

New Caledonia, represented by the President of the Congress Mr. Roch WAMYTAN, acting in an official capacity in the name and on behalf of the Congress of New Caledonia,
On the One Hand

AND

The Secretariat of the Melanesian Spearhead Group (MSG), represented by the Director General, Mr. Peter FORAU
On the Other Hand,

Vested with respective powers for the purpose hereof,

Preamble:

Given the outlined principles of cooperation between New Caledonia and Vanuatu that relate to the cooperation agreement signed on 16th February 2010 between the Government of the French Republic and the Government of the Republic of Vanuatu, defining the program of cooperation 2010-2014; and in particular its Article 1 recalling the will of the parties to deepen their relations of cooperation in all areas of mutual interest, in particular the practice of good governance through the establishment of institutional relationships between the Parliament of the Republic of Vanuatu and the Congress of New Caledonia.

Considering the partnership agreement established between the Parliament of the Republic of VANUATU and the Congress of New Caledonia signed in 2003; and

Considering the Agreement of establishment signed on 23 March 2007 by the Members of the Melanesian Spearhead group (MSG), and following the courtesy visit to the MSG Secretariat, Port-Vila, in November 2011;

The President of the Congress of New Caledonia intends to develop partnership arrangements with the Parliaments of the region, availing of the technical support of the Secretariat of the

MSG in the good coordination of the regional cooperation efforts of the Congress of New Caledonia in the Melanesian region.

It is agreed as follows:

ARTICLE 1: The MSG Secretariat Project

The partnership and institutional support project is aimed at a funding assistance to the Secretariat of the Melanesian Spearhead Group. This funding assistance is specifically aimed at addressing the following strategic functions and activities of the MSG Secretariat:

- Partnership activities: between the Congress of NC and the MSG Secretariat in facilitating regional cooperation in Melanesia;
- The promotion of 'la francophonie' (use and practice of French language and cultures of French-speaking communities) within the Secretariat;
- The secondment of officers
- Translation and interpretation: equipment and personnel

ARTICLE 2: Funding Assistance and Payment of Grant

To enable the MSG Secretariat to fulfil its objectives under this partnership agreement, a grant funding to the order of Ten Million Pacific Francs (XPF 10,000,000) will be allocated. This assistance is aimed at funding the identified MSG Secretariat activities.

The disbursement of this fund will be effected in one payment: upon the signing of this partnership agreement, the payment of Ten Million Pacific Francs (XPF 10,000,000) will be effected.

The payment of the grant will be made to the benefit of:

Name of Account: Melanesian Spearhead Group (MSG)

Account Number: 50 – 00 - 1010 7001

SWIFT Code: NBOVVUVU

Bank: National Bank of Vanuatu

Bank Address: P.O.Box 249, Port Vila, Vanuatu

ARTICLE 3: Budgetary Allocation

The disbursement and expenditure of this fund will be debited to the budget of New Caledonia, Chapter 930, Sub-function 05, Nature 65738

ARTICLE 4: Financial Report and Audit requirements of the funds granted

With its financial year and accounts run annually from 1st January to 31st December, the MSG Secretariat (herein classified as an Association) shall submit to the Congress of New Caledonia within six months following the payment of the funds to their account, an activity completion report including financial statement with all supporting documents to enable an overall appreciation of the projects and activities carried out by the MSG Secretariat.

The Secretariat (the Association) undertakes to submit to the Congress:

- No later than June 30, 2012 a progress report with financial statement covering the implementation of the activities during the first six (6) months of 2012. This statement will be certified by the Director General or his representative and the Finance Manager or the Auditors (Barrett & Partners), and will include an update with stages of implementation of the activities with funding commitments for the year to demonstrate the degree of completion of the identified activities.
- The use of the grant by activity undertaken together with a report on any co-financing arrangements sought and obtained.

- In a general manner, the MSG Secretariat undertakes to provide justification at the request of the Congress of New Caledonia at any given time, on the use of the grant received. It will hold its accounts up to date for this purpose. Moreover, the Congress of New Caledonia may carry out site and document checks as it may deem necessary.
- Any modifications brought to the establishment of the Secretariat or its statutes.

ARTICLE 5: Period of Execution and Implementation Schedule

The present Agreement covers the first quarter of 2012. At the end of this period, and subject to the results of activity implementation with budget spending and the outcomes of a joint evaluation of the activities funded, it may be renewed two times maximum annually by way of supplementary agreement, on the grounds of annual budget availability.

ARTICLE 6: Proposed Modifications

The MSG Secretariat undertakes to inform the Congress of New Caledonia of any modification to the intended purposes of this agreement that can be the subject to an amendment. In the absence of an understanding reached between the co-signatories on intended modifications, the Congress of New Caledonia reserves the right to claim all or part of the funds disbursed.

ARTICLE 7: Cancellation

The present Agreement will cease:

In cases of non compliance by either party to the respective commitments defined in this Agreement, this Agreement may be automatically cancelled in full by either party, upon the expiry of a three months notice following the issuing of a registered letter with an acknowledgement to validate the fulfilment of its obligations.

Furthermore, if the actual activity of the association was significantly lower than the estimates, or different from the activities initially defined as part of the grant application, the Congress reserves the right to claim all or part of the amount of funds paid.

ARTICLE 8: Obligations

The Secretariat of the Melanesian Spearhead Group undertakes to:

- Reimburse the Congress of New Caledonia the unused funds or sums used for purposes other than those provided for in this Agreement; in which cases the Congress of NC reserving the right to issue a revenue claim.

ARTICLE 9: Settlement of Disputes

Any dispute arising between the two parties following the application of this Agreement shall be handled under the joint jurisdiction of the tribunal in Noumea (NC) and the courts of Vanuatu.

ARTICLE 10: Depository and Registration

This Agreement is exempt from any stamp duty and registration.

Made in Port-Vila, this Monday 27th February 2012, in three (3) originals:

For the Congress of New Caledonia For the Secretariat of the Melanesian Spearhead Group (MSG)

Roch WAMYTAN Peter FORAU
President Director-General

Read and approved,
(in hand-written form by respective signatory)

