

INTERNATIONAL ENERGY AGENCY

IMPLEMENTING AGREEMENT
FOR A CO-OPERATIVE PROGRAMME
ON TECHNOLOGIES RELATING TO
GREENHOUSE GASES DERIVED
FROM FOSSIL FUEL USE
(as amended with effect from 26 October 2005)

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(as amended with effect from 26 October 2005)

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 pursuant to the IEA Guiding Principles for Co-operation in the Field of Energy Research and Development ("The Guiding Principles") adopted by the Agency's Governing Board, as amended, international organizations so invited by the Governing Board or parties designated by their respective governments, wish to take part in the establishment and operation of a Co-operative Programme on Technologies Relating to greenhouse gases derived from fossil fuel use (the "Programme") as provided in this Agreement;

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 and agreed in Chapter IV of the Long-Term Co-operation Programme, adopted by the Governing Board of the Agency on 30th January, 1976, to undertake co-operative activities including jointly financed programmes and projects in energy research and development;

CONSIDERING that the Governing Board of the Agency on 6th March, 1991, approved the Programme as a special activity under Article 65 of the I.E.P. Agreement;

CONSIDERING that the Agency has recognized the establishment of the Programme as an important component of international co-operation in the field of energy research and development;

HAVE AGREED as follows:

Article 1

OBJECTIVES

(a) *Scope of Activity.* The Programme to be carried out by the "Contracting Parties" within the framework of this Agreement shall consist of evaluating technologies for abatement, control, utilisation and disposal of carbon dioxide and other greenhouse gases derived from fossil fuel use; preparing research, development and demonstration proposals and conducting, where appropriate, R&D projects.

(b) *Method of Implementation.* The Contracting Parties shall implement the Programme by undertaking one or more tasks (the "Task" or "Tasks") each of which will be open to participation by two or more Contracting Parties as provided in Article 2 hereof. The Contracting Parties which participate in a particular Task are, for the purposes of that Task, referred to in this Agreement as "Participants".

(c) *Task Co-ordination and Co-operation.* The Contracting Parties shall co-operate in co-ordinating the work of the Tasks and shall endeavour, on the basis of an appropriate sharing of burdens and benefits, to encourage co-operation among Participants engaged in the Tasks with the objective of advancing the state of understanding of all Contracting Parties in the field of technology options for reducing gaseous emissions of CO₂.

Article 2

IDENTIFICATION AND INITIATION OF TASKS

(a) *Initial Task.* The Contracting Parties identified in each Annex hereto at the time of their respective signatures are the initial Participants in the Task established in that Annex. Notice of Participation in that Task by other Contracting Parties shall be communicated to the Executive Director of the Agency.

(b) *Initiation of Additional Tasks.* Additional Tasks may be initiated by any Contracting Party according to the following procedure:

- (1) A Contracting Party wishing to initiate a new Task shall present the Contracting Parties for approval a draft Annex, similar in form to the Annex or Annexes attached hereto, containing a description of the scope of work and conditions of the Task proposed to be performed;
- (2) Whenever two or more Contracting Parties agree to undertake a new Task, they shall submit the draft Annex for adoption by the Executive Committee acting by majority. The adopted draft Annex shall become part of this Agreement;
- (3) A Contracting Party shall become a Participant in each Task for which the Participant is identified in the applicable Annex when the Annex is adopted.

A Contracting Party identified as the Operating Agent in an Annex when adopted shall be deemed to have accepted the designation as Operating Agent for that Annex. Notice of Participation in the Task by other Contracting Parties and Notice of Acceptance by other Operating Agents shall be communicated to the Executive Director;

(4) In carrying out the various Tasks, Participants and Operating Agents shall co-ordinate activities both within and between Tasks to avoid unnecessary duplication of activities.

(c) *Application of Task Annexes.* Each Annex shall be binding only upon the Participants therein and upon the Operating Agent for that Task, and shall not affect the rights or obligations of other Contracting Parties.

(d) *Task Co-ordination.* The activities in all Tasks will interact with each other through the co-ordination and evaluation by the Executive Committee of the work in these Tasks. In carrying out these functions, the Executive Committee may use the evaluations developed in Task 1.

Article 3

THE EXECUTIVE COMMITTEE

(a) *Supervisory Control.* Control of the Programme shall be vested in the Executive Committee constituted under this Article.

(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 Contracting Party whose designated member is the Chairman of the Committee may designate a second alternate member for the duration of the Chairmanship of its designated member. Each Contracting Party shall be entitled to send one observer or such additional numbers of observers as may be decided by the Executive Committee to meetings of the EC but such observers shall not have the power to vote.

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

- (1) Adopt for each year, acting by unanimity, the Programme of Work and Budget, if foreseen, for each Task, 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 the Tasks, including financial rules as provided in Article 6 hereof;
- (3) Carry out the other functions conferred upon it by this Agreement and the Annexes hereto; and

- (4) Notify the IEA Secretariat of the intention to invite to any workshop, conference or similar event under the Programme any Participant or representative from any country not a member of the Agency, written notice of such intention to be given sufficiently in advance of the event to permit appropriate consultations and approval action to be taken within the Agency.
 - (5) Consider any matters submitted to it by any of the Operating Agents or by any Contracting Party.
- (d) *Procedure.* The Executive Committee shall carry out its responsibilities in accordance with the following procedure:
- (1) The Executive Committee shall every other year 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;
 - (3) A representative of the Agency and a representative of each Operating Agent (in its capacity as such) may attend meetings of the Executive Committee and its subsidiary bodies in an advisory capacity;
 - (4) The Executive Committee shall meet in regular session not less than twice each year; additional meetings shall be convened by its Chairman upon the request of an Operating Agent or any Contracting Party which can demonstrate the need therefore;
 - (5) Meetings of the Executive Committee shall be held at such time and in such office or offices as may be designated by the Committee;
 - (6) 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. No decisions taken at a Meeting of the EC shall be invalidated because notice was not given to any person or entity otherwise entitled thereto if notice is waived before or after the meeting;
 - (7) 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) provided that any action relating to a particular Task shall require only a quorum as aforesaid of members or alternate members designated by the Participants in that Task;
 - (8) The Executive Committee shall ensure that minutes of each meeting are distributed promptly after the meeting to each person or entity entitled to attend the meeting.

(e) *Voting.*

- (1) When the Executive Committee adopts a decision or recommendation for or concerning a particular Task, the Executive Committee shall act:
 - (i) When no express provision is made in this Agreement: by unanimous agreement of those members or alternate members which were designated by the Participants in that Task and which are present and voting;
 - (ii) When a majority vote is required under this Agreement: by majority vote of those members or alternate members which were designated by the Participants in that Task and which are present and voting.
- (2) In cases in which this Agreement requires the Executive Committee to act by unanimity where no express provision is made in this Agreement, this shall require unanimous agreement of each member or alternate member present and voting, and in respect of decisions and recommendations for which a majority 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.
- (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.
- (4) The decisions and recommendations referred to in sub-paragraphs (1) and (2) above may, with the agreement of each member or alternate member entitled to act thereon, be made by mail, telefax, telex, cable or other means of electronic transmission sent to the chairman of the Executive Committee 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 may notify members and alternate members of a proposed recommendation or decision and request them to notify him whether they assent thereto. If neither the member nor the alternate member designated by a Contracting Party shall have responded to such a request within 14 days they shall be deemed to have voted against the proposal. The Chairman of the Executive Committee shall ensure that all members are informed of each action taken pursuant to this sub-paragraph.

(f) *Reports.* The Executive Committee shall, by 31st May each year, provide the Agency with 30 copies of reports containing technically substantive, non-proprietary information on the progress of the Programme and its results.

Article 4

THE OPERATING AGENTS

(a) *Designation.* Participants shall designate in the relevant Annex an Operating Agent for each Task. References in this Agreement to the Operating Agent shall apply to each Operating Agent in respect of the Task for which it is responsible.

(b) *Scope of Authority to Act on Behalf of Participants.* Subject to the provisions of the applicable Annex:

- (1) All legal acts required to carry out each Task shall be performed on behalf of the Participants by the Operating Agent for the Task;
- (2) The Operating Agent shall hold, for the benefit of the Participants, the legal title to all property rights which may accrue to or be acquired for the Task.

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

(c) *Reimbursement of Costs.* The Executive Committee shall provide that expenses and costs incurred and claimed by an Operating Agent in acting as such pursuant to this Agreement shall be reimbursed to the Operating Agent from funds made available by the Participants pursuant to Article 6 hereof.

(d) *Replacement.* Should the Executive Committee wish to replace an Operating Agent with another government or entity, the Executive Committee may, acting with the consent of such government or entity, replace the Operating Agent. References in this Agreement to the "Operating Agent" shall include any government or entity appointed to replace the original Operating Agent under this paragraph.

(e) *Resignation.* An Operating Agent shall have the right to resign at any time by giving six months written notice to that effect to the Executive Committee, provided that:

- (1) A Participant, or entity designated by a Participant, is at such time willing to assume the duties and obligations of the Operating Agent and so notifies the Executive Committee and the other Participants to that effect, in writing, not less than three months in advance of the effective date of such resignation; and
- (2) Such Participant or entity is approved in its function of Operating Agent by the Executive Committee.

(f) *Accounting.* An Operating Agent which is replaced or which resigns as Operating Agent shall not later than 3 months after such replacement or resignation takes effect provide the Executive Committee with an accounting of any monies and other assets which it may have collected or acquired for the Task in the course of carrying out its responsibilities as Operating Agent and shall transfer those monies and other assets to the replacement Operating Agent as soon as possible after the delivery of the accounts.

(g) *Transfer of Rights.* In the event that another Operating Agent is appointed under paragraph (d) or (e) above, the Operating Agent shall transfer to such replacement Operating Agent any property rights which it may hold on behalf of the Task.

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

Article 5

ADMINISTRATION AND STAFF

(a) *Administration of Tasks.* Each Operating Agent shall be responsible to the Executive Committee for implementing its designated Task in accordance with this Agreement, the applicable Task Annex, and the decisions of the Executive Committee.

(b) *Staff.* It shall be the responsibility of the Operating Agent to retain such staff as may be required to carry out its designated Task in accordance with rules determined by the Executive Committee. The Operating Agent may also, as required, utilize the services of personnel employed by other Participants (or organizations or other entities designated by Contracting Parties) and made available to the Operating Agent by secondment or otherwise. Such personnel shall be remunerated by their respective employers and shall, unless otherwise agreed by a Seconding employer and the Operating Agent, be subject to their employers' conditions of service. The Contracting Parties shall be entitled to claim the appropriate cost of such remuneration or to receive an appropriate credit for such cost as part of the Budget of the Task.

Article 6

FINANCE

(a) *Individual Financial Obligations.* Each Contracting Party shall bear the costs it incurs in carrying out this Agreement, including the costs of formulating or transmitting reports and of reimbursing its employees for travel and other per diem expenses incurred in connection with work carried out on the respective Tasks, unless provision is made for such costs to be reimbursed from common funds, established pursuant to paragraph (h) below.

(b) *Common Financial Obligations.* Participants wishing to share the costs of a particular Task shall agree in the appropriate Task Annex to do so. The apportionment of contributions to such costs (whether in the form of cash, services rendered, intellectual property or the supply of materials) and the use of such contributions shall be governed by the regulations and decisions made pursuant to this Article by the Executive Committee.

(c) *Financial Rules, Expenditure.* The Executive Committee may make such regulations as are required for the sound financial management of each Task including, where necessary:

- (1) Establishment of budgetary and procurement procedures to be used by the Operating Agent in making payments from any common funds which may be maintained by Participants for the account of the Task or in making contracts on behalf of the Participants;
 - (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.* Any income which accrues from a Task shall be credited to the Budget of that Task.
- (e) *Accounting.* The system of accounts employed by the Operating Agent shall conform to 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.* Should Participants agree to maintain common funds for the payment of obligations under a programme of work and budget of the Task, the following provisions shall be applicable unless the Executive Committee decides otherwise:
- (1) The financial year of the Task 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 an indicative 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 and 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 the Task;
 - (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 the Task; 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 for the Task shall be preserved for at least three years from the date of termination of the Task;
- (6) Where provided in the relevant Annex a Participant supplying services, materials or intellectual property to the Task shall be entitled to a credit, determined by the Executive Committee, acting by unanimity against its contribution (or to compensation if the value of such services, materials or intellectual property exceeds the amount of the Participant's contribution); such credits for services of staff shall be calculated on an agreed scale approved by the Executive Committee and include payroll-related costs.
- (g) *Currency of Contributions.* Contributions due hereunder from the Contracting Parties shall be paid in the currency of the Operating Agent, unless another currency is specified by the Operating Agent in agreement with the Executive Committee for the purpose of meeting a commitment in that currency.
- (h) *Contribution to Common Funds.* Should Participants agree to establish common funds under the annual Programme of Work and Budget for a Task, any financial contributions due from Participants in a Task 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 shall determine, provided, however, the contributions received by the Operating Agent shall be used solely in accordance with the Programme of Work and Budget for the Task;
- (i) *Ancillary Services.* Ancillary services may, as agreed between the Executive Committee and the Operating Agent, be provided by that Operating Agent for the operation of a Task and the cost of such services, including overheads connected therewith, may be met from budgeted funds of that Task.
- (j) *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 a Task, as expenditure incurred in the operation of that Task under the Budget; the Operating Agent shall, however, endeavour to obtain all possible exemptions from such taxes.
- (k) *Audit.* Each Participant shall have the right, at its own cost, to audit the accounts of any work in a Task for which common funds are maintained, on the following terms:
- (1) The Operating Agent shall provide the other Participants with an opportunity to participate in such audits on a cost-shared basis;
 - (2) Accounts and records relating to activities of the Operating Agent other than those conducted for the Task shall be excluded from such audit, but if the Participant concerned requires verification of charges to the Budget representing services rendered to the Task by the Operating Agent, it may, at its own cost, request and obtain an audit certificate 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 Participants.

Article 7

PROCUREMENT PROCEDURES

All procurement of equipment and material shall be in accordance with the procedures laid down by the Executive Committee under Article 6(c)(1) hereof, which shall provide, *inter alia*:

- (a) The Operating Agent shall have the power to enter into agreements and contracts for all necessary support, design and developmental services, and material fabrication and facility construction activities in the interest of its designated Task, provided that such agreements and contracts are authorized in an approved Budget or by the provisions of this Agreement or by the express authority of the Executive Committee;
- (b) The Operating Agent shall not enter into any agreement for a total value of more than £100,000 without the approval of the Executive Committee;
- (c) The Operating Agent shall perform all procurement functions necessary for its designated Task, in accordance with the procurement procedures adopted by the Executive Committee pursuant to Article 6(c)(1) hereof;
- (d) Consistent with the aforementioned procurement procedures, the Operating Agent shall undertake to secure the best contractual terms and conditions available; including, where possible, provision for title to all intellectual property generated under the Agreement, for a royalty-free licence for the use of background intellectual property for the purposes of the Programme alone, and for a right on reasonable terms and conditions in accordance with Article 8 hereof for the Contracting Parties to use such background intellectual property commercially.

Article 8

INFORMATION AND INTELLECTUAL PROPERTY

It is expected that, for each Task agreed pursuant to this Agreement, the applicable Annex will contain information and intellectual property provisions. The General Guidelines Concerning Information and Intellectual Property, approved by the Governing Board of the Agency on 21st November, 1975, shall be taken into account in developing information and intellectual property provisions pursuant to this Article.

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 in accordance with all applicable laws and regulations. Except as otherwise provided in this Article, the cost of all damage to property, and all expenses associated with claims, actions, and other costs arising from work approved by the Executive Committee undertaken with common funds for a Task shall be charged to the Budget of that Task; such costs and expenses arising from other work undertaken for a Task shall be charged to the Budget of that Task if the Task Annex so provides or the Executive Committee so decides. Subject to paragraph (c) below, any liabilities, cash, claims and expenses not covered by such insurance shall be borne by the Contracting Parties out of common funds.

(b) *Insurance.* The Operating Agent shall propose to the Executive Committee all 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 the Task.

(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 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; or
- (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 Participant 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 conduct the Task in which it is engaged.

(b) *Appropriation of Funds and Applicable Laws.* In carrying out this Agreement and its Annexes the Contracting Parties shall be subject to the appropriation of funds by the appropriate governmental authority, where necessary, and to the constitutions, laws and regulations applicable to the respective Contracting Parties, 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.* Participants in the various Tasks shall 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. The tribunal shall decide any such dispute by reference to 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 concerned. Operating Agents which are not Contracting Parties shall be regarded as Contracting Parties for the purpose of this paragraph.

Article 11

ADMISSION AND WITHDRAWAL OF CONTRACTING PARTIES

(a) *Admission of New Contracting Parties: Agency Countries.* Upon the invitation of the Executive Committee, 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, accepts the rights and obligations of a Contracting Party, and is accepted for participation in at least one Task by the Participants in that Task, acting by unanimity. Such admission of a Contracting Party shall become effective upon the signature of this Agreement by the new Contracting Party or its accession thereto and its giving Notice of Participation in one or more Annexes and the adoption of any consequential amendments thereto.

(b) *Admission of New Contracting Parties: Other OECD and Non-OECD Countries.* The government of any country which does not participate in the Agency may, on the proposal of the Executive Committee, 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. Pursuant to Article VII of the Guiding Principles, a Contracting Party from a Non-OECD country, or from any international organisation in which such a country participates, shall not serve as the Executive Committee Chairman and

such countries or international organisations may not vote to block an otherwise unanimous decision by the OECD country Contracting Parties on:

(1) The admission of new Contracting Parties; or

(2) The adoption or amendment of intellectual property provisions of the Agreement.

(c) *IEA Framework.* Notwithstanding Article 7 of the IEA Framework for International Energy Technology Co-operation, adopted by the IEA Governing Board on 3 April 2003, the Framework shall apply to, and be an integral part of, this Agreement from 27th October 2005. A copy of the Framework is attached at Exhibit A to this Implementing Agreement.

(d) *Admission of New Participants in Tasks.* Any Contracting Party may, with the agreement of the Participants in a Task, acting by unanimity, become a Participant in that Task. Such participation shall become effective upon the Contracting Party's giving the Executive Director of the Agency a Notice of Participation in the appropriate Task Annex and the adoption of consequential amendments thereto.

(e) *Contributions.* The Executive Committee may require, as a condition to admission to participation, that the new Contracting Party or new Participant shall contribute (in the form of cash, services, materials or intellectual property) an appropriate proportion of the prior budget expenditure of any Task in which it participates.

(f) *Replacement of Contracting Parties.* With the agreement of the Executive Committee 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 procedure provided therein.

(g) *Withdrawal.* Any Contracting Party may withdraw from this Agreement (other than as an Operating Agent) or from any Task either with the agreement of the Executive Committee, or by giving twelve months written Notice of Withdrawal 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, where the other Contracting Parties have contributed to common funds for a Task, their proportionate shares in the Task Budget shall be adjusted to take account of such withdrawal unless the Executive Committee adopts other arrangements or decides that the Task shall terminate.

(h) *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 change in status of a Contracting Party significantly affects 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 (g) 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, such entity shall become a Contracting Party with effect from the date on which it signs or accedes to this Agreement and gives the Executive Director of the Agency a Notice of Participation in one or more Annexes.
- (i) *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 to have withdrawn from this Agreement. In so deeming the Executive Committee shall act by unanimity except that the approval of the member or alternate member designated by such Contracting Party shall not be required.

Article 12

SPONSORS

- (a) The- Executive Committee may in exceptional cases and with the approval of the Committee on Energy Research and Technology (CERT) of the Agency invite any entity of an OECD Member country that is not designated by that country to participate in the Agreement or any non-inter governmental international entity in which one or more entities of OECD Member countries participate, to participate in the Programme as “Sponsors” in accordance with this article.
- (b) The Executive Committee acting by unanimity, shall submit to the CERT for approval a proposal with regard to the terms and conditions (including duration) of participation of a Sponsor, on an equitable basis in relation to the sharing of obligations, contributions, rights and benefits. Such a proposal may provide for the Sponsor to exercise the rights and undertake the duties of a Contracting Party on such matters as representation on the Executive Committee and other bodies or in workshops established under the Programme, financial contributions, staff secondment, intellectual property, voting arrangements, sharing in the liquidation of assets, termination, and withdrawal. The CERT may expressly condition its approval, in which case the Executive Committee shall either adopt such conditions, acting by unanimity, or elect not to invite that entity as a Sponsor. Any amendment to the approved terms and conditions shall be subject to the same approval procedures.
- (c) Before submitting to the CERT a proposal for participation as Sponsor by an entity of an OECD country, the Executive Committee shall send the proposal to the CERT Delegate of that OECD Member country where the entity indicates it has its principal place of business (or, as the case may be, conducts its principal activity specifying a reasonable period, which may be deter by the CERT, within which the Delegate may object to the submission of the proposal to the CERT. If the CERT Delegate objects within that period, the Executive Committee shall not submit the proposal to the CERT.

- (d) The terms and conditions (including duration) of participation of a Sponsor, or any amendment thereto, shall enter into force upon (1) the adoption by the Executive Committee acting by unanimity (2) approval by the CERT, and (3) acceptance by the Sponsor, in a letter addressed to the Agency.
- (e) In the event that the Executive Committee amends the Agreement so as to impose additional obligations on Contracting Parties or Associate Contracting Parties, the Executive Committee shall decide, acting by unanimity, whether or to what extent such additional obligations shall be imposed on the Sponsor. In such cases the Sponsor shall notify the Executive Committee of its acceptance of the amendments within three months or such other Period as may be fixed by the Executive Committee, failing which it shall be deemed to have withdrawn from participation in the Agreement.

Article 13

FINAL PROVISIONS

- (a) *Term of Agreement.* This Agreement shall enter into force upon signature by two or more Contracting Parties and shall remain in force for an initial period of ten years. It may be extended for such additional periods as may be determined by the Executive Committee, with the prior approval of the Governing Board of the Agency. The Executive Committee may terminate this Agreement at any time.
- (b) *Legal Relationship of Contracting Parties and Participants.* Nothing in this Agreement shall be regarded as constituting a partnership between any of the Contracting Parties or Participants.
- (c) *Termination.* Upon termination of this Agreement, or any Annex to this Agreement, the Executive Committee, shall arrange for the liquidation of the assets of the Task or Tasks. In the event of such liquidation, the Operating Agent in consultation with the Executive Committee shall, so far as practicable, distribute the assets of the Task, or the proceeds therefrom to the Participants, in proportion to the contributions which the Participants have made from the beginning of the operation of the Task, and for that purpose shall take into account the contributions and any outstanding obligations of 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 at any time by the Executive Committee, and any Annex to this Agreement may be amended at any time by the Participants in the Task to which the Annex refers. Such amendments shall come into force in a manner determined by the Executive Committee, acting under the voting rule applicable to the decision to adopt the amendment.

(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 and to the Operating Agents. A copy of this Agreement shall be furnished to each Agency Participating Country, to each Member country of the Organisation for Economic Co-operation and Development and to the European Communities.

Done in Paris, this 20th day of November, 1991, amended on 10 September 1997, 4 September 1998 and 26 October 2005.

CONTRACTING PARTIES (as of 3 July 2006)

The Energy Research and Development Corporation
(ERDC) replaced by the Commonwealth Scientific
and Industrial Research Organisation (CSIRO) (Australia)

The Department of Energy, Mines and Resources (Canada)
(succeeded by Natural Resources Canada)

The Commission of the European Communities

The Ministry of Energy, Danish Energy Agency
replaced by the Ministry of Environment and Energy, Danish Energy Agency,
then by the Ministry of Economic and Business Affairs, Danish Energy Authority

The Ministry of Trade and Industry (Finland)
replaced by the Technology Development Centre (TEKES)
which later changed its name to the National Technology Agency of Finland

L'Agence de l'Environnement et de la Maîtrise de l'Energie (ADEME) (France)

Forshungszentrum Jülich GmbH (Germany)

Central Electricity Authority (CEA) (India)¹

The Energy Research Institute (TERI) (India)¹

The New Energy and Industrial Technology Development Organization (NEDO) (Japan)²

The Korea Electric Power Corporation (KEPCO)

The Netherlands Agency for Energy and the Environment (NOVEM)
replaced by the Ministry of Housing, Spatial Planning and the Environment

The Coal Research Association of New Zealand Incorporated

The Government of Norway

¹ CEA and TERI have signed the Agreement, but participation is not effective until the NTPC, a third nominated Indian entity, signs the IA. The NTPC is the only one of the three designated Indian entities that will have the power to vote. See letter of Ajay Shankar to C. Mandil dated 04.02.04.

² An Instrument of Accession to the Agreement was signed in Tokyo and deposited with the IEA on 26 March 1992.

The National Board for Industrial and Technical Development (NUTEK) (Sweden)
replaced by the Swedish National Energy Administration
which later changed its name to the Swedish Energy Agency

Asea Brown Boveri (ABB) (Switzerland)
replaced by the Swiss Federal Office of Energy (SFOE)

British Coal Corporation (United Kingdom)

The Secretary of State for Energy (United Kingdom)
succeeded by the Secretary of State for Trade and Industry

The United States Department of Energy
replaced by The Government of the United States of America;
then again by the United States Department of Energy

The Ministry of Energy and Mines (Venezuela)³

CONTRACTING PARTIES SINCE WITHDRAWN

The Ministry of Economic Affairs (Belgium)⁴

The Ente Nazionale per l'Energia Elettrica (ENEL) (Italy)⁵

The Polish Academy of Sciences - Institute of Chemical Engineering⁶

The Centro de Investigaciones Energéticas Medioambientales y Tecnológicas (Spain)⁷

³ Venezuela acceded to the IA on 21 November 1994. Venezuela signed as an Associate Contracting Party but now has full Contracting Party status.

⁴ Belgium withdrew from the IA effective as of 24.10.03.

⁵ Italy has withdrawn from the IA.

⁶ The minutes of the Executive Committee meeting of April 2002 state that Poland has withdrawn from the IA. No date of withdrawal has been established.

⁷ Spain has withdrawn from the IA.

SPONSORS

Alstom Power Technology AG

BP International Ltd.

Chevron Corporation

Electric Power Research Institute (EPRI)

ENITecnologie SpA

ExxonMobil Corporation

RWE Aktiengesellschaft

Shell International BV

Total

Repsol YPF

Statoil

Vattenfall

E-ON UK

IEA FRAMEWORK FOR INTERNATIONAL ENERGY COOPERATION

I. General Principles

Article 1

Mandate

- 1.1 In fulfilment of Chapter VII of the Agreement on an International Energy Program and in light of the Shared Goals of the IEA, the IEA operates Implementing Agreements to enable IEA Member countries to carry out programmes and projects on energy technology research, development and deployment.
- 1.2 An Implementing Agreement is a contractual relationship established by at least two IEA Member countries, and approved by the Governing Board, for the purpose set out in Article 1.1.
- 1.3 Participants in an Implementing Agreement shall contribute as fully as possible to the achievement of its objectives and shall endeavour to secure, through public and private support, the necessary scientific, technical and financial resources for the programmes and projects carried out under such an Implementing Agreement.
- 1.4 Each Implementing Agreement shall have an Executive Committee composed of representatives of all participants.

Article 2

Nature of Implementing Agreements

- 2.1 The activities of an Implementing Agreement may include, *inter alia*:
 - (a) co-ordination and planning of specific energy technology research, development and deployment studies, works or experiments carried out at a national or international level, with subsequent exchange, joint evaluation and pooling of the scientific and technical results acquired through such activities;
 - (b) participation in the operation of special research or pilot facilities and equipment provided by a participant, or the joint design, construction and operation of such facilities and equipment;
 - (c) exchange of information on (i) national programmes and policies, (ii) scientific and technological developments and (iii) energy legislation, regulations and practices;
 - (d) exchanges of scientists, technicians or other experts;
 - (e) joint development of energy related technologies; and

- (f) any other energy technology related activity.
- 2.2 Participation in an Implementing Agreement shall be based on equitable sharing of obligations, contributions, rights and benefits. Participants in an Implementing Agreement shall undertake to make constructive contributions, whether technical, financial or otherwise, as may be agreed by the Executive Committee.
- 2.3 Some or all of the participants in an Implementing Agreement may choose to execute specific projects and/or programmes through Annexes to the Implementing Agreement.

II. Rules Applicable to IEA Implementing Agreements

Article 3

Participation, Admission and Withdrawal

- 3.1 An Implementing Agreement can be established by two or more IEA Member countries subject to approval of the Committee on Energy Research and Technology (CERT) and of the Governing Board. There are two possible categories of participants in Implementing Agreements: Contracting Parties and Sponsors.
- 3.2 Contracting Parties may be
- (a) the governments of both OECD member or OECD non-member countries;
 - (b) the European Communities;
 - (c) international organisations in which the governments of OECD member countries and/or OECD non-member countries participate; and
 - (d) any national agency, public organisation, private corporation or other entity designated by the government of an OECD member country or an OECD non-member country, or by the European Communities.
- 3.2.1 Participation in any Implementing Agreement for OECD non-member countries or for international organisations requires prior approval by the CERT. However, should the CERT consider a first time application by an OECD non-member country or an international organisation to be sensitive, it may refer the decision to the Governing Board as it deems appropriate.
- 3.2.2 Prior to CERT approval of participation of OECD non-member countries or international organisations in any Implementing Agreement, the Executive Committee shall:

- (a) have voted in favour of the applicant to join the Implementing Agreement and provide evidence of the same to the CERT;
- (b) provide the CERT with a copy of the terms and conditions of the applicant's participation in the Implementing Agreement; and
- (c) provide the CERT with a letter from the applicant expressing the applicant's desire to join the Implementing Agreement and specifying which Annexes it wishes to join; its acceptance of the terms and conditions of the Implementing Agreement; the name of its designated entity if it is not the applicant itself; and the name of the entity that will sign the Implementing Agreement.

3.2.3 The terms and conditions for the admission, participation and withdrawal of Contracting Parties, including their rights and obligations, in Implementing Agreements and their Annexes, if any, shall be established by the Executive Committee of each Implementing Agreement.

3.2.4 Notwithstanding Article 3.2.3, no Contracting Party from an OECD non-member country or international organisation shall have greater rights or benefits than Contracting Parties from OECD member countries.

3.3 Sponsors may be

- (a) entities of OECD member countries or OECD non-member countries who are not designated by the governments of their respective countries to participate in a particular Implementing Agreement; and
- (b) non-intergovernmental international entities in which one or more entities of OECD member countries or OECD non-member countries participate.

3.3.1 Participation of Sponsors in Implementing Agreements requires prior approval by the CERT.

3.3.2 Prior to CERT approval of Sponsor participation in any Implementing Agreement, the Executive Committee shall:

- (a) have voted in favour of the applicant to join the Implementing Agreement and provide evidence of the same to the CERT;
- (b) provide the CERT with a copy of the terms and conditions of the applicant's participation in the Implementing Agreement; and
- (c) provide the CERT with a letter from the applicant expressing the applicant's desire to join the Implementing Agreement and specifying which Annexes it wishes to join; its acceptance of the terms and conditions of the Implementing Agreement; and the name of the entity that will sign the Implementing Agreement.

- 3.3.3 The terms and conditions for the admission, participation and withdrawal of Sponsors, including rights and obligations, in Implementing Agreements and their Annexes, if any, shall be established by the Executive Committee of each Implementing Agreement.
- 3.3.4 Notwithstanding Article 3.3.3, no Sponsor shall have greater rights or benefits than Contracting Parties from OECD non-member countries and no Sponsor shall be designated Chair or Vice-chair of an Implementing Agreement.
- 3.3.5 The CERT shall have the right to not approve participation of a Sponsor if the terms and conditions of such participation do not comply with this Framework, any Decisions of the CERT or the Governing Board and the Shared Goals of the IEA.

Article 4

Specific Provisions

- 4.1 Unless the CERT otherwise agrees, based on exceptional circumstance and sufficient justification, Implementing Agreements shall be for an initial term of up to, but no more than, five years.
- 4.2 An Implementing Agreement may be extended for such additional periods as may be determined by its Executive Committee, subject to approval of the CERT. Any single extension period shall not be greater than five years unless the CERT otherwise decides, based on exceptional circumstances and sufficient justification.
- 4.3 Notwithstanding Paragraph 4.2, should the duration of the programme of work of an Annex exceed the term of the Implementing Agreement to which it relates, the CERT shall not unreasonably withhold approval to extend the Implementing Agreement for such additional period to permit the conclusion of the work then being conducted under the Annex.
- 4.4 Either the Contracting Parties or the Executive Committee of each Implementing Agreement shall:
 - 4.4.1 approve the programme activities and the annual programme of work and budget for the relevant Implementing Agreement;
 - 4.4.2 establish the terms of the contribution for scientific and technical information, know-how and studies, manpower, capital investment or other forms of financing to be provided by each participant in the Implementing Agreement;
 - 4.4.3 establish the necessary provisions on information and intellectual property and ensure the protection of IEA copyrights, logos and other intellectual property rights as established by the IEA;

- 4.4.4 assign the responsibility for the operational management of the programme or project to an entity accountable to the Executive Committee of the relevant Implementing Agreement;
- 4.4.5 establish the initial term of the Implementing Agreement and its Annexes;
- 4.4.6 approve amendments to the text of the Implementing Agreement and Annexes; and
- 4.4.7 invite a representative of the IEA Secretariat to its Executive Committee meetings in an advisory capacity and, sufficiently in advance of the meeting, provide the Secretariat with all documentation made available to the Executive Committee members for purposes of the meeting.

Article 5

Copyright

- 5.1 Notwithstanding the use of the IEA name in the title of Implementing Agreements, the Implementing Agreements, the Executive Committee or the entity responsible for the operational management of the programme or project may use the name, acronym and emblem of the IEA as notified to the World Intellectual Property Organisation (WIPO) only upon prior written authorisation of the IEA and solely for the purposes of executing the Implementing Agreements.
- 5.2 The IEA shall retain the copyright to all IEA deliverables and published or unpublished IEA material. Implementing Agreements wishing to use, copy or print such IEA deliverables and/or material shall submit a prior written request of authorisation to the IEA.

Article 6

Reports to the IEA

- 6.1 Each Executive Committee shall submit to the IEA:
 - 6.1.1 as soon as such events occur, notifications of any admissions and withdrawals of Contracting Parties and Sponsors, any changes in the names or status of Contracting Parties or Sponsors, any changes in the Members of the Executive Committee or of the entity responsible for the operational management of the programme or project, or any amendments to an Implementing Agreement and Annex thereto;
 - 6.1.2 annual reports on the progress of programmes and projects of the Implementing Agreement and any Annex;

- 6.1.3 notwithstanding Article 6.1.1, in addition to and with the Annual Report, annually provide the IEA with the following information:
- (a) the names and contact details of all current Contracting Parties and Sponsors;
 - (b) the names and contact details of all Contracting Parties and Sponsors who may have withdrawn from the Implementing Agreement or any Annex in the year covered by the Annual Report;
 - (c) the names and contact details of all new Contracting Parties and Sponsors who may have joined the Implementing Agreement or any Annex in the year covered by the Annual Report;
 - (d) any changes in the names or status of any Contracting Parties or Sponsors;
 - (e) the names and contact details of the Executive Committee members and the entity responsible for the operational management of the programme or project; and
 - (f) any amendments to the text of an Implementing Agreement and any Annex thereto.
- 6.1.4 End of Term Reports, which shall include all the information and documentation required by Decisions of the CERT then in effect and relating thereto; and
- 6.1.5 at the request of the IEA, any other non-proprietary information as may be requested by the IEA in connection with the IEA's mandate.

Article 7

Effective Date

This Framework shall take effect and become binding on all participants in the Implementing Agreements and Annexes from the date of its approval as a decision by the Governing Board.

Annex I
(last amended on 22 April 2005)

ASSESSMENT OF TECHNOLOGY OPTIONS

1. Objectives

The specific objectives of this Task are as follows:

- (i) Evaluate (on a full fuel cycle and other appropriate basis) the technical and economic feasibility, technical performance, and environmental benefits and impacts of technologies for abatement, control, utilisation, disposal and offsetting emissions of carbon dioxide derived from fossil fuel use and other greenhouse gases, these evaluations to be conducted on a consistent basis relative to other options for reducing emissions of such gases.

Occasionally some experimental research may be carried out with prior approval given by a decision of the Executive Committee;

- (ii) Facilitate implementation of potential mitigation options;
- (iii) Disseminate the results of the Programme's activities to the Participants and other entities interested in reduction of greenhouse gas emissions;
- (iv) On the basis of the investigations described under sub-paragraph (i) above, prepare research, development and/or demonstration proposals for favoured technical options, and facilitate the formation and operation of collaborations to carry out specific research, development and/or demonstration projects.

The Operating Agent may take account of the results of subsequent Tasks in pursuing these objectives.

The overall aim is to provide an evaluated range of technology options for the control of greenhouse gas emissions. The work will be based on coal, oil, and natural gas fired systems. Scientific developments with significant technical potential for removing greenhouse gases from the atmosphere will be considered. The nature of the activities under this Task is such that the Project Team, referred to in paragraph 3(b) below, will interact with subsequent additional Tasks in providing evaluation, information transfer and co-ordination functions for the Executive Committee.

2. Scope and Means

The first 4 phases of the Work Programme having been completed, the following activities will form the basis of the fifth phase:

(a) Generating technology and market information on CO₂ Capture and Storage and related options.

This will be achieved through one or more of the following activities:

- Technology evaluation,
- Awareness of developments about CO₂ Capture and Storage,
- Helping move mitigation technologies towards application.

Evaluations will consider four principal aspects:

- (i) Technical feasibility and process development requirements;
- (ii) Technical performance (e.g. mass and energy balances, thermal efficiency);
- (iii) Environmental impact;
- (iv) Cost of electricity, heat or other product and the cost of reducing emissions of greenhouse gases.

Environmental impact assessments will include greenhouse gas emissions to the atmosphere, in particular carbon dioxide, methane and nitrous oxide, generation of by-products and other environmental implications of the chosen technology.

Results will be presented on a comparable basis.

The initial programme of work (phase 1) showed certain technology options were of interest. In phase 2, some of these options were examined in more depth; better understanding was developed of their potential and of the work which needed to be done on them. Additional options were also studied. In phase 3, attention focussed on specific means for improving capture and storage of carbon dioxide, enhancement of natural sinks both on land and in the ocean, abatement of other greenhouse gases, alternative energy carriers, and initial comparison was made with other mitigation options. In phase 4 further studies to assess individual technologies capable of deep reductions in greenhouse gas emissions in power generation and other large energy-intensive plants were carried out, especially the decarbonisation of fossil fuels, including production and distribution of hydrogen, and more detailed comparisons were made with other, relevant mitigation options.

In phase 5, there will further studies on capture, transmission and storage of CO₂ to maintain up-to-date understanding of the technology and progress on the capture of CO₂ and on the safety and security of CO₂ storage. Development of abatement cost-curves will allow detailed comparison of mitigation options, putting CO₂ capture and storage in perspective with the other mitigation options. Studies will continue on application of capture and storage for production and distribution of zero-carbon energy carriers, such as hydrogen and/or electricity. Further work will be done on industrial mitigation options. A watching brief will be maintained on abatement options for non-CO₂ gases.

A regular series of briefings will be prepared covering developments in specific fields of technology and in-depth analysis will be conducted of progress in particular topics. The targets for analysis will be carefully selected and agreed with members so as to tackle the subjects of most interest.

This work will contribute to understanding the factors which will influence the rate of development, take-up and deployment of capture and storage technology and examine potential barriers to use. Influences on use of mitigation technology will be examined, such as the potential of the flexible mechanisms to assist the introduction of decarbonisation technologies including identification of niche opportunities and the implications of the concept of sustainability for decarbonisation technologies. Further work will be done on identifying potential barriers to application and investigating ways of overcoming them, including legal aspects, standards and regulations (particularly in relation to storage of CO₂), and funding of the implementation of the technology.

The Executive Committee may decide to add or substitute other studies.

Evaluation reports will be drafted by those contracted to undertake the assessments, subjected to a peer review, and then published for the use of Participants and such other entities as the Executive Committee shall decide.

(b) Building confidence in mitigation technology

This depends on practical results and demonstration. The Programme contributes to this by facilitation of practical R,D&D.

The Task will identify promising technologies which warrant further development towards commercial demonstration and will bring forward proposals identifying:

- (i) Objectives for the new projects;
- (ii) Role of the proposed work in the overall development of this approach;
- (iii) Plant description;
- (iv) Scope of research/tests/demonstration programme;
- (v) Projected costs;
- (vi) Management arrangements as an international collaborative effort;
- (vii) Provisional timetable.

In appropriate cases a project prospectus will be prepared and used to solicit support for the proposed work.

The Project Team, referred to in paragraph 3(b) below, will facilitate the formation of collaborations to carry out such research, development and/or demonstration projects, and will assist in the operation of these projects to an extent decided by the Executive Committee.

c) *Improving availability of information about CO₂ Capture and Storage*

This requires work on Communications, which will also contribute to the encouragement of a broad, diverse membership

Information transfer will be through presentations, written reports, meetings with experts from Member countries, and through the internet, as well as informally on demand, with the aim of improving understanding of mitigation technologies. Written reports and publications will include the following:

- (1) Evaluation reports assessing the feasibility and performance of each technology option addressed;
- (2) Periodic publication of a newsletter providing an overview of recent developments;
- (3) Proposals for projects and/or for other Tasks;
- (4) Short briefing papers responding to significant technical or political developments at the discretion of the Project Director or at the request of the Executive Committee;
- (5) Maintenance and enhancement of the Programme's website
- (6) Maintenance of the practical R&D database and the associated website and establishment of further websites dedicated to other aspects of the work where appropriate.
- (7) Project management reports for Executive Committee meetings;
- (8) Final report on phase 5 providing an overview of the evaluations and recommending priorities for research.

3. *Operating Agent and Project Team*

- (a) IEA Environmental Projects Ltd. is designated as the Operating Agent for this Task.
- (b) The Operating Agent shall maintain a project team which will undertake the work programme under the direction of the Executive Committee (the "Project Team")
- (c) The Operating Agent shall appoint a general manager (the "General Manager") who shall be responsible for leading the Project Team.
- (d) The Project Team for this Task shall be represented at Executive Committee meetings discussing this Task by the General Manager or another member of the Project Team.
- (e) The Project Team shall provide secretariat and other management functions required by the Executive Committee for the proper management of the Task and Programme.

4. Information and Intellectual Property

- (a) *Executive Committee's powers.* The publication, distribution, handling and protection of information and intellectual property provided to or arising from activities conducted under this Annex, shall be determined by the Executive Committee acting by unanimity of the Participants. For purposes of this Annex, "intellectual property" shall have the meaning found in Article 2 of the Convention establishing the World Intellectual Property Organisation, done at Stockholm 14 July 1967.
- (b) *Intellectual Property.* Subject to the rights of third parties, each Participant in this Task that is the Government of a country, or has been designated as Participant by the Government of a country, shall own all intellectual property provided to or arising from activities conducted under this Annex for the benefit of each other Participant from that particular country provided that:
 - i) In the United Kingdom such intellectual property shall be owned by the Secretary of State for Trade & Industry;
 - ii) If a Contracting Party ceases to be a Participant in this Task it will retain rights to intellectual property developed during its participation but it will not have any rights to ownership of intellectual property developed subsequent to its participation;
 - iii) If a Contracting Party becomes a new Participant or renews its participation in this Task it shall acquire ownership of intellectual property pursuant to this paragraph;
 - iv) The Commission of the European Communities shall own any such intellectual property in any Member State of the European Communities in which such intellectual property is not otherwise owned by another Participant pursuant to this paragraph;
 - v) The Operating Agent shall own for the benefit of the Participants any intellectual property not owned by another Participant pursuant to this paragraph. Royalties, if any, under licences granted by the Operating Agent shall be held by it for annual distribution to the Participants in the same proportions as their contributions under this agreement. All Participants shall

have a non-exclusive, royalty-free, right to use Intellectual Property in all countries without the consent of the country involved.

All Participants shall endeavour to implement the provisions of this paragraph in the best manner.

- (c) *Right to Publish.* Subject only to the copyright restrictions of this Annex, the Participants in this Task shall have the right to publish all information provided to or arising from this Annex, except proprietary information, but they shall not publish it with a view to a profit, except as agreed by the Executive Committee, acting by unanimity of the Participants.
- (d) *Proprietary Information.* The Operating Agent and the Participants shall take all necessary measures in accordance with this paragraph and the laws of the respective countries to protect proprietary information. For the purposes of this Annex proprietary information shall mean information provided within the terms of this Annex of a confidential nature such as trade secrets and know-how (for example computer programmes, design procedures and techniques, chemical compositions of materials, or manufacturing methods, processes or treatments) provided such information:
 - (1) Is not generally known or publicly available from other sources;
 - (2) Has not previously been made available to others without obligation concerning its confidentiality;
 - (3) Is not already legitimately in the possession of the recipient without obligation concerning its confidentiality.

It shall be the responsibility of each Participant supplying proprietary information to identify the information as such and to ensure that it is appropriately marked.

- (e) *Production of Relevant Information.* Where appropriate the Operating Agent should encourage the governments of all Agency Participating Countries to make available or to identify to the Operating Agent all published or otherwise freely available information known to them that is relevant to the Task. The Participants should notify the Operating Agent of all pre-existing information which is relevant to the Task and which can be made available to the Task without contractual or legal limitations.
- (f) *Arising Information.* All information developed in connection with and during activities carried out under the Task shall be provided by the Operating Agent to each Participant in the Task.
- (g) *Copyright.* Each Participant shall be entitled to a non-exclusive irrevocable, royalty-free licence in all countries to translate, reproduce and publicly distribute scientific and technical journal articles, reports and books directly arising from co-operation under this Annex. 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.
- (h) *Authors and Inventors.* Each Participant and the Operating Agent shall, without prejudice to any rights of authors or inventors under its national laws, use its best endeavours to provide the co-operation from its authors or inventors required to carry out the provisions of this paragraph. Each Participant will assume the responsibility

to pay awards or compensation required to be paid to its nationals according to the laws of its country.

- (i) *Participants.* For the purpose of this paragraph, the term "Participants" includes, in addition to initial Participants in the Task and acceding Participants, any entity or person which (1) is a member of a group of entities or persons (a "Supporting Group Member" as defined in paragraph 8 below) for which a "lead organisation" undertakes the duties of Participant within the terms of this Annex and (2) has been recognised as such by the Executive Committee, acting by unanimous agreement of those members or alternate members present and voting.

5. Contributions

The Task shall be funded by common funds which shall be established by contributions from each Participant apportioned on a basis determined by the Executive Committee, acting by unanimity of the Participants. It is currently planned that the amount of contributions to be made in each successive period of 12 months shall be as specified in Table 1 attached hereto.

The Operating Agent shall not be required to incur financial obligations or to expend funds for work under this Annex except to the extent that contributions covering such obligations or expenditure have been received by the Operating Agent.

6. Payments

- (a) The Operating Agent will keep account of all expenditures and any consequent termination costs that could be incurred. The Operating Agent shall report these in six monthly statements along with a forecast of the expenditure and consequent termination costs for the succeeding six months. The Operating Agent shall invoice the Participants in advance, pursuant to the budgets adopted by the Executive Committee, in proportion to the relevant sizes of the subscriptions determined under paragraph 5 above, where expenditure incurred for the forecast, including termination costs, exceeds the funds held for this purpose. Participants shall be liable to pay such amounts within 30 days from the date of the invoice, or such other period as may be agreed by the Executive Committee, acting by unanimity.
- (b) The Operating Agent shall prepare proposals for financial rules for consideration and, if thought fit, approval by the Executive Committee pursuant to Article 6 (c) of the Agreement.

7. Time Schedule

This Annex shall remain in force until 21 November 2009⁸. This Annex may be extended by the agreement of two or more Participants, acting in the Executive Committee, and taking into account any recommendations of the Agency's Committee on Energy Research and Technology concerning the term of this Annex, and shall thereafter apply only to those Participants.

8. Lead Organisations and Supporting Groups

- (a) A "lead organisation" undertakes the duties of a Participant. The interests of the members of a supporting group, as defined in paragraph 8 (b) below, are the concern of the lead organisation for that group.

⁸ Subject to the extension of the Implementing Agreement until at least 21 November 2009

- (b) Members of "supporting groups" are those entities or persons which support the Programme pursuant to arrangements with a lead organisation, as defined in paragraph 8 (a) above. Supporting group members are not entitled to exercise the rights and do not undertake the duties of Participants except as provided in paragraph 4 above on Information and Intellectual Property.
- (c) Lead Organisations and Supporting Group Members are as follows:

CSIRO Energy Technology, Australia

Australian Coal Research Ltd.
BHP Billiton
CO2CRC
Department of Industry, Tourism and Resources
Rio Tinto
WMC Resources Ltd.

Natural Resources Canada

CANMET Energy Technology Center

Canadian Electricity Association
Saskatchewan Energy & Mines
Alberta Energy

Coal Association of New Zealand Inc.

Ministry of Economic Development

9. Participants

The Contracting Parties which are Participants in this Task are the following:

Commonwealth Scientific and Industrial Research Organisation (CSIRO), (Australia)
The Department of Natural Resources (Canada)
The Commission of the European Communities
The Ministry of Environment and Energy, Danish Energy Agency
The National Technology Centre of Finland
L'Agence de l'Environnement et de la Maîtrise de l'Energie (ADEME), (France)
National Thermal Power Corporation Ltd. (India)
Central Electricity Authority (India)
The Energy Research Institute (India)
The New Energy and Industrial Technology Development Organization (NEDO) (Japan)
The Korea Electric Power Corporation (KEPCO)
The Ministry of Housing, Spatial Planning and the Environment (the Netherlands)
The Coal Research Association of New Zealand Incorporated
The Government of Norway
Repsol YPF (Spain)
The Swedish National Energy Administration (STEM)
The Federal Office of Energy (Switzerland)
The Secretary of State for Trade and Industry (United Kingdom)
The United States Department of Energy
The Ministry of Energy and Mines, Venezuela

TABLE 1
CONTRIBUTIONS FOR PHASE 5

The contributions for years 2, 3, 4 and 5 may be subject to escalation.

TIER	PARTICIPANTS	Year 1	Year 2	Year 3	Year 4	Year 5
1	Japan, United Kingdom, United States	£101 800	£101 800	£101 800	£101 800	£101 800
2	Australia, Canada, France	£63 600	£63 600	£63 600	£63 600	£63 600
IGO	Commission of the European Communities	£52 500	£52 500	£52 500	£52 500	£52 500
3	Netherlands, Korea	£31 800	£31 800	£31 800	£31 800	£31 800
4	Denmark, Finland, New Zealand, Norway, Sweden, Switzerland,	£12 700	£12 700	£12 700	£12 700	£12 700
Other	India, Venezuela	£5 300	£5 300	£5 300	£5 300	£5 300