

INTERNATIONAL ENERGY AGENCY

**IMPLEMENTING AGREEMENT
FOR THE ESTABLISHMENT OF THE IEA
INFORMATION CENTRE FOR THE ANALYSIS
AND DISSEMINATION OF
DEMONSTRATED ENERGY TECHNOLOGIES**

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The Contracting Parties

CONSIDERING that the Contracting Parties, being either governments of International Energy Agency ("Agency") Countries, governments of other countries invited by the Governing Board of the Agency to be Contracting Parties, international organizations or parties designated by their respective governments, wish to take part in the establishment and operation of the IEA Information Centre for the Analysis and Dissemination of Demonstrated Energy Technologies ("CADET");

CONSIDERING that the Contracting Parties which are governments of Agency Countries and the governments of Agency Countries which have designated Contracting Parties (referred to collectively as the "Governments") have agreed in Article 41 of the Agreement on an International Energy Program (the "I.E.P. Agreement") to undertake national programmes in the areas set out in Article 42 of the I.E.P. Agreement, including energy research and development;

CONSIDERING that in a meeting of the Governing Board of the Agency on 9th April, 1987 the Governments approved the establishment of CADET as a special activity under Article 65 of the I.E.P. Agreement;

CONSIDERING that the Agency has recognized the establishment of CADET as an important component of international co-operation in energy research and development and that Ministers at the Agency's Governing Board meeting on 9th July, 1985 agreed to pursue new actions to facilitate international research and development collaboration *inter alia* in energy technology information systems;

HAVE AGREED as follows:

Article I

OBJECTIVE AND SCOPE OF ACTIVITY

(a) *Objective.* The objective of CADDET is to broaden and improve the collection and exchange of demonstration and other appropriate information on energy-efficient technologies in the end-use sector ("End-Use Technology Information") in order to provide governments, utilities, industrial and other end-users in the countries of Contracting Parties with a better understanding of energy-efficient technologies and efficiency measures available, thus leading to better informed decision-making, and increasing replication of successful demonstration and similar projects.

(b) *Scope of Activity.*

(1) CADDET shall develop, analyze, compare and disseminate to the Contracting Parties detailed information on demonstration and similar projects to promote more efficient use of energy in buildings, transportation and industry. Additional functions may be agreed upon by the Executive Committee, acting by unanimity, in order to fulfil the objective of this Agreement;

(2) In the areas of information and analysis, CADDET's work shall include:

- (i) Collection of information and data on current and completed demonstration and similar projects in energy-efficient technologies;
- (ii) Documentation and dissemination of the results of the collection and analysis of the information and data to the Contracting Parties through appropriate means to be determined by the Executive Committee;
- (iii) Provision of technical and economic analyses of the information and data on demonstration projects as set out above;
- (iv) Facilitation of the widespread dissemination and adoption of innovative energy-efficient technologies, and, to this end, CADDET shall analyze and compare such technologies and make known to the Contracting Parties the resulting policy implications and market choices facing manufacturers and consumers;
- (v) To monitor developments in the energy markets which may impact on the potential for the commercialization of demonstrated technologies;
- (vi) Organization of experts' meetings as appropriate to discuss specific questions in energy-efficient technologies and the results of the evaluations and analyses.

- (3) The exact work to be carried out by CADDET, and work priorities, shall be determined by the Executive Committee, in the Programme of Work and Budget.

(c) *Co-ordination with IEA Information Centres; Other Information Systems.* The Agency having established an Air Infiltration and Ventilation Centre, a Heat Pump Centre, a Coal Research Service and an Energy Technology Data Exchange which provide information and other services (and are hereinafter referred to as the "IEA Information Centres"), CADDET shall, in carrying out its functions under this Agreement, co-ordinate its activities with those of the IEA Information Centres and other information systems in order to avoid duplication and to enjoy mutual benefits from existing resources and expertise.

Article 2

THE OPERATING AGENT

The Operating Agent for CADDET shall be:

The Nederlandse Energie Ontwikkelings Maatschappij B.V. (NEOM).*

Article 3

PROGRAMME OBLIGATIONS OF THE OPERATING AGENT AND THE CONTRACTING PARTIES

(a) *Obligations of the Operating Agent.* The Operating Agent will be responsible for the overall management and co-ordination of the work under this Agreement and for implementing the decisions of the Executive Committee. To that end, the Operating Agent shall:

- (1) Propose a methodology and time schedule as well as an international format for the submission of all End-Use Technology Information by the National Teams as described in sub-paragraph (b)(1) below under this Agreement;
- (2) Maintain and develop CADDET in association with the Contracting Parties and their National Teams in accordance with this Agreement;
- (3) Operate CADDET at the Operating Agent's facilities located at Sittard, Netherlands in accordance with this Agreement and the decisions of the Executive Committee;
- (4) Carry out the work in close co-operation with the Contracting Parties and their National Teams;

* NEOM subsequently changed its name to NOVEM.

- (5) Organize regular experts' meetings as described in Article 1(b)(vi) hereof and as agreed to by the Executive Committee, acting by unanimity;
- (6) Provide periodic reports to the Executive Committee on the results and the progress of the work performed by CADDET;
- (7) Prepare and distribute to the Executive Committee yearly financial reports dealing with the performance of CADDET within the approved Budget;
- (8) Promote the recruitment of specialized visiting staff members to be sent by Contracting Parties to carry out the international exchange of information;
- (9) Perform such additional services and actions as may be necessary or appropriate to enable CADDET to realize its objective if so decided by the Executive Committee, acting by unanimity, with such amendment of Article 4 hereof as may be required;
- (10) In co-ordination with the other Contracting Parties and their National Teams, use its best efforts to avoid duplication with information activities of the IEA Information Centres and other information systems, in a manner which is consistent with the terms and conditions of this Agreement;
- (11) The Operating Agent may conclude sub-contracts to cover part of its responsibilities. The terms and conditions for these sub-contracts shall be subject to approval by the Executive Committee, acting by unanimity.

(b) *Obligations of the Contracting Parties.* Each Contracting Party shall:

- (1) Nominate a National Team to provide the Operating Agent the necessary assistance in carrying out the responsibilities under this Agreement. Each National Team shall make its best efforts to collect and transfer to the Operating Agent all its information on and experience from all demonstration and similar projects in the field of end-use technologies relevant to this Agreement except any information already provided to the Operating Agent through the IEA Information Centres or other information systems. The End-Use Technology Information shall cover, preferably in English, completed demonstration and similar projects in energy-efficient technologies in an international format as described in sub-paragraph (a)(1) above;
- (2) Assist the Operating Agent in the recruitment of specialists from its country (or, in the case of the Commission of the European Communities, from its staff) as visiting staff members to CADDET;
- (3) Provide the Operating Agent with funds in accordance with Article 8 hereof for the work it performs under sub-paragraph (a) above.

Article 4

PRINCIPLES GOVERNING THE EXCHANGE OF INFORMATION

(a) *Information.* The exchange of End-Use Technology Information under this Agreement shall be confined to publicly available, non-proprietary and unclassified information.

(b) *Warranties.*

- (1) Each Contracting Party warrants to the Operating Agent that use of the information it provides under this Agreement does not violate proprietary rights or copyrights or violate the security classification rules of its country. However, the Contracting Parties do not warrant the accuracy of the information provided by them or its suitability for any particular use or application by the recipient.
- (2) The Operating Agent, or any of its employees or agents, does not make any warranty, express or implied, of the accuracy of the information transferred to CADDET or any other information provided under this Agreement, its merchantability or its suitability for a particular purpose, or assume any liability or responsibility for any party's use of the information or the results of such use.

(c) *Reproduction and Distribution.* Each Contracting Party shall have the exclusive right to reproduce and distribute within its country the End-Use Technology Information received under this Agreement in the form provided by the Operating Agent or any other form into which it might be transformed by the Contracting Party in accordance with its normal procedures and through its normal channels subject to the laws and regulations of the Contracting Parties.

(d) *Survival of Rights and Obligations.* The rights and obligations set forth in paragraph (c) above shall survive the termination of this Agreement or the withdrawal or replacement of any Contracting Party or the resignation or replacement of the Operating Agent.

(e) *Exchange of Information with Others.* The Executive Committee may, acting by unanimity, make arrangements in writing for the acquisition of End-Use Technology Information from sources other than the Contracting Parties, including the IEA Information Centres, in accordance with the terms and conditions of this Agreement. The Executive Committee, acting by unanimity, may make rules by which information held by CADDET may be made available to other Participating Countries of the Agency and non-members of the Agency.

Article 5

THE EXECUTIVE COMMITTEE

(a) *Supervisory Control.* Control of CADDET shall be vested in the Executive Committee constituted under this Article, and decisions made by the Executive Committee pursuant to this Article shall be binding on each Contracting Party and the Operating Agent to the extent that such decisions and their implementation are not inconsistent with the laws and regulations of the countries of the Contracting Parties and the Operating Agent.

(b) *Membership.* The Executive Committee shall consist of one member designated by each Contracting Party; each Contracting Party shall also designate an alternate member to serve on the Executive Committee in the event that its designated member is unable to do so. The Executive Committee shall inform the Contracting Parties in writing of all designations under this paragraph.

(c) *Responsibilities.* The Executive Committee shall:

- (1) Adopt for each year, acting by unanimity, the Programme of Work and Budget for CADDET, together with an indicative programme of work and budget for the following two years; the Executive Committee may, as required, make adjustments within the framework of the Programme of Work and Budget;
- (2) Make such rules and regulations as may be required for the sound management of CADDET including rules on timeliness, coverage and quality of the End-Use Technology Information as well as financial rules as provided in Article 8 hereof;
- (3) Carry out the other functions conferred upon it by this Agreement; and
- (4) Consider any matters submitted to it by the Operating Agent or by any Contracting Party.

(d) *Procedures.* The Executive Committee shall carry out its responsibilities in accordance with the following procedures:

- (1) The Executive Committee shall every two years elect a Chairman and one or more Vice-Chairmen;
- (2) The Executive Committee may establish such subsidiary bodies and rules of procedure as are required for its proper functioning. A representative of the Agency, a representative of the Operating Agent (in its capacity as such) and one representative of each of the IEA Information Centres may attend meetings of the Executive Committee and its subsidiary bodies in an advisory capacity;
- (3) The Executive Committee shall meet in regular session at least once a year; a special meeting shall be convened by the Chairman upon the request of any Contracting Party which can demonstrate the need therefor;

- (4) Meetings of the Executive Committee shall be held at such time and in such office or offices as may be designated by the Executive Committee;
- (5) At least twenty-eight days before each meeting of the Executive Committee, notice of the time, place and purpose of the meeting shall be given to each Contracting Party and to other persons or entities entitled to attend the meeting; notice need not be given to any person or entity otherwise entitled thereto if notice is waived before or after the meeting;
- (6) The quorum for the transaction of business in meetings of the Executive Committee shall be one-half of the members plus one (less any resulting fraction).

(e) *Voting.*

- (1) In all cases in which this Agreement expressly requires the Executive Committee to act by unanimity, this shall require the agreement of each member or alternate member present and voting, and in respect of all other decisions and recommendations for which no express voting provision is made in this Agreement, the Executive Committee shall act by a majority vote of the members or alternate members present and voting.
- (2) The decisions and recommendations referred to in sub-paragraph (1) above may, with the agreement of each member or alternate member, be made by mail, telex or cable without the necessity for calling a meeting. Such action shall be taken by unanimity or majority of such members as in a meeting. The Chairman of the Executive Committee shall ensure that all members are informed of each decision or recommendation made pursuant to this sub-paragraph.
- (3) If a government has designated more than one Contracting Party to this Agreement, those Contracting Parties together may cast only one vote under this paragraph.

(f) *Reports.* The Executive Committee shall, by 31st January each year, provide the Agency with thirty copies of reports containing technically substantive, non-proprietary information on the progress of CADDET and its results.

Article 6

ADDITIONAL RIGHTS AND OBLIGATIONS OF THE OPERATING AGENT

(a) *Scope of Authority to Act on Behalf of Contracting Parties.* In addition to its obligations set out in Article 3(a) hereof, the Operating Agent shall:

- (1) Perform all acts required to operate CADDET on behalf of the Contracting Parties;

- (2) Hold for the benefit of the Contracting Parties any property rights which may accrue to or be acquired for CADDET.

The Operating Agent shall operate CADDET under its supervision and responsibility, subject to this Agreement, in accordance with the laws and regulations of the country of the Operating Agent.

(b) *Reimbursement of Costs.* The Executive Committee shall provide that expenses and costs incurred by the Operating Agent in acting as such pursuant to this Agreement shall be reimbursed to the Operating Agent from funds made available by the Contracting Parties pursuant to Article 8 hereof.

(c) *Replacement.* Should the Executive Committee wish to replace the Operating Agent with another government or entity, the Executive Committee may, acting by unanimity and with the consent of such government or entity, take such action. References in this Agreement to the Operating Agent shall include any government or entity appointed to replace the initial or any subsequent Operating Agent under this paragraph.

(d) *Resignation.* The Operating Agent shall use its best efforts to continue as Operating Agent until a Contracting Party or an entity designated by a Contracting Party is willing to assume the duties and obligations of the Operating Agent.

(e) *Accounting.* An Operating Agent which is replaced or which resigns as Operating Agent shall provide the Executive Committee with an accounting of any monies and other assets which it may have collected or acquired for CADDET in the course of carrying out its responsibilities as Operating Agent.

(f) *Transfer of Rights.* In the event that another Operating Agent is appointed (see paragraphs (c) and (d) above), the Operating Agent shall transfer to such replacement Operating Agent any property rights which it may hold on behalf of CADDET or make such other disposition of those property rights as the Executive Committee may direct.

(g) *Information and Reports.* The Operating Agent shall furnish to the Executive Committee such information concerning the operation of CADDET as the Executive Committee may request and shall each year submit, not later than two months after the end of the financial year, a report on the operations of CADDET to the Executive Committee.

Article 7

ADMINISTRATION AND STAFF

(a) *Administration of CADDET.* The Operating Agent shall be responsible to the Executive Committee for operating CADDET in accordance with this Agreement, the annual Programme of Work and Budget, decisions of the Executive Committee, and the regulations of the establishment at which the work is carried out.

(b) *Staff.* It shall be the responsibility of the Operating Agent to retain such staff as may be required to operate CADDET in accordance with rules determined by the Executive Committee. Such staff shall be responsible to the Operating Agent. The Operating Agent may also arrange for the services of personnel employed by other Contracting Parties (or organizations or other entities designated by Contracting Parties) and made available by assignment to the Operating Agent in the form of secondment or otherwise. Such personnel shall be remunerated by their employers and shall, except as provided in this Article, be subject to their employers' conditions of service. The terms and conditions of such assignment shall be agreed upon in writing between the Operating Agent and the concerned Contracting Party.

Article 8

FINANCE

(a) *Common Fund.*

- (1) A Common Fund shall be established by the Executive Committee and shall be included in the annual Programme of Work and Budget for the purpose of funding the obligations of the Operating Agent under Article 3(a) hereof.
- (2) The annual Common Fund expenditure incurred in the operation of CADDET for the first year of operation is fixed at a minimum of US \$496,950.
- (3) For each of the following four years of operation of CADDET, the amount of the Common Fund is fixed at US \$800,000 at 1987 exchange rates and price levels and may not exceed those levels except upon the unanimous agreement of the Executive Committee. The Executive Committee, acting by unanimity, shall adjust the figures referred to in this paragraph at half-yearly intervals to take account of changes in exchange rates and changing price levels in the country of the Operating Agent to ensure that the necessary real resources will continue to be available to operate CADDET. If significant changes in such exchange rates or price levels occur, the Executive Committee, acting by unanimity, shall consider whether to adjust the Programme of Work to the available funds.
- (4) For each later year of operation of CADDET, the amount of the Common Fund shall be fixed by the Executive Committee, acting by unanimity.

(b) *Contributions.*

- (1) For the first year of operation of CADDET, the annual contribution of each original Contracting Party shall be as follows:

TABLE OF CONTRIBUTIONS

Contracting Party (on behalf of or designated by)	Total US \$
Denmark	22,700
Finland	22,700
Italy	87,016
Netherlands	39,332
Norway	22,700
Sweden	35,768
Switzerland	29,234
United Kingdom	82,500
United States	155,000
TOTAL	496,950

- (2) For the second to fifth years inclusive of the operation of CADDET, all Contracting Parties' contributions to the Common Fund shall be determined by application of the following formula. Each Contracting Party shall make an annual Membership Fee Contribution of US \$20,000 as well as an annual Additional Contribution. The Additional Contribution is to cover the difference between the annual Common Fund expenditure and the annual Membership Fee Contributions. Each Contracting Party's Additional Contribution is determined by its country's share in the total energy research and development expenditure of all Contracting Parties' countries over the period of the previous five years on the basis of constant US dollars, provided that the Additional Contributions shall be no more than 25% and no less than 0.5% of the total Budget for the year. Each Contracting Party's share in total energy research and development expenditure is determined on the basis of the data provided by the Agency.
- (3) In addition to their respective contributions to be made as provided above:
 - (i) The Contracting Party designated by the Netherlands will make an annual in-kind contribution of US \$50,000 for the first year and US \$80,000 thereafter;
 - (ii) The Government of Sweden will support CADDET by dedicating US \$120,000 to the analytical work of the Chalmers Institute to be carried out in support of the Programme of CADDET.
- (4) The formula in sub-paragraph (2) above shall be applied during the first year of operation of CADDET to fix the amounts of contributions of any new Contracting Parties to this Agreement.

- (5) After the first five years of operation of CADDET, the Executive Committee, acting by unanimity, shall each year fix the amounts to be contributed by each Contracting Party, including any offset by payment in-kind.

(c) *Financial Rules for Expenditures.* The Executive Committee, acting by unanimity, may make such regulations as are required for the sound financial management of CADDET, including, where necessary:

- (1) Establishment of budgetary and administrative procedures to be used by the Operating Agent in making payments from the Common Fund of CADDET or in making contracts on behalf of CADDET; and
- (2) Establishment of minimum levels of expenditure for which Executive Committee approval shall be required, including expenditure involving payment of monies to the Operating Agent for other than routine salary and administrative expenses previously approved by the Executive Committee in the budget process.

(d) *Crediting of Income to Budget.* Income, if any, accruing from the operation of CADDET shall be credited to the Budget of CADDET.

(e) *Accounting.* The system of accounts employed by the Operating Agent shall be in accordance with the accounting principles generally accepted in the country of the Operating Agent and shall be consistently applied.

(f) *Programme of Work and Budget, Keeping of Accounts.* Unless otherwise decided by the Executive Committee, acting by unanimity:

- (1) The financial year of CADDET shall correspond to the financial year of the Operating Agent;
- (2) The Operating Agent shall each year prepare and submit to the Executive Committee for approval a draft programme of work and budget, together with a proposed programme of work and budget for the following two years, not later than three months before the beginning of each financial year;
- (3) The Operating Agent shall maintain complete, separate financial records which shall clearly account for all funds and property coming into the custody or possession of the Operating Agent in connection with CADDET;
- (4) Not later than three months after the close of each financial year, the Operating Agent shall submit to auditors selected by the Executive Committee for audit the annual accounts maintained for CADDET in a form approved by the Executive Committee; upon completion of the annual audit, the Operating Agent shall present the accounts together with the auditors' report to the Executive Committee for approval;

- (5) All books of account and records maintained by the Operating Agent shall be preserved for at least three years from the date of termination of CADDET.

(g) *Contributions to Common Fund.* Any financial contributions due from Contracting Parties to CADDET shall be paid to the Operating Agent in the currency of the country of the Operating Agent at such times and upon such other conditions as the Executive Committee, acting by unanimity, shall determine, provided, however, that:

- (1) Contributions received by the Operating Agent shall be used solely in accordance with the Programme of Work and Budget for CADDET;
- (2) The Operating Agent shall be under no obligation to carry out any work on CADDET until contributions amounting to at least fifty per cent (in cash terms) of the total due at any one time have been received by the Operating Agent;
- (3) In the first year after the signing of this Agreement, the Contracting Parties shall pay their contributions, as directed by the Executive Committee, acting by unanimity, in advance of approval of the Budget in order to enable the Operating Agent to establish CADDET in accordance with this Agreement.

(h) *Taxes.* The Operating Agent shall pay all taxes and similar impositions (other than taxes on income) imposed by national or local governments and incurred by it in connection with CADDET, as expenditures incurred in the operation of CADDET, under the Budget; the Operating Agent shall endeavour to obtain all possible exemptions from such taxes.

(i) *Costs Other than Common Costs.* Each Contracting Party shall bear all costs of its participation in CADDET except for those costs attributed to the Common Fund.

(j) *Audit.* Each Contracting Party shall have the right, at its sole cost, to audit the accounts of CADDET on the following terms:

- (1) The Contracting Party shall provide the other Contracting Parties with an opportunity to participate in such audits on a cost-shared basis;
- (2) The accounts and records in respect of the Operating Agent's activities other than those for CADDET shall be excluded from such audit, but if the Contracting Party concerned requires verification of charges to the Budget representing services rendered to CADDET by the Operating Agent, it may at its own cost request and obtain an audit certification in this respect from the auditors of the Operating Agent;
- (3) Not more than one such audit shall be required in any financial year;
- (4) Any such audit shall be carried out by not more than three representatives of the Contracting Party.

Article 9

LEGAL RESPONSIBILITY AND INSURANCE

(a) *Liability of Operating Agent.* The Operating Agent shall use all reasonable skill and care in carrying out its duties under this Agreement and shall be responsible for ensuring that CADDET is conducted in accordance with the terms and conditions of this Agreement and all applicable laws and regulations. Except as otherwise provided in this Article, the cost of all damage to property and all legal liabilities, claims, actions, costs, and expenses connected therewith, shall be charged to the Budget of CADDET.

(b) *Insurance.* The Operating Agent shall propose to the Executive Committee any necessary liability, fire and other insurance, and shall carry such insurance as the Executive Committee may direct. The cost of obtaining and maintaining insurance shall be charged to the Budget of CADDET.

(c) *Responsibility of Operating Agent.* The Operating Agent shall, in accordance with the laws of the country of the Operating Agent, be responsible in its capacity as such for the cost of any damage to property and all legal liabilities, actions, claims, costs and expenses connected therewith to the extent that they:

- (1) Result from the failure of the Operating Agent to maintain such insurance as it may be required to maintain under paragraph (b) above;
- (2) Result from the gross negligence or wilful misconduct of any officers or employees of the Operating Agent in carrying out their duties under this Agreement.

Article 10

LEGISLATIVE PROVISIONS

(a) *Accomplishment of Formalities.* Each Contracting Party shall request the appropriate authorities of its country (or its Member States in the case of an international organization) to use their best endeavours, within the framework of applicable legislation, to facilitate the accomplishment of formalities involved in the movement of persons, the importation of materials and equipment and the transfer of currency which shall be required to operate CADDET.

(b) *Applicable Laws.* The participation of each Contracting Party shall be subject to the appropriation of funds by the appropriate governmental authority, where necessary, and to the constitution, laws and regulations applicable to the respective Contracting Party, including, but not limited to, laws establishing prohibitions upon the payment of commissions, percentages, brokerage or contingent fees to persons retained to solicit governmental contracts and upon any share of such contracts accruing to governmental officials.

(c) *Decisions of Agency Governing Board.* CADDET shall in its operations take account, as appropriate, of the Guiding Principles for Co-operation in the Field of Energy Research and Development, and any modification thereof, as well as other decisions of the Governing Board of the Agency in that field. The termination of the Guiding Principles shall not affect this Agreement, which shall remain in force in accordance with the terms hereof.

(d) *Settlement of Disputes.* Any dispute among the Contracting Parties concerning the interpretation or the application of this Agreement which is not settled by negotiation or other agreed mode of settlement shall be referred to a tribunal of three arbitrators to be chosen by the Contracting Parties concerned who shall also choose the Chairman of the tribunal. Should the Contracting Parties concerned fail to agree upon the composition of the tribunal or the selection of its Chairman, the President of the International Court of Justice shall, at the request of any of the Contracting Parties concerned, exercise those responsibilities. In deciding any such dispute, the tribunal shall be bound by the terms of this Agreement and any applicable laws and regulations, and its decision on a question of fact shall be final and binding on the Contracting Parties. An Operating Agent which is not a Contracting Party shall be regarded as a Contracting Party for the purpose of this paragraph.

Article 11

ADMISSION AND WITHDRAWAL OF CONTRACTING PARTIES

(a) *Admission of New Contracting Parties: Agency Participating Countries.* Upon the invitation of the Executive Committee, acting by unanimity, admission to this Agreement shall be open to the government of any Agency Participating Country (or a national agency, public organization, private corporation, company or other entity designated by such government), which signs or accedes to this Agreement and accepts the rights and obligations of a Contracting Party. Such participation shall be effective upon the signature of this Agreement by the new Contracting Party or its accession thereto and the adoption by the Executive Committee of consequential amendments to this Agreement.

(b) *Participation of New Contracting Parties: Other OECD Countries.* The government of any Member of the Organisation for Economic Co-operation and Development which does not participate in the Agency may, on the proposal of the Executive Committee, acting by unanimity, be invited by the Governing Board of the Agency to become a Contracting Party to this Agreement (or to designate a national agency, public organization, private corporation, company or other entity to do so), under the conditions stated in paragraph (a) above. The Contracting Party shall provide the Agency with its country's research and development expenditure from an official source for the purpose of determining the Contracting Party's contribution to the Common Fund.

(c) *Contributions.* The Executive Committee may require, as a condition to admission to participation, that the new Contracting Party shall contribute (in the form of cash, services or materials) an appropriate proportion of the expenditure of CADDET prior to the date of such participation.

(d) *Replacement of Contracting Parties.* With the agreement of the Executive Committee, acting by unanimity, and upon the request of a government, a Contracting Party designated by that government may be replaced by another party. In the event of such replacement, the replacement party shall assume the rights and obligations of a Contracting Party as provided in paragraph (a) above and in accordance with the procedures provided therein.

(e) *Withdrawal of Contracting Party.* Any Contracting Party may withdraw from this Agreement at any time with the agreement of the Executive Committee, acting by unanimity, or by giving twelve months written Notice of Withdrawal to that effect to the Executive Director of the Agency, such Notice to be given not less than one year after the date hereof. The withdrawal of a Contracting Party under this paragraph shall not affect the rights and obligations of the other Contracting Parties, except that the proportionate shares of the Budget of CADDET shall be adjusted to take account of such withdrawal.

(f) *Withdrawal of Contracting Party Serving as Operating Agent.* A Contracting Party serving as Operating Agent which withdraws from this Agreement under paragraph (e) above shall cease to be the Operating Agent and shall account to the Executive Committee.

(g) *Changes of Status of Contracting Party.* A Contracting Party other than a government or an international organization shall forthwith notify the Executive Committee of any significant change in its status or ownership, or of its becoming bankrupt or entering into liquidation. The Executive Committee shall determine whether any such changes in status or ownership or bankruptcy or liquidation of a Contracting Party significantly affect the interests of the other Contracting Parties; if the Executive Committee so determines, then, unless the Executive Committee, acting upon the unanimous decision of the other Contracting Parties, otherwise agrees:

- (1) That Contracting Party shall be deemed to have withdrawn from the Agreement under paragraph (e) above on a date to be fixed by the Executive Committee; and
- (2) The Executive Committee shall invite the government which designated that Contracting Party to designate, within a period of three months of the withdrawal of that Contracting Party, a different entity to become a Contracting Party; if approved by the Executive Committee, acting by unanimity, such entity shall become a Contracting Party with effect from the date on which it signs or accedes to this Agreement and assumes the rights and obligations of a Contracting Party.

(h) *Failure to Fulfil Contractual Obligations.* Any Contracting Party which fails to fulfil its obligations under this Agreement within sixty days after its receipt of notice specifying the nature of such failure and invoking this paragraph may be deemed by the Executive Committee, acting by unanimity, to have withdrawn from this Agreement.

Article 12

FINAL PROVISIONS

(a) *Term of Agreement.* This Agreement shall remain in force for an initial period of five years from the date hereof. It may be extended by the Executive Committee, acting by unanimity, and taking into account any recommendation of the Agency's Committee on Energy Research and Development concerning the term of the Agreement.

(b) *Legal Relationship of Contracting Parties.* Nothing in this Agreement shall be regarded as constituting a partnership between any of the Contracting Parties.

(c) *Termination.* Upon termination of this Agreement, the Executive Committee, acting by unanimity, shall decide upon the distribution of the unexpended portion of the Common Fund which might be made to the present and former Contracting Parties. In the event of such distribution, the Executive Committee shall, so far as practicable, distribute the unexpended funds of CADDET, or the proceeds therefrom, in proportion to the contributions which the Contracting Parties have made from the beginning of the operation of CADDET, and for that purpose shall take into account the contributions and any outstanding obligations of present and former Contracting Parties. Disputes with a former Contracting Party about the proportion allocated to it under this paragraph shall be settled under Article 10(d) hereof, for which purpose a former Contracting Party shall be regarded as a Contracting Party.

(d) *Amendment.* This Agreement may be amended in writing at any time by the Executive Committee, acting by unanimity.

(e) *Deposit.* The original of this Agreement shall be deposited with the Executive Director of the Agency and a certified copy thereof shall be furnished to each Contracting Party. A copy of this Agreement shall be furnished to each Agency Participating Country and to each Member country of the Organisation for Economic Co-operation and Development.

Done in Paris, this 18th day of March, 1988.

For the DEPARTMENT OF PRIMARY INDUSTRIES AND ENERGY
for and on behalf of the Government of Australia:

B. R. Jones

For the DEPARTMENT OF ENERGY, MINES AND RESOURCES
for and on behalf of the Government of Canada:

M. Berry

For the MINISTRY OF ENERGY
for and on behalf of the Government of Denmark:

Henrik Netterstrom

For the MINISTRY OF TRADE AND INDUSTRY
for and on behalf of the Government of Finland:

W. Breitenstein

For the CONSIGLIO NAZIONALE DELLE RICERCHE
(designated by the Government of Italy):

Cesare Boffa

For the NEW ENERGY AND INDUSTRIAL TECHNOLOGY
DEVELOPMENT ORGANIZATION (NEDO)
(designated by the Government of Japan):

T. Kidahashi

For the NEDERLANDSE ENERGIE ONTWIKKELINGS
MAATSCHAPPIJ, B.V. (NEOM)
(designated by the Government of the Netherlands):*

Jochems

For the NEW ZEALAND MINISTRY OF ENERGY:

J. C. Trotter

For the ROYAL MINISTRY OF PETROLEUM AND ENERGY
for and on behalf of the Government of Norway:

Thorvald Moe

For the SWEDISH COUNCIL FOR BUILDING RESEARCH
(designated by the Government of Sweden):

Bo Kjellen

* NEOM subsequently changed its name to NOVEM.

For the OFFICE FEDERAL DE L'ENERGIE
for and on behalf of the Government of Switzerland:

J. M. Boillat

For the UNITED KINGDOM ATOMIC ENERGY AUTHORITY
(designated by the Government of the United Kingdom
of Great Britain and Northern Ireland:

J. K. Linacre

For the DEPARTMENT OF ENERGY
for and on behalf of the Government
of the United States of America:

John P. Millhone

The Legal Counsel of the International Energy Agency hereby certifies that the present copy conforms to the original text deposited with the Executive Director of the International Energy Agency (as amended to the date hereof, by agreement of the Contracting Parties).

Paris, *16th August, 1990.*

