



CONTRACT

BETWEEN

**THE GOVERNMENT OF ZIMBABWE
REPRESENTED BY
THE MINISTER OF INDUSTRY AND COMMERCE**

AND

EAA COMPANY LIMITED

FOR

**CONSIGNMENT BASED CONFORMITY ASSESSMENT (CBCA) – PRE-SHIPMENT
INSPECTION OF NEW AND USED MOTOR VEHICLES AND USED MOTOR VEHICLE
SPARE PARTS**

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PREAMBLE

WHEREAS the Government of Zimbabwe hereinafter called the “Client”) and EAA Company Limited (hereinafter called the “Contractor”) (jointly referred to as “the Parties” and singularly as “the Party”);

WHEREAS the Parties are desirous of co-operating in the verification of the standards of motor vehicles and used motor vehicle parts being imported into Zimbabwe;

WHEREAS the Ministry of Industry and Commerce is the relevant Government Ministry charged with overseeing the upholding of standards of imported motor vehicles and used motor vehicle parts into Zimbabwe;

WHEREAS the contractor is duly registered as EAA Company Limited in Yamato, Japan under registration number 0210-01-029586 has the requisite professional skills, personnel and technical resources to provide the services (**hereinafter referred to as the “Services”**) required by the Client in respect of standards verification of imported motor vehicles and parts.

WHEREAS the Client is engaged in verification of conformity services on motor vehicles and parts intended to be imported;

WHEREAS the Contractor has represented to the Client that it has the required professional skills, personnel and technical resources to provide the Services requested by the Client;

WHEREAS the Contractor has expressly and unequivocally agreed to provide the Services requested by the Client on the terms and conditions set out hereinafter;

NOW THEREFORE in consideration of the promises and covenants herein contained the Parties hereby agree as follows:

1. GENERAL PROVISIONS

- 1.1 The headings to the Clauses of this Contract are for reference purposes only and shall in no way govern or affect the interpretation of nor modify nor amplify the terms of this Contract nor any Clause hereof;
- 1.2 If any provision in a definition is a substantive provision conferring rights or imposing obligations on any Party, notwithstanding that it is only in the definition Clause, effect shall be given to it as if it were a substantive provision of this Contract;
- 1.3 Unless the context dictates otherwise, an expression which denotes

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any gender includes the other; and reference to a natural person includes an artificial person and to the singular includes the plural, and vice versa in each case;

- 1.4 The annexures to this Contract form an integral part hereof and words and expressions defined in this Contract shall bear unless the context otherwise requires, the same meaning in such annexures;
- 1.5 When any number of days is prescribed in this Contract, the same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a day which is not a Business Working Day, in which case the last day shall be the next succeeding Business Day;
- 1.6 Where any term is defined within the context of any particular Clause in this Contract, the term so defined, unless it is clear from the Clause in question that the term so defined has limited application to the relevant clause, shall bear the same meaning as ascribed to it for all purposes in terms of this Contract, notwithstanding that term has not been defined in this interpretation clause;
- 1.7 The use of the word "including" followed by a specific example or examples shall not be construed as limiting the meaning of the general wording preceding it and the *ejusdem* generic rule shall not be applied in the interpretation of such general wording or such specific example or examples;
- 1.8 The rule of construction is that, in the event of ambiguity, the Contract shall be interpreted by the Parties and in the event that there is no agreement reference shall be made to the Arbitration Clause.
- 1.8 Documents constituting the contract includes this Contract, the Annexures and any other documents referred in the Contract, including the proposal submitted by the Contractor to the Client, detailing the Contractor's abilities and plan for meeting the Client's needs;
- 1.9 In case of any discrepancy between the above documents the text of this Consignment Based Conformity Assessment Contract shall prevail over any of the Annexures except the Agreement itself. Each Annexure shall prevail over the documents referenced in said Annexure. Later made addenda and amendments alter the contents of this Contract only to the extent expressly agreed upon between the

Parties; all other conditions shall remain unchanged. Nothing in this Contract, however, shall alter, replace, modify or substitute any contract already concluded between the Parties, unless expressly provided for herein.

2. DEFINITIONS

Unless the context otherwise require, the following terms whenever used in this Contract shall have the following meanings;

- 2.1 "Applicable Laws" means the laws and any other instruments having the force of law in Zimbabwe, as may be issued and in force from time to time;
- 2.2 "Applicable standards" means National, Regional or International standards or international safety standard for the performance of the Contract;
- 2.3 "Business Working Day" means, for purposes of this Contract, any day, other than a Saturday or a Sunday or any legal holiday in Zimbabwe;
- 2.4 "Certificate of Conformity " means a secured/authenticable document issued by the Contractor demonstrating that a specific motor vehicle or used motor vehicle parts have been found to be compliant according to the applicable verification procedures and consistent with the relevant provisions of the WTO Agreement, TRIPS Agreement, Technical Barriers to Trade (TBT) Agreement and the Pre-shipment Inspection (PSI) Agreement.
- 2.5 "CIF" means Cost, Insurance and Freight according to the INCOTERMS definition of 2020;
- 2.6 "Client" means the Government of Zimbabwe;
- 2.7 "Contract" means this Contract including all appendices and annexures attached hereto, as may be amended or supplemented from time to time;
- 2.8 "Contractor" means the company providing services pursuant to this Contract and where the context so permits any company or person subcontracted by the Contractor to provide the services;
- 2.9 "COI" means Certificate of Inspection;

- 2.10 "Foreign Currency" means any currency other than the local currency of Zimbabwe;
- 2.11 "FOB" means Free on Board according to the INCOTERMS definition of 2020;
- 2.12 "Destination of Inspection" means conformity assessment done within Zimbabwe at the port of entry or any other premises permissible by the Minister of Industry and Commerce. The following are charges/procedures for destination inspection:
- i. The importer shall move the goods to a bonded warehouse or any other suitable location, to allow their inspection at destination at his/her cost.
 - ii. The importer of such goods may in addition to the penalty fee be subjected to a sampling, transportation and testing fee.
 - iii. Expenses relating to storage, demurrage, unloading of the container or truck, handling of goods for inspection, and any other costs related to the assessment on arrival are to be covered by the importer.
 - iv. Destination costs which includes the testing and inspection costs will be met by the importer.
 - v. Goods arriving at the point of entry without the required COC will be subject to destination inspection and also to a penalty fee of 15% of the CIF payable to Treasury.
 - vi. Inspection fee will be based on the amounts which will be charged by the selected destination inspection service provider.
 - vii. Provision for Relevant Authorities:-
 - a. To destroy or forfeit or dispose non-compliant products after having conducted destination inspection at the cost of the importer, or
 - b. Goods not meeting the applicable standards may be returned to the country of export at the importer's expense or will be destroyed.
 - viii. Penalty of 15% of CIF value of consignment to be paid by the importer, which will be paid to Treasury.

- 2.13 "Government" means the Government of Zimbabwe;
- 2.14 "ISO" means International Organization for Standardisation;
- 2.15 "Local Currency" means the lawful currency of the Zimbabwe;
- 2.16 "NCR" means Non-Conformity Report;
- 2.17 "Party" means the Client or the Contractor, as the case may be, and "Parties" means both of them;
- 2.18 "Personnel" means persons hired by the Contractor or by any subcontractor whether or not as employees and assigned to the provision of the Services and performance of the Contractor's obligations set out herein or any part thereof;
- 2.18 "Physical Inspection" In country of export means Visual and machinery Examination against the standards provided by the Client for motor vehicles and used motor vehicle parts intended to be exported to Zimbabwe and verification of quantity available.
- 2.19 "Proposal" means the document submitted by the Contractor to the Client, detailing the Contractor's abilities and plan for meeting the Client's needs;
- 2.20 "Inspection Center" means an inspection facility where roadworthiness testing and inspection is carried out.
- 2.21 "Motor Vehicle" means any vehicle propelled by electrical or mechanical power and adapted or intended for use or capable of being used on roads, but does not include a vehicle running on rails.
- 2.22 "Subcontractor" means any person or entity with authorisation from the Contractor to carry out part of the Services;
- 2.23 "Services" means the work to be performed by the Contractor pursuant to this Contract;
- 2.24 "Third Party" means any person or entity other than the Client, the Contractor or a Subcontractor;
- 2.25 "CBCA — Consignment Based Conformity Assessment (also called Verification of Conformity" ("VOC")): confirmation, through the provision of objective evidence, that requirements of the Applicable

Standards have been fulfilled. The **VOC** is achieved by one or more of the following tasks: Shipment inspection, Verification of documentation, Testing, Risk assessment;

- 2.26 "WTO" means World Trade Organisation.
- 2.27 Used motor vehicle parts means a previously used replaceable, identical to and interchangeable component of a machine
- 2.28 Programme should be construed to mean the CBCA regulation as enshrined within a gazette statutory instrument with reference to the same trade facilitation regulation

3. RELATIONSHIP BETWEEN THE PARTIES AND APPOINTMENT

- 3.1 It is acknowledged that the Contractor shall act as an independent Contractor of Services to the Client and shall not act as an agent of the Client. Nothing contained herein shall be construed as establishing a relationship of master and servant or of principal and agent as between the Client and the Contractor.
- 3.2 Nothing contained herein shall be construed as establishing a relationship of master and servant or of principal and agent between the Parties.
- 3.3 The Contractor, subject to this Contract, has complete charge of its personnel and Sub-contractors, if any, performing the Services and shall be fully responsible for the Services performed by them or on its behalf.
- 3.4 The Client hereby appoints the Contractor and the Contractor hereby accepts to carry out the Services in accordance with the Contract. The Contractor may appoint Sub-contractors, as the Contractor may deem necessary to perform part of the Services. However, the main part of the Services, including certificate issuance, shall be executed by the Contractor.

4. LAW GOVERNING THE CONTRACT

This Contract, its meaning and interpretation, and the relationship between the Parties shall be governed by the Applicable Laws of the Government of Zimbabwe.

5. **LANGUAGE**

This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract.

6. **HEADINGS**

The headings to the clauses of this contract are for reference or convenience purposes only and shall in no way limit, govern or affect the interpretation of nor modify, nor amplify the terms of this contract this Contract nor any clause hereof.

7. **NOTICES**

7.1 Any notice required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice shall be deemed to have been given or made when delivered in person to an authorised representative of the Party to whom the communication is addressed or when sent by registered mail, special courier and email to such Party at the address specified below:

7.1.1 Client: Secretary for Industry and Commerce
Mukwati Building, Simon Muzenda Street / Livingstone Avenue, Private Bag CY 7708, Causeway, Harare, Zimbabwe
Telephone: [+263 242 762 700 / +263 242 795 152 / +263 242 702 733 / +263 242 795685]
(0745hrs – 1645hrs Harare, Zimbabwe time).....
Email — qualityassurance@mic.gov.zw

7.1.2 Contractor: EAA Company Limited
Authorized representative: Raymond Lee Sayer

Physical Address: EAA Company Limited
1-20-5-101Rinkan
Yamato City
Kanagawa 242-0003
Japan

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Telephone: 0081 46 205 7611/0081 80 7727 2131

Email: saycr@caa-s.jp

7.2 Notices will be deemed to be effective as follows:

- i) In the case of personal delivery or registered mail, not later than fifteen (15) business working days after having been handed over to the post office or to the special courier or dispatched; and
- ii) In the case of e-mails one (1) Business Working Day following confirmed transmission.

7.3 A Party may change its address herein above by giving the other Party notice within seven (7) working days of such change pursuant to the aforementioned provisions.

8. LOCATION

The Services shall be mainly performed in the region of export.

9. AUTHORISED REPRESENTATIVES

Any action required or permitted to be taken and any document required or permitted to be executed, under this Contract by the Client or the Contractor may be taken or executed by the authorised representatives herein specified or by their officially designated representatives.

10. REPRESENTATION AND WARRANTIES

10.1 Each of the Parties hereby represents and warrants, as material warranties to the other as at the commencement date that:

10.1.1 It has full power to enter into and perform in terms of this Contract, has taken and shall take all necessary statutory and other actions to authorise the fulfillment of its obligations under this Contract;

10.1.2 All authorisations and/or approvals required or advisable in connection with the entering into, performance, validity and enforceability of this Contract and the transactions contemplated by this Contract have been obtained or effected and are in full force and effect;

10.1.3 The execution, delivery and performance of this Contract does not violate or conflict with any law or court order or judgment or any contractual obligation binding on or affecting it or any of its assets or its memorandum and articles of association; and

10.1.4 This Contract constitutes a legal, valid, binding and enforceable obligation of such Party.

11. MEDIA AND PUBLICATION

11.1 Neither Party shall be entitled to publish and/or distribute any media publications, advertisements and/or notices of any kind relating to the other Party and/or this Contract unless it has obtained the other Party's prior written consent thereto.

11.2 The Client shall launch a promotion campaign in the media with all stakeholders in the country of export and within Zimbabwe and publish on its website.

11.3 The Contractor shall launch promotional campaigns in the media about the program outside and in the countries of origin after the signature of this Contract at its own expense.

11.4 Each Party chooses a media that could be adopted for promotion such as visual, published, audio media and websites, seminars and conferences.

12. TRANSFER AND DELEGATION

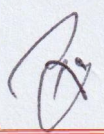
Neither Party shall be entitled to, without obtaining the other Party's prior written consent, to transfer or delegate any or all of its rights or obligations in terms of this Contract.

13. COUNTERPARTS

This Contract may be executed in a number of counterparts and by the Parties hereto on the separate counterparts, all of which when so executed shall be an original, but all such counterparts together shall constitute one and the same instrument.

14. SOLICITATION

Any unauthorised solicitation of the Client's employees by the Contractor, Subcontractor or its agents in any manner whatsoever shall be considered as a breach entitling the Client to terminate the Contract and claim damages.

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15. **WAIVER**

The failure by either Party to enforce at any time or for any period any one or more of the terms or conditions of this Contract shall not be a waiver of them or any right at any time subsequently to enforce all terms and conditions of this Contract.

16. **APPOINTMENT**

The Client hereby appoints the Contractor and the Contractor hereby accepts to carry out the Services in accordance with the Contract. The Contractor may appoint Subcontractors, as the Contractor may deem necessary to perform part of the Services. However, the main part of the Services, including certificate issuance, shall be executed by the Contractor.

16.1 It is acknowledged that the Contractor shall act as an independent Contractor of Services to the Client and shall not act as an agent of the Client.

17. **COMMENCEMENT, COMPLETION AND MODIFICATION OF CONTRACT**

17.1 **Effectiveness of the Contract**


This Contract shall come into force on the date of its signature by the Parties or if not signed simultaneously on the date of the last signature.

17.2 **Commencement of Services**

The Contractor shall begin carrying out the Services on a date no later than thirty (30) days of receipt of the notice to commence the Services by the Client.

17.3 **Duration of Contract**

Unless terminated as set out in Clause 16, the term of this Contract is thirty-six (36) months from the date of commencement by the Parties and or may be renewed by the Parties on six (6) months' notice. For avoidance of doubt, commencement date referred in this clause is the same as the one articulated under 16.2.

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17.4 Entire Contract

This Contract contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make and the Parties shall not be bound by or be liable for any statement, representation, promise or agreement not included herein.

17.4.ii Documents Constituting the Contract

a. This Contract, its Annexes or any other document referred in the Contract, including the Proposal submitted by the Contractor to the Client, detailing the Contractor's abilities and plan for meeting the Client's needs shall form part of the Contract.

b. In case of any discrepancy between the abovementioned documents, the text of this Contract shall prevail over any of the Annexes except the Contract itself. Later made addenda and amendments alter the contents of this Contract only to the extent expressly agreed upon between the Parties, all other conditions shall remain unchanged. Nothing in this Contract, however, shall alter, replace, modify or substitute any contract already concluded between the Parties, unless expressly provided for herein.

17.5 Modification or Amendment

Modification or amendment of the terms and conditions of this Contract including any modification or amendment of the scope of the Services may only be made by written agreement between the Parties. Any modification or amendment hereof shall only be binding if it is made in writing and signed by each Party. The Parties may, however, clarify requirements in writing.

17.6 *Force Majeure*

17.6.1 For the purposes of this Contract, "*Force Majeure*" means an event which is beyond the reasonable control of a Party, and which makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes, but is not limited to, wars, acts of a public enemy, riots, civil disorders, earthquakes, fire, explosion,

storms, floods or other adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial action are within the power of the Party invoking *Force Majeure* to prevent), confiscation or any other action by government.

17.6.2 *Force Majeure* shall not include any event which is caused by the negligence or intentional action of a Party or such Party's Subcontractors or agents or employees, nor any event which a diligent Party could reasonably have been expected to both take into account at the time of the conclusion of this Contract and avoid or overcome in the carrying out of its obligations herein.

17.6.3 *Force Majeure* shall not include insufficiency of funds or failure to make any payment required hereunder.

17.6.4 The failure of a Party to fulfill any of its obligations hereunder shall not be considered to be a breach of or default under this Contract in so far as such inability arises from an event of *Force Majeure* provided that the Party so affected by such an event has taken all reasonable precautions due and reasonable alternative measures all with the objective of carrying out the terms and conditions of this Contract.

17.6.5 A Party affected by an event of *Force Majeure* shall take all reasonable measures to remedy such Party's inability to fulfill its obligations herein with a minimum of delay.

17.6.6 A Party affected by an event of *Force Majeure* shall notify the other Party of such event as soon as possible, and in any event not later than seven (7) working days following the occurrence of such event providing evidence of the nature and cause of such event and shall similarly give notice of the restoration of normal conditions as possible.

17.6.7 The Party shall take all reasonable measures to minimise the consequences of any event of *Force Majeure*.

17.6.8 The burden of proving the existence and extent of the alleged event and the enforceability thereof shall rest on the Party claiming *Force Majeure*.

17.6.9 Any period within which a Party shall pursuant to this Contract complete any action or task shall be extended by a period equal to the

time during which such Party was unable to perform such action as a result of *Force Majeure*.

17.6.10 Not later than thirty (30) days after the Contractor, as the result of an event of *Force Majeure*, has become unable to perform a material portion of the Services, the Parties shall consult with each other with a view to agreeing on appropriate measures to be taken in the circumstances.

18. TERMINATION OF CONTRACT

18.1 Termination by either Party

Either Party to this Contract may terminate this Contract by giving the other Party six (6) months written notice of termination. A Party terminating the Contract under this Clause shall be required to state reasons for the termination as stated below in 18.2 and 18.3.

18.2 Termination by the Client

Notwithstanding anything to the contrary contained in this Contract, this Contract shall at the option of the Client be terminated:

- i. If the Contractor breaches any of the terms, covenants, provisions and conditions contained in this Contract or the Applicable Laws and such breach continues for a period of sixty (60) days after notice thereof has been given by the Client to the Contractor, such breach being capable of remedy;
- ii. If the Contractor ceases or threatens to cease to carry out the Services or takes or threatens to take any action to liquidate its assets, or stops making payments in the usual course of business;
- iii. If the Contractor fails and or defaults to remit any payment due to the Client and such default continues after the expiry of any notice issued by the Client in relation to the remittance;
- iv. If the Contractor becomes insolvent or bankrupt or makes any arrangements with its creditors for relief of debts or takes advantage of any law for the benefit of debtors or goes into liquidation or receivership whether compulsory or voluntary;

- v. If the Contractor fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause 24 hereof; and
- vi. If, as a result of *Force Majeure*, the Contractor is unable to perform a material portion of the Services for a period of not less than sixty (60) days.

18.3 Termination by the Contractor

Notwithstanding anything to the contrary contained in this Contract, this Contract shall at the option of the Contractor be terminated:

- i. If the Client is in material breach of its obligations pursuant to this Contract and has not remedied the same within sixty (60) days after notice thereof has been given to the Client by the Contractor;
- ii. If, as a result of *Force Majeure*, the Contractor is unable to perform a material portion of the services for a period of not less than sixty (60) days; and
- iii. If the Client fails to comply with any final decision reached as a result of arbitration pursuant to Clause 24 hereof.

18.4 Cessation of Rights and Obligations

Upon termination of this Contract as provided herein, all rights and obligations of the Parties hereunder shall cease, except:

- i. such rights and obligations as may have accrued on the date of termination or expiration;
- ii. the obligation of confidentiality as set forth in Clause 19.9;
- iii. the Client's obligation to remit any payments due and owing to the Contractor before termination; and
- iv. any right, which a Party may have, under the Applicable Laws.

18.5 Cessation of Service

Upon termination of this Contract under Clause 18 hereof, the Contractor shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the Services to a close in a prompt and orderly manner.

18.6 **Dispute about events of termination**

If either Party disputes whether an event specified in Clause 18.2 or in Clause 18.3 hereof has occurred, such Party may, within twenty one (21) Business Working Days after receipt of notice of termination from the other Party, refer the matter to arbitration and this Contract shall not be terminated or suspended on account of such event except in accordance with the terms of any resulting arbitral award.

19. **OBLIGATIONS OF THE CONTRACTOR**

19.1 **Services to be provided**

The Services to be provided by the Contractor shall be consistent with the procedures set out in this Contract and such other procedures as may be agreed by the Parties as per Appendix III.

The Services provided by the Contractor shall include:

- i) implementation of the VOC program in the countries of export and issuance of a Certificate of conformity when compliance with the procedure is achieved or of a Non- Conformity report when either non-conformity is detected or the verification process could not be achieved;
- ii) launching of an awareness campaign in exporting countries and to make available essential information to exporters independent only or in collaboration with the client ;
- iii) implementation of an effective risk-management system in order to rationalise the Program's resources by targeting problematic areas mostly;
- iv) providing a secure and reliable electronic transmission of data to the Client and storage of such data in secure data bases including verification platforms for the authentication of CoCs ; and
- v) issuance of monthly reports on verification activity.

19.2 **Verification of conformity**

19.2.1 The Contractor shall proceed to VOC based on risk assessment, visual/physical examination and detailed tests whenever necessary

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for each kind of Goods under the Program in accordance with the Applicable National, Regional and International Standards, taking into consideration the specificity of the motor vehicles and spare parts, Applicable standards and manufacturing processes involved and other factors relevant to the VOC and to issue Certificates of Inspection and Non Conformity Reports as appropriate.

19.2.2 The Contractor shall issue COI within five (5) days from the date of launch or of Request for Conformity Documents.

19.2.3 The Contractor shall apply the following verification processes before issuance of Certificates of Inspection/Non Conformity report:

- i. systematic physical inspection and
- ii. testing and/or acceptance of demonstrated confidence in conformity of products (based on risk assessment).

19.2.4 The Client shall undertake surveillance on the regulated motor vehicles and used motor vehicle parts that are coming into the country with COC.

19.3 Standard of Performance

The Contractor shall perform the Services and carry out its obligations hereunder with all due diligence, efficiency and economy in accordance with generally accepted professional techniques, standards, terms, conditions and practices and in a non-discriminatory and transparent manner. The Contractor shall observe sound management practices, and employ appropriate advanced technology and safe and effective equipment, machinery, methods and provide qualified and experienced personnel to carry out the services. The Contractor shall always act in respect of any matter relating to this Contract or to the Services as faithful adviser to the Client and shall at all times support and safeguard the Client's legitimate interests in any dealing with Subcontractors or third parties.

19.4 Non Performance

19.4.1 The following shall constitute non-performance of the obligations of the Contractor or its Subcontractors and shall attract penalties as set out below:

- i. except in case of *Force Majeure* event, failure to meet set timelines Services to be performed by the Contractor shall attract a penalty equivalent to the five (5) times the verification fees (CBCA fees) charged or chargeable by the Contractor;
- ii. issuance of a COC for a consignment that does not comply with the agreed verification procedures shall attract a penalty equivalent five (5) times the verification fees (CBCA fees) charged or chargeable by the Contractor; and
- iii. if the importer does not bring the vehicle in, except in case of *Force Majeure* event, a failure to schedule and/or carry out a verification, shall attract a penalty of Five Thousand United States Dollars (US\$3 000) for each uninspected consignment.

19.5 Law Governing Services

The Contractor shall perform the Services in accordance with the Applicable Laws currently in force in Zimbabwe.

19.6 Royalty fees due to the Client

The Contractor agrees and undertakes to pay to the Client monthly royalty fees equivalent to **fifteen** percent (15%) of the certification and inspection fees to be charged on the issuance of a COC and received net of sales tax by the Contractor for the Services. The payment shall be made per quarter, that is, on or before the fifteenth (15th) day of the following month after the end of the quarter.

19.7 Conflict of interest

The Contractor shall maintain procedures, for the duration of this Contract to avoid conflict of interest. Provision of similar services by the Contractor to third parties in other jurisdictions outside Zimbabwe shall not constitute conflict of interest.

19.8 Prohibition of Conflicting Activities

During the term of this Contract, the Contractor shall not engage and cause its personnel as well as its Subcontractors and their personnel not to engage, either directly or indirectly, in any business or

professional activities which would conflict with the activities assigned to them under this Contract.

19.9 Confidentiality

19.9.1 Each Party shall not, either during the term of this Contract or within ten (10) years after the expiration of this Contract, disclose any proprietary or confidential information relating to the Services, this Contract or the business or operations without the prior written consent of the other Party except where ordered to do so by a court of competent jurisdiction.

19.9.2 The Client authorises the Contractor to disclose information related to any possible infringement of intellectual property rights. This applies to any fake document, counterfeit or similar (use of a well-known brand/manufacturer name without any official registration).

19.10 Liability of the Contractor

19.10.1 The Contractor shall be liable to the Client for the performance of the Services in accordance with provisions of this Contract and for any loss suffered by the Client as a result of a default by the Contractor in performance of its contractual obligations to an amount equivalent to four (4) times the fee paid or due to the Contractor for the provision of that particular service which is the subject of the claim subject to the following limitations:

19.10.2.1 the Contractor shall not be liable for any damage or injury caused by or arising out of the act, negligent, default or omission of any persons other than the Contractor, its Subcontractors and the personnel or either of them;

19.10.3.2 the Contractor shall not be liable for any loss or damage caused by or arising out of circumstances over which the Contractor has no control; and

19.10.4.3 the Contractor shall immediately remedy any damage caused to the Client, resulting from the performance and execution of its duties herein.

19.11 Insurance to be taken out by the Contractor

The Contractor shall take out and maintain, and shall cause any Sub-contractor to take out and maintain, at its own cost or the

Sub-contractor's cost, as the case may be, appropriate insurance covers.

19.12 Monitoring

19.12.1 The Contractor shall:

- i. keep and cause each of its Sub-contractors to keep accurate and systematic accounts and records in respect of the services hereunder, in accordance with internationally accepted accounting principles and in such form and detail as will clearly identify all relevant charges and costs and the bases thereof;
- ii. provide upon request from the Client or its designated representative periodically, and up to expiration or termination of this Contract, copies of documentation of any specific file. This shall include, copies of inspection report, photos of inspected products, test reports and issued Certificate of Inspection /Non conformity Report as applicable.

19.13 Reporting Document Obligations

The Contractor shall submit to the Client the reports in the form, in the numbers and within the time periods as may from time to time be agreed between the Parties.

19.14 Documents Prepared by the Contractor

Unless already in the public domain, all plans, specifications, reports, other documents prepared specifically for the purpose of this Contract by the Contractor shall be the property of the Client, and the Contractor shall, not later than fifteen (15) days upon termination or expiration of this Contract, deliver such documents to the Client, together with a detailed inventory thereof if so requested. The Contractor may retain a copy of such documents, but shall not use these documents for purposes unrelated to this Contract without the prior written approval of the Client.

19.15 Contractor's Personnel and Subcontractors

The Contractor shall employ and provide such qualified and experienced personnel and Subcontractors as are required to carry out the Services.

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19.16 Capacity Building

19.16.1 The Contractor shall provide training to the Client's personnel, to an amount equivalent to five percent (5%) of the Contract annual turnover (exclusive of royalty fee remitted to the Client) in areas of inspection centers, testing, legal enforcement, risk management and procurement, or on such other areas as may be determined by the Client, in appropriate institution(s) within the assigned region.

19.16.2 The Contractor shall fund five (5) of the Client's personnel to undertake Annual Assessments in two (2) destinations. The Contractor shall provide travel and subsistence allowances as per applicable Government rates. For Long-haul the Contractor shall purchase premium economy class tickets.

19.16.3 The Client shall cover the costs of Annual Financial Audits conducted by the Client's employees for duration of three (3) business days per destination.

20. OBLIGATIONS OF THE CLIENT

20.1 Standards

20.1.1 The client shall acquaint themselves with Local, Regional and International applicable standards.

The client shall communicate to the contractor in writing on the specific applicable Local, Regional and International applicable standards or national deviations for use in effecting verification of conformity services. Within the duration of the contract, any changes on applicable standards shall be communicated by the client accordingly.

20.2 Notice to importers and related authorities

20.2.1 The Client shall inform the local trading sector (mainly importers) of the implementation of the Program.

20.2.2 The Client shall liaise with appropriate authorities to facilitate implementation of the Program.

20.3 Obligation on Certificate of Inspection

20.3.1 The Client shall ensure that regulated motor vehicles and parts are allowed to enter Zimbabwe only when accompanied by a valid certificate of inspection issued by the Contractor.

20.3.2 The Client shall undertake surveillance on the regulated motor vehicles and parts that are coming into the country with CoI.

20.4 Services Affected by Change in Regulation

20.4.1 Where changes in the Regulations increases the cost of the Services or reduce the revenue of the Contractor derived from the Services, the Parties shall renegotiate in good faith the provisions of this Contract that may be affected.

20.5 Transmission of Information and Documents

20.5.1 The Client shall ensure that the Contractor promptly receives all regulations including import regulations and the data and/or hard and soft copies of all documents, including but not limited to import declarations, decisions or agreements which are required for the performance of the Services, information which is not required for the performance of the Services which is confidential to the Client, and other relevant authorities of the Government, shall be released to the Contractor at the discretion of the Client.

20.6 Appeals

20.6.1 The Client shall ensure that a suitable panel is established which shall promptly respond to any appeals made against the Contractor's opinion or to any claim for breach of confidentiality. Such panel shall consist of the Client and other relevant authorities of the Government and the Contractor.

20.7 Standards

The Client shall communicate to the contractor in writing on the specific applicable Local, Regional, International Applicable Standards or national deviations for use in effecting verification of conformity services. Within the duration of the contract, any changes on applicable standards shall be communicated by the Client accordingly.

20.7.1 The client shall inform the local trading sector mainly importers of the implementation of the programme. The client shall liase with appropriate authorities to facilitate implementation of the programme.

21. PAYMENTS TO THE CONTRACTOR

- 21.1 Payment for the Services rendered by the Contractor shall be paid directly to the Contractor by the importer or seller of the motor vehicles and used motor vehicle parts intended to be imported into Zimbabwe.
- 21.2 The fees charged by the Contractor and the administration fees payable to the Client shall be as set out in Appendix II to this Contract.

22. GOOD FAITH

The Parties undertake to act in good faith with respect of each other's rights under this Contract and to adopt all reasonable measures to ensure the realisation of the objectives of this Contract.

23. OPERATION OF THE CONTRACT

The Parties recognise that it is impractical in this Contract to provide for every contingency which may arise during the life of the Contract, and the Parties hereby agree that it is their intention that this Contract shall operate fairly between them, and without detriment to the interests of either of them and that if during the term of this Contract either Party believes that this Contract is operating unfairly, the Parties shall use their best efforts to agree on such action as may be necessary to remove the cause or causes of such unfairness. A formal review of the operations shall take place annually by a committee constituted by the Parties.

24. SETTLEMENT OF DISPUTES

- 24.1 If any dispute, difference or question (collectively a "Dispute") arises between the Parties in respect of this Contract, representatives of the Parties shall co-operate, in good faith, to attempt to amicably resolve the Dispute.
- 24.2 If the Parties are unable to resolve any Dispute in terms of the above Clause, the Dispute shall, upon written request by any Party, be referred to senior management officials of the Parties (the "Dispute Board"), who shall confer with each other in good faith to resolve the



same. The Dispute Board shall consist of two (2) members from each of the Parties and such members shall be senior representatives or members of the board of directors of the Parties. If the Dispute Board is unable to resolve the matter within thirty (30) days of the date on which the matter has been referred to them, either Party shall notify the other Party that it wishes to submit the Dispute to arbitration in accordance with this Clause.

24.3 Any dispute which cannot be resolved pursuant to Clause 22.1 or 22.2, including any question regarding the existence, validity or termination of this Contract, may be referred to and finally resolved by arbitration under the International Criminal Court (ICC), which Rules are deemed to be incorporated by reference into this Clause. The arbitration shall be conducted in accordance with the following provisions:

- i. the Arbitral Tribunal shall consist of five (5) arbitrators, two appointed by each Party, and an arbitrator, who shall be President of the Tribunal, appointed by agreement of the Parties or, failing such agreement, by the ICC;
- ii. the arbitral proceedings shall be conducted in the English language and all of the arbitrators shall be fluent in English;
- iii. the seat, or legal place, of arbitration shall be a place agreed by the Parties and approved by the ICC.

24.4 The arbitration award shall be final and binding on the Parties and shall be enforceable in, and judgment upon any award may be entered in, any court having jurisdiction over one or more of the Parties.

24.5 The costs of the arbitration shall be paid in accordance with any direction of the arbitral tribunal unless otherwise agreed in writing by the Parties.

24.6 When a Dispute occurs and when a Dispute is under arbitration, except for the matters under dispute, the Parties shall continue to exercise their remaining respective rights, and fulfil their remaining respective obligations under this Contract.


24.7 This arbitration process is intended to resolve a private dispute. The Parties agree to maintain the confidentiality of any information, documents, or things regarding or disclosed in the course of an arbitration, including, without limitation, the award, except as

required by law, regulation, or bona fide business purpose, such as disclosure to accountants, shareholders, or third-party purchasers. Unless agreed by the Parties, the arbitral tribunal and any administering arbitral institution shall maintain the confidentiality of all matters relating to the arbitration, including, without limitation to the award.

24.8 Each Party agrees:

- i. Not to claim, invoke or permit to invoke on its behalf any benefit or right it has or may have in the future under the laws of Zimbabwe, or of any other state or jurisdiction, to prevent, delay, hinder, nullify or obstruct in any way the submission of the Dispute to arbitration or the progress of the dispute through arbitration, as set out in this Clause;
- ii. To accept any award rendered by the arbitral tribunal and any final judgment decided upon by a court of competent jurisdiction as final and binding and not to claim, invoke or permit to invoke on its behalf any rights of immunity, to prevent, delay, hinder, nullify or obstruct in any way the enforcement or execution of any award rendered by the arbitral tribunal and any judgment decided upon by a court of competent jurisdiction;
- iii. To the extent that the Client may in any state or jurisdiction, claim or benefit from any immunity (whether characterised as state immunity, sovereign immunity, act of state or otherwise) from any jurisdiction, claim, court proceedings, action, attachment, set off, execution, service or other legal process, the Client irrevocably and unconditionally agrees to waive and hereby waives any such rights of immunity; and
- iv). Provided that such waiver does not apply to the assets of the Client within the territory of the Client which are immune from attachment and execution as provided under section(2)of the State Liabilities Act [*Chapter 8:14*] and to its consular and diplomatic assets which are also immune from attachment and execution in terms of the Vienna Convention on Consular Relations of 1963 which are given in force of law under

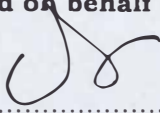
Section 3 (1) and 5 (1) of Privileges and Immunities Act
[Chapter 3:03].

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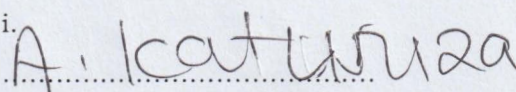
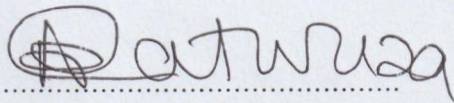
IN WITNESS WHEREOF, the undersigned, being the duly nominated and authorized representatives of the Parties have signed this Contract.

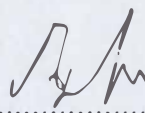
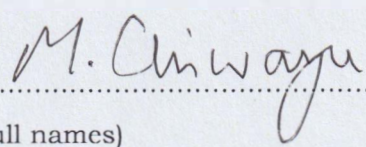
THUS DONE and signed at Harare, Zimbabwe this ^{8TH}.....day of ~~MARCH~~ 2022, in duplicate in the English language.

For and on behalf of the Government of Zimbabwe

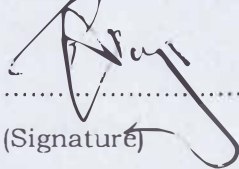

.....
(Signature) **MAVIS SIBANDA** (Designation) **PERMANENT SECRETARY**

(in the presence of the undersigned witnesses)


i.  
(Witnesses' signature) (Full names)


ii.  
(Witnesses' signature) (Full names)

For and on behalf of EAA Company Limited

 **DIRECTOR**
(Signature) (Designation)

(in the presence of the undersigned witnesses)

i.  **JOSIAH BENEDICT**
(Witnesses' signature) (Full names)

ii.  **ISMAEL MUSORA**
(Witnesses' signature) (Full names)

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APPENDIX I

**Goods with Tariff Headings subjected to Consignment Based
Conformity Assessment (CBCA)**

Regulated products under this contract: refer to Statutory Instrument
124 of 2020 and subsequent amendments.

APPENDEX II
SCHEDULE OF FEES

1- CBCA (VOC) Fees

The following fees for the Service will be charged by the Contractor and shall apply to all regions without any discrimination and are net of taxes:

Product	Ad Valorem fee as a percentage of the declared FOB value	Fee in United States Dollars (\$) per motor vehicle per region	Fee in United States Dollars (\$) per motor vehicle per region United Kingdom	Maximum fee in United States Dollars(\$)
Motor vehicle	N/A	All other regions USD 140.00	United Kingdom USD 200.00	N/A
Used motor vehicle parts	0.5 %	Minimum USD 245.00	USD 245.00	USD 2650

- a. Any other fee for PVoC services as agreed in writing with the Client from time to time
- b. The above-mentioned fees covers the documentary verification and inspection of goods (when carried out per the risk assessment procedure)
- c. The above fees do not include laboratory testing, sealing of containers registration and licensing of products. The services of testing shall be charged directly by the Contractor on a case-by-case basis.
- d. The Contractor reserves the right to charge the supplier an additional fee where goods or facilities are not ready or available at the time the supplier has advised and therefore an additional inspection visit is required.

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e. Other

- i. The Contractor fee shall be calculated on the basis of the value of the invoice presented by the exporter or the importer (excluding of fixed fees.) however, in case the Contractor detects an attempt to under invoice the transaction, the Contractor will notify. Government of Zimbabwe and will be entitled to ask for additional payment from the party that requested the service, after having provided full evidence of this under invoicing.
- ii. The Contractor will be entitled to its fees regardless of whether after its assessment of the goods the exporter or importer does not provide the information or documents necessary for the final issuance of the COC, or for any reason does not proceed with the shipment of the goods.

2- Note regarding FOB value

- i. If FOB value is not disclosed by exporter (invoiced under a different incoterm) then the following will be applied: Incoterm integrating FOB (such as CIF): value under this incoterm will be taken into account in place of the FOB value.
- ii. Incoterm not integrating FOB (such as EXW): Estimation of the FOB is made in excess (EXW +10% will be applied unless a specific estimation of the FOB value is done).

APPENDIX III

DESCRIPTION OF THE PURPOSE OF THE SERVICES

Consignment Based Conformity
Assessment ("CBCA") Programme
Also known as "Verification of
Conformity" ("VOC)

The purpose of the service (the "Service") is as follows:

- i. to assist the User Government (as defined herein below) to improve consumer and environmental protection as well as industrial development through assessment of compliance applied to imported/exported consignments;
- ii. to assist the aforementioned User Government in implementing the principles and complying with the obligations laid down by the Agreement on Technical Barriers to Trade ("ATBT");
- iii. and, possibly, to lend its assistance under the framework of the process of reinforcing quality infrastructures by providing supplementary services, such as technical training modules and/or specialized testing systems/equipment.

This Service is provided by the service provider in compliance with:

- (i) the standards and rules made available/communicated by the User Government,
- (ii) the TIC's Consignment Based Conformity Assessment Code of Practice ("CBCA Code of Practice") and
- (iii) the Service Provider's Code of Ethics.

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Except for the exemptions listed in this contract, the Service Provider will verify the consignments to all the supplier countries, in order to determine whether these goods correspond satisfactorily to the "Conformity" requirements as described below.

1.1. **Verification of Conformity Services (CBCA)**

The objective of the Verification of Conformity Service is to have permanent control to improve the conformity of imported goods to applicable standards and regulations.

The product groups subject to this verification are identified in Appendix I.

The Verification of "Conformity" Service incorporates the requirements of the IFIA Code of Practice (CBCA Code of Practice) by integrating the application of risk management, in particular within the framework of the document review.

1. **DEFINITIONS AND SCOPE**

Consignment Based Conformity Assessment Code ("CBCA)": refers to a process suitable for ensuring compliance of the shipment of products exported from, or imported into, the territory of the User Government with the applicable national and international standards and technical regulations with a view to the purpose outlined in section 1 hereinabove. The aforementioned process includes verifying the conformity of the shipping documents as well as physical verification of the goods shipped (if necessary) and of their compliance with the shipping documents.

"CBCA Programmed": means the list of products subject to the programmer, the Applicable Standards, and the procedures and management of the Consignment Based Conformity Assessment (CBCA) Programmed of the User Government. The CBCA Programmed defined by the competent governmental authorities and standardization organizations requires that consignments be covered by a certificate of conformity with the programmer.

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“User Government”: refers to any government or governmental body (for example the Ministry of Industry and Commerce, or the organization in charge of ensuring products conformity) that has signed a contract with a Service Provider or which has assigned it a CBCA service authority, or recognizing its certificates.

“Certificate”: means the report issued by a recognized company responsible for the CBCA assessment, indicating that the conformity of the consignment’s goods has indeed been checked in accordance with the procedures and requirements of the CBCA Programmed and that the presumption of conformity of the consignment has been established based on:

- (i) documents supplied by the exporter or importer; and,
- (ii) as the case may be, a visual inspection and or mechanical inspections , depending on the User Government’s requirements and on the process followed. The Certificate is only intended for use within the context of the Customs clearance process in the importing country.

“Applicable Standards”: generally covers the mandatory standards and technical regulations of the User Government as well as the international standards supplemented by national deviations.

“Inspection Report”: is an interim report issued following completion of the visual inspection of the goods. This report, which does not constitute a Certificate, and which is intended solely for internal use, may, depending on the case in question, either indicate a “satisfactory” or “unsatisfactory” result. The term “satisfactory” refers to:

- (i) the consistency of the inspected goods with the description provided to the Service provider by the importer or the exporter,
- (ii) the conformity with the regulatory criteria specified by the User Government of the importing country, and
- (iii) the conditions for carrying out the inspection (obstacles, lack of access, ethical issues, security and safety risks, etc.). This document

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only relates to the visual inspection, namely one of the inspection stages prior to shipping (cf. section 4 below).

“Non-Conformity Report” (“NCR”): refers to a report intended for the importer and for the User Government, indicating that the assessment result is not “satisfactory” following detection of an instance of non-conformity or of a fraud, or of the impossibility of completing the assessment for reasons attributable to the exporter/importer.

2. EQUIPMENT USED

In the course of the physical/visual inspection carried out pursuant to the CBCA Programme, the staff and the inspectors of the recognized Service Provider do not generally need special equipment, other than personal protective equipment and cameras. All the handling operations must be carried out by the importer or exporter using its own resources and under its own responsibility. Duly calibrated measuring instruments (in particular weighing equipment when the quantity is defined by weight) may be required at the inspection site.

Laboratories carrying out tests must, for their part, have appropriate equipment (cf. section 4 below).

However, User Governments may sometimes require additional services requiring the use of other resources, such as radiation measuring instruments or X-ray scanners: in this case, the agents and staff of recognized Service Providers shall use specific equipment.

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3. PERFORMANCE OF SERVICES

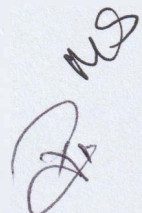
The Service includes several distinct phases. The basic process of the CBCA Programmed, which is accessible to any exporter/importer, includes the conformity documents verification phase (including any supplementary tests), the risk assessment, the inspection, and the final review, as described below.

In order to facilitate trade whilst at the same time encouraging conformity, “streamlined processes” may be applied depending on the profile of the exporter or manufacturer and on the goods that are to be shipped. Within this context, the process can only feature part of the phases described below. Certain phases may only become applicable under the framework of consignments monitoring (this is not applied systematically).

- Verification of the conformity documents:

Along with the “Request for Certificate” (or “RFC”), the exporter/importer shall provide Service Provider with the documentation enabling it to be established with confidence that the products to be exported comply with the Applicable Standards. Ideally, these documents are test reports issued by accredited laboratories. Other conformity documents may be accepted in accordance with the CBCA Code of Practice and depending on the type of product and CBCA Programme concerned, particularly when a risk assessment applies (cf. below).

When the documentation is not sufficiently trustworthy, tests shall be carried out on one or more samples. The exporter is free to select any laboratory of its choice insofar as the laboratory is recognized as being competent to perform the required tests. Strictly speaking, carrying out tests is not part of the Service. Nevertheless, Service Provider may offer to carry out these tests in one of its laboratories

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- **The risk assessment:**

Supplementary to the “streamlined processes” referred to hereinabove and in accordance with the CBCA Programme in force and the directives of the User Government, it may be possible to plan as pre - determined by the Service Provider.

Carry out a specific assessment in order to identify those consignments for which it is trusted there will be greater compliance. This assessment is then carried out based on tangible evidence and, when the level of confidence is established, enables the conformity documents checking phase to be either streamlined or eliminated (cf. above).

- **Physical/visual inspection:**

The Service Provider’s inspector checks the goods. The inspection is generally carried out at the exporter’s warehouse. It is up to the exporter to adopt the measures required to enable the Service Provider’s inspector to effectively carry out his or her work within the timeframes set, in accordance with the rules of ethics, and under completely safe conditions.

The inspector conducts a visual check to ensure that the shipped products do indeed match the documents forwarded (in particular the name, the trademark / manufacturer’s name, and the reference). This may also include a visual inspection of the conformity with certain points in the Applicable Standards, particularly in terms of labelling, marking, and expiry date.

At the end of the inspection, an Inspection Report is issued, the use and scope of which are limited to those described in section 2 above.

- Final review and issuing of the Certificate or Non-Conformity Report:

Once the document verification and inspection stages have been completed with a “satisfactory” result, the exporter/importer shall send the competent office of the final documents: the final invoice and other documents which may be required by the CBCA Programme.

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The service provider checks compliance of these documents with the assessment carried out beforehand and uses them to issue the Certificate. The Certificate will not be issued (and will be replaced by an NCR) in the event of a discrepancy:

- A In terms of the documentary verification: (i) Absence of acceptable conformity documents and refusal to carry out further assessment (for example, tests or analyses), (ii) detection of non-conformity based on the documents provided, or (iii) detection of fraud (for example, providing false documents, falsified documents or counterfeited products confirmed by the User Government), or (iv) unethical behaviour.
- B In terms of the physical/visual inspection: (i) If the quality or quantity of the goods does not match the description featured in the commercial documentation and/or shipping documentation provided (*e.g.* the pro forma or final invoice, the packing list), (ii) if the goods are clearly in poor condition, (iii) if an instance of non-conformity is detected in the goods inspected, (iv) in the event of fraud or unethical behaviour, or (vi) if the service provider inspector does not receive the benefit of satisfactory conditions for carrying out his or her work.
- C. In terms of the final review: (i) If the goods inspected do not match those described in the documents examined, (ii) if payment for the Service has not been made (payment for the Service may be demanded at any time), or (iii) if a non- conformity or an irregularity is detected.

4 DELIVERABLE SUPPLIED BY SERVICE PROVIDERS

The deliverable that will be supplied by service provider is a Certificate (or an NCR) containing the following data in accordance with the requirements of the Government of Zimbabwe

- Number of the Certificate or NCR;
- The issuing office and the country where it was prepared or issued (where applicable);

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- Date of issue of the Certificate;
- Names and addresses of the exporter and importer;
- The invoice reference;
- Trade description of the goods (in particular the description of the product, the trademark / manufacturer's name, and the reference).

Where applicable, the Certificate is delivered to the importer with a view to Customs clearance. The information relating thereto may also be forwarded to the authorities in the importing country.

5. LIMITS OF THIS PROVISION OF SERVICE

Issuing the Certificate constitutes the conclusion of the trust concerning the presumption of conformity of the goods that have to be shipped, pursuant to the procedures of the CBCA Programme concerned.

The Certificate used for Customs clearance does not exonerate the importer or its declarant from their own responsibilities in relation to the User Government and the end-user of the goods, particularly with regards to the accuracy and sincerity of the Customs declaration.

The Service is only intended for the purpose described in section 1 and is not intended for:

- Settling any conflicts of a commercial nature between the importer and the exporter, e.g. concerning the quantity or the quality of the goods ordered;
- Certifying the conformity of the goods presented for the Customs clearance.

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For the avoidance of doubt, the Service Provider does not fulfil the role of an insurance company or a guarantor concerning the adequacy, quality, merchantability, fitness for a specific purpose, or the performance of the goods to which the Service relates.

6. COST OF THE SERVICE

Payment for the Service is generally borne by the exporter or, more infrequently, by the importer. Additional tasks, such as re-inspection, tests, or specific audits (access to “streamlined processes”) may also be invoiced for.

7. PROCESS FOR CONSIGNMENT-BASED CONFORMITY ASSESSMENT

The Contractor shall perform an evaluation of the objective evidence that a consignment of products fulfils requirements of applicable standards and/or technical regulations, in line with the IFIA code of practice for Consignment-Based Conformity Assessment

Such evaluation activities shall include:

- (i) Review of conformity supporting documents such as the Request for Inspection provided by the exporter and applicable to the consignment of products that are subject to the CBCA programme.
- (ii) Physical verification that the products intended to be shipped are those for which valid conformity supporting documents have been reviewed. The physical verification shall also include checks regarding conformity of the goods with applicable standards and national deviations such as labelling, marking or shelf-life requirements in particular.
- (iii) Assessment of the conformance risks of the products and specific consignment to be shipped.

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(iv) The comparison of the inspected products with the shipping and/or transaction documents.

(v) Details and results of the evaluation conducted by the Contractor shall be documented through a specific report or check-list which shall be retrievable from the Contractor filing system.

(vi) Physical verification shall be conducted in such a manner to minimise the amount of potential disruption in the supply chain. Wherever possible, inspection shall be carried out at the time and place of shipment of the consignment or on the exporter's premises or any other place allowing an appropriate and safe inspection for the Contractor's inspector.

(vii) The Contractor shall issue a Certificate of Inspection at the end of a verification process if its result is satisfactory and following receipt of the exporter's final invoice and payment of Certification fee. The Service Provider issues a Non Conformity Report if the result is unsatisfactory and not corrected or if the verification process had to be interrupted for a reason not attributable to the Service Provider. Unless otherwise requested by the exporter (in particular for payment by letter of credit), COI and NCRs are issued in electronic form in line with agreed format of the Client

Request for Certification should contain a duly completed "Request for certification" and supporting documents such as:

- Proforma or final invoice
- The location of the products or the location where an inspection may take place;
- The date from which the products will be ready for inspection.

And if possible/available:

- Any document available to best describe the product (registration document, product description sheet / User manual / photo ...)
- Any document of conformity (test / analysis report / certificate, attestation, etc.)
- Quality management certificate,
- Packing list, etc

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- Proof of payment unless stipulated otherwise (The exporter will pay the Service Provider the fees provided for in the agreement).

8. **OTHER IMPORTANT INFORMATION**

Please refer to the directives or data sheets for the importing country, which can be accessed on the service providers' platform.

The authorities of the importing country may establish a risk management system which, on a case-by-case basis, defines the inspection level applicable to each import, including through using scanners upon arrival. Other regulatory processes and checks including, among other things, checking the compliance of the goods with certain regulations, or other inspections upon arrival, while the goods are being unloaded, may also apply.

In order to help you fulfil your contractual obligations whilst at the same time fulfilling your specific requirements, Service Provider may propose other types of services to you, such as commercial inspection (specific checks, inspection reports with photos, amongst others) and tests in accordance with specifications, in exchange for the payment of fees calculated separately. Please contact your local Service Provider office in order to obtain further information on this topic.

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