MEMORANDUM OF UNDERSTANDING

BETWEEN

THE ASIAN INFRASTRUCTURE INVESTMENT BANK

AND

THE UNITED NATIONS DEVELOPMENT PROGRAMME

This **MEMORANDUM OF UNDERSTANDING** (hereinafter referred to as the "Memorandum") is between the Asian Infrastructure Investment Bank and the United Nations Development Programme (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 ("MDB"), 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 United Nations Development Programme (hereinafter referred to as "UNDP") is a subsidiary organ of the United Nations, an intergovernmental organization established by its Member States with its headquarters in New York, NY (USA). UNDP serves in many respects as the operational arm of the United Nations at the country level and works with partners in numerous countries to promote among other things sustainable development, eradication of poverty, advancement of women, good governance and the rule of law;

WHEREAS AIIB and UNDP share common objectives with regard to supporting the 2030 Sustainable Development Goals ("SDGs") by financing sustainable development in their respective countries of operations;

WHEREAS the Parties acknowledge the alignment of MDB standards for cooperation to ensure high-quality international development cooperation;

WHEREAS the Parties acknowledge the potential benefits of cooperation between them for the realization of their shared objectives according to their respective mandates.

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 between the Parties shall be subject to the respective mandate, policies, procedures, regulations and rules of the Parties.

SECTION 2
AREAS OF COOPERATION

2.1 The Parties have identified the following activities in which cooperation may be pursued, with each Party operating subject to its respective mandates, regulations, rules, policies and procedures.

2.2 The Parties intend to explore the possibility of cooperating in specific areas of common interest, provided that such cooperation does not violate applicable rules and procedures by which either Party may be bounded. The cooperation may include, but may not be limited to:

(a) Joint work to co-invest and leverage private financing at national and project level: specifically, through concessional financing in the form of Vertical Fund grants disbursed by UNDP. The Parties intend to work together to (i) facilitate the identification, preparation, and deployment of financing instruments to support the implementation of projects related to their respective mandates and areas of activities in overlapping geographies, in line with countries' development priorities, (ii) develop new and innovative financing instruments and solutions, where appropriate, in line with their policies, guidances, needs and priorities and those of relevant Vertical Funds (including Global Environment Facility, Green Climate Fund and Multi-Lateral Fund for Implementation of Montreal Protocol), their recipient countries and AIIB's target countries of cooperation, and (iii) cooperate with UNDP's Environment Hubs, including the Vertical Fund Hub, to bring a pipeline of possible Vertical Fund programming opportunities that could be combined, sequenced and possibly co-mingled and/or blended with AIIB financing. The Parties agree to work in line with the policies and strategies governing UNDP's partnership with the Vertical Funds and AIIB's investment strategies, policies and plans. Under this collaboration, the Parties will consider to blend grant resources of Vertical Funds disbursed by UNDP, with AIIB financing, to advance human and economic development by improving access to financial solutions that contribute to climate change mitigation, adaptation and resilience, according to their mutually-agreed priority areas, and according to each Party's legal framework applicable in relation to the relevant potential projects and/or programmes.

(b) Joint work on measuring the impact of investments for the Sustainable Development Goals (SDGs). Building on the existing collaboration between AIIB and UNDP, UNDP can (i) support AIIB in evolving the establishment of the Asia Green Partnership Fund (AGPF), as part of the de-risking facility, to provide technical assistance on the design of a sustainability aligned impact framework, (ii) integrate impact measurement and management (IMM) practices to guide its strategic intent, origination of investable projects and portfolio management, and (iii) complement AIIB's current pipeline aligned with their climate mitigation commitments and the SDGs. UNDP's Sustainable Finance Hub's (SFH) can bring together, as part of the SDG Impact Management and Finance Tracking offer, the appropriate standards by which to measure SDG impact and IMM approaches for various financial instruments and partners. The resulting prototype would support AIIB to integrate SDG-aligned impact management into its investment portfolio, particularly in equity and debt instruments, serving as a benchmark that could inspire other international finance institutions.

(c) Collaborate on knowledge sharing, joint advocacy and policy support work. The Parties, by common agreement, or through special arrangements if needed,

(i) may stage together a variety of events relating to concrete projects and initiatives of common interest with the formats, including special launch events, joint researches, convening knowledge sharing, conferences, interactive activities and educational programmes, and (ii) will also continue to organize exchanges across their respective departments, to share information and identify new areas of collaboration, for example on integrated national financing frameworks, SDG investor maps and NDCs, and SDG-aligned bonds.

SECTION 3
IMPLEMENTATION

3.1 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.

3.2 Each Party will designate a focal point to support the implementation of this Memorandum, as follows:

For AIIB:
Operational Partnerships 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

For UNDP:
Financial Institutions Partnerships Team
Bureau of External Relations and Advocacy
UNDP Headquarters
One UN Plaza, New York, NY 10017, USA
Email: bera.pg.fit@undp.org

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 notice to the other Party.

SECTION 4
CONSULTATION AND EXCHANGE OF INFORMATION

4.1 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.

4.2 Consultation and exchange of information and documents under this Memorandum are envisaged to be without prejudice to arrangements, which may be required to safeguard the confidential and restricted character of certain information and documents.

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

4.4 To facilitate the implementation, monitoring, and reporting on the progress of the Memorandum, a flexible Action Matrix may be jointly developed and updated by the Parties, outlining key Areas of Cooperation, Expected Outcomes and Outputs, and time-bound Activities and Focal Points. The Parties may undertake annual consultations as appropriate to: (i) review the status and progress of activities, projects or programmes being carried out pursuant to this Memorandum; (ii) formulate new ways of enhancing the Parties' collaboration to further advance the implementation of the Memorandum 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 Memorandum. The Action Matrix may be 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.

SECTION 5
USE OF NAME AND EMBLEM AND PUBLICITY

5.1 Neither Party will use the name, emblem or trademarks of the other Party, or any of its subsidiaries, and/or affiliates, or any abbreviation thereof, without the express prior written approval of the other Party in each case.

5.2 The Parties acknowledge that they are familiar with each other's ideals and objectives and recognize that their names and emblems may not be associated with any political or sectarian cause, or otherwise used in a manner inconsistent with the status, reputation and neutrality of either Party.

5.3 The Parties agree that any link to their websites will be created only with their written authorization.

5.4 The Parties will recognize and acknowledge this partnership, as appropriate. To this end, the Parties will consult with each other concerning the manner and form of such recognition and acknowledgement.

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 either Party. Nor shall any third party obtain any legal benefit.

6.2 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. 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 disputes arising out of or in connection with the interpretation or application of any provision contained in this Memorandum shall be settled amicably through direct negotiations.

6.4 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 AIIB pursuant to the AIIB's Articles of Agreement, the Headquarters Agreement between the People's Republic of China and AIIB, international conventions, or any applicable law.

6.5 Nothing in or relating to this Memorandum shall be deemed a waiver, express, or implied, of any of the privileges and immunities of the United Nations, including its subsidiary organs.

6.6 AIIB represents that it is a legally formed entity and has all the necessary powers, authority, and legal capacity to enter into this Memorandum and perform its obligations hereunder.

6.7 Notwithstanding anything in this Memorandum to the contrary, (a) this Memorandum is an expression of intent and does not constitute a legally binding document; (b) nothing herein shall be construed as creating a legally binding commitment, financial or otherwise; (c) nothing herein shall be construed as creating a joint venture and neither Party shall be an agent, representative or joint partner of the other Party; (d) all of UNDP's activities envisaged hereunder are subject to the availability of funding; (e) any funds received by UNDP shall be used, and all UNDP activities further to this Memorandum will be carried out, in accordance with the project documents agreed between UNDP and the concerned programme government(s) where the activities will be implemented, and in accordance with the applicable UNDP regulations, rules, policies and procedures; and (f) each Party shall be responsible for its acts and omissions and those of its employees, contractor and subcontractors, in connection with this Memorandum and its implementation.

6.8 The Parties will consult each other, as appropriate and if circumstances so require, on issues relating to intellectual property and rights thereto, including the necessity of entering into separate agreement(s) to regulate such issues and rights.

SECTION 7
EFFECTIVENESS, DURATION, TERMINATION AND AMENDMENT

7.1 This Memorandum will become effective on the date it is duly signed by the authorized representatives of the two Parties and will remain in effect for three (3) years. Each Party may terminate this Memorandum earlier upon giving three (3) months advance written notice to the other Party. Subject to satisfactory implementation, this Memorandum may be renewed for a period of the same length by signature of an addendum.

7.2 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.

7.3 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, the respective representatives, duly authorized thereto, have signed this Memorandum of Understanding in Dubai, in duplicate, in English language, on Dec__, 2023.

FOR THE ASIAN INFRASTRUCTURE INVESTMENT BANK	FOR UNITED NATIONS DEVELOPMENT PROGRAMME
Name: Liqun JIN	Name: Achim Steiner
Title: President	Title: Administrator
Date: Dec 5th, 2023	Date: 5/12/2023