

**Memorandum of Understanding  
on Cooperation in The Field of Small and Medium Enterprises**

**between**

**Ministry of Industry and Commerce of  
The Islamic Republic of Afghanistan**

**And**

**Small and Medium Enterprises Development Organization of  
The Republic of Turkey**

**Article 1- PARTICIPANTS**

Throughout the Memorandum of Understanding the following phrases will refer to the explanations made:

- SMEs : Small and Medium Sized Enterprises in Afghanistan and Turkey  
Participants : Ministry of Industry and Commerce of The Islamic Republic of Afghanistan and KOSGEB  
KOSGEB : Small and Medium Enterprises Development Organization

**Article 2- AIM OF THE MEMORANDUM OF UNDERSTANDING**

- 2.1 Improving economic and commercial cooperation between Afghanistan and Turkish SMEs.
- 2.2 Contributing to the Afghanistan and Turkish SMEs' for improving their competitive power in global markets.

**Article 3- ACTIVITIES WHICH WILL BE REALISED**

Each Participant may subject to the laws, rules, regulations and national and international policies, treaties and agreements, from time to time in force, governing the subject matter in their respective countries, endeavor to take necessary steps to encourage and promote technical co-operation as follows:

- 3.1 The Participants may share the knowledge and experience they possess to improve their institutional infrastructure and support mechanisms with the aim of improving SMEs and carry out the following common activities:
- Participants' exchange of information about policies, measures and applications which aim to support SMEs.
  - Exchange of experience for activities addressing SMEs.

- Exchange of data and publications for SMEs (excluding corporate information about companies).
- 3.2 Participants may arrange mutual business trips to improve SMEs' commercial relations and to encourage joint ventures.
- 3.3 Participants may inform each other about the business opportunities related to SMEs in their regions.
- 3.4 Participants may organize training/informing programs for SMEs and SME related organizations.
- 3.5 Participants may cooperate with international organizations for the benefit of SMEs and may support preparation of joint projects in order to sustain maximum utilization of international funds.

#### **Article 4- EFFECT AND ENFORCEMENT**

- 4.1 This Memorandum of Understanding is concluded with a view to enhance and develop cooperation between the Participants and does not constitute an agreement binding upon the States of the Participants under local or international law. No provision of this Memorandum of Understanding may be interpreted and implemented as creating rights or commitments under international law for the States of the Participants.
- 4.2 Participants are responsible for the execution of this Memorandum of Understanding on the basis of equality and mutual benefit. The Participants will appoint a coordinating officer and/or a committee consisting of members of both the participants and within their respective organizations who will be coordinating matters relating to this Memorandum of Understanding. The Participants will work out the practical detail of co-operation between both Participants by consulting each other through designated contact persons to ensure the proper and effective implementation and follow-up of this Memorandum of Understanding's cooperation areas as agreed upon in Article 3.
- 4.3 The expenditures of the visits of delegations within the framework of this Memorandum of Understanding do not create any financial obligation for the Participant which accepts the delegation.
- 4.4 The protection of intellectual property rights will be enforced in conformity with the respective national laws, rules and regulations of Afghanistan.
- 4.5 This Memorandum of Understanding does not preclude either Participant from entering into any similar arrangement with any other Participant.
- 4.6 Any inconvenience regarding the interpretation and application of this Memorandum of Understanding may be solved by consultations between the Participants.





## **Article 5- ENTRY INTO FORCE, DURATION, TERMINATION AND AMENDMENT**

5.1 This Memorandum of Understanding will become effective on the date of submission of written notification by participants regarding the completion of internal procedures for enforcement. This Memorandum of Understanding will remain valid for a period of three (3) years, unless one Participant notifies the other in writing its intention to terminate this Memorandum of Understanding.

5.2 This Memorandum of Understanding will automatically be extended for successive periods of three (3) years unless one Participant notifies the other in writing its intention to terminate this Memorandum of Understanding at least three (3) months prior to expiration of its validity.

5.3 Each Participant may terminate this Memorandum of Understanding at any time by giving to the other Participant a written notification. In this case, the Memorandum of Understanding will be terminated three (3) months after the date of the receipt of the notification. Nonetheless, the termination of this Memorandum of Understanding will not affect the activities and projects already in progress or executed.

5.4 This Memorandum of Understanding may be amended by mutual written consent of the Participants at any time.

5.5 The amendments will become effective in accordance with the same legal procedure prescribed under the first clause of this Article.

5.6 This Memorandum of Understanding which consists of five articles has been signed in Ankara on 11 May 2018 according with 21.02.1397 in Turkish, Dari and in English in two copies of each.



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