those for which the Employer is liable, the Contractor shall, at his own cost, rectify the loss or damage to the satisfaction of the Engineer.

GCC 18. INSURANCE

GCC 18.1 GENERAL REQUIREMENTS FOR INSURANCE

Add the following text as a new paragraph after the second paragraph and before the third paragraph:

The evidence of insurance and relevant policies of insurance to be submitted by the Contractor shall be in accordance with the Law on Insurance of Mongolia.

GCC 19. FORCE MAJEURE

GCC 19.1 DEFINITION OF FORCE MAJEURE

Add the following sub-paragraphs after subparagraph (v):

- (vi) global or regional pandemic or epidemics officially declared by the Country authorities;
or
- (vii) any economic or financial sanctions or restrictive measures imposed by the authorities of any country or international organisation, having the effect of prohibiting, impairing or delaying in any material respect the performance by a Party under the Contract.

GCC 20. CLAIMS, DISPUTES AND ARBITRATION

Replace Sub-Clause 20.5:

GCC 20.5 AMICABLE SETTLEMENT

Where a Notice of Dissatisfaction has been given under Sub-Clause 20.4 above, both Parties shall attempt to settle the dispute amicably before the commencement of arbitration. However, unless both Parties agree otherwise, the Party giving a Notice of Dissatisfaction in accordance with Sub-Clause 20.4 above should move to commence arbitration after the fifty-sixth day from the day on which a Notice of Dissatisfaction was given, even if no attempt at an amicable settlement has been made.

Replace Sub-Clause 20.6:

GCC 20.6 ARBITRATION

Any dispute between the Parties arising out of or in connection with the Contract not settled amicably in accordance with Sub-Clause 20.5 above and in respect of which the Dispute Adjudication Board (DAB)'s decision (if any) has not become final and binding shall be finally settled by arbitration. Arbitration shall be conducted as follows:

- (a) if the Contract is with foreign contractors, international arbitration
 - (i) with proceedings administered by the arbitration institution designated in the Appendix to Tender, and conducted under the rules of arbitration of such institution; or, if so specified in the Appendix to Tender;
 - (ii) international arbitration in accordance with the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL); or
 - (iii) if neither an arbitration institution nor UNCITRAL arbitration rules be specified in the Appendix to Tender, with proceedings administered by the International Chamber of Commerce (ICC) and conducted under the ICC Rules of Arbitration; by one or more arbitrators appointed in accordance with said arbitration rules;
- (b) the place of arbitration shall be the neutral location specified in the Appendix to Tender, and the arbitration shall be conducted in the language for communications defined in Sub-Clause 1.4 [Law and Language]; and
- (c) if the Contract is with domestic contractors, arbitration with proceedings conducted in accordance with the Laws.

The arbitrators shall have full power to open up, review and revise any certificate, determination, instruction, opinion or valuation of the Engineer, and any decision of the DAB, relevant to the dispute. Nothing shall disqualify representatives of the Parties and the Engineer from being called as a witness and giving evidence before the arbitrators on any matter whatsoever relevant to the dispute.

Neither Party shall be limited in the proceedings before the arbitrators to the evidence or arguments previously put before the DAB to obtain its decision, or to the reasons for dissatisfaction given in its Notice of Dissatisfaction. Any decision of the DAB shall be admissible in evidence in the arbitration.

Arbitration may be commenced prior to or after completion of the Works. The obligations of the Parties, the Engineer and the DAB shall not be altered by reason of any arbitration being conducted during the progress of the Works.