

No. 20845

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**UNITED STATES OF AMERICA  
and  
FINLAND**

**Memorandum of Understanding for co-operation in energy  
research and development. Signed at Washington on  
6 November 1980**

*Authentic text: English.*

*Registered by the United States of America on 1 March 1982.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
FINLANDE**

**Mémoire d'accord relatif à la coopération à la recherche-développement dans le domaine de l'énergie. Signé  
à Washington le 6 novembre 1980**

*Texte authentique : anglais.*

*Enregistré par les États-Unis d'Amérique le 1<sup>er</sup> mars 1982.*

## MEMORANDUM OF UNDERSTANDING<sup>1</sup> BETWEEN THE UNITED STATES DEPARTMENT OF ENERGY AND THE FINNISH MINISTRY OF TRADE AND INDUSTRY FOR COOPERATION IN ENERGY RESEARCH AND DEVELOPMENT

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Whereas

The United States Department of Energy (DOE) and the Finnish Ministry of Trade and Industry (MTI), hereinafter called the "Parties", or their designated representatives, have a mutual interest in intensifying the rational use of energy and in developing alternative energy sources;

DOE and MTI believe that a program of close and long-term cooperation in energy research and development would be of mutual benefit;

DOE and MTI recognize the contribution such research and development can make to improving the environment; and

DOE and MTI recognize the need to establish procedures for the protection of proprietary information in connection with their cooperative activities.

It is agreed as follows:

*Article 1.* 1. Cooperation under this Memorandum of Understanding shall be directed toward finding solutions to mutually agreed problems connected with intensifying the rational use of energy and with the design, development, construction and operation of alternative energy systems, and toward the exchange of information developed during the resolution of these problems.

2. Cooperation between the Parties shall be on the basis of mutual benefit, equality and reciprocity.

3. Cooperation under this Memorandum of Understanding shall not preclude multilateral cooperative activities in energy research and development in which the respective countries of each Party may participate.

*Article 2.* The fields of cooperation covered by this Memorandum of Understanding may include:

1. Peat technology.
2. Biomass technology, including the use of wood.
3. District heating technology.
4. Combined production of power and heat.
5. Rational use and conservation of energy in buildings, communities and industries.
6. Low head hydro power technology.
7. Petroleum storage in underground rock caverns.

The above list does not indicate any priority order for the fields of cooperation.

Other fields of cooperation may be added by mutual written agreement.

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<sup>1</sup> Came into force on 6 November 1980 by signature, in accordance with article 15.

*Article 3.* Cooperation in accordance with this Memorandum of Understanding may include, but is not limited to, the following forms:

1. Exchange of scientists, engineers and other specialists for participation in agreed research, development, analysis, design and experimental activities conducted in research centers, laboratories, engineering offices and other facilities and enterprises of each of the Parties or its contractors for agreed periods. Such exchanges of staff shall be in accordance with article 10 of this Memorandum of Understanding;
2. Exchange of samples, materials, instruments and components for testing;
3. Exchange, on a current basis, of scientific and technical information, and results and methods of research and development;
4. Organization of seminars and other meetings on specific agreed topics in the fields listed in article 2. Such seminars shall normally be held alternately in the United States and in Finland for each topic;
5. Joint projects in which the Parties agree to share the work and/or costs. Each such joint project shall be the subject of a separate agreement pursuant to article 4 of this Memorandum of Understanding.

Other specific forms of cooperation may be added by mutual written agreement.

*Article 4.* If it is decided that a joint project is to be established under this Memorandum of Understanding, a project agreement between the Parties shall be executed. Each such project agreement shall include all detailed provisions for carrying out that joint project, and shall cover such matters as technical scope, exchange of proprietary information, management of the cooperation, patents, exchange of equipment, total costs, cost sharing between the Parties, project schedule, and information disclosure specific to the particular joint project.

*Article 5.* 1. To supervise the execution of this Memorandum of Understanding, each Party shall designate one person to serve as a Technical Coordinator for each of the technical fields or groups of related technical fields listed in article 2 of this Memorandum of Understanding. The Technical Coordinators shall normally meet each year alternately in the United States and in Finland.

2. At their meetings, the Technical Coordinators shall evaluate the status of cooperation under this Memorandum of Understanding. This evaluation shall include a review of the past year's activities and accomplishments and of the activities planned for the coming year within each of the technical fields or groups of related technical fields listed in article 2, an assessment of the balances of exchanges within each of the technical fields or groups of related technical fields listed in article 2, and a consideration of measures required to correct any imbalances. In addition, the Technical Coordinators shall consider and act on any major new proposals for cooperation.

3. To supervise the execution of joint projects or programs established under this Memorandum of Understanding, appropriate management provisions shall be included in the project agreements executed under article 4 of this Memorandum of Understanding.

*Article 6.* 1. GENERAL. The Parties support the widest possible dissemination of information provided or exchanged under this Memorandum of Under-

standing, subject to the need to protect proprietary information exchanged hereunder, and to the provisions of article 8.

2. USE OF PROPRIETARY INFORMATION. A. Definitions as used in this Memorandum of Understanding:

(i) The term "information" means scientific or technical data, results or methods of research and development, and any other information intended to be provided or exchanged under this Memorandum of Understanding.

(ii) The term "proprietary information" means information which contains trade secrets or commercial or financial information which is privileged or confidential, and may only include such information which:

- a) Has been held in confidence by its owner;
- b) Is of a type which is customarily held in confidence by its owner;
- c) Has not been transmitted by the transmitting Party to other entities (including the receiving Party) except on the basis that it be held in confidence; and
- d) Is not otherwise available to the receiving Party from another source without restriction on its further dissemination.

B. Procedures. (i) A Party receiving proprietary information pursuant to this Memorandum of Understanding shall respect the privileged nature thereof. Any document which contains proprietary information shall be clearly marked with the following (or substantially similar) restrictive legend:

"This document contains proprietary information furnished in confidence under a Memorandum of Understanding dated ..... between the United States Department of Energy and the Finnish Ministry of Trade and Industry and shall not be disseminated outside these organizations, their contractors, licensees and the concerned departments and agencies of the Governments of the U.S. and Finland without prior approval of .....

"This notice shall be marked on any reproduction, hereof, in whole or in part. These limitations shall automatically terminate when this information is disclosed by the owner without restriction."

(ii) Proprietary information received in confidence under this Memorandum of Understanding may be disseminated by the receiving Party to:

- a) Persons within or employed by the receiving Party, and other concerned Government departments and Government agencies in the country of the receiving Party; and
- b) Prime or subcontractors of the receiving Party located within the geographical limits of the receiving Party's nation, for use only within the framework of their contracts with the receiving Party in work relating to the subject matter of the proprietary information;

provided, that any proprietary information so disseminated shall be pursuant to an agreement of confidentiality and shall be marked with a restrictive legend substantially identical to that appearing in sub-paragraph 2.B(i) above.

(iii) With the prior written consent of the Party providing proprietary information under this Memorandum of Understanding, the receiving Party may disseminate such proprietary information more widely than otherwise permitted in the foregoing subsection (ii). The Parties shall cooperate with each other in

developing procedures for requesting and obtaining prior written consent for such wider dissemination, and each Party will grant such approval to the extent permitted by its national policies, regulations and laws.

C. Each Party shall exercise its best efforts to ensure that proprietary information received by it under this Memorandum of Understanding shall be controlled as provided herein. If one of the Parties becomes aware that it will be, or may reasonably be expected to become, unable to meet the non-dissemination provisions of this article, it shall immediately inform the other Party. The Parties shall thereafter consult to define an appropriate course of action.

D. Information arising from seminars and other meetings arranged under this Memorandum of Understanding and information arising from the attachments of staff, use of facilities and joint projects shall be treated by the Parties according to the principles specified in this article; provided, however, no proprietary information orally communicated shall be subject to the limited disclosure requirements of this Memorandum of Understanding unless the individual communicating such information places the recipient on notice as to the proprietary character of the information communicated.

E. Nothing contained in this Memorandum of Understanding shall preclude the use or dissemination of information received by a Party through arrangements other than those provided for under this Memorandum of Understanding.

*Article 7.* Information transmitted by one Party to the other Party under this Memorandum of Understanding 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 8.* 1. With respect to any invention or discovery made or conceived in the course of or under this Memorandum of Understanding:

- a. If made or conceived by personnel of one Party (the Assigning Party) or its contractors while assigned to the other Party (Recipient Party) or its contractors in connection with exchanges of scientists, engineers and other specialists:
- (1) The Recipient Party shall acquire all right, title and interest in and to any such invention or discovery in its own country and in third countries, subject to a non-exclusive, irrevocable, royalty-free license in all such countries to the Assigning Party, its Government, and its nationals designated by it.
  - (2) The Assigning Party shall acquire all right, title and interest in and to any such invention or discovery in its own country, subject to a non-exclusive, irrevocable, royalty-free license to the Recipient Party, its Government, and its nationals designated by it.
- b. If made or conceived by a Party or its contractors as a direct result of employing information which has been communicated to it under this Memorandum of Understanding by the other Party or its contractors or communicated during seminars or other joint meetings, the Party making the invention shall acquire all right, title and interest in and to such invention or discovery in all countries,

subject to a grant to the other Party, its Government, and its nationals designated by it, of a non-exclusive, irrevocable, royalty-free license in all countries.

- c. With regard to exchange of samples, materials, instruments, and components for testing, the Recipient Party shall have the same rights as the Assigning Party as set forth in paragraph a. above and the Sending Party shall have the same rights as the Recipient Party as set forth in paragraph a. above to any inventions or discoveries which are improvements to such samples, materials, instruments or components.
- d. With regard to other specific forms of cooperation, the Parties shall provide for appropriate distribution of rights to inventions or discoveries resulting from such cooperation. In general, however, each Party should normally own the rights to such inventions or discoveries in its own country with a non-exclusive, irrevocable, royalty-free license to the other Party, its Government, and its nationals designated by it, and the rights to such inventions or discoveries in other countries should be agreed by the Parties on an equitable basis.

2. Each Party shall, without prejudice to any rights of inventors or authors under its national laws, take all necessary steps to provide the cooperation from its inventors and authors required to carry out the provisions of articles 8 and 9.

3. Each Party shall assume the responsibility to pay awards or compensation required to be paid to its own nationals according to its own laws.

*Article 9.* Copyrights of the Parties or of cooperating organizations and persons shall be accorded treatment consistent with internationally recognized standards of protection. As to copyrights on materials within the scope of paragraph 1 of article 6 owned or controlled by a Party, that Party shall make efforts to grant to the other Party a license to reproduce copyrighted material.

*Article 10.* 1. Whenever an exchange of staff is contemplated under this Memorandum of Understanding each Party shall ensure that qualified staff are selected for attachment to the other Party.

2. Each such attachment of staff shall be the subject of a separate attachment agreement between the Parties.

3. Each Party shall be responsible for the salaries, insurance and allowances to be paid to its staff.

4. Each Party shall pay for the travel and living expenses of its staff while on attachment to the host Party unless otherwise agreed.

5. The host establishment shall arrange or do its best to arrange for comparable accommodations for the other Party's staff and their families on a mutually agreeable reciprocal basis.

6. Each Party shall provide all necessary assistance to the attached staff (and their families) of the other Party as regards administrative formalities (travel arrangements, etc.)

7. The staff of each Party shall conform to the general and special rules of work and safety regulations in force at the host establishment, or as agreed in a separate attachment of staff agreement.

*Article 11.* The provisions of this Memorandum of Understanding shall not affect the rights or duties of the Parties hereto under other agreements or

arrangements. This Memorandum of Understanding also in no way precludes commercial firms or other legally constituted enterprises in the countries of the Parties from engaging in commercial dealings in accordance with the applicable laws of each country; nor does it preclude the Parties from engaging in activities with other governments or persons. Moreover, it is expected that the present Memorandum of Understanding shall facilitate industrial and commercial exchanges in the fields listed in article 2 between the firms of the countries of the Parties with a view to mutual benefits from such exchanges for both countries. DOE and MTI shall act as the points of coordination for contracts and arrangements involving commercial firms in their respective countries when such firms or enterprises act on behalf of their respective governments under the terms of this Memorandum of Understanding. It is understood that all such contracts and arrangements shall conform with applicable laws and regulations under which each Party operates.

*Article 12.* Compensation for damages incurred during the implementation of this Memorandum of Understanding shall be in accordance with the applicable laws of the countries of the Parties.

*Article 13.* Cooperation under this Memorandum of Understanding shall be in accordance with the laws of the respective countries and the regulations of the respective Parties. All questions related to the Memorandum of Understanding arising during its term shall be settled by the Parties by mutual agreement.

*Article 14.* Except when otherwise specifically agreed at the time, all costs resulting from cooperation under this Memorandum of Understanding shall be borne by the Party that incurs them. It is understood that the ability of each Party to carry out its obligations under this Memorandum of Understanding is subject to the availability of appropriated funds.

*Article 15.* 1. This Memorandum of Understanding shall enter into force upon signature and, subject to paragraphs 2, 3 and 4 of this article, shall continue for a five (5) year period.

2. This Memorandum of Understanding may be amended or extended by mutual written agreement of the Parties.

3. This Memorandum of Understanding may be terminated at any time at the discretion of either Party, upon six (6) months advance notification in writing by the Party seeking to terminate the Memorandum of Understanding. Such termination shall be without prejudice to the rights which may have accrued under this Memorandum of Understanding to either Party up to the date of such termination.

4. All joint efforts and experiments not completed at the expiration or termination of this Memorandum of Understanding may be continued until their completion under the terms of this Memorandum of Understanding.

DONE in duplicate at Washington, D.C., this sixth day of November, 1980.

For the Department of Energy  
of the United States of America:

[Signed — Signé]<sup>1</sup>

For the Finnish Ministry  
of Trade and Industry:

[Signed — Signé]<sup>2</sup>

<sup>1</sup> Signed by C. W. Duncan, Jr. — Signé par C. W. Duncan.

<sup>2</sup> Signed by Ulf Sundqvist — Signé par Ulf Sundqvist.