

**MEMORANDUM OF UNDERSTANDING
BETWEEN**

**TURKISH INTERNATIONAL COOPERATION AND DEVELOPMENT AGENCY
[ACTING ON BEHALF OF THE GOVERNMENT OF THE REPUBLIC OF TURKEY]**

AND

ISLAMIC DEVELOPMENT BANK

ON

TECHNICAL COOPERATION

This Memorandum of Understanding (hereinafter referred to as "MoU") is entered into on 14/9/1929H (corresponding to 14/9/2008G), by and between the Turkish International Cooperation and Development Agency (hereinafter referred to as "TIKA"), acting on behalf of the Government of the Republic of Turkey, and the Islamic Development Bank (hereinafter referred to as "IDB").

TIKA and IDB are hereinafter individually referred to as the "Party" and collectively as the "Parties".

Considering that:

- A) The mission of TIKa is to contribute to sustainable social and economic development in partner countries through technical cooperation activities and development projects.
- B) The purpose of IDB is to foster the economic development and social progress of its member countries by participating in various development activities.
- C) Co-operation and collaboration between TIKa and IDB will render their respective activities more effective and beneficial to the countries of common interest to both Parties.

TIKA and IDB hereby agree to the following:

**Article-I
PURPOSE**

The Purpose of this MoU is to provide a general framework to facilitate cooperation between TIKa and IDB in extending and promoting the economic and social development of the countries of common interest to both Parties.

**Article-II
AREAS OF COOPERATION**

Subject to the provisions of this MoU, the Articles of Law establishing TIKa, the Articles of Agreement establishing IDB and the resources of both Parties and without prejudice to the existing bilateral relations between the countries of common interest to both Parties, it shall be the aim of TIKa and IDB to cooperate in the promotion of the following activities in countries of common interest to both Parties:

- (i) Capacity building,
- (ii) Agriculture,
- (iii) Environmental planning and management,
- (iv) Infrastructure & Energy,
- (v) Local administration,
- (vi) Health,
- (vii) Tourism, and
- (viii) Education, scientific & cultural cooperation.

Collaboration between the Parties including, but not limited to the areas listed above shall be subject to specific agreements, including as appropriate relevant project documents which shall set out the roles and functions of each of the Parties in detail.

Article-III
METHODS OF CO-OPERATION

- 3.01 TIKA and IDB will keep each other informed and if necessary, consult each other on activities that, in their opinion, give rise to the possibilities of cooperation.
- 3.02 After TIKA and IDB have agreed to carry out an operation under one or more of the areas referred to in Article—II above, the Parties will consult with each other to define the procedure to be followed. The Parties hereto shall give each other as much advance notice as possible when co-operating under Article—II above, in particular with regard to mounting missions and provision of experts or consultants by either of the Parties.
- 3.03 The Parties shall assign one unit for the coordination of activities that are undertaken within the framework of this MoU. The Economic, Commercial and Technical Cooperation Department of TIKA and the Technical Cooperation Office of the IDB shall be the main coordinating units for these activities.
- 3.04 The Parties shall dispatch a commission to assess the steps and the outcomes of the activities that are undertaken within the framework of this MoU. This commission shall pay field visits and/or hold meetings as deemed necessary.

Article-IV
FINANCIAL PROVISIONS

- 4.01 The cost of any work anticipated to be done under this MoU shall be examined by TIKA and IDB and either shared or borne by one of the Parties as agreed in writing in each case.
- 4.02 In the case of co-financing of projects, the Parties shall agree on the terms of the payment methods and the tender process to be applied.

Article-V
REPRESENTATION

- 5.01 TIKA and IDB may hold meetings at least once a year as and when considered necessary to review either a new proposal and/or the progress of activities jointly undertaken. Such meetings shall be held on a rotational basis at the headquarters of TIKA and IDB.
- 5.02 The Parties can assign one or more of their experts at the other Party's disposal as secondees. The seconded person(s) should work at the departments related to the activities that are undertaken within the framework of this MoU.

Article-VI
FINANCIAL OR LEGAL COMMITMENT

Nothing in this MoU shall constitute a financial or legal commitment. Any future mandate, contract, project or arrangement shall be approved by competent officials or bodies of the Parties in conformity with their relevant applicable internal policies and guidelines.

Article-VII
DISSEMINATION

Each Party shall disseminate this MoU to its respective units.

Article-VIII
AMENDMENTS

This MoU may be amended or modified at any time by written agreement between the Parties.

Article-IX
DURATION AND TERMINATION

- 9.01 This MoU shall remain in force for a period of one (1) year, to be automatically extended by further periods of one (1) year under the same conditions, on the understanding that either Party is at liberty to terminate this MoU at any time provided that a written notice of termination is given to the other Party six (6) months in advance.
- 9.02 Should the MoU be terminated by either Party as indicated in Article-9.01 above, necessary steps shall be taken by both Parties to ensure that the decision to terminate is not prejudicial to any activities undertaken within the framework of this MoU.
- 9.03 In the event of termination of this MoU, clauses of this MoU will still remain valid for projects or programs within the scope of the MoU which have not been completed on the date of termination of this MoU.

Article-X
SETTLEMENT OF DISPUTES

Any relevant matter for which no provision is made in this MoU, or any controversy between the Parties, shall be settled in keeping with the relevant resolutions and decisions of the appropriate organs of TIKA and IDB by negotiations between the Parties or through conciliation. Each party shall give full and sympathetic consideration to any proposal advanced by the other to settle amicably any matter for which no provision has been made or any controversy as to the interpretation or application of this MoU.

Article-XI
ENTRY INTO FORCE

This MoU shall enter into force on the date of the last written notification by which the Parties communicate to each other that internal procedures for its entry into force has been fulfilled.

Article-XII
COMMITMENT TO ANTI-CORRUPTION

The Parties share a common concern with regard to corruption, which undermines good governance, wastes scarce resources for development and compromises open and transparent competition on the basis of price and quality. They therefore undertake to join forces in fighting corruption and declare that any offer, payment, consideration or benefit which could be construed as an illegal or corrupt practice made, either directly or indirectly, as an inducement or reward in the implementation of this MoU, shall be the grounds for immediate consultation, exchange of all relevant information and appropriate steps which may include canceling the procurement and resulting award. Additional actions may be taken in accordance with the applicable laws and regulations of the Parties.

[END OF ARTICLES]

EXECUTION PAGE

TIKA and IDB have signed this MoU in two counterparts in the English language on the date first above written.

FOR AND ON BEHALF OF
TURKISH INTERNATIONAL COOPERATION AND DEVELOPMENT AGENCY
[ACTING ON BEHALF OF THE GOVERNMENT OF THE REPUBLIC OF TURKEY]

MUSA KULAKLIKAYA
President

FOR AND ON BEHALF OF
ISLAMIC DEVELOPMENT BANK

DR. AHMAD MOHAMED ALI
President