

## **INVITATION TO TENDER**

# **Benchmarking and proposal of minimum requirements for the proper functioning of Maghreb electricity exchange zone and the development of trade platform**

## **TEASIMED Project**

**Task 3 “Identification and put into operation of the selected Interconnected Electricity Exchange Zones”**

**Activity 3.1 “Executing short-term demonstration projects in the Maghreb”**





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## 1. Introduction

Med-TSO - Mediterranean Transmission System Operators, is a recognized association established in Rome, on 19 April 2012, involving the Mediterranean companies performing the activity of transmission system operators (TSO).

Med-TSO has its legal headquarters in viale Egidio Galbani 70, 00156 Rome - Italy and Operational Headquarters in via della Marcigliana, 911 - 00138 Rome – Italy.

The TEASIMED project (ENI/2020/417-547) “Towards an efficient, adequate, sustainable and interconnected Mediterranean electricity system” is the third project developed by Med-TSO with the financial contribution of the European Commission, after the Mediterranean Project I (2015-2018), hereinafter referred to as MP1, and the Mediterranean Project II (2018-2020), hereinafter referred to as MP2. TEASIMED is developed according to the following activities:

1. Revision and update of the Mediterranean Masterplan (MMP), i.e. the multi-annual HV Transmission Network Development plan and improvement of methodologies for its delivery;
2. Consolidation of the common technical regulatory framework;
3. Identification and put into operation of some selected Interconnected Electricity Exchange Zones (IEEZ), with a view to increasing electricity exchanges in the region;
4. Optimized planning capacities and operation procedures;
5. Med-TSO Knowledge Sharing System;
6. Efficient support to the UfM Regional Electricity Market Platform, in close collaboration with the Association of the Mediterranean Regulators for Energy, MedReg.

The Technical Committee Regulation (TC Regulation) of Med-TSO is in charge for developing the activities referred at point 2 and 3 above.

In particular, activity 3, corresponding to task 3 of TEASIMED Project, namely “Identification and put into operation of the selected Interconnected Electricity Exchange Zones (IEEZ)” has been divided in two subtasks:

3.1 Executing short-term demonstration project in the Maghreb Region;

3.2 Elaboration of zonal target regulatory framework in the Eastern Region.

**The main objective of sub-task 3.1 “Execute a short-term demonstration project in the Maghreb” is to contribute to the definition of prerequisites and responsibilities of the key Stakeholders that should cooperate for implementing a platform for electricity exchange and trading in the Mediterranean Western Region.**

**DISCLAIMER: the final decision and the real implementation of the trading platform are NOT in the scope of this tender.**

## 2. Background and Scope of work of the expert

### 2.1. General Background

The identification of zonal pilot projects has been accomplished in the previous MP2 project as a subtask related to activity 2.2 “Elaboration of zonal target regulatory framework and tentative roadmap”. This identification was based according to two dimensions:

- 1) a geographical aspect, assessing limited zone in the Mediterranean region where a wide set of issues can be selected and developed for a tentative roadmap to be then more easily implemented, and
- 2) regulatory considerations on the current legislative framework in each region.

In this context, the existence of interconnections among countries was considered necessary for a proposed pilot project in the short-term.

A deep analysis of current regulatory framework and level of interconnections determined that a pilot project in the Eastern Mediterranean region could not be developed in the short-term, although being considered of high interest for a later stage.

Consequently, it was concluded that the first pilot project should focus on the zone corresponding to the Maghreb area, including the power systems of Tunisia, Algeria and Morocco. Finally, a common proposal describing the aspects to be considered in the future phase was finalised.

With a view to the creation of the future Maghreb electricity market, the different visions of the three involved TSOs on the necessary prerequisites and aspects to be addressed and discussed were analysed. The different aspects were ranked in order of priorities for their gradual implementation, according to a roadmap to be put in place.

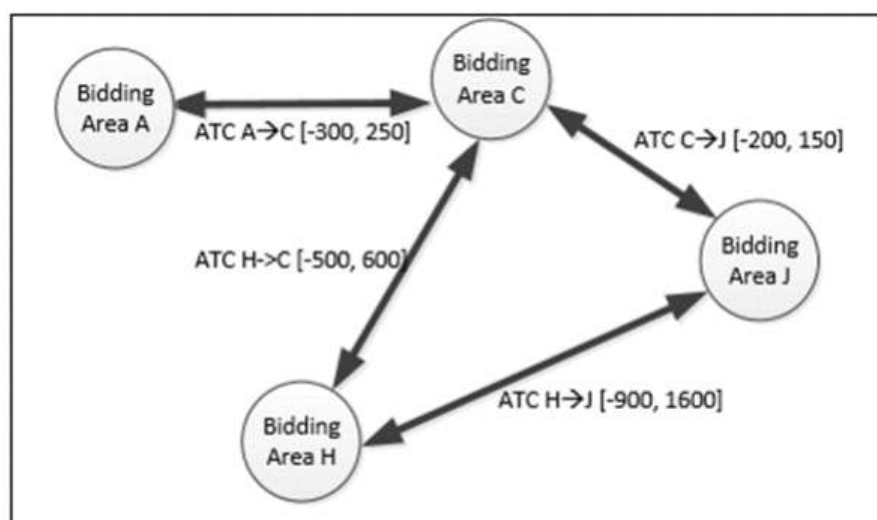
The results of this analysis have been developed in detail two MP2 reports, deliverable 2.2.A “Study of potential candidates and proposal of pilot project” and deliverable 2.2.B “Road Map for Pilot Project implementation”.

The different visions of the three TSOs can be summarized in the following table, where priorities are classified being grouped in commercial/economic aspects and technical aspects.

Aspects	Issues	Description	Priority		
			STEG	SONELGAZ/OS	ONEE
Commercial/economic	Commercial/economic	Platform Trade	①	①	①
	Dispatching & Balancing	The compensation for voluntary exchanges	-	②	③
	Regulatory	Grid services Market	②	③	②
	Capacity Allocation & Calculation	Capacity Allocation Capacity Calculation	-	-	⑦
	Profitability & Efficiency	CBA Study	-	-	⑧
Technical	Defense Plan	Adjustment thresholds for Maghreb interconnections	①	①	⑥
	Reserve management	The participation in different kinds of reserves	②	②	⑤
	Load control Frequency	The participation in the LFC	③	③	④
	System States	Participation and Assistance with mutual security	④	④	--
	Dispatching & Balancing	The compensation for voluntary exchanges	⑤	-	-
	Transparency	Transparency with mutual exchanges information	⑥	⑤	-

## 2.2 Scope of work of the expert

At a glance, the purpose of the call for tender is to define and assess different options to allow trading of electricity between the countries within the Maghreb Area.



The activity to be performed by the expert could be divided in 2 steps:

**First step** is to draft and establish a benchmark in the field of electricity markets and trading. Benchmarking on similar cases of electricity market and trade platform projects should be performed in parallel with an analysis of the status of regulatory framework in Maghreb countries.

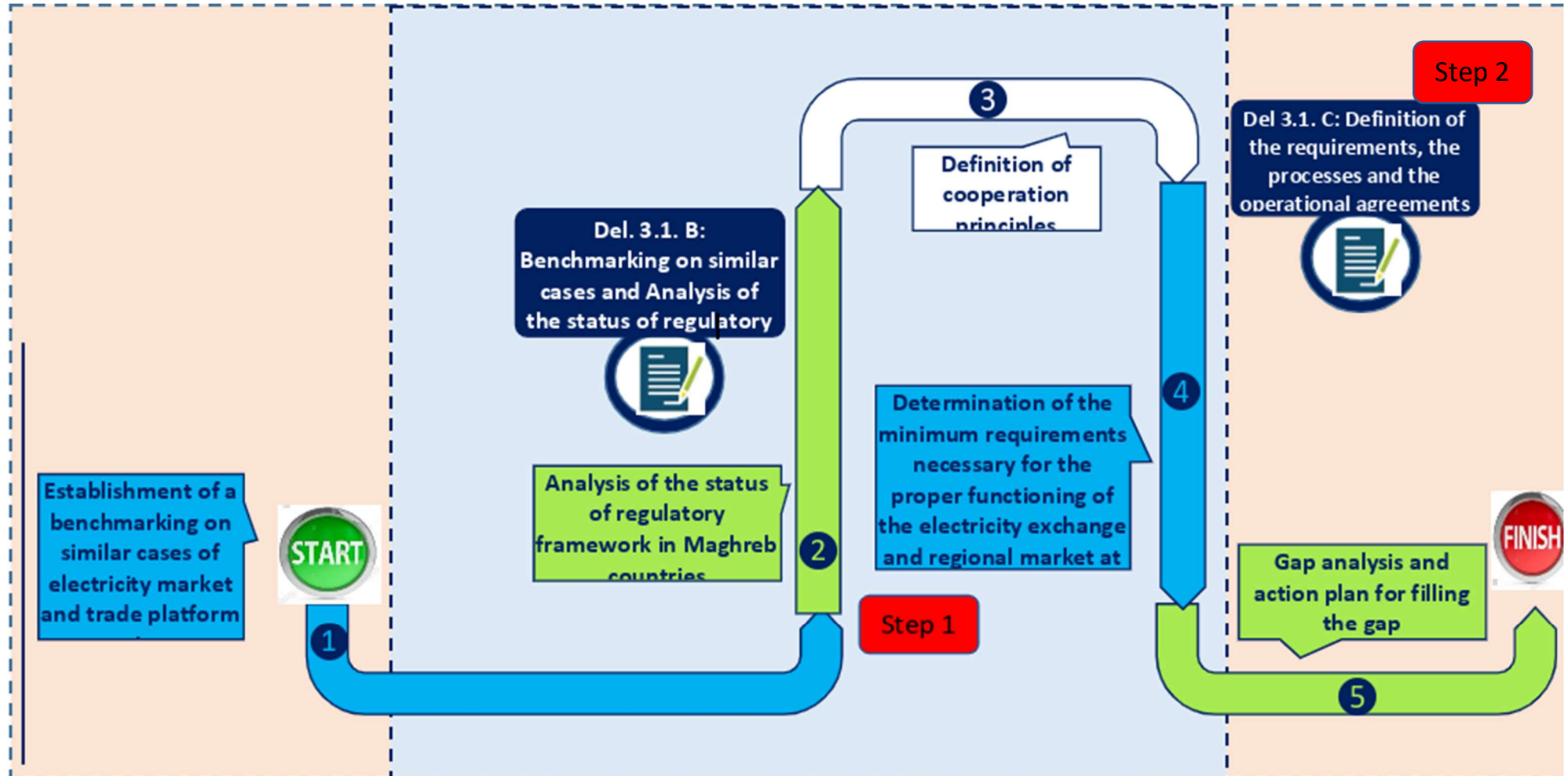
**Second step** is the definition of cooperation principles for the different market configurations. The best practices will be identified through an international benchmarking. Special attention will be paid to price definition (for energy, capacity and ancillary services), bidding processes, access rights to the platform and wheeling charges.

The expert should present different alternative proposals to achieve an effective increase and improvement of electricity exchanges between the Maghreb countries. For each solution, the **definition of minimum requirements, from technical, operational and regulatory points of view, will be provided**. These proposals could span from the “*easy win*” solutions (bilateral enhancements) to the most ambitious trading framework (multinational power pools).

The selected consultant will be asked to develop at the end a recommendation which must entail a road map to fill up the gap between the current situation and the suggested final model.

In the following pages objectives and process for fulfilling the objectives of the tender are resumed.

## Graphical summary of the roadmap



### 3. Experts profile requirements

The experts invited to this call for tenders shall have the necessary skills in relation to electricity market regulation and economic fundamentals, but also concrete implementation experience. The experts profile requirements are the following:

- ✓ Proved experience in the development of benchmarking in the field of electricity market and power trading
- ✓ Proved advice and guidance on electricity market design and policy implementation
- ✓ Proved experience in cross-border exchange procedures: rules for the allocation and usage of interconnections and information exchanges
- ✓ Proved experience in ancillary services mechanisms development
- ✓ Proved experience in Dispatching Operations in the context of open market
- ✓ Proved experience in the Long/short term coordinated planning of transmission system and Management of interconnections in the integrated electricity market
- ✓ Experience in operation and system services development of ENTSO-E and/or Mediterranean electricity networks
- ✓ Proved knowledge of the organization and structure of multi-national Power Pools
- ✓ Experience in working in an EU financed project is considered an asset.
- ✓ Skills in communication in two essential languages: French and English.

### 4. Expert activities and required man days

Work program items	Required man/days	Deadline	
		Start	End
1 <sup>st</sup> step: Benchmarking preparation and Analysis of the status of regulatory framework in Maghreb countries	up to 50	April 2022	June 2022
2 <sup>nd</sup> step: Proposal of appropriate models and definition of the requirements, the processes to fill the gap between the current situation and the proposed models	up to 85	July 2022	Nov 2022



## 5. Steps of the work Activity 3.1 “Executing short-term demonstration projects in the Maghreb”

The following table provides an analysis of the individual steps and an allocation of the responsibilities.

Steps of the work:	External Expert (EE)	TF Maghreb of TC Regulation	Deliverable & Deadline
1 <sup>nd</sup> step	<p>Benchmarking on similar cases of electricity market and trade platform projects, Definition of cooperation principles, a benchmark on electricity generation and bidding costs/price and Analysis of the status of regulatory framework in Maghreb countries.</p> <ol style="list-style-type: none"> <li>1. A report which gives at least three (03) cases of similar projects</li> </ol>	<ul style="list-style-type: none"> <li>- Provided information</li> <li>- Review of External Expert Report</li> </ul>	<p><b>Del. 3.1. B</b>  “Benchmarking on similar cases and Analysis of the status of regulatory in Maghreb countries”  June 2022 Detailed report + Executive Summary</p>
2 <sup>nd</sup> step	<p>Definition of cooperation principles, Determination of the minimum requirements necessary for the proper functioning of the electricity exchange and regional market at its first stage and development and establishment of the Operational Agreement.</p> <ol style="list-style-type: none"> <li>1. A short report on the actual situation in Maghreb region including previous attempt of integration.</li> <li>2. a detailed report on the appropriate proposals that can be implemented.</li> <li>3. A feasibility report of each proposal with tentative road map (steps,</li> </ol>	<ul style="list-style-type: none"> <li>- Provided information</li> <li>- Review of EE Report</li> </ul>	<p><b>Del 3.1. C</b>  “Definition of the requirements, the processes and the operational agreements”  November 2022 Detailed report + Executive Summary</p>

	planning, requirements, resources and risks)		
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## 6. Timetable for the tender process

Stages	Indicative period
1. Publication of the call	14 February
2. Deadline for submitting applications	10 March
3. Evaluation period	11-26 March
4. Information to tenderers	30 March
5. Signature of contract	By 31st March
6. Starting date of the activity	1st April

## 7. Invited tenderers

The tender is organized by invitation.

The following companies have been invited to apply for this call:

- **AFRY**
- **ARTELYS**
- **CASTALIA Consulting**
- **CESI**
- **EDF**
- **ELIA GRID INTERNATIONAL**
- **ENER21**
- **ENERGINET CONSULTING**
- **FRONTIER ECONOMICS**
- **IANUS**
- **MBS Consulting**
- **MERCADOS-ARIES INTERNATIONAL**
- **NORD POOL CONSULTING**
- **OMNIA GmbH**

Consortia are allowed but must be led by one of the companies listed above.

The Service Provider will present its CV according to the knowledge and skills requested and names and CVs of the proposed experts who will work in the contract must be clearly declared. The substitution of an expert can only take place with an expert with similar professional experience and, in every case, the substitution must be approved by Med-TSO.

## 8. Procedure for the Submission of Proposals

The tendering Service Provider shall submit its Proposal in three folders, named:

“[NAME OF THE TENDERER\_Folder A]”

“[NAME OF THE TENDERER\_Folder B]”

“[NAME OF THE TENDERER\_Folder C]”

**Folder A - Administrative documentation** – the following documents shall be included: this request for offer, signed by the legal representative of the Service Provider, with a copy of its ID attached; the request can also be signed by a solicitor of the legal representative and, in this case, a certified copy of the attorney has to be attached;

A valid chamber of commerce Service Provider registration for the Service Provider. This document must have an international format and in any case must be in English.

If the Expert participates in the tender with other companies, the relative agreement among the Parties must also be attached, with the specification of the parts of the service that will be performed by the individual companies.

**Folder B – Economic offer** - the cost of the work including VAT, taxes, expenses, contributions and other due fiscal charges, according to the applicable law of the Service Provider, shall be indicated.

PLEASE NOTE: Med-TSO is an international non-profit Association. Due to its nature and in compliance with Italian tax law, Med-TSO has no VAT number, but only a tax code: 97697840581, like a natural person.

Since Med-TSO is unable to manage any VAT transaction (credit and / or debit VAT) deriving from the contractual relationship with the supplier (e.g. reverse charge), Med-TSO pays all goods and services including VAT.

Therefore, all offers must include VAT to be added to the price of the offered service.

The legal representative of the Service Provider, with a copy of its ID attached, shall sign the Economic offer; a solicitor of the legal representative can also sign the offer and, in this case, a certified copy of the attorney has to be attached.

**In folder C** - *Technical offer* – The Technical offer shall describe how the activity will be performed including all details deemed relevant, list of references and CVs of experts that will perform the activities.

The Technical offer shall not include any economic information. Any violation of this requirement will determine the exclusion of the Service Provider from the bidding procedure. The legal representative of the Service Provider, with a copy of its ID attached, shall sign the Technical offer; a solicitor of the legal representative can also sign the offer and, in this case, a certified copy of the attorney has to be attached.

All the folders shall be sent by electronic mail to [tenders@med-tso.com](mailto:tenders@med-tso.com). This email shall have as object: **“Maghreb Electricity Exchange Zone”** and it shall contain a link to download the folders (Dropbox, WeTransfer or similar tools are accepted).

The deadline for the submission of the proposal is 10th March, 2021.

The evidence of the date of dispatch shall be the postmark or the receipt issued by the courier service.

Any queries could be submitted by 20 of February 2021 by email writing at [tender@med-tso.com](mailto:tender@med-tso.com). Answers to those queries will be sent to all prospects by 24 February 2021.

Med-TSO reserves the right to verify self-attested titles, competencies and experiences and the faculty of this Administration to not proceed to the award shall not be affected.

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If there is a need to have other information, Med-TSO Secretariat may contact the tenderer for this purpose during the tender process.

## 9. Award Criteria

The award will be assigned to the most economically advantageous tender, following this scoring table:

EVALUATION ELEMENTS		Weight
1+2	References and qualifications	80%
	Technical Offer	
3	Economical Offer	20%
<b>TOTAL</b>		<b>100%</b>

### I STEP

EVALUATION ELEMENTS		MAXIMUM SCORE
1	References and qualifications	50
2	Technical Offer	50
<b>Total</b>		<b>100</b>

The score will be assigned on the base of technical criteria and of the evaluation elements as follows.

1 . References and qualifications	Max Scores
Knowledge of English and French	5
Proved knowledge of Maghreb power systems and regulation	10
Experience in managing Stakeholder Engagement	5
Proved experience in the development of framework for international trading of electricity (e.g. regulatory frameworks, economical models, legislative, operational)	12
Proved experiences in the development of operational agreement for trading of electricity	12
Experience with TSOs, NRAs and Government	6

2 . Technical Offer	Max Scores
General Evaluation about the “how”: 1) How the activity will be performed; 2) How the expert will fulfill the requirements of this call	20

List of the possible use cases that will be assessed in the benchmarking activity	14
Gantt of activities	8
Work plan including consultation to ensure Stakeholders engagement and acceptance	8

The minimum score (Reference+Technical) requested is 75 points (out of 100).

## II STEP

The formula for economical offer evaluation is:

$$ES = 20 \times CP/EP$$

Where: ES is the Economic Score, CP the cheaper proposal and EP the Economic Proposal considered.

The tenderer obtaining the highest combined technical and economical score is invited to a negotiation and to sign the contract already provided in Annex 1.

## 10. Confidential Information

Any non-public information of confidential or proprietary nature; whether of a commercial, financial or technical nature related to the object of this call, or all information otherwise exchanged between Med-TSO/Med-TSO members and the companies shall be deemed to be “Confidential Information”.

“Confidential Information” shall not be used or exchanged for purposes other than in direct relation with the object of this call as specified in Article 9.1 of the draft contract (Annex 1).

## 11. Annex 1 – Draft Contract

Company  
Name  
Address

**Object:** Consulting Service for XXXXXX within the activity 3.1 of the TEASIMED Project co-funded by the European Commission through the GRANT CONTRACT - EXTERNAL ACTIONS OF THE EUROPEAN UNION ENI/2020/417-547.

### 1. DEFINITION OF THE PARTIES

This Contract is stipulated in the context of the TEASIMED Project (hereinafter “Project”),

between:

Med-TSO Mediterranean Transmission System Operators, fiscal code 97697840581, with registered office in Viale Egidio Galbani 70, 00156 Rome and operational headquarters in Via della Marcigliana 911, 00138 Rome – hereinafter referred to as the “Customer”, represented in this Contract by the Secretary General, Mr. Angelo Ferrante,

and

XXXXXXXX. —, VAT number/Fiscal Code XXXXXXXXX, with registered office in XXXXX, XXXXXXXXX – hereinafter referred to as the “Service Provider and/or Expert”, represented in this Contract by XXXXXXXX, as Legal Representative of the Company.

### 2. SUBJECT OF THE CONTRACT AND DESCRIPTION OF THE ACTIVITIES

#### 2.1 Subject of the Contract

The object of this Contract is to define and assess different options to allow trading of electricity between different countries within the Maghreb Area.

#### 2.2 Activities description

The activity to be performed by the Service Provider is described in the terms of reference of the tender (ME/P2022/XXXX) and in the technical offer submitted by the Service Provider (ME/A2022/XXX), which is inherent part of this Contract. The substitution of an expert can

only take place with an expert with similar professional experience, and must be always approved by Med-TSO.

### **3. DURATION AND CHRONOLOGICAL SCHEDULE**

This Contract comes into force on the date of its signature and ends with the realization of the service by .....

The activities referred to in the above art. 2.2 shall be fulfilled according to the work program defined in the terms of reference of the tender.

### **4. CONTRACT MANAGEMENT**

The Secretary General is responsible for providing the management of this Contract.

All the communications between the Service Provider and the Customer concerning this Contract shall be forwarded exclusively in writing, by e-mail to [angelo.ferrante@med-tso.com](mailto:angelo.ferrante@med-tso.com) or by post to the following address:

*Med-TSO  
Via della Marcigliana 911  
00138 Rome  
to the kind attention of Mr. Angelo Ferrante*

The reference person of the Consultant is XXXXXX and all communication will be forwarded to: XXXXX, XXXXXX - XXXXXX, XXXXX, XXXXXX, XXXXX.

### **5. IMPLEMENTATION IN ACCORDANCE WITH BEST PRACTICE**

With the acceptance of this Contract, the Service Provider undertakes to guarantee the Customer that all activities will be carried out according to the best available techniques and best practice, in relation to the quality level assumed for the activities themselves.

### **6. FEES AND AMOUNTS OF THE CONTRACT**

For the accomplishment of the activities referred to in paragraph 2 of this Contract, Med-TSO will pay the total amount of XXXXXX EUR, including VAT and any tax and duty, withholding tax and social security contributions, where due,

Any expense incurred and duly documented for the accomplishment of this Contract will be reimbursed to the Service Provider only prior written authorization from the Customer.



The contractually defined prices are proposed and accepted by the Service Provider in complete and thorough knowledge of the quantity and kind of work to be fulfilled; for this reason, the Service Provider declares to waive any claim of an economic nature that should result from incorrect assessment or lack of knowledge of the quantities, modalities and characteristics of the works object of the Contract.

## **7. ARRANGEMENTS FOR INVOICING, PAYMENTS, TRACEABILITY OF FINANCIAL FLOWS, ASSIGNMENT OF CREDITS**

### **7.1. Arrangements for invoicing**

The amount of the Contract in the previous art. 6 relative to the activities referred to in the paragraph 2.2 of this Contract, may be invoiced by the Service Provider, as follow:

- 100% (one hundred per cent) of the share of the activity linked to the monthly attendance of the expert as in the timesheet and report sent to and approved by the Secretary General by the last working day of each calendar month;
- 100% (one hundred per cent) of the amount of the reimbursable travelling expenses, authorized and documented, up to 10% of the amount of the contract.

The Service Provider shall attach the attendance Expert sheet to the invoice and a brief report of the fulfilled activities in the period concerned.

The VAT and/or any tax and duty, withholding tax and social security contributions, where due, shall be highlighted in the invoices. In case of exemption, contemplated pursuant to current tax laws and/or existing Agreements against double taxation, shall be sent to the Customer:

- a certificate of the foreign authority attesting the residence for tax purposes in the foreign State, with the details of the relative VAT number or tax code;
- a declaration of having made the service to Med-TSO in the foreign State;
- in the event that there is an Agreement against double taxation, a certificate proving the existence of the necessary conditions to benefit from the convention scheme.

## 7.2. Payments

Payment of invoices issued by the Service Provider will be made with fixed currency for the beneficiary, within the term of 30 days from the date of receipt of the invoice, subject to approval by Med-TSO of the services rendered and the regular performance of the requested activities.

The reference data of this Contract and the reference data of the Main Contract **ENI/2020/417-547** shall be indicated in each invoice, as well as the code and the details in order to allow payment.

Each invoice will have to be headed to:

*Med-TSO  
Viale Egidio Galbani, 70  
00156 Roma  
Tax code 97697840581*

and sent in original to

*Med-TSO  
Via della Marcigliana, 911  
00138 Roma  
to the kind attention of: Mr. Gherardo Alfonso Vichi*

## 7.3. Traceability of financial flows

In order to guarantee the traceability of financial flows finalized to prevent criminal infiltration, pursuant to and for the effects of article 3, paragraph 1 of Law 136/2010, financial transactions relating the activity referred to in the Contract in question, must be carried out exclusively through the bank or postal transfer instrument, or else with other payment instruments suitable to allow full traceability of transactions.

## 7.4. Assignment of credits

Parties expressly agree – pursuant to and for the effects of article 1260, paragraph 2 of the Civil Code- that the credits deriving from the execution of this Contract are not transferable to third parties.

Such credits shall not be also the object of any act of disposition by the creditor, even if invested with power of representation and/or management.

## **8. OBSERVANCE OF LAWS, REGULATIONS AND RULES**

This contract is governed by Italian laws. The Service Provider, under its sole responsibility, must comply with the legislative provisions as well as to observe all the regulations, rules, requirements of the competent Authorities in the field of services, labor contracts, safety and work hygiene and of how much else can, in any way, affect the execution of this Contract.

Moreover, for the entire duration of the Contract, the Service Provider must guarantee the continuation of the qualification/eligibility requirements agreed when assigning the Contract and the continuation of non-exclusion requirements provided by the General Conditions for the supply of services subsidized by the European Union.

Failure to comply by the Service Provider with the requirements and obligations charged by it pursuant to the present article, legitimizes the Customer to terminate the Contract pursuant to and for the effects of article 1456 of the Civil Code.

## **9. PARTICULAR CLAUSES**

### **9.1. Confidentiality**

All information collected during the course of this Contract, as well as all documents and reports prepared within the same, shall be considered and treated as confidential and shall not be used for purposes other than the execution of the activities covered by the Contract itself, nor disclosed or otherwise communicated to third parties without the prior written consent of the Customer. Except in cases where:

- it is necessary to comply with regulatory or legal obligations;
- Italian or foreign authorities request it and a motivated refusal could not be opposed;
- the information is already in the public domain;
- the information was already known at the date of issue of this assignment; the information has become public knowledge during the assignment for causes other than failure to comply with confidentiality obligations referred to in this article.

The Service Provider undertakes to enforce this confidentiality clause to the experts who may be involved by it, however, following the explicit authorization of the Customer, in the activities referred to in this Contract.

At the end of the Contract, the Service Provider will have to immediately cease to use and destroy, or return, all “Confidential Information” to the Customer.

It is understood that the above confidentiality clause retains its effectiveness even after the conclusion of this Contract.

## **9.2. Privacy**

It is understood that, with reference to the fulfillment by the Service Provider of the activities provided for in this Contract and in compliance with the provisions of the European Regulation on the protection of personal data (Regulation EU 2016/679), the data already taken or that will be subsequently communicated from the Service Provider will be used for the sole purpose of carrying out the activities entrusted to it.

Such data, which may be partly on paper files and partly on electronic files, will have to be kept in compliance with the security measures provided for in the European Regulation on the protection of personal data (Regulation EU 2016/679), and shall not be disclosed to the outside except in cases in which this will be necessary in the performance of a legal obligation.

In cases in which it is necessary to acquire information or data from third parties for the performance of the activities referred to in this Contract and this requires the consent of the interested parties, it will be the Customer's responsibility to obtain this consent.

It is understood that the Service Provider has the faculty to exercise, regarding the existence and processing of personal data concerning it, the rights provided for by the European Regulation on the protection of personal data (Regulation EU 2016/679).

It is also noted that the data controller in question is Med-TSO and that the responsible for data processing is the Secretary General, with domicile for the office in Viale Egidio Galbani, 70 – 00156 Rome.

## **9.3. Property of the works**

All the material prepared for the completion of the work is of property of Med-TSO

## **9.4. Liability for damage**

The Service Provider is responsible for the correct execution of the service.

The responsibility of the Service Provider during the performance of the service, and until the end of the contractual relationship, must be understood as referring to the damage done to the Customer's people and things and/or third parties, strictly connected to the methods of carrying out the service and to the object of the same. Are included in the responsibility of

the Service Provider any damages that should occur in the different phases to provide the service in accordance with the provisions of the Contract.

The assessment, the evaluation and the settlement of claims for damages shall be performed by the Service Provider in contradictory with the damaged.

The Service Provider assumes full responsibility towards the Customer for all obligations deriving from the Contract, ensuring also for the work of the Service Provider referred to in the previous articles. Therefore, the Service Provider undertakes to keep the Customer unharmed and free from any liability for accidents and/or injuries which in the execution of the Contract may be caused to the staff of the same and/or of Med-TSO, or to the Service Provider.

To this end, the Service Provider will have to underwrite and maintain the following insurance policies for the duration of the present Contract:

1. Medical insurance that indemnifies the Customer from any liability related to medical expenses;
2. Insurance for damages to cover risks in sickness or accident, including the cost of repatriation for health reasons.

The Service Provider will have to provide proof of the insurance policies and of the regular payment of the insurance premiums, without any delay, at the Customer's first request.

The Service Provider guarantees and undertakes to keep the Customer unharmed and relieved against any claim that should be advanced by third parties as a result of breaches, even partial, of the contractual rules and/or legal rules by the same or by the Service Provider.

The Service Provider undertakes to act with the utmost diligence and to take any necessary and/or opportune initiative to avoid damages of any kind and nature to people and things. In the case these should occur, the same will have to provide in any case for the complete and prompt compensation of them.

The compensation for any damage caused by the Service Provider to people and things, during the course of the activities referred to the present Contract, is entirely borne by it. Such compensation must be made within a short time and copy of the receipt must be delivered to the Customer within one month from the date of completion of activities.

However, the Service Provider is obliged without time limits to provide for his care and expenses for the compensation of any damage to its charge that should be claimed, avoiding harassment to the Customer and keeping the Customer relieved of any action initiated against him.

## **9.5 Domicile**

We acknowledge that the Service Provider, to all contractual effects, elects legal domicile at the address to which this Contract is sent. In relation to this, the Customer, for the entire duration of the same, will make any notification and/or communication to the aforesaid legal domicile.

In the event of a change in this legal domicile, the Service Provider undertakes to inform the Customer about it by registered letter; in the event of lack of this, notifications and/or communications will be considered such as regularly carried out once they are received at the previously notified legal domicile of the Service Provider.

## **10. PENALTIES**

In case of delay with respect to the terms of completion referred to in previous art. 3, a daily penalty equal to the ratio between the value of the Contract and the days of carrying out the activities. It is expressly made without prejudice to reimburse further damage in addition to the amount of the penalties.

The relevant amounts will be retained when the invoices are paid in correspondence with the services for which the contractual terms and/or the contractual conditions are disregarded, or at the time of payment of any amount due in connection with the Contract.

The penalties are cumulative, but the relative amount shall not exceed in any case 15% of the total value of the Contract.

When the amount of the penalty has reached the aforementioned limit of 15%, the Customer has the faculty to use the termination clause.

The application of the penalties does not exempt from the observance of all contractual and legal obligations concerning the correct execution of the Contract.

The parties recognize that the implementation of measures to contain the Coronavirus (COVID-1-9) epidemic in Italy {see law 13/20, decree law 18/20 and any other future} and in XXXX could result in the debtor's liability being excluded, under Articles 1218 and 1223 of the Italian Civil Code.

## **11. DISPUTES**

All disputes arising from this Contract, including those relating to its validity, interpretation and execution, shall be entrusted to a board of three arbitrators, of which two named, one

by the Service Provider and one by the Customer, and the third one, having functions of President, by the arbitrators so named.

In case of failure to appoint the arbitrator of the party, or failure to agree on the appointment of the President, the appointment itself will be referred to the President of the Rome Court, on the request of the most diligent party.

The College shall judge by right with the application of the articles 806 and following of the Code of Civil Procedure and shall have seat in Rome (Italy).

## **12. TERMINATION**

In all cases of non-fulfillment by the Service Provider of the obligations arising from the Contract, the same can be terminated by the Customer, pursuant to the provisions of the Civil Code. The termination works by right in the cases provided for in articles 7, 8, 9 of this Contract and in the cases provided for in the General Conditions for the Supply of services financed by the European Union. It is also the Customer's right to terminate this Contract in the cases provided for in article 38, paragraph 1°, let. F) of the Legislative Decree 163/2006, when the Service Provider has committed gross negligence or bad faith or a serious error in the execution of the services entrusted by another person.

In the above-mentioned cases, the Customer reserves the right to suspend the Contract, demanding the reimbursement of sums eventually paid, without prejudice, in this case also, to the compensation for damage.

Particularly, the damage may consist of both the emerging damage and the loss of profit, notwithstanding that the total amount of compensation for damages shall not, in any case, exceed the double total value of this Contract.

## **13. WITHDRAWAL**

It is understood that the Customer has the right to withdraw from this Contract, in whole or in part, at any time and at its sole discretion. In this case, the Customer shall correspond to the Service Provider exclusively the amounts relating to the expenses occurred on the date of withdrawal.

Such sum, as a comprehensive and flat-rate indemnity, is meant to be paid to acknowledgment of each and any claim or right from the Service Provider, without the latter being able to demand another compensation or indemnity, according to the article 1671 of the Civil Code or for any cause or title or reason.

#### 14. COMPLETION

This Contract is concluded pursuant to the article 1326 of the Civil Code, with full acceptance and without any reservation from the Service Provider and on condition that the requirements set forth in the following points are fulfilled.

Hereinafter the address at which the Service Provider shall send the following documentation:

Med-TSO  
*Via della Marcigliana 911,*  
*00138 Rome*  
*To the kind attention of Mrs. Simona La Cioppa*

1. One original of this Contract, stamped and signed by the Legal Representative of the Service Provider in each sheet for acceptance (attached).

Rome, XX XXXXX 2022

Med-TSO  
The Secretary General

THE SERVICE PROVIDER  
The Legal Representative



Pursuant to and for the purposes of the articles 1341 and 1342 of the Civil Code, are specifically approved the following clauses relating to this Contract:

- Art. 7.2 "Payments"
- Art. 7.3 "Traceability of Financial Flows"
- Art. 8 "Observance of laws, regulations and rules"
- Art. 9.4 "Liability for damages"
- Art. 10 "Penalties"
- Art. 11 "Disputes"
- Art. 12 "Termination"
- Art. 13 "Withdrawal"

Place and date.....

The Service Provider  
The Legal Representative

Attachments:

1. Call for Tender XXXXXXX (ME/P2022/XXXXX);
2. Offer of the Service Provider (ME/A2022/OXXXX).