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Investing in rural people

Memorandum of Understanding between the Asian Infrastructure Investment Bank and IFAD

Note to Executive Board representatives

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For: Information

Memorandum of Understanding between the Asian Infrastructure Investment Bank and IFAD

1. As per recommendations contained in document EB 2019/127/V.B.C.1, the Executive Board authorized the President to negotiate and finalize a memorandum of understanding with the Asian Infrastructure Investment Bank (AIIB) for the purpose of establishing a common framework whereby both institutions can explore possible opportunities for cooperation on matters of common interest.

2. The memorandum of understanding between IFAD and AIIB was signed on 12 July 2019. Sections 2.3 and 4.1 of the signed agreement reflect comments received from Member States. These changes are reflected as follows (deleted text with strikethrough; added text underlined).

2.3. IFAD will also explore the possibility of providing to AIIB in joint missions logistic and security support on a fully reimbursable basis. Should the possibility to have joint missions with AIIB materialize, the specific conditions that will apply, as well as the roles and responsibilities of each party, will be formalized in a separate agreement.

4.1. The Parties hereto ~~will~~ may exchange relevant information and data on matters of common interest to them and collaborate in the collection, analysis and diffusion of such information and data, subject to their respective policies and procedures relating to disclosure of information.

3. A scanned copy of the memorandum of understanding is attached for information.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (hereinafter referred to as the "Memorandum") is entered into between the **Asian Infrastructure Investment Bank** (hereinafter referred to as "AIIB") and the **International Fund for Agricultural Development** (hereinafter referred to as "IFAD"). IFAD and AIIB will otherwise be jointly referred to as the "Parties", and severally as the "Party", where the context so requires in this Memorandum.

WHEREAS, AIIB is a multilateral development bank, established under the Articles of Agreement of the AIIB, with 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;

WHEREAS, IFAD is a specialized agency of the United Nations and an international financial institution, established by an international agreement (i.e. the Agreement Establishing IFAD) with the objective of mobilizing additional resources to be made available on concessional terms for agricultural development in developing Member States. In fulfilling this objective, IFAD shall provide financing primarily for projects and programmes specifically designed to introduce, expand or improve food production systems and to strengthen related policies and institutions within the framework of national priorities and strategies; and

WHEREAS, the Parties, recognizing the importance of development in both urban and rural areas, seek to build upon their strengths with the aim of contributing to the achievement of the Sustainable Development Goals of the United Nations 2030 Agenda and of formalizing a common framework whereby they can explore possible opportunities of cooperation and collaboration on matters of common interest;

NOW, THEREFORE, the Parties have agreed to enter into this Memorandum, as follows:

SECTION 1

PURPOSE

- 1.1. The purpose of this Memorandum is to formalize a non-exclusive framework for cooperation between the Parties, with a view to facilitating collaboration in common areas of interest and in countries in which both Parties are active.
- 1.2. Any activities identified and agreed upon between the Parties shall be subject to the respective mandate, policies and procedures of the Parties.

SECTION 2

AREAS AND SECTORS OF COOPERATION

- 2.1. The Parties may, in particular, explore the possibility of cooperating in a number of specific areas including, but not be limited to:
- (a) subject to Section 4 below, exchange and facilitate knowledge regarding, *inter alia*, legal and institutional aspects of multilateral organizations, development financing mechanisms, general administration, treasury management and operations, human resources, internal records and information management and protection, information technology, operational policies and procedures;
 - (b) co-financing of projects and programmes that will qualify for financing by both Parties;
 - (c) mobilization of private sector financing;
 - (d) South-South and Triangular Cooperation;
 - (e) joint research, analysis and publications;
 - (f) organization of joint events and workshop; and
 - (g) staff secondments or staff exchange programmes.
- 2.2. The following will constitute sectors in which the Parties may explore possibilities for cooperation:
- (a) rural infrastructure and rural road networks;
 - (b) promotion of private sector engagement;
 - (c) renewable energy sources;
 - (d) climate change adaptation and mitigation; and
 - (e) Other sectors of cooperation as may be agreed upon between the Parties from time to time.
- 2.3. IFAD will also explore the possibility of providing to AIIB in joint missions logistic and security support on a fully reimbursable basis. Should the possibility to have joint missions with AIIB materialize, the specific conditions that will apply, as well as the roles and responsibilities of each party, will be formalized in a separate agreement.

SECTION 3

CONSULTATION

- 3.1. The Parties will keep each other informed and, whenever necessary, consult each other on matters of mutual interest, which in their opinion, are likely to enhance their collaboration.

SECTION 4

EXCHANGE OF INFORMATION

- 4.1. The Parties hereto may exchange relevant information and data on matters of common interest to them and collaborate in the collection, analysis and diffusion of such information and data, subject to their respective policies and procedures relating to disclosure of information.

SECTION 5

MEETINGS

- 5.1. A Party to this Memorandum may invite the other Party to attend meetings, seminars, symposia, workshops or conferences of mutual interest, convened or otherwise supported by such Party.

SECTION 6

GENERAL PROVISIONS

- 6.1. This Memorandum reflects the views and intentions of the Parties to cooperate on a non-exclusive basis, expressed in good faith but without the creation of any binding obligation or the incurrence of any liability on the part of any of them.
- 6.2. This Memorandum shall not represent any commitment on the part of either Party to give preferred treatment to the other in any matter contemplated under this Memorandum or otherwise. Nothing in this Memorandum will limit the right of, or prevent the Parties from, entering into memoranda or arrangements with other parties with respect to any activity covered by this Memorandum.
- 6.3. Any activity that may be identified by the Parties under this Memorandum will, as appropriate, be subject to separate supplementary arrangements or agreements to be concluded between the Parties on a case-by-case basis which will detail the specific form and content of the activities, address the responsibilities and rights of each Party in relation to those activities and the terms and conditions applicable thereto.
- 6.4. Any dispute arising out of or in connection with the interpretation or application of any provision contained in this Memorandum shall be settled amicably through consultations.
- 6.5. Nothing in this Memorandum, or relating thereto, shall be construed as constituting a waiver, renunciation or other modification of any of the rights, privileges, immunities and exemptions enjoyed by each of the Parties pursuant to their respective constituent instrument, organizational documents, or any international convention, or any applicable law.

SECTION 7

CONFIDENTIALITY, DISCLOSURE AND PUBLICITY

- 7.1. The disclosure of information with respect to the cooperative activities contemplated herein will be made in accordance with, and to the extent permitted by, the Parties' respective policies on access to information. Any confidential information shared pursuant to this Memorandum shall not be disclosed to any third party, without the prior written consent of the other Party.
- 7.2. The Parties may disclose this Memorandum and information related to this Memorandum in accordance with their respective policies in effect at the time of such disclosure. The Parties will consult with each other concerning the manner and form of any acknowledgement of the other Party's support regarding any activities undertaken pursuant to this Memorandum.

SECTION 8

COMMUNICATIONS

- 8.1. Each Party will designate an official (hereinafter referred to as "Official") who will be responsible for conducting relations under this Memorandum on its behalf. For the said purpose and until further notice IFAD will be represented by Mr Ron Hartman, Director of Global Engagement, Partnerships and Resource Mobilization. Until further notice, AIIB designates as its Official for the above-mentioned purpose, Ms Zheng Quan, Director General of Policy, Strategy and Budget Department.
- 8.2. Any notice or other communication to be given or made under this Memorandum will be addressed and sent to the attention of the Officials at the addresses below or such other address as either Party designates by notice to the other Party:

For AIIB:

Policy, Strategy and Budget Department
Asian Infrastructure Investment Bank
B-9 Financial Street, Xicheng District,
Beijing, China,
1000033
Fax: (86)10-83580004

For IFAD:

Global Engagement, Partnerships and Resource Mobilization
International Fund for Agricultural Development
Via Paolo di Dono, 44
00142 Rome, Italy
Fax: (39)06-5043463

SECTION 9**EFFECTIVENESS, DURATION, TERMINATION AND AMENDMENT**

- 9.1. This MOU shall become effective upon execution by the authorized signatories of the Parties. It will have a duration of five years and may be renewed, subject to satisfactory implementation, for periods of the same length by signature of an addendum or addenda or terminated by either Party prior to its term by giving a six months' advance notice to the other Party.
- 9.2. Any termination of this Memorandum shall be without prejudice to the orderly completion of any ongoing cooperation activity and any other rights or obligations of the Parties under any legal instrument executed pursuant to this Memorandum.
- 9.3. The Parties shall consult each other on any amendment required regarding the terms of this Memorandum. Any such amendment shall be made in writing and shall become effective after signature by both Parties.

IN WITNESS WHEREOF, AIIB and IFAD, each acting through its duly authorized representative have executed this Memorandum in two (2) original counterparts in the English language, in Luxembourg on this 12 day of July, 2019.

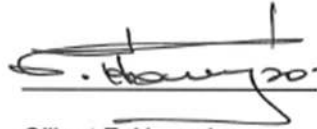
Asian Infrastructure Investment Bank



Jin Ligu

President

International Fund for Agricultural Development



Gilbert F. Houngbo

President