



Rep. Cont. nr. 4
del 01/01/2020

EMPLOYMENT CONTRACT

Today on 1/01/2020, in Tirana, Albania, the following Parties have entered into an Employment Contract (hereinafter referred to as the "Contract"):

Tirana Office of Agenzia Italiana per la Cooperazione allo Sviluppo (AICS), having its seat at Rruga Abdi Toptani, Torre Drin, Tirana, with NUIS L01720452C, duly represented for the signature hereof by its Country Director: Mr. Nino Merola, born on, in with Diplomatic Passport No with full legal capacity to act;"

Hereinafter referred to as the "Employer";

and

Mr. Giovanni Timillero, born on resident at Personal ID No adult, with full legal capacity to act;

Hereinafter referred to as the "Employee"

(Hereinafter each of them referred to as the "Party" and collectively as the "Parties").

Preamble

This Contract is linked to the project AID 011928 - ALBANIA "NaturAlbania: azioni di capitalizzazione e valorizzazione nel contesto territorio e ambiente". (hereinafter referred to as the "Project", financed by the Italian government through Agenzia Italiana per la Cooperazione allo Sviluppo (AICS) and implemented by Employer in accordance with the Law no. 10069 dated 05.02.2009 "On the Ratification of "Framework Agreement on Development and Financial Cooperation between the Council of Ministers of the Republic of Albania and the Government of the Republic of Italy" ("Framework Agreement").

1. Position and Duties

- 1.1 Employer hereby employs Employee as Expert for the management of the initiative "NaturAlbania: azioni di capitalizzazione e valorizzazione nel contesto territorio e ambiente" having the duties defined in the Job Description, attached as Schedule 1 of this Contract.
- 1.2 Employee shall also be required to carry out other duties which are not specifically mentioned in the Job Description, but are reasonably considered to be related to such duties and those additional duties as may be reasonably assigned to him/her from time to time by Employer.
- 1.3 Employees shall abide to rules and regulations on working conditions set by the Italian Diplomatic Missions and will follow all of the instructions issued by the Head of mission concerning security issues.

2. Object and Term of the Contract

- 2.1 Due to the nature of the work and purpose of this employment as stated below under Section 2.2. this Contract is entered into for a defined fixed period of time as defined under Section 2.3 below.
- 2.2 This Contract shall be for the purpose of needs of the Employer to implement the Project "NaturAlbania: azioni di capitalizzazione e valorizzazione nel contesto territorio e ambiente".
- 2.3 The effective date of the Contract is on **01/01/2020 (the "Effective Date")** and the expiry date is on **31/12/2020** unless it is early terminated as provided under Section 13 of this Contract.
- 2.4 Nothing in the content of this Contract shall be interpreted as automatic extension of the term after the termination date. Employer reserve the right (not the obligation) to enter into another fixed term contract upon the termination date.
- 2.5 During the first 2 (two) months of employment, if contract is over 12 (twelve) months, Employee is on probation period. During the probation period either the Employer or the Employee may terminate the Contract, by giving 5 (five) days written notice, without having any obligation to provide the termination cause.

3. Place of Work

- 3.1 Employee shall primarily perform the work and duties in the premises of the Employer in Tirana, Albania.
- 3.2 Employee will also work in any premises where Employer has operations across Albania, as well as carry out duty trips abroad, primarily but not exclusively to Bosnia- Erzegovina, Kosovo or the Headquarters in Italy.

4. Compensation/Bonuses/Expenses

- 4.1 Employee shall be paid a monthly net salary of **2.000 Euro** as set forth in Vacancy 03/ALB/2019 of 21/10/2019 (<http://aicstirana.org/project/avviso-di-selezione-di-un-esperto-per-la-gestione-esecutiva>) and in accordance with the law and subject to any deductions as may be required by law (see Section 5 below).
- 4.2 The monthly salary shall be paid to Employee in a single installment not later than the last Friday of the consecutive month, to Employee's bank account in Albania. If the payment day falls on a weekend or official public holiday the salary shall be paid on the working day immediately preceding the weekend or official public holiday.
- 4.3 Duly prior authorized expenses, incurred by the Employee during the performance of his/her tasks and duties, either in Albania or abroad shall be invoiced and tracked by himself/herself through a monthly expenses report (with all receipts attached), which shall be subject to formal approval by Agency before being reimbursed.

5. Social Security, Health Insurance and Personal Income Tax

Option 1 – Albanian tax residents

- 5.1 Employee hereby understands and accepts that the Employer is exempted from the obligation to be registered with the Albanian tax authorities by means of the Framework Agreement.

Therefore, Employer and Employee are exempted from payment of the social security contributions payable respectively by Employer and Employee in Albania.

- 5.2 Employer shall withhold from the gross salary and pay the respective percentages of health insurance contributions payable by the Employee, as required by the respective Albanian laws. Employer shall add to the Employee's contributions the respective percentages of health insurance contributions Employer has to pay to the benefit of Employee as required by the respective Albanian laws. Primary health/risk insurance will be paid by the Employer.¹

Option 2 – Non-Albanian tax residents

- 5.1 Employee hereby understands and accepts that the Employer is exempted from the obligation to be registered with the Albanian tax authorities by means of the Framework Agreement.

Therefore, Employer and Employee are exempted from payment of the social security contributions payable respectively by Employer and Employee in Albania.

- 5.2 As Employee is not a tax resident in Albania for purposes of the Albanian tax legislation, both Employer and Employee are exempted from payment of the health insurance contributions payable respectively by Employer and Employee. According to the provisions of the Framework Agreement Employee's salary shall not be subject to the income tax related to employment in Albania.

- 5.3 The Employer shall withhold the respective personal income tax, social insurance from the gross salary of the Employee and pay them as provided by the respective Italian laws. Primary health/risk insurance will be paid by the Employer.²

6 Working time

- 6.1 The normal daily working hours is 8 (eight) hours. The normal weekly working hours is 40 (forty) hours. Employee shall be available to work from Monday to Friday or at any time as provided by Employer and as maybe reasonably changed from time to time at Employer's discretion.

¹ The minimum risk-coverage requirements will be determined by the Employer and will apply regardless of the Country of residence.

² The minimum risk-coverage requirements will be determined by the Employer and will apply regardless of the Country of residence.



- 6.2 The normal daily working time begins at 9.00 a.m. and terminates at 17.00 p.m.
- 6.3 Employee is entitled to a rest break of 45 minutes/hour according to the Labour Code that shall be taken during the respective working day at a time convenient to Employee and not conflicting with the operational needs. Rest breaks are not regarded as paid working time.

7 Overtime

- 7.1 Under certain conditions and circumstances (including but not limited to cases of force majeure, unexpected increase of work or the needs of an unscheduled project which has to be completed within the unexpected specified term) Employer may request Employee to work beyond the fixed working hours as indicated in Section 6 above, during working weeks, but also public holidays or weekends.
- 7.2 In any case the maximum amount of additional work performed by Employee cannot exceed 200 (two hundred) hours per year. The additional working hours shall be distributed and compensated in compliance with the applicable legislation and internal rules of Employer.

8 Vacation/Sick Leave/Other paid Leaves

- 8.1 Employee is entitled to weekly holidays on Saturday and Sunday. For the work performed during weekly holidays, Employee shall be compensated with an additional 25% of the normal payment, or with paid time-off equal to the time of work performed during the weekly holidays plus an additional time-off of 25% of the duration of this work. The paid time-off is given a week before or after performance of the work. Employee enjoys the right to 32 (thirty-two) working days annual leave per year. If Employee has not worked for a full calendar year, the annual paid leave is calculated pro-rata to the duration of employment relationship. Employer schedules the annual leave according to the Employer's work organization, but also takes into consideration Employee's needs.
- 8.2 Employee is entitled to paid sick leave right to maximum of forty-five (45) working days sick leave per year, supported with the submission of the relevant medical reports or other evidences as may be requested by Agency on a case-by-case basis. Days in addition to these days up to a maximum of 240 days will not be subject to pay. Maternity/paternity leave will be equal to what is established in similar cases according to the Albanian Labour Code.
- 8.3 All other types of paid leaves will be provided in accordance with the Albanian Labor Code and internal policies of Employer.

9 Confidential Information/Non-Disclosure

- 9.1 Employee shall maintain confidential any information learned while being employed by the Employer. Employee shall not disclose any commercial, business secrets or other confidential information related to the Employer, or related persons, or its clients, irrespective of whether or not such information concerns Employer itself, or whether it was conveyed to Employer or Employee by a third party, unless it is necessary for the purposes of complying with this



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Contract or as an obligation provided by law. This confidentiality obligation remains effective irrespective of commercial secrets being related to Employee's duties.

- 9.2 Employee shall use care and diligence to ensure that no information, material or any document whatsoever, available to Employee within his/her activities with Employer or becomes available to unauthorized third parties in any other manner.
- 9.3 Employee undertakes to keep as exclusive property of Employer entrusted to him/her, all notes Employee makes in connection with his/her activities with Employer and in connection with other business issues, as well as all books, documents, copies and other business material relating to the Employer's activities.
- 9.4 Employee must obtain Employer's prior written approval for any exception from the obligation to the maintenance of commercial secrets and non-disclosure.
- 9.5 Obligations of Employee to keep commercial secrets and other confidential information according to this Contract and Employer's internal policies shall remain valid and survive the termination of this Contract.
- 9.6 The Employee shall be subject to any code of ethical conduct which is applied by the Agency and she/he will abide to all security instructions issued by the Head of the Diplomatic Mission territorially competent.
- 9.7 Any breach by Employee of obligations listed in this Section 9 shall constitute a material breach and shall give rise to Employer's right of immediate termination for cause and indemnification.

10 Health and safety at work

- 10.1 Employer will take all reasonably practicable steps to ensure safety and health of Employee while at work, and take all measure to keep the health of Employee intact in accordance with applicable legislation.
- 10.2 Employee will also abide by the relevant internal policies and instructions of Employer regarding safety and health.

11 Liabilities

- 11.1 Employee is responsible for carrying out his/her work with reasonable care and skill commensurate with the position to which he/she has been appointed. Employer will not accept responsibility for any liability to third parties arising from acts or omissions of Employee other than those directly related to the performance of duties by Employee under this Contract.
- 11.2 By signing this Contract, the Employer and the Employee hereby mutually agree on the rights and obligations deriving from the employment relationship in accordance with the Labour Code and other applicable legislation in effect and in accordance with the AICS's internal rules and regulations.
- 11.3 Employee hereby declares that he/she has received a copy (a printed version or an electronic version from the corporate intranet) of the AICS ethical Code/Codes of Conduct which contents



he/she has been duly informed; that he/she understands and accepts it, and that he/she undertakes to fulfil any applicable obligations under such Code, as it may be subject to changes from time to time and such changes are accepted by the Employee in writing through the relevant acceptance form and that any failure to comply with any requirement contained in the Code will result to the imposition of Disciplinary Measures against him/her in accordance with the provisions of Section 12 of this Contract.

- 11.4 Employees, notwithstanding any other provisions set forth in this contact, are fully obliged to pay local taxes and any other relevant personal income tax, health security or social security as required by their fiscal residence.

12 Disciplinary Measures

- 12.1 In the case of breach by Employee of the obligations of this Contract and of the internal regulations of Employer, Employee may be subject to the disciplinary measures as provided in the AICS Codes that are considered as integral and inseparable part of this Contract:
https://www.aics.gov.it/wp-content/uploads/2019/09/Codice_etico_AICS_BOZZA_2019.pdf
https://www.aics.gov.it/wp-content/uploads/2019/09/Codice_molestie_abusi_sfuttamento_BOZZA_2019.pdf

13 Termination of Employment Contract

- 13.1 This Contract terminates upon the expiry of the term specified in Section 2.2, or if this Contract or effective mandatory legal provisions so provide.
- 13.2 Notwithstanding the fact that this is a fixed term Contract, Employee and Employer have the right to unilaterally terminate this Contract prior to its expiry date by a written notice and observing the prior notice term of : (i) 2 (two) weeks if the employment relationship has lasted up to 6 (six) months; (ii) 1 (one) month if the employment relationship has lasted more than 6 (six) months up to 2 (two) years; (iii) 2 (two) months if the employment relationship has lasted more than 2 (two) up to 5 (five) years; or (iv) 3 (three) months if the employment relationship has lasted more than 5 (five) years.
- 13.3 Both Parties shall continue to fulfil their obligations under this Contract until the end of the notice term, with the exception of those obligations expressly stated to survive the termination of this Contract.
- 13.4 During the notice term, if the Contract is unilaterally terminated by Employer prior to its expiry date, Employee is entitled to 20 (twenty) hours of paid leave per week in order to find another job. The paid leave shall be distributed to 4 (four) hours per each working day, unless Parties agree otherwise. Employee must notify Employer by e-mail on the date and time of usage of such leave at least 2 (two) days in advance.
- 13.5 Employer may elect to terminate the Contract in the following cases, including but not limited to:
- i. Employee has shown to be professionally incapable of performing the duties assigned to him/her to the standard required in the Job Description or in this Contract;

- ii. Employee repeatedly (i.e. more than once) fails to fulfil the assignments on time and/or accurately, without good reason or to follow a reasonable instruction;
 - iii. Employee is repeatedly absent from work without any good reason;
 - iv. Employee is repeatedly late for work or repeatedly leaves the work place during working hours without permission;
 - v. Employee violates Employer's discipline policy and/or the legal acts and regulations that govern Employer's activities, including technical and IT rules (whether written or expressed orally by Employers managers);
 - vi. Employee is convicted by a final court decision for a crime that is directly or indirectly related to his/her employment, or is a crime that of a nature that would reflect negatively on Employer's business, or is imprisoned for a period of more than one month;
 - vii. Employer has the need to make staff redundancies whether due to reorganization or other reasons;
 - viii. Employer goes into liquidation or bankruptcy proceeding;
 - ix. Employee steals any of Employer's property;
 - x. Employee sexually harasses a work colleague or customer of Employer;
 - xi. Employee deliberately destroys any property belonging to Employer;
 - xii. Employee performs actions which seriously damage Employer's reputation;
 - xiii. Employee acts violently, either physically or verbally, or commits acts of vandalism on the job;
 - xiv. Employee receives presents and other benefits from third parties in connection with his/her work;
 - xv. Employee misuses the position or exceeds the given authority;
 - xvi. Employee uses illegal drugs or gets drunk at work;
 - xvii. Employee seriously violates Employer's safety policies by threatening others' health or safety;
 - xviii. Employee breaches the confidentiality obligation as provided in Section 9 of this Contract; and
 - xix. Employee breaches this Contract consciously and deliberately.
- 13.6 The termination may have immediate effect in the cases provided for by the Albanian Labour Code or this Contract and when Employer reasonably considers that an immediate cessation of the employment relation is an imperative measure to take in the context of the reasons for termination.
- 13.7 In terminating the Contract, Employer observes and applies all the rules and procedures provided by the Albanian Labour Legislation.
- 13.8 This Contract shall terminate at any time if both Parties reach mutual consent.

14 Delivery of Documents Upon Termination

- 14.1 Employee shall deliver to the Employer upon the termination of his/her employment all correspondence, records, computer files, professional contacts, and other documents and all copies thereof, telephone, laptop or other equipment, if any, made, composed or received by Employee, solely or jointly with others, that are in the Employee's possession, or control at termination and that are related in any manner to the past, present, or anticipated activity of Employer.



- 14.2 Employee hereby grants and conveys to Employer all right, title and interest in and to, including without limitation, the right to possess, print, copy, and dispose of, any reports, records, computer files or other documents, and writings, and copies or summaries thereof, that may be prepared by Employee or under his/her direction or that may come into his/her possession in any way during the course of his/her employment with Employer.
- 14.3 At the end of the Contract, the cumulative services by the Employee will be evaluated according to the format annexed (or to be determined at a later stage) and the evaluation will be duly recorded by Agency with due respect to the applicable law on privacy.

15 Notifications and Correspondence

- 15.1 Any notice, disciplinary measure or other communication in relation to the employment relationship between the Parties shall be made in writing, be delivered by hand and/or sent to the following addresses:

For the Employer:

Nino Merola

AICS Representative

Rruga Abdi Toptani

Torre Drini, Tirana, Albania

For the Employee:

Giovanni Timillero

...

....

and/or

E-mail:

- 15.2 Employee has to notify Employer in writing immediately for any change of his/her address (residential address or electronic mail address), otherwise any notification issued by the Employer shall be deemed as received by Employee to the address provided in this Contract.

16 Applicable Law

- 16.1 This Contract shall be construed and governed by the laws of the Republic of Albania.



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16.2 For those issues which are not expressly provided for by this Contract, reference shall be made to the Albanian legislation in general and Albanian Labour Code in particular.

17 Language of the Contract

17.1 The language of the correspondence between the contracting Parties of this Contract shall be English, unless otherwise provided under the Albanian applicable laws.

17.2 This Contract is drafted in English. The English language text of this Contract shall be the official version and shall prevail in the event of any inconsistency of conflict.

18 Amendments and Additions

18.1 During the term of this Contract the Parties may apply to it any necessary changes only by written agreement and where mutually agreed.

18.2 During the course of the employment relationship, the Employer and the Employee may enter into other separate agreements in relation to specific duties and obligations, which shall be annexed to this Contract and become an integral part hereto.

19 Severability of Contract

19.1 If any provision of this Contract is found invalid, illegal or unenforceable, such provision shall be severed and all other provisions of this Contract shall remain e valid and in full force and effect. No provision of this Contract depends on any other provision unless otherwise expressed in this Contract.

20 Dispute Resolution

20.1 The Parties will make their best efforts to settle any dispute or difference that may arise concerning the interpretation or the execution of this Contract amicably. In the event that an amicable resolution cannot be reached, each of the Parties may submit the dispute to the Albanian Courts.



21 Miscellaneous

This Contract constitutes the entire understanding and agreement of the Parties and supersedes any previous agreements, whether written or oral, between the Parties.

In witness whereof, this Contract has been signed in 2 (two) original documents in English language.

The contracting Parties:

For Employer:

Nino Merola

Nino Merola
Aics Representative
(name, signature, seal) *



Employee:

Giovanni Timillero

Giovanni Timillero

(name, signature)