



Pacific  
Community  
Communauté  
du Pacifique



**SPREP**  
Secretariat of the Pacific Regional  
Environment Programme

**Attachment 1**

**[ATTACH DELEGATION AGREEMENT INCLUDING ANNEXES]**



European Union  
Delegation Agreement

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Pacific  
Community  
Communauté  
du Pacifique



**SPREP**  
Secretariat of the Pacific Regional  
Environment Programme

Reference Number: LOA 19/170

**Letter of Agreement  
between  
The Pacific Community (SPC)  
and  
Secretariat for the Pacific Regional Environment Programme (SPREP)  
regarding the implementation of  
the Global Climate Change Alliance Plus Scaling Up Pacific Adaptation (GCCA+ SUPA)**

1. The Pacific Community (SPC) and the Secretariat of the Pacific Regional Environment Programme (SPREP) have demonstrated their commitment to work collaboratively by entering into a Memorandum of Understanding (MOU).
2. The MOU sets out the principles that underpin collaboration between the organisations including:
  - the needs and priorities of the Pacific Island countries and territories;
  - genuine partnership;
  - mutual recognition and respect for each other's mandates;
  - joint approaches to addressing the same priority areas of work;
  - sharing of information; and
  - mutual support and advocacy.
3. Reference is made to the Delegation Agreement ENV/2018/398-237 between SPC and the European Union represented by the European Commission ("the Contracting Authority") and signed on 27<sup>th</sup> December 2018 ("the Delegation Agreement") (Attachment 1), where the Contracting Authority allocated funds to SPC for the Programme entitled Global Climate Change Alliance Plus Scaling Up Pacific Adaptation (GCCA+ SUPA) as specified in the Description of Action (Annex I to the Delegation Agreement) and the Budget for the Action (Annex III to the Delegation Agreement) ("the Action"), and in which the Secretariat for the Pacific Regional Environment Programme (SPREP) was considered a "Co-Delegatee".
4. "The Agreement" shall mean the present Letter of Agreement (the Letter), the Delegation Agreement including its annexes, as applicable, and all other documents agreed upon between the Parties to be integral parts of the present Agreement. The documents comprising this Agreement are complementary of one another, but in case of ambiguities,

discrepancies, or inconsistencies between this Letter and the Delegation Agreement, the following order of priority shall apply:

1. First, the Delegation Agreement, including its annexes, as applicable;
  2. Second, this Letter.
5. Under the Delegation Agreement, SPC has been appointed the organisation with responsibility to ensure coordination with the Co-Delegatee in the implementation of the Action, and in being the intermediary for all communications with the Co-Delegatee and the Contracting Authority. To that end, this Letter sets out the terms and conditions SPC agrees to abide by to meet its obligations under Article 3 of Annex II.a to the Delegation Agreement and assist SPREP to meet their reporting obligations under the Agreement.
6. SPREP shall have full programmatic and financial accountability for the use of the funding provided to it under this Agreement and for the activities assigned to it in the Action ("the Activities"). Close consultations will be held between SPREP and SPC on all aspects of the Activities. SPREP agrees to implement and comply, and ensure compliance, with all Delegation Agreement provisions and requirements imposed on SPREP *mutatis mutandis*, in particular, Articles 2.6, 5 (Conflict of interests), 7 (Data protection), 8 (Communication and Visibility), 16 (Accounts and archiving) and 17 (Access and financial checks) of Annex II - General Conditions for Delegation Agreements ("the General Conditions") in accordance with Article 2.4 of the General Conditions.
7. SPREP shall perform the obligations imposed on it as "Co-Delegatee" under the Delegation Agreement, including in particular Annex II.a – Provisions applicable only to Co-Delegation Agreements. Pursuant to Article 7.1.2 of the Delegation Agreement, SPREP shall:
- a) apply its own accounting, internal control and audit systems which have been positively assessed in the ex-ante pillars assessment;
  - b) apply its own procurement procedures, as assessed in the ex-ante pillars assessment and apply the PRAG<sup>1</sup> for the award of Grants;
  - c) perform the Activities to be implemented under the Delegation Agreement in accordance with the principles of Sound Financial Management, transparency and non-discrimination, applying its positively assessed Regulations and Rules;
  - d) be free to use any Regulations and Rules which have not been subject to the ex-ante pillar assessment to the extent that these Regulations and Rules are not in conflict with the provisions of the Delegation Agreement; and
  - e) all accounting transactions will be converted in Euro using the incoming spot rate for reporting purposes. First-in first-out (FIFO) methodology whereby the relevant USD for that respective EUR disbursement will be reported using that respective EUR spot rate.

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<sup>1</sup> PRAG – Procurement and grants for European Union External Actions – A Practical Guide

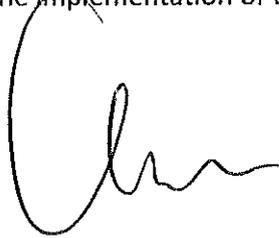
8. SPREP shall use its best efforts to ensure that personnel recruited for the Activities are of the highest standards of efficiency, competence, and integrity.
9. SPREP shall be fully responsible for the provision, with due diligence and efficiency, of all services performed by its personnel and for ensuring that all relevant labour laws are complied with and that the principles of competitive bidding are observed.
10. The personnel and sub-contractors of SPREP shall not be considered in any respect as being the employees or agents of SPC. SPC does not accept any liability for claims rising out of acts or omission of SPREP or its personnel, or of its contractors or their personnel, in performing the Activities or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by SPREP, and its personnel as a result of their work pertaining to the Activities.
11. Any personnel or subcontractors, including NGOs assigned by SPREP to the Activities and under contract with SPREP, shall work under the supervision of a SPREP designated official. These personnel and subcontractors shall remain accountable to SPREP for the manner in which assigned functions are discharged.
12. Pursuant to the Description of Action and the Budget for the Action, SPC will pay the first instalment to SPREP within 15 working days upon signing of this Letter of Agreement together with request for funds and invoice from SPREP.
13. Thereafter SPC will pay subsequent instalments to SPREP upon:
  - a) receipt and approval of satisfactory financial and narrative reporting from SPREP (including source documents/ invoice requesting next tranche) and
  - b) within 15 working days of receipt by SPC of subsequent instalments from the Contracting Authority under the Delegation Agreement.
14. Satisfactory reporting from SPREP means receipt of the financial report/source documents evidencing more than 70% of the immediately preceding payment (and 100% of previous payments, if any) expended and legally committed, together with a narrative report in the required format using the template to be provided by SPC. Copy of all source documentation to be submitted as part of the acquittals process.
15. SPREP shall not make any financial commitments or incur any expenses in respect of the funds provided, which would exceed the budget for implementing the Activities as set forth in the Budget for the Action. Cost eligibility criteria shall be governed by Article 18.1 of Annex II to the Delegation Agreement.
16. In the event that the Contracting Authority considers ineligible any expenses incurred, payments made or activities undertaken with respect to the Activities implemented by SPREP under the Letter, further to the Activities financed under the Delegation Agreement,

SPREP assumes full financial responsibility for these expenses, payments or activities, and the consequences thereof, in accordance with the terms of the Delegation Agreement. Such expenses, payments or activities shall be deemed in breach of paragraph 14 of this Letter and unapproved by SPC. SPC shall not be liable for any such expenses, payments or activities. SPREP shall seek to resolve the issue directly with the Contracting Authority. If the Contracting Authority refuses or the matter is otherwise not able to be resolved, SPREP will hold SPC harmless and indemnify it against all claims and demands made by the Contracting Authority, and SPREP will be responsible for any related expenses incurred by SPC in defending against any such claim or demand.

17. Where the implementation of the Action requires the setting up or the use of one or more project offices, SPREP may declare as eligible direct costs the capitalized and operating costs of the structure if all the conditions set out in Article 7.2.1 of the Delegation Agreement are fulfilled. Notwithstanding the above, the apportionment method based on direct eligible expenses will be applied from the onset of the project, until such time as a simplified cost option is formally agreed by all parties.
18. SPREP shall regularly consult with SPC concerning the status and use of funds and shall promptly advise SPC any time when SPREP is aware that the budget to carry out the Activities is insufficient to fully implement the Activities in the manner set out in the Description of Action. SPC shall have no obligation to provide SPREP with any funds or to make any reimbursement for expenses incurred by SPREP in excess of the total budget as set forth in the Budget for the Action.
19. SPREP shall maintain separate accounts, records and supporting documentation relating to the Project, including funds received and disbursed by SPREP.
20. SPREP shall provide to SPC all reporting, data and information including copy of source documents required by SPC to meet any reporting obligations or requests for information under the Delegation Agreement. All reporting required of SPREP under this Letter shall be provided by SPREP to SPC in adequate time for SPC to review and consolidate that reporting for overall reporting to the EU under the Delegation Agreement.
21. SPREP shall submit six monthly narrative and certified financial progress reports. In each year of implementation, this should cover the period 1 January to 30 June. The progress report shall:
  - a) be submitted to the SPC Project Manager in the GCCA+ SUPA PMU in Fiji within 15 days after the end of the reporting period;
  - b) be in a format that is in accordance with the templates developed and provided by the GCCA+ SUPA PMU;
  - c) address the items included in Article 3.7 of Annex II of the Delegation Agreement; and be accompanied by a management declaration, in accordance with Article 7.1.3 of the Delegation Agreement and Article 3.10 of Annex II to the Delegation Agreement.

22. SPREP shall provide SPC with an annual report of fixed assets purchased by SPREP for the Activities. The report shall be submitted no later than 15 days after 31 December in each year of implementation and shall be included by SPC in the main inventory for the Activities.
23. SPREP shall furnish a narrative and audited financial final report by 31 March 2023. This final report shall:
  - a) cover the entire period of the Action from 1 January 2019 to 31 December 2022;
  - b) be submitted to the SPC Project Manager in the GCCA+ SUPA PMU in Fiji;
  - c) be in a format that is in accordance with the templates developed and provided by the GCCA+ SUPA PMU;
  - d) address the items included in Article 3.8 of Annex II of the Delegation Agreement;
  - e) be accompanied by the management declaration in accordance with Article 7.1.3 of the Delegation Agreement and Article 3.10 of Annex II to the Delegation Agreement; and
  - f) include all relevant financial records and documents related to the Activities.
24. SPREP will actively participate in both the Project Coordination Meetings and the Project Steering Committee meetings for joint planning, collaborations and annual work plan development. In addition, and where possible, SPREP will participate in other relevant meetings with development partners, especially where collaborative work is being undertaken or planned.
25. Any changes to the Description of Action which would affect the work being performed by SPREP shall be recommended or requested only after consultation between the parties and the Contracting Authority in accordance with the Delegation Agreement.
26. The arrangements described in this Letter will remain in effect until the end of the Activities, or the completion of Activities of SPREP according the Description of Action or until terminated in writing (with 30 days' notice) by either party.
27. Any balance of funds that is undispersed and uncommitted after the completion of the Activities or upon termination of this Agreement shall be returned promptly to SPC and no later than the final reporting under paragraph 23 of this Letter.
28. Any amendment to this Letter shall be effected by mutual agreement, in writing.
29. All further correspondence regarding this Letter, other than signed letters of agreement or amendments thereto should be addressed to: SPC Director General, attention to the Director of Geoscience, Energy and Maritime (GEM), SPC, Private Mail Bag, Suva.
30. SPREP shall keep the SPC GCCA+ SUPA PMU fully informed of all actions undertaken by them in carrying out this Letter.

31. Any dispute between SPC and SPREP arising out of or relating to this Letter which is not settled by negotiation or other agreed mode of settlement shall be governed by Article 14 of Annex II to the Delegation Agreement.
32. The Parties will sign this Letter in the English language in two originals.
33. If you are in agreement with the provisions set forth above, please sign and return to this office two copies of this Letter. Your acceptance shall thereby constitute the basis for SPREP's participation in the implementation of the Activities.



Signed on behalf of SPC  
[Name and title]

COLIN TUKUITONGA  
DG

[Date] 020519

Signed on behalf of SPREP  
[Name and title]



STUART CHAPE  
A/DG

[Date] 28/5/19

## GCCA+ SUPA BUDGET 2019-2023

## SUMMARY

| KRA - Entrusted Organisation - Title of the KRA  | allocation per BL for the overall implementation period in EUR | First year forecast in EUR |
|--|--|----------------------------|
| <b>Output 0 - SPC - PMU Overall management and coordination of the action</b>  |  |                            |
| <b>1. PROJECT OFFICE COSTS</b>   |  |                            |
| 1.1) STAFF costs   | 1,354,000  | 181,200                    |
| <i>Project management / coordination /incl. Administrative/archive and financial /procurement staff / IT support staff</i>   | 1,354,000  | 181,200                    |
| 1.2) Travel and subsistence  | -  | -                          |
| 1.3) Office costs  | 221,100  | 36,800                     |
| Subtotal Office costs  | 1,575,100  | 218,000                    |
| <b>2. ACTIVITY COSTS</b>   |  |                            |
| 0.1 Communication and visibility for overall project   | 50,000   | 10,000                     |
| Subtotal Activity costs  | 50,000   | 10,000                     |
| Subtotal KRA 0 - SPC   | 1,625,100  | 228,000                    |
| <b>Output 1 - SPREP Climate and disaster risk information, knowledge management, monitoring and strategic planning capacities strengthened at national and regional levels</b>         |  |                            |
| <b>1. PROJECT OFFICE COSTS</b>   |  |                            |
| 1.1) STAFF costs   | 722,300  | 180,900                    |
| <i>Project management / coordination /incl. Administrative/archive and financial /procurement staff / IT support staff</i>   | 722,300  | 180,900                    |
| 1.2) Travel and subsistence  | 50,000   | 10,000                     |
| 1.3) Office costs  | 221,840  | 72,375                     |
| Subtotal Office costs  | 994,140  | 263,275                    |
| <b>2. ACTIVITY COSTS</b>   |  |                            |
| Activity 1.1: National consultations and development of draft impact methodology   | 297,500  | 185,000                    |
| Activity 1.2: Impact analysis of completed climate and disaster risk interventions in three countries  | 320,000  | 120,000                    |
| Activity 1.3 - Impact database designed and developed  | 220,000  | 70,000                     |
| Activity 1.4 Capacity building in the use of national impacts databases to better inform decision making   | 80,000   | -                          |
| Subtotal Activity costs  | 917,500  | 375,000                    |
| Subtotal KRA 1 - SPREP   | 1,911,640  | 638,275                    |
| <b>Output 3 - SPC - Strategic and local interventions for climate change adaptation and mainstreaming scaled-up in up to 5 sectors</b>   |  |                            |
| <b>1. PROJECT OFFICE COSTS</b>   |  |                            |
| 1.1) STAFF costs   | 1,988,800  | 154,300                    |
| <i>Project management / coordination /incl. Administrative/archive and financial /procurement staff / IT support staff</i>   |  |                            |
| <i>Technical staff</i>   | 1,988,800  | 154,300                    |
| 1.2) Travel and subsistence  | -  | -                          |
| 1.3) Office costs  | 130,200  | 14,700                     |
| Subtotal Office costs  | 2,119,000  | 169,000                    |
| <b>2. ACTIVITY COSTS</b>   |  |                            |
| Activity 3.0: Communication and visibility   | 200,000  | 10,000                     |
| Activity 3.1: National level consultations to select geographical focus of measures to be scaled-up in the selected sector   | 189,580  | 125,000                    |
| Activity 3.2: Design and implement tangible on-the-ground measures which include specific measures designed for women and vulnerable groups, and measures involving the private sector | 3,576,600  | 70,000                     |
| Activity 3.3: Build capacity in the monitoring and maintenance of the scaled-up measures   | 545,000  | -                          |
| Activity 3.4: Mainstream climate and disaster risk into national sector-based policies, plans and budgets  | 855,000  | -                          |
| Activity 3.5: Sharing and compiling of lessons learnt and wise practices   | 600,000  | -                          |
| Subtotal Activity costs  | 5,966,180  | 205,000                    |
| Subtotal KRA 3 - SPC   | 8,085,180  | 374,000                    |
| <b>Total direct costs</b>  | <b>11,621,920</b>  | <b>1,240,275</b>           |
| <b>Total costs</b>   | <b>12,790,000</b>  | <b>1,327,094</b>           |

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