



LETTER OF AGREEMENT

between the

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

and the

**Ministry of Home Affairs, Climate Change and Environment,
Tuvalu,**

hereinafter referred to as a “**Party**” and collectively as “**the Parties**”.

relating to

The Implementation of the *GEF ISLANDS Pacific Project*

This LETTER OF AGREEMENT sets out the Agreement between the **Secretariat of the Pacific Regional Environment Programme (SPREP)** and the **Ministry of Home Affairs, Climate Change and Environment (MHACCE) of Tuvalu** relating to the implementation of **GEF ISLANDS Pacific Project**

WHEREAS:

- a) The United Nations Environment Programme (UNEP) has a Project Cooperation Agreement (PCA) with the SPREP to implement the GEF ISLANDS Pacific Project
- b) The UNEP has principal oversight for the financial and technical management of the GEF ISLANDS Pacific Project that SPREP is implementing;
- c) SPREP would like to enter into a Letter of Agreement with MHACCE for the implementation of regional and national activities of the GEF ISLANDS Pacific Project;
- d) SPREP shall work collaboratively with MHACCE to deliver specific Funded Activities in accordance with the Work Plan in **Attachment 1**; and
- e) SPREP and the MHACCE (‘the Parties’) now wish to enter into this Agreement to set out the terms and conditions upon which they will cooperate and work to support the delivery of the GEF ISLANDS Pacific Project, including as set out in **Attachment 1** of this Agreement.

The Parties agree as follows:

1. Duration

1.1 This Letter of Agreement (LOA) will come into effect upon the signature of the Parties and will remain in effect until **28 February 2026** when all reporting of the activities is complete, and the final report is approved by UNEP.

2. Allocated Funds and Disbursements

2.1 The total amount allocated to Tuvalu for the delivery of its national activities is **SIX HUNDRED THOUSAND UNITED STATES DOLLARS (\$USD 600,000.00)**.

2.2 For the purpose of supporting the implementation of the GEF ISLANDS Pacific Project, SPREP shall engage a National Project Officer (NPO) through SPREP's procurement process, adhering to the approved SPREP Procurement Policy. The total budget allocated for the engagement of the National Project Officer is **ONE HUNDRED AND FIFTY UNITED STATES DOLLARS (\$USD 150,000.00)** for the duration of the project. The National Project Officer will have joint reporting accountabilities to the Project Manager at SPREP and the National Focal Point at the MHACCE."

2.3 Subject to the Terms and Conditions of the PCA, SPREP is required to manage all Project Funds directly with no disbursements to third parties unless it is done through the procurement process that follows the approved SPREP Procurement Manual. Accordingly, GEF ISLANDS Pacific Project investments earmarked for Tuvalu will be managed by the SPREP.

2.4 Specific details of the Project investment are included in **Attachment 1**.

2.5 SPREP to ensure all procurement activities are undertaken according to the PCA and SPREP Procurement manual, processes, and financial procedures.

3. Terms and Obligations of the Parties

3.1 SPREP shall undertake the Funded Activities as described in **Attachment 1** to ensure all necessary actions are taken to fulfill the requirements of the terms and conditions of this LOA for direct implementation of the Funded Activities in an effective and timely manner. This includes:

- i. providing overall supervision and oversight of the designated Funded Activities;
- ii. ensuring that any personnel or subcontractors, including NGOs, Associations, etc assigned by SPREP to the Funded Activities and/or under contract with SPREP, shall work under the supervision of the National Project Officer (NPO);
- iii. managing all financial aspects of the Funded Activity to ensure adequate financial tracking and reporting as required by the PCA;
- iv. ensuring the Funded Activity is managed in line with the approved budget; and
- v. monitoring the implementation of the Funded Activity.

3.2 MHACCE shall:

- i. act as the focal point of the project and provide supporting oversight of the implementation of the Funded Activities;
- ii. facilitate the clearance of any project deliverable needing mandatory approval by relevant national authorities;
- iii. provide regular feedback to SPREP on the performance of the NPO, consultants, contractors, or sub-contractors;
- iv. monitor and report on their co-financing to the GEF ISLANDS Pacific Project; and
- v. liaise with key government agencies and partners for support to execute the Funded Activities under the Project.
- vi. Actively participate in the Project Steering Committee (PSC) meetings, providing strategic input and endorsing annual progress reports, as part of their commitment to the successful implementation of the GEF ISLANDS Pacific Project.

3.3 The Parties agree to communicate regularly with each other and provide timely information on matters relating to the implementation of the GEF ISLANDS Pacific Project.

4. Transfer of assets

4.1 Upon the successful completion of the GEF ISLANDS Pacific Project and approval from UNEP, SPREP agrees to transfer to MHACCE all rights, titles, and interests in and to the equipment, resources, and any other physical or digital assets procured or developed during the term of the GEF ISLANDS Pacific Project to achieve the Project objectives, as outlined in Attachment 1.

4.2 The handover process shall include, but not be limited to, the following steps:

- i. Preparation of a comprehensive list of all equipment, resources, and assets to be handed over, including descriptions, conditions, and any necessary instructions for use or maintenance.
- ii. Scheduling of a handover date, to be agreed upon by both SPREP and MHACCE, which shall not exceed 30 days post Project completion.
- iii. Execution of any necessary legal and administrative documents to effectuate the transfer of ownership to MHACCE.
- iv. Provision of training or briefing sessions by SPREP to MHACCE representatives, as necessary, to ensure proper usage and maintenance of the handed-over assets.

4.3 SPREP shall ensure that all equipment, resources, and assets to be handed over that have been in its exclusive possession are in reasonable working condition.

4.4 MHACCE agrees to accept the transferred assets and to utilise them in a manner consistent with the objectives of the completed GEF ISLANDS Pacific Project and for the furtherance of its mission and goals within the scope of its operations.

4.5 Any disputes arising from the handover process shall be resolved in accordance with the dispute resolution procedures outlined in this LOA.

5. SPREP Policies

- 5.1 The Parties acknowledge SPREP's Child Protection Policy 2016; Environmental and Social Safeguards; Fraud Prevention & Whistleblower Protection and Gender and Social Inclusion Policy including the SPREP Values and Code of Conduct¹ as updated from time to time and will use its best endeavours to act in accordance with those principles and to abide by other relevant international declarations, conventions and arrangements.
- 5.2 The Parties shall use their best endeavours to act in accordance with those principles and policies specified in Subclause 5.1 including, other relevant international declarations, conventions, and arrangements.

6. Disclaimer

- 6.1 Each Party agrees that its staff shall not be liable to the other or any person claiming through the other of:
- i. Payment of any income taxes or superannuation for Party's personnel.
 - ii. Loss arises through inadequate or no insurance coverage whether for life, medical, travel, luggage, personal effects, or otherwise.
 - iii. Any other loss or damage arising indirectly under this LOA and whether arising in contract, tort, or otherwise, unless caused by a negligent act or omission of the other Party.

7. Liability

- 7.1 Personnel of MHACCE and subcontractors shall remain accountable to MHACCE for the manner in which assigned functions are discharged. They shall not be considered in any respect as being the employees or agents of SPREP. SPREP does not accept any liability for claims arising out of acts or omissions of MHACCE or its personnel, or of its contractors or their personnel, in performing the Funded Activities or any claims for death, bodily injury, disability, damage to property or other hazards that may be suffered by MHACCE, and its personnel as a result of their work pertaining to the Funded Activities unless there is reasonable proof to show otherwise with mutual consent of the Parties.
- 7.2 The Parties agree to comply fully with all applicable anti-corruption laws, including but not limited to relevant national laws, in connection with this Agreement.
- 7.3 Neither Party shall, directly or indirectly, offer, promise, give, or receive bribes or any other undue advantages, either in monetary or non-monetary form, to any official or private party to gain or retain business or other improper advantages in the execution of this Agreement. Any such act shall be grounds for immediate termination of the contract and may lead to further legal action.
- 7.4 Both Parties agree not to engage in any fraudulent activities, including falsifying records, misrepresenting the nature of goods or services, or concealing information that could materially affect the execution of this Agreement. If any party is found to have engaged in fraudulent behaviour, this Agreement will be voided, and the offending party will be liable for any resulting damages.
- 7.5 The Parties agree to cooperate with any audits or inspections necessary to verify compliance with this clause. The Parties will maintain accurate records and documentation

¹ <https://tinyurl.com/syhjrjtt>

related to this Agreement for a period of [insert duration], and such records shall be available for review upon request.

7.6 All activities under this Agreement shall comply with the *Environmental Protection and Conservation Act (2002)* of Tuvalu. The Parties are responsible for identifying, assessing, and mitigating environmental impacts in accordance with the Act, including obtaining any required permits.

7.7 Any Party found in violation of anti-corruption laws as stipulated in this Agreement shall indemnify and hold the other Party harmless from any legal claims, fines, penalties, or losses arising from the breach, including legal fees.

8. Conflict of Interest Clause:

8.1 The Parties agree to disclose any situation where personal or financial interests may conflict with their obligations under this Agreement. Both Parties must inform the other in writing of any potential or actual conflict of interest before signing the Agreement or as soon as the conflict arises during its term.

8.2 The Parties must take all reasonable steps to avoid situations that may lead to conflicts of interest and are responsible for preventing conflicts that could undermine their obligations to each other.

8.3 If a conflict of interest is identified, the affected Party shall promptly notify the other Party, and both shall agree on a course of action to manage or eliminate the conflict.

9. Force Majeure

9.1 The Parties shall not be liable for penalties or termination for default if and to the extent that its delay in performance or failure to perform its obligations under this LOA is the result of an event of Force Majeure.

9.2 A Party so prevented or delayed shall inform the other in writing of that prevention or delay immediately or as soon as reasonably possible after the circumstances causing such prevention or delay has arisen.

9.3 For the purposes of this Clause, "**Force Majeure**" shall mean any circumstances beyond the reasonable control of the Party concerned and shall include but not be limited to war, revolution, riots, earthquakes, floods, fires or other natural disasters or pandemics.

10. Data Ownership and Privacy, Retention and Compliance

10.1 The Parties agrees to handle all personal data and sensitive information received or generated under this Agreement in compliance with applicable data protection and privacy laws. This includes implementing appropriate technical and organizational measures to protect such data from unauthorized access, loss, or misuse. Data ownership remains with the originating Party, and any use or transfer of data must be limited to the scope of this Agreement. Sharing data with third parties or across borders shall require prior written consent and be subject to relevant data protection safeguards.

10.2 Data shall be retained only for as long as necessary to fulfill the objectives of this Agreement, after which it must be securely deleted or returned, unless otherwise

required by law. In the event of a data breach, the affected Party shall notify the other within 72 hours, provide a detailed report, and take immediate steps to mitigate the breach. Both Parties agree to comply with all relevant data protection laws and regulations and allow for audits or monitoring of their data practices to ensure ongoing compliance.

11. Termination

- 11.1 Each Party may terminate this LOA at any time by giving the other ten days' notice in writing of its intention to do so.
- 11.2 Upon receipt of a notice to terminate:
- i. The Parties will take all actions necessary to cancel outstanding commitments relating to the Services under this LOA and will use their best efforts to honour their respective prior commitments.
 - ii. Payments will be made for work satisfactorily completed up to the time of termination, up to the stated maximum.
- 11.3 Any unused portion of the unexpended funds shall be refunded to SPREP; no Activity Funds shall be disbursed after termination.
- 11.4 Termination or expiry of this LOA will not prejudice any rights or obligations of the Parties which exist, whether under this LOA, at law or otherwise, prior to termination or expiry.

12. Dispute Settlement

- 12.1 The Parties shall cooperate to carry out their obligations in good faith and shall endeavour to resolve any disagreement in an amicable manner, including through the use of mediation and conciliation processes, prior to seeking arbitration.

13. Variation and Amendment

- 13.1 SPREP and MHACCE may request each other to make variations of this LOA.
- 13.2 Requests for variations shall not be unreasonably withheld.
- 13.3 This LOA may be varied by written agreement of the Parties.

14. Correspondence

- 14.1 All further correspondence regarding the implementation of this LOA should be addressed to:

For SPREP: Dean Solofa Project Manager Email: deans@sprep.org Telephone: +685 29129 SPREP, Avele Vailima, Apia, Samoa	For the MHACCE: Mr. Epu Falega Director Email: efalega@gov.tv MHACCE, Funafuti, Tuvalu
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- 14.2 Any notice given by SPREP, or MHACCE shall be sufficient only if in writing and delivered in person, mailed, or delivered electronically to the respective addresses noted in paragraph 14.1 above.

IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Letter of Agreement to be signed in their respective names as of the day and year first above written and to be delivered at the principal office of the Fund.

DocuSigned by:

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Sefanaia Nawadra

Director General
Secretariat of the Pacific Regional
Environment Programme



Ms. Pepetua Latasi

Chief Executive Officer
Ministry of Home Affairs, Climate Change
and Environment
The Government of Tuvalu

16-May-2025 | 15:30 WST