



REQUEST FOR PROPOSAL

TO:

SUITABLY QUALIFIED FISHERIES MONITORING, CONTROL AND SURVEILLANCE CONSULTANTS

DATE: 10 August 2016

SUBJECT: REQUEST FOR PROPOSALS FOR A CONSULTANT TO COORDINATE A TECHNICAL AND COMPREHENSIVE ANALYSIS OF THE USE OF MANUAL REPORTS IN THE EVENT OF MOBILE TRANSCEIVER UNITS (MTU)/AUTOMATIC LOCATION COMMUNICATORS (ALC) MALFUNCTION

Interested parties are invited to submit a proposal in response to the attached request for proposals to provide a comprehensive analysis and evaluation of the use of manual reports in the event of Mobile Transceiver Units (MTU)/Automatic Location Communicators (ALC) malfunction.

To enable you to submit a Request for Proposal (RFP) 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.

James T. Movick
Director General

Instruction to Bidders

REQUEST FOR PROPOSALS FOR A CONSULTANT TO COORDINATE A TECHNICAL AND COMPREHENSIVE ANALYSIS OF THE USE OF MANUAL REPORTS IN THE EVENT OF MOBILE TRANSCEIVER UNITS (MTU)/AUTOMATIC LOCATION COMMUNICATORS (ALC) MALFUNCTION

1. Submission of Proposals

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

If any of the supporting documentation or printed literature is in any other language, a written translation of the document in English should also be provided. In such case the interpreted document will be used for processing and evaluation purposes.

1.2. All prices in the proposals must be presented in US Dollars (USD).

1.3. The deadline for submission of proposals is 5.00pm on Friday, Honiara time, 9 September 2016. Any proposal received after this date will not be considered. 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 submitting a proposal, interested parties should demonstrate a clear understanding of the Terms of Reference (TOR) as set out, with appropriate explanatory comments, proposed timelines for implementation and delivery of the required work.

1.5. The successful bidder will be required to sign an FFA standard contract for the delivery of services. The FFA Standard Conditions for Contract are not negotiable.

1.6. The proposal should also include:

- i. A cover letter outlining proposed methodology and time lines for undertaking the assignment as per the Terms of Reference (Annex II);
- ii. A maximum of 10 pages of information on the CVs of the personnel proposed to complete the work, the background and relevant experience of the consultants or agency proposed to complete the work as well as a summary of any similar or related Fisheries Monitoring, Control and Surveillance work.
- iii. A separately enclosed financial proposal providing a detailed cost summary for the implementation of the work.

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 its Proposal.

3. Outputs required

See details in attached Terms of Reference

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 evaluation of 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 (%)
Demonstrated understanding of assignment terms of reference and the associated complexities of the work	30
Qualifications and experience of the consultant	30
Proposed methodology and response to the terms of reference and any associated relevant experience.	40
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 in account the accumulative 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.

6. Requests for further information

Queries or questions are to be emailed to Noan Pakop, FFA Director of Fisheries Operations (noan.pakop@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 RFP without any change in unit price or other terms and conditions.

9. Closing date for proposals

Proposals should be emailed to procurement@ffa.int with the subject line heading "Manual Reporting Assessment and Analysis".

All proposals must be received by FFA before 5.00pm Honiara Time, Friday, 9 September 2016.

10. Timing of the study

FFA will ensure prompt selection of the consultant team, and the consultant should be ready to mobilise soon thereafter. The final report should be completed by no later than the end of December 2016.

TERMS OF REFERENCE

CONSULTANT TO COORDINATE TECHNICAL WORK TOWARDS A COMPREHENSIVE REVIEW OF THE USE OF MANUAL REPORTS IN THE EVENT OF MOBILE TRANSCEIVER UNITS (MTU)/AUTOMATIC LOCATION COMMUNICATORS (ALC) MALFUNCTION

A. Terms of Reference

Background

Over the last two decades, the Forum Fisheries Agency (FFA) Secretariat has been introducing and developing monitoring, control and surveillance (MCS) tools of growing sophistication to ensure that member countries are able to adequately detect, deter and respond to Illegal, Unregulated and Unreported (IUU) fishing.

This commenced with the introduction of a centralised Vessel Monitoring System (VMS) in 1997, production of an integrated “Regional Surveillance Picture” (RSP) in 2008, and the addition of multiple other data sources in that picture since that time. This suite of tools provides members with easy access to data on individual vessels, a risk-analysed picture of activity in their EEZ, the ability to conduct basic and detailed analysis and the ability to cue surveillance assets appropriately. Because of the secure and reliable nature of the data, VMS plays a central role in supporting the development of an accurate and dependable RSP.

The Western and Central Pacific Fisheries Commission (WCPFC) originally established manual reporting to provide vessels with a backup means of position reporting in the event of a failure of their VMS transmitter, known as a MTU or ALC. In 2008, WCPFC5 adopted the Standards Specifications and Procedures (SSPs) for the fishing VMS of the WCPFC, which includes a provision addressing ALC failures. In 2012, WCPFC9 adopted an amendment to the SSPs related to the reporting timeframes for manual reporting in the event of ALC malfunction, which applies from 1 March 2013 - 1 March 2017. WCPFC12 considered additional amendments to the VMS SSPs related to ALC type approval in 2015 intended to phase out ALC units that failed to meet WCPFC standards.

The FFA adopted the most recent version of the Harmonised Minimum Terms and Conditions (HMTCs) in 2014, which describes the rights and obligations of all vessels licensed to fish in the FFA region as a matter of “good standing” and includes requirements to carry VMS. The HMTCs allow for a vessel to manually report its position at intervals of 4 hours or such shorter period as specified by the delegated authority. Additionally, under the criteria for withdrawal or suspension of a good standing designation, the HMTCs address the failure to provide manual reports when so directed by the delegated FFA member authority in the event of an ALC/MTU breakdown.

The use of VMS has proven a critical tool in not only detecting and deterring IUU fishing, but also for securing fundamental fisheries management information. However, MCS practitioners have noted that manual reporting represents a significant loophole in MCS efforts because, in its current form, it effectively allows for vessels to stay out at sea, unmonitored, for up to 45 days. Pew Environment Group recently highlighted that 100 fishing and carrier vessels provided a total of 2,044 manual reports in just the first eight months of 2014 on the basis that their VMS unit malfunctioned or failed. Those manual reports, assuming a reporting rate of every 6 hours, amount to roughly 511 days where those vessels were effectively invisible. With fisheries observer coverage at less than 5 per cent of fishing effort for a number of fleets, that vessel time is almost completely unverifiable. Furthermore, VMS equipment and service providers note that these failure rates are much higher than would be expected under normal operation, suggesting that operators are selectively turning off their units to evade detection.

In addition, regional and national capacity to utilize manual reports (data collection and entering) is also insufficient, further weakening vessel location verification and national and regional MCS capabilities.

Thus, given the potential abuse and underutilization of manual reporting and the importance of VMS to both fisheries management and MCS applications, in addition to a pending review of the requirements for manual reporting by the WCPFC in 2017, an analysis of the use of manual reports is both relevant and timely. FFA has partnered with WWF – New Zealand to provide resources for this consulting role.

Aim

The aim of this project is to conduct an independent analysis and assessment:

- a) providing an outline of the limitations of VMS manual reporting in order to facilitate improvements and developments to this process, both nationally and regionally amongst FFA Members; and
- b) proposing recommendations to address the limitations of VMS manual reporting, looking at potential technical, operational, and regulatory improvements or developments.

Project outputs

The key project outputs will be the following:

1. Complete a preliminary analysis that addresses the following issues:
 - a. How frequently VMS manual reports are used by:
 - i. Flag
 - ii. Company
 - iii. Vessel
 - iv. License
 - v. Day/month/year.
 - b. If certain MTU/ALC units are subject to higher rates of failure or delays in reporting (transmission of position reports), including reasons for any difference in failure rates;
 - c. Where practicable, the proportion of time manual reports are used in relation to fishing or transit time per the above categories;
 - d. Where practicable, an assessment of how much activity (fishing, transshipping, refueling etc.) that could reasonably occur during the average length of time engaged under manual reporting.
2. Complete a secondary analysis producing the following key outputs:
 - a. Provide an expert opinion on the most effective regional approach to addressing the current limitations of VMS manual reporting (including capacity limitations, MCS limitations to addressing IUU fishing, IT limitations (e.g. data exchange and system limitations), difficulties verifying or validating manual reports, and any other limitations identified by the preliminary analysis);
 - b. Assess the feasibility of requiring vessels to carry an additional transceiver unit (that is, additional to the primary MTU). For example, an additional MTU, AIS or other positional device. Consideration should be given to, inter alia:
 - i. costs (including any cost recovery mechanisms);
 - ii. implementation challenges;
 - iii. any ability for the potential manipulation of equipment or data;
 - iv. practical feasibility; and
 - v. regulatory requirements and amendments.
 - c. A critical analysis of HMTCs and corresponding national requirements with respect to VMS manual reporting including, but not limited to:
 - i. Providing recommendations regarding amendments or improvements to the HMTCs as they relate to manual report to address identified limitations with current VMS manual reporting requirements and processes;
 - ii. Determining the extent that HMTCs are translated to national requirements such as regulations or license conditions; and

- iii. Identifying gaps in manual reporting requirements on a national level.
- d. Taking into consideration of (a), (b) and (c), provide an expert opinion on the most effective regional approach to improving the current method of providing vessel positional data, in the event of MTU failure, to relevant national authorities, FFA, PNAO and WCPFC. This should include a consideration of methods to ensure any reporting is provided by vessel operators in appropriate data formats and in a timely and reliable manner.

The consultant will also have a meaningful impact on the outputs generated by FFA Secretariat staff and other consultants on discrete bodies of work that are already underway or about to commence.

Outputs will be of a professional standard that can be presented to FFA officials.

Planned outcome

The key project outcome will be the adoption of the report by Forum Fisheries Committee and reform to the administration of VMS and manual reports.

Specific project activities

1. Conduct initial consultations with regional authorities including FFA, SPC, PNAO and the WCPFC to determine availability and access to information necessary for analysis.
2. As part of the preliminary analysis, review and assess all available manual reports submitted since manual reporting options were established.
3. Develop a project plan for the technical work involved in the analysis in consultation with specific responsible parties in National and Regional authorities.
4. Regular communication with FFA Executive Management or relevant staff.
5. Mid-term submission of progress report.
6. Submission of draft analysis and recommendations for review and comment by the FFA and WWF.
7. Submission of final analysis to FFA and WWF.

Please note that bidders are encouraged to provide their own analysis of time requirements.

Project milestones

The milestones for the project are:

1. Conduct initial consultations: October 2016
2. Undertake project activities: October to November 2016
3. Submit mid-term progress report: Mid-November 2016
4. Submit final analysis: End of December 2016

Project contract and duration

Consultancy inputs are expected to be up to 50 days. Work will mainly be conducted in and at the consultant's home base as necessary for the effective delivery of the project outcomes. A site visit of a week in duration will also be required and the costs of this will need to be included in the overall budget.

Project Budget

The total estimated cost for this work is US\$35,000.

Project resources

The consultant will need to interact with MCS authorities in the FFA, WCPFC, and SPC. The consultant may also interact with NGOs, private industry, or other entities as necessary to support the analysis.

Project variations

The project terms of reference, activities, duration and reporting timeframe may be expanded or varied by mutual agreement.

Project control

The project is under the control of the FFA Director of Operations, Noan Pakop (noan.pakop@ffa.int)

Experience

The successful consultant will have extensive experience in relevant MCS related projects, of working in the Pacific region, and an understanding of the operations of Pacific governmental organisations.

ANNEX III

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 Institution in which these Conditions have been incorporated by reference;
- (c) "FFA" means the Pacific Islands 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 Institution 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 Institution without restriction in relation to disclosure before the date of receipt from FFA;
 - has been independently developed or acquired by the Institution
- (f) "Usual Place of Residence" means the place of residence of the Institutions during the duration of the consultancy, as designated in the Memorandum of Agreement;
- (g) "Term of Engagement" means the entire period during which the Institutions 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 Institutions 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 Institutions 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 Institution in performing the Consultancy Services, including travel time.

2.2 Except as otherwise agreed between FFA and the Institution, 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 and subject to Schedule A and Schedule B, FFA shall pay to or reimburse the Institution for the following:

(a) A daily subsistence allowance (DSA) at standard FFA rates for every day during the term of engagement during which the Institution 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 Institution 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 Institution 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 Consultancy fees payable under the Contract will be paid 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 Institution 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 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 Institution 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 Institution and FFA, the fees shall be paid in the currency specified in Schedule B. All out-of-pocket expenses shall be paid either in the currency in which the same were incurred or in Solomon Island dollars or partly in one currency and partly in the other, as FFA shall reasonably determine in consultation with the Institution.
- 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 Institution incurred the expenditure or converted currency into the currency of expenditure, whichever first occurred.

5. Medical and Insurance

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

6. Indemnity

- 6.1 Subject to the provisions of this Contract, the Institutions 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 Institution in connection with this Contract.
- 6.2 The Institutions’ 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 Institutions 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 Institution 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 Institution 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 Institutions 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 Institutions 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 Institutions 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 Institutions shall not engage in any activity or obtain any interest during the Term of Engagement that is likely to conflict with or restrict the Institution in providing the Consultancy Services to FFA fairly and independently.

9. Disclosure of Information

- 9.1 The Institutions 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 Institutions to give a written undertaking, in a form required by FFA, relating to the non-disclosure of Confidential Information. The Institutions shall promptly arrange for all such undertakings to be given.
- 9.3 The obligation on the Institutions 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 Institutions and directly attributable to the termination or partial termination of this Contract.
- 10.2 Upon receipt of a notice of termination the Institutions 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 Institutions 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 Institutions 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 Institutions, signed by the Director-General or Deputy Director-General and forwarded to the Institution 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 the Solomon Islands and the parties agree, subject to the Contract, that the courts of the Solomon Islands shall have jurisdiction to entertain any action in respect of, or arising out of, this Contract.