

Annex V
to the Memorandum of Understanding
Between The Department of Energy of the United States of America and
The Ministry of Science and Technology of the Republic of Korea
for a Cooperative Laboratory Relationship
On a
Collaborative Project Supporting the International Nuclear
Energy Research Initiative (I-NERI)

I. General

The purpose of this Annex is to establish, under the Memorandum of Understanding (MOU) between the Department of Energy of the United States of America (U.S.) and the Ministry of Science and Technology of the Republic of Korea (ROK), hereinafter referred to as the Parties, terms for a bilateral collaboration project on R&D, focused on advanced technologies for improving the cost, safety, and proliferation-resistance of nuclear energy systems.

The Parties will engage in this cooperation as part of an International Nuclear Energy Research Initiative (I-NERI) program. The objective of I-NERI is to provide an effective means for international collaboration on a leveraged, cost-shared *quid pro quo* basis, directed toward achieving better-coordinated and more cost-effective nuclear energy R&D for the mutual benefit of the Parties.

Cooperation under this Annex shall be subject to the terms and conditions of the MOU. The Parties agree to provide results of all activities undertaken under this Annex to the Joint Standing Committee on Nuclear Energy Cooperation during its annual meetings.

Cooperation between the two Parties shall be on the basis of mutual benefit, equality, and reciprocity.

II. Objectives

The overall objectives for cooperation under this Annex are to:

1. promote collaboration between the Parties, their contractors, or subcontractors to improve development of nuclear energy;
2. develop advanced concepts and scientific breakthroughs in nuclear fission and reactor and fuel cycle technologies to address and overcome the principal technical, societal, and economic obstacles to the expanded peaceful use of nuclear energy; and
3. promote and maintain each nation's nuclear science and engineering infrastructure to sustain the capabilities necessary for the development and utilization of nuclear energy.

III. Project Description

I-NERI intends competitively to select and fund collaborative research and development activities in advanced nuclear energy technology from the Parties, their contractors, or subcontractors. Evaluation and selection of collaborative research and development activities will be achieved through Bilateral Evaluation Committees (BECs) as stated in Section IV, below.

Cooperation under this Annex may include, but is not limited to the following areas:

- Next-generation reactor and fuel cycle technology concepts;
- Next-generation reactor power plant designs with higher efficiency, lower cost, and improved safety and proliferation resistance;
- Innovative nuclear plant design, manufacturing, construction, operation, maintenance, and decommissioning technologies;
- Advanced nuclear fuels;
- Fundamental nuclear science areas, and;
- Such other areas as the Parties may agree.

Sensitive Nuclear Technology, as defined by 10 CFR 810, is specifically excluded from bilateral research under this Annex.

IV. Management

Bilateral Committee:

The Parties agree to establish a Bilateral I-NERI Committee (BINERIC) to provide programmatic direction and oversight of an Executive Agent from each Party for the bilateral project. The BINERIC will establish the specific R&D scope and evaluation criteria through approval of the solicitation, select activity for award based on the recommendation of the Executive Agents, and determine annual activity funding. The Parties will each appoint 2 to 4 representatives to serve on the BINERIC, each Party being represented equally. Decisions of the BINERIC shall be made by consensus.

The BINERIC shall establish rules and procedures on activity selection, funding, meetings, expenses and others necessary for its operation and shall establish guidelines for the functioning of the Executive Agents.

Role of the Executive Agents:

The Parties agree the Executive Agents, acting under the direction and oversight of the BINERIC, will administer all project funds contributed by their respective Parties, and negotiate and manage all contracts established as described below.

The general duties of the Executive Agents are as follows.

Prepare solicitations for proposals and criteria for proposal evaluation. Each solicitation and associated evaluation criteria will be subject to BINERIC approval prior to issuance. Responders will be required to form bilateral activity teams.

Based on the instructions of the BINERIC, establish BECs, the members of which will be drawn in equal numbers from each nation, selected on the basis of technical competence, and free of any conflicts of interest relating to the I-NERI program and the organizations involved in the proposals its members review.

Receive and screen all proposals for conformance to solicitation requirements, and forward all responsive proposals to the BECs for peer review, ranking in order of technical merit, and recommendations of proposals for awards.

Subject to the BINERIC's selection of activities to be funded, issue contracts for the successful proposals. Each contract will be established with the proposal's lead organization, U.S. or ROK, and that organization will subcontract with the other participants named in the proposal.

Monitor activity progress and reauthorize funding for subsequent phases of multi-year phased activities, negotiate programmatic modifications as appropriate, or terminate an activity if warranted by lack of reasonable progress against expenditures, based on BINERIC direction.

Prepare periodic status reports and distribute activity reports to the BINERIC and to other I-NERI participants as appropriate.

V. Finance and Implementation Issues

Except when the Parties otherwise agree in writing, each Party shall contribute equally to support implementation of the I-NERI project.

There is no obligation to make awards and commit funds for any projects in a given fiscal year.

Cooperation under this Annex shall be subject to the availability of personnel and funds.

Any questions of interpretation or implementation relating to this Agreement arising during its term shall be resolved by agreement of the Parties.

VI. Information and Intellectual Property

Dissemination, use, and protection of information used or generated in the activities conducted pursuant to this Annex, and the allocations of rights in intellectual property arising in the course of such activities shall be governed by the provisions set forth in Annex I to the MOU.

VII. Duration and Termination

This Annex shall enter into force upon the latter date of signature, and shall remain in force for five years or until termination of the MOU, whichever occurs first. This Annex may be amended or extended by mutual written agreement of the Parties.

In the event that the Parties agree not to extend the current MOU or terminate the Annex, activities undertaken under this Annex at the time of termination of the MOU or the Annex shall continue until their completion. However, no new activities may be implemented unless the Parties enter into a new agreement.

This Annex may be terminated at any time at the discretion of either Party, upon six months' advance notification in writing by the Party seeking to terminate it. Such termination shall be without prejudice to the rights that may have accrued under this Annex to either Party up to the date of such termination.

Done at Washington, this 16th day of May 2001, in duplicate, in the English language.

FOR THE DEPARTMENT OF ENERGY OF
THE UNITED STATES OF AMERICA:



FOR THE MINISTRY OF SCIENCE AND
TECHNOLOGY OF THE REPUBLIC OF
KOREA:

