

**AGREED MINUTES OF THE SEVENTH SESSION
OF THE JOINT COMMISSION
FOR ECONOMIC AND TECHNICAL COOPERATION
BETWEEN THE GOVERNMENT OF THE REPUBLIC OF TURKEY
AND THE GOVERNMENT OF THE REPUBLIC OF INDONESIA**

The Seventh Session of the "Joint Commission for Economic and Technical Cooperation between the Government of the Republic of Turkey and the Government of the Republic of Indonesia" (hereafter stated as the JEC) was held in Ankara on September 18, 2008, preceded by a Senior Officials Meeting on September 17, 2008.

The Turkish Delegation was led by H.E. Mehmet Ali ŞAHİN, Minister of Justice of the Republic of Turkey and the Indonesian Delegation was led by H.E. Mari Elka PANGESTU, Minister of Trade of the Republic of Indonesia.

The members of the Turkish and Indonesian Delegations are listed in Annexes I and II, respectively.

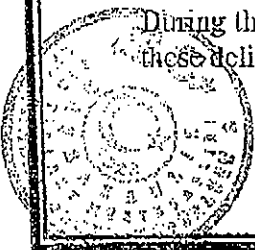
During her visit, H.E. Mari Elka PANGESTU, Minister of Trade of the Republic of Indonesia, had meetings with H.E. Kâzım TÜRKMEN, Minister of State of the Republic of Turkey and H.E. Mehmet Ali ŞAHİN Minister of Justice of the Republic of Turkey.

The discussions between the two Sides were conducted in a cordial atmosphere reflecting the friendly relations between the two countries and their desire to strengthen and further develop bilateral economic and commercial relations on the basis of mutual benefit.

On the occasion of the visit, businessmen of the two countries had a meeting in Istanbul on September 17, 2008, as well and exchanged views and opinions towards diversifying and consolidating the bilateral cooperation.

At the Plenary Session of the JEC, the two Sides, reviewing the trends in overall economic and trade relations between the two countries and determining new ways and means of further promotion of the bilateral relations, expressed their satisfaction at the effective implementation of the resolutions and provisions of the Agreed Minutes of the Sixth Session of the JEC dated October 13, 2006.

During the meeting, various issues of mutual interest were discussed and the results of these deliberations are summarized as follows:



TRADE RELATIONS

1. Both Sides reviewed the developments in their bilateral trade and noted that despite the increasing trend observed in the volume of trade since the last session of the JEC, there was still enough room available to optimize their potential.

In this respect, the two Sides emphasized the need to further increase and diversify the composition of bilateral trade on a mutually beneficial basis. Both Sides were convinced that the targeted USD 2 billion would be realized by the end of 2008.

2. Both Sides noted with satisfaction the successful organizations of trade promotional activities such as fairs, exhibitions, conferences, seminars and workshops between the two countries during the recent two years, which paved the way for increasing the trade volume.

3. The two Sides agreed to establish a Comprehensive Trade and Economic Partnership (CTEP) between the two countries. To this end, it was agreed to form a technical working group with a view to preparing a framework and action program of the CTEP.

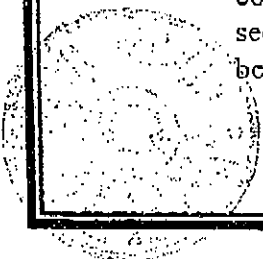
4. Both Sides decided to prepare a road map for the years 2009-2010 during the Seventh Session of the JEC.

5. The Indonesian Side, within the framework of the road map, welcomed the following proposals of the Turkish Side:

- The holding of a "Turkish Trade Delegation Program" at the ministerial level to Indonesia in the first half of 2009. The two Sides decided to work jointly towards determining the potential sectors to be included in the scope of this Program.
- The realization of Indonesian Buyers' Missions Programs to the international trade fairs to be organized in Turkey. To this end, the Turkish Side undertook to convey the Indonesian Side the detailed information and program regarding these fairs in due time.
- The organization of a Turkish Export Products Fair in Jakarta in the first half of the year 2010.

The two Sides also agreed to have the following activities:

- The holding of the joint meeting of the Turkish-Indonesian Business Council in 2009 in Jakarta.
- The establishment of a "Consultation Mechanism" with a view to monitoring the existing developments and finding practical solutions faced in the bilateral commercial relations consisting of the representatives of public and private sectors of the two countries. The meetings of the said mechanism will be held before the JEC Meetings.



6. Both Sides recognized the importance of the private sector cooperation in further strengthening the economic relations through closer contacts and networking.

In this framework, the two Sides noted with satisfaction the holding of the businessmen meeting in Istanbul on September 17, 2008 on the occasion of the visit of H.E. Mari Elka Pangestu, Minister of Trade of Indonesia.

7. The two Sides underlined the importance of implementation of the Memorandum of Understanding on Technical Cooperation between TSE and BSN, signed on June 17, 2005, particularly in the fields of conformity assessment, technical information and training.

8. The Turkish Side expressed its readiness and willingness to sign a Free Trade Agreement (FTA) with the ASEAN, which will constitute the ultimate instrument towards promoting commercial and economic relations between Turkey and the ASEAN countries.

The Turkish Side, towards this end, asked the assistance of the Indonesian Side to convey its willingness to the ASEAN member countries.

9. Both Sides reiterated the importance of having a preferential trading system among the OIC member countries.

The two Sides, with a view to providing the above-mentioned system to be operational among member countries, emphasized the necessity of the conclusion and completion of the ratification process of the TPS-OIC agreements by the member countries, at the earliest possible time.

The Turkish Side, towards this end, expressed its expectation that the Indonesian Side could firstly ratify the Framework Agreement on TPS-OIC and then, sign and ratify PRETAS and the Rules of Origin of TPS-OIC.

10. Both Sides agreed to continue their effective cooperation in the Developing Eight Countries (D-8) to have a preferential trading system among the member countries.

Investments

11. Having signed the Agreement on Reciprocal Promotion and Protection of Investments, the two Sides decided to enforce their companies to engage in joint investment initiatives in Turkey and Indonesia.

12. Both Sides also agreed to exchange reciprocal "Investment Assessment Delegations" in 2009 with a view to determining the potential sectors and furthering acquaintances among the investment circles of their two countries.

