

World University Service (WUS) Austria, Head Office Graz, Lichtenfelsgasse 21, 8010 Graz, as a contracting authority (hereinafter: the Contracting Authority) represented by WUS Austria Belgrade Office as an implementing agency (hereinafter: the Implementing Agency)

and

Faculty of Civil Engineering and Architecture (Aleksandra Medvedeva 14, 18 000 Nis), as a contractor (hereinafter: the Contractor),

and

University of Nis (Univerzitetski trg 2, 18 000 Nis), as a program partner (hereinafter: the Program Partner), conclude the following

SERVICE CONTRACT

entitled: **Master Studies Development Program "Water Resources Engineering"**

ARTICLE 1: General Data

This Contract is signed as a subcontract within the Contract Nr. 8093-00/07 signed between the Contracting Authority as the implementing agency, Austrian Development Cooperation (ADC) and ERP-Funds as the contractor in November 2007, with regard to financing the implementation of the program "Serbia 2007-2010: Improving Quality, Knowledge and Skills for Economic Development". In August 2010, this Contract has been extended until the end of June 2011.

ARTICLE 2: General Provisions

Master Studies Development Program (MSDP) supports interested faculties in creating tailor-made master programs/modules whose graduates are highly demanded by the local labor market and society, as well as of specific professions.

This project encourages university institutions to introduce new/modified curricula and to apply innovative approaches to new or already existing modules i.e. courses. MSDP supports introduction of new curricula in close cooperation with Austrian/EU higher education (HE) institutions and the Contractor's labor market partners with the objective to facilitate the transition of HE in Serbia towards European standards (Bologna process) in accordance with Serbian legislation.

The project is implemented directly between the **Faculty of Civil Engineering and Architecture, University of Nis and WUS Austria**. The project relies on provisions, activities and obligations listed in the application form¹, which was submitted by the

¹ including Annex " Courses " and Annex " Optional components " : e-Learning and guest lecturers (in the frame of Brain Gain Program Plus) + Annex "Letters of commitment/ endorsement"

Faculty of Civil Engineering and Architecture of the **University of Nis**, Guide for Grantees (see Annex 1), approved budget (see Annex 2), as well as feedback that was and will be provided by international and local experts before and during project implementation.

Project duration: November 2010 - June 2011

Granted Project budget by ADC: EUR 13,985.50

ARTICLE 3: Duties and Responsibilities

3.1 Responsibility of the Implementing Agency:

- overall project coordination with regard to its implementation, reporting and financing
- consulting for the benefit of achieving quality project implementation
- coordination of project evaluation activities – midterm, student and final evaluations
- controlling of the project expenditures within approved budgets, components and individual budget lines
- financial transfers to the Contractor and supplying companies (in line with approved budget – Annex 2 and procedures defined in Guide for Grantees – Annex 1)
- provision of teacher training activities
- reporting to the donor – Austrian Development Cooperation

3.2 Responsibility of the Contractor:

- provision of project coordinator/ staff who will be responsible for the implementation of activities as defined in the MSDP application (course development, conducting of study trips, purchase of literature, reporting, etc), in line with Guide for Grantees (Annex 1) and approved budget (Annex 2). If a project coordinator/staff who initially applied for the MSDP project are unable to perform their duties, it is the sole responsibility of the Contractor to find their replacement, and officially, in writing, inform the Implementing Agency.
- development of Master Program module in **Water Resources Engineering**
- fulfilling all the remarks and suggestions stated by the experts in evaluation outcomes (Annex 3); this has to be elaborated in the midterm report.
- provision of adequate space and conditions for teaching and learning, as well as space for purchased equipment
- development and printing of scripts for all courses
- literature purchase, as stated in the project application and approved by the Implementing Agency (to be completed before the beginning of the course implementation²)
- organization of study trips to the relevant HE institution in Austria/EU for the course lecturers/ developers, and/or hosting study visits of lecturers from EU partner university
- financing accommodation costs of the guest lecturer/s under the Brain Gain+ component during his/her stay in Serbia
- co-financing of the equipment in the amount of at least 50% of the total value. (See Article 4 *Co-financing* of the Contract.)
- obtaining timely approval of the University Senate for the introduction and implementation of the developed courses i.e. study program in the academic year

² Should any changes occur to the Literature list, the Contractor (Project Coordinator) needs to inform the Implementing Agency officially in writing.

2010/2011

- organization of student evaluations for all courses (forms will be provided by the Implementing Agency)
- participation of involved professors and their assistants in teacher training seminar organized by Implementing Agency (February 07-10, 2011)
- continuing the program for at least three academic cycles starting from the 2010/2011 year
- full cooperation with EU partner universities and WUS Austria offices (i.e. the Contracting Authority and the Implementing Agency)
- regular reporting to Implementing Agency (procedures are defined in the Guide for Grantees – Annex 1)

It is left to the Contractor to sign a separate contract with the local labor market partner, if deemed necessary.

3.2.1 Responsibility of the Project Coordinator i.e. Dr. Dipl. Ing. Jelena Markovic Brankovic:

- acting on behalf of the Contractor
- serving as the main contact person between the Contractor and the Implementing Agency
- the Project Coordinator is responsible for coordination of all project activities at the **Faculty of Civil Engineering and Architecture of the University of Nis** and communication of all the issues regarding project implementation
- assuring the proper improvement of the courses in terms of implementing all requests, suggestions, and remarks stated in expert's evaluations (see Annex 3); special attention will be put on this issue during midterm and final monitorings.

3.3 Responsibility of the Program Partner:

- promotion of approved project on its web site, in promotional material, towards wider public through media representation, and towards the University Senate
- in case the Contractor fails to fulfill its duties and obligations, the Program Partner will react in its capacities to resolve the conflict
- conducting of project monitoring and evaluation on request of the Contracting Authority

ARTICLE 4: Co-financing

The Contractor is obliged to provide co-financing for the project for the following:

- a. equipment
- b. script printing
- c. BGP+ accommodation
- d. transportation costs for the training seminar
- e. any other costs that are not covered by the Contracting Authority and are related to the project implementation.

a. Equipment

The Contracting Authority will co-finance equipment purchase in the maximum amount of 25,000.00 EUR not exceeding the 50 % threshold of total equipment value. This is a net amount, since the purchases made by the Contracting Authority will be exempt from the value added tax.

The value-added for the items financed by the Contractor must be covered by the Contractor itself, which can be considered as a part of the 50 % co-financing.

Additionally, transportation costs inside the country and customs expenses will be covered by the Contractor.

b. Script printing

The costs of script printing will entirely be financed by the Contractor

c. Accommodation of professors visiting through BGP will entirely be financed by the Contractor

d. Transportation costs for the training seminar of the involved professors and their assistants will be entirely financed by the Contractor

ARTICLE 5: Information and Data

The Contractor will provide all information and data required by the Implementing Agency i.e. the Contracting Authority, necessary for the successful implementation of the project (orally or in writing, as requested).

ARTICLE 6: Use of Funds

The Contractor will use the funds provided only for covering the costs according to the Project Application Form and approved budget (see Annex 2)

ARTICLE 7: Receipt of Funds

The Contractor will receive the project funds for the honoraria of the professors involved in the project. For this purpose, a separate project bank account must be opened by the Contractor.

All other payments will be made by the Contracting Authority and Implementing Agency to providers of goods/services in accordance with the approved budget (Annex 2) and will provide the following:

- MSDP direct costs (Literature, Travel costs, Accommodation, Equipment, Evaluations, Trainings)
- Lifelong Learning/e-Learning (Web platform, Training and Consulting)
- Brain Gain Plus (Travel costs, Weekly allowance)

Funds for equipment will be paid out once the Contractor provides a proof of co-financing payment to the producer/deliverer of the equipment to the Implementing Agency.

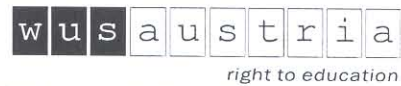
All other payments will be made only after the Contractor submits a written request to the Implementing Agency. This request should be sent as an attachment via e-mail.

(Note: All the details on procedures for receipt of funds are explained in the Guide for Grantees – Annex 1).

ARTICLE 8: Visibility

The Contractor commits itself to indicate the Austrian Development Cooperation (ADC) (hereinafter: the Donor) in a visible way, as well as the Contracting Authority.

In cases when 85% and more of the funding has been provided by the ADC i.e. the



Implementing Agency, **logo of the ADC** has to be preceded by the standard provision "**financed by**".

In cases when less than 85% of the funding has been provided by the ADC i.e. the **logo of the ADC** has to be preceded by "**supported by**".

Logos of both the Contractor and the Contracting Authority have to be preceded by "**implemented by**".

These logos have to be indicated on front covers of all the printed materials such as leaflets i.e. all promotional materials related to the program, and with all the information referring to the study program even when they are published on the institutions' websites.

The logos have to be indicated on front covers of the scripts. On the first page of the scripts the following sentence needs to be visible: *The development of this script was supported within MSDP 008/2011 project „Water resources Engineering“, a project implemented by WUS Austria and financed by Austrian Development Cooperation.*

If the Contractor applied for purchase of equipment, such equipment will be labeled with a logo sticker.

Implementing Agency should be contacted by the Contractor/Project Coordinator in case of any uncertainty of how the Donor and/or the Contracting Authority have to be made visible.

ARTICLE 9: Reporting

The Contractor is obliged to regularly submit reports on progress of the project implementation to the Implementing Agency.

Apart from regular reporting, within development process of each course three evaluation phases will be conducted:

- a. Midterm evaluation - consists of a midterm report, peer review (conducted by the representatives of the partner university), and monitoring meetings
- b. Student evaluation - based on questionnaires which are to be filled out by students near the end of course lectures
- c. Final evaluation - consists of a final report and final monitoring

Note: Relevant reporting forms/questionnaires will be provided by the Implementing Agency in due time.

Note: Detailed description of evaluation procedures will be provided in the Guide for Grantees.

ARTICLE 10: Accounting

The Contractor is responsible for keeping and regular submitting of original receipts of all expenses incurred during the duration of the project implementation to the Implementing Agency.

The whole financial documentation has to be sent to the Implementing Agency for closing the accounting of the project.

In spending the funds received, the Contractor will follow the stipulations of the Contract.

(See Annex 2)

ARTICLE 11: Unforeseen Developments

The Contractor commits itself to immediately inform the Implementing Agency about all events or circumstances which are likely to delay the implementation of the project or which could make the implementation impossible as well as all circumstances which might require a change of the agreed terms of reference of this project. All such circumstances are to be announced immediately to the Implementing Agency, which will inform the Donor.

If any of the situations described in the previous paragraph should occur, the Contractor commits itself to undertake all measures possible in cooperation with the Implementing Agency in order to implement the project activities i.e. the project in line with the proposed program. (See Annex 1)

The Contractor commits itself also to inform the Implementing Agency about any support received from other parties for the measures implemented under this Contract.

ARTICLE 12: Anti-corruption Clause

The Contracting Authority has the right, to withdraw from its funding commitment or to take any other appropriate corrective measures, if it appears that a person or an institution has been offered, promised or granted, directly or indirectly, any gift, or any other form of advantage in relation to the implementation of this project.

ARTICLE 13: Dispute Settlement

In case of a dispute on matters under this Contract, which cannot be resolved by an amicable settlement, the **Second Municipal Court in Belgrade** (Savska 17a, 11000 Belgrade) shall be competent to resolve the dispute in accordance with Serbian legislation.

Issues not covered by this Contract and all potential misunderstandings and disputes will be resolved in an amicable way. Amicable dispute settlement will take place without any delay and shall be conducted reasonably and in good faith.

ARTICLE 14: Refunding of the granted funds

The Contractor is obliged to refund the funds received, fully or in part, on the request of the Donor, if:

- The Donor or the Contracting Authority has not been correctly or fully informed about important circumstances relevant for the implementation of the project.
- Funds have been partly or fully used outside the agreed purposes.
- Services funded have not been fully implemented.
- Conditions agreed have not been met.
- Contract obligations have not been entirely fulfilled.

ARTICLE 15: Termination of the Contract

In case any of the provisions stipulated by this Contract are breached, the Contract will be terminated, and the abovementioned measures will be applied.

ARTICLE 16:

The Contract consists of 4 (four) identical copies of which the Contracting Authority keeps 2 (two) copies and the Contractor keeps 2 (two) copies.

Annexes

The following annexes are integral parts of the Contract at hand:

Annex 1 – Guide for Grantees

Annex 2 – Approved Budget

Annex 3 – Outcomes of the expert's evaluation (Bologna conformity; Employability; Academic Quality)

For the Program Partner:

Rector of the University



Seal of the University

For the Contractor

Dean of the Faculty

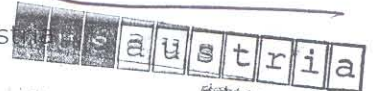


Seal of the Faculty

For the Contracting Authority

WUS Austria

Seal of WUS Austria



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Date and place:

17.11. 2010