

**MEMORANDUM OF UNDERSTANDING**

**ON COOPERATION BETWEEN**

**EUROPEAN DEVELOPMENT FINANCE INSTITUTIONS**

**AND**

**OVERSEAS PRIVATE INVESTMENT CORPORATION**

**May 24, 2018**

**WHEREAS**, the Association of bilateral European Development Finance Institutions (EDFI), currently counting 15 “bilateral” member institutions within the field of development finance for the private sector in emerging markets, supports its members to implement their vision of improving people’s lives through the engine of private sector growth and serves to inform the public and government stakeholders about their role and contribution to development, to foster EDFI members’ cooperation with European Union institutions and other development finance institutions (DFIs), to improve their efficiency and effectiveness, to provide them with common representation, and to develop and support joint policies and secure financing opportunities;

**WHEREAS**, the Overseas Private Investment Corporation (OPIC) is an independent agency of the **Government of the United States of America** established to mobilize and facilitate the investment of U.S. private capital and skills in the economic and social development of less developed countries and areas by offering financing and political risk insurance for investment projects; and

**WHEREAS**, EDFI and OPIC (collectively referred to as the “Parties” and individually referred to as a “Party”) recognize that increased cooperation between the Parties would serve their common objectives and missions, including cooperation, information-sharing, and formulation and presentation of common positions of mutual interest, which will enhance the ability of the Parties to catalyze financing and investment in sustainable projects in emerging market economies and countries of mutual interest.

**NOW, THEREFORE**, the Parties seek to establish a framework for enhanced cooperation between them in accordance with the principles and objectives set forth below.

## ARTICLE I - FORM OF COOPERATION

1.1 Consistent with their respective operational policies and the terms of this Memorandum, the Parties, in furtherance of their desire to coordinate their activities, seek mutual cooperation in the formulation and presentation of common positions of mutual interest to catalyze private financing and investment for sustainable development projects that are consistent with the Parties' statutory and policy objectives. This mutual cooperation may include arrangements, meetings, and communications (collectively, Arrangements) that address, *inter alia*:

- Co-Financing mechanisms, including direct equity and investment funds, frameworks, syndications and pre-funded lending facilities or platforms
- Improving the efficiency of approval, diligence and execution on transactions involving the Parties and individual EDFI members
- Statistical analysis and reporting
- Common standards and measures on environment and social issues
- Development impact measurement and monitoring
- Technical Assistance
- Corporate governance
- Portfolio management
- DFI-related issues/discussions in negotiations involving OECD, MDBs, and private sector institutions and groups.

1.2 Arrangements referred to in Subsection 1.1 above may be extended to facilitate projects (Projects) that are mutually accepted through the consultations referred to in Subsection 2.1 below.

1.3 On the basis of the general principles expressed in this Memorandum, the Parties, where they consider it to be reasonable and useful, may seek to enter cooperation agreements, as well as co-finance, co-insurance, and reinsurance agreements between OPIC and EDFI and/or individual EDFI Member(s), where appropriate. Such agreements shall set forth the obligations to be undertaken by each Party for effective and efficient cooperation, co-ordination and implementation of an Arrangement or Project, taking into account the particular requirements of each Arrangement or Project.

## **ARTICLE II - PROCEDURE FOR COOPERATION**

### **Selection of Operations**

2.1 The Parties shall, unless otherwise agreed:

(a) Hold consultations, when they deem appropriate, by phone or in person in Washington D.C., in Brussels or at the headquarters or overseas offices of an EDFI member, or any other place suitable to them, from time to time, to exchange – subject to applicable regulatory and confidentiality requirements - information on market developments, identify prospects for Arrangements and Projects, review current operations and related procedural arrangements and discuss any other matters pertaining to Arrangements and Projects.

(b) For the purpose of effective consultations, prior to each consultation, exchange provisional lists of discussion points, objectives, materials, documents and other information relevant to the Arrangement, issue, specific markets, or a Project that each Party considers to be deserving of priority cooperation.

2.2 The Parties will engage in other forms of cooperation, when they deem appropriate, such as joint marketing and business development efforts toward the relevant European and American business sectors, to maximize collaboration opportunities between them.

2.3 Either Party may indicate to potential recipients of finance, insurance and guarantees (whichever is applicable), the relevant information required to execute Projects between the Parties, in the event that the consultations referred to in Subsection 2.1 above indicate that the potential exists for such Projects.

2.4 Nothing in or relating to this Memorandum shall be deemed to be a waiver of any of the privileges and immunities of the Parties.

### **Appraisal and Processing**

2.5 Consistent with Subsection 1.3 above, the Parties shall, unless otherwise agreed:

(a) be individually responsible for the appraisal and preparation of Projects for which each Party has received an application for finance/insurance/guarantees. The Parties may agree to finance, co-finance, co-insure, reinsure or co-operate for the Projects, pursuant to Subsection 1.3 above, when deemed appropriate. In such circumstances, each Party

shall, where relevant and to the extent permitted from a regulatory and confidentiality perspective, keep the other Party informed on the progress of Project preparation activities.

(b) seek to gain efficiencies, where mutually appropriate and within their respective mandates, through a coordinated effort by the Parties to maximize their respective abilities as well as internal process efficiencies, and endeavor to share resources deemed necessary to support such Projects.

### **Other Activities**

2.6 The Parties will endeavor to cooperate in such other activities as may be mutually agreed from time to time. In this regard, the Parties may enter into agreements designed to achieve the implementation of the agreed activities.

## **ARTICLE III - MANAGEMENT OF OPERATIONS**

3.1 With respect to any Arrangement or Project on which the Parties will cooperate pursuant to this Memorandum, the Parties shall consult with each other concerning any conditions that could delay or impede the accomplishment of the Arrangement or Project. Under such circumstances, the Parties will share relevant information to the extent permitted by law or policy and consult with each other the remedial measures that may be taken.

## **ARTICLE IV - OTHER PROVISIONS**

4.1 This Memorandum shall enter into force on the date when it is signed by both Parties.

4.2 Any difference in opinion arising from or in connection with this Memorandum shall be settled by both Parties through consultations on a cooperative basis.

4.3 This Memorandum shall remain in effect unless terminated by either Party upon six (6) months' prior written notice to that effect to the other Party. The Parties agree that each Party shall have no liabilities in connection with the termination of this Memorandum in accordance with this Subsection 4.3.

4.4 Should this Memorandum be terminated by either Party, steps will be taken to ensure that the termination does not prejudice activities in progress initiated within the framework of this Memorandum.

4.5 This present Memorandum may be amended at any time by agreement between the Parties.

4.6 All written communications required or permitted by this Memorandum shall be directed to the following addresses:

for OPIC  
Overseas Private Investment  
Corporation:  
1100 New York Ave., NW  
Washington, DC 20527

for EDFI  
EDFI ASBL  
Rue de la Loi 81  
Brussels, 1040, Belgium

Telephone: 202-336-8400  
Facsimile: 202-336-7949  
Email: [info@opic.gov](mailto:info@opic.gov)  
Attention: President & CEO

Telephone: +32 2 230 23 69  
Facsimile: +32 2 230 0405  
Email: [edfi@edfi.eu](mailto:edfi@edfi.eu)  
Attention: General Manager

4.7 Notwithstanding anything herein to the contrary, the Parties acknowledge and recognize that this Memorandum is not legally binding and enforceable, and does not create or represent any financial or legal obligation of or commitment by either Party.

**IN WITNESS WHEREOF**, the Parties hereto have hereunto executed this Memorandum in two originals in the English language, one for each of the Parties, on the day and year first above written.

\_\_\_\_\_  
David Bohigian

\_\_\_\_\_  
Nanno Kleiterp

Executive Vice President  
FOR AND ON BEHALF OF  
Overseas Private Investment Corporation

Chairman  
FOR AND ON BEHALF OF  
Association of European Development  
Finance Institutions

DATE: May \_\_\_, 2018

DATE: May \_\_\_, 2018