MEMORANDUM OF UNDERSTANDING

BETWEEN

THE GOVERNMENT OF THE KINGDOM OF BAHRAIN

AND

THE GOVERNMENT OF HUNGARY

FOR

ECONOMIC AND TECHNICAL

CO-OPERATION

The Government of the Kingdom of Bahrain and the Government of Hungary hereinafter referred to as "the Parties,"

Desiring to enhance the long-standing relationship between their states,

Wishing to continue and reinforce their traditional economic relations, and intending to develop and intensify their economic, industrial, technical and technological co-operation on the basis of mutual benefit,

Convinced that developing treaty fundamentals provides for proper and favourable conditions of further co-operation,

Have agreed as follows:

ARTICLE 1

The Parties shall promote, within the framework of their respective legislation the expansion and diversification of mutually advantageous economic co-operation in all fields relevant to economic development.

ARTICLE 2

Considering the current state of economic relations between the Parties, the Parties understand that favourable conditions for long-term co-operation exist, *inter alia,* in the following areas:

- Economy;
- Financial services;
- Professional services;
- Health Care;
- Construction;
- Agriculture;
- Industry;
- Technical development projects;
- Transport;
- Telecommunications and information services;
- Exploitation of hydro-carbons;
- Energy;
- Scientific research;
- Technology;
- Investment;
- Education; and
- Tourism.

ARTICLE 3

The Parties shall endeavour to expand and intensify their co-operation through appropriate means, such as:

a) promoting links and strengthening co-operation between economic policy-makers, government institutions, professional organizations, business federations, chambers of trade and industry, regional and local entities, encouraging exchange of economic information of mutual interest, as well as visits by their representatives and other economic and technical delegations;

b) exchanging information on development priorities and facilitating the participation of business operators in development projects;

c) expediting establishment and strengthening of contacts between the business circles of the two countries, encouraging visits and meetings of individuals and businessmen;

d) exchanging business information, encouraging participation in fairs and exhibitions, organizing business events, seminars, symposia, conferences and other meetings;

e) encouraging the participation of small and medium-sized private sector enterprises in bilateral economic relations;

f) supporting co-operation in providing consultancy, marketing, advisory and expert services in areas of mutual interest;

g) encouraging the activities of financial institutions and the banking sector in establishing closer contacts and strengthening their co-operation;

h) encouraging investment activity in both countries, promotion of joint ventures, establishment of company representations and branch offices;

i) promotion of inter-regional cooperation and international cooperation in issues of mutual interest; and

j) such other areas of co-operation as shall be decided upon by the parties.

ARTICLE 4

Upon signing this Memorandum of Understanding a "Joint Commission" shall be established which shall be convened upon the written request of each of the Parties alternately in Bahrain and Hungary.

The duties of the Joint Commission shall comprise, in particular, the following:

- Discussing the development of bilateral economic relations;

- Identifying new possibilities for the further development of future economic co-operation;

- Drawing up suggestions for the improvement of terms for economic co-operation between enterprises of both countries;

- Making proposals for the application of this Memorandum of Understanding.

The procedures of the Joint Commission shall be defined during its first meeting. In accordance with its national legislation each Party shall bear its own costs of convening and attending the Joint Commission.

Differences of opinion between the Parties on the application or interpretation of this Memorandum of Understanding are to be settled within the framework of the Joint Commission.

ARTICLE 5

This Memorandum of Understanding shall in no way prejudice the obligations of either of Party arising from their positions as member states of either the Co-operation Council for the Arab States of the Gulf (GCC) or the European Union. This Memorandum of Understanding is subject to the said obligations and shall not be invoked or interpreted, either in whole or in part, in such a way as to invalidate, amend or otherwise affect the said obligations whether the said obligations arise from treaties entered into by the Parties with either the GCC or the European Union, or from primary or secondary legislation emanating from either the GCC or the European Union.

ARTICLE 6

The Parties on the basis of mutual consent may make amendments to this Memorandum of Understanding in writing. The amendments shall enter into force upon the thirtieth day after the receipt of the last notification, by which the Parties inform each other through diplomatic channels.

ARTICLE 7

This Memorandum of Understanding will take effect:

a) in the case of Bahrain, upon signature of this Memorandum of Understanding; and

b) in the case of Hungary upon the thirtieth day after the receipt of the Hungarian notification indicating the completion on the required legal procedures required by Hungary,

and will remain in effect until either Party notifies the other, in writing of its intention to terminate this Memorandum of Understanding 6 months prior to its expiry.

In case of notification to terminate this Memorandum of Understanding, commitments resulting from any contracts concluded under its provisions and not yet implemented shall be valid until fully implemented.

Signed in duplicate at Manama on the 24th of February 2014 in the English language.

For the Government of the Kingdom of Bahrain

For the Government of Hungary