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 January 22nd, 2024.

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 Development Bank Institute (IsDBI), 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 57 member countries across four continents, touching the lives of 1 in 5 of the world's population, 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 non-exclusive framework for cooperation, to promote communication, discussion, and cooperation between them, and to combine efforts to potentially support joint development initiatives in common areas of interest.

The Parties entered a Memorandum of Understanding for Strengthening Co-operation on 25 June 2018, expiring at the end of 2023 ("2018 MoU"). Through increased inter-institutional cooperation, the Parties have gained important experience and deepened their collaboration. Building on this experience and lessons learned and following the expiry of the 2018 MoU, the Parties wish to enter into a new Memorandum of Understanding to reflect their evolving relationship and further set out the framework for their cooperations including co-financing of future development projects and programs, exchanging of knowledge and expertise, and institutional engagement and strategic collaboration.

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

ARTICLE 1
Objective

1.1 The objective of this MoU is to renew and complement a non-exclusive framework of cooperation and to facilitate collaboration between the Parties to promote programs and activities that foster cooperation between them, including through parallel co-financing activities, with a focus on:

(a) optimizing and strengthening sustainable infrastructure with a special focus on climate-resilient infrastructures;
(b) reducing the digital infrastructure gap in Asia;
(c) enabling regional integration and cross-border trade and cooperation and connectivity; and
(d) joint efforts in scaling-up resource mobilization.

1.2 These and any other activities to be agreed between the Parties are subject to the respective internal objectives, functions, policies, and procedures of the Parties.

ARTICLE 2
Areas of Cooperation

2.1 The Parties may explore the possibility of cooperating in the following areas:

(a) joint efforts and expertise, including co-financing of investment projects and programs;

(b) cooperate in the planning and execution of programs and activities in areas of common interest, including capacity building, concessional and grant support, advisory services;

(c) foster south-south investment by supporting cross-border investment and triangular cooperation arrangements within and across regions;

(d) periodically assess and review the collaboration with each other, with reference to their respective organizational mandates and priorities;

(e) exchange and facilitate knowledge regarding, inter alia, legal and institutional aspects of multilateral organizations, development financing mechanisms, Islamic/innovative 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.

2.2 Other related activities, including staff exchange and secondment, may also be considered upon between the Parties from time to time, subject to each of the Parties' internal policies and procedures, including those policies for the hiring of consultants and other services.

2.3 To advance the implementation of this MoU, the Parties intend to jointly develop an action plan (hereinafter referred to as the "Action Plan") based on the focus areas outlined in Article 1. The Action Plan may contain the following information: (a) scope and geographic focus of activities and an estimated timeline for their completion; (b) financial and non-financial resources that may be committed, subject to the internal policies, procedures, and approvals of each Party; and (c) targets or results indicators.

2.4 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.

ARTICLE 3
Cooperation

3.1 Nothing expressed or implied herein is intended to legally commit or oblige any Party to perform or observe any of the provisions herein, and this MoU is not intended to create any binding and enforceable obligations nor any rights to the Parties. Specific arrangements for individual activities may be set forth in a separate written document or work plans to be jointly formulated by the Parties in accordance with their respective policies and procedures.

3.2 This MoU does not represent any commitment with regard to funding or human resources obligations on the part of the Parties. Commitment of financial and/or human resources by each party for each agreed upon collaborative activities may be clearly set out in a separate document.

3.3 Nothing in this MoU is intended to constitute an agreement or commitment by any Party to enter into or provide support for any specific activity or project.

3.4 Each Party is responsible for its respective costs and expenses that may be incurred in connection with the activities described in this MoU.

3.5 Nothing in this MoU is intended to preclude the Parties from exploring other areas of mutual interest and potential collaboration.

3.6 Nothing in this MoU is intended to restrict a Party from entering similar arrangements with a third party covering the same or similar subject matter areas or activities.

ARTICLE 4
Channel of Communication, Notice and Implementation

4.1 For the purpose of facilitating the implementation of the working arrangements to be established by the Parties of this MoU, the channel of communication for the Participants are:

(a) For the IsDBG:
8111 King Khalid St. AI Nuzlah AI Yamania Dist. Unit No. 1
Jeddah 22332-2444
Kingdom of Saudi Arabia
Tel: +966-12 – 6361400
Fax: +966-12- 6366871
Marked for the attention of: Saleh Jelassi, Director, Partnerships, Global Advocacy & Resource Mobilization
Email: sjelassi@isdb.org and
Cc: mabida@isdb.org and myandiev@isdb.org

(b) For the AIIB:
Tower A, Asia Financial Center, No.1 Tianchen East Road,
Chaoyang District
Beijing, China
100101
Tel: +861083580086
Email: partnerships@aiib.org
Attn: Director General, Operational Partnership Department

4.2 Either Party hereto may, by notice in writing to the other Party, designate additional representatives or substitute other representatives for those designated in this Article.

4.3 The Parties intend, on a regular basis, to keep each other informed of and consult on matters of common interest, which in their opinion are likely to lead to mutual collaboration.

4.4 The Parties intend to convene, at such intervals as deemed appropriate, meetings to review the progress of activities being carried out under the present MoU and to plan future activities.

4.5 The Parties may undertake annual high-level consultation process to review progress and guide the way forward as well as semi-annual deep dives or working level operational consultations as appropriate to: (i) review the status and progress of activities, projects or programmes being carried out pursuant to this MoU; (ii) formulate new ways of enhancing the Parties' collaboration to further advance the implementation of the MoU and its Objectives; (iii) agree on further activities, projects or programmes and the means and responsibilities for implementing and managing such activities; and (iv) discuss any matters arising out of the Parties' cooperation under this MoU. The Action Plan may be separately updated after each consultation.

4.5 The Parties may invite each other to send observers to meetings or conferences convened by them or under their auspices in which, in the opinion of either Party, the other may have an interest. Invitations will be subject to the procedure applicable to such meetings or conferences.

ARTICLE 5
Intellectual Property

5.1 The Parties understand that nothing in this MoU is intended to grant a Party the right to use intellectual property owned or controlled by the other Party. The Parties intend to jointly decide in writing and in advance on the ownership and use of any intellectual property deriving from joint collaborative activities under this MoU.

ARTICLE 6
Confidentiality, Disclosure and Publicity

6.1 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.

6.2 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.

ARTICLE 7
Privileges and Immunities

7.1 Nothing in this MoU is intended to be a waiver, renunciation, or modification of the rights, privileges, immunities and exemptions accorded by any source to any of the Parties or their officers and employees, as applicable, which privileges and immunities are hereby specifically reserved.

ARTICLE 8
Disagreements

8.1 The Participants intend to resolve any disagreements arising out of, or in connection with, this MoU amicably and in good faith through consultations.

ARTICLE 9
Effectiveness, Amendment, Termination, and Other Matters

9.1 This MoU becomes effective on the date of its signature by both Parties as indicated on the date first written above and has a term of five (5) years from the date of its entry into effect and may be renewed automatically with the mutual written consent of the Parties for another period of three years, unless a notice to this effect is sent by either Party to the other Party at least sixty (60) days prior to the expiration of the MoU.

9.2 The MoU may be terminated by mutual consent by the Parties or by either Party by sending an advance sixty (60) days advance written termination notice to the other Party. The termination of this MoU is without prejudice to the continuation of ongoing activities which began prior to such termination, unless agreed otherwise by the Parties.

9.3 This MoU may be amended only by written consent of the Parties hereto.

In Witness Whereof, the Parties, each acting through its duly authorized representative, have signed this MoU in a set of 2 (two) original copies, in English Language, on the date first written above.

FOR AND ON BEHALF OF
ISLAMIC DEVELOPMENT BANK GROUP

Dr. Muhammad Al Jasser

Chairman, IsDBG

FOR AND ON BEHALF OF
ASIAN INFRASTRUCTURE INVESTMENT BANK

Mr. Liqun JIN

President, AIIB