**Integrity Clause**

The bidder and the contracting authority undertake to take all necessary measures to avoid corrupt practices during the tender process and during the contract execution. For the purposes of this provision, “corrupt practices” are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or implementation of a contract already concluded with the contracting authority.

The contract authority undertakes that its staff will not demand or accept, personally or through family members, any bribes, gifts, gratuity or commission in connection of the tender. The contracting authority will exclude from the tender process all known prejudiced persons.

The bidder and, if applicable, its sub-contractors and joint-venture partners, undertakes to observe the following principles during its participation in the tender process and during the contract execution:

* it has not paid, and will not offer or pay any bribes, gifts, gratuity or commission in order to obtain or retain the contract;
* it has not colluded and will not collude with other bidders in order to rig or influence tender process in any way;
* it will disclose to the contracting authority and auditors selected by the contracting authority all payments made in connection with the award of the contract in question to anybody (including agents, brokers or any other intermediaries). This refers to payments made directly, as well as indirectly through family members or other third party.

If the bidder before the contract award or during the contract execution has committed a violation of the integrity clause principles, the contracting authority is entitled to disqualify the bidder from the tender process.

The bidder accepts that a contravention of the integrity clause may result in the annulment of the tender or the premature termination of the contract by the contracting authority.

The contracting authority reserve the right to report suspected contravention or anti-competitive conduct by bidder to the appropriate regulatory authority and to provide that authority with any relevant information.

The contracting parties should note, that the sanctions established as a consequence of violation of the integrity clause do not exclude, substitute or modify in any way the criminal, civil, disciplinary or administrative sanctions established by law.