

World Bank and International Investment Bank Foster Collaboration

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The International Bank for Reconstruction and Development (IBRD) and the International Investment Bank (IIB) have launched the implementation of a Memorandum of Understanding (MoU) to set the framework for collaboration between the two development institutions in the broad areas of development finance, financial management, and corporate governance. The MoU was signed by Laura Tuck, World Bank Vice President for Europe and Central Asia, and Nikolay Kosov, Chairman of the Board of the International Investment Bank.

*«We look forward to sharing our global experience in using our financial, analytical, and advisory instruments with the International Investment Bank for the benefit of all its member countries,» said **Laura Tuck**. «We have engaged with a number of other national and international development banks, helping strengthen their capacity and supporting alignment of their practices with the standards of leading development banks.»*

As stated by **Nikolay Kosov**, *«since late 2012 the IIB has been undergoing a major reform. Thanks to our efforts, the bank is now operating as a fully-fledged international financial institution and has joined the broader community of multilateral development banks with the World Bank in the center. However, we understand that there is still progress to be made and, in order to increase our capacity to support the economic development of our member states, we have decided to engage in a capacity-strengthening exercise with one of our key partners.»*

The MoU defines key thematic areas for cooperation, including but not limited to:

- Improving the efficiency of financial instruments which the IIB currently uses, and the development of new ones
- Capacity-building to further strengthen IIB's project cycle
- Diverse aspects of corporate governance, treasury and risk management practices
- Improvement of compliance procedures and development of independent accountability mechanism
- Cooperation and consultations in respect of raising capital and participation in investment funds
- Business and strategic planning
- Facilitation of IIB's participation in professional networks of international and national development banks
- Strategic communications

The first World Bank's knowledge transfer program will support the IIB in further strengthening its governance and anti-corruption mechanisms, in order to fully align them with the practices of leading multilateral development institutions.

Reference

The World Bank Group (WBG) is one of the world's largest sources of funding and knowledge for developing countries. It comprises five closely associated institutions: the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), which together form the World Bank; the International Finance Corporation (IFC), the Bank's private sector arm; the Multilateral Investment Guarantee Agency (MIGA); and the International Centre for Settlement of Investment Disputes (ICSID). The World Bank works closely with the rest of the World Bank Group to help developing countries reduce poverty, promote economic growth, and build shared prosperity. The institution provides a combination of financial resources, knowledge and technical services, and strategic advice to developing countries.