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MEMORANDUM OF UNDERSTANDING

BETWEEN

THE ASIAN INFRASTRUCTURE INVESTMENT BANK

AND

THE SAUDI FUND FOR DEVELOPMENT

This **MEMORANDUM OF UNDERSTANDING** (hereinafter referred to as the "Memorandum") is between the Asian Infrastructure Investment Bank and the Saudi Fund for Development (each a "Party" and jointly referred to as the "Parties").

WHEREAS, the Asian Infrastructure Investment Bank (hereinafter referred to as "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, the Saudi Fund for Development (hereinafter referred to as "SFD") is a financial institution providing loans for developing countries, established by a Royal Decree in 1974, having its offices in Riyadh-Kingdom of Saudi Arabia;

WHEREAS, AIIB and SFD intend to build a more ambitious cooperative relationship to effectively achieve common objectives in the field of sustainable, resilient and inclusive development. The Parties share a goal of mobilizing resources for sustainable development, which provides the basis for the Parties' intention to strengthen their institutional and operational relationship.

NOW THEREFORE, the Parties based on mutual trust and in a spirit of cooperation, hereby have reached the following understanding:

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.

1.2 Any activities identified and agreed upon by the Parties shall be subject to their discretion and respective mandate, policies and procedures of the Parties.

SECTION 2
AREAS OF COOPERATION

2.1 The Parties may, in particular, explore the possibility of cooperating in a number of specific areas including, but not limited to:

(a) **Carrying out parallel, joint, or blended co-financing of projects**, subject to pre-determined criteria to be agreed by both Parties, that can benefit from SFD's concessional loans and AIIB financing and in geographic areas and sectors of interest to both Parties, including energy, transport, water and sanitation, urban- and social development, and digital infrastructure. The mobilization of any such funds shall be at the Parties' discretion and subject to their respective mandate, policies, and procedures;

(b) **Exploring modalities for programmatic collaboration to enhance project-level cooperation**, including on identification, preparation, development, and financing of projects, that fully leverage the Parties' respective strengths as described above, strengthen cooperation related to development finance products and innovative financing mechanisms, and support joint strategic priorities and activities related to the Sustainable Development Goals (SDGs), including in partnership with other donors/institutions;

(c) **Promoting knowledge sharing and capacity building** on climate, innovative financing mechanisms, and other sustainable infrastructure sectors or areas of mutual interest through exchanging best practices, technical support, cross-institutional learning activities, and closed and public knowledge sharing sessions or workshops;

(d) **Collaborating on staff exchange**, including through secondment of staff and training activities, to benefit from the other Party's experience and expertise on investment operations, subject to the Parties' respective rules, policies, and procedures;

(e) **Promoting collaboration through Regional and International Events**, including to invite each other to organize or attend, workshops, forums, and conferences programs which aim to develop bilateral cooperation and support partnership between them;

(f) **Exploring collaboration opportunities in external communications**, such as to showcase joint projects and efforts in contributing to the Sustainable Development Goals through traditional media coverage and official social media accounts, and additionally, SFD to benefit from knowledge exchange and peer-learning from the AIIB in the region.

2.2 When both Parties consider it to be of strategic importance, other areas and forms of cooperation may also be explored, such as regional cooperation and integration as well as working with other partners.

2.3 Further to the above-mentioned specific areas and sectors, the Parties hereby reiterate their strong interest in exploring additional forms of future cooperation, which may reflect their deeper engagement, as consistent with this Memorandum.

SECTION 3
IMPLEMENTATION

3.1 To advance the implementation of this Memorandum, the Parties intend to jointly develop a non-binding action plan ("Action Matrix") based on the areas outlined in Section 2 above. The Action Matrix may contain the following information: (a) scope of activities and an estimated timeline for their completion and (b) financial and non-financial resources that may be committed, subject to the internal policies, procedures, and approvals of each Party. Any engagements that the Parties may decide to pursue jointly under the Action Matrix will be subject to separate arrangements or agreements that would be discussed and concluded separately from this Memorandum.

3.2 Each Party designates the following focal points to support the implementation of this Memorandum:

For **AIIB:**
Director General
Operational Partnership Department
Asian Infrastructure Investment Bank
AIIB Headquarters, Tower A, Asia Financial Center,
No. 1 Tianchen East Road, Chaoyang District, Beijing 100101, China
Email: partnerships@aiib.org – CC: xiao.wang@aiib.org

For **SFD:**
Director of Partnerships
The Saudi Fund for Development
P.O.Box 50483
Riyadh 11523
Kingdom of Saudi Arabia
Email: info@sfd.gov.sa; - CC: sh.alossaimi@sfd.gov.sa

3.3 Any notice or other communication to be made under this Memorandum will be addressed to the focal points above, or such other focal points as either Party may designate by written notice to the other Party.

SECTION 4
CONFIDENTIALITY, DISCLOSURE AND PUBLICITY

4.1 The disclosure of this Memorandum, as well as information related to this Memorandum and the activities contemplated herein will be made in accordance with, and to the extent permitted by, the Parties' respective policies on access to information. The Parties will consult each other on the manner and form of any acknowledgement of the other Party's support regarding any activities undertaken pursuant to this Memorandum. Except when required by applicable law, 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.

4.2 Neither Party will use the name, logo, branding or trademarks of the other Party, or any abbreviation thereof, without the express prior written approval of the other Party in each case.

SECTION 5
GENERAL PROVISIONS

5.1 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 legal relationship of any kind between the Parties, nor the incurrence of any liability on the part of either of them. Nor shall any third party obtain any legal benefit from this Memorandum.

5.2 This Memorandum shall not represent any commitments on the part of either Party to give preferred treatment to the other in any matter contemplated under this Memorandum or otherwise. This Memorandum does not represent any offer, promise or undertaking by either Party to finance all or part of any activity or project identified or pursuant to this Memorandum. 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.

5.3 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.

5.4 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.

5.5 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 either Party pursuant to their respective constituent instrument, organizational documents, any international convention, or any applicable law.

5.6 The Parties acknowledge that nothing in this Memorandum is intended to grant a Party the right to use intellectual property owned or controlled by the other Party, without the prior written consent of the other party.

5.7 The Parties may jointly agree on the coordination of any media plan.

SECTION 6
EFFECTIVENESS, DURATION, TERMINATION AND AMENDMENT

6.1 This Memorandum shall become effective on the date it is signed by the last of the two Parties and will remain in effect for three (3) years, and this period of cooperation may be extended for another three years, unless terminated earlier by either Party. Either Party may terminate this Memorandum upon giving six months advance written notice to the other Party.

6.2 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.

6.3 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 SFD, each acting through its duly authorized representative, have signed this Memorandum of Understanding in two originals, in the English language.

FOR THE SAUDI FUND FOR DEVELOPMENT

Name: Sultan Abdulrahman Al-marshad
Title: Chief Executive Officer
Date: 26/10/2024

FOR THE ASIAN INFRASTRUCTURE INVESTMENT BANK

Name: Liqun Jin
Title: President
Date: Oct. 26, 2024