

No. 16563

UNITED STATES OF AMERICA
and
HUNGARY

Agreement on scientific co-operation. Signed at Budapest on 7 July 1972

Exchange of letters constituting an agreement amending the above-mentioned Agreement. Washington, 20 December 1974, and Budapest, 7 July 1976

Exchange of letters constituting an agreement amending and extending the above-mentioned Agreement of 7 July 1972, as amended. Budapest, 17 May 1977, and Washington, 27 June 1977

Authentic text: English.

Registered by the United States of America on 27 April 1978.

ÉTATS-UNIS D'AMÉRIQUE
et
HONGRIE

Accord de coopération scientifique. Signé à Budapest le 7 juillet 1972

Échange de lettres constituant un accord modifiant l'Accord susmentionné. Washington, 20 décembre 1974, et Budapest, 7 juillet 1976

Échange de lettres constituant un accord modifiant et prorogeant l'Accord susmentionné du 7 juillet 1972, tel que modifié. Budapest, 17 mai 1977, et Washington, 27 juin 1977

Texte authentique : anglais.

Enregistré par les États-Unis d'Amérique le 27 avril 1978.

AGREEMENT¹ ON SCIENTIFIC COOPERATION BETWEEN THE NATIONAL SCIENCE FOUNDATION OF THE UNITED STATES OF AMERICA AND THE INSTITUTE FOR CULTURAL RELATIONS OF THE HUNGARIAN PEOPLE'S REPUBLIC

I. FOREWORD

The National Science Foundation of the United States of America and the Institute for Cultural Relations of the Hungarian People's Republic, recognizing the mutual benefit which may be derived by expanding the present scientific and technological relationships between the two countries, have agreed to the following program of scientific and technological cooperation.

II. PRINCIPLES

(1) The aim of this cooperative program is to increase interchange and cooperation between scientists, engineers, scholars and institutions of research and higher learning of the two countries, and to provide them with more opportunities to exchange information, ideas, skills and techniques, to attack problems of common interest and to utilize facilities and equipment available in both countries for scientific research.

(2) The scope of the cooperation will cover all branches of science and technology, including basic and applied aspects of the natural sciences and mathematics and the engineering sciences, but excluding topics in the clinical medical sciences, business administration, and education.

(3) Joint scientific work will be conducted between scientific institutions of the two parties by scientists working together in the laboratories of each country. The two countries will share activities and costs of the program according to the description set forth below.

(4) The parties to this agreement will be responsible for the over all coordination of the program. The parties will from time to time designate governmental scientific agencies, hereinafter referred to as participating agencies, to participate in the program on behalf of institutions, laboratories, installations, scientific societies, or other bodies within the agencies' established purview. Proposed projects or activities originating from scientists working at institutions, organizations and other bodies which are represented by the responsible participating agencies will be incorporated into the program only upon approval of the participating agencies designated in each country. Such approval may be given only to projects meeting the program guidelines established in each country by the parties to this agreement.

(5) To the maximum extent possible consistent with sound management, projects will be formulated and developed by direct contact between interested scientists of the two countries. Proposals for joint activities are to be presented to the appropriate participating agency designated in each country.

(6) Program policy matters will be transacted directly between the parties. Normal program business dealing with specific scientific projects or activities may be conducted between the participating agencies designated by the parties.

¹ Came into force on 7 July 1972 by signature, in accordance with part VI.

(7) The parties agree that for each program activity a contribution of some kind will be made by each side. In this paragraph, and in the remainder of this agreement, the expression "side" is understood to refer to the party, the participating agencies, or the scientists and institutions concerned in one of the two countries. Although the contribution to each project from each side should be as equitable as possible, this provision does not imply any precise matching of funds, manpower or facilities for each project.

(8) Obligations assumed by the participating agencies will be subject to the availability of funds.

(9) Both parties will seek to facilitate, to the extent feasible, through collaboration with the appropriate competent authorities, the granting of visas and other forms of official permission for entry to and exit from its territory of personnel, equipment, and supplies from the other country when required for participation or utilization in a joint research project approved by the responsible agencies of both countries.

(10) Scientific and technical information derived from an activity under this agreement shall be made available to the world's scientific community through customary channels and in accordance with normal scientific procedures.

III. PROGRAM

(1) The program will emphasize the pursuit of joint research projects. However, other activities related to research will also be encouraged, such as the exchange of personnel within approved research projects, the convening of small research-oriented joint seminars for discussion and exchange of scientific information, and short visits by scientists to consult and plan cooperative activity.

(2) A cooperative research project will be designed jointly by interested scientists of both countries. Written proposals describing the intended research will be submitted by the scientists' institutions to the appropriate participating agency in their respective countries, where the proposals will be evaluated in the normal way to determine the scientific merit of the suggested cooperative project. The proposal should include a description of the scientific project, the nature of the cooperative activities to be undertaken, a list of participants with biographical and bibliographical data, a budget showing the expected costs, the proposed starting date, and the proposed duration necessary for its implementation. The proposal should be submitted as far as possible in advance of the proposed starting date, routinely six months in advance. Research projects will initially be approved on a one- or two-year basis.

(3) Joint seminars will be research oriented and usually focused on only one topic. They may be held in either country, will be small in size with about five to ten participants from each country, and will be of short duration, typically three to five days in length. Written proposals for seminars should be prepared jointly by scientists or institutions from each country. After proper communication between them on the terms of reference of the meeting, interested scientists will submit their proposals to the appropriate participating agency in each country for evaluation, normally six months before the proposed meeting date.

(4) Travel funds may be awarded to scientists of either country to visit laboratories in the other country to consult and plan cooperative research activities with their scientific colleagues. Such visits will usually be no longer than two weeks in duration. Written proposals outlining the need for the travel will be evaluated by the participating agencies concerned.

IV. PROCEDURES

(1) Scientists from either country may initiate correspondence with colleagues from the other country to determine possible interest in developing a cooperative project. In appropriate cases the parties and participating agencies will attempt to identify specialists in the two countries who might have common research interests.

(2) Written proposals describing the proposed cooperative activity should be submitted through the scientists' institutional channels to the appropriate participating agencies in their respective country. The agencies will independently evaluate the proposal, determine if funding is available, and exchange pertinent information about the proposals with a view to reaching agreement on which projects will be approved. Projects must be approved by participating agencies in both countries before they may be included in the cooperative science program established by this agreement.

(3) Agreement on specific projects will be confirmed by an exchange of letters between the participating agencies. The letter will be accompanied by a short description of the project and its title, a list of participating scientists, an estimate of the funds to be dedicated to the project, and the agreed starting date and duration.

(4) Scientists and their institutions will be responsible for the performance of the research and other related scientific activities, and for the proper use of funds as outlined in the proposal. The scientists of each country will be responsible for reporting on the status and progress of projects through regularly established channels in their country.

(5) By mutual agreement the parties may establish additional procedures and administrative arrangements as necessary.

V. FINANCIAL PROVISIONS

(1) For cooperative research projects, each side will support the basic costs of research performed within its territory. This may include, for example, the salaries of its own scientists, technicians and research-support staff, equipment, supplies, domestic travel and computer costs. When an exchange of personnel takes place as part of a joint research project, the sending side will support the international travel of its own participants traveling between cooperating laboratories, and the receiving side will provide, or meet the expense of, the following necessities for each foreign visitor: lodging; subsistence; domestic transportation connected with his scientific research; and medical services. Lodging will be appropriate to the professional level of the visiting scientist and, as far as possible, to the needs of his accompanying family.

(2) For joint seminars, the side serving as host for the meeting provides domestic travel and local living expenses for both foreign visitors and its own participants, meeting room and other administrative expenses in connection with the seminar, and interpreter costs, if necessary. The sending side is responsible for the international travel of its own participants.

(3) For short-term visiting scientists from one country traveling to the other country for consultation or research planning purposes, the sending side provides the international travel of its own participants, and the receiving side is responsible for domestic travel and local living expenses of the foreign visiting scientists.

(4) The level of living expenses provided to foreign visitors by the receiving side will be separately agreed upon by the parties.

VI. DURATION

This agreement will come into effect upon its signature by the duly authorized representatives of both parties, and will be in effect for a period of five years from the date of signature. This agreement may be terminated at any time upon notice by one party to the other at least three months in advance. By mutual consent of the parties, this agreement may be renewed for additional periods of five years, and may at any time be modified. It is agreed that no expiration, termination or modification of this agreement will interrupt or forestall already approved projects.

It is further agreed that representatives of the parties and the participating agencies will meet periodically as necessary, but not less than every two years, to evaluate the activities of this program, to consider program modifications, and to exchange information on budgets, changed priorities and other administrative matters.

DONE at Budapest, the seventh day of July, 1972, in two originals in the English language.

For the National Science Foundation
of the United States of America:

T. B. OWEN

For the Institute for Cultural Relations
with Foreign Countries of the Hun-
garian People's Republic:

ROSTA ENDRE

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND THE HUNGARIAN PEOPLE'S REPUBLIC AMENDING THE AGREEMENT
OF 7 JULY 1972² ON SCIENTIFIC COOPERATION

I

*The American Director, National Science Foundation, to the Hungarian President,
Institute for Cultural Relations*

NATIONAL SCIENCE FOUNDATION
WASHINGTON, D.C.

NSF
Office of the Director

December 20, 1974

Dear Dr. Rosta:

Under the terms of the Agreement on Scientific Cooperation between the Institute for Cultural Relations of the Hungarian People's Republic and the National Science Foundation of the United States of America, signed at Budapest the seventh day of July 1972,² I am pleased to affirm the acceptance by the National Science Foundation of an amendment to that Agreement. By this amendment, the present section VI, Duration, becomes section VII, and a new section VI is inserted:

VI. INVENTIONS AND PATENTS

With respect to rights in and to inventions conceived or first reduced to practice during the course of any project or activity conducted under this program (hereinafter referred to as "subject inventions"), the parties agree that the following principles shall govern the equitable allocation of rights between the two sides and that any agreements between collaborating participants shall conform to these principles unless otherwise approved by both parties. Each party will take such steps as are necessary to insure that participants from its side are aware of and able to conform to these principles at the time any project or activity is initiated.

- (1) With respect to any subject invention which is or may be patentable, jointly conceived or first reduced to practice by collaborating participants of the two sides in the course of any activity carried out under this agreement, the parties agree (i) that each of the parties will have the sole right to control the disposition of all rights in the subject invention within its territory, and the other party agrees to take such steps as are necessary to assure that such party receives such sole right, and (ii) that either party or its designee may seek to obtain patents in third countries. Whenever a patent application is

¹ Came into force on 7 July 1976, the date of the letter in reply, in accordance with the provisions of the said letters.

² See p. 220 of this volume.

filed in a third country, the other party shall be notified as soon as possible (but in any case not more than one year after the filing) and such other party shall, upon request made within one year after such notice is given, be granted, at a minimum, an irrevocable, royalty-free, nonexclusive license, with right to sublicense, to practice the subject invention in the third country; provided, that the requesting party must agree to reimburse the applicant for patent for one half of the costs incurred and that may be incurred in the future for filing, prosecuting and maintaining the patent application or patents resulting therefrom in the third country. Nothing in this paragraph, however, should be construed as precluding agreement between participant institutions or scientists of the two sides on procedures for the patenting of inventions in third countries and on the licensing, marketing and sharing of royalties of inventions patented in third countries; provided that any such agreements between participants will be subject to any rights retained by either party in inventions of participants of its side by reason of the party's support of the participants, and provided further that any such agreements shall require the approval of the financially contributing parties.

- (2) With respect to a subject invention which was conceived or reduced to practice by a participant of one country during the course of a visit to the other country, the party of the inventing participant agrees that the host party shall have a royalty-free, nonexclusive, irrevocable license, with right to sublicense, to practice any such subject invention within the territory of the host party.
- (3) The fact that rights in a subject invention are conferred on either party in accordance with this agreement is not meant to give that party rights in any other inventions that are not subject inventions.

This amendment shall enter into force upon the date of a letter of the Institute for Cultural Relations by which the Institute for Cultural Relations expresses its acceptance of the contents of this letter of the National Science Foundation.

Our joint acceptance and approval of this amendment will signify, I believe, an additional step in the development of mutually beneficial cooperative relations between our countries in science and technology.

Sincerely yours,

[Signed]

H. GUYFORD STEVER
Director

Dr. Endre Rosta
Institute for Cultural Relations
Budapest, Hungary

II

INSTITUTE FOR CULTURAL RELATIONS
BUDAPEST

July 7, 1976

Dear Dr. Stever,

I have the pleasure to inform you that the Institute for Cultural Relations has accepted the amendment "Inventions and Patents" to the Agreement on Scientific Cooperation between the Institute for Cultural Relations of the Hungarian People's Republic and the National Science Foundation of the United States of America, signed at Budapest July 7, 1972.

As proposed in your letter of December 20, 1974, the present section VI, Duration, becomes VII, and the section Inventions and Patents will be the new section VI. The new section VI has been accepted in the wording proposed in your letter referred to above. This is also to confirm that this amendment enters into force upon the date of our present letter.

Let me express our sincere hope that our joint acceptance and approval of this amendment will contribute to the further development of mutually beneficial cooperative relations between our two countries.

Sincerely yours,

[Signed]

ENDRE ROSTA
President

Dr. H. Guyford Stever
Director
National Science Foundation
Washington, D.C.

EXCHANGE OF LETTERS CONSTITUTING AN AGREEMENT¹
BETWEEN THE UNITED STATES OF AMERICA AND THE HUNGARIAN PEOPLE'S REPUBLIC AMENDING AND EXTENDING THE AGREEMENT OF 7 JULY 1972 ON SCIENTIFIC CO-OPERATION, AS AMENDED²

I

INSTITUTE FOR CULTURAL RELATIONS
BUDAPEST

55.007-4/77

Dear Mr. Atkinson,

In accordance with our personal discussions with your officials in December 1976 in Budapest, I would like to initiate the renewal of the Agreement on Scientific Cooperation between the Institute for Cultural Relations of the Hungarian People's Republic and the National Science Foundation of the United States of America, signed at Budapest, July 7, 1972,² and due to expire on July 7, 1977, for a further period of five years.

May we suggest that we keep the wording of the original Agreement with the amendment regarding Inventions and Patents that entered into force on July 7, 1976. As regards Section V, Paragraph 2, we are ready to accept the principle expressed in your letter of December 29, 1976, and suggest to replace the wording of this paragraph with the following one:

(2) For joint seminars, the side serving as host for the meeting provides domestic travel organized as part of the seminar activity, local living expenses for both foreign visitors and its own participants, meeting room and other administrative expenses in connection with the seminar, and interpreter costs, if necessary. The sending side is responsible for the transportation for its own nationals to and from the site of the seminar.

Considering rising living costs and inflation and in order to provide better financial conditions for the visitors of both countries, may we suggest to modify the rates stated in Appendix 1 of our Agreement* as follows:

- a. Visits of one month or less: In Hungary Ft 350 per day, in the USA \$25 per day;
- b. Visits of 3-12 months: to the visiting scientist in Hungary Ft 7000 per month, in the USA \$600 per month.

Allowances to be paid for accompanying members of the family would remain unchanged.

The above rates would correspond to those suggested by the Hungarian side for visitors under the Program of Cooperation and Exchanges between the Government

* Not printed.

¹ Came into force on 27 June 1977 by exchange of letters, with effect from 7 July 1977, in accordance with the provisions of the said letters.

² See pp. 220 and 224 of this volume.

of the United States of America and the Government of the Hungarian People's Republic in Science and Technology.

As our present Agreement is due to expire on July 7, 1977, may we suggest that the renewed Agreement enters into force on the same day and remains in force for a period of five years, that is, until July 7, 1982.

Let me express our sincere hope that the renewal of our Agreement on Scientific Cooperation will contribute to the further development of mutually beneficial cooperative relations between our two countries.

Sincerely yours,

17th May 1977.

[Signed]
RUDOLF RÓNAI
President

Mr. Richard C. Atkinson
Director
National Science Foundation
Washington, D.C.
U.S.A.

II

*The American Director, National Science Foundation, to the Hungarian President,
Institute for Cultural Relations*

June 27, 1977

Dear Dr. Rónai:

Thank you for your letter of May 17, 1977, concerning the renewal and amendment of the Agreement on Scientific Cooperation between the National Science Foundation (NSF) of the United States of America and the Institute for Cultural Relations (KKI) of the Hungarian People's Republic.

I agree with your suggestion that the wording of Section V, Paragraph 2, of the original Agreement be replaced with the following one:

"2. For joint seminars, the side serving as host for the meeting provides domestic travel organized as part of the seminar activity, local living expenses for both foreign visitors and its own participants, meeting room and other administrative expenses in connection with the seminar, and interpreter costs, if necessary. The sending side is responsible for the transportation for its own nationals to and from the site of the seminar."

I also agree that the rates for living expenses to be paid in addition to actual lodging costs for visiting scientists set up in Appendix 1 to the Agreement be changed as follows:

"a. Visits of one month or less: in Hungary Ft 350 per day, in the U.S.A. \$25 per day.

“*b.* Visits of 3-12 months: to the visiting scientists in Hungary Ft 7,000 per month, in the U.S.A. \$600 per month.”

Finally, recognizing that the programs of scientific cooperation between NSF and KKI have been satisfactory and beneficial to both organizations, and desiring to continue this mutually beneficial cooperation, I agree that the said Agreement on scientific cooperation of July 7, 1972 (and subsequent amendment thereto), be extended for a period of five years, through July 7, 1982, or until terminated by either party pursuant to Article VII, “Duration,” of said Agreement.

Sincerely yours,

[Signed]

RICHARD C. ATKINSON
Director

Dr. Rudolf Rónai
President
Institute for Cultural Relations
Budapest, Hungary
