### No. 13972

## UNITED STATES OF AMERICA and POLAND

Agreement on funding of cooperation in science and technology (with related letters). Signed at Washington on 8 October 1974

Authentic texts of the Agreement: English and Polish.

Authentic text of the related letters: English.

Registered by the United States of America on 7 May 1975.

## ÉTATS-UNIS D'AMÉRIQUE et POLOGNE

Accord relatif au financement de la coopération en matière de science et de technologie (avec lettres connexes). Signé à Washington le 8 octobre 1974

Textes authentiques de l'Accord : anglais et polonais.

Texte authentique des lettres connexes : anglais.

Enregistré par les États-Unis d'Amérique le 7 mai 1975.

AGREEMENT' BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE POLISH PEOPLE'S REPUBLIC ON FUNDING OF COOPERATION IN SCIENCE AND TECHNOLOGY

The Government of the United States of America and the Government of the Polish People's Republic,

Desiring to further the purposes of the Agreement on cooperation in science and technology of October 31, 1972, between the two Governments by providing for the funding of joint cooperative research projects and activities during a specified period, and

Expressing the interest of both sides in extending a period of mutual cooperation in science and technology as well as in broadening its scope,

Have agreed as follows:

- Article I. 1. The Governments agree to establish the Marie Sklodowska-Curie Fund to finance joint scientific and technological research projects and other joint scientific and technological activities such as studies and investigations; courses, conferences, and symposia, exchange of scientists, specialists, and researchers; exchange of information and documentation, and other forms of scientific and technological cooperation as may be mutually agreed.
- 2. To create this Fund and subject to its legal budgetary requirements, the Government of the United States will make every effort to have agencies of the United States Government deposit 558 million zlotys into the Fund no later than September 30, 1978, in four annual and approximately equal installments. Subject to its legal budgetary requirements, the Government of the Polish People's Republic will make deposits into the Fund in the equivalent amount consistent with its budgetary procedures but no later than seven months after the completion of the total United States annual installment.
- 3. This Fund shall be established by the two Governments in an account in the Polish National Bank in Warsaw in the name of the Joint Board established pursuant to article II of this Agreement.
- 4. The agencies of the United States Government will commence making deposits into the Joint Fund on entry into force of this Agreement. As soon as possible after January 1, 1975, the Government of the Polish People's Republic will deposit in the Joint Fund an amount equal to the total amount deposited by agencies of the United States Government in the Fund through December 31, 1974.
- 5. With respect to any amount contributed to the Fund by an agency of the Government of the United States of America, at least an equal amount shall be made available from the Fund for projects or other activities falling within the purview of the legislative and appropriation authority of the particular agency.

Article II. The Governments agree to establish the United States-Polish Joint Board to perform the duties hereinafter specified.

<sup>&</sup>lt;sup>1</sup> Came into force on 8 October 1974 by signature, in accordance with article VIII.

<sup>&</sup>lt;sup>2</sup> United Nations, Treaty Series, vol. 911, p. 27.

- Article III. 1. The Joint Board shall consist of six members, three of whom shall be designated by and serve at the pleasure of, the Government of the United States of America and three of whom shall be designated by, and serve at the pleasure of, the Government of the Polish People's Republic.
- 2. Each Government may designate one or more alternate members to serve in the absence of one or more permanent members.
  - 3. Members of the Joint Board shall serve without compensation.
- 4. The Joint Board shall meet annually, and as required, alternately in the United States of America and Poland.
- 5. The Joint Board shall act by unanimous vote. A representative of the country in which the Joint Board meets serves as Chairman.
- 6. Each Government shall bear the travel and other expenses of its members of the Joint Board.
- Article IV. 1. The Joint Board shall establish the broad areas of research and the total amounts of financing in particular fields, taking into account preferences and priorities of both sides as periodically expressed in the review provided for in article 4 of the October 31, 1972 Agreement on Cooperation in Science and Technology.
- 2. In deciding on the question of expected total expenditures for scientific and technological cooperation for the coming budgetary year the Joint Board shall take into account total financial resources put aside by both sides for the whole period of duration of this Agreement as well as the need to provide continuous growth in joint research efforts and to include new areas.
- 3. The Joint Board shall establish in the immediate future a common grant document setting out general rules and terms as well as agreed account methods and definitions under which the institutions of both countries will conclude agreements for particular research projects. In working out this document the Joint Board shall use, as far as feasible, the best forms used previously by United States and Polish agencies. Until a common grant document is agreed upon, existing documents, procedures and practices will remain as at present.
- 4. Budgetary procedures on the part of the United States agencies involved will remain the same as at present. Accordingly, the agencies will continue to apply those procedures in the same manner for budgetary means for research projects in Poland, and the agencies will continue in the same manner to work out and conclude contracts with the proper institutions in Poland for the conduct of research projects.
- Article V. 1. The Joint Board shall be responsible for approving from the fiscal and budgetary standpoints all documents committing or disbursing monies from the Fund. This responsibility can be exercised in any manner prescribed by the Joint Board. Obligations may be incurred against, and expenditures made from, the Fund only upon the express authority of the Joint Board. Obligations must be consistent with the provisions of article I, paragraph 4.
- 2. In order to keep itself fully informed of the scope and pace of programs in various fields, the Joint Board will receive copies of all grant documents.
- 3. Reports on the activities of the Joint Board and on the projects financed under this Agreement shall be made annually to the Secretary of State of the United States of America and the Minister of Science, Higher Education and Technology of the Polish People's Republic.

- 4. The Joint Board shall possess only such authority and have only such responsibilities as are necessary to the implementation of this Agreement and are in conformity with existing law in both countries.
- Article VI. 1. Until September 30, 1978, all international travel and travel-related costs incurred under all activities conducted under this Agreement shall be paid in the same manner as envisaged and agreed upon in the exchange of letters of October 1972' between the Assistant Secretary of State for European Affairs of the United States of America and the Vice Minister of Finance of the Polish People's Republic.
- 2. Both Governments will make their best efforts to work out an arrangement on travel costs before September 30, 1978, which would be applicable for the remaining period of this Agreement.
- Article VII. 1. Regardless of the joint financing system, as provided in this Agreement, both sides will encourage their agencies and institutions to conduct joint scientific research directly financed on conditions and principles such as may be agreed between them with relation to individual projects.
- Article VIII. This Agreement shall enter into force upon signature and shall remain in force until December 31, 1981. It may be modified, extended or terminated by mutual agreement of the Parties. The expiration of this Agreement shall not affect the implementation of arrangements made under it, unless otherwise agreed.

Done at Washington this eighth day of October, 1974, in duplicate, each in the English and Polish languages, both equally authentic.

For the Government of the United States of America:

[Signed]
HENRY A. KISSINGER
Secretary of State

For the Government of the Polish People's Republic:

[Signed]

MIECZYSLAW JAGIELSKI
Deputy Prime Minister,
Chairman
of the Planning Commission

#### RELATED LETTERS

I

DEPARTMENT OF STATE WASHINGTON, D.C.

Bureau of International Scientific and Technological Affairs

October 7, 1974

#### Dear Dr. Chowaniec:

During negotiation of the US-Polish Agreement on the Funding of Cooperation in Science and Technology of October 8, 1974, you asked how we calculated the

United Nations, Treaty Series, vol. 927, p. 3.

figure of zlotys included in article I, paragraph 2. The figure was arrived at as follows:

During the U.S. fiscal years 1974 through 1978, U.S. agencies were expected to have available for the US-Polish science program approximately \$30.8 million in zloty equivalent. In FY 1974, United States agencies obligated \$9.7 million in zloty equivalent, leaving an uncommitted balance of \$21.1 million. To this amount there has been added an additional \$10 million in zloty equivalent for energy and energy-related research, making a total of \$31.1 million. From this balance were deducted \$3.1 million in zloty equivalent for purposes of travel and other anticipated costs to be paid directly by the United States agencies engaged in the US-Polish science program. There remained a balance of about \$28.0 million. All dollar equivalent amounts above represent fixed amounts of zlotys, with the dollar equivalent computed at the official Polish rate of 19.92 zlotys to the dollar, the rate at which the U.S. Government understands it can buy zlotys for dollars from Polish banking facilities.

During the negotiations we explained also that most United States funding agencies authorities permit grants to Polish institutions while some permit or limit grants to U.S. institutions. To accommodate the latter agencies, it is understood that the Joint Board will also grant funds under these circumstances to U.S. institutions which have achieved agreement with their Polish counterparts in accordance with agreed procedures and that funds to cover agreed costs of non-Polish participants in such agreed projects will be disbursed to designated representatives of the U.S. grantee. (Other funds would be disbursed to the Polish institution.) All funds granted to American institutions and deposited in the Joint Fund will be spent in Poland. You indicated that you understood this and that the Board would act in conformity with the foregoing.

During the negotiations we also reached understanding that in accordance with article IV a US Government agency desiring to sponsor a particular research project or other activity to be financed by the Joint Fund will work out with the Polish agency and/or research institution the terms or conditions of each such project or activity and will then prepare and sign the grant or support documents which will then be transmitted to the grantee tor signature through the facilities of the Department of State, the American Embassy at Warsaw and the appropriate Polish authorities. The documents will then be forwarded to the Joint Board Treasurer for Joint Board fiscal validation, and indicated obligation and expenditures of funds.

It was further mutually understood and agreed during negotiations that upon the deposit in the Joint Fund by U.S. Government agencies of zloty funds granted to a research institution, the Joint Board will assume as an obligation or mandatory requirement the disbursement of an equivalent amount of funds to the institution under the terms and conditions prescribed in the grant document.

We confirm our understanding that article I, paragraph 2 of the Agreement requires the U.S. Government to make every effort, subject to legal budgetary requirements, to have deposited in the fund the zloty amount stated, to make every effort to effect the full deposit of this amount no later than September 30, 1978, as well as to make every effort to effect the deposit in four annual and approximately equal installments. We further understand the intent of the provision for four equal installments is not to be construed as preventing U.S. Government agencies from

depositing more than twenty-five percent of the four-year total deposit in any one of the first three years, with offsetting reductions below twenty-five percent in subsequent years.

Sincerely,

[Signed]
OSWALD H. GANLEY
Director, Soviet and Eastern European
Science and Technology Programs Directorate

Dr. Jan Chowaniec
Senior Economic Advisor
to the Minister of Foreign Affairs
c/o Polish Embassy
Washington, D. C.

II

# EMBASSY THE POLISH PEOPLE'S REPUBLIC WASHINGTON, D.C.

Washington, D.C., October 8, 1974

Dear Dr. Ganley,

I would like to confirm the receipt of your letter of October 7, 1974, explaining the method of calculation of figures in zlotys, which the U.S. Government intends to place into the Joint Fund, established pursuant to the Polish-U.S. Agreement on the Funding of Cooperation in Science and Technology of October 8, 1974, as well as a few other matters.

I am pleased to confirm our understanding with respect to the amounts, which the U.S. side intends to allocate to the Joint Fund.

With respect to procedural matters raised in your letter, I think your explanations are correct in the light of the present practice. However, I think that the Joint Board will have the power, in accordance with the provisions of the Agreement, to work out such procedures as it will consider to be most appropriate.

Sincerely,

[Signed]

Dr. Jan Chowaniec Senior Economic Advisor to the Minister of Foreign Affairs

Dr. Oswald H. Ganley Director, Soviet and Eastern European Science and Technology Programs Directorate Department of State Washington, D.C.