MEMORANDUM OF UNDERSTANDING

BETWEEN

ARAB BANK FOR ECONOMIC DEVELOPMENT IN AFRICA

AND

THE AFRICAN DEVELOPMENT BANK

AND

THE AFRICAN DEVELOPMENT FUND
MEMORANDUM OF UNDERSTANDING (the “MOU”) dated this xx day of xx 2007, between the Arab Bank for Economic Development in Africa (hereinafter referred to as "BADEA"), of the one part, and the African Development Bank (hereinafter referred to as "ADB") and the African Development Fund (hereinafter referred to as "ADF", and unless the context otherwise requires the ADB and ADF shall hereinafter be collectively referred to as the "ADB"), of the other part.

THE PARTIES TO THIS MEMORANDUM OF UNDERSTANDING:

CONSIDERING that the primary objective of the ADB is to contribute to the sustainable economic development and social progress of its African Member States ("Regional Members") individually and jointly; and the objective of the ADF is to assist the ADB in fulfilling its objective, as well as the promotion of co-operation, including regional and sub-regional co-operation and increased international trade, particularly among the Regional Members;

FURTHER CONSIDERING that the primary objective of BADEA is to strengthen economic, financial and technical cooperation between African countries and Arab World countries, to make Arab-African solidarity a concrete reality and to base this partnership on foundations of friendship and equality. To this end, BADEA was given a mandate to assist in financing economic development in non-Arab African countries, enhance the contribution of Arab capital in African development and to help provide the technical assistance required for the development of Africa;

NOTING the evolving needs of the Regional Members and the development lessons that could be learnt from the BADEA experience, and for purposes of mutually strengthening the effectiveness, impact, efficiency and sustainability of the development operations of MOU the parties;

DETERMINED to provide, through their joint efforts and within the limitations of their respective resources, mandates and policies, coordinated and harmonised services to the Regional Members, in a cost-effective and efficient manner;
HAVE REACHED THE FOLLOWING UNDERSTANDING:

ARTICLE I

PURPOSE

The purpose of the present MOU is to facilitate collaboration between the parties hereto in matters of common interest to establish the working framework necessary for the implementation of this collaborative work.

ARTICLE II

SCOPE

The parties to this MOU hereby agree to join efforts and maintain a continuous working relationship for the achievement of common objectives of assisting Regional Members in their economic development activities. To this end, the parties shall, in accordance with the provisions set forth hereinafter, endeavour to cooperate on matters of common interest and formulate and implement joint activities.

ARTICLE III

FOCUS AREAS OF COOPERATION

The following shall constitute the focus areas of co-operation:

(i) Agriculture and Agro-industry
(ii) Human Development
(iii) Governance
(iv) Private Sector
(v) Infrastructure
(vi) Arrears clearance
(vii) NEPAD, Regional Integration and Trade
(viii) Water Supply and Sanitation
(ix) Information Technology
(x) Other areas as may be agreed upon between the parties from time to time.
ARTICLE IV
CONSULTATION

4.1 The parties shall keep each other informed and, whenever necessary, consult each other on matters of mutual interest.

4.2 The parties shall maintain close institutional dialogue to ensure a coherent approach and to identify the comparative advantage and meet whenever appropriate to:

(i) identify programmes or projects for cooperation;
(ii) formulate an annual joint action plan for the implementation of such programmes or projects; and
(iii) conduct reviews progress of programmes and projects specified in the joint action plan.

ARTICLE V
EXCHANGE OF INFORMATION

The parties hereto shall exchange relevant information and data on matters of common interest and collaborate in the collection, analysis and dissemination of such information and data, subject to such arrangements as may be necessary or applicable, under any document and information restriction policies of the parties, for safeguarding the confidential nature of certain information and/or data.

ARTICLE VI
REPRESENTATION

A party to this MOU may, as appropriate, invite the other party to attend seminars, symposia, workshops or conferences of mutual interest, convened or otherwise supported by such party.

ARTICLE VII
IMPLEMENTATION AND COST SHARING

7.1 The parties to this MOU shall make available, to the extent feasible, the services of their staff for conducting the joint programs and projects. The parties may identify, as appropriate, other resource persons who could be engaged as experts, including staff of other international or regional organizations as mutually agreed by the parties.
7.2 Costs or expenses relating to, or arising from, activities undertaken pursuant to this MOU shall be borne by one or both parties in accordance with supplementary agreements in conformity with Article VIII to be reached by the parties prior to the implementation of the joint activities concerned.

ARTICLE VIII
SUPPLEMENTARY ARRANGEMENTS

Funding for the joint technical assistance activities to be implemented under this MOU shall be covered by supplementary agreements between the parties (such as an exchange of letters). The obligations of the parties to jointly finance the programmes to be implemented pursuant to this MOU shall be contingent upon concluding such supplementary agreements.

ARTICLE IX
OTHER MATTERS

Any other matters for which no provision is made in this MOU shall be determined in a manner mutually acceptable to the parties hereto, and, in this regard, each party shall give sympathetic consideration to any proposal advanced by the other party.

ARTICLE X
ENTRY INTO FORCE, DURATION AND TERMINATION

10.1 This MOU shall enter into force on the date of signature by both parties and shall remain in effect for five (5) years from that date. Thereafter, this MOU shall be automatically renewed every five (5) years, unless terminated in accordance with paragraph 10.2 hereof.

10.2 This MOU may be terminated by either party by giving six (6) months’ advance notice to the other party. Such termination shall take effect as of the date specified in the termination notice, provided that the provisions herein contained shall remain in effect to the extent necessary to permit an orderly settlement of all arrangements made with respect to on-going joint activities.
ARTICLE XI
CHANNEL OF COMMUNICATION AND NOTICES

11.1 For the purpose of facilitating the implementation of this MOU, the channel of communication for the parties shall be:

(a) For BADEA:

to be added

Arab Bank for Economic Development in Africa
Abdel-Rahman El-Mahdi Street, P.O. Box 2640,
Khartoum 11111,
Republic of Sudan

(b) For the ADB and the ADF

Head, Partnership and Cooperation Unit, ORRU:
African Development Bank Temporary Relocation Agency (Tunis)
BP. 323 1002
Tunis Belvedère
Tunisia
11.2 Any notice, request or other communications under this MOU shall be in writing and shall be deemed to have been duly given or made when it has been delivered by hand, mail, cable, telex or telefax, as the case may be, by either party to the other at the address specified in the Agreement or such other address as either party may notify to the other party.

**ARTICLE XII**

**AMENDMENT AND SETTLEMENT OF DISPUTES**

12.1 This MOU may be amended by mutual written agreement of the parties. Any amendment shall be without prejudice to any rights or obligations accruing or incurred under this MOU or supplementary agreements thereto reached pursuant to Article VIII, prior to the effective date of such amendment.

12.2 Any dispute over the interpretation or application of any provision herein contained shall be settled through consultations or by such other means, as the parties shall mutually agree.
IN WITNESS WHEREOF, BADEA, the ADB and the ADF, each acting through its representative duly authorized thereunto, have signed this Memorandum of Understanding on the date first above written in two original counterparts in English.

FOR BADEA

H.E. Ustaz Abdel Aziz Khelef
DIRECTOR GENERAL

FOR THE AFRICAN DEVELOPMENT BANK
AND THE AFRICAN DEVELOPMENT FUND

Dr. Donald Kaberouka
PRESIDENT