



FFA

REQUEST FOR PROPOSALS (RFP)

TO: SUITABLY QUALIFIED CONSULTANTS

RFP No: CP01_2122

DATE: 4 August 2021

**SUBJECT: TO UNDERTAKE AN IMPACT EVALUATION OF THE NATIONAL FISHERIES
AUTHORITY REBATE SCHEME IN PAPUA NEW GUINEA**

Proposals are sought from suitably qualified and experienced Consultants to submit a proposal to undertake an impact evaluation study of the fisheries processing rebate scheme in Papua New Guinea (PNG).

To enable you to submit a proposal for this work, please find enclosed:

Annex I: Instructions to Bidders

Annex II: Terms of Reference, containing a description of FFA's requirements for which these services are being sought

Annex III: FFA Standard Conditions of Contract

This request is not to be construed in any way as an offer to contract to any specific party.

Dr Manumatavai Tupou-Roosen
DIRECTOR-GENERAL

INSTRUCTIONS TO BIDDERS

RFP No: CP01_2122

**TO UNDERTAKE AN IMPACT EVALUATION OF THE NATIONAL FISHERIES AUTHORITY
REBATE SCHEME IN PAPUA NEW GUINEA**

1. Submission of Proposals

1.1. All proposals submitted together with all correspondence and related documents shall be in English.

1.2. All prices in the proposals must be presented in United States Dollar (USD).

1.3. Any proposal received after the 10th of September 2021 will be rejected. FFA may, at its discretion, extend the deadline for the submission of proposals by notifying all prospective bidders in writing. The extension of the deadline may accompany a modification of the solicitation documents prepared by FFA on its own initiative or in response to a clarification requested by a prospective bidder.

1.4. In tendering a proposal, interested parties should demonstrate a clear understanding of the Terms of Reference (TOR) as set out, with appropriate explanatory comments, proposed methodology, work plan and timeline for completion of the entire scope of work. The FFA Standard Conditions for Contract are not negotiable.

1.5. The proposal should also include:

- i. A cover letter outlining proposed methodology and the time lines for undertaking the assignment as per the Terms of Reference (Annex II);
- ii. The CV of the consultant(s) proposed to complete the work, including background and relevant experience of the consultant(s) as well as a summary of any similar work;
- iii. A separate enclosed financial proposal providing a detailed cost summary for the implementation of the work which must include the daily fee rate(s) for the consultant(s);

2. Period of validity of proposals

2.1. Proposals shall remain valid for sixty (60) days after the date of Proposal submission prescribed by FFA, pursuant to the deadline clause. A Proposal valid for a shorter period may be rejected by FFA on the grounds that it is non-responsive.

2.2. In exceptional circumstances, FFA may solicit the bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. A bidder granting the request will not be required nor permitted to modify their Proposal.

3. Outputs required

A suitably qualified and experienced firm or team of consultants is expected to deliver the following outputs:

| | Output |
|-----|--|
| i | Workplan and proposed schedule. |
| ii | Draft report presented to the PNG National Fisheries Authority (NFA), FFA and relevant stakeholders to review and comment. |
| iii | Final report incorporating comments and feedback from NFA, FFA and stakeholders. |

4. Evaluation Criteria

A two-stage procedure will be used in evaluating the proposals, with evaluation of the technical proposal being completed prior to any price proposal reviewed and compared. The financial proposal will only be reviewed for submissions that have passed the minimum technical score of 70% of the total obtainable score in the technical proposals.

The technical proposal is evaluated on the basis of its responsiveness to the competency requirements as detailed in the evaluation criteria matrix.

| Competency Requirements | Score Weight (%) |
|---|------------------|
| <ul style="list-style-type: none"> • Demonstrated understanding of the fisheries management context, including the PNA purse seine VDS scheme, in which the rebate scheme operates. • Practical and technical knowledge of fisheries harvesting and processing operations in PNG and other developing states. | 40 |
| <ul style="list-style-type: none"> • Demonstrated experience in fisheries project evaluation, data collection and analysis. ▪ Knowledge and understanding of financial accounts and management. | 35 |
| <ul style="list-style-type: none"> ▪ Development experience in Pacific Island countries and an understanding of the social and cultural context. | 15 |
| <ul style="list-style-type: none"> ▪ Tertiary qualification or relevant experience in fisheries, economics, business or related field. | 10 |
| Total Score | 100% |
| Qualification Score | 70% |

In the Second Stage, the financial proposal of all bidders, who have attained a minimum of 70% score in the technical evaluation, will be compared. The contract will be awarded to the bidder(s) offering the best value for money taking into account the cumulative scores of technical and financial evaluations.

5. Financial Proposals

The financial proposal should be submitted as a separate document and not included as part of the technical proposal. Financial proposals should provide a budget for the project including professional fees, travel and accommodation and any other costs associated with the completion of this work. The estimated time required for the consultancy is around four (4) months.

6. Request for further information

Queries or questions are to be emailed to the Investment Facilitation Manager, email: tony.sullivan@ffa.int

7. Award of Contract

FFA reserves the right to accept or reject any Proposal, and to annul the solicitation process and reject all Proposals at any time prior to award of contract, without thereby incurring any liability to the affected Bidder(s) or any obligation to inform the affected bidder(s) of the grounds for such action.

8. FFA's right to vary requirements at time of award.

FFA reserves the right at the time of award of contract to vary the quantity of services and goods specified in the Request for Proposal (RFP) without any change in price or other terms and conditions.

9. Closing date for proposals

Proposals should be emailed to procurement@ffa.int with the subject line heading "CP01_2122: To undertake an impact evaluation of the NFA Rebate Scheme in Papua New Guinea".

All proposals must be received by FFA before 5.00pm (Local time), 10th September 2021.

10. Time

The total period required to complete this consultancy is four (4) months.

11. Notification

The names of winning bidders shall be advertised on the FFA website; www.ffa.int/employment/tenders/tender_results

Annex II

TERMS OF REFERENCE

RFP No: CP01_2122

TO UNDERTAKE AN IMPACT EVALUATION STUDY OF THE NATIONAL FISHERIES AUTHORITY REBATE SCHEME IN PAPUA NEW GUINEA

INTRODUCTION

The Forum Fisheries Agency (FFA) is seeking a reputable firm or team of consultants to undertake an impact evaluation study of the tuna processing rebate scheme in Papua New Guinea (PNG). The study should evaluate the impact of PNG's Government's support to the scheme, and also assess the direct and indirect benefits pre- and post-implementation of the scheme in the tuna processing sector.

BACKGROUND

In 1995, the PNG Government introduced the Tuna Domestication Policy targeted at developing onshore tuna processing through policies designed to encourage foreign direct investment in processing. This was further supported by the second-generation State Agreements which linked licencing of fishing vessels to onshore processing plants. Fishing licenses were granted to vessels associated with onshore processing on the premise that these fishing vessels would supply the PNG onshore processors with raw material.

During the initial set up and construction of the processing plants, a number of incentives were granted to investors, which included tax exemptions on construction materials and equipment, pioneer industry status, and discounted access/license fees. These latter arrangements included discounted vessel day pricing to companies in the expectation that these vessels would supply the processing plants with fish. Those investors granted 'pioneer' status also enjoyed tax free status, and free access to fish in PNG waters for agreed terms.

The first onshore processing plant in PNG was established at Madang in 1994, a second at Wewak in 2003, and a further three plants were later built in Lae in 2006, 2013 and 2017 respectively. Project agreements with the State for each of these investments contained similar incentives, terms and conditions. One further company commenced a mackerel processing operation in Lae in 1995, expanding production to include tuna in 2015.

In 2015, a study was conducted to assess the economic and financial performance of the respective companies, as well as the changing operating environment and general compliance with their respective state agreements.

The report (Audit Review of Fisheries Development State Agreements in PNG, 2016) found that significant amounts of revenue had been forgone through leakages frozen whole round tuna processing plants not processing to their full potential primarily attributable to the high volume of transshipment, as well as an overall lack of compliance with the respective state agreements.

One of the key recommendations of the report was for the Government to consider providing incentives through rebates, to encourage tuna fishing and processing companies to land and process more tuna onshore in PNG.

As a result, the O'Neil-Abel Government introduced the PNG Tuna Processing Rebate Scheme (RBS) in 2018 to stimulate downstream and onshore processing of tuna in PNG, through National Executive Council (NEC) decisions NG47/2017 and NG67/2017, respectively. Specifically, NG67/2017 approved the implementation of the Scheme effective from 1st January 2018 and directed the NFA to commence implementation.

The objective of the RBS has been to incentivise tuna processors to process greater volumes locally, and facilitate the growth and development of a sustainable tuna processing industry in PNG. The implementation of the scheme anticipated that increased landings and processing volumes would create positive flow-on impacts by way of employment opportunities for Papua New Guineans, associated activities and business opportunities in downstream industries, generate additional government revenue through taxes, export earnings, and social benefits through private savings and improved access to basic social services such as education and health.

In 2019, a review of the RBS was conducted on behalf of NFA to assess the performance of the scheme after two years (2018-2019) of implementation. Generally, the review concluded that the Scheme had been successful in stimulating production, jobs, and increased revenue through the sale of vessel days. The review recommended that the scheme should not be shelved but that the rebate rates should be decreased from US\$400/mt to US\$250/mt. The Fisheries Board subsequently directed that the rebates should be \$308/mt from 2019 onwards.

OBJECTIVES

The fisheries sector has been identified as one of the key economic drivers of the PNG economy. Embedded in the overarching Government policy blueprints is the desire for the fisheries sector to stimulate economic development and growth. A key government policy directive for the sector is to focus on downstream and onshore processing of raw tuna in the country. The rationale is that onshore processing, coupled with upstream and downstream activities will have a multiplier effect through increased employment, export volumes and earnings, as well as taxes to fund public services such as health and education. These key indicators are often used by Government to measure fisheries' contribution to economic growth.

This study will generally evaluate the impact of the Government support, provided through the Rebate Scheme. The study should evaluate the direct and indirect, intended and unintended impacts, before and after the implementation of scheme in the tuna processing sector.

ACTIVITIES

The scope of work entails three key areas;

- i) Review current operating policies and regulations, and their impacts;
 - Review and comment on the domestic policy environment and regulatory environment affecting the tuna industry. This should include, but not be limited to, the Tuna Domestication Policy, State Agreements, the Rebate Scheme policy documents and the Audit of State Agreements 2016.
 - Review and comment on the regional policy environment affecting the purse seine tuna industry
- ii) Evaluation of the impacts of the Rebate Scheme on the operational costs of processing tuna in PNG;
 - Financial performance of the companies - profit and loss, taxes/liabilities, export earnings
 - Operating Costs - cost of goods manufacturing, wages and salaries, repair and maintenance, depreciation, etc.
 - Cost of utilities - water, power, telecommunication, transportation (freight), fuel
 - Costs and logistics of landing tuna in PNG, and relationships between processors and suppliers.
 - evaluate contributions to the gross domestic product - gross value added (GVA)
 - Other impacts e.g. Impacts on fleets as a consequence of the removal of access concessions.
- iii) Evaluate the impact of the Rebate Scheme on potential key indicators, which may include;
 - Revenue generation to PNG as the resource owner, including access fees and tax
 - Catch volumes and landings - by company and fleet.
 - Cold storage and processing - throughput into cold storage and production line.
 - Domestic and external trade – local consumption by product, exports of processed products (canned, loins), exports of frozen whole round tuna.
 - Employment - direct and indirect employment (and the specific components thereof).

APPROACH

The study will be outsourced to a qualified and reputable firm or team of consultants. The terms and conditions of the study will be specified in the Contract executed between the Forum Fisheries Agency (FFA) and the successful bidder.

The successful bidder is expected to work closely with the National Fisheries Authority and adopt the following approach.

- Conduct a desk review of the Rebate Scheme that builds on previous work which will be made available to the successful bidder.

- Prepare an inception report that defines and outlines the methodology - key evaluation questions, evaluation design, implementation plans, and data collection strategy.
- Prepare and present the draft report on the Rebate Scheme to NFA and FFA, highlighting the empirical methods applied, and the preliminary impact evaluation results.
- Produce a final report and presentation to NFA, FFA and stakeholders.

OPERATIONAL ARRANGEMENT

The consultant will report directly to the Director of Fisheries Development. The FFA Investment Facilitation Manager will be the first point of contact for any enquiries. The Consultant shall liaise closely and take into account advice and recommendations made by FFA staff in relation to the Consultancy and other matters related thereto.

ASSISTANCE TO BE PROVIDED BY NFA and FFA.

1. As far as possible, provision of necessary documents, on a confidential basis if necessary, to the consultant upon request.
2. Liaison with relevant stakeholders as required, including official notification to advise the nature of the project and requesting cooperation.

OUTPUT/MILESTONES

| Output | Proposed time line |
|--|---|
| Work Plan and proposed schedule, to include: <ul style="list-style-type: none"> ▪ Key evaluation questions ▪ Evaluation design, approach and methodology ▪ Implementation plan ▪ Data collection approach ▪ Engagement strategy | Within two weeks of contract signature |
| Draft report presented to the NFA and FFA. <ul style="list-style-type: none"> ▪ Executive Summary ▪ Description of the Scheme ▪ Purpose of the evaluation ▪ Evaluation methods ▪ Findings ▪ Conclusions ▪ Recommendations | Ten weeks after contract signature |
| Final report incorporating comments and feedback from NFA, FFA and other stakeholders. | Two weeks after review and comments by NFA, FFA and stakeholders. |

AWARD OF CONTRACT

FFA reserves the right to accept or reject any Proposal, and to annul the solicitation process and reject all Proposals at any time prior to award of contract, without thereby incurring any liability to the affected Bidder(s) or any obligation to inform the affected bidder(s) of the grounds for such action.

FFA'S RIGHTS TO VARY REQUIREMENT AT TIME OF AWARD

FFA reserves the right at the time of award of contract to vary the quantity of services and goods specified in the Request for Proposal (RFP) without any change in price or other terms and conditions.

CLOSING DATE FOR PROPOSALS

Proposals should be emailed to procurement@ffa.int with the subject line heading

"CP01_2122: To undertake an impact evaluation of the NFA Rebate Scheme in Papua New Guinea.

All proposals must be received by FFA before 5.00pm, 10th September 2021.

Please note that the FFA Standard Conditions of Contract are not negotiable

FFA STANDARD CONDITIONS OF CONTRACT

1. Definitions

1.1 In this Contract:

- (a) "Consultancy Services" means the Consultancy Services described in Schedule A;
- (b) "Memorandum of Agreement" means the agreement executed by and between FFA and the Consultants in which these Conditions have been incorporated by reference;
- (c) "FFA" means the South Pacific Forum Fisheries Agency, based in Honiara, Solomon Islands;
- (d) "Contract" means the Memorandum of Agreement together with these Conditions and all other schedules and documents, if any, annexed to the Memorandum of Agreement or incorporated therein and intended to form part of the contractual relationship between the parties;
- (e) "Confidential Information" means information that:
 - (i) is by its nature confidential;
 - (ii) is designated by FFA as confidential;
 - (iii) the Consultant knows or ought to know is confidential;but does not include information which:
 - is or becomes public knowledge other than by breach of this Contract;
 - is in the possession of the Consultant without restriction in relation to disclosure before the date of receipt from FFA;
 - has been independently developed or acquired by the Consultant.
- (f) "Usual Place of Residence" means the place of residence of the Consultants during the duration of the consultancy, as designated in the Memorandum of Agreement;
- (g) "Term of Engagement" means the entire period during which the Consultants will be expected to perform the Consultancy Services.

1.2 Words importing a gender include any other gender.

1.3 Words in the singular number include the plural and words in the plural number include the singular.

1.4 Clause headings in this Contract are for convenient reference only and have no effect in limiting or extending the language of the provisions to which they refer.

1.5 A reference to a Schedule is a reference to a Schedule to this Contract and includes such Schedule as amended or replaced from time to time by agreement in writing between the parties.

2. Fees

2.1 FFA shall pay fees to the Consultants in respect of the Consultancy Services at the rate and in the currency specified in Schedule B to the Memorandum of Agreement

on the basis of time spent by the Consultants in performing the Consultancy Services. For the purpose of determining the amount of such fees:

(a) Where the fees are expressed in terms of a daily rate the time spent in performing the Consultancy Services shall be determined solely on the basis of the number of days actually worked by the Consultant in performing the Consultancy Services, including travel time.

2.2 Except as otherwise agreed between FFA and the Consultant, no fees will be paid in respect of work performed other than during the Term of Engagement.

3. Expenses

3.1 In addition to the fees specified in clause 2, FFA shall pay to or reimburse the Consultants for the following allowances, costs and expenses:

(a) A daily subsistence allowance (DSA) at standard FFA rates for every day during the term of engagement during which the Consultant shall be absent from the Usual Place of Residence for the purpose of performing the Consultancy Services; provided that DSA will be paid for the day of departure from the Usual Place of Residence but not for the day of return thereto. The DSA covers all accommodation charges, including government taxes (where applicable), meals, laundry and incidental expenses.

(b) All transportation costs properly and reasonably incurred by the Consultant in travelling for the purposes of the Consultancy Services whether within the Country of Assignment or elsewhere, including the cost of transportation by an appropriate means of public transport between the Usual Place of Residence and the nearest convenient international airport and the cost of economy class air travel.

(c) All other reasonable out-of-pocket expenses of the Consultants arising directly out of the performance of the Consultancy Services, including communications charges, airport and departure taxes, visa fees, taxi fares, and photocopying charges.

4. Payment of Fees, Costs and Expenses

4.1 The consultancy fees payable under the Contract will be paid to the consultants in accordance with Schedule B and to the satisfaction of the FFA.

4.2 Where the Consultancy Services have not been performed to the satisfaction of FFA, FFA may withhold the balance of the fees in whole or in part and may:

(a) require the Consultant to carry out whatever additional work is required to complete the Consultancy Services to the satisfaction of FFA; or

(b) terminate the Contract forthwith without prejudice to any right of action or remedy which has accrued or which may accrue in favour of FFA.

- 4.3 The travel costs and DSA (other than those paid in advance by FFA under Schedule B) shall be paid by FFA upon written application made by the Consultant to FFA, supported by such receipts or other evidence as FFA may reasonably require to establish that the Consultant was absent for the purpose of the Consultancy Services from the Usual Place of Residence. Where an advance of DSA has been made, FFA shall require the Consultant to complete a reconciliation of advance against actual entitlement.
- 4.4 Printing and distribution costs and reimbursable costs and expenses referred to in clause 3 shall be paid by FFA upon written application made by the Consultant to FFA, supported by such receipts or other evidence as FFA may reasonably require to establish that that the expenditure was incurred in the amount and currency and in the manner claimed.
- 4.5 Unless otherwise agreed between the 'Consultants; and FFA, the fees shall be paid in the currency specified in Schedule B. All travel costs, allowances, and out-of-pocket expenses shall be paid either in the currency in which the same were incurred or in US dollars or partly in one currency and partly in the other, as FFA shall reasonably determine in consultation with the 'Consultants'.
- 4.6 Whenever it shall be necessary to determine the equivalent of an amount in one currency in terms of another, the conversion shall be made at the rate which FFA shall determine was applicable at the time and place when the Consultants incurred the expenditure or converted currency into the currency of expenditure, whichever first occurred.

5. Medical and Insurance

All medical insurance costs shall be borne by the Consultant and FFA shall be under no liability in respect of medical expenses of the Consultants.

6. Indemnity

- 6.1 Subject to the provisions of this Contract, the Consultants shall at all times indemnify and hold harmless FFA, its officers, employees and agents (in this clause referred to as "those indemnified") from and against any loss (including legal costs and expenses on a solicitor/own client basis), or liability, reasonably incurred or suffered by any of those indemnified arising from any claim, suit, demand, action or proceeding by any person against any of those indemnified where such loss or liability was caused by any wilful, unlawful or negligent act or omission of the Consultants in connection with this Contract.

- 6.2 The Consultants' liability to indemnify FFA under clause 6.1 shall be reduced proportionately to the extent that any act or omission of FFA or its officers, employees or agents contributed to the loss or liability.
- 6.3 The indemnity referred to in clause 6.1 shall survive the expiration or termination of this Contract.

7. General Covenants

7.1 The Consultants covenant and agree that:

- (a) During the Term of Engagement they shall devote the whole of their time and attention to the performance of the Consultancy Services and shall at all times act with due diligence and efficiency and in accordance with the Terms of Reference. They shall make or assist in making all such reports and recommendations as may be contemplated by the Terms of Reference and shall at all times cooperate with FFA, its employees and agents. After the termination of the engagement they shall continue to cooperate with FFA to such reasonable extent as may be necessary to clarify or explain any reports or recommendations made by them.
- (b) At all times they shall act with appropriate propriety and in particular, refrain from making any public statement concerning the Consultancy Services without the prior approval of FFA.
- (c) They shall have no authority to commit FFA in any way whatsoever and shall make this clear as circumstances warrant.
- (d) They shall report immediately to FFA any circumstances or events which might reasonably be expected to hinder or prejudice the performance of the Consultancy Services, including circumstances and events relating to his transportation and accommodation.
- (e) All reports, notes, drawings, specifications, statistics, plans and other documents and data compiled or made by the Consultants while performing the Consultancy Services shall be the property of FFA and upon termination of the engagement shall be disposed of as FFA may direct. The Consultants may retain copies of such documents and data but shall not use the same for purposes unrelated to the Consultancy Services without the prior approval of FFA.

8. Conflict of Interest

- 8.1 The Consultants warrants that, to the best of their knowledge, at the date of signing this Contract, no conflict of interest exists or is likely to arise in the performance of his obligations under this Contract.
- 8.2 If during the Term of Engagement a conflict of interest arises, or appears likely to arise, the Consultants undertake to notify FFA immediately in writing and to take such steps as FFA may reasonably require to resolve or otherwise deal with the conflict. If the Consultants fail to notify FFA or are unable or unwilling to resolve or deal with the conflict as required, FFA may terminate this Contract in accordance with the provisions of clause 10.
- 8.3 The Consultants shall not engage in any activity or obtain any interest during the Term of Engagement that is likely to conflict with or restrict the Consultants in providing the Consultancy Services to FFA fairly and independently.

9. Disclosure of Information

- 9.1 The Consultants shall not, without the prior written approval of FFA, disclose to any person other than FFA, any Confidential Information. In giving written approval, FFA may impose such terms and conditions as it thinks fit.
- 9.2 FFA may at any time require the Consultants to give a written undertaking, in a form required by FFA, relating to the non-disclosure of Confidential Information. The Consultants shall promptly arrange for all such undertakings to be given.
- 9.3 The obligation on the Consultants under this clause shall not be taken to have been breached where the information referred to is legally required to be disclosed.

10. Termination

- 10.1 FFA may, at any time by written notice, terminate this Contract in whole or in part.

If this Contract is so terminated, FFA shall be liable only for:

- (a) payment under the payment provisions of this Contract for Consultancy Services rendered before the effective date of termination; and
 - (b) subject to clauses 10.3 and 10.4, any reasonable costs incurred by the Consultants and directly attributable to the termination or partial termination of this Contract.
- 1.2 Upon receipt of a notice of termination the Consultants shall:
 - (a) stop work as specified in the notice;
 - (b) take all available steps to minimize loss resulting from that termination;
 - (c) continue work on any part of the Consultancy Services not affected by the notice.

10.3 In the event of partial termination FFA's liability to pay fees under Schedule B shall, in the absence of agreement to the contrary, abate proportionately to the reduction in the Consultancy Services.

10.4 FFA shall not be liable to pay compensation in an amount which would, in addition to any amounts paid or due, or becoming due, to the Consultants under this Contract, together exceed the total fees set out in Schedule B.

11. Default

11.1 If either party is in default under this Contract on account of the failure to perform or observe any obligation or undertaking to be performed or observed on its part under this Contract, the party not in default may terminate this Contract in whole or in part without prejudice to any right of action or remedy which has accrued or which may accrue in favour of either party.

12. Waiver

12.1 A waiver by either party in respect of any breach of a condition or provision of this Contract shall not be deemed to be a waiver in respect of any continuing or subsequent breach of that provision, or breach of any other provision. The failure of either party to enforce at any time any of the provisions of this Contract shall in no way be interpreted as a waiver of such provision.

13. Notices

13.1 Any notice, request or other communication to be given or served pursuant to this Contract shall be in writing and dealt with as follows:

- (a) if given by the Consultants to FFA, addressed and forwarded to the Director-General, Forum Fisheries Agency, P.O. Box 629, Honiara, Solomon Islands. Fax: (+677) 23995.
- (b) if given by FFA to the Consultants, signed by the Director-General or Deputy Director-General and forwarded to the Consultants at the Usual Place of Residence.

13.2 Any such notice, request or other communication shall be delivered by hand or sent by pre-paid registered post, facsimile or telex to the address of the party to which it is sent.

13.3 Any notice, request or other communication will be deemed to be received:

- (a) if delivered personally, on the date of delivery;
- (b) if sent by pre-paid registered post, on the day that the acknowledgment of delivery is completed by the recipient; and
- (c) if sent by facsimile, on the business day next following the day of despatch providing that the sender receives an "OK" code in respect of the transmission and is not notified by the recipient by close of business

of the next business day following the day of despatch that the transmission was illegible.

14. Entire Agreement and Variation

- 14.1 This Contract contains the entire agreement between the parties and supersedes all communications, negotiations, arrangements and agreements, whether oral or written, between the parties with respect to the subject matter of this Contract.
- 14.2 No agreement or understanding varying or extending this Contract, including in particular the scope of the Consultancy Services in Schedule A shall be legally binding upon either party unless in writing and signed by both parties.

15. Severability

- 15.1 Each provision of this Contract and each part thereof shall, unless the context otherwise necessarily requires it, be read and construed as a separate and severable provision or part. If any provision or part thereof is void or otherwise unenforceable for any reason then that provision or part (as the case may be) shall be severed and the remainder shall be read and construed as if the severable provision or part had never existed.

16. Applicable Law

- 16.1 This Contract shall be governed by and construed in accordance with the laws of Solomon Islands and the parties agree, subject to the Contract, that the courts of Solomon Islands shall have jurisdiction to entertain any action in respect of, or arising out of, this Contract.