



**NEW ZEALAND**  
FOREIGN AFFAIRS & TRADE  
Aid Programme

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## GRANT FUNDING ARRANGEMENT

### Addressing Climate Change Loss and Damage – Pacific Regional Partnership

**between**

#### **Ministry of Foreign Affairs and Trade**

195 Lambton Quay  
Wellington 6011  
New Zealand

**(MFAT)**

**and**

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

SPREP  
Avele Road  
Apia  
0000  
Samoa

**(Partner or SPREP)**

### The Arrangement

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MFAT<sup>1</sup> wishes to provide Funding to SPREP for it to implement the Addressing Climate Change Loss & Damage - Pacific Regional (**Activity**) under the New Zealand Aid Programme.

Through providing this Funding MFAT is seeking to work with the Partner in a relationship based on mutual respect and accountability, trust, fairness and open and professional interactions.

### Arrangement Documents

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This Arrangement consists of:

1. pages 1 and 2;
2. the Arrangement Details at Schedule 1;

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<sup>1</sup> MFAT is responsible for managing the New Zealand Aid Programme. The New Zealand Aid Programme is the New Zealand Government's international aid and development programme.

- 3. the Conditions at Schedule 2; and
- 4. any Annexure/s,

as amended from time to time in accordance with this Arrangement.

If there are any conflicts or inconsistencies between the documents forming this Arrangement, then the order of precedence that will prevail is the order in which they are listed above.

Words starting with capital letters have a special meaning that is stated in the Definitions section at condition 16 (Schedule 2). Section numbers refer to sections in Schedule 1. Condition numbers refer to conditions in Schedule 2.

## Signing

### For and on behalf of MFAT



Signature

Peter Williams

Full name

Senior Adviser

Position

5 June 2024

Date

### For and on behalf of SPREP

DocuSigned by:  
  
44BFDD1BAC9F43B...

Signature

Anthony Talouli

Full name

OIC - SPREP

Position

19-Jun-2024 | 08:06 WST

Date

# Schedule 1 – Arrangement Details

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## 1. Length of Arrangement

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Reference Schedule 2 condition 1

- Start Date**            The date on which this Arrangement is signed by both Partners.
- End Date**             The date that is 3 months after the date on which the final milestone referred to in section 6 of Schedule 1 is due.

## 2. Goals and Outcomes

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Reference Schedule 1 section 6, Schedule 2 condition 2.1

SPREP will implement the Activity and deliver the Outputs in a manner that maximises the prospect of achieving/ progressing the goals and outcomes.

SPREP will monitor progress towards the goals and outcomes and periodically report on this progress to MFAT, as set out in section 6 below.

If at any time MFAT or SPREP considers progress towards the goals and outcomes is unsatisfactory, the Partners will discuss and decide what actions can be taken to improve progress.

- Goals**                 The goals of the Activity that have been discussed by the Partners are:
- Pacific Island Countries have the capacity and capability to develop effective and inclusive ways of addressing loss and damage, including economic and non-economic loss and damage, and extreme and slow onset events

- Outcomes**            The outcomes to be achieved/ progressed by the Activity that have been discussed by the Partners are:

Medium term outcomes (MTO)

- MTO1: There is an enhanced understanding of economic and non-economic loss and damage (L&D) through improved access to data, information and narratives.
- MTO2: Disproportionate impacts of L&D on vulnerable groups (including women, youth and persons with disabilities) are better understood and possible responses developed.
- MTO3: Coordination and knowledge exchange on L&D action is strengthened across the region. Priorities have been established which can inform practical actions to address L&D
- MTO4: Pacific perspectives and priorities on L&D can be used to inform the development of future funding mechanisms, including the global loss and damage fund (LDF)
- MTO5: PICs are in a better position to access L&D finance through a stronger evidence base, effective communication, the development of project concepts and pilot activities

### Short term outcomes (STO)

- STO1: L&D evidence base enhanced and policy integration strengthened at regional and national levels.
- STO2: Dialogues and engagements held (regional, national, community and youth-focused) to improve understanding of L&D experiences, needs and priorities.
- STO3: Training, research and dialogues held which deepen understanding of the impacts of L&D on women, girls, youth and other vulnerable groups.
- SO4: Regional and national capacity enhanced through provision of staff and training.
- STO5: Pacific experiences of L&D are communicated effectively within and beyond the region.
- STO6: Innovative pilot projects implemented to address L&D and lessons shared.
- STO7: L&D project concepts developed (strengthening climate finance pipeline).

These outcomes will contribute to achievement of the following Addressing Loss and Damage Programme Outcomes (PO):

- PO1: Pacific Island Countries are supported and prepared to address the economic and non-economic loss and damage they are experiencing due to climate change.
- PO2: Women, girls, and vulnerable groups, are supported to be active agents of change in loss and damage decision making and action.
- PO3: Regional capability is improved to enable a Pacific-led long-term approach to addressing loss and damage.
- PO4: Pacific loss and damage priorities are highlighted and inform the design of the UNFCCC Loss and Damage Fund to be accessible and responsive to Pacific priorities
- PO5: Other donors support addressing loss and damage in the Pacific.

## 3. Scope of Arrangement

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Reference Schedule 2 condition 2

### **Activity**

The Activity is:

This Activity will support the Secretariat of the Pacific Regional Environment Programme (SPREP) to lead a regional initiative to ensure Pacific Island Countries are supported to develop their understanding, evidence base and priorities for addressing loss and damage arising from climate change impacts. The Activity will be implemented in 5 participating

countries (Cook Islands, Federated States of Micronesia, Solomon Islands, Niue, Tonga) and Tokelau.

SPREP is responsible for and will implement the Activity as set out below:

#### **Component A: Project management**

SPREP to complete an inception phase involving the finetuning of activities with participating countries and territory. This could include adjustments to timelines as needed (with acceptance by MFAT), and the development of a procurement plan as described in SPREP Design Document. SPREP is to conduct social and environmental impact assessments following its Environmental and Social Management System. These assessments will identify additional risks and enhance existing risk management strategies. SPREP will share these assessments with MFAT. SPREP will also carry out further work to assess Gender Equality, Disability, and Social Inclusion (GESDI) in alignment with their Gender Equality Plan and the MFAT programmatic GESDI Work Plan.

#### **Component B: Regional component**

SPREP will lead the regional component of the Activity. Component B is to serve as a platform for collaboration and knowledge-sharing among stakeholders across the Pacific region. It is to play a pivotal role in building capacity and deepening understanding of loss and damage. Through the delivery of Component B, SPREP will facilitate the exchange of Pacific experiences and ideas to create synergies that amplify collective efforts in addressing loss and damage challenges. This component also seeks to establish crucial linkages to global policy discussions, notably contributing to the development of initiatives such as the UNFCCC Loss and Damage Fund (LDF).

Component B will aim to fill gaps in evidence and understanding concerning L&D issues. Through a programme of targeted activities, it seeks to improve engagement and communication channels, encouraging a more inclusive and collaborative approach to tackling these complex challenges. Furthermore, by promoting dissemination of knowledge and best practices, it is to empower stakeholders to navigate the complexities of L&D effectively.

#### **Component C: National/territory component**

For Component C, SPREP will offer participating countries and Tokelau the opportunity to deepen their understanding and advance efforts on L&D issues. SPREP will work with the participating countries and Tokelau to enhance the evidence base, conduct national dialogues, and strengthen capacity and institutional support. This will also include the integration of L&D considerations into existing policies, plans, and projects related to climate change and disaster risk reduction. The specific priorities of each participating country/territory are outlined in the SPREP Design Document. The Activity will play a crucial role in supporting these priorities,

facilitating future investments, and fostering the development of concrete project concepts to address L&D challenges effectively.

## **Outputs**

SPREP will deliver the following Outputs (the indicative costs of which, and the relevant delivery dates, as known at the date of this Arrangement are summarised in the Outputs table in section 5) in accordance with the terms and conditions of this Arrangement:

### **Output 1: Project management (A)**

Sub-outputs/activities include:

- Conduct inception phase, including any finetuning of activities with participating countries and Tokelau and adjusting timelines as needed.
- Develop detailed procurement plan.
- Conduct further social and environmental impact assessments.
- Identify additional risks and enhance risk management strategy.
- Development of GEDSI assessment and strategy.
- Develop a Monitoring, Evaluation, Reporting, and Learning (MERL) Plan for the project.
- Project Officer recruitment.

### **Output 2: Regional Component (B)**

Sub-outputs/activities include:

- Regional L&D dialogue.
- Understanding and enhancing the regional L&D evidence base.
- Technical support for the Ad-hoc Working Group on Loss and Damage and international engagement.
- Enhancing effective communication on L&D
- Deepening understanding of GEDSI considerations for L&D.

### **Output 3: Regional Component (C)**

Sub-outputs/activities include:

- Inception phase, including recruitment of a L&D Coordinator at national level.
- Enhancing the national L&D evidence base and supporting policy integration.
- A national L&D dialogue.
- Building the capacity of local Non-Governmental Organisations (NGOs)/Civil Society Organisation (CSOs).
- Government capacity building training on L&D in Niue.
- Communication products on L&D.
- Development of project concepts.
- L&D pilot projects.

## **Governance / Principles / Methodology**

MFAT and the SPREP Activity/Project Managers will meet as needed, and at least quarterly, to support delivery of the Activity and discuss: progress towards outputs and outcomes; changes in the operating context; new or

changed risks and mitigations; any challenges, learnings, or opportunities; relevance of the MERL framework; and spend.

## Principles

The relationship between SPREP and MFAT is guided by the following principles, which are set out in the GFA between SPREP and MFAT for core funding:

1. *Membership driven*: a relationship that supports the Partners to meet the needs of SPREP's Pacific Island Members;
2. *Strategically oriented*: a relationship that supports SPREP to focus on, and report against, strategic programmes mandated by SPREP Members;
3. *Partnership approach*: a relationship based on transparency, openness and mutual trust; and the free and open exchange of ideas and perspectives between SPREP and MFAT in respect of the New Zealand Aid Programme;
4. *Mutual accountability and a results-based approach*: a relationship based on results demonstrable through monitoring and evaluation and including the 'difference made' or contribution to outcomes and impacts;
5. *Excellence in service delivery*: a relationship that supports the Partners to meet or exceed best practice in regionally-delivered services and/or funding; and
6. *Learning and improvement*: a relationship that supports the Partners to learn lessons, develop and improve.

## Performance standards

SPREP will implement the Activity and deliver the Outputs in accordance with the provisions set out in Schedule 2 condition 2.3 and elsewhere in this Arrangement and in accordance with MFAT's expectations as may be communicated in writing from time to time by MFAT to the Partner. The Outputs will also be delivered in a manner which provides the best outcomes in terms of the Development Effectiveness criteria specified by the OECD Development Assistance Committee: relevance, efficiency, effectiveness, impact and sustainability.

SPREP will endeavour to meet or exceed the applicable targets stated in the Monitoring Evaluation Research and Learning (MERL) Framework decided between the Partners.

## Funding

MFAT will provide Funding for the Partner to implement the Activity and deliver the Outputs, up to the **Maximum Amount** of **NZD 6,309,466** (inclusive of all taxes) at the times and on the conditions that are set out in this Arrangement.

## 4. Costed Outputs

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Reference Schedule 1 section 5, Schedule 2 condition 2

The Costed Outputs Table below sets out a summary of the Outputs and indicative costs of delivery (as known at the date of this Arrangement and based on the detailed Costed Workplan) that have been developed by the Partner in consultation with MFAT.

SPREP will consistently strive to maximise the Outputs and minimise the costs.

SPREP confirms that the Costed Outputs Table below and the Costed Workplan represent its current best estimate of the costs to deliver the Outputs.

SPREP will regularly review the Costed Workplan (and not less than at the times set out in the Milestones and Payments Table in section 6 below) and update it to incorporate the actual costs to date and its then best estimate of the forecast costs to deliver the Outputs, and provide the revised Costed Workplan for consideration and approval by MFAT.

MFAT will consider the revised Costed Workplan in its sole discretion. Subject to the other conditions of this Arrangement, MFAT will consider approving amendments to the revised Costed Workplan:

- a) that are justified and reasonable given the objectives of the Activity;
- b) that do not reduce the Outputs to be delivered;
- c) where the amount of the Non-Output specific costs does not exceed the amount shown in the Costed Output Table below by more than 10%; and
- d) where the Maximum Funding Amount is not exceeded.

If there is any inconsistency between the Costed Outputs Table and the Costed Workplan, the latter will prevail.

## 5. Costed Outputs Table

Schedule 1 section 6

No.	Output to be produced	Start date	End date	Total cost of Output	Indicative Cost NZD\$	
					Year 1 01/06/24- 30/06/25	Year 2 01/06/25- 30/06/26
1	<b>Project management (A)</b>	On signing	30 June 2026	<b>\$488,460</b>	\$266,214	\$222,246
2	<b>Regional Component (B)</b>	On signing	30 June 2026	<b>\$1,348,407</b>	\$786,588	\$561,819
3	<b>National Component (C)</b>	On signing	30 June 2026	<b>\$3,328,962</b>	\$2,412,967	\$915,995
4	<b>Monitoring &amp; Evaluation Costs</b>	On signing	30 June 2026	<b>\$368,763</b>	\$29,884	\$338,879
5	<b>Indirect/Delivery support costs</b> Inclusive of SPREP's Management Fee	On signing	30 June 2026	<b>\$774,874</b>	\$387,437	\$387,437
<b>MAXIMUM FUNDING AMOUNT NZD</b>				<b>\$6,309,466</b>	\$3,883,090	\$2,426,376

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## 6. Milestones and Payments

Reference Schedule 2 condition 3

The table below sets out:

- a) the date by which various Milestones are expected to be achieved;
- b) the Milestones to be achieved by each date; and
- c) the indicative amount of the Funding which is payable at such times.

The Funding amounts stated in the Table are indicative, being based on the costs expected to be incurred in implementing the Activity and delivering the Outputs in the next period as shown in the Costed Workplan at the date of this Arrangement. As noted in section 4 above, the Costed Workplan will be updated no less frequently than at the times set out in the Table below.

SPREP acknowledges that at each of the dates set out below, if the expected costs in the following payment period (as shown in the then current Costed Workplan) differ from the amount stated in the Table below, then the amount of Funding payable will be varied accordingly (as determined by MFAT following discussion with the Partner).

SPREP also acknowledges that:

- a) if the Milestones have not been not achieved in full; and/or
- b) if progress in implementation of the Activity and delivery of the relevant Outputs is behind than that which is contemplated in the Costed Workplan,

then a lesser Funding amount may be payable (as reasonably determined by MFAT following discussion with SPREP). SPREP also acknowledges that the amounts of Funding may also be altered by MFAT in accordance with the conditions of this Arrangement.

Date	Milestones	Indicative Funding Payment
Start Date	<b>Tranche Payment 1</b> will be paid on receipt by MFAT of: <ol style="list-style-type: none"> <li>1. A signed <b>Grant Funding Arrangement</b> between CCD and MFAT</li> <li>2. A <b>Claim</b> for the Tranche Payment 1</li> </ol>	<b>NZD 3,883,090</b>
30 August 2024	A <b>Monitoring, Evaluation, Research and learning Plan</b>	<b>Nil</b>
1 May 2025	A <b>Progress Report</b> for Year 1	<b>Nil</b>
	A revised <b>Costed Workplan / Budget</b>	
30 May 2025	<b>Tranche Payment 2</b> will be paid on receipt by MFAT of: <ol style="list-style-type: none"> <li>1. The <b>Progress Report</b> for Year 1</li> <li>2. A <b>Claim</b> for Tranche Payment 2</li> </ol>	<b>NZD 2,426,376</b>
30 September 2026	A <b>Completion Report</b> covering the full Funding period	<b>Nil</b>
	<b>MAXIMUM FUNDING AMOUNT NZD</b>	<b>NZD 6,309,466</b>

## 7. Reporting

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Reference Schedule 2 condition 5

The Partner will report to MFAT's Contract Manager at the times and in the manner set out Section 6.

### **Progress report**

The **Progress Report** will report on:

- the implementation of the Activity and delivery of Outputs (based on this Arrangement, any Costed Workplan and any MERL Framework);
- progress towards the goals/outcomes;
- any issues relating to the implementation of the Activity and delivery of Outputs and steps to be taken in order to address the issues;
- actual expenditure and income compared with that in any Costed Workplan, including comment on significant variances, balance of funds on hand at date of report;
- where expenditure is less than forecast, CCD will confirm whether the savings are permanent or temporary;
- risks identified in the relevant risk register (including health and safety risks/incidents) and any additional risks that have arisen-together with any associated risk mitigations; and
- where possible, any qualitative impact stories and pictures showing the effect of the Activity, cleared to be used in MFAT external communications; and
- any other relevant issues.

### **Completion report**

The **Completion Report** will report on:

- progress towards the goals/outcomes, including a completed MERL framework, with results on Activity outcomes and outputs;
- risks (including health and safety risks/incidents) that emerged over the full Funding period and how they were dealt with;
- overall judgement of success of the Activity, any critical issues and recommendations for future activities;
- final actual expenditure and income compared with that planned for the term of this Arrangement (including cessation costs and disposal of assets, where relevant), explanation of significant variances, balance of funds on hand at date of report;
- reflection on the quality of the MERL Framework and its implementation;
- where possible, any qualitative impact stories and pictures showing the effect of the Activity, cleared to be used in MFAT external communications.

## 8. Payments

Reference Schedule 2 conditions 3

SPREP's Claim(s) are to be sent to:

PDG Financial Support Team  
 Ministry of Foreign Affairs and Trade  
 Attention: Peter Williams, Climate Change & Environment  
[Peter.williams@mfat.govt.nz](mailto:Peter.williams@mfat.govt.nz)

Funding is to be paid into SPREP's bank account set out below, or such other bank account nominated by SPREP and approved in writing by MFAT.

<b>Bank Account</b>	<b>Name of Account</b>	BANK OF SOUTH PACIFIC
	<b>Currency</b>	USD (US Dollar)
	<b>Number</b>	0184959907
<b>Bank</b>	<b>Name of Bank</b>	BANK OF SOUTH PACIFIC
<b>Branch</b>	<b>Name of Branch</b>	BANK OF SOUTH PACIFIC
	<b>Address</b>	
	<b>Country</b>	Samoa
<b>Code</b>	<b>Swift Code</b>	BOSPWSWS
	<b>IBAN</b>	
	<b>Specify other code required</b>	
<b>Payment Reference</b>	SPREP addressing loss damage	

## 9. Contract Managers

Reference Schedule 2 condition 4

	<b>MFAT's Contract Manager</b>	<b>Partner's Contract Manager</b>
<b>Name:</b>	Peter Williams	Filomena Nelson
<b>Title/position:</b>	Senior Adviser, Climate Change & Environment	Climate Change Adaptation Adviser
<b>Address:</b>	Ministry of Foreign Affairs and Trade Ministry of Foreign Affairs and Trade 195 Lambton Quay Wellington 6011 New Zealand	SPREP Vailima Apia 0000 Samoa
<b>Postal address:</b>	Ministry of Foreign Affairs and Trade Private Bag 18-901 Wellington 6160 New Zealand	SPREP PO Box 240 Apia 0000 Samoa

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	<b>MFAT's Contract Manager</b>	<b>Partner's Contract Manager</b>
<b>Phone:</b>	+64 21 438 919	+685-21929
<b>Email:</b>	Peter.Williams@mfat.govt.nz	Filomenan@sprep.org

## 10. Addresses for Notices

Reference Schedule 2 condition 10

	<b>MFAT's address</b>	<b>Partner's address</b>
<b>For the attention of:</b>	Bernadette Cavanagh Deputy Secretary Pacific Development Group	Tagaloa Cooper Director Climate Change Resilience Programme
<b>cc:</b>	Peter Williams	Filomena Nelson
<b>Delivery address:</b>	Ministry of Foreign Affairs and Trade Level 10, HSBC Building 195 Lambton Quay Wellington 6011 New Zealand	SPREP Vailima Apia 0000 Samoa
<b>Postal address:</b>	Ministry of Foreign Affairs and Trade Private Bag 18-901 Wellington 6160 New Zealand	SPREP PO Box 240 Apia 0000 Samoa
<b>Email:</b>	Peter.Williams@mfat.govt.nz	Filomenan@sprep.org

## 11. Additional Provisions and Changes to Schedule 2

None.

## 12. Annexure/s

The SPREP Design Document (for Addressing Climate Change Loss and Damage) including accompanying appendices forms part of this Arrangement and will be deemed an Annexure. It may be varied from time to time between the Partners.

## Schedule 2: Conditions

### 1. Length of Arrangement

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- 1.1 This Arrangement starts on the Start Date.
- 1.2 This Arrangement ends on the End Date unless terminated earlier.

### 2. The Partners' assurances

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#### **Both Partners' assurances**

- 2.1 Both Partners will:
  - a. act in good faith and demonstrate honesty, integrity, openness, and accountability in their dealings with each other;
  - b. work together to achieve the goals and outcomes referred to in section 2 of Schedule 1;
  - c. discuss matters affecting this Arrangement, the implementation of the Activity and delivery of the Outputs, whenever necessary; and
  - d. notify each other immediately of any actual or anticipated issues that could:
    - (i) delay, significantly impact or change the implementation, delivery or associated cost of aspects of the Activity or the Outputs;
    - (ii) impact the Funding;
    - (iii) be the subject of a request for official information under the Official Information Act 1982 (NZ) or a complaint to the New Zealand Ombudsman; or
    - (iv) receive significant media attention.

#### **MFAT's assurances**

- 2.2 MFAT will:
  - a. provide the Partner with any information MFAT has readily available which the Partner has reasonably requested to assist in the implementation of the Activity and delivery of the Outputs;
  - b. make decisions and consider approvals reasonably able to be provided by MFAT and as required by the Partner to enable the implementation of the Activity and delivery of the Outputs in a timely manner; and
  - c. fund the Partner the applicable amounts referred to in Schedule 1 as long as the Partner has achieved the relevant Milestone and delivered the Outputs required in relation to that Milestone, to MFAT's sole satisfaction and made a Claim, all in accordance with this Arrangement.

#### **Partner's assurances**

- 2.3 The Partner will implement the Activity and deliver each Output:
  1. by the specified due dates and in accordance with the key requirements (if any) to be met for that Output as specified in the relevant Costed Workplan or this Arrangement and as may be notified by MFAT from time to time in its sole discretion;
  2. with due care, skill and diligence, to the appropriate professional standard, in accordance with best practice and to the standards and quality required by MFAT from time to time; and
  3. within the Maximum Funding Amount and in accordance with the relevant Costed Workplan.
- 2.4 The Partner will:
  - a. apply the Funding in accordance with this Arrangement and the Costed Workplan and for the purpose of implementing the Activity and delivering the Outputs;
  - b. ensure that its Personnel have the necessary skills, experience, training and resources to successfully implement the Activity and deliver the Outputs; and
  - c. provide all equipment and resources necessary to successfully implement the Activity and deliver the Outputs.
- 2.5 The Partner confirms that:
  - a. it has and will maintain all the regulatory licences, permits or other authorisations necessary to implement the Activity and deliver the Outputs and carry out all other activities as contemplated by this Arrangement;

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- b. reports produced by the Partner are factually correct, accurate and truthful in every material respect and will not contain false information or be ambiguous or misleading; and
  - c. it will comply with all applicable laws and regulations.
- 2.6 Within five Business Days of any significant actual or anticipated issue being notified under condition 2.1d, the Partner will advise MFAT of the steps it plans to take to prevent or mitigate the impact of the issue on implementation of the Activity or the delivery of the Outputs, and the Partner will implement any such additional reasonable steps as MFAT requests.
- 2.7 The Partner acknowledges that it is receiving public funds from the New Zealand Government and will assist MFAT by ensuring that transparent, efficient and effective financial and operational processes are used to manage the Arrangement.
- 2.8 The Partner will not at any time do anything that is likely to adversely affect the reputation, good standing or goodwill of MFAT or the New Zealand Aid Programme.
- 2.9 The Partner will:
- a. ensure, so far as is reasonably practicable, the health and safety of:
    - (i) workers who work for the Partner, while the workers are performing work under this Arrangement; and
    - (ii) workers whose activities are influenced or directed by the Partner while performing work under this Arrangement; and
    - (iii) other persons who might be put at risk by the Partner performing work under this Arrangement;
  - b. consult, cooperate and coordinate with MFAT in relation to the health and safety matters referred to of the workers and other persons described in paragraph a. above;
  - c. comply with the provisions of any Health and Safety Acknowledgement Form and Safety Plan provided to MFAT;
  - d. comply with all reasonable directions of MFAT relating to health and safety; and
  - e. report any health and safety incident, injury or near miss to MFAT as soon as possible after becoming aware that such an event has occurred.

For the purposes of this condition:

- f. **workers** means an individual who carries out work in any capacity, including employees, contractors, subcontractors, apprentices and volunteers; and
  - g. **reasonably practicable** means that which is, or was, at a particular time, reasonably able to be done in relation to ensuring health and safety, taking into account and weighing up all relevant matters, including —
    - (i) the likelihood of the hazard or the risk concerned occurring; and
    - (ii) the degree of harm that might result from the hazard or risk; and
    - (iii) what the person concerned knows, or ought reasonably to know, about—
      - (1) the hazard or risk; and
      - (2) ways of eliminating or minimising the risk; and
    - (iv) the availability and suitability of ways to eliminate or minimise the risk; and
    - (v) after assessing the extent of the risk and the available ways of eliminating or minimising the risk, the cost associated with available ways of eliminating or minimising the risk, including whether the cost is grossly disproportionate to the risk.
- 2.10 If the nature of the Activity requires it, the Partner will implement the activity and deliver the Outputs in a manner that:
- a. is culturally appropriate; and
  - b. respects the personal privacy and dignity of all participants and stakeholders

### **MFAT acknowledgment**

- 2.11 The Partner will acknowledge the assistance and support of the New Zealand Aid Programme in any publicity material, media reporting and annual reports. In doing so the Partner will make it clear that it is responsible for the implementation of the Activity.
- 2.12 Before using MFAT's and/or the New Zealand Aid Programme's name, logo design, or branding the Partner will first obtain MFAT's written consent.

### **No commitments**

- 2.13 The Partner will not make any commitments on behalf of the New Zealand Government relating to the expenditure of New Zealand official development assistance or any other official New Zealand funds.
- New Zealand Government

### 3. Claims and Funding

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#### Payment

- 3.1 MFAT will make a Funding payment to the Partner of an amount determined by MFAT in its discretion having regard to the factors set out in sections 3 and 6 of Schedule 1.
- 3.2.1 MFAT will not make a Funding payment unless it has received a valid Claim from the Partner and payment of Funding is subject to condition 2.2 (c) (relating to MFAT's discretion), condition 3.4 (relating to Government policy and appropriation) and condition 3.5 (relating to disputed Claims) and the other terms and conditions of this Arrangement.
- 3.2.2 All payments to be made by MFAT to the Partner under this Arrangement will be made to the Partner's Bank Account identified in Schedule 1.
- 3.2.3 If, and whenever, the Partner's Bank Account (**receiving account**) most recently recorded in MFAT's records as being that into which a payment is to be made under this Arrangement is recorded as being denominated in a currency (**preferred currency**) other than the currency in which the charges are denominated (**currency of payment**) then, at MFAT's option, without notice of any kind to the Partner and in satisfaction of MFAT's payment duties, the amount to be paid may be:
- converted, at its rates and upon its terms, by the bank MFAT has chosen to use to effect the payment from the currency of payment to the preferred currency and, as so converted, put into a recognised payments system with instructions that it be transmitted to the receiving account; or
  - put by that bank into a recognised payments system with instructions that be transmitted to the receiving account in the currency of payment,

in either case entirely at the risk, cost and expense (including in relation to taxes) of the Partner.

#### Claims

- 3.3 To be valid, each Claim will contain:
- the Partner's name and address;
  - MFAT's name and address and be marked for the attention of the person stated in Schedule 1;
  - reference this Arrangement;
  - the date on which the invoice was issued;
  - the Funding due, calculated correctly, in the currency stated in Schedule 1; the Partner's bank account details;
  - any of the Partner's financial records MFAT reasonably requires which relate to the relevant Milestone; and
  - any other information reasonably required by MFAT.
- 3.4 Any Funding under this Arrangement is subject to New Zealand Government policy and an appropriation by the New Zealand Parliament of sufficient funds for the type of activities provided for under this Arrangement.
- 3.5 If MFAT disagrees with a Claim, or any part of a Claim, that otherwise complies with this condition 3, MFAT will notify the Partner as soon as reasonably practicable. MFAT may withhold payment of the disagreed portion or any other amount due to the Partner under this Arrangement until the disagreement is resolved.
- 3.6 MFAT's payment of a Claim:
- does not mean that the Partner is released or excused from any of its assurances at the time or in the future, and
  - does not prevent MFAT from taking any action under this Arrangement at a later time.
- 3.7 MFAT reserves its right to claim any overpayments of Funding to the Partner back through a set-off against any other amount which MFAT owes the Partner under any other arrangement or contract, or to withhold payment of the equivalent amount under this Arrangement. If there is no amount owed by MFAT, then the Partner will refund to MFAT the amount paid in excess within 10 Business Days of MFAT's request for a refund.

#### Interest

- 3.8 The Partner will apply any interest earned on the Funding to the Activity and record it as income in the reporting required by Schedule 1.

New Zealand Government

**Audit**

- 3.9 The Partner will ensure that all Funding provided under this Arrangement is included in the Partner's financial statements and covered by any audit or independent review of those statements. The Partner's financial statements will include explicit reference to the total Funding received from the New Zealand Aid Programme. The Partner will ensure that a copy of its financial statements, including any audit or independent review report and any management letter resulting from an audit or review, will be provided to MFAT within six months of the end of the Partner's financial year.
- 3.10 MFAT or its delegate may audit the Partner in relation to its use of the Funding and performance of the Arrangement at any time and the Partner will allow MFAT or its delegate to carry out such an audit and will co-operate with any on-site audit and investigations by making available all Records and accounts to MFAT or its delegate, including those relating to the Funding it has received under this Arrangement.

**4. Arrangement management**

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**Contract Manager**

- 4.1 The persons named in Schedule 1 as the Contract Managers are responsible for managing the Arrangement, including:
- a. managing the relationship between the Partners in relation to this Arrangement;
  - b. overseeing the effective implementation of this Arrangement; and
  - c. acting as a first point of contact for any issues that arise.

**Changing the Contract Manager**

- 4.2 If a Partner changes its Contract Manager, it will tell the other Partner, in writing, the name and contact details of the replacement Contract Manager within five Business Days of the change.

**5. Records and reports**

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**Information and Records**

- 5.1 The Partner will:
- a. keep and maintain Records in accordance with prudent business practice and all applicable laws;
  - b. make sure the Records are easy to access; and
  - c. keep the Records safe.
- 5.2 The Partner will give information to MFAT relating to the Activity/ Outputs that MFAT reasonably requests. All information should be delivered within a reasonable time of the request.
- 5.3 The Partner will co-operate with MFAT to provide information immediately if the information is required by MFAT to comply with an enquiry or MFAT's statutory, parliamentary or other reporting obligations.
- 5.4 The Partner will make its Records available to MFAT or an MFAT designated party during the term of this Arrangement and for a minimum of seven years after the Arrangement End Date (unless already provided to MFAT).
- 5.5 The Partner will make sure that Records provided by MFAT or created for MFAT are securely managed and where return is not required, securely destroyed.

**Reports**

- 5.6 The Partner will prepare and provide to the MFAT Contract Manager the reports stated in Schedule 1. All reports will:
- a. be provided by the due dates stated in Schedule 1;
  - b. be in the format required by MFAT in Schedule 1 and include any other information reasonably requested by MFAT;
  - c. be presented in a manner that allows MFAT to easily and properly assess the Partner's progress and the achievement of Outputs under this Arrangement; and
  - d. not incorporate any logo, representation or mark of MFAT or the New Zealand Aid Programme which may indicate that the Partner is in any way related to, or connected with, the Partner or the New Zealand Aid Programme; and
  - e. be in a form satisfactory to MFAT.
- 5.7 MFAT may from time to time request informal reports, updates or consultations on the Arrangement, the Activity or Outputs.

New Zealand Government

5.8 The Partner will regularly brief the relevant New Zealand High Commission or Embassy on the progress of the Arrangement.

## 6. Insurance

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6.1 It is the Partner's responsibility to ensure its risks of implementing the Activity and delivering the Outputs are adequately covered, whether by insurance or otherwise, including claims made after the completion of the Activity.

## 7. Ending or suspending this Arrangement

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7.1 This Arrangement may be amended by mutual written consent of the Partners at any time. Either Partner may suspend or discontinue this Arrangement, in whole or in part, for any reason by providing notice in writing to the other Partner. Should this Arrangement be discontinued, the Partners will consult with each other on how to bring this Arrangement and the Activity to an orderly end.

### **Partner's assurances on termination or expiry of this Arrangement**

7.2 In the event of termination the Partner will take immediate steps to bring its work related to the Arrangement to a close in a prompt and orderly manner, reduce expenditure to a minimum and will deliver to MFAT, or its nominees, all documents, equipment and materials belonging to or provided by MFAT.

7.3 On termination or expiry of this Arrangement, the Partner will, if requested by MFAT, immediately return or securely destroy all Confidential Information and other material or property belonging to MFAT.

### **Consequences of termination or expiry of this Arrangement**

7.4 If this Arrangement is terminated, MFAT will only pay Funding that is due for components of the Arrangement delivered before the Arrangement End Date.

7.5 On the termination or expiry of this Arrangement, the Partner will immediately account for and refund to MFAT any unspent Funds that are not irrevocably committed to a third party.

## 8. Intellectual Property Rights

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8.1 Pre-existing Intellectual Property Rights remain the property of their current owner.

8.2 New Intellectual Property Rights in the Outputs become property jointly held by MFAT and the Partner when they are created.

8.3 To the extent that Intellectual Property Rights are incorporated into the Outputs, each of the Partners grants to the other a perpetual, non-transferable, sub-licensable, worldwide and royalty-free licence to use, for any purpose, those Intellectual Property Rights. This licence includes the right to use, copy, modify, and distribute, any materials to which the licence relates.

## 9. Confidential Information

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### **Protection of Confidential Information**

9.1 Each Partner confirms that it has adequate security measures to safeguard the other Partner's Confidential Information from unauthorised access or use by third parties and that it will not use or disclose the other Partner's Confidential Information to any person or organisation other than:

- a. to the extent that use or disclosure is necessary for the purposes of implementing the Activity and delivering the Outputs or, in the case of MFAT, using the Outputs;
- b. if the other Partner gives prior written approval to the use or disclosure;
- c. if the use or disclosure is required by law (including under the Official Information Act 1982 (NZ)) or by any Public Service agency, Minister of the Crown or Parliamentary Office or body; or
- d. in relation to the disclosure, if the information has already become public, other than through a breach of confidentiality by one of the Partners.

### **Inform Personnel**

9.2 Each Partner will ensure that its Personnel:

- a. are aware of the confidentiality provisions in this Arrangement; and
- b. do not use or disclose any of the other Partner's Confidential Information except as allowed by this Arrangement.

## 10. Notices

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### Delivery of Notices

- 10.1 All Notices to a Partner will be delivered by hand or sent by post, courier, fax or email to that Partner's address for Notices stated in Schedule 1.
- 10.2 Notices will be signed or in the case of email sent by the appropriate manager or person having authority to do so.

### Receipt of Notices

- 10.3 A Notice will be considered to be received if it is:
- a. delivered by hand, on the date it is delivered;
  - b. sent by post within New Zealand, on the third Business Day after the date it was sent;
  - c. sent by post internationally, on the 10th Business Day after the date it was sent;
  - d. sent by courier, on the date it is delivered;
  - e. sent by fax, on the sender receiving a fax machine report that it has been successfully sent; or
  - f. sent by email, at the time the email enters the Partner's information system.
- 10.4 A notice received after 5pm on a Business Day, or on a day that is not a Business Day, will be considered to be received on the next Business Day.

## 11. Anti-corruption

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### No Fraudulent practice

- 11.1 Both Partners will not make, cause to be made, nor receive any offer, gift (over the value of NZ\$100), payment, consideration, inducement, reward or benefit of any kind, which would, or could be construed as an illegal, unethical, or Fraudulent Practice. Any such conduct may be grounds for immediate termination of this Arrangement and the other Partner will be entitled to recover any such amounts and take such other corrective action as the other Partner deems appropriate. Where either Partner, or a Partner's Personnel, is investigated for Fraud, or where there is a finding of Fraud against either Partner or a Partner's Personnel, or where a Partner's Personnel is convicted of a serious criminal offence that brings that Partner into disrepute, or the nature of the conviction is incompatible with the objective(s) of the Arrangement, this event may be grounds for the other Partner to immediately terminate this Arrangement by giving notice in writing to the other Partner.

### Notification and investigation

- 11.2 Each Partner will immediately report to the other all suspected or detected Fraud. MFAT reserves the right to investigate cases of suspected or detected Fraud.

## 12. Anti-terrorism

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- 12.1 The Partner will use its best endeavours to ensure that Funds provided under this Arrangement do not provide direct or indirect support or resources to organisations and/or individuals associated with terrorism. Certain organisations and/or individuals are designated by the Partners as terrorists. If the Partner discovers any link whatsoever with any organisation or individual associated with terrorism it will inform MFAT immediately.

## 13. Assets and Inventories

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### Assets

- 13.1 Pre-existing Assets remain the property of their current owner.
- 13.2 All other Assets created or provided under this Arrangement will be the property of the Partner. The Partner will bear all responsibility in relation to such Assets and protect MFAT from any claims relating to them.
- 13.3 If at any time (including after the expiry or termination of this Arrangement) the Partner decides that it has no further use for any or all of the Assets, the Partner will use best endeavours to dispose of such Assets in an ethically and environmentally sound manner.
- 13.4 The Partner will create and maintain an Asset Register for all Assets. The Asset Register will be updated on a regular basis and, where appropriate, will include financial information relating to the depreciation in financial value of applicable Assets.
- 13.5 The Partner will ensure there is sufficient insurance or other cover against loss or damage, for all Assets until the Assets are disposed of in accordance with this Arrangement.
- 13.6 The Partner will carry out all necessary or appropriate maintenance of Assets to ensure all Assets are available for use during the term of ~~New Zealand~~ New Zealand ~~Arrangement~~ Arrangement.

## **Inventories**

- 13.7 Pre-existing Inventories, unless otherwise determined by MFAT and the Partner, remain the property of their current owner.
- 13.8 At the end of this Funding Arrangement, any Inventories which have not been exhausted by the Partner during the Activity that:
- a. remain in usable condition will be legally transferred to the relevant partner organisation.
  - b. are not in a usable condition will be lawfully and appropriately disposed of by the Partner.
- 13.9 The Partner will keep proper records of all Inventories it creates or purchases under this Funding Arrangement and will report to MFAT in its Activity reporting under that Funding Arrangement on the Inventories including their use and distribution.
- 13.10 MFAT has no responsibility for the condition, use, distribution or disposal of Inventories at any time.
- 13.11 The Partner will ensure there is sufficient insurance against loss or damage for all Inventories until the Inventories are disposed of under condition 13.8.

## **14. Variations**

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- 14.1 Any change to this Arrangement will be recorded between the Partners in writing.

## **15. General**

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### **Entire Arrangement**

- 15.1 This Arrangement records matters between the Partners in relation to the Arrangement. It replaces any previous communications, negotiations, arrangements or agreements that the Partners had with each other in relation to the Arrangement before this Arrangement was signed, whether they were verbal or in writing.

### **Nature**

- 15.2 It is understood between the Partners that this is an Arrangement.

### **Differences**

- 15.3 In the event of any difference in the interpretation or implementation of the Arrangement, the Partners will endeavour to resolve the differences through consultation.

### **Publication of information about this Arrangement**

- 15.4 The Partner may disclose the existence of this Arrangement but will obtain MFAT's prior written approval before making reference to the New Zealand Aid Programme, MFAT or this Arrangement in its publications, public statements, promotional material or promotional activities about this Arrangement.
- 15.5 Each Partner will not post on websites, social networking sites or publicly display objectionable or derogatory comments about the Outputs, this Arrangement, each other, or any of its Personnel and to ensure that its Personnel do not do so.

### **Signing the Arrangement**

- 15.6 The date of execution is the date this Arrangement is signed. This Arrangement may be executed in any number of counterparts (including any facsimile or scanned PDF counterpart), each of which will be deemed an original, but all of which together will constitute the same instrument. No counterpart will be effective until each Partner has executed at least one counterpart. If this Arrangement is signed on two separate dates, the date of execution is the later of the two dates.

### **Currency and time**

- 15.7 All money is in New Zealand dollars unless Schedule 1 specifies a different currency. Dates and times are New Zealand time.

## **16. Interpretation and definitions**

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- 16.1 In this Arrangement, unless the context otherwise requires:
- a. the headings to conditions are inserted for convenience only and will be ignored in interpreting this Arrangement;
  - b. the word "including" and other similar words do not imply any limitation;
  - c. a person includes any company or body of persons (incorporated or not);
  - d. the plural includes the singular and vice versa; and
  - e. a reference to a statute includes any legislative instrument or other subordinate legislation made under it and amendments to or replacement of any of them from time to time.

New Zealand Government

16.2 When used in this Arrangement the following terms have the meaning beside them.

**Activity** The activity described in Schedule 1, but when used in the context of the Partner's assurances, the term is limited to the aspects of the Activity for which the Partner is responsible as stated in Schedule 1.

**Annexure** An attachment to this Arrangement with the title 'Annexure'.

**Arrangement** This arrangement between MFAT and the Partner that comprises pages 1 and 2, Schedule 1, this Schedule 2, any Annexure/s and any variation.

**Asset** All tangible items of property, plant, equipment which are created or purchased in pursuit of the Activity, with an individual value of over NZ\$1,000 and whose economic benefits or service potential is expected to be used over more than one reporting period during this Arrangement or beyond.

**Asset Register** A record of all Assets that will include:

- a. each individual Asset;
- b. purchase price;
- c. date of purchase; and
- d. location held.

**Business Day** A day when most businesses are open for business in New Zealand. It excludes Saturday, Sunday and public holidays. A Business Day starts at 8.30am and ends at 5pm.

**Change of Control** In relation to a person (the "first person"), where a person acquires Control of the first person or where a person who Controls the first person ceases to do so

**Claim** A claim for Funding submitted by the Partner under this Arrangement in accordance with condition 3.3 of Schedule 2.

**Confidential Information** Information that:

- a. is by its nature confidential;
- b. is marked by either Partner as 'confidential', 'in confidence', 'restricted' or 'commercial in confidence';
- c. is provided by either Partner, or a third party 'in confidence';
- d. either Partner knows or reasonably ought to know is confidential.

**Contract Manager** The person named in Schedule 1 as the Contract Manager. Their responsibilities are listed in condition 4.1.

**Control** In relation to a person (the first person), means the ability of a person (the second person) to ensure that the activities and business of the first person are conducted in accordance with the wishes of the second person, whether through ownership of voting shares, contract or otherwise. Without limitation, the direct or indirect beneficial ownership of more than 50% of the voting shares of a person is deemed to constitute Control.

**Costed Workplan** Any workplan costed by outputs relating to this Arrangement that is submitted by the Partner to, and approved in writing by, MFAT, as amended from time to time.

**Crown** MFAT also described as the Sovereign Her Majesty the Queen in right of New Zealand and includes a Minister, a government department and an Office of Parliament, but does not include a Crown entity, or state owned enterprise named in Schedule 1 of the State-Owned Enterprises Act 1986.

**End Date** The earlier of the date this Arrangement is due to end as stated in Schedule 1, the date of termination as set out in a Notice of termination or any other date specified between the Partners as the date on which the Arrangement is to end.

**Fraud** A deliberate deceit by Personnel, undertaken in order to obtain a benefit for themselves and/or someone else. This includes such acts as theft, conspiracy, bribery, corruption, misappropriation, falsification of documents, non-authorized release of information, collusion and influencing decisions that will result in a personal benefit. **Fraudulent Practice** has a corresponding meaning.

**Funding** An amount that is equal to some or all of the Maximum Funding Amount, and **Fund** and **Funds** have a corresponding meaning.

**Intellectual Property Rights** All intellectual property rights and interests, including copyright, and all rights conferred under statute, common law or equity in relation to inventions (including patents), trademarks, designs, circuit layouts, domain names, rights in databases, confidential information, trade secrets, know-how, and all other proprietary rights, whether registered or unregistered, and all equivalent rights and forms of protection anywhere in the world, together with all right, interest or licence in or to any of the foregoing.

**Inventories** Any materials or supplies which are created or purchased in pursuit of the Activity and are intended to be consumed, sold or distributed under the Activity.

**Maximum Funding Amount** The maximum amount payable by MFAT to the Partner under or in connection with this Arrangement as stated in Schedule 1. New Zealand Government

**Milestone** Each of the Outputs and events recorded as milestones in the table in section 5 of Schedule 1.

**Monitoring, Evaluation, Research and Learning (MERL) Framework** A MERL framework relating to this Arrangement that is submitted by the Partner to, and approved in writing by, MFAT (following any iterations of a revised MERLs Framework due under this Arrangement, MFAT will email the final version to the Partner confirming that it is the version for use).

**New Intellectual Property Rights** Any Intellectual Property Rights that are developed, commissioned or created under or in connection with this Arrangement (including those incorporated into the Outputs).

**Notice** A formal communication from one Partner to the other that meets the requirements of condition 10 (Notices).

**Outputs** The products (including reports), tasks and key requirements that the Partner will perform or deliver under this Arrangement as set out in Schedule 1.

**Partner** MFAT and the Partner are each a Partner to this Arrangement and together are the Partners.

**Personnel** All individuals engaged by either Partner in relation to this Arrangement or the implementation of the Activity or delivery of Outputs, included any Approved Personnel, but excluding any Subcontractors.

**Pre-existing Intellectual Property Rights** Intellectual Property Rights developed before the date of this Arrangement or outside the scope of this Arrangement. It does not cover later modifications, adaptations or additions.

**Records** All information and data relating to the management of this Arrangement, implementation of the Activity and the delivery of Outputs. Records include reports, Claims, letters, emails, notes of meetings, photographs and other media recordings. Records can be hard copies or soft copies stored electronically.

**Start Date** The date this Arrangement starts as stated in Schedule 1.