

**MEMORANDUM OF UNDERSTANDING ON STRATEGIC  
COOPERATION**

BETWEEN

**MINISTRY OF FINANCE OF THE DOMINICAN REPUBLIC**

AND

**CHINA DEVELOPMENT BANK**

NOVEMBER 2<sup>nd</sup>, 2018

BEIJING, CHINA

This MEMORANDUM OF UNDERSTANDING (hereinafter referred to as "MOU") is made by and between the following parties:

- 1) The Ministry of Finance of the Dominican Republic (hereinafter referred to as the "MOF"); and,
- 2) China Development Bank (hereinafter referred to as "CDB").

The **MOF** and **CDB** are hereinafter collectively referred to as "the Parties", and individually referred to as "Each Party".

WHEREAS, the Dominican Republic and China have established diplomatic relations, and the Parties recognize the great importance and necessity of strengthening cooperation and intend to make every effort to cooperate in areas and matters of mutual concern and interest. In order to achieve mutually beneficial cooperation between the Dominican Republic and China, the Parties hereby enter into this Memorandum of Understanding on Strategic Cooperation.

## **I. Purpose and Principles of Cooperation**

### **1.1 Purpose of Cooperation**

In an effort to achieve the strategic goal of mutual development, the Parties agree, by signing this MOU, to promote and strengthen the long-term and sustainable cooperation in multiple areas between the **MOF and the CDB**, to create a platform for collaboration on economic, trade, productivity, investment and financial matters between China and the Dominican Republic, and to establish an effective communication and information sharing mechanism.

### **1.2 Principles of Cooperation**

**1.2.1** The cooperation shall be conducted in an equal, open and mutually respectful manner for the mutual benefit of the Parties.

**1.2.2** The cooperation between the Parties contemplated hereunder shall be in compliance with the applicable laws, regulations and policies of China and the Dominican Republic.

**1.2.3** **MOF** and the **CDB** will combine the advantages of capital, orientation of national credit policy and information resources together according to the development strategies of China and the Dominican Republic, and will provide support for projects, mainly but not limited to infrastructure construction, agriculture, government-subsidized housing, maritime ports, water industry, electricity generation, power grid, railways, highways, logistics parks, industrial parks, bridges, airports, finance, free trade zones, and other major projects, which the Parties will mutually agree to cooperate with.

**1.2.4** **MOF** and the **CDB**, subject to compliance with the regulation of both countries, will explore areas of cooperation to promote international trade, foreign direct investment, industrial development, productivity gains and competitiveness improvement in both countries.

## **II. Cooperation Framework**

### **2.1 Cooperation Mechanism**

Subject to its internal credit policies and internal/governmental authorizations/consents, **CDB** is willing to provide commercial financing support for certain China-Dominican bilateral cooperative projects; to cooperate with local banks in the Dominican Republic and other financing-related business; and to provide sovereign financing services to the Dominican Republic.

The Government of the Dominican Republic will provide a sovereign guarantee only for projects developed by Dominican public institutions and whose financing is borrowed through the **MOF**. The **MOF** is the only governmental institution entitled to negotiate, structure, sign, and provide official information related to any public credit operations which proceeds will fund specific projects. Therefore, the **CDB** shall only accept as “official” the information or requests provided by the **MOF**, unless otherwise stated on a specific financing contract. Requests for public financing made by other public institutions cannot be accepted.

In case that a private bank and/or enterprise is willing to obtain financial support from the **CDB**, the Government of the Dominican Republic will not provide a sovereign guarantee, and the **MOF** will not participate neither as borrower nor guarantor; therefore, the **CDB**, other lenders, the insurer and all the companies involved will accept a commercial or a similar type of guarantee.

## **2.2 Main Cooperation Conditions**

**2.2.1 Areas in relation to which CDB may provide financing support:** Major industries and areas in relation to the Dominican Republic’s social and economic development including but not limited to infrastructure construction, agriculture, government-subsidized housing, maritime ports, water industry, electricity generation, power grid, railways, highways, logistic parks, industrial parks, bridges, airports, finance, free trade zones, among others.

**2.2.2 Chinese element:** The projects financed by **CDB** shall contain a specified “Chinese element” which will be defined in each project on a case-by-case basis. They will include but not limited to cargo and investment from China, investments and projects contracting by Chinese-invested enterprises. All these projects must comply with the Dominican Republic’s legislation.

**2.2.3** Priority will be given to the major projects listed in the framework documents signed by the two countries in the meetings of high-level government officials.

## **III. Major Areas to be Supported**

**CDB** will recommend competitive Chinese enterprises to invest in the Dominican Republic, and to provide financing and technical support for specific projects. The **MOF** is willing to actively coordinate, when necessary and possible, with relevant government agencies, and provide information required by Chinese investors, provided that such information is available to **MOF**.

### **3.1 Cooperation on Major Infrastructure Projects**

With the collaboration of the **MOF**, **CDB** is willing to promote and finance major infrastructure projects of the Dominican government, including but not limited to infrastructure construction, agriculture, government-subsidized housing, maritime ports, water industry, electricity generation, power grid, railways, highways, logistic parks, industrial parks, bridges, airports, finance, free trade zones, among others.

### **3.2 Finance Cooperation**

Both Parties will develop bilateral cooperation, including but not limited to credit, joint financing, development financing, equity financing, PPPs, BOTs, and issuance of securities in China or the Dominican Republic, which will be agreed by the Parties on a case-by-case basis and will have to comply with both countries’ laws and regulations.

### **3.3 Currency Cooperation**

The parties are willing to conduct multi-currency loan cooperation, including but not limited to the US dollar and the RMB, based on the principle of mutual benefit and win-win result, and in accordance to the macroeconomic policies and goals of both countries.

## **IV. Communication Mechanism**

### **4.1 Information Sharing**

Subject to their respective internal provisions, the Parties will exchange information of relevant policies and key projects through scheduled meetings. Without permission from both Parties, the information shall not be disclosed to any third party.

### **4.2 Any formal communication should be addressed in English to the following officials as contact persons:**

Ministry of Finance of the Dominican Republic: Richard Medina Gómez  
**Address:** Ave. México No. 45, Gazcue, Santo Domingo, DN  
**Tel:** 809-687-5131  
**Email:** rimedina@hacienda.gov.do

China Development Bank: Jia Tingwei  
**Address:** No.1728 Nanchang Rd, Lanzhou City, Gansu Prov, P.R.China  
**Tel:** 86-8897442  
**E-mail:** jiatingwei@cdb.cn

### **4.3 Officers Training and Exchanges**

To gain a deeper understanding of each other, the Parties will actively explore the possibility of exchanging officers regularly and periodically, so as to learn from each other.

## **V. Legal Effect of this Memorandum of Understanding**

**5.1** This MOU shall be implemented in accordance with relevant laws and rules in the jurisdiction of each Party, as applicable.

**5.2** This MOU has no legal binding effect on the States, and shall not impose any contractual or legal obligation on any State.

**5.3** This MOU may be amended with the Parties' prior consent.

**5.4** Any dispute or controversy arising out of the implementation of this MOU shall be resolved through amicable consultation and negotiation between the Parties within a period of 60 days from the date of notification of the dispute or controversy.

**5.5** In case of not reaching a friendly agreement as indicated in the previous article, all disputes arising out of or in connection with the present agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The place of arbitration shall be England. The language to be used in the arbitral proceedings shall be English.

**5.6** This MOU has been negotiated and written in English and it will be translated to Chinese and Spanish, according to Chinese and Dominican laws and regulations, under the understanding that

in case of difference between the three versions, the English version will prevail. All certificates, reports, notices, statements or other documents and communications given or delivered pursuant to this agreement will be in English or accompanied by a certified translation into English. In case of any difference, the English version of said documents will be conclusive.

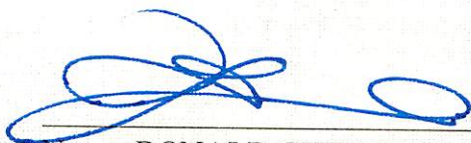
5.7 This MOU is valid for THREE (3) years. Entry into force from the date of signature of both Parties. Either Party may terminate this MOU by providing written notice 60 days prior to the expiration date to the other Party, or this MOU shall be automatically extended for another THREE (3) years upon the expiration date.

IN WITNESS WHEREOF, the present MOU is signed by the representatives of the Parties, duly authorized, in Beijing on November 2<sup>nd</sup>, 2018.

### SIGNATURE PAGE

**MINISTRY OF FINANCE OF THE  
DOMINICAN REPUBLIC**

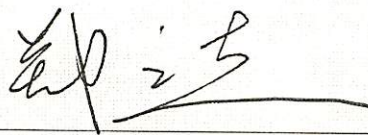
Signed by:



Name: DONALD GUERRERO ORTIZ  
Title: MINISTER

**CHINA DEVELOPMENT BANK**

Signed by:



Name: ZHENG ZHIJIE  
Title: PRESIDENT