

The Hashemite Kingdom of Jordan
MEMORANDUM OF UNDERSTANDING

Between

The Central Bank of Jordan

And

Bahrain Monetary Agency

1 August 2006

Amman

A Memorandum of Understanding between the Central Bank of Jordan and Bahrain
Monetary Agency

In view of the absolute keenness and mutual interest of the Central Bank of Jordan and the Bahrain Monetary Agency, hereinafter referred to as “the Parties,” their determination to strengthen bilateral relations and promote mutual cooperation, and their willingness to support and develop the banking and financial sectors in both countries; the parties agreed to exert their mutual efforts to achieve the objectives and aims stated in this memorandum as follows:

Article (1)

The parties shall work to promote the relationship existing between them in the field of supervision of the banking institutions, and to promote and strengthen their status as supervisory bodies within the framework of the basic requirements and rules of effective banking supervision.

Article (2)

Encouraging the establishment of joint capital financial institutions between individuals and private sector institutions, and allowing national banks to open branches in both countries, in light of the two markets’ need for new banking institutions to enter during that period.

Article (3)

Exchange information and experiences related to the development of banking and financial activities, to the extent permitted by the respective laws in both countries.

Article (4)

The Parties shall periodically and in parallel provide each other with valid banking legislations, supervisory standards and requirements in both countries, and any major changes therein.

Article (5)

The Parties shall ensure the confidentiality of unpublished supervisory information and of any documents received from the other party. In this regard, staff members of both parties shall maintain the confidentiality of the obtained information, taking into account the relevant laws in force in both countries.

Article (6)

Exchange information that will combat money laundering and terrorism financing in accordance with international standards and domestic legislations.

Article (7)

The parties shall cooperate in creating new financial instruments to improve banking and financial work, both traditional and Islamic.

Article (8)

Extend banking and financial training opportunities and provide support in the fields of training and education tools and institutions, as well as of conducting financial and banking research.

Article (9)

Create a committee chaired by both deputy governors to put into effect the articles of this memorandum.

Article (10)

This Memorandum has no legal status. It expresses the willingness of both parties to promote cooperation and mutual efforts to achieve the goals mentioned above. This memorandum shall come into force as from the date of its signing and it remains effective unless either party informs the other in writing of their willingness to cancel or amend it one month prior to the date of cancellation or amendment.

This memorandum was created and signed in Amman on 7 Rajab 1427H corresponding to August 1, 2006, in two original copies in Arabic language, each of which has the same legal argument, and each party was handed a copy to work according to it.

On behalf of Central Bank of Jordan
Dr. Umayya Toukan
Governor

On behalf of Bahrain Monetary Agency
Ahmad bin Ateyatalla Al kalifa
Minister of Cabinet Affairs
Head of Central Informatics Organization
Head of Civil Services Bureau