

MEMORANDUM OF UNDERSTANDING

Between

ISLAMIC DEVELOPMENT BANK GROUP

And

ASIAN INFRASTRUCTURE INVESTMENT BANK

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (hereinafter referred to as the “MoU”) is made and entered into on June 25, 2018)

BY AND BETWEEN:

ASIAN INFRASTRUCTURE INVESTMENT BANK, a multilateral development bank, established under its Articles of Agreement (hereinafter referred to as “AIIB”) having its headquarters in Beijing, the People's Republic of China;

AND

ISLAMIC DEVELOPMENT BANK GROUP, a group of international financial institutions consisting of the Islamic Development Bank (IsDB), the Islamic Research and Training Institute (IRTI), the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC), the Islamic Corporation for the Development of the Private Sector (ICD) and the International Islamic Trade Finance Corporation (ITFC) having their headquarters in Jeddah, Kingdom of Saudi Arabia (hereinafter referred to as “IsDBG”);

The above-mentioned institutions are hereinafter referred to collectively as “Parties” and individually as “Party”.

WHEREAS

AIIB has the purpose to: (i) foster sustainable economic development, create wealth and improve infrastructure connectivity in Asia by investing in infrastructure and other productive sectors; and (ii) promote regional cooperation and partnership in addressing development challenges by working in close collaboration with other multilateral and bilateral development institutions;

IsDBG is established to foster the economic development and social progress of its member countries and Muslim communities in non-member countries in accordance with the principles of Islamic Law;

The Parties note the evolving needs of their respective member countries, and the development lessons that could be learnt from their respective experiences, and for the purposes of strengthening the effectiveness, impact, efficiency and sustainability of the development operations of each of the Parties, through their collaboration.

The Parties recognize the benefits of developing a framework to promote communication, discussion and cooperation between them, and to combine efforts to potentially support joint development initiatives.

The Parties are hereby desirous to develop and facilitate collaboration in matters of mutual interest and to set out areas for strategic cooperation.

Now, therefore, in recognition of their interests and objectives, the Parties hereby confirm their mutual understanding as follows:

1. SCOPE OF COLLABORATION

- 1.1 The Parties intend to share information and knowledge through meetings, communications and other means, including in the form of written materials.
- 1.2 The Parties intend to promote co-financing and other forms of joint participation in financial assistance for development projects in countries of mutual interest, subject to the mission mandate and policies of each of the Parties. A consultation mechanism will be developed for the purposes of this Article 1.2 to identify co-financing opportunities and discuss other matters pertaining to such co-financing.
- 1.3 The Parties intend, in particular, to exchange and facilitate knowledge regarding, inter alia, legal and institutional aspects of multilateral organizations, development financing mechanisms, Islamic finance, general administration, treasury management and operations, human resources management, information technology, operational policies and procedures (including, but not limited to, environmental and social frameworks, procurement, fiduciary controls, integrity mechanisms, supervision, compliance, monitoring and evaluation, and architecture and management of operational policies and procedures), analytical and sectoral work, investment operations (including political risk insurance, guarantees and trade facilitation), capacity development and multilateral cooperation.
- 1.4 The Parties intend to exchange experience among their respective employees, including through temporary assignments, secondments and other training as appropriate, in accordance with relevant policies and procedures applicable to both Parties.
- 1.5 The Parties intend to explore and may cooperate in other areas as may be mutually agreed upon.
- 1.6 Any specific activities, services or projects that may be identified by the Parties within the scope of this Article 1 will, as appropriate, be set forth in separate instruments, agreements or arrangements, as the case may be, to be entered into by the Parties.

2. CONFIDENTIALITY, DISCLOSURE AND PUBLICITY

- 2.1 Each Party herein agrees to keep confidential the information disclosed by the other Party respecting to the contemplated cooperative activities pursuant to this MOU to the same degree as it manages its own confidential information, and shall not disclose to third parties any confidential information without obtaining the prior written approval of the other Party, except if requested in any judicial or administrative proceeding by any governmental or regulatory authority, or by the Parties auditors.
- 2.2 The Parties may disclose this MOU and information related to this MOU in accordance with their respective policies in effect at the time of such disclosure.

3. TERMINATION AND MODIFICATION

- 3.1 This Memorandum shall become effective upon execution by the authorized signatories of the Parties and is intended to guide co-financing work through the end of 2023. This MoU may be renewed with the mutual written consent of the Parties.

3.2 This MoU may be amended by mutual written consent of the Parties.

4 NON-BINDING AND MISCELLANEOUS

4.1 The Parties acknowledge that this MoU does not create legally binding rights or obligations on the Parties or their officers or employees. It does not bind the Parties to enter into any agreements or projects, nor does it give any preference right for any agreement, project or transaction each Party intends to enter into. Nothing contained herein shall confer any legal rights or obligations on third Parties.

4.2 Nothing contained in this MoU shall be construed as or constitute a waiver, renunciation or other modification of any privileges, immunities and exemptions accorded to the Parties under the respective agreement establishing the Parties, international conventions or any other applicable law.

4.3 Any dispute over the interpretation or application of any provision of this MoU shall be settled amicably through consultations or by such other means as the Parties shall mutually agree.

5 CHANNEL OF COMMUNICATION AND NOTICES

5.1 All correspondences related to the implementation of this MoU would be directed to the following addresses:

For the IsDBG:

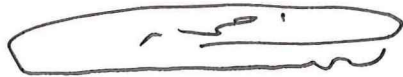
8111 King Khalid Street
Al Nuzla Al Yamania District
Unit#1 Jeddah 2444-22332
Kingdom of Saudi Arabia
Tel: +966-2-6361400
Email: archives@isdb.org
Attn: Director, Global Partnership and
Resource Mobilization Department

For the AIIB:

B-9 Financial Street
Xicheng District
Beijing, China
100033
Tel: +861083580086
Email: bwang@aiib.org
Attn: Director General, Policy,
Strategy and Budget Department

In Witness Whereof, the Parties, each, acting through its authorized representative, have duly executed this MoU in duplicate in the English Language on the date first written above.

**FOR AND ON BEHALF OF
ISLAMIC DEVELOPMENT BANK
GROUP**



Dr BANDAR M. H. HAJJAR
President, IsDB Group

**FOR AND ON BEHALF OF
ASIAN INFRASTRUCTURE
INVESTMENT BANK**



Mr JIN LIQUN
President, AIIB