

# **Memorandum of Understanding**

**Between**

***THE GOVERNMENT OF PERU AS REPRESENTED  
BY THE MINISTRY OF AGRICULTURE  
AND  
THE AUTORIDAD NACIONAL DEL AGUA (ANA)***

**And**

**THE INTERNATIONAL FINANCE CORPORATION  
(IFC)**

**Acting as implementing entity of the  
2030 WATER RESOURCES GROUP  
(WRG)**

**Date: 23rd of April, 2013**



## MEMORANDUM OF UNDERSTANDING

MEMORANDUM dated 23rd of April, 2013, between:

- (1) The Ministry of Agriculture and the Autoridad Nacional del Agua (ANA), and
- (2) The International Finance Corporation (IFC), an international organization established through Articles of Agreement between the member countries, which includes Peru, that acts as implementing entity of the 2030 Water Resources Group (WRG).

Whereas:

- (A) The IFC, member of the World Bank Group, is an international organization whose mission is to promote sustainable investment of the private sector in developing countries, helping to reduce poverty and improve the living standards of the people.
- (B) The WRG, mechanism of the IFC, is a unique public-private-civil society platform that helps government officials working in issues related to water and other specialists in the water sector to accelerate reforms that will ensure the sustainability of water resource management for the long term development and economic growth of the country, respecting social access and the environment.
- (C) The Government of Peru as represented by the Ministry of Agriculture, has as an attached entity the Autoridad Nacional del Agua (ANA). The ANA aims to perform the respective duties in water issues with technical, regulatory and advisory nature in Peru, in issues regarding water resource management, including management, regulation, control and protection of water as a public good.
- (D) The Government of Peru as represented by the Ministry of Agriculture, the Autoridad Nacional del Agua, and the IFC, are aware of the importance of developing water policies based on instruments that generate incentives for efficient water use or water saving. Convinced that an improvement of integral water management can contribute to economic development and environmental protection, they are interested, through the support of the 2030 Water Resources Group (WRG), in promoting an innovative collaboration between the public and private sectors for the human, financial and knowledge base strengthening as well as the exchange of experiences and best practices regarding development, management and protection of water resources.
- (E) The Government of Peru as represented by the Ministry of Agriculture, the Autoridad Nacional del Agua and the IFC (hereinafter referred to as the "Parties", and individually, each one will be referred to as the "Party") express their interest in cooperating, with the support of the WRG, in the development of tools and mechanisms working towards the sustainable use of water resources in Peru (the "Understanding").



- (F) The purpose of this Memorandum is to formalize the foundation on which the Parties will explore opportunities for cooperation in common interest issues. Specifically, the Parties address the following aspects:
- (i) *access to good practices in integral water resource management and information on the matter;*
  - (ii) *planning and integral management of water resources;*
  - (iii) *public policies for integral management of water resources;*
  - (iv) *efficient water use;*
  - (v) *technical, financial, legal and institutional outlines for the development and transformation of water resource management, in an integral manner recognizing the link between water, food supply and energy, in a context of climate change.*
  - (vi) *capacity-building activities addressing institutional capabilities and the consolidation of competencies;*
  - (vii) *identification and design of pilot programs and projects to facilitate the transformation towards integral management of water resources;*
  - (viii) *creation of public-private platforms to exchange and appropriate good practices and knowledge, emphasizing cooperative actions.*
  - (ix) *support the resolution of obstacles for investments in Peru, related to water resources.*

I. Goals of the Memorandum

- (a) Effective from the signature of this Memorandum, the Ministry of Agriculture, the Autoridad Nacional del Agua and the IFC, will discuss the main aspects for future cooperation, through specific projects (that constitute the Understanding) with the support of the WRG in order to define:
  - (i) the goals of the Understanding;
  - (ii) the roles and responsibilities regarding the Understanding;
  - (iii) external assistance that might be required and, if applicable, identification of external consultant(s), their terms of reference, compensation (rates and costs);
  - (iv) proposed budget and financial contributions of the Parties; and
  - (v) proposed timeframe for implementation of the specific Project.





- (b) So as to move forward and tackle the identified projects, the parties involved in the Understanding will work out and consolidate proposals for specific Cooperation Agreements. The proposals for the specific Cooperation Agreements will contain the main terms and conditions pointed out in the previous subsection.
- (c) Immediately after the specific Cooperation Agreements have been signed by the involved parties, said parties will make the necessary arrangements so as to implement and execute as soon as possible.
- (d) The IFC has always worked to avoid fraud and corruption in all its activities and keeps reinforcing its corporate governance and fighting against corruption. The procedures the IFC uses to face claims of fraud and corruption in projects of the IFC can be found at [www.ifc.org/anticorruption](http://www.ifc.org/anticorruption).

## II. Non-Committal

The Parties recognize and agree that the set forth Memorandum is not legally binding. It is not the intention of the Parties to create, and nothing in the set forth document will be interpreted as the creation of, any legal rights or obligations to the Parties, and the set forth document does not contain any commitment. Each Party will have the discretionary right to terminate at any moment any dialogue regarding the Understanding or this Memorandum. This Memorandum does not imply preferential treatment to any of the Parties concerning any issue contemplated hereon.

## III. Channels for Communication and Notice

So as to facilitate the enforcement of the work agreements that will be established by the Parties of this Memorandum of Understanding, the channels for communication for the Parties will be as follows:

- (a) The Minister of the Ministry of Agriculture
- (b) The Chief of the Autoridad Nacional del Agua
- (c) The Executive Director of the Water Resources Group

## IV. Bodies of Representation for the Coordination and Follow-up

The Government of Peru as represented by the Ministry of Agriculture designates the ANA as its representative and the IFC will be the implementation entity of the WRG for future exploration of areas for cooperation.

Subject to the policies and procedures of the Parties regarding the disclosure of information, the Parties will be able to make public this Memorandum.

## V. Effectiveness



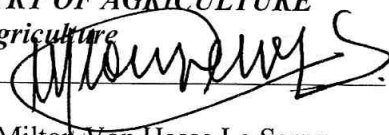
This Memorandum will be considered effective from the date it is signed.

Signed in Lima, Peru the 23rd of April, 2013, in three original copies in Spanish and English the texts being identical. In case there is a difference in the interpretation, the English version will prevail.

IN WITNESS WHEREOF, the Parties have aimed to the signing of this Memorandum with their respective names, as of the above designated date.

**THE MINISTRY OF AGRICULTURE**

*Ministry of Agriculture*

By : 

Name: Milton Von Hesse La Serna

Position: Minister, Ministry of Agriculture

**THE AUTORIDAD NACIONAL DEL AGUA DEL**

*Ministry of Agriculture*

By : 

Name: Hugo Eduardo Jara Facundo

Position: Chief of the Autoridad Nacional del Agua

**INTERNATIONAL FINANCE CORPORATION**

*(As implementing entity of the 2030 Water Resources Group)*

By : 

Name: Anders Ingvald Berntell

Position: Executive Director, 2030 Water Resources Group

**AUTORIDAD NACIONAL DEL AGUA**

**ANA**

EL FEDATARIO que suscribe CERTIFICA  
Que el presente documento que tengo a la vista es  
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**DULA F. BARRETO ROMERO**

Fedatario Titular

R.U.N. 010-2009-ANA Fecha: 24.04.13