

**MEMORANDUM OF UNDERSTANDING
ON ZONE COOPERATION**

BETWEEN

**THE BATAM INDUSTRIAL DEVELOPMENT AUTHORITY OF
THE GOVERNMENT OF THE REPUBLIC OF INDONESIA**

AND

**THE AQABA SPECIAL ECONOMIC ZONE AUTHORITY OF
THE GOVERNMENT OF THE HASHEMITE KINGDOM OF JORDAN**

The Batam Industrial Development Authority of the Government of the Republic of Indonesia (BIDA) and the Aqaba Special Economic Zone Authority of the Government of the Hashemite Kingdom of Jordan , hereinafter referred to as "the Parties";

Acknowledging the role of Free Trade and Special Economic Zones in encouraging and accelerating overall economic development of the respective countries;

Considering the need to strengthen and institutionalize the existing friendly relations between the Parties in the field of Zone cooperation;

Bearing in mind the Trade and Economic Cooperation Agreement between the Government of the Republic of Indonesia and the Government of the Hashemite Kingdom of Jordan, signed in Jakarta, April 3, 1986, and Article 6 of Agreed Minutes of the Second Joint Commission between the Government of the Republic of Indonesia and the Government of the Hashemite Kingdom of Jordan, signed in Amman on November 12, 1996;

Pursuant to the prevailing laws and regulations in the respective countries;

Have agreed as follows:

Article 1 Objective

The objective of this Memorandum of Understanding (hereinafter referred to as the "MoU") is to enhance cooperation between the Parties in trade, industry, tourism and transshipment.

Article 2 Scope of Cooperation

The scopes of cooperation as mutually agreed by the Parties are as follows:

- To promote the development of economic cooperation between the Parties.
- To develop bilateral trade, industrial and tourism sectors.
- To provide facilities for transit goods and transshipment.
- To exchange information, delegations, experts, and businessmen of each Party.
- To conduct joint training, research, design and consulting related to the Zone cooperation.
- To hold joint exhibition in their respective countries or other regions.

Article 3 Implementation

1. The Parties will carry out the abovementioned activities based on mutual beneficial principles.
2. In order to achieve aforementioned objective, both Parties will conduct activities based on an agreed action plan.
3. Concerning costs and facilities related to the implementation of this MoU, both Parties will not impose any financial obligation on either Party and will share available facilities based on reciprocity, unless both Parties agree otherwise.

Article 4
Joint Consultation

1. The Parties agree to establish a Joint Consultation Forum (hereinafter referred to as "JCF"), which consists of the representatives of the Parties and other related institutions.
2. The JCF will hold annual meetings or at any time agreed, alternately in Indonesia and in Jordan. In case the meeting cannot be held due to certain circumstances, documents shall be exchanged.
3. This meeting aims to review implementation of the MoU and to optimize as well as recommend possible ways and means for further development of bilateral relations and any other issues as mutually agreed by the Parties.

Article 5
Amendment

This MoU may be amended or revised by mutual consent in writing between the Parties and will be submitted through diplomatic channels.

Article 6
Settlement of Dispute or Difference

Any dispute or difference between the Parties concerning interpretation and/or implementation of this MoU shall be settled amicably through consultation or negotiation.

Article 7
Entry into Force, Duration and Termination

1. The MoU shall enter into force on the date of its signature by both Parties.
2. This MoU shall remain in to force for a period of 5 (five) years and shall be automatically extended for a period of 2 (two) years thereafter, unless either Party notifies in writing to the other Party of its intention to terminate this MoU at least 6 (six) months in advance.
3. The termination of this MoU shall not affect the completion of any programs or activities conducted under this MoU.

In witness whereof, the undersigned, being duly authorized by their respective Governments, have signed this MoU.

Done in duplicate at Batam, Indonesia on July 8, 2005, in two original copies in the English language.

**FOR THE BATAM INDUSTRIAL
DEVELOPMENT AUTHORITY OF
THE GOVERNMENT OF
THE REPUBLIC OF INDONESIA**

**FOR THE AQABA SPECIAL
ECONOMIC ZONE AUTHORITY OF
THE GOVERNMENT OF THE
HASHEMITE KINGDOM OF JORDAN**

Signed

Signed

**Mustofa Widjaja
Chairman *ad interim***

**Nader Dahabi
Chief Commissioner**



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Signed

Nader Dahabi
Chief Commissioner

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Mustofa Widjaja
Chairman *ad interim*