MEMORANDUM OF UNDERSTANDING ON ECONOMIC, TRADE AND TECHNICAL COOPERATION BETWEEN THE GOVERNMENTS OF THE KINGDOM OF BAHRAIN AND THE ISLAMIC REPUBLIC OF PAKISTAN

The Government of the Kingdom of Bahrain and the Government of the Islamic Republic of Pakistan (hereinafter collectively referred to as the "Parties" and individually as a "Party").

Desiring to develop, extend and strengthen economic, trade and technical co-operation between the two countries on the basis of equality and mutual benefit.

Have come to the following arrangement:

ARTICLE 1

The Parties shall, subject to the laws, regulations and procedures in force in their respective countries from time to time take all appropriate measures to facilitate, strengthen and diversify economic, trade and technical co-operation between the two countries.

ARTICLE 2

In order to advance the objectives of Article, 1 of this Memorandum of Understanding, the Parties shall also encourage relevant enterprises and organizations in their respective countries to explore the scope for short and long term arrangements, and where appropriate, to conclude such contracts as may be mutually agreed upon.

ARTICLE 3

The Parties undertake to grant import or export licences where necessary in accordance with their respective laws and regulations relating to import or export and foreign exchange.

ARTICLE 4

The Parties shall co-operate in extending to each other such privileges as may be agreed between them and as are consistent with their respective national laws and regulations and their obligations under international agreements, conventions, treaties and protocols.

The fields of co-operation envisaged under paragraph 1 are:

a) the exchange of economic and trade co-operation, services, tourism, banking and financial services, training and financial information;
b) organising exhibitions and trade fairs;
c) the exchange of experts or advisers;
d) the provision of consultancy services; and
e) such other promotional activities as shall be agreed between the Parties, aimed at expanding trade and economic links between them.

ARTICLE 5

All payments and charges in connection with trade between the two countries shall be effected in a freely convertible currency in accordance with the foreign exchange regulations in force from time to time in each country.

ARTICLE 6

The Parties shall encourage freedom of exporting and importing of agricultural and industrial products and products of animal and natural resources of local origin to and from each country, provided that such products are not outside the scope of the rules, regulations and policies relating to export and import of their respective countries. The Parties shall also provide all possible facilities to support exporting and importing activities between the two countries.

ARTICLE 7

The prices of goods within the framework of this Memorandum of Understanding shall be determined on the basis of world market prices.

ARTICLE 8

The Parties shall encourage transport of commodities between them by their own means of transportation whenever possible.

ARTICLE 9

The provisions of this Memorandum of Understanding shall not apply to any advantages gained or to be gained pursuant to the membership of either of the Parties under regional co-operation agreements, customs unions or free trade areas or advantages granted with the aim of creating such agreements, unions or areas.

ARTICLE 10

For the purpose of promoting the aims and objectives of this Memorandum of Understanding and ensuring the implementation of its Articles, a joint Commission on Economic, Trade and Technical Co-operation comprised of representatives to be designated by the Parties shall be established.

The Commission shall meet as often as may be mutually agreed upon, alternately in Bahrain and Pakistan. The Commission shall:

a) analyse and make proposals on the implementation of the provisions of this Memorandum of Understanding; and
b) Promote the development of co-operation in the fields provided for in this Memorandum of Understanding or otherwise agreed upon.

ARTICLE 11

The Parties agree that any disputes or differences regarding the interpretation or application of this Memorandum of Understanding shall be settled through bilateral negotiations between them.

ARTICLE 12

This Memorandum of Understanding shall remain in force until the expiry of 90 days from the day on which one of the Parties shall give notice in writing of its intention to terminate this Memorandum of Understanding.

Termination of this Memorandum of Understanding shall be without prejudice to existing rights or obligations under separate protocols, accords, contracts or agreements between the Parties at the date of termination.

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

Done at Islamabad on this 27th day of June 2005 in duplicate in the English language.

FOR THE GOVERNMENT OF THE KINGDOM OF BAHRAIN

FOR THE GOVERNMENT OF ISLAMIC REPUBLIC OF PAKISTAN