

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (MOU) is made at Islamabad on Wednesday, 14th of November, 2007 between:

The Investment Division & Board of Investment

and

Infrastructure Project Development Facility

(hereinafter also referred to individually as "a Party" and collectively as "the Parties")

Whereas, the Investment Division and the Board of Investment which (hereinafter referred to as "ID & BOI") is a statutory agency established through the Board of Investment Ordinance, 2001 having its office to encourage, promote and facilitate both local and foreign investment in the country;

Whereas, the ID & BOI has broad based responsibilities of promotion of investment in all sectors of the economy by facilitating the implementation and operation of projects;

Whereas, the ID & BOI acts as a focal point of contact for prospective investors to provide them with information and assistance in coordinating with other Ministries, Divisions, Departments and Implementing Agencies of the Government;

Whereas, the Government of Pakistan has embarked on an ambitious programme for the development of infrastructure projects in the country under the Public Private Partnerships modality;

Whereas, the ID & BOI has a mission to improve the investment environment by facilitating greater private sector role in infrastructure development and establishing linkages between the public and private sectors by stimulating Public Private Partnerships;

Whereas, the Infrastructure Project Development Facility (hereinafter referred to as IPDF), is a Company established by the Government of Pakistan through the Ministry of Finance and Revenue and incorporated under Section 42 of the Companies Ordinance, 1984;

Whereas, the IPDF has been established to serve as a focal point to coordinate the formulation of cohesive legislative, policy and contractual framework for Public Private Partnership Projects nationally;

Whereas, the Government has established a Task Force to formulate a policy, regulatory and legislative framework that is conducive to undertaking Public Private Partnerships in Pakistan and that the ID & BOI is also represented on the Task Force;

Now, therefore, as many of the fundamental objectives and programmes of the ID & BOI and the IPDF have significant commonalities, both agree to work together and to cooperate with each other for the development of Pakistan's infrastructure on the following terms and conditions:

1. The ID & BOI will allow the IPDF to use its facilities, including appropriate secretarial support at its regional offices, presently located in Karachi, Lahore and Peshawar for establishing branch offices/contact points to provide

information and technical services to implementing agencies of the Government and private investors interested in undertaking infrastructure projects under the Public Private Partnership modality.

2. The IPDF will provide ID & BOI with details of potential Public Private Partnership projects so that ID & BOI can provide this information to interested investors both in Pakistan and abroad.
3. The transfer of services or facilities between the Parties will be free of cost. It is categorically stated that each Party will provide services or use of facilities to the other Parties free of monetary remuneration. The Parties will be accommodative of each other's commitments and constraints, before finalizing joint initiatives.
4. The Parties may, with mutual consent, initiate other activities deemed appropriate and necessary for increasing investment in infrastructure development in Pakistan by promoting public private partnerships.
5. This MOU may be amended or modified at any time through mutual written consent of the Parties.
6. This MOU shall enter into force on the date of signatures by the Parties and shall remain valid unless terminated.
7. Each Party may terminate this MOU of Understanding by giving a notice of sixty (60) days to the other Party of its intention to terminate this MOU. The actions/programmes initiated during the validity of this MOU shall continue to be governed by its provisions till their completion.

IN WITNESS WHEREOF, the Parties have caused this Memorandum of Understanding to be signed at the place and as of the day and year first written above.

For and on behalf of the
**Investment Division &
Board of Investment**



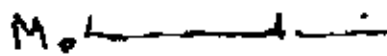
Mr. Mushtaq Malik
Secretary
Investment Division &
Board of Investment

For and on behalf of the
**Infrastructure Project Development
Facility**



Mr. Aijaz Ahmed
Chief Executive Officer
Infrastructure Project Development
Facility

Witnessed by:



Mr. Wasi Zafar
Minister for Privatization and
Investment



Dr. Salman Shah
Advisor to the Prime Minister on
Finance, Revenue & Statistics