



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
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**Swiss Agency for Development
and Cooperation SDC**



الصندوق الكويتي للتنمية الاقتصادية العربية
Kuwait Fund For Arab Economic Development

MEMORANDUM OF UNDERSTANDING

BETWEEN

**SWISS AGENCY FOR DEVELOPMENT AND
COOPERATION**

AND

KUWAIT FUND FOR ARAB ECONOMIC DEVELOPMENT

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into between the Swiss Agency for Development and Cooperation (hereinafter referred to as SDC) and Kuwait Fund for Arab Economic Development (hereinafter referred to as KFAED)

WHEREAS SDC is an Agency of the Swiss Confederation established for the purpose of development cooperation and rendering development assistance to developing countries; and

WHEREAS KFAED is an autonomous public corporation established by the State of Kuwait for the purpose of assisting Arab and other developing countries in developing their economies;

CONSIDERING the common interest of SDC and KFAED (hereinafter collectively referred to as the Institutions and individually as the Institution) in promoting, according to their respective mandates, economic development in eligible partner countries;

RECOGNISING the benefits of cooperation between them, as may be consistent with their respective operational methods and policies, for the realization of their shared objectives; and

DETERMINED to establish operational cooperation between them, SDC and KFAED;

HAVE REACHED THE FOLLOWING UNDERSTANDING:

SECTION 1

PURPOSE

The Purpose of this Memorandum of Understanding (hereinafter referred to as “Memorandum”) is to establish a framework for operational cooperation between the Institutions, with a view to enhancing collaboration in common areas of interest and in countries in which both Institutions are active (hereinafter referred to as the “Common Partner Countries”).

SECTION 2

AREAS AND METHODS OF COOPERATION

- 2.1. The Institutions anticipate that their collaboration will focus on a number of specific areas best fitting their respective mandates and strategies and which will include, but not be limited to:
- (a) Early identification of projects that qualify for support by both Institutions either in the form of financing and/or provision of technical assistance, according to the policies and operational methods of each;
 - (b) Conducting consultations from time to time to coordinate operations and activities in areas which lend themselves to such coordination in Common Partner Countries.
 - (c) Strengthening cooperation in priority sectors for the Institutions, which are expected to include, without being limited to, agriculture and food security, water supply and sanitation, education and health.
 - (d) Exchange of information and promotion of knowledge-sharing to benefit from each other's experience, resources and expertise. Potential areas of information may include: (i) economic, financial and business information on the Common Partner Countries or specific sectors or projects in such countries; (ii) information with respect to processing of potential projects for joint support in the form of financing and/or provision of technical assistance according to the respective policies and modes of operation of each institution.
- 2.2. To determine such specific projects within the areas of cooperation envisaged in 2.1 (c) above, insofar as such projects may be suitable for joint support in the form of financing and/or rendering of technical assistance, according to the respective policies and modes of operation of each, the Institutions will liaise with one another and keep each other informed about projects presented to each which may provide opportunities for cooperation in in the support thereof, including:
- (a) Exchange of documents which may be produced by the Institutions and which may include sectoral studies or other material related to projects and/or programs, as well as loan and other funding for the financing of, or technical assistance agreements for the support of projects in the Common Partner Countries.
 - (b) Exchange of visits and consultations from time to time to discuss issues of common interest.

SECTION 3

CO-FINANCING MODALITIES

- 3.1. The Institutions agree that under this Memorandum collaborative (parallel) co-financing will be applied with respect to any co-financed project or project to be supported through technical assistance, and it is thus envisaged that SDC and KFAED will separately administer their funds allocated for the financing of, or rendering technical assistance for the implementation of any project subject of their collaboration, but the two Institutions will coordinate their processing of such project and follow-up of its implementation. Such coordination may be facilitated through a memorandum of understanding to be signed at the working (project) level during processing of the project.
- 3.2. The mode of financing and terms thereof or conditions for provision of technical assistance for each project, which is the subject of collaboration of the Institutions, are to be decided on a case-by-case basis by each Institution separately in accordance with its respective policies and decision-making procedures.

SECTION 4

GENERAL PROVISIONS

- 4.1. Each Institution is responsible for the costs of its participation in all cooperative activities carried out within the framework of this Memorandum, unless otherwise agreed in a specific case or cases in writing. The conduct of cooperative activities under this Memorandum is subject to the availability of funds, technical resources, and personnel of each Institution.
- 4.2. It is understood and agreed that nothing in this Memorandum will constitute, or be construed as, an offer, promise or undertaking by either Institution to finance all or part of any activity or project identified pursuant to this Memorandum. Any such commitment will be reflected in separate agreements that may be entered into from time to time by the Institutions with beneficiary Common Partner Countries. Furthermore, this Memorandum shall not represent any commitment on the part of either Institution 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 Institutions from entering into memoranda or arrangements with other parties with respect to any activity, project or area of cooperation covered by this Memorandum.
- 4.3. All collaboration, projects and activities pursued under this Memorandum will be subject to the independent decision-making of each Institution, including

their respective applicable policies, procedures, objectives and approval requirements.

- 4.4. This Memorandum reflects the views and intentions of the Institutions to co-operate on a non-exclusive basis, expressed in good faith but without the creation of any legal obligations or the incurrance of any liability on the part of any of them. Nor shall any third party obtain any legal benefit from this Memorandum.
- 4.5. Any difference of opinion Concerning the interpretation or application of any provision contained in this Memorandum shall be settled through amicable consultations.
- 4.7. Notwithstanding any other provision in this Memorandum, any sharing of information between the Institutions will be subject to their respective policies and procedures relating to disclosure of information.

SECTION 5

COMMUNICATIONS AND COORDINATION

Each Institution will designate a representative (hereinafter referred to as "Representative") who will be responsible for conducting relations under this Memorandum on its behalf. For the said purpose and until further notice, KFAED will be represented by:

Mr. Marwan A. Al-Ghanem
Director of Operations

Until further notice, SDC designates as its Representative for the above-mentioned purpose:

Dr. Niklaus Eggenberger
Regional Advisor for Development Cooperation and Humanitarian Aid

The Representatives or their designees should meet at least once a year to discuss the progress of cooperation under this Memorandum. Such meeting may take place as a side-meeting during the annual meeting of the International Bank for Reconstruction and Development or at such time and place as may be agreed between the representatives.

Any notice or other communication to be given or made under this Memorandum will be addressed and sent to the attention of the Representatives at the addresses below or such other address as either Institution designates by notice to the other Institution:

For KFAED:

Kuwait Fund for Arab Economic Development
Address: Mirqab, Mubarak Al-Kabeer Street, Kuwait City
Safat 13030 Kuwait, State of Kuwait
Fax: +965 22999190

For SDC:

Swiss Agency for Development and Cooperation
Freiburgstrasse 130
Bern 3003
Switzerland
Fax: +41 (0)58 464 16 91

SECTION 6

COMMENCEMENT, MODIFICATION AND DISCONTINUATION

- 6.1. This Memorandum will become effective upon signature on behalf of both Institutions.
- 6.2. Each Institution may terminate this Memorandum upon giving prior notice of ninety (90) days to the other Institution in writing.
- 6.3. This Memorandum will remain in effect for three years.
- 6.4. This Memorandum may be modified or extended in writing by mutual agreement of the Institutions.

IN WITNESS WHEREOF, SDC and KFAED, each acting through its duly authorized representative have executed this Memorandum in duplicate, in the English language.

Swiss Agency for
Development and Cooperation

Kuwait Fund For Arab
Economic Development

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(Pio Wennubst)

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(Marwan A. Al-Ghanem)