



Memorandum of Understanding

between

**Bosnia and Herzegovina
Ministry of Foreign Trade and Economic Relations**

and

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

Article 1 – PARTIES

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

- MOFTER: Ministry of Foreign Trade and Economic Relations
- KOSGEB: Small and Medium Enterprises Development Organization
- Parties: MOFTER and KOSGEB
- SMEs: Small and Medium Sized Enterprises in Bosnia and Herzegovina and Turkey

Article 2 - AIM OF THE MEMORANDUM OF UNDERSTANDING

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

Article 3 - LEGAL BASIS

The Free Trade Agreement between the Bosnia and Herzegovina and Republic of Turkey signed on July 3, 2002. Agreement on Trade and Economic Cooperation between the Republic of Bosnia and Herzegovina and the Republic of Turkey signed on November 7, 1995, in accordance to whose Article the 10 Joint Economic Commission was formed between the Bosnia and Herzegovina and the Republic of Turkey (hereinafter referred to as: the Commission). The Commission held its fourth session on June 26 and 27, 2012, in Ankara. In the Protocol from the Fourth Session of the Commission, in Section III – Economic Cooperation, pertaining to industry, science and technology, the two sides have agreed to encourage their relevant organizations, KOSGEB (Organization for Development of Small and Medium-Sized Enterprises) and MOFTER BIH (Ministry of Foreign Trade and Economic Relations of Bosnia and Herzegovina) to strengthen relations between small and medium-sized enterprises of both countries through the Memorandum of Understanding.

Article 4 - ACTIVITIES WHICH MAY BE REALISED

Each Party may, subject to the laws, rules, regulations and national policies 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:

- 4.1 The Parties 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:
 - Parties' 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)
- 4.2 Parties may arrange mutual business trips to improve SMEs' commercial relations and to encourage joint ventures.
- 4.3 Parties may inform each other about the business opportunities related to SMEs in their regions.
- 4.4 Parties may organize training/informing programs for SMEs and SME related organisations.
- 4.5 Parties may transfer of experiences and best practices regarding technology and business incubators, technology parks, business support organizations etc.

- 4.6 Parties may cooperate with participated international organisations especially in the field of innovation for the benefit of SMEs and may support preparation of joint projects in order to sustain maximum utilisation of international funds.

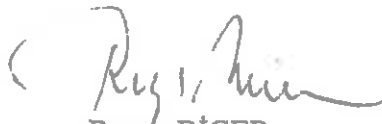
Article 5 - EFFECT AND ENFORCEMENT

- 5.1 This Memorandum of Understanding is concluded with a view to enhancing and developing cooperation between the Parties and does not constitute an agreement binding upon the States of the Parties under 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 Parties.
- 5.2 Parties are responsible from the execution of this Memorandum of Understanding on the basis of equality and mutual benefit. The Parties may appoint a coordinating officer within their respective organizations who may be coordinating matters relating to this Memorandum of Understanding. The Parties may work out the practical detail of cooperation between both Parties by consulting each other through designated contact persons to ensure the proper and effective implementation of this Memorandum of Understanding's cooperation areas as agreed upon in Article 4.
- 5.3 The expenditures of the visits of delegations within the framework of this Memorandum of Understanding does not create any financial obligation for the Party which accepts the delegation.
- 5.4 Parties might add new articles or might take out existing or added articles from this Memorandum of Understanding through mutual consent.
- 5.5 The protection of intellectual property rights will be enforced in conformity with the respective national laws, rules and regulations of Turkey and Bosnia and Herzegovina and with other international agreements to which they are both Parties.
- 5.6 This Memorandum of Understanding does not preclude either Party from entering into any similar arrangement with any other Party.
- 5.7 This Memorandum of Understanding enters into force on the date it's signed. This Memorandum of Understanding may remain in operation for a period of three (3) years. The Parties may notify the other Party if there is a change of address or entity by giving a written notice within fourteen (14) days.

- 5.8 Any inconvenience regarding the interpretation and application of this Memorandum of Understanding may be solved by consultations between the Parties. In case of disobedience to the articles of this Memorandum of Understanding, either Party may terminate this Memorandum of Understanding by notifying the other Party of its intention to terminate this Memorandum of Understanding by a notice in writing through diplomatic channels at least one (1) month prior to its intention to do so.
- 5.9 The validity period of this Memorandum of Understanding may be extended by three - year periods unless one of the Parties notifies in writing three months before the date of expiry that the Memorandum of Understanding be terminated.
- 5.10 This Memorandum of Understanding which consists of five articles has been signed on the date of 03.11.2016 in English in Sarajevo in two copies.

Mirko ŠAROVIĆ
Minister
Ministry of Foreign Trade and
Economic Relations




Recep BIÇER
President
Small and Medium Enterprises
Development Organization