



MEMORANDUM OF UNDERSTANDING

- between -

THE INDEPENDENT STATE OF PAPUA NEW GUINEA

as represented by the

**DEPARTMENT OF INFORMATION AND COMMUNICATION
TECHNOLOGY**

- and -

KUMUL CONSOLIDATED HOLDINGS

2024

STATE SOLICITOR
OFFICE OF THE STATE SOLICITOR
DEPARTMENT OF JUSTICE & ATTORNEY GENERAL
P.O. Box 591, WAIGANI
NATIONAL CAPITAL DISTRICT

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is made and entered into, on this day of, 2024:

BETWEEN: **THE INDEPENDENT STATE OF PAPUA NEW GUINEA** through the Department of Information and Communications Technology (**DICT**) of Tisa Ruma Building, Islander Drive Waigani, P O Box 784, Vision City 1131, National Capital District (hereinafter referred to as "the State" and/or "DICT") of the First Part;

AND: **KUMUL CONSOLIDATED HOLDINGS** of Harbourside West, Stanley Esplanade, Level 3, P O Box 320, Port Moresby 1121, National Capital District (hereinafter referred to as the "KCH") of the Second Part.

WHEREAS the State as represented by the DICT and the KCH hereinafter referred to individually as a "**Participant**" and collectively as "**the Participants**";

WHEREAS the DICT is mandated by the *Digital Government Act 2022 (DG Act)* to provide for digital government using information and communications technologies, and enabling the streamlining, planning, developing and implementation across the Whole of Government (WoG) through digital services, digital infrastructure, digital skills and all other aspects of digital government;

WHEREAS the KCH is established by virtue of Section 6 of the *Kumul Consolidated Holdings Act 2002 (KCH Act)* and mandated by the KCH Act to maximize the net worth of the Corporation and the State's investment in Majority State Owned Enterprises consistent with the objectives set out under Section 7 of the KCH Act;

RECOGNISING the Government of Papua New Guinea's (Government) commitment towards embracing digital transformation through the adoption of digital technologies and tools to build Papua New Guinea's digital economy and better serve the people of Papua New Guinea through public service delivery as well as recognizing that the Government can successfully drive digital transformation through cooperation and collaboration with state-owned enterprises;

ACKNOWLEDGING that the Government has a strong commitment to adopt new methods of service provision, utilizing advances in digital and open Government and in doing so, change the way the Government provides services, supporting growth and building the PNG digital economy;

SHARING the vision for a greater acceleration, integration and digital transformation of Papua New Guinea's economy;

CONSIDERING the fundamental role of information and communication technologies as an enabler for socio-economic development;

DESIRING to establish new benchmarks for cooperation in digital transformation to enhance economic opportunities;

PURSUANT to the prevailing laws, rules and regulations and national policies in force in Papua New Guinea; and

HAVE REACHED the following **UNDERSTANDING**:

CLAUSE 1: PURPOSE

The purpose of this Memorandum of Understanding (hereinafter referred to as “**MoU**”) is to establish a framework for cooperation and collaboration between the Government, represented by the DICT and the KCH to support the implementation of the Government’s key policy objectives on digital government and digital economy.

CLAUSE 2: OBJECTIVES

1. This MoU intends to formally express the understanding and intentions of the Participants to promote closer cooperation, consultation, and exchange of technical assistance to:
 - a. support the delivery of the components referred to under Clause 6 (Components) in respect of the Digital Government Act 2022 and Digital Government Plan 2023-2027, guided by the GovPNG Technology Stack;
 - b. coordinate collaboration between associated entities to deliver a digital government and digital economy consistent with the State’s key policy objectives;
 - c. Establish a sustainable digital service(s) delivery framework driven by innovation.

CLAUSE 3: RESPONSIBILITIES OF THE DICT

1. To achieve the objectives under CLAUSE 2, the DICT will carry out the following:
 - a. focal point for the WoG coordination in the delivery of the objectives of this MoU;
 - b. identify specific projects or Components suitable for partnering with KCH and

its subsidiaries, considering their capabilities and align with the government's policy objectives;

- c. responsible for the technical specifications for the identified projects or Components;
- d. initiate service level agreements for discussion;
- e. provide funding for each service level agreements either wholly or partially;
- f. provide policy guidance and direction on the implementation;
- g. jointly develop medium to long term digital government services delivery model;
- h. monitor, evaluate and report on the implementation to Government;
- i. dispersing and auditing of public funds under each SLA through the Public Service Audit Committee;
- j. responsible for approval for project proposals through the Public Service ICT Steering Committee; and
- k. Any other activities that are deemed necessary and as mutually agreed in writing by the Participants, to achieve the objectives of this MOU.

CLAUSE 4: RESPONSIBILITIES OF KCH

1. To achieve the objectives under CLAUSE 2, KCH will carry out the following activities:
 - a. provide leadership and guidance in establishing a sustainable platform that will be used to operationalization the Digital Government Act and the Digital Government Plan 2023 - 2027;
 - b. coordinate and encourage participation of specific partners within the SOE Family to facilitate and support the delivery of the PNG digital government and digital economy policy objectives;
 - c. Any other activities that are deemed necessary and as mutually agreed in writing by the Participants, to achieve the objectives of this MOU.

CLAUSE 5: AREAS OF COOPERATION

1. For the purposes of this MoU and to achieve the objectives under CLAUSE 2, the Participants endeavor to cooperate in the following areas to:

- a. Jointly develop a Governance and Management Framework to guide the cooperation and collaboration between the Participants to undertake their respective responsibilities;
- b. Jointly decide on a case-by-case basis, how initiatives will be funded and resourced and undertaken by the Participants, their members or agents and representatives;
- c. Develop a strategy, to support and sustain the delivery of Digital Government Initiatives;
- d. Support inclusive digital economy development programs; and
- e. Undertake other activities that are deemed necessary and as mutually agreed to in writing by the Participants on a case-by-case basis, to achieve the objectives of this MOU.

CLAUSE 6: IMPLEMENTATION AGREEMENTS

The Participants will enter into separate Implementation Agreements to operationalize the areas of cooperation under this MoU.

CLAUSE 7: TERMS AND CONDITIONS

1. It is mutually understood by and between the Participants that:
 - a. Each Participant will take legal and financial responsibility for the actions of its respective employees, officers, agents, representatives and volunteers;
 - b. Each Participant will indemnify, defend and hold harmless the other to the fullest extent permitted by law from and against any and all demands, claims, actions, liabilities, losses, damages and costs, including reasonable attorney's fees, arising out of or resulting from the indemnifying Participant's acts or omissions related to its participation under this MOU, and each Participant's acts or omissions related to its participation under this MOU and each Participant undertakes to bear the proportionate cost of any damages attributable to the fault of such Participant, its officers, agents, employees and independent contractors. The Participants intend that, where fault is determined to have been contributory, principles of comparative fault will be applied.
 - c. Each Participant, at its sole cost and expense, will carry insurance or self-insurance to cover its activities in connection with this MoU, and obtain,

keep in force and maintain, insurance or equivalent programs or self-insurance, for general liability, workers' compensation and business vehicle liability adequate to cover liabilities hereunder.

CLAUSE 8: FUNDING

1. Responsibilities outlined under CLAUSES 3 and 4 of this MoU will be subject to funds and other resources of the Participants.
2. The cost of cooperative activities under CLAUSE 5 of this MoU will be shared by the Participants in a manner to be mutually approved and agreed to in writing by both Participants.

CLAUSE 9: INTELLECTUAL PROPERTY RIGHTS

Should intellectual property rights arise out of, or in relation to any CLAUSE or activity under this MOU, the percentage and the allocation of ownership of these rights are to be determined on a case-by-case basis by the Participants, consistent with the applicable laws of Papua New Guinea.

CLAUSE 10: CONFIDENTIALITY

1. All information which is obtained or received by a Participant from the other Participant in connection with this MoU (hereinafter referred to as "**confidential information**"), regardless of whether such information is specifically marked as confidential, will be held in confidence and will be used exclusively for the purpose for which it was disclosed. The Participants will take all reasonable measures to ensure that confidential information is protected against loss and against unauthorized access, and that only authorized personnel will have access to confidential information.
2. The Participants will not disclose confidential information to any third-party, unless:
 - a. The disclosure is to a Participant's respective officials' and relevant stakeholders, including within other Government agencies, industry, academia and public-private initiatives for the purposes of implementing this MOU or any cooperation project, program or activity as may be initiated or undertaken thereunder; or
 - b. The Participant has obtained prior written approval for such disclosure from the other Participant which has provided the confidential information, including where disclosure is required by the national law or competent authorities of the Participant.
3. The Participants confirm that neither Participant is to neither disclose nor distribute

to any third-party, any information except transmitted by one or the other Participant in the process of cooperative activities under this MoU, except as and to the extent authorized in writing to do so, by a Participant.

CLAUSE 11: LEGAL EFFECT

1. Nothing in this MoU creates or is intended to create any legally enforceable rights or impose any legally binding obligations on the Participants under domestic law.
2. Nothing in this MoU is intended to restrict the Participants' ability to cooperate with each other or with any third parties including under any existing MoU entered between the DICT and a KCH subsidiary before the coming into effect of this MoU.

CLAUSE 12: COMMUNICATION

All communications regarding this MoU will be made between the heads of the respective Participants as follows.

Attention: DAVID KAVANAMUR Managing Director, Kumul Consolidated Holdings Harbourside West, Stanley Esplanade Level 3, P O Box 320, Port Moresby 1121, NCD, Papua New Guinea Email: david.kavanamur@kch.com.pg Tel: (675) 321 2977 / (675) 309 6700	Attention: STEVEN MATAINAHO Secretary, Department of Information and Communications Technology Level 1, Tisa Ruma, Section 427, Allotment 3, Hohola (Islander Drive), P O Box 784 Vision City 1131 NCD, Papua New Guinea Email: steven.matainaho@ict.gov.pg Tel: (675) 325 0412
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CLAUSE 13: DISPUTE SETTLEMENT

Any dispute or differences in the interpretation, application and implementation of this MOU will be resolved amicably through mutual consultation or negotiations between the Participants.

CLAUSE 14: REVIEW & AMENDMENT

1. This MoU may be reviewed by the Participants on an annual basis from the date of signing of this MoU during the course or its duration unless mutually agreed otherwise by the Participants.
2. The Participants may amend or modify this MoU upon mutual written consent.
3. Such amendment will come into effect on such date as may be determined by the Participants and will form an integral part of this MoU.

CLAUSE 15: COMMENCEMENT, DURATION AND TERMINATION

1. This MoU will come into effect on the date of signature of the Participants, whichever is the latest date and will remain in effect for a period of two (2) years.
2. This MoU may be terminated at any time by mutual understanding of the Participants, or unless the MoU automatically terminates upon completion of all cooperative activities as stated herein, or unless otherwise amended.
3. The termination of this MoU will not affect any existing projects or any cooperative activity under this MoU which is in progress at the time of termination, unless the Participants mutually decide otherwise in writing.

IN WITNESS WHEREOF, the Participants hereto have caused this MOU to be executed in triplicate by their duly authorised representatives respectively as of the date herein below indicated:

Signed for and on behalf of the
Independent State of Papua New Guinea
by the **Department of Information and Communications Technology** by:



STEVEN MATAINAHO
Secretary
Papua New Guinea Department of
Information and Communications
Technology

Date: 01 / 10 / 2024

In the presence of:



HON. TIMOTHY MASIU, MP
Minister for Information and
Communications Technology
Witness

Date: 01 / 10 / 2024

Signed for and on behalf of the
Kumul Consolidated Holdings by:



DAVID KAVANAMUR
Managing Director
Kumul Consolidated Holdings

Date: 01 / 10 / 2024

In the presence of:



**HON. WILLIAM DUMA, LLB, LLM,
CMG, MP**
Minister for State Enterprises
Witness

Date: 1 / 10 / 2024