Special terms and conditions of contract

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

CONFIDENTIAL

For the tender published

Technical assistance for Steel and Cement Decarbonisation Investment Readiness in Brazil

Tender number: 10046955

commissioned by the

Deutsche Gesellschaft für

Internationale Zusammenarbeit (GIZ) GmbH

Dag-Hammarskjöld-Weg 1 - 5

65760 Eschborn

– hereinafter referred to as 'GIZ' –

and implemented by the Contracted Party named in the contract award notification

the following special terms and conditions of contract shall apply:

1. Purpose of the contract and intended development results of the overall project

The German Federal Ministry for the Environment, Climate Action, Nature Conservation and Nuclear Safety (the ultimate commissioning party) has commissioned GIZ to implement the overall project.

The objective of the overall project aims to create the enabling conditions for Brazil's steel and cement industries to invest in decarbonisation solutions.

Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

Registered offices
Bonn and Eschborn, Germany

Friedrich-Ebert-Allee 32 + 36
53113 Bonn, Germany
T +49 228 4460-0
F +49 228 4460-1766

Dag-Hammarskjöld-Weg 1–5
65760 Eschborn, Germany
T +49 6196 79-0
F +49 6196 79-1115

E info@giz.de
I www.giz.de

Registered at
Local court (Amtsgericht)
Bonn, Germany
Registration no. HRB 18384
Local court (Amtsgericht)
Frankfurt am Main, Germany
Registration no. HRB 12394
VAT no. DE 113891176
Tax no. 040 250 56973

Chairperson of the Supervisory Board
Niels Annen, State Secretary

Management Board
Thorsten Schäfer-Gümbel (Chair)
Ingrid-Gabriela Hoven (Vice-Chair)
Anna Sophie Herken

Commerzbank AG Frankfurt am Main
BIC (SWIFT): COBADEFFXXX
IBAN: DE45 5004 0000 0588 9555 00

The objective of the tender published comprises advisory and technical assistance for investment readiness screening and in-depth investment preparation of decarbonisation demonstration projects in the Brazilian steel and cement sectors.

2. Scope of work

In order to achieve this objective and the associated development results, the Contracted Party undertakes to perform the services and achieve the results listed in the terms of reference and specified in detail in the Contracted Party's tender.

3. Start of the contract, performance period and place of supply

3.1 The contract comes into force upon notification of its award. The anticipated performance period begins with contract award and ends after 32 months (anticipated ca. July 2027 – June 2030).

The final performance period will be specified in the contract award notification.

3.2 The Contracted Party performs the work/service for a GIZ country office in Brazil (GIZ office in Brazil, SCN Q 1 C, SI 1501, 0711-902, Brasília - DF, Brazil). In accordance with Section 3a, Paragraph 2, Sentence 2 of the German VAT Act (Umsatzsteuergesetz – UStG), the place of supply for VAT purposes is therefore in Brazil.

4. Plan of operations

At the start of implementation and annually thereafter, the Contracted Party shall submit a plan of operations in text form to the GIZ commission manager for approval. Amendments to the plan of operations require the prior approval of GIZ in text form.

5. Procurement of materials and equipment

– Not applicable –

6. Payments

The agreed remuneration shall be paid as follows:

6.1 Advance payment

Advance payments shall be made upon request for payment in text form no later than 15 days after the end of the calendar month in which the contractually agreed work was started.

The provision of any advance payments and their amount and terms of repayment shall be specified in the contract award notification. In the event that security is required, this shall be mentioned in the contract award notification.

6.2 Settlements and interim invoices

The Contracted Party shall submit an interim invoice to GIZ for services actually provided every three months after the start of the contract. No further interim settlements may be applied for outside these intervals. The number of interim invoices in addition to the final invoice for this contract will be specified in the contract award notification.

7. Options or follow-on contract

Pursuant to Section 7 in the terms of reference, GIZ reserves the right to exercise options or enter into a follow-on contract

8. Price adjustment clause

8.1. This price adjustment clause shall apply when contracts are extended, provided that the Contracted Party has requested this in text form prior to the conclusion of the contract extension and both of the following requirements are satisfied:

i. The contractual term is extended by one year or more.

ii. The contract value increases by 10% of the original contract value or more.

8.2 If the price adjustment clause set out in the above paragraph applies, the agreed fee rates shall increase as follows either from the date of the contract extension or from the 25th month of the contractual term, whichever occurs later: The fee rates agreed when the original contract was concluded are increased by the sum of the percentages of the individual linear pay increases under the Collective Bargaining Agreement for the Public Service at federal government level (*TVöD Bund*) since the conclusion of this contract. Special payments of any kind, including but not limited to one-off payments, as well as basic amounts and minimum amounts are not taken into account here. Only those pay increases that are already directly applicable at the time of the contract extension are taken into account, not those that have been agreed for the future.

8.3 The agreed fee rates may be increased again at the earliest at the end of a further period of 24 months after the previous increase has taken effect, provided that the Contracted Party has requested this in text form prior to the conclusion of the contract extension and the

requirements specified in the above paragraphs are satisfied. In this case, the fee rates are increased by the sum of the percentages of the individual linear pay increases under the Collective Bargaining Agreement for the Public Service at federal government level (*TVöD Bund*) since the last adjustment of the fee rates. In all other respects the provisions of the paragraphs above shall apply.

8.4 In the case of follow-on contracts within the meaning of Section 14 (4) of the German Ordinance on the Award of Public Contracts (VgV), paragraph 2 of this section shall apply *mutatis mutandis*, provided that the original contract has been in force for two years or more without interruption, the contract value is 10% of the original contract value or more and the follow-on contract has a term of one year or more.