

PROTOCOL
BETWEEN
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA
AND
THE MINISTRY OF SCIENCE AND TECHNOLOGY OF
THE PEOPLE'S REPUBLIC OF CHINA
FOR COOPERATION IN THE FIELDS OF ENERGY EFFICIENCY AND
RENEWABLE ENERGY TECHNOLOGY DEVELOPMENT AND
UTILIZATION

The Department of Energy of the United States of America and the Ministry of Science and Technology of the People's Republic of China ("the Parties"):

Considering the cooperation between the countries in science and technological development pursuant to the Agreement between the Government of the United States of America and the Government of the People's Republic of China on Cooperation in Science and Technology signed on January 31, 1979, as amended and extended ("Umbrella Agreement");

Noting expiration of the Protocol between the Department of Energy of the United States of America and the State Science and Technology Commission of the People's Republic of China for Cooperation in the Fields of Energy Efficiency and Renewable Energy Technology Development and Utilization signed February 23, 1995, as extended and amended ("1995 Protocol");

Desiring to continue the cooperation undertaken under the now-expired 1995 Protocol in the fields of energy efficiency and renewable energy technology development and utilization for the mutual benefit of each Party;

Recognizing that there is a mutual interest in promoting the acceleration of scientific and technological research and development in the fields of energy efficiency and renewable energy technology, and the commercialization of technologies developed through such activities; and

Believing that such research and development will accelerate the supplementation of fossil fuels with clean energy sources and promote economic and trade cooperation;

HAVE AGREED AS FOLLOWS:

ARTICLE 1
SCOPE AND OBJECTIVE

- A. **This Protocol is subject to the Umbrella Agreement.** In the event of any conflict between the terms and conditions of the Umbrella Agreement and this Protocol, the terms and conditions of the Umbrella Agreement will govern.
- B. The objective of this Protocol is to promote technological cooperation between the Parties in the fields of energy efficiency and renewable energy technology development and utilization.

ARTICLE 2
AREAS OF COOPERATION

- A. Cooperation under this Protocol in the field of energy efficiency technology may take place in the following areas:
1. Energy conservation technology in construction;
 2. Energy conservation technology in transportation and technology for alternative automobile fuel;
 3. Energy conservation technology in industries; and
 4. Such other areas in the field of energy efficiency technology as may be mutually agreed to, in advance, in writing, by the Parties.
- B. Cooperation under this Protocol in the field of renewable energy may include the following areas:
1. Solar energy;
 2. Wind energy;
 3. Biomass energy;
 4. Geothermal energy;
 5. Ocean energy;
 6. Hydrogen energy; and
 7. Such other areas in the field of renewable energy as may be mutually agreed, in advance, in writing, by the Parties.

ARTICLE 3
FORMS OF COOPERATION

Cooperative activities undertaken pursuant to this Protocol may include the following:

- A. Exchange of technical information and data on science and technical activities and methods and results of research and development;
- B. Exchange visits concerning the design and implementation of national renewable energy technologies and energy efficiency technology, including operational procedures, management and oversight, policy analysis, technology transfer and commercialization;
- C. Organization of, and participation in, technological demonstrations and seminars and other meetings on specific mutually agreed topics;
- D. Exchanges of information concerning commercialization and market potentials;
- E. Joint projects in which the Parties agree to share the work and costs; and
- F. Such other cooperation as may be agreed by the Parties, in advance, in writing.

ARTICLE 4
PROJECT ANNEX

The Parties shall execute a Project Annex for each joint project undertaken under Article 3.E. of this Protocol. Each Project Annex, which shall be subject to this Protocol, shall contain provisions covering technical scope, exchange of proprietary information, management, total costs, cost sharing and schedule, as appropriate.

ARTICLE 5
MANAGEMENT

- A. Each Party shall name one Principal Coordinator to supervise activities under this Protocol. The Principal Coordinators shall, by correspondence, consult with each other at least annually to evaluate the status of cooperation under this Protocol. This evaluation will include review of the achievements, problems, and effectiveness of activities under this Protocol. The Principal Coordinators also will consider future program opportunities with a view to maximizing the mutual benefits of cooperation. When necessary, the Principal Coordinators shall meet to consider matters related to the implementation of this Protocol. Such meetings shall be held alternately in the United States of America and the People's Republic of China.
- B. Subject to the prior approval of the Parties, the Principal Coordinators shall appoint Project Coordinators to manage specific cooperative activities initiated under this Protocol and to establish and maintain working contacts at the staff level.

ARTICLE 6
ADDITIONAL ORGANIZATIONS

The Parties may invite additional organizations within their own countries to participate, at those organizations' own expense, and subject to such terms and conditions as the Parties may specify, in cooperative activities under this Protocol. Such organizations may become signatories to annexes to this Protocol upon agreement of both Parties in writing.

ARTICLE 7
ASSIGNMENT OF STAFF

The following provisions shall apply to assignment of staff:

- A. Each Party shall ensure that qualified staff is selected for assignment to the other Party. Each assignment of staff shall be the subject of an exchange of letters between the participating institutions.
- B. Each Party shall be responsible for its staff's salaries, insurance, and allowances, and for the travel and living expenses of its staff while on assignment to the receiving Party unless otherwise agreed, in advance, in writing, by the Parties.
- C. The receiving Party shall provide all necessary assistance to the visiting staff and their families as regards administrative formalities, such as making travel arrangements.
- D. The sending Party shall ensure that its staff conforms to the general and special rules of work and safety regulations in force at the establishment of the receiving Party, unless otherwise agreed in a separate assignment agreement.

ARTICLE 8
INTELLECTUAL PROPERTY AND INFORMATION

- A. Dissemination, use and protection of information used or generated in the activities conducted pursuant to this Protocol and its annexes, and the allocation of rights in intellectual property arising in the course of such activities shall be governed by the provisions set forth in Annex I to the Umbrella Agreement.

- B. Any scientific and technical information provided by one Party to the other Party pursuant to this Protocol shall be accurate to the best knowledge and belief of the providing Party; however, neither Party warrants the suitability of the information for any particular use or application by the receiving Party or any third party.

ARTICLE 9 AVAILABLE INFORMATION

Each Party shall make available to the other technical information that is: (1) relevant to or necessary for activities conducted under this Protocol; and (2) either in the Party's possession or available to it and which it has the right to disclose.

ARTICLE 10 SECURITY OBLIGATION

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

ARTICLE 11 COSTS

Unless otherwise agreed in writing, costs resulting from activities under this Protocol shall be the responsibility of the Party that incurs them.

ARTICLE 12 APPLICABLE LAW AND AVAILABILITY OF RESOURCES

Each Party shall conduct the activities provided for in this Protocol subject to the applicable laws and regulations of its respective country, and shall provide resources subject to the availability of its personnel and appropriated funds.

ARTICLE 13 DISPUTES

Any dispute concerning the interpretation or application of this Protocol shall be settled by consultation of the Parties.

ARTICLE 14 GENERAL PROVISIONS

- A. This Protocol shall enter into force upon signature and, subject to paragraph D of this Article, shall remain in force for five (5) years.
- B. This Protocol may be amended or extended by written agreement of the Parties.
- C. The Parties may agree to continue until completion all activities initiated but not completed at the expiration of this Protocol.

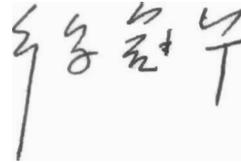
D. Either Party may terminate this Protocol at any time upon six (6) months advance written notice to the other Party.

DONE at Beijing, this 15th day of December, 2006, in duplicate, in the English and Chinese languages, each text being equally authentic.

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

Handwritten signature of Samuel W. Bodman in black ink.

FOR THE MINISTRY OF SCIENCE AND
TECHNOLOGY OF THE PEOPLE'S
REPUBLIC OF CHINA:

Handwritten signature in Chinese characters: 王 明 远 (Wang Mingyuan).