AGREEMENT
between
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA
and
THE AMERICAN INSTITUTE IN TAIWAN
for TECHNICAL COOPERATION
in
CLEAN COAL AND ADVANCED POWER SYSTEMS TECHNOLOGIES

ARTICLE I - SCOPE

This Agreement provides a framework through which the Department of Energy of the United States of America, through its Fossil Energy Office of Coal Power Systems (DOE), which will act as the designated representative of the American Institute in Taiwan (AIT), can provide technical expertise and training to, and engage in scientific exchange activities with, the Ministry of Economic Affairs, Energy Commission (MOEAEC), the designated representative of the Taipei Economic and Cultural Representative Office in the United States (TECRO), on a reimbursable basis.

ARTICLE II - AUTHORIZATION

This Agreement will be carried out under the following authorities:

1. The Taiwan Relations Act of April 10, 1979, Public Law 96-6 (22 USC 3301 at seq.).
2. DOE's legal authority to enter into this agreement is as follows: Section 103(9) and Section 107(a) of the Energy Reorganization Act of 1974, as amended (42 U.S.C. 5813(9) and 5817 (a)), and Section 102(10) of the Department of Energy Organization Act of 1977 (42 U.S.C. 7112(10)).
3. A parallel Agreement between AIT and TECRO (the AIT-TECRO Agreement) enables AIT, through its designated representative, DOE, to provide technical assistance in clean coal, advanced power systems and by-product use to MOEAEC, the designated representative of TECRO.

ARTICLE III - OBJECTIVES

The broad objective of this Agreement is to establish a framework to allow DOE, acting as the designated representative of AIT, to carry out reimbursable technical cooperation with the MOEAEC acting as TECRO's designated representative. The technical objectives of the cooperation are:

1. To undertake cooperative activities that will strengthen knowledge and capabilities for utilization of improved advanced power systems and related technologies on Taiwan.

2. To provide technical assistance to plan and implement clean coal and advanced power systems for Taiwan.

3. To provide education and training for Taiwan participants identified by TECRO's designated representative MOEAEC pursuant to the AIT-TECRO Agreement.

4. To provide knowledge concerning how to structure and finance incentive programs for improved advanced power systems technologies.

5. To promote joint scientific and technical exchange programs.

6. To provide training for organizations on Taiwan in the management of research, development and technology transfer.

ARTICLE IV - COOPERATIVE ACTIVITIES

Cooperative activities under this Agreement will be determined after consultations between AIT and its designated representative, DOE, and TECRO and its designated representative, MOEAEC. Cooperation may include, but is not limited to the following:

1. Conduct of joint research projects.
2. Development of systems specifications and acquisition plans.
3. Exchange of information.
4. Exchange of scientific and technical personnel for participation in agreed research, development, analysis, design and experimental activities.
5. Organization of seminars and other meetings on agreed topics.
6. Training Taiwan participants.
7. Other forms of cooperation in the areas of improved advanced power systems, clean coal technology and by-product utilization technology as may be mutually agreed.

ARTICLE V - IMPLEMENTING ARRANGEMENTS

A. AIT and DOE will conclude Implementing Arrangements concerning specific cooperative activities to be conducted under this Agreement. Such Implementing Arrangements shall refer and be subject to the terms of this Agreement.

B. Each such Implementing Arrangement shall specify the technical scope of the activities, management responsibilities, specific funding arrangements, cost and schedule estimates, procedures to be followed, including those for review of accounts and records, treatment of intellectual property, liability and other appropriate matters.

C. All cooperative activities undertaken pursuant to specific Implementing Arrangements under this Agreement shall be subject to (a) the applicable laws, regulations, policies, and administrative procedures that govern AIT and its designated representative, DOE, and

TECRO and its designated representative, MOEAEC, respectively; and (b) the availability of appropriated funds.

ARTICLE VI - COORDINATION

Overall coordination of the activities covered by this Agreement and its Implementing Arrangements and the provision of certain administrative facilities and support for this Agreement shall be the responsibility of DOE and AIT. Responsibility for managing the specific activities undertaken, and the role of other entities in these activities, shall be determined mutually by DOE and AIT and specified in the relevant Implementing Arrangement. The Deputy Assistant Secretary for DOE's Fossil Energy Office of Coal and Power Systems and the Deputy Managing Director of AIT are designated to make these determinations and to sign Implementing Arrangements on behalf of their respective organizations.

ARTICLE VII - RESPONSIBILITIES OF DOE

A. DOE shall keep accurate and systematic accounts and records with respect to the services provided by DOE pursuant to this Agreement in such form and detail as is customary, and shall permit TECRO, or its representative, MOEAEC, to inspect same and make copies.

B. DOE shall furnish to TECRO, or its designated representative, MOEAEC, such information as may be reasonably requested related to services provided by DOE to TECRO or its designated representative, pursuant to this Agreement.

C. Upon completion of specific services, provided to TECRO, as delineated in the Implementing Arrangements to this Agreement, DOE shall deliver to TECRO, or to its designated representative, MOEAEC, copies of all reports, calculations, comments, suggestions, and relevant technical data compiled or prepared by DOE under this Agreement.

D. To the extent that funds are made available by TECRO to DOE through AIT, DOE will make available qualified personnel, equipment and facilities necessary to carry out activities pursuant to this Agreement.

E. To the extent that funds are made available by TECRO to DOE through AIT, DOE will provide all technical, administrative, and other support as may be necessary to deliver the services of its personnel who are on Taiwan under the auspices of AIT.

ARTICLE VIII - RESPONSIBILITIES OF AIT

AIT shall support activities under this Agreement by:

1. Providing guidance to DOE on consultations with representatives of TECRO, or its designated agency(ies) and facilitating such contacts.

2. Ensuring appropriate transfer of funds to DOE for reimbursable activities as defined in Implementing Arrangements to this Agreement, to the extent that such funds are made available to AIT by TECRO for this purpose.

ARTICLE IX - FINANCIAL ARRANGEMENTS

A. Activities under this Agreement shall be conducted on a fully reimbursable basis by TECRO unless other arrangements are agreed to in Implementing Arrangements to this Agreement and to the AIT-TECRO Agreement.

B. AIT shall make necessary arrangements to transfer to DOE funds made available to AIT by TECRO as reimbursements for all actual costs incurred by DOE associated with services provided under this Agreement, and DOE shall provide AIT with documentation supporting requests for reimbursement in accordance with standard DOE financial regulations and practice.

C. Pursuant to Article V, each Implementing Arrangement shall specify funding and payment arrangements for activities covered by the Implementing Arrangement and shall include an estimated budget for at least the first year of activity.

ARTICLE X - INTELLECTUAL PROPERTY

A. DOE and AIT support the widest possible dissemination of information provided, exchanged, or arising under this Agreement subject to the need to protect proprietary information, inventions, copyrights, and other intellectual property.

B. Details concerning the protection and allocation of intellectual property and the dissemination of information will be specified in each Implementing Arrangement to this Agreement.

C. Information transmitted by either Party to this Agreement to the other Party shall be accurate to the best knowledge and belief of the transmitting Party but the transmitting Party does not warrant the suitability of the information transmitted for any particular use or application by the receiving Party or by any third party. Information developed jointly by the Parties shall be accurate to the best knowledge and belief of both Parties. Neither Party warrants the accuracy of the jointly developed information or its suitability for any particular use or application by either Party or by any third party.

ARTICLE XI - LIABILITY

Except for damage to, or destruction of, U.S. Government property caused by U.S. Government personnel, AIT agrees to transfer to DOE funds made available by TECRO as reimbursement for any damage to or destruction of DOE property arising out of activities under this Agreement.

ARTICLE XII - EFFECTIVE DATE

This Agreement will become effective on the date of the last signature hereafter.

ARTICLE XIII - AMENDMENT AND TERMINATION

This Agreement, and its Implementing Arrangements, may be amended by the written agreement of DOE and AIT.

This Agreement may be terminated by either Party at any time by written notification of its intention to the other Party, and, contemporaneously, to TECRO and its designated representative, MOEAEC, at least sixty days in advance of the desired termination date. It is understood that an attempt will be made to reach mutual agreement on the termination date to allow orderly termination of activities and repatriation of personnel.

ARTICLE XIV - RESOLUTION OF DIFFICULTIES

DOE and AIT shall consult, upon request of either Party, regarding any matter related to the terms of this Agreement, and shall endeavor jointly in a spirit of cooperation and mutual trust to resolve any difficulties or misunderstandings that may arise.

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

10/23/03
Date

FOR THE AMERICAN INSTITUTE
IN TAIWAN:

2/3/04
Date