

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE MINISTRY OF MICRO, SMALL AND MEDIUM
ENTERPRISES OF
THE REPUBLIC OF INDIA
AND
THE MINISTRY FOR COOPERATIVES AND SMALL AND
MEDIUM ENTERPRISES OF THE REPUBLIC OF INDONESIA
CONCERNING
COOPERATION IN THE FIELD OF MICRO, SMALL AND MEDIUM
ENTERPRISES

The Ministry for Cooperatives and Small and Medium Enterprises of The Republic of Indonesia and the Ministry of Micro, Small and Medium Enterprises of The Republic of India, hereinafter referred to as the "**Parties**";

Desiring to further promote bilateral economic cooperation between the Parties on the basis of equality and mutual benefit among Micro, Small and Medium Enterprises (MSMEs) of the Parties;

Noting the role of MSMEs as integral part of economic development in both countries;

Recognizing the need to expand and strengthen cooperation on the basis of equality and mutual benefit among MSMEs of the Parties;

Pursuant to the prevailing laws and regulation of their respective Countries;

Have reached the following understanding:

ARTICLE 1
OBJECTIVE OF COOPERATION

The objective of this Memorandum of Understanding is to encourage, promote and contribute to the establishment of mutual beneficial relations in the development of MSMEs between the Parties.

ARTICLE 2
ACTIVITIES

Within the designated authorities and in accordance with the laws and regulations governing the Parties, the Parties will encourage and contribute to the promotion of bilateral cooperation to support the development of MSMEs through the following activities:

1. Exchange of information on policy initiatives on MSMEs development.
2. Facilitate business cooperation among MSMEs through such means as trade promotion, international, national and specialized exhibitions, marketing cooperation as well as creation of the business partnership.
3. Provide opportunities for MSMEs to participate in technical and managerial skills training.
4. Support and facilitate bilateral symposium, seminars, conference, workshop and meeting with the participation of MSMEs representatives.
5. Provide opportunities and support for MSMEs to open market access in both countries and to other promising countries.

ARTICLE 3
GENETIC RESOURCES, TRADITIONAL KNOWLEDGE AND FOLKLORE

1. The Parties shall recognize the value of genetic resources, traditional knowledge and folklore (hereinafter "GRTKF"), and recognize the rights of holder GRTKF to the effective protection over GRTKF against misuse and misappropriation of both Parties.

2. GRTKF shall be protected against misuse and misappropriation by both the Parties.
3. Any acquisition, appropriation or utilization of GRTKF by unfair or illicit means constitute an act of misappropriation. Misappropriation may also include deriving commercial benefit from the acquisition, appropriation or utilization of GRTKF when the person using GRTKF knows, or is negligent in failing to know, that it was acquired or appropriated by unfair means and other commercial activities contrary to honest practices that gain inequitably from GRTKF.
4. Subject to compliance with its obligation referred to in Paragraph 3 of this Article, each Party shall, in respect of the intellectual property protection of GRTKF, accord, within its territory, (i) to natural persons who are nationals of, or are domiciled in the territory of, any of the other Party, and (ii) to legal entities which or natural persons who, in the territory of the other Party, have a real and effective establishment for the creation, production and transaction of GRTKF, the same treatment that it accords to its nationals.
5. Any access to and use of GRTKF of the respective Party under the implementation of this Memorandum of Understanding shall require prior consent/permit from the relevant authorities of the party. The Parties shall ensure that the local communities concerned shall be informed, consent with the access and shall be informed with the results endeavour and/or collaborate activities using such GRTKF.
6. When the MSMEs during collaborative activities under this Memorandum of Understanding, utilize GRTKF for commercial purpose, the party, on behalf of its local communities concerned, shall be entitled to the right of intellectual property, where appropriate, and associated benefit sharing.
7. The benefits of protection of GRTKF to which its holders are entitled include the fair and equitable sharing of benefits arising out of the commercial or industrial use of that GRTKF.

8. Legal means should be available to provide remedies for holders of GRTKF in cases where the fair and equitable sharing of benefits are provided for in paragraphs 7 have not occurred.

ARTICLE 4 CONFIDENTIALITY

1. Each Party shall undertake to observe the confidentiality and secrecy of documents, information and other data received or supplied to other Party during the period of the implementation of this Memorandum of Understanding or any other agreements made pursuant to the Memorandum of Understanding.
2. The Parties agree that the provision of this article shall continue to be binding between the Parties notwithstanding the termination of this Memorandum of Understanding.
3. The provision of this Article shall not prejudice the prevailing laws and regulations of the Parties.

ARTICLE 5 ARRANGEMENT WITH RELEVANT AGENCIES

1. With a view to facilitate the bilateral cooperation, the Parties shall encourage, where appropriate, the conclusion of supplementary arrangements between the government agencies, and enterprises of the respective Parties specifying the terms and conditions of particular collaborative programs and projects, the procedures to be followed and other appropriate activities.
2. The cooperation between the Parties will be carried out on the basis of action plans determining concrete events on realizing of this Memorandum of Understanding.

ARTICLE 6
COOPERATION IN INTERNATIONAL ORGANIZATION

The Parties will consult closely and exchange their views in international organization in the fields of MSMEs.

ARTICLE 7
JOINT COORDINATING COMMITTEE

1. The Joint Coordinating Committee composed of representatives designated by the Parties will be established with a view to formulate, implement, coordinate, and monitor the collaborative activities determined under this Memorandum of Understanding.
2. The members of Joint Coordinating Committee shall comprise of representatives from the government responsible for MSMEs development and MSMEs representatives when necessary.
3. The function of the Joint Coordinating Committee is to develop and discuss the possible areas of cooperation agreed upon by the Parties, coordinate and monitor the implementation of action plans of the agreed cooperation based on this Memorandum of Understanding and to consider issues of mutual interest arising from its implementation.
4. The Joint Coordinating Committee meetings will be held as and when necessary on mutually agreed dates alternately at least once a year in the Republic of Indonesia and the Republic of India.
5. The Joint Coordinating Committee shall report periodically to the respective Minister responsible for MSMEs development.

ARTICLE 8
LIMITATION OF PERSONNEL ACTIVITIES

Any person engaged in activities related to this Memorandum of Understanding shall respect political independence, sovereignty, and territorial integrity of the host country, and shall avoid any activities inconsistent with the purposes and objectives of this Memorandum of Understanding.

ARTICLE 9
AMENDMENT

This Memorandum of Understanding will be subjected to periodical reviews and may be amended by mutual consent of the Parties. Such amendment shall be in writing and come into force on the date as agreed upon by the Parties.

ARTICLE 10
SETTLEMENT OF DISPUTE

Differences which may arise in the application of the provisions of this Memorandum of Understanding will be settled by means of negotiations between the Parties.

ARTICLE 11
ENTRY INTO FORCE, DURATION AND TERMINATION

1. This Memorandum of Understanding shall come into force on the date of its signing and shall be in force for period of 5 (five) years.
2. The present Memorandum of Understanding shall automatically be extended for a 5 (five) year-period unless one of the Parties notifies the other party in writing at least 6 (six) months in advance of its intention to terminate the Memorandum of Understanding.

3. The termination of this Memorandum of Understanding shall not affect the validity and duration of any on-going programs and projects made under this Memorandum of Understanding until the completion of such programs and projects unless the Parties decide otherwise.

In Witness Whereof, the undersigned, being duly authorized thereto by their respective Governments, have signed this Memorandum of Understanding.

Done at New Delhi on 25th day of January in the year of two thousand and eleven in two originals each in Hindi, Indonesian and English languages all text being equally authentic. In case of any divergence of Interpretation, the English text shall prevail.

FOR THE MINISTRY OF
MICRO, SMALL
AND MEDIUM ENTERPRISES
OF THE REPUBLIC OF INDIA



HE. Mr. Uday Kumar Varma

FOR THE MINISTRY FOR
COOPERATIVES AND SMALL
AND MEDIUM ENTERPRISES
OF THE REPUBLIC OF
INDONESIA



HE. Mr. R.M. Marty M.
Natalegawa