

Clauses	Description
A. General	
Definition	
Clause 1.1	The “Intended Completion Date” is the date on which it is intended that the Contractor shall complete the Works. The Intended Completion Date is specified in the Special Conditions of Contract. The Intended Completion Date may be revised only by the Engineer by issuing an extension of time or an acceleration order.
Language and law	
Clause 3.1	The language of the Contract is Amharic and the law governing the Contract is that of the Federal Democratic Republic of Ethiopia.
Engineer’s Decisions	
Clause 4.1	Except where otherwise specifically stated and subject to any restrictions in the Special Conditions of Contract, the Engineer will decide contractual matters between the Employer and the Contractor in the role representing the Employer.
Delegation	
Clause 5.1	The Engineer may delegate any of his duties and responsibilities to other people except to the Adjudicator, after notifying the Contractor, and may cancel any delegation after notifying the Contractor.
Communication	
Clause 6.1	Communications between parties that are referred to in the Conditions shall be effective only when in writing. A notice shall be effective only when it is delivered.
Subcontracting	
Clause 7.1	The Contractor may subcontract with the approval of the Engineer, but may not assign the Contract without the approval of the Employer in writing. Subcontracting shall not alter the Contractor’s obligations.
Employers risks	
Clause 11.1	Unless otherwise specified in the SCC, from the Start Date until the Defects Correction Certificate has been issued, the following are Employer’s risks: <ul style="list-style-type: none"> a) The risk of personal injury, death, or loss of or damage to property

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	<p>(excluding the Works, Plant, Materials, and Equipment), which are due to:</p> <ul style="list-style-type: none"> i. Use or occupation of the Site by the Works or for the purpose of the Works, which is the unavoidable result of the Works, or ii. Negligence, breach of statutory duty, or interference with any legal right by the Employer or by any person employed by or contracted to him except the Contractor. <p>b) The risk of damage to the Works, Plant, Materials, and Equipment to the extent that it is due to a fault of the Employer or in the Employer’s design, or due to war or radioactive contamination directly affecting the country where the Works are to be executed.</p>
<p>Clause 11.2</p>	<p>From the Completion Date until the Defects Correction Certificate has been issued, the risk of loss of or damage to the Works, Plant, and Materials is a Employer’s risk except loss or damage due to</p> <ul style="list-style-type: none"> a) A Defect which existed on the Completion Date, b) An event occurring before the Completion Date, which was not itself a Employer’s risk, or c) The activities of the Contractor on the Site after the Completion Date
Contractors risk	
<p>Clause 12.1</p>	<p>From the Starting Date until the Defects Correction Certificate has been issued, the risks of personal injury, death, and loss of or damage to property (including, without limitation, the Works, Plant, Materials, and Equipment) which are not Employer’s risks are Contractor’s risks.</p>
Insurance	
<p>Clause 13.3</p>	<p>If the Contractor does not provide any of the policies and certificates required, the Employer may effect the insurance which the Contractor should have provided and recover the premiums the Employer has paid from payments otherwise due to the Contractor or, if no payment is due, the payment of the premiums shall be a debt due.</p>
Site investigation report	

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Clause 14.1	The Contractor, in preparing the Bid, shall rely on any Site Investigation Reports referred to in the Special Conditions of Contract, supplemented by any information available to the Bidder.
Approval by the Engineer	
Clause 18.1	The Contractor shall submit Specifications and Drawings showing the proposed Temporary Works to the Engineer, who is to approve them if they comply with the Specifications and Drawings.
Clause 18.2	The Contractor shall be responsible for design of Temporary Works.
Clause 18.3	The Engineer's approval shall not alter the Contractor's responsibility for design of the Temporary Works.
Safety	
Clause 19.1	The Contractor shall be responsible for the safety of all activities on the Site.
Discoveries	
Clause 20.1	Anything of historical or other interest or of significant value unexpectedly discovered on the Site shall be the property of the Employer. The Contractor shall notify the Engineer of such discoveries and carry out the Engineer's instructions for dealing with them.
Possession of the site	
Clause 21.1	The Employer shall give possession of the Site to the Contractor, as defined in the Contractor's approved work program. If possession of a part is not given by the date stated in the approved work program, the Employer will be deemed to have delayed the start of the relevant activities, and this will be a Compensation Event.
Disputes	
Clause 24.1	If the Contractor believes that a decision taken by the Engineer was either outside the authority given to the Engineer by the Contract or that the decision was wrongly taken, the decision shall be referred to the Adjudicator within 14 days of the notification of the Engineer's decision.

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Procedure for dispute	
Clause 25.1	The Adjudicator shall give a decision in writing within 28 days of receipt of a notification of a dispute.
Clause 25.2	The Adjudicator shall be paid by the hour at the rate specified in the Bid Data Sheet and Special Conditions of Contract, together with reimbursable expenses of the types specified in the Special Conditions of Contract, and the cost shall be divided equally between the Employer and the Contractor, whatever decision is reached by the Adjudicator. Either party may refer a decision of the Adjudicator to an Arbitrator within 28 days of the Adjudicator's written decision. If neither party refers the dispute to arbitration within the above 28 days, the Adjudicator's decision will be final and binding.
Replacement of adjudicator	
Clause 26.1	Should the Adjudicator resign or die, or should the Employer and the Contractor agree that the Adjudicator is not functioning in accordance with the provisions of the Contract, a new Adjudicator will be jointly appointed by the Employer and the Contractor. In case of disagreement between the Employer and the Contractor, within 30 days, the Adjudicator shall be designated by the Appointing Authority designated in the Special Conditions of Contract at the request of either party, within 14 days of receipt of such request.
B. Time control	
Clause 27.3	The Contractor shall submit to the Engineer for approval an updated Program at intervals no longer than the period stated in the Special Conditions of Contract. If the Contractor does not submit an updated Program within this period, the Engineer may withhold the amount stated in the Special Conditions of Contract from the next payment certificate and continue to

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	withhold this amount until the next payment after the date on which the overdue Program has been submitted.
Clause 27.4	The Engineer’s approval of the Program shall not alter the Contractor’s obligations. The Contractor may revise the Program and submit it to the Engineer again at any time. A revised Program shall show the effect of Variations and Compensation Events.
Extension of the intended completion date	
Clause 28.1	The Engineer shall extend the Intended Completion Date if a Compensation Event occurs or a Variation is issued which makes it impossible for Completion to be achieved by the Intended Completion Date without the Contractor taking steps to accelerate the remaining work, which would cause the Contractor to incur additional cost.
Clause 28.2	The Engineer shall decide whether and by how much to extend the Intended Completion Date within 21 days of the Contractor asking the Engineer for a decision upon the effect of a Compensation Event or Variation and submitting full supporting information. If the Contractor has failed to give early warning of a delay or has failed to cooperate in dealing with a delay, the delay by this failure shall not be considered in assessing the new Intended Completion Date.
Early Warning	
Clause 32.1	The Contractor shall warn the Engineer at the earliest opportunity of specific likely future events or circumstances that may adversely affect the quality of the work increase the Contract Price or delay the execution of the Works. The Engineer may require the Contractor to provide an estimate of the expected effect of the future event or circumstance on the Contract Price and Completion Date. The estimate shall be provided by the Contractor as soon as reasonably possible.

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C. Quality control	
Tests	
Clause 34.1	If the Engineer instructs the Contractor to carry out a test not specified in the Specification to check whether any work has a Defect and the test shows that it does, the Contractor shall pay for the test and any samples. If there is no Defect, the test shall be a Compensation Event.
Correction of Defects	
Clause 35.1	The Engineer shall give notice to the Contractor of any Defects before the end of the Defects Liability Period, which begins at Completion, and is defined in the Special Conditions of Contract. The Defects Liability Period shall be extended for as long as Defects remain to be corrected
Uncorrected defects	
Clause 36.1	If the Contractor has not corrected a Defect within the time specified in the Engineer's notice, the Engineer will assess the cost of having the Defect corrected, and the Contractor will pay this amount.
D. Cost control	
Change in the Bill of Quantities or Activity Schedule	
Option 1: Changes in the Bill of Quantities for Admeasurements Contracts	
Clause 38.1	If the final quantity of the work done differs from the quantity in the Bill of Quantities for the particular item by more than 25 percent, provided the change exceeds 5 percent of the Initial Contract Price, the Engineer shall adjust the rate to allow for the change.
Clause 38.2	The Engineer shall not adjust rates from changes in quantities if thereby the Initial Contract Price is exceeded by more than 15 percent, except with the prior approval of the Employer.

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Option 2: Changes in the Activity Schedule for Lump Sum Contracts	
Clause 38.4	The Activity Schedule shall be amended by the Contractor to accommodate changes of Program or method of working made at the Contractor's own discretion. Prices in the Activity Schedule shall not be altered when the Contractor makes such changes to the Activity Schedule.
Payment for Variations	
Clause 40.2	For Admeasurements Contracts only, if the work in the Variation corresponds with an item description in the Bill of Quantities and if, in the opinion of the Engineer, the quantity of work above the limit stated in Sub-Clause 38.1 or the timing of its execution do not cause the cost per unit of quantity to change, the rate in the Bill of Quantities shall be used to calculate the value of the Variation. If the cost per unit of quantity changes, or if the nature or timing of the work in the Variation does not correspond with items in the Bill of Quantities, the quotation by the Contractor shall be in the form of new rates for the relevant items of work.
Clause 40.3	For both Admeasurements and Lump Sum Contracts, if the Contractor's quotation is unreasonable, the Engineer may order the Variation and make a change to the Contract Price, which shall be based on the Engineer's own forecast of the effects of the Variation on the Contractor's costs.
Clause 40.5	For both Admeasurements and Lump Sum Contracts, the Contractor shall not be entitled to additional payment for costs that could have been avoided by giving early warning.
Payments	
Clause 43.1	Payments shall be adjusted for deductions for advance payments and retention. The Employer shall pay the Contractor the amounts certified by the Engineer within 30 days of the date of each certificate. If the Employer makes a late payment, the Contractor shall be paid interest on the late payment in the next payment. Interest shall be calculated from the date by which the

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	<p>payment should have been made up to the date when the late payment is made at the prevailing rate of interest for commercial borrowing for each of the currencies in which payments are made.</p>
<p>Clause 43.2</p>	<p>If an amount certified is increased in a later certificate or as a result of an award by the Adjudicator or an Arbitrator, the Contractor shall be paid interest upon the delayed payment as set out in this clause. Interest shall be calculated from the date upon which the increased amount would have been certified in the absence of dispute.</p>
<p>Clause 43.4</p>	<p>Items of the Works for which no rate or price has been entered in will not be paid for by the Employer and shall be deemed covered by other rates and prices in the Contract.</p>
<p>Compensation events</p>	
<p>Clause 44.1</p>	<p>The following shall be Compensation Events:</p> <ul style="list-style-type: none"> (a) The Employer does not give access to a part of the Site by the Site Possession Date stated in the Contractor’s approved work program. (b) The Employer modifies the Schedule of Other Contractors in a way that affects the work of the Contractor under the Contract. (a) The Engineer orders a delay or does not issue Drawings, Specifications, or instructions required for execution of the Works on time. (b) The Engineer instructs the Contractor to uncover or to carry out additional tests upon work, which is then found to have no Defects. (c) The Engineer unreasonably does not approve a subcontract to be let. (d) Ground conditions are substantially more adverse than could reasonably have been assumed before issuance of the Letter of Acceptance from the information issued to bidders (including the Site Investigation Reports referred to in GCC 14.1), from information available publicly and from a visual inspection of the Site.

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	<p>(e) The Engineer gives an instruction for dealing with an unforeseen condition, caused by the Employer, or additional work required for safety or other reasons.</p> <p>(f) Other contractors, public authorities, utilities, or the Employer does not work within the dates and other constraints stated in the Contract, and they cause delay or extra cost to the Contractor.</p> <p>(g) The advance payment is delayed.</p> <p>(h) The effects on the Contractor of any of the Employer's Risks.</p> <p>(i) The Engineer unreasonably delays issuing a Certificate of Completion.</p> <p>(j) Other Compensation Events described in the Special Conditions of Contract or determined by the Engineer shall apply.</p>
Clause 44.2	If a Compensation Event would cause additional cost or would prevent the work being completed before the Intended Completion Date, the Contract Price shall be increased and/or the Intended Completion Date shall be extended. The Engineer shall decide whether and by how much the Contract Price shall be increased and whether and by how much the Intended Completion Date shall be extended.
Clause 44.4	The Contractor shall not be entitled to compensation to the extent that the Employer's interests are adversely affected by the Contractor's not having given early warning or not having cooperated with the Engineer.
Taxes	
Clause 45.1	Unless otherwise specified in the SCC, the Engineer shall not adjust the Contract Price if taxes, duties, and other levies are changed that subsequently affect the Contract Price.
Price adjustment	
Clause 47.3	If the value of the index is changed after it has been used in a calculation, the

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	calculation shall be corrected and an adjustment made in the next payment certificate. The index value shall be deemed to take account of all changes in cost due to fluctuations in costs.
Liquidated damage	
Clause 49.1	The Contractor shall pay liquidated damages to the Employer at the rate per day stated in the Special Conditions of Contract for each day that the Completion Date is later than the Intended Completion Date. The total amount of liquidated damages shall not exceed the amount defined in the Special Conditions of Contract. The Employer may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor's liabilities.
Clause 49.2	If the Intended Completion Date is extended after liquidated damages have been paid, the Engineer shall correct any overpayment of liquidated damages by the Contractor by adjusting the next payment certificate. The Contractor shall be paid interest on the overpayment, calculated from the date of payment to the date of repayment, at the rates specified in Sub-Clause 43.1.
Clause 53.2	All work to be paid for as Dayworks shall be recorded by the Contractor on forms approved by the Engineer. Each completed form shall be verified and signed by the Engineer within two days of the work being done.
Cost of repairs	
Clause 54.1	Loss or damage to the Works or Materials to be incorporated in the Works between the Start Date and the end of the Defects Correction periods shall be remedied by the Contractor at the Contractor's cost if the loss or damage arises from the Contractor's acts or omissions.
2. Operating and Maintenance Manuals	
Clause 58.2	If the Contractor does not supply the Drawings and/or manuals by the dates stated in the Special Conditions of Contract, or they do not receive the

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	Engineer’s approval, the Engineer shall withhold the amount stated in the Special Conditions of Contract from payments due to the Contractor.
Termination	
Clause 59.1	The Employer or the Contractor may terminate the Contract if the other party causes a fundamental breach of the Contract.
Clause 59.2	<p>Fundamental breaches of Contract shall include, but shall not be limited to, the following:</p> <ol style="list-style-type: none"> a. The Contractor stops work for 28 days when no stoppage of work is shown on the current Program and the stoppage has not been authorized by the Engineer; b. The Engineer instructs the Contractor to delay the progress of the Works, and the instruction is not withdrawn within 28 days; c. The Employer or the Contractor is made bankrupt or goes into liquidation other than for a reconstruction or amalgamation; d. A payment certified by the Engineer is not paid by the Employer to the Contractor within 90 days of the date of the Engineer’s certificate; e. The Engineer gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by the Engineer; f. The Contractor does not maintain a Security, which is required; g. The Contractor has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid, as defined in the Special Conditions of Contract; and <p>If the Contractor, in the judgment of the Employer has engaged in corrupt, fraudulent, collusive or coercive practices in competing for or in executing the Contract.</p>
Clause 59.3	When either party to the Contract gives notice of a breach of Contract to the Engineer for a cause other than those listed under Sub-Clause 59.2 above, the

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	Engineer shall decide whether the breach is fundamental or not.
Clause 59.4	Notwithstanding the above, the Employer may terminate the Contract for convenience.
Property	
Clause 61.1	All Materials on the Site, Plant, Equipment, Temporary Works, and Works shall be deemed to be the property of the Employer if the Contract is terminated because of the Contractor's default.