MEMORANDUM OF UNDERSTANDING

ON

BILATERAL COOPERATION RELATING TO SMALL AND MEDIUM SIZED BUSINESSES

BETWEEN

THE SMALL AND MEDIUM BUSINESS ADMINISTRATION OF THE REPUBLIC OF KOREA

AND

THE MINISTRY OF INDUSTRY, TRADE AND LABOR OF THE STATE OF ISRAEL

The Small and Medium Business Administration of the Republic of Korea and the Ministry of Industry, Trade and Labor of the State of Israel, hereinafter referred to as the "**Sides**";

DESIRING to strengthen bilateral cooperation relating to small and medium sized businesses;

TAKING NOTE of the Agreement between the Government of the State of Israel and the Government of the Republic of Korea on Economic Cooperation signed on 28 August 2000, and the Joint Declaration Between the Ministry of Industry, Trade and Labor of the State of Israel And Small and Medium Business Administration of The Republic of Korea On Cooperation in the Field of Small and Medium-Sized Enterprises signed on 9 June 2010;

IN ORDER to encourage the cooperation relating to small and medium sized businesses through, *inter alia*, sharing of knowledge, information and joint cooperation activities,

Have reached the following understanding:

Article 1
Scope of Cooperation

1. The Sides shall cooperate in accordance with the provisions of this Memorandum of Understanding ("MOU") relating to small and medium sized businesses and any other related field mutually agreed upon.
2. Notwithstanding the provisions of paragraph 1 above, the implementation of this MOU and any activity hereunder shall be in accordance with the respective applicable laws, regulations, rules, procedures and mechanisms of each Side's State.
3. The Sides may perform mutually agreed joint activities between them, relating to small and medium sized businesses, including but not limited to:
   - 3.1 Sharing information on small and medium sized businesses programs and services that each side provides, including, *inter alia*:
     - 3.1.1 Capital Access (Loan Guarantees/Venture Capital and Microloan, etc.);
     - 3.1.2 Technical Assistance (Counselling, Training, Trade Promotion, etc.);
     - 3.1.3 Programs for Women Entrepreneurs/Business Owners;
     - 3.1.4 Innovation;

B.B. K.DS

3.1.5 Industrial design.

3.2 Exchanging information between the Sides on the following:

3.2.1 Policies and initiatives of the parties concerning the promotion and encouragement of small and medium sized businesses;

3.2.2 Financing and credit policies and programs concerning small and medium sized businesses;

3.2.3 Innovation programs designed for small and medium sized businesses;

3.2.4 Training programs including those aimed at raising the managerial skills of small and medium sized businesses owners and potential entrepreneurs;

3.2.5 Training programs for trainers of small and medium sized businesses;

3.2.6 Investment opportunities in small and medium sized businesses, and business opportunities for small and medium sized businesses.

3.3 Organizing of meetings between small and medium sized businesses from both Side's States to jointly assess cooperation opportunities.

3.4 Performing any activity between the Sides relating to small and medium sized businesses.

3.5 Endeavouring to explore possibilities for facilitating the establishment of a joint venture Fund, managed and owned by private entities, by which private entities of the two countries intend to cooperate.

3. Any activities undertaken by either Side pursuant to this MOU are subject to the availability of funds. This MOU does not assume or commit any funding for cooperative activities undertaken pursuant to this MOU.

Article 2
Cooperating Authorities

The Business Management Bureau of The Small and Medium Business Administration of The Republic of Korea on behalf of The Ministry of Knowledge Economy of the Republic of Korea and the Small and Medium Business Agency of the Ministry of Industry, Trade and Labor on behalf of the Ministry of Industry, Trade and Labor, of the State of Israel, shall be the Cooperating Authorities for implementing this MOU. Each Side shall be responsible for its respective costs in promoting and administering the objectives of this MOU such as travelling expenses, organization of seminars and publications.

B.B.

K.D.S

Article 3
Entry into force

This MOU shall enter into force on the date of its signature.

In witness whereof, the undersigned being duly authorized, have signed this MOU.

Done in duplicate in Jerusalem, State of Israel on the 22nd day of November 2010 corresponding to the 15th day of Kislev 5771, in the Hebrew calendar, each in the English language, both texts being equally authentic.

FOR THE SMALL AND MEDIUM BUSINESS ADMINISTRATION OF THE REPUBLIC OF KOREA

Kim, Dong-sun,
Administrator

FOR THE MINISTRY OF INDUSTRY, TRADE AND LABOR OF THE STATE OF ISRAEL

Binyamin (Fouad) Ben Eliezer
Minister