

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE

AND

THE NATIONAL DEVELOPMENT AND REFORM COMMISSION OF CHINA

The **United Nations Economic Commission for Europe** (hereinafter referred to as “UNECE”), represented by Mr. Christian Friis Bach, Executive Secretary

and

The **National Development and Reform Commission of China** (hereinafter referred to as “NDRC”), represented by Mr. He Lifeng, Chairman

hereinafter referred to as the “Parties”,

- Recognizing the desire of the Parties to build upon the successful cooperation in the area of Public-Private Partnerships (PPPs) and the synergies created since the signing of the Memorandum of Understanding (hereinafter referred to as “Memorandum”) and the Cooperation Agreement between UNECE and Tsinghua University and City University of Hong Kong,

- Taking into account the desire of the Parties to promote and apply the PPP model to the Silk Road Economic Belt and the 21st-Century Maritime Silk Road (hereinafter referred to as “the Belt and Road”) initiative,

hereby agree to the following:

Article 1

(1) The parties agree that the promotion of the PPP model in the countries along the Belt and Road is beneficial to infrastructure development and the delivery of efficient public services, and is in line with the United Nations 2030 Agenda for Sustainable Development and with the goals and objective of the Belt and Road initiative. The Parties therefore agree to:

- (a) Strengthen their cooperation by assisting the countries in the UNECE region along the Belt and Road to:
 - i. Establish a sound PPP legal, regulatory and governance framework to attract investment in infrastructure projects; and
 - ii. Identify PPP projects that comply with the UNECE people-first principles.

The UNECE will be the leading agency to undertake this work with the assistance of the NDRC and subject to demand from countries in the UNECE region along the Belt and Road;

- (b) Agree to identify 10 transformational PPP projects in the countries along the Belt and Road to be used as best practice models for other countries and regions to follow. The NDRC will be the leading agency to undertake this work with the assistance of the UNECE;
 - (c) Establish the Belt and Road PPP international group of experts from countries along the Belt and Road. The group is made up of experts with familiarity in both the theory and the practical aspects of PPPs, including national PPP legislation and PPP projects at different stages of development (planning, procurement, construction, operation, maintenance and financing) in the countries along the Belt and Road. The list of experts is identified jointly by the NDRC and the UNECE. Its terms of reference and structure shall be jointly determined by the Parties through their authorized representatives; and
 - (d) Establish the Belt and Road PPP dialogue mechanism. A multilateral dialogue forum will be organized and different PPP stakeholders will be invited, including representatives of governments, private sector, financial institutions and experts from academia and civil society. The modalities of this dialogue mechanism shall be further determined by the Parties through their authorized representatives.
- (2) Within the framework of this Memorandum, the Parties will be guided by general principles of international law and shall cooperate in accordance with the principles of equity, transparency, reciprocity and neutrality, as well as in accordance with UN Rules and Regulations.
- (3) The Parties will work together towards the implementation of the provisions of this Memorandum through their authorized representatives, as designed by the Parties.

Article 2

- (1) Any modifications or changes to the present Memorandum shall be made in writing with the consent of both parties, and shall take effect on the date of signature by the parties.

Article 3

- (1) The Memorandum is concluded for a period of five (5) years, with the possibility of an extension subject to the agreement of the Parties, and it shall enter into force upon signature by both parties. The Memorandum shall remain valid until such time as any Party provides a written notice of termination to the other Party with a minimum notice period of six (6) months.
- (2) Separate written agreements shall be concluded by the Parties to give effect to Articles 1(a) to (d) in the framework of this Memorandum, whereby the obligations of the Parties, type of activity and its duration shall be clearly specified.

Article 4

- (1) Each Party shall appoint an authorized representative, who shall act on behalf of that Party in respect of the implementation of the present Memorandum. The information for each Party's authorized representative is provided in Annex 1.

Article 5

- (1) The Parties agree to work towards the resolution of any dispute arising in connection with the application and/or interpretation of the present Memorandum in a spirit of cooperation and good faith, through communication between each Party's authorized representative.
- (2) If a dispute cannot be resolved at the operating level, the subject of disagreement will be recorded in writing by each party and presented to the other party for consideration. If resolution to the dispute is not reached within thirty (30) days, the authorized representatives of each Party will forward the written record of the dispute to the respective executive head for consideration and settlement.

Article 6

- (1) Nothing in or relating to the present Memorandum may be understood as constituting or implying, a waiver from the privileges and immunities enjoyed by the UNECE under the terms of the 1946 Convention on the Privileges and Immunities of the United Nations.
- (2) This Memorandum does not create any resource, administrative liability, nor financial responsibilities and/or obligations for either Party.

Signed in Beijing on 14 May 2017 in two copies, each copy in the English language.

For the United Nations
Economic Commission for Europe

For the National Development and
Reform Commission of China

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Christian Friis Bach
Executive Secretary

He Lifeng
Chairman