#### MEMORANDUM OF UNDERSTANDING

#### BETWEEN

# THE MINISTRY OF COMMERCE AND INDUSTRY OF AFGHANISTAN AND

# THE MINISTRY OF TEXTILES OF THE REPUBLIC OF INDIA

## ON COOPERATION IN THE FIELD OF TEXTILES, CLOTHING, INVESTMENT, COMPLIANCE AND SKILL DEVELOPMENT

The Ministry of Commerce and Industry of Afghanistan and the Ministry of Textiles of the Republic of India, and the hereinafter referred to as "the Parties",

Whereas, the Parties wish to enhance the economic relations by expanding business and cooperation in the field of Textiles, Clothing and Investment, Compliance and Skill Development;

Whereas, the Parties are aware that cooperation in this areas will be mutually beneficial in increasing bilateral relationship between the Parties;

Have reached the following understanding:

## Article 1

Being guided by mutual interest in developing the textiles and clothing industry in their respective countries, the Parties shall cooperate in developing closer economic relation bilateral cooperation in the field of textiles and clothing, Cotton, man-made Fibre, and handlooms within their respective purview.

This cooperation shall be carried out, in accordance with their relevant national laws and regulations and the applicable, international treaties and conventions.

#### Article 2

The Parties will assist each other in carrying out all necessary techno-economic collaboration in development of textiles and clothing, Cotton, man-made Fibre, and handlooms industry within their national markets. The Parties shall also encourage organization of the joint trade missions, of mutual interests for collaboration in these areas.

#### Article 3

According to the legislation in force in both countries, the Parties shall assist each other to stimulate different forms of cooperation in the textiles sector, such as creation of joint ventures, industrial cooperation, marketing, leasing, management and others.

#### Article 4

In the fields of textiles and clothing, Cotton, man-made fibre and handlooms the Parties will assist each other in the following areas

- (1) research and development:
- (2) technical collaboration in product development and manufacturing,
- (3) testing and certification in accordance with the established international requirements in force in the country of the party where the project is develop,
- (4) skill development,
- (5) training and retraining of personnel,
- (6) carrying out of joint scientific, industrial and other meetings and exchanges in these fields.

# Article 5

The Parties will cooperate with in their efforts for promoting the activities related to the sector of textiles and clothing products in the national markets and will facilitate participation of business delegations, exhibitors and buyers of each other in the trade exhibitions, buyer's seller's meetings, business forums organized in the territory of either Party.

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#### Article 6

The Parties will assist each other to organize visit of technical experts, specialists and scientists in the areas of textiles and clothing, cotton, man-made fibre, silk and sericulture, and fashion technology for discussion of the details of cooperation.

#### Article 7

The Parties agree to set up a Joint Working Group (JWG), co-chaired by official of appropriate level from the Ministry of Commerce and Industry of Afghanistan and from the Ministry of Textiles of Republic of India and comprising of members, agreed upon mutual consultation. The JWG will explore the details of cooperation, including steps required to facilitate the economic, technical and scientific cooperation, within the scope of this Memorandum of Understanding.

#### Article 8

- 1. Any dispute arising out of the interpretation or implementation of the provisions of this Memorandum of Understanding shall be settled through consultation between the Parties.
- 2. For the purpose of settling disputes the concerned Party may submit a written request for consultations to be held within the framework of the JWG.
- 3. The consultations shall take place within maximum 60 (Sixty) days after the receipt of the written request.

#### Article 9

1. The provisions of the present Memorandum of Understanding shall not affect the rights and obligations of the Parties resulting from other international agreements which they are parties to.

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#### Article 10

- 1. The present Memorandum of Understanding shall enter into force on the date of the last notification by which the Parties inform each other about the accomplishment of the procedures required by their internal legislation for its entry into force.
- 2. This Memorandum of Understanding shall remain in force for an initial period of 5 (five) years and shall be renewed for further successive periods of 5 (five) years. If neither of the Parties notifies the other, through diplomatic channels at least 3 (three) months before the date of expiry of the five years period its decision to terminate it.
- 3. The present Memorandum of Understanding may be amended or modified by mutual consent of the Parties. Any amendment or modification of this Agreement shall follow the same procedure as for its entry into force.

IN WITNESS WHEREOF, the undersigned being duly authorized there to by their respective Governments, have signed this Memorandum of Understanding.

Done in Kabul on January 7<sup>th</sup> 2015, in English and Dari languages, all texts being equally authentic. In case of any divergence in interpretation the English text shall prevail.

For the Ministry of Textile of the Republic of India

Name: Amar Sinha

Designation: Ambassador of The Republic of India, Kabul Afghanistan For the Ministry of Commerce and Industry of Afghanistan

Name: Mozammil Shinwari

Designation: Acting Minister of Commerce & Industries Islamic Republic of Afghanistan