MEMORANDUM OF UNDERSTANDING

BETWEEN

THE INDONESIAN ECONOMIC AND TRADE OFFICE TO TAIPEI

AND

THE TAIPEI ECONOMIC AND TRADE OFFICE, JAKARTA, INDONESIA

ON

THE RECRUITMENT AND PLACEMENT OF MANPOWER

The Indonesian Economic and Trade Office to Taipei (hereinafter referred to as “Party A”), and the Taipei Economic and Trade Office, Jakarta, Indonesia (hereinafter referred to as “Party B”);

Considering the friendly and cooperative relations between the Parties;

Desiring to enhance the existing friendly relations between the Parties through cooperation in the field of manpower;

Recognizing the benefits to be derived by the Parties from close cooperation in the field of manpower.

HAVE AGREED AS FOLLOWS:

Article 1

For the purpose of this Memorandum of Understanding, the relevant terms are defined as follows:

1. “Workers” means Indonesian citizens who are recruited and employed in Party B’s country in accordance with the laws and regulations of Party A’s country and Party B’s country where the events take place.

2. “Working Contract” means a written contract made by workers and employers which covers rights and obligations, such as specifications of jobs, periods of employment, wages, and occupational safety and health insurance, as well as any other terms including the rights and obligations of workers and employers within the duration of employment.
3. "Employers" means companies as well as individuals that employ workers in Party B's country.

4. "Placement of manpower" means recruitment of workers through selection according to job requirements in Party B's country.

5. "Indonesia Overseas Employment Agency, hereinafter referred to as the PJTKI" is a company which shall be permitted by authorities concerned to carry out the activity of service of manpower placement in foreign countries.

6. "Business partnership for manpower placement, hereinafter referred to as an Agency" is an institution or company which is permitted by Party B's authority to recruit and place workers.

7. "Recruitment Agreement" is a written agreement between the PJTKI and the Agency or Employer concerning placement of workers, and which regulates the rights and obligations of the Parties, and the protection of workers.

Article 2

The objective of this Memorandum of Understanding is to strengthen cooperation in recruitment and placement of workers and provide opportunities to further develop bilateral relations for mutual benefit.

Article 3

Party A's workers who are permitted to work in the territory of Party B by both Parties shall be entitled to protection under the laws and regulations of Party B's country during the period of valid employment.

Article 4

Both Parties shall provide concrete and effective measures to guarantee compliance with the laws and regulations of Party B's country and the fulfillment of contract obligations by workers as well as employers.

Article 5

Both Parties shall respectively supervise the accredited Agencies and employers in the Party B's country. In cases of any violations of laws, punishment shall be imposed in conformity with the respective laws and regulations of the Parties' countries.
Article 6

Requisition of placement of workers by employers in the form of demand letters/job orders shall be approved by the authority of Party A and submitted to the authority of Party B for approval.

Article 7

Both Parties shall conclude arrangements for the exchange of information and shall endeavor to develop cooperation in recruitment and placement of workers, which is an integral part of this Memorandum of Understanding.

Article 8

Both Parties shall take necessary measures to protect workers and to simplify procedures for hiring workers as regulated in the Arrangement.

Article 9

Any labour disputes which arise between worker(s) and employer(s) in Party B’s country shall be resolved according to the laws and regulations of Party B’s country.

Article 10

1. The Parties agreed to designate medical centers in Party A’s country to carry out medical examinations for workers.

2. All medical examinations, and the procedures as well as the results of medical examinations of workers, shall be governed by terms and conditions determined and recognized by the Parties.

3. Medical expenses incurred by workers in Party B’s country shall be borne by health insurance in conformity with the existing regulations. Any other expenses not covered by health insurance shall be settled through consultations between employers and workers.

Article 11

1. Both Parties agreed that recruitment and placement programs shall be implemented through an employment service system.

2. The placement program as stated in paragraph (1) shall be the responsibility of the authority of the Parties involved with the agencies, employers and workers.
3. Besides the existing recruitment system administered by manpower agencies, both Parties agreed to accelerate the implementation of the Direct Hiring Program through mutually acceptable system, procedure and mechanism and which will be mapped out through consultations between appropriate authorities in both Parties' countries.

**Article 12**

Both Parties should consider the arrangement and facilitation of arrival and repatriation of workers at airports in Party B's country.

**Article 13**

Any disputes arising out of the interpretation or implementation of this Memorandum of Understanding shall be settled amicably through consultations or negotiations between the Parties.

**Article 14**

For the purpose of consultation and the exchange of information, both Parties shall conduct regular meetings annually, either in Party A's country or in Party B's country.

**Article 15**

This Memorandum of Understanding may be amended or revised. Either Party may request in writing a revision or amendment. Any revision agreed to by both Parties in conformity with the laws and regulations of both Parties shall form an integral part of this Memorandum of Understanding.

**Article 16**

1. This Memorandum of Understanding shall come into force on the date of its signing.

2. This Memorandum of Understanding shall remain in force for a period of four (4) years from the date of signing subject to extension by mutual agreement of the Parties. Either party may terminate this Memorandum of Understanding by giving written notice within the period of validity and at least three (3) months prior to the date of termination.
IN WITNESS WHEREOF, the undersigned being duly authorized by their respective authorities have signed this Memorandum of Understanding.

Done in Indonesia, on the 17th day of December in the year two thousand and four in duplicate in English language.

FERRY YAHYA
REPRESENTATIVE
INDONESIAN ECONOMIC AND TRADE OFFICE TO TAIPEI

YUNG-LO LIN
REPRESENTATIVE
TAIPEI ECONOMIC AND TRADE OFFICE, JAKARTA, INDONESIA