

AGREEMENT  
BETWEEN  
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA  
AND  
THE MINISTRY OF ENERGY AND MINES OF THE REPUBLIC OF VENEZUELA  
IN THE FIELD OF ENERGY RESEARCH AND DEVELOPMENT

Whereas the Government of the United States of America and the Government of the Republic of Venezuela are Parties to an Agreement for Scientific and Technological Cooperation, with Annex, of December 8, 1990;

Whereas the United States Department of Energy (hereinafter "DOE") and the Ministry of Energy and Mines of the Republic of Venezuela (hereinafter "MEM") (hereinafter "the Parties") concluded an Agreement in the Field of Energy Research and Development of March 6, 1980, (hereinafter "the 1980 Agreement");

Whereas the Parties believe that the cooperative activities in the field of energy research and development undertaken pursuant to the 1980 Agreement were mutually beneficial to both Parties;

Whereas the Parties have a common interest in continuing certain Implementing Agreements under the 1980 Agreement and in undertaking new cooperative activities in the field of energy research by entering into a new Agreement;

Now therefore the Parties agree as follows:

ARTICLE I

The objective of cooperation under this Agreement is to continue, for the mutual benefit of the Parties, the balanced exchange of energy technology information related to petroleum, natural bitumen, solar energy, geothermal energy, hydroelectric energy, coal, and energy efficiency established by the 1980 Agreement and to conduct related joint research and development activities, which will be further defined in Project Annexes to this Agreement.

A handwritten signature in dark ink, appearing to be a stylized 'L' followed by a flourish.

## ARTICLE II

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

1. Exchange of scientific and technical information, and results and methods of research and development on a periodic basis in a manner agreed to by the Joint Steering Committee (JSC) established by Article III;
2. Organization of seminars and other meetings on agreed topics of research and development in the areas enumerated in Article I in a manner agreed to by the JSC;
3. Survey visits by specialists to the energy research facilities 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, analysis, design and experimental activities;
6. Joint projects in the form of experiments, tests, design analysis, or other technical collaborative activity;
7. Joint funding of specific research and development projects which may be undertaken in connection with other qualified organizations or persons in a manner agreed to by the JSC; and
8. Other such forms of cooperation as may be jointly agreed in writing by the Parties and approved by the JSC.

## ARTICLE III

1. A Joint Steering Committee (JSC) shall be established with each Party designating three officials to serve as Coordinators, to supervise the implementation of this Agreement. As mutually agreed, the JSC shall meet to evaluate all aspects of the cooperation under this Agreement. These meetings shall be held alternately in the United States and Venezuela.
2. The JSC shall approve and monitor all cooperative activities to be carried out under this Agreement.



3. At its meetings, the JSC shall review and evaluate any newly proposed activities and the status of cooperation under this Agreement. The JSC also shall give appropriate guidance and direction to subcommittees and the project managers of activities established under this Agreement. If so requested, the JSC may give advice to the Parties regarding the progress and future of the cooperative activities established under this Agreement.
4. Each Party shall nominate one person to act on its behalf, during periods between meetings of the JSC, in all matters concerning cooperation under this Agreement.
5. The JSC shall, as necessary and appropriate, establish separate subcommittees in each of the following areas: petroleum, natural bitumen, solar energy, geothermal energy, hydroelectric energy, coal, and energy efficiency to facilitate implementation of projects which may be undertaken in those areas.

#### ARTICLE IV

1. Proposals for cooperation under this Agreement may be presented by either Party or its designated representatives to the JSC for its approval.
2. Each cooperative activity which is approved by the JSC shall be described in writing in a Project Annex to this Agreement. Such Annexes shall contain detailed procedures for the implementation of the cooperative activity, including but not limited to the contributions by each Party (costs and cost-sharing), schedules, and responsibilities of each Party.
3. No cooperative activity shall be undertaken by the Parties until a Project Annex has been concluded by the Parties.
4. Each Project Annex concluded by the Parties thereof shall be subject to and refer to the provisions of this Agreement.
5. The following Implementing Agreements, which were entered into pursuant to the 1980 Agreement shall continue to apply until work undertaken is completed subject to the terms and conditions of this Agreement, or until this Agreement expires or is terminated in accordance with Article XIII:



- A. Implementing Agreement I, Joint Characterization of Heavy Crude
- B. Implementing Agreement II, Cooperation Supporting Research at Universities, Government Energy Technology Centers, and National Laboratories
- C. Implementing Agreement III, Evaluate Past and Ongoing Enhanced Oil Recovery Projects in the United States and Venezuela
- D. Implementing Agreement IV, Enhanced Oil Recovery Thermal Process
- E. Implementing Agreement VIII, Coal Preparation, Combustion, and Related Analytical Technology at Universities, Government Energy Technology Centers, and National Laboratories
- F. Implementing Agreement X, On-Site Training of Petroleum Engineers
- G. Implementing Agreement XI, Energy Conservation
- H. Implementing Agreement XII, Geochemistry
- I. Implementing Agreement XIII, Microbial Enhanced Oil Recovery
- J. Implementing Agreement XIV, Exchange of Energy Related Personnel

#### ARTICLE V

The following provisions shall apply concerning exchanges of equipment pursuant to this Agreement:

1. By mutual agreement, a Party may provide equipment to be utilized in a joint activity. In such cases, 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 informational documentation related to the use, maintenance, and repair of the equipment.
2. Title to the equipment and necessary spare parts supplied by the sending Party 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 pursuant to this Agreement shall be brought into operation at the host establishment only by mutual agreement between 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 the agreed technical requirements.
5. The responsibility and expenses for the transport of equipment and materials from the United States of America by plane or ship to an authorized port of entry in Venezuela convenient to the ultimate destination, and also responsibility for its safekeeping and insurance en route shall rest with DOE.
6. The responsibility and expenses for the transport of equipment and materials from Venezuela by plane or ship to an authorized port of entry in the United States of America convenient to the ultimate destination, and also responsibility for its safekeeping and insurance en route shall rest with MEM.
7. Equipment provided pursuant to this Agreement 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 VI

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

1. Whenever an exchange of personnel is contemplated, each Party shall ensure the selection of adequate personnel with skills and competence necessary to conduct the activities planned under this Agreement. Each such exchange of personnel shall be mutually agreed in advance by an exchange of letters between the Parties, referencing this Agreement 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 its contractors.
3. Each Party shall pay for the travel and living expenses of its staff or its contractors when staying at the establishment of the host Party, unless otherwise agreed.



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

#### ARTICLE VII

1. The Parties shall ensure adequate and effective protection of intellectual property created or furnished under this Agreement and relevant annexes. The Parties agree to notify one another in a timely fashion of any inventions or copyrighted works arising under this Agreement and to seek protection for such intellectual property in a timely fashion. Rights to such intellectual property shall be allocated as provided in this Article.
2. SCOPE
  - A. This Article is applicable to all cooperative activities undertaken pursuant to this Agreement, except as otherwise specifically agreed by the Parties or their designees.
  - B. For purposes of this Agreement, "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 Article 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 Article by obtaining those rights from its own participants through contracts or other legal means, if necessary. This Article 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 Agreement 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 UNCITRAL shall govern.

- E. Termination or expiration of the Agreement shall not affect rights or obligations under this Article.
- F. Cooperative activities will not be entered into where the purpose of the cooperative activity is to produce inventions in the following areas, or where there is a possibility of producing inventions in the following areas, until such time as inventions in these areas are considered patentable subject matter by both Parties:
  - 1. drinks and food products for humans and animals;
  - 2. medicines of all kinds; and
  - 3. pharmaceuticals and chemical preparations, reactions and compounds.

### 3. 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 Agreement. 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.
- B. Rights to all forms of intellectual property, other than those rights described in Section VII.3.A. above, shall be allocated as follows:
  - 1. Visiting researchers, for example, scientists visiting 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 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 work, each Party shall be entitled to all rights and interests in its own territory. Rights and interests in third countries will be determined in implementing arrangements. If research is not designated a "joint research" in the relevant implementing arrangement, rights to intellectual property arising from the research will be allocated in accordance with paragraph VII.3.B.1. In addition, each person named as an inventor 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.
- (b) Notwithstanding paragraph VII.3.B.2.(a), 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 of the property shall nonetheless be entitled to awards, bonuses, benefits, or any other rewards as provided in paragraph VII.3.B.2.(a)

#### 4. BUSINESS-CONFIDENTIAL INFORMATION

In the event that information identified in a timely fashion as business-confidential is furnished or created under this Agreement, 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, or 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.

#### ARTICLE VIII

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1. Unless otherwise agreed, all costs resulting from cooperation pursuant to this Agreement shall be the responsibility of the Party that incurs them.

2. Each Party shall conduct the activities provided for in this Agreement, and its Annexes subject to its applicable laws and regulations, and shall provide financial resources subject to the availability of appropriated funds.
3. Each Party shall use its best efforts to obtain all permits and licenses required by the applicable laws and regulations for the implementation of this Agreement and its Annexes.

#### ARTICLE IX

Both Parties agree that no information or equipment requiring protection in the interests of national defense or foreign relations of either Party and classified in accordance with the applicable national laws and regulations shall be provided under this Agreement. In the event that information or equipment which is known or believed to require such protection is identified in the course of cooperative activities undertaken pursuant to this Agreement, it shall be brought immediately to the attention of the appropriate officials and the Parties shall consult to identify appropriate security measures to be agreed upon by the Parties in writing and applied to this information and equipment and shall, if appropriate, amend this Agreement to incorporate such measures.

#### ARTICLE X

The transfer of unclassified export-controlled information or equipment between the Parties shall be in accordance with the relevant laws and regulations of each Party. If either Party deems it necessary, detailed provisions for the prevention of unauthorized transfer or retransfer of such information or equipment shall be incorporated into the contracts or implementing arrangements. Export-controlled information shall be marked to identify it as export-controlled and identify any restrictions on further use or transfer.

#### ARTICLE XI

All information or equipment transmitted by one Party to the other Party under this Agreement shall be appropriate and accurate 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 by 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 or its suitability for any particular use of application by either party or by any third party.

## ARTICLE XII

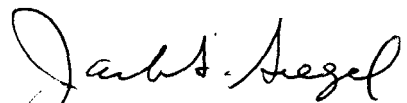
All questions related to the interpretation or application of this Agreement shall be settled by the Parties by mutual agreement.

## ARTICLE XIII

1. This Agreement shall enter into force upon signature by each Party and shall remain in force for five (5) years.
2. This Agreement may be amended or extended by mutual written agreement of the Parties. This Agreement may be terminated upon one (1) year's advance notification in writing by either Party. Such termination shall be without prejudice to any rights and interests which may have accrued under this Agreement to either Party up to the date of termination.
3. All joint efforts and experiments not completed at the expiration or termination of this Agreement may be continued until their completion under the terms of this Agreement.

Done at Caracas and Washington, in duplicate, in the English and Spanish languages, each text being equally authentic, this 8th day of September 1993.

FOR THE DEPARTMENT OF ENERGY  
OF THE UNITED STATES OF  
AMERICA

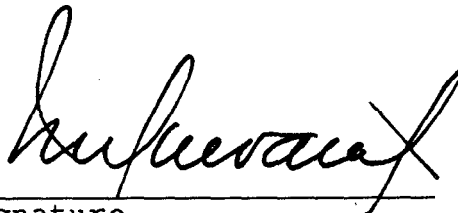


Signature

Jack S. Siegel  
Acting Assistant Secretary  
for Fossil Energy

Printed Name/Title

FOR THE MINISTRY OF ENERGY AND  
MINES OF THE REPUBLIC OF  
VENEZUELA



Signature

Rafael M. Guevara  
General Director

Printed Name/Title