



MEMORANDUM OF UNDERSTANDING

between

Der Mittelstand. BVMW e.V. (BVMW)
(Eng. The German Association for Small and Medium-Sized Businesses, "BVMW")

And

Association of Legal Entities "Business Association JIA"

(Both hereinafter referred to as "the Parties" collectively and "Party" individually)

RECITALS:

WHEREAS BVMW is a politically independent representative that champions the interests of small and medium-sized enterprises at the political level but is also a powerful network facilitating contact between its members. With more than 300 offices in Germany and over 75 offices abroad, the BVMW also represents the interests of more than 900,000 members through the Mittelstandsallianz. The BVMW is thus the biggest interest group of German SMEs that is organized on a voluntary and cross-sectoral basis.

WHEREAS JIA is a multi-sectoral association which brings together more than 1200 companies of small, medium, and large businesses not only in Kyrgyzstan but also outside the country, whose mission is to develop an innovative, socially responsible, and open community of entrepreneurs for the development of the Kyrgyz Republic. For the period of its activity, our association has proved itself as a reliable partner of the business community in the country.

NOW THEREFORE, with a view to strengthening investment and trade promotion and facilitation as well as to establish reciprocal cooperation, the BVMW and JIA

HEREBY AGREED AS FOLLOWS:

1. Scope of the MoU:

1.1. The parties hereby agree and declare that the above recital is true and accurate in all respects and forms an integral part of the present MoU.

1.2. No Party shall present itself as the representative or agent of the other Party for any business, legal or any other reason, nor shall it have the power of authority to commit the other Party, unless it receives the other Party's prior written consent.

2. Objective of the MoU:

2.1. The present MoU shall have the following objectives:

- a) To enhance cooperation between the BVMW and **JIA**;
- b) To establish a practical framework agreeable to both parties for cooperation with regards to investment promotion;
- c) To strengthen institutional relations and capacity building through mutual cooperation.

2.2. The parties agree to join forces and maintain a continuous working relationship for the achievement of their common objective of promoting economic ties between the Federal Republic of Germany and **the Kyrgyz Republic**.

2.3. Both parties firmly believe in the strategic importance of cooperation for investment promotion and facilitation and this memorandum is not prejudicial to either party's obligations or interests.

2.4. The parties shall maintain close institutional dialogue to ensure a coherent approach and to identify areas of comparative advantages, competence and complementarity and meet whenever appropriate.

3. Exchange of Information:

3.1. Both Parties shall have a regular exchange of information on investment policies, rules, regulations, procedures, incentives and opportunities and general updates on statistics and business data regarding the Federal Republic of Germany and **the Kyrgyz Republic**, with a view to making them accessible to both Parties. The Parties shall exchange publications, magazines, newsletters, periodicals and directories, on a regular basis, for their respective business communities.

3.2. The Parties shall also encourage joint research activities whenever possible and required to facilitate investment and joint projects.

3.3. Each Party shall endeavour to promote the services of the other party, in its respective country and at regional and international levels, to its best ability.

3.4. The BVMW and **JIA** shall also collaborate to support exchange of technical expertise, knowledge and training opportunities between their respective members in the field of investment and entrepreneurship.

3.5. The BVMW **JIA** will disseminate to the business circles on either side information from respective members, help each other to provide necessary information and service to the members as well as available partnership opportunities, through all kinds of effective means of communication, including electronic communication.

4. Organisation of Business Missions:

- 4.1. BVMW and JIA will take initiatives to exchange, on a regular basis, trade, investment and economic information and help each other to understand the market for each country and the policy on entrepreneurship and investment for the benefit of both parties.
- 4.2. The Parties shall encourage and provide support for the exchange of business delegations or investment missions and visits of experts for fact-finding and business opportunity identification purposes.
- 4.3. In the course of the offering all reasonable assistance in respect of visiting missions, both parties will supply relevant market information, conducting business match-making and facilitating the introduction of visiting missions to representatives of relevant industries.
- 4.4. The parties will also ensure appropriate follow-ups on such visits as per mutually agreed terms of reference.

5. Organisation of Events:

- 5.1. As far as it is possible and according to its own agenda and resources, each party shall assist the other in organizing combined events related to investment and entrepreneurship, match-making and networking services, in both Federal Republic of Germany and the Kyrgyz Republic;
- 5.2. As far as it is possible and according to its own agenda and resources, each party also agrees to render the support and assistance when one party holds exhibitions in the home market of the other;
- 5.3. Both parties agree to exchange relevant know-how and information, where appropriate, on organizing investment exhibitions and fairs;
- 5.4. Both parties undertake to periodically monitor the activities implemented and evaluate their achievement and impact based on the agreed work plan at the end of the year.

6. Confidentiality:

- 6.1. Both BVMW and JIA shall strive to exchange information that will validate and enhance the objective of respective "country marketing" as a Business and Investment destination, and understand, that sometimes such exchanges may include confidential material such as ministerial visits, amongst others, and that these matters shall not be disclosed to any third party unless it is mutually agreed.

7. Costs & Expenses:

- 7.1. Unless otherwise agreed, each Party shall bear the costs and expenses for its participation in activities under this MoU. Cost coverage/sharing of specific tasks and programs will be discussed and

agreed in advance on a case-to-case basis. The BVMW price catalogue can be used as a guideline for certain actions.

7.2. The capacity of each Party to carry out activities under this Memorandum shall be subject to the availability of funds, personnel, and other resources.

8. Effective date & Duration:

8.1. The Memorandum comes into force from the moment it is signed by both Parties and is concluded for a period of 2 (two) years. The Memorandum is automatically renewed for the next year, unless either Party informs the other Party in writing of its intention to terminate the Memorandum.

8.2. This Memorandum is non-commercial in nature and does not impose any financial or legal obligations on the Parties.

For

Business Association JIA

Mr. Azzambek Jeenbai uulu
Executive Director

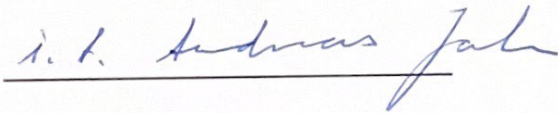


Date and place



Der Mittelstand. BVMW e.V.

Mr. Christoph Ahlhaus
Executive Chairman



Date and place