



LETTER OF INTENT

BETWEEN

THE ASIAN DEVELOPMENT BANK

AND

**THE ORGANISATION FOR ECONOMIC
COOPERATION AND DEVELOPMENT**

This Letter shall form the basis of cooperation between

ASIAN DEVELOPMENT BANK (ADB)

and

ORGANISATION FOR ECONOMIC COOPERATION AND DEVELOPMENT (OECD)

I. THE COOPERATION PARTNERS

1. ADB and OECD have a mutual interest in achieving relevant and effective policies and programming in international development. ADB is a major development institution in the Asia and Pacific region which seeks to foster economic growth, good governance, human resource development, and the alleviation of poverty for the benefit of its developing member countries. The OECD plays a prominent role in fostering good governance in the public service and in corporate activity. It helps governments to ensure the responsiveness of key economic areas with sectoral monitoring. The OECD also produces internationally agreed instruments, decisions and recommendations in areas where multilateral agreement is necessary for individual countries to make progress in a globalized economy.
2. Representatives of ADB and OECD have held discussions with a view to enhancing their opportunities for collaboration. It is agreed that enhanced collaboration will strengthen institutional capacities in both organizations and enhance the efficiency and effectiveness of the use of their respective resources.
3. ADB and OECD have concluded that they should collaborate in the identified areas of mutual interest, without creating formal obligations for either Party.

II. THE GUIDING PRINCIPLES

4. ADB and OECD acknowledge that the collaboration that they seek to foster shall facilitate the realization of their aims to promote economic growth, inclusive social development and improved governance: Both Parties further acknowledge that collaboration will increase the relevance and effectiveness of their development-related work. The collaboration between ADB and OECD will be based on partnership and shared responsibility.
5. The collaboration between ADB and OECD shall be guided by the following principles:
 - a. Country and regional ownership of sound development policies and programs are necessary to ensure sustainable development;
 - b. Long-term approaches to sustainable development are needed;
 - c. Full stakeholder participation should be encouraged, consistent with available resources; and
 - d. Development policies and programs should be results oriented and built on transparent relationships between development assistance providers and beneficiary countries.

THE IDENTIFIED AREAS OF COOPERATION

6. ADB and OECD agree that they will collaborate at regional, country, sector, program and project levels in line with the development priorities of their partner countries. ADB and OECD undertake to explore all possibilities for effective collaboration with respect to the following development challenges:

- a. Aid effectiveness;
- b. Anti-corruption;
- c. Corporate governance, including insolvency reform;
- d. Local economic and employment development;
- e. Environmental policy and indicators;
- f. Public governance and institutional strengthening;
- g. Regulatory reform;
- h. Competition law and policy;
- i. Statistical capacity building and national strategies for the development of statistics;
Financial markets, including pensions and insurance; and
Taxation.

7. Other areas for mutual collaboration and cooperation may be identified and agreed to by the Parties from time to time. These areas may include capacity building in trade, investment and governance, education, international migration, and challenges and opportunities in the knowledge-based economy.

PARTICULAR ASPECTS OF COOPERATION

8. The collaboration between ADB and OECD may involve the following activities:

- a. Addressing priority issues of development cooperation with particular relevance for Asia by sponsoring joint seminars or conferences when and where appropriate;

Promotion of staff exchanges, including each other's staff in formal and informal staff development initiatives, and participation in capacity building and development programs.

- c. Regular exchange of information and knowledge products on their respective regional and country programs and on other areas of common interest.

9. If necessary, ADB and OECD will agree on specific financial and technical arrangements with regard to the individual areas of collaboration.

V. REVIEW OF THE ARRANGEMENT AND DESIGNATION OF FOCAL POINTS

10. ADB and OECD agree that a first review of activities under this Letter of Intent will be launched within three months of its signing to consider further ways to facilitate its implementation.

11. The progress in the implementation of this Letter of Intent will be reviewed regularly at intervals convenient to both parties.

12. The designated focal point at ADB will be the Strategy and Policy Department headed by its Director General. The designated focal point at OECD will be the Deputy Secretary-General responsible for partnerships with international organisations. The Centre for Co-operation with Non-Members will assist him and serve as the regular contact point for ADB staff. Individual activity coordinators in both organizations in charge of specific work areas will remain directly responsible for cooperation in these areas.

13. Each institution can terminate this Letter of Intent by providing three months written notice to the other institution to this effect.

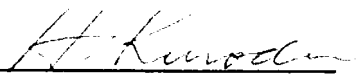
VI. FURTHER COOPERATIVE ARRANGEMENTS

14. ADB and OECD do not intend to create legal obligations by the signing of this Letter of Intent. It is intended only that opportunities for cooperation and collaboration shall be identified and facilitated.

15. In the event that opportunities are identified for the further collaboration involving the provision or management of funds or the commitment of the resources of either Party, these shall be implemented in accordance with the provisions of a written agreement entered into by the Parties in accordance with their established practices and procedures.

Signed in Paris this 2nd day of March 2005.

Asian Development Bank



Haruhiko Kuroda
President

**Organisation for Economic Cooperation
and Development**



Donald J. Johnston
Secretary-General