



MEMORANDUM OF UNDERSTANDING

BETWEEN

**THE INDEPENDENT STATE OF PAPUA NEW GUINEA
THROUGH THE DEPARTMENT OF INFORMATION
AND COMMUNICATION TECHNOLOGY**

AND

NIUPAY LIMITED

**ON FOSTERING THE COLLABORATION ON
GENERATIVE ARTIFICIAL INTELLIGENCE
INITIATIVES ACROSS GOVERNMENT**

2025

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 (“MOU”) is made and entered into this day of 2025.

BETWEEN: **THE INDEPENDENT STATE OF PAPUA NEW GUINEA**, through the **Department of Information and Communications Technology (Department of ICT)** of Level 2, Tisa Ruma, Section 427, Allotment 3, Islander Drive, Hohola, Port Moresby, Papua New Guinea P.O. Box 784 Vision City, Waigani, 131, National Capital District, Papua New Guinea, (hereinafter referred to as “the State”) of the First Part;

AND: **NIUPAY LIMITED** of Level B1, 4, OPH 2 Plaza, McGregor Street, National Capital District Papua New Guinea P.O. Box 179, Port Moresby, Papua New Guinea (hereinafter referred to as “NiuPay”) of the Second Part.

WHEREAS:

The state as represented by the Department of Information and Communications Technology (**Department of ICT**) and NiuPay Limited (“**NiuPay**”), hereinafter referred to individually as a “**Participant**” and collectively as “**the Participant**”;

RECOGNIZING the shared vision for advancing Papua New Guinea’s digital transformation agenda through Artificial Intelligence;

ACKNOWLEDGING the importance of Artificial Intelligence that can improve the capabilities and productivity of the public service. It enables government agencies to automate routine tasks, generate timely insights from large datasets, and streamline administrative processes. By reducing manual workloads, public servants can concentrate on policy-making, service delivery, and community engagement. Generative AI can also support more consistent decision-making, leading to improved accountability and better outcomes for citizens.

WHEREAS, the Department of ICT, a Government Department established under the *Public Services (Management) Act 1995* responsible for the administration of the *Digital Government Act 2022*, and responsible for the coordination and implementation of the National ICT Policy 2008, the Papua New Guinea Digital Transformation Policy 2020, the National Cyber Security Policy 2021, the National Data Governance & Data Protection Policy 2024, Government of Papua New Guinea's Technology Stack Framework and other related policies, standards, and frameworks.

WHEREAS, Niupay Limited, being the first PNG-based organization to offer end-to-end, cloud-based, financial technology solutions to Government, State Owned Enterprise (**SOE**) and Small and Medium Enterprise (**SME**) with a focus on cashless revenue collection, cloud-based data processing and process streamlining.

NiuPay has developed advanced AI-based tools that are currently being deployed in Papua New Guinea. This collaboration seeks to deploy AI solutions across various government agencies and build trust and knowledge of AI among public-sector teams. It also aims to move towards a future government-based AI toolset to serve Papua New Guinea's broader digital agenda.

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

HAVE REACHED the following understanding:

CLAUSE 1

PURPOSE OF THIS MEMORANDUM OF UNDERSTANDING

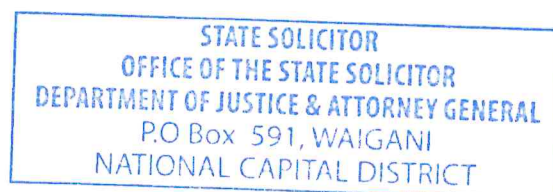
The purpose of this Memorandum of Understanding (hereinafter referred to as "**MOU**") is to establish a partnership to explore, design, pilot and adopt generative AI to enhance government services in Papua New Guinea.

CLAUSE 2

OBJECTIVES OF THIS MOU

The objective of this MOU is to explore, develop, and adopt generative AI solutions developed by NiuPay that enhance government processes by automating service delivery, improving data analytics, and strengthening fraud detection.

This partnership is designed as a flexible and adaptable framework, enabling the periodic assessment of pilot projects and initiatives to ensure alignment with the strategic objectives of participating government agencies.



CLAUSE 3

RESPONSIBILITIES OF THE DEPARTMENT OF ICT

- (1) To achieve the objectives under Clause 2, the Department of ICT intends to carry out the following activities under this MOU:
 - (a) Facilitate engagement with relevant government agencies interested in exploring AI applications.
 - (b) Provide necessary support, including access to relevant data, infrastructure, and expertise.
 - (c) Oversee the assessment and periodic review of pilot projects to ensure alignment with the Government's digital agenda.

CLAUSE 4

RESPONSIBILITIES OF NIUPAY LTD

- (1) To achieve the objectives under Clause 2, NiuPay Limited is committed to carry out the following activities:
 - (a) Identify potential opportunities for AI within government agencies.
 - (b) Collaborate with the Department of ICT on a roadmap development for AI adoption across government agencies.
 - (c) Develop AI solutions that address agency requirements and technical specifications.
 - (d) Deploy systems in a manner that ensures, as far as possible, seamless integration with existing processes and infrastructure.
 - (e) Maintain and update AI platforms, monitoring performance and implementing improvements as needed.
 - (f) Provide training and ongoing support to agency personnel, enabling them to manage solutions effectively and efficiently.

CLAUSE 5

FUNDING

- (1) All individual activities outlined under Clause 3 and 4 of this MOU will be subject to the availability of funds and other resources of the Participants.
- (2) The cost of cooperative activities under Clause 6 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 6

AREAS OF COOPERATION

- (1) The areas of cooperation under the MOU may include, but is not limited to the following areas:
 - (a) Automating service-delivery processes.

- (b) Enhancing data-analytics capabilities.
 - (c) Improving revenue collection.
 - (d) Implementing advanced fraud detection mechanisms.
- (2) These pilot projects under the MOU will serve as the basis for potential scaling of AI integration across other government functions, subject to ongoing assessment and mutual agreement.

CLAUSE 7

IMPLEMENTATION MECHANISM

- (1) To implement this MOU, the Participants mutually agreed to establish a Technical Working Group (**TWG**) comprising of representatives from the Department of ICT and NiuPay Limited.
- (2) The TWG will carry out the following:
- (a) Identify specific activities and deliverables under this MOU;
 - (b) Develop a joint implementation plan for the adoption of generative AI by public bodies;
 - (c) Review progress and address any challenges encountered during implementation and jointly report to the Participants through the relevant channels; and
 - (d) Provide recommendations to the Participants for the effective implementation of this MOU.
- (3) The TWG will meet quarterly or as mutually agreed by the Participants, to review progress and update plans.

CLAUSE 8

TERMS AND CONDITIONS

- (1) It is mutually understood and agreed 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 agrees to 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 shall bear the proportionate cost of any damages attributable to the fault of such Participant, its officers, agents, employees and independent contractors. It is the intention of the Participants 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

nsation and business vehicle liability adequate to cover liabilities hereunder.

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

Nothing in this MOU will be construed as requiring NiuPay to provide material data or information if doing so would breach its confidentiality policies and obligations. Further details on the handling and disclosure of confidential information are governed by a separate Confidentiality Deed.

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.

CLAUSE 12

COMMUNICATION

All communications regarding this MOU will be made in writing through the heads of the respective Participants.

CLAUSE 13

DISPUTE RESOLUTION

Any disputes arising from the interpretation or implementation of this MOU shall be resolved amicably through mutual consultations and or negotiations between the Participants.

CLAUSE 14

REVIEW AND AMENDMENT

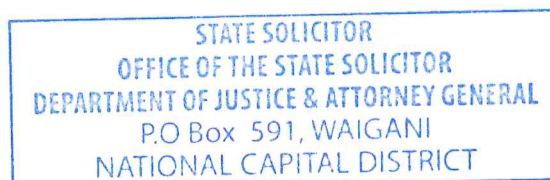
- (1) The Participants agree that if in the opinion of any of the Participants there exists circumstances sufficient to warrant a review, the MOU shall be reviewed at the request of either Participant within six (6) months from the date of execution of this MOU, unless terminated by either Participant with six (6) months written notice.

- (2) The Participants may amend or modify this MOU upon their 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.



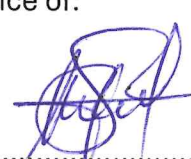
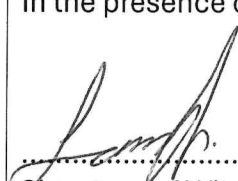
CLAUSE 15

COMMENCEMENT, DURATION AND TERMINATION

- (1) This MOU shall enter into force on the date of its signing by the Participants and will remain in effect for a period of five (5) years.
- (2) This MOU may be terminated at any time by mutual understanding of the Participants, or shall automatically terminate upon completion of all cooperative activities as stated herein, unless amended.
- (1) The termination of this MOU will not affect any ongoing activities or obligations that have been agreed upon prior to the notice of termination. under this MOU which is in progress at the time of termination, unless the Participants mutually decide otherwise in writing.
- (2) The signed copy of this MOU shall be deposited with the Department of ICT and NiuPay.



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

<p>Signed for and on behalf of the Independent State of Papua New Guinea through the Department of Information and Communications Technology by:</p> <p> STEVEN MATAINAHO Secretary Department of Information and Communications Technology</p>	<p>Signed for and on behalf of NiuPay Limited by:</p> <p> JAMES INGLIS Chief Executive Officer NiuPay Limited</p>
<p>Date: <u>27</u> / <u>11</u> / <u>2025</u></p>	<p>Date: <u>27</u> / <u>11</u> / <u>2025</u></p>
<p>In the presence of:</p> <p> Signature of Witness</p> <p><u>Deputy Secretary</u> Designation</p> <p><u>FLIERL SHONZOL</u> Name of the Witness</p>	<p>In the presence of:</p> <p> Signature of Witness</p> <p><u>CHIEF TECHNOLOGY OFFICER</u> Designation</p> <p><u>JASON KORDZINSKI</u> Name of the Witness</p>
<p>Date: <u>27</u> / <u>11</u> / <u>2025</u></p>	<p>Date: <u>27</u> / <u>11</u> / <u>2025</u></p>