

MEMORANDUM OF UNDERSTANDING  
between  
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA  
and  
THE MINISTRY OF TRADE AND INDUSTRY OF FINLAND  
FOR COOPERATION IN ENERGY RESEARCH AND DEVELOPMENT

The Department of Energy (DOE) of the United States of America and the Ministry of Trade and Industry (MTI) of Finland, hereinafter called the "Parties," have a mutual interest in increasing the rational use of energy and in developing alternative energy sources;

DOE and MTI believe that a program of close and long-term cooperation in energy research and development would be of mutual benefit;

DOE and MTI recognize the contribution such research and development can make toward improving the environment; and

DOE and MTI recognize the need to establish procedures for the protection of proprietary information in connection with their cooperative activities.

DOE AND MTI THEREFORE AGREE AS FOLLOWS:

#### ARTICLE 1

1. Cooperation under this Memorandum of Understanding shall be directed toward finding solutions to mutually agreed problems connected with increasing the rational use of energy and with the design, development, construction and operation of alternative energy systems, and toward the exchange of information while addressing these problems.
2. Cooperation between the Parties shall be on the basis of mutual benefit, equality and reciprocity.
3. Cooperation under this Memorandum of Understanding is without prejudice to multilateral cooperative activities in energy research and development in which the respective countries of each Party may participate.

#### ARTICLE 2

The fields of research and development cooperation covered by this Memorandum of Understanding include, but are not limited to:

1. Environmental safeguards on energy production
2. Advanced energy technologies
3. Energy technologies in buildings
4. District heating technology
5. Biomass and peat technology

The above list does not indicate any order of priority for the fields of cooperation.

Other fields of cooperation may be added by mutual written agreement.

### ARTICLE 3

Cooperation in accordance with this Memorandum of Understanding may include, but is not limited to, the following forms:

1. Exchange of scientists, engineers and other specialists for participation in agreed research, development, analysis, design and experimental activities conducted in research centers, laboratories, engineering offices and other facilities and enterprises of each of the Parties or its contractors for agreed periods. Such exchanges of staff shall be in accordance with Article 8 of this Memorandum of Understanding.
2. Exchange of samples, materials, instruments and components for testing.
3. Exchange, on a current basis, of scientific and technical information, and results and methods of research and development.
4. Organization of seminars and other meetings on specific agreed topics in the fields listed in Article 2. **Seminars on each topic shall normally be held alternately in the United States and in Finland.**

5. Joint projects in which the Parties agree to share the work and/or costs. Each such joint project shall be the subject of a separate agreement pursuant to Article 4 of this Memorandum of Understanding.

Other specific forms of cooperation may be added by mutual written agreement.

#### ARTICLE 4

If it is decided that a joint project is to be established under this Memorandum of Understanding, a project agreement between the Parties shall be concluded. Each such project agreement shall include all detailed provisions for carrying out the joint project, and shall cover such matters as technical scope, exchange of proprietary information, management of the cooperation, patents, exchange of equipment, total costs, cost sharing between the Parties, project schedule, and information disclosure specific to the particular joint project. Each project agreement shall specify whether the work thereunder is "joint research" and shall address the disposition of intellectual property rights in third countries as set forth in article 6.2.B.(2)(a).

## ARTICLE 5

1. To supervise the execution of this Memorandum of Understanding, each Party shall designate a Principal Coordinator to have primary oversight responsibilities; and each Party shall also designate one person to serve as a Technical Coordinator for each technical field or group of related technical fields listed in Article 2 of this Memorandum of Understanding. The Principal Coordinators and Technical Coordinators shall normally meet each year alternately in the United States and in Finland.
2. At their meetings, the Coordinators shall evaluate the status of cooperation under this Memorandum of Understanding. This evaluation shall include a review of the past year's activities and accomplishments and of the activities planned for the coming year within each of the technical fields or groups of related technical fields listed in Article 2 and consider corrective action that may be required to enhance cooperation, as appropriate. In addition, the Coordinators shall consider and act on any major new proposals for cooperation.
3. To supervise the execution of joint projects or programs established under this Memorandum of Understanding, appropriate management provisions shall be included in the project agreements executed under Article 4 of this Memorandum of Understanding.

## ARTICLE 6

The Parties shall ensure adequate and effective protection of intellectual property created or furnished under this Memorandum of Understanding and relevant implementing agreements or annexes. The Parties agree to notify one another in a timely fashion of any inventions or copyrighted works arising under this Memorandum of Understanding 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.

### 1. Scope

- A. This Article is applicable to all cooperative activities undertaken pursuant to this Memorandum of Understanding, except as otherwise specifically agreed by the Parties or their designees.
- B. For purposes of the Memorandum of Understanding, "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, interest, and royalties between the Parties. Each Party shall ensure that the other Party can obtain the right 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 Memorandum of Understanding 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 this Memorandum of Understanding shall not affect rights or obligations under this Article.

#### Allocation or 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 Memorandum of Understanding. 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 Article VI.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 shall be entitled 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 determined in implementing arrangements. If research is not designated as "joint research" in the relevant implementing arrangement, 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 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 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.

#### Business-Confidential Information

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

## ARTICLE 7

Each Party to the cooperative activity concerned shall take all necessary and appropriate steps, in accordance with the laws and regulations of its country, to provide for the cooperation of its authors and inventors which are required to carry out the provisions of the Memorandum of Understanding. Each Party to the cooperative activity concerned assumes the sole responsibility for any award of compensation that may be due its personnel in accordance with the laws and regulations of its country.

## ARTICLE 8

1. Whenever an exchange of staff is contemplated under this Memorandum of Understanding each Party shall ensure that qualified staff are selected for assignment to the other Party.
2. Each such exchange of staff shall be the subject of a separate agreement between the Parties.
3. Each Party shall be responsible for the salaries, insurance and allowances to be paid to its staff.
4. Each Party shall pay for the travel and living expenses of its staff so exchanged unless otherwise agreed.

5. The host establishment shall arrange or do its best to arrange for comparable accommodations for the other Party's staff and their families on a mutually agreeable reciprocal basis.
6. Each Party shall provide all necessary assistance to the exchanged staff (and their families) of the other Party as regards administrative formalities (travel arrangements, etc.)
7. The staff of each Party shall conform to the general and special rules of work and safety regulations in force at the host establishment, or as agreed in a separate agreement.

#### ARTICLE 9

1. Each Party agrees that no information or equipment identified as requiring protection for national security reasons by either Party shall be provided under this Memorandum of Understanding. Should such information or equipment unexpectedly be created or furnished in the course of projects or cooperation under this Memorandum of Understanding, it shall be protected from unauthorized disclosure to the degree possible under applicable laws, regulations and administrative practices. Where appropriate it should be brought to the attention of the other cooperating Party.
2. This Memorandum of Understanding does not supersede the international obligations, national laws and regulations of each Party with respect

to transfers and release of information and equipment subject to export and re-export laws and regulations.

#### ARTICLE 10

The provisions of this Memorandum of Understanding shall not affect the rights or duties of the Parties under other agreements or arrangements. This Memorandum of Understanding in no way precludes commercial firms or other legally constituted enterprises in the countries of the Parties from engaging in commercial dealings in accordance with the applicable laws of each country; nor does it preclude the Parties from engaging in activities with other governments or persons.

#### ARTICLE 11

Cooperation under this Memorandum of Understanding shall be in accordance with the laws of the respective countries, including the regulations of the respective Parties. All questions related to the Memorandum of Understanding arising during its term shall be settled by the Parties by mutual agreement.

#### ARTICLE 12

Except when otherwise specifically agreed in writing at the time, all costs resulting from cooperation under this Memorandum of Understanding shall be borne by the Party that incurs them. It is understood and agreed that the

ability of each Party to carry out its obligations under this Memorandum of Understanding is subject to the availability of appropriated funds.

### ARTICLE 13

1. This Memorandum of Understanding shall enter into force upon signature and, subject to paragraphs 2, 3 and 4 of this Article, shall remain in force for a five (5) year period.
2. This Memorandum of Understanding may be amended or extended by mutual written agreement of the Parties.
3. This Memorandum of Understanding may be terminated at any time at the discretion of either Party, upon six (6) months advance notification in writing by the Party seeking to terminate the Memorandum of Understanding. Such termination shall be without prejudice to the rights which may have accrued under this Memorandum of Understanding to either Party up to the date of such termination.
4. All joint efforts and experiments not completed at the expiration or termination of this Memorandum of Understanding may be continued until their completion under the terms of this Memorandum of Understanding.

Done in duplicate at Washington, D.C.

this 23<sup>rd</sup> day of October, 1990.



FOR THE DEPARTMENT OF ENERGY  
OF THE UNITED STATES OF  
AMERICA



FOR THE MINISTRY OF TRADE  
AND INDUSTRY OF FINLAND