

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE DEPARTMENT OF ENERGY  
OF THE UNITED STATES OF AMERICA  
AND  
THE MINISTRY OF ENERGY AND MINES  
OF  
THE REPUBLIC OF PERU  
ON COOPERATION IN THE FIELD OF ENERGY**

The Department of Energy of the United States of America (DOE) and the Ministry of Energy and Mines of the Republic of Peru (MEM), hereinafter referred to as the "Parties";

Having a mutual interest in collaborating in energy-related planning, policy analysis, regulation, markets, and technologies; and

Recognizing their mutual interest in creating an attractive climate for domestic and foreign private capital investment in Peru's energy sector, and in fostering an efficient and environmentally sound energy infrastructure;

**THE PARTIES HEREBY AGREE AS FOLLOWS:**

**ARTICLE I  
Purpose**

The objective of this Memorandum of Understanding (MOU) is to establish a framework for collaboration between the Parties in energy. The Parties shall conduct such collaboration on the basis of mutual benefit, equality and reciprocity.

**ARTICLE II  
Areas of Cooperation**

The areas of cooperation under this MOU may include, but are not limited to the following:

1. Energy policy planning and analysis;
2. Natural gas and other clean transportation fuels;
3. Natural gas regulatory issues;
4. Distributed generation appropriate for rural electrification using small-scale fossil and renewable energy;
5. Large fossil-based power technologies;
6. Electricity transmission issues;
7. Capacity building; and
8. Other areas as the Parties may agree to in writing.

### **ARTICLE III**

#### **Forms of Cooperation**

The forms of cooperation under this MOU may include, but are not limited to, the following:

1. Exchange of scientific and technical information, and results and methods of research and development, and other cooperative projects in a manner agreed to by the Coordinators designated under Article IV;
2. Organization of seminars and other meetings on agreed energy topics in the areas enumerated in Article II in a manner agreed to by the Coordinators;
3. Survey visits by specialists to the energy facilities or projects of the other Party at the invitation of the host institution;
4. Exchange of materials, instruments, components and equipment for testing;
5. Exchange of personnel for participation in agreed research, development, demonstration, analysis, design, experimental, and training activities;
6. Joint projects in the form of experiments, tests, design analysis, or other technical collaborative activity;
7. Joint funding of specific projects which may be undertaken either by the Parties, or in connection with other persons in a manner agreed to by the Coordinators; and
8. Other forms of cooperation as the Parties may agree to.

### **ARTICLE IV**

#### **Management**

1. Each Party shall designate a Coordinator to supervise the implementation of this MOU. As mutually agreed, the Coordinators shall meet periodically to evaluate all aspects of the cooperation under this MOU. These meetings shall be held alternately in the United States and Peru, unless otherwise agreed.
2. The Coordinators shall approve and monitor all cooperative activities to be carried out under this MOU.
3. The Coordinators may establish separate subcommittees in any of the areas of cooperation to facilitate implementation of projects, which may be undertaken under this MOU.
4. The Coordinators shall review and evaluate any proposed activities and the status of cooperation under this MOU. The Coordinators shall give appropriate guidance and directions to the subcommittees and the project managers responsible for activities undertaken under this MOU. If requested, the Coordinators may advise the Parties regarding the progress and future of cooperative activities under this MOU.

**ARTICLE V**  
**Additional Organizations**

The Parties shall encourage the participation of other organizations in the cooperative activities under this MOU, on such conditions, consistent with the terms of this MOU, as the Coordinators shall agree: government agencies, universities, science and research centers, private sector firms and other institutions of the Parties, and institutions of third parties or international organizations.

**ARTICLE VI**  
**Project Annexes**

1. Each Party, or the designated representative of each Party, may propose activities to be conducted under this MOU by submitting a proposal to the Coordinators for approval.
2. Each cooperative activity that may involve the sharing of costs or that may give rise to intellectual property shall be described in writing in a Project Annex to this MOU. Such Project Annexes shall contain detailed procedures for the implementation of the cooperative activity, including but not limited to technical scope, exchange of appropriate proprietary information, management, total costs, cost-sharing and schedule, as appropriate. Each Project Annex shall be subject to and shall refer to this MOU.

**ARTICLE VII**  
**Transfer of Information and Equipment**

All information or equipment transmitted by one Party to the other Party under this MOU and any related Project Annex shall be appropriate, accurate, and to the highest standards to the best knowledge and belief of the transmitting Party, but the transmitting Party does not warrant the suitability of the information or equipment transmitted for any particular use or application by the receiving Party or any third party. Information or equipment developed jointly by the Parties shall be appropriate and accurate to the best knowledge and belief of both Parties. Neither Party warrants the accuracy of the jointly-developed information or the appropriateness of equipment nor its suitability for any particular use or application by either Party or by any third party.

**ARTICLE VIII**  
**Intellectual Property and Business-Confidential Information**

1. Scientific and technological information (other than business-confidential information) resulting from cooperation under this MOU shall be made available to the world scientific community, unless otherwise agreed by the Parties.
2. The protection and allocation of intellectual property, and the treatment of business-confidential information, shall be governed by the Annex to this MOU, which constitutes an integral part of this MOU.

## **ARTICLE IX**

### **Exchanges of Equipment**

The following provisions shall apply concerning exchanges of equipment under this MOU.

1. By mutual arrangement, a Party may provide equipment to be utilized in a joint activity. In such case, the sending Party shall supply, as soon as possible, a detailed list of the equipment to be provided, together with the relevant specifications and appropriate technical documentation related to the use, maintenance, and repair of the equipment.
2. Title to the equipment and necessary spare parts supplied for use in joint activities shall remain in the sending Party, and the property shall be returned to the sending Party upon completion of the joint activity, unless otherwise agreed.
3. Equipment provided under this MOU shall be brought into operation at the host establishment only by arrangement of the Parties.
4. The host establishment shall provide the necessary premises for the equipment, shall provide for utilities such as electric power, water, and gas, and normally shall provide materials to be tested, in accordance with agreed technical requirements.
5. DOE shall be responsible, and shall pay all expenses, for the transport of equipment and materials from the United States by plane or ship to an authorized port of entry in Peru convenient to the ultimate destination. DOE shall be responsible for safekeeping and insurance en route for such equipment and materials.
6. MEM shall be responsible, and shall pay all expenses, for the transport of equipment and materials from Peru by plane or ship to an authorized port of entry in the United States convenient to the ultimate destination. MEM shall be responsible for safekeeping and insurance en route for such equipment and materials.
7. Equipment provided under this MOU for use in joint activities shall be considered to be scientific, not having a commercial character, and each Party shall make its best effort to obtain duty free entry.

## **ARTICLE X**

### **Exchanges of Personnel**

The following provisions shall apply concerning exchanges of personnel under this MOU:

1. Whenever an exchange of personnel is contemplated, each Party shall ensure the selection of personnel with the skills and competence necessary to conduct the activities planned under this MOU. Each such exchange of personnel shall be agreed in advance by an exchange of letters between the Parties, referencing this MOU and its pertinent intellectual property provisions.
2. Each Party shall be responsible for the salaries, insurance, and allowances to be paid to its staff or contractors.
3. Each Party shall pay for the travel and living expenses of its staff or contractors staying at the establishment of the host Party, unless otherwise agreed.

4. Each Party shall help locate adequate accommodations for the other Party's staff or contractors (and their families) on a mutually agreeable, reciprocal basis.
5. Each Party shall provide all necessary assistance to the staff or contractors of the other Party as regards administrative formalities (*e.g.*, assistance in making travel arrangements).
6. The staff and contractors of each Party shall conform to the general rules of work and safety regulations in force at the host establishment.

#### **ARTICLE XI General Provisions**

1. Unless otherwise agreed, all costs resulting from cooperation carried out under this MOU shall be the responsibility of the Party that incurs them.
2. Each Party shall conduct the activities provided for in this MOU in accordance with its applicable laws and regulations, and subject to the availability of appropriated funds and personnel.
3. Each Party shall use its best efforts to obtain all required permits and licenses as necessary for the implementation of this MOU.
4. Any dispute concerning the interpretation or application of this MOU shall be settled by consultations between the Parties.

#### **ARTICLE XII Duration, Amendment and Termination**

1. This MOU shall enter into force upon signature by both Parties and shall remain in force for five (5) years. This MOU may be renewed for additional 5-year periods by written agreement of the Parties following joint review at the end of each 5-year period.
2. This MOU may be amended by written agreement of the Parties.
3. This MOU may be terminated upon 3 months' advance notification in writing by either Party to the other Party.
4. All joint efforts and experiments not completed at the expiration or termination of this MOU may be continued until their completion under the terms of this MOU.

DONE in duplicate in the English language.

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



**DATE:** August 14, 2001

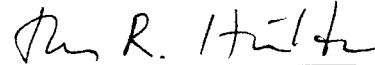
**PLACE:** Washington, D.C.

**FOR THE MINISTRY OF ENERGY AND  
MINES OF THE REPUBLIC OF PERU:**



**DATE:** JULY 3, 2001

**PLACE:** Lima, Peru



Witnessed by John R. Hamilton

Ambassador of the United States  
of America

## ANNEX INTELLECTUAL PROPERTY

Pursuant to Article VIII of this MOU:

The Parties shall ensure adequate and effective protection of intellectual property created or furnished under this MOU and relevant Project Annexes. The Parties agree to notify one another in a timely fashion of any inventions or copyrighted works arising under this MOU, and seek protection for such intellectual property in a timely fashion. Rights to such intellectual property shall be allocated as provided in this Annex.

### 1. SCOPE

A. This Annex is applicable to all cooperative activities undertaken pursuant to this MOU, except as otherwise specifically agreed by the Parties or their designees.

B. For purposes of this MOU, "intellectual property" shall have the meaning found in Article 2 of the Convention Establishing the World Intellectual Property Organization, done at Stockholm, July 14, 1967.

C. This Annex addresses the allocation of rights and interests between the Parties. Each Party shall ensure that the other Party can obtain the rights to intellectual property allocated in accordance with this Annex, by obtaining those rights from its own participants through contracts or other legal means, if necessary. This Annex does not otherwise alter or prejudice the allocation between a Party and its nationals, which shall be determined by that Party's laws and practices.

D. Disputes concerning intellectual property arising under this MOU should be resolved through discussions between the concerned participating institutions or, if necessary, the Parties or their designees. Upon mutual agreement of the Parties, a dispute shall be submitted to an arbitral tribunal for binding arbitration in accordance with the applicable rules of international law. Unless the Parties or their designees agree otherwise in writing, the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL) shall govern.

E. Termination or expiration of this MOU shall not affect rights or obligations under this Annex.

### 2. ALLOCATION OF RIGHTS

A. Each Party shall be entitled to a non-exclusive, irrevocable, royalty-free license in all countries to translate, reproduce, and publicly distribute scientific and technical journal articles, reports, and books directly arising from cooperation under this MOU. All publicly distributed copies of a copyrighted work prepared under this provision shall indicate the names of the authors of the work unless an author explicitly declines to be named.

Rights to all forms of intellectual property, other than those rights described in Paragraph 2.A. above, shall be allocated as follows:

1. Visiting researchers, for example, scientists visiting primarily in furtherance of their education, shall receive intellectual property rights under the policies of the host institution. In addition, each visiting researcher named as an inventor or author shall be entitled to national treatment with regard to awards, bonuses, benefits, or any other rewards, in accordance with the policies of the host institution.

2. (a) For intellectual property created during joint research, for example, when the Parties, participating institutions, or participating personnel have agreed in advance on the scope of work, each Party shall be entitled to obtain all rights and interests in its own country. Rights and interests in third countries will be negotiated in Project Annexes on a case-by-case basis. If research is not designated as "joint research" in the relevant Project Annex, rights to intellectual property arising from the research will be allocated in accordance with paragraph 2.B.1. above. In addition, each person named as inventor or author shall be entitled to national treatment with regard to awards, bonuses, benefits, or any other rewards in accordance with the policies of the participating institutions.

(b) Notwithstanding paragraph 2.B.2. (a) above, if a type of intellectual property is available under the laws of one Party but not the other Party, the Party whose laws provide for this type of protection shall be entitled to all rights and interests worldwide. Persons named as inventors or authors of the intellectual property shall nonetheless be entitled to national treatment with regard to awards, bonuses, benefits, or any other rewards in accordance with the policies of the participating institution of the Party obtaining rights.

### **3. BUSINESS-CONFIDENTIAL INFORMATION**

In the event that information identified in a timely fashion as business-confidential is furnished or created under this MOU, each Party and its participants shall protect such information in accordance with applicable laws, regulations, and administrative practices. Information may be identified as "business-confidential" if a person having the information may derive an economic benefit from it or may obtain a competitive advantage over those who do not have it, the information is not generally known or publicly available from other sources, and the owner has not previously made the information available without imposing in a timely manner an obligation to keep it confidential.