

MEMORANDUM OF UNDERSTANDING
between
**ORGANISATION FOR ECONOMIC COOPERATION AND
DEVELOPMENT (OECD)**
and
THE INTER-AMERICAN DEVELOPMENT BANK

January 25, 2010

MEMORANDUM OF UNDERSTANDING

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**ORGANISATION FOR ECONOMIC COOPERATION AND DEVELOPMENT
(OECD)**

and

THE INTER-AMERICAN DEVELOPMENT BANK

WHEREAS, the Organisation for Economic Cooperation and Development (hereinafter referred to as the "OECD") is a public international organisation, the purpose of which is to bring together member countries committed to supporting sustainable economic growth, boosting employment, raising living standards, maintaining financial stability and contributing to growth in world trade;

WHEREAS, the Inter-American Development Bank (hereinafter referred to as the "Bank" or the "IDB") is a public international organisation, the purpose of which is to contribute to the acceleration of the process of economic and social development of its regional developing member countries in Latin America and the Caribbean, individually and collectively;

WHEREAS, the OECD and the IDB agendas have become interwoven by shared objectives of economic and social progress and poverty reduction, economic integration, higher level of trade and investment, sustainable development, competitiveness, competition, and responsible and transparent governance;

WHEREAS, the Paris Declaration on Aid Effectiveness asked the international organizations and multilateral development banks (MDBs) to co-operate more closely, avoid duplication of efforts and seek synergies;

WHEREAS, the Parties have been developing co-operation in the framework of OECD's Global Forums, regional initiatives, Committees and Working Parties including the OECD Development Centre, and the International Tax Dialogue, and there has been increased collaboration between the staff of both institutions in recent years;

WHEREAS, both Parties have accumulated expertise in policy development and implementation in differing contexts, and OECD member countries have developed policy know-how, good practices, standards and guidelines based on their experiences;

WHEREAS, the OECD's multidisciplinary approach to policy analysis and dialogue through peer reviews and the direct involvement of practitioners from member countries in its work are recognized strengths;

WHEREAS, the IDB has extensive in-country presence, and long experience with institutional and policy reform in widely differing settings. It is able to combine

intellectual and financial support for its borrowers, and engage in capacity building and technical assistance;

WHEREAS, the Parties wish to reduce the transaction costs of their cooperation and aim for greater effectiveness at all levels for the benefit of the countries of Latin America and the Caribbean;

WHEREAS, the Parties previously entered into a Joint Statement of Priorities signed on April 7, 2003, for the purpose of strengthening future cooperation; and

CONSIDERING THAT, the Bank and the OECD (hereinafter referred to as the "Parties", and individually, each a "Party") wish to formalize a basis on which the Parties will explore opportunities for cooperation and collaboration on matters of common interest, and to render their respective activities more effective and beneficial.

NOW, THEREFORE, the Parties have agreed to enter into this Memorandum of Understanding (hereinafter referred to as the "MoU") which shall supersede the Joint Statement of Priorities, as follows:

ARTICLE 1

Objective

The objective of this MoU is to formalize a non-exclusive framework of cooperation and to facilitate collaboration between the Parties to promote programs and projects that foster cooperation between them. These and any other activities agreed to between the Parties shall be subject to the respective internal objectives, functions, policies and procedures of the Parties.

ARTICLE 2

Areas of Cooperation

- 2.1 The Parties will explore opportunities to further develop their cooperation in policy areas where it is not yet well established, in particular in the following areas of activity:
- (a) Economic policy and structural reforms (e.g. economic growth; competition; financial markets; investment; insurance and pensions; tax policy and administration; enterprise, industry and services; trade; agriculture; regional, rural and urban development).
 - (b) Development (e.g. aid effectiveness, aid for trade, poverty reduction, gender equality and women's empowerment in development, meeting Millennium Development Goals).

- c) Governance (e.g. corporate governance; fighting corruption; public governance and management such as budgeting, integrity, public procurement and lobbying; regulatory reform, multi-level governance).
 - d) Sustainable development (e.g. environment; energy).
 - e) Society (e.g. education; social and welfare issues; migration, remittances; employment).
 - f) Innovation (e.g. science technology and innovation; information and communications technologies, national, regional and local innovation systems).
 - g) Statistics (e.g. capacity building).
- 2.2 The Parties may promote and collaborate on staff exchange programs to strengthen their knowledge networks, especially by including each other's staff in formal and informal staff development initiatives, and participation in capacity-building and technical assistance programs.
- 2.3 The Parties will explore the interest and feasibility of participating in meetings and bodies established by the other institution, in accordance with the rules and procedures established by each Party. These meetings may include:
- (a) As regards the IDB, the IDB Board of Governors Annual Meeting, conferences, networks and regional policy dialogues.
 - (b) As regards the OECD, in addition to the various meetings and networks in which the IDB is currently participating: the Competition Committee, the Development Assistance Committee (DAC), the DAC Network on Environment and Development Co-operation, the DAC Network on Poverty Reduction, the DAC Working Party on Statistics, the Governing Board of the Development Centre, the Advisory Group on Non-Member Work, the Committee on Fiscal Affairs, the Trade Committee, the Network of Parliamentary Budget Committee Chairpersons, the Working Party No. 1 on Macro-Economic and Structural Policy Analysis, the Working Party on Debt Management, Working Party on SMEs and Entrepreneurship, Territorial Development Policy Committee and its Working Parties.
- 2.4 The Parties will, as necessary and appropriate, consult each other and exchange information in the interest of identifying additional areas in which, and the concrete activities for which, effective and practical cooperation may be possible within the framework of this MoU.
- 2.5 Other areas of collaboration may be identified and jointly agreed upon by the Parties during the implementation of the present MoU.

- 2.6 The Parties will review progress in cooperation jointly, and discuss prospects for future collaboration based on such agendas, periodically at the level of senior managers in Paris and in Washington D.C., and report their findings to their respective members.

ARTICLE 3

Obligations of the Parties

- 3.1 This MoU does not represent any commitment with regard to funding on the part of the Parties. Any such commitment shall be reflected in separate agreements that may be entered into by the Parties under this MoU. Furthermore, this MoU shall not represent any commitment on the part of either Party to give preferred treatment to the other in any matter contemplated under this MoU or otherwise.
- 3.2 Any exchange of information between the OECD and the IDB contemplated in this MoU and all activities undertaken pursuant to this MoU shall be subject to their respective rules, policies and procedures on disclosure of information. In addition, subject to the same rules, policies and procedures, the Parties may make this MoU publicly available.
- 3.3 Any activities conducted under this MoU are subject to their inclusion in the Parties' respective program of work and budget and shall be carried out in accordance with their respective rules and practices.

ARTICLE 4

Channel of Communication and Notice

- 4.1 For the purpose of facilitating the implementation of the working arrangements to be established by the Parties of this MoU, the channel of communication for the Parties shall be:
- 4.1.1 For the Bank:

Inter-American Development Bank
Office in Europe
Attention: Representative
66, Avenue d'Iéna 75116 Paris, France
Telephone: +1 (33) 40693100
Facsimile: +1 (33) 40693120
E-mail: IDBEurope@iadb.org

4.1.2 For the OECD:

Organisation for Economic Cooperation and Development
Attention: Counselor for Africa and Latin America
OECD CCNM
2, rue André Pascal
Paris
France
Telephone: +33 1 45 24 90 55
Facsimile: +33 1 45 24 13 52
E-mail: sandra.wilson@oecd.org

- 4.2 Either Party hereto may, by notice in writing to the other Party, designate additional representatives or substitute other representatives for those designated in this Article.

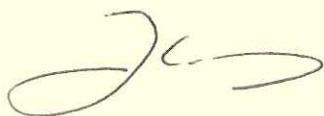
ARTICLE 5

Effectiveness, Amendment, Termination, and Other Matters

- 5.1 This MoU shall enter into force on the date of its signature by both Parties and will have a term of five (5) years unless terminated earlier by either Party by giving three (3) months advance written notice to the other Party. No such termination shall affect contractual obligations already entered into by either Party under this MoU.
- 5.2 This MoU may be renewed by written agreement between the Parties, subject to evaluations as the Parties deem appropriate.
- 5.3 This MoU may be amended only by written consent of the Parties hereto.

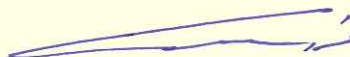
IN WITNESS WHEREOF, the Parties hereto, each acting through its duly authorized representative, have signed this Memorandum of Understanding in two (2) original counterparts in the English language Paris, France on this 25th day of January, 2010.

**INTER-AMERICAN
DEVELOPMENT BANK**



Luis Alberto Moreno
President

**ORGANISATION FOR ECONOMIC
COOPERATION AND
DEVELOPMENT**



Angel Gurría
Secretary General

Annex: Current Work Being Undertaken Between the OECD and the IDB

A review of current cooperation demonstrates a wide range of activities, some of which have been in existence for several years. The IDB is currently participating in various Networks/Working Parties of the OECD Development Assistance Committee (DAC) on development evaluation, gender equality, governance, and aid effectiveness. It is a participant in the Directing Committee of the OECD Co-operative Action Programme on Local Economic and Employment Development (LEED). The IDB has been an observer in the Expert Group on "Conflict of Interest: Ensuring Accountability and Transparency in the Public Service" of the Public Governance Committee; and the Working Party on SMEs and Entrepreneurship (WPSMEE).

In addition, the IDB has worked with the OECD Directorate for Education's Programme for Co-operation with Non Members (EDU/NME) and has sponsored workshops for the Global Forum on Education. Also, The IDB actively participates in the International Tax Dialogue, a joint initiative launched by the OECD, IMF and World Bank. Furthermore, the IDB is engaged every year in the consultation and research leading to the production of the OECD Development Centre's *Latin American Economic Outlook* where IDB's President is a member of its Informal Policy Board. The IDB and the OECD Development Centre co-organise the annual International Economic Forum on Latin America and the Caribbean in Paris. Likewise, since 2003, the IDB and the OECD have jointly organised the annual Latin America Competition Forum (LACF). Other ongoing collaborations between the OECD and the IDB include: developing a regional innovation strategy in Chile; the analysis of innovation policies in selected Brazilian States. A joint OECD-IDB-CNI (Brazilian National Confederation of Industry) Workshop on policies to support regional innovation was held in Belo Horizonte, Brazil on December 2009.

The Parties have already identified concrete projects of cooperation for the short to medium term, in particular the organisation of roundtables on the innovation strategy, the development of innovation indicators and analysis, country reviews and thematic research on the Latin America and the Caribbean region.