AGREEMENT
BETWEEN THE GOVERNMENT OF THE RUSSIAN FEDERATION AND THE GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA ON COOPERATION IN THE FIELD OF THE EXPLORATION AND USE OF OUTER SPACE FOR PEACEFUL PURPOSES

(Cape Town, 5.IX.2006)

The Government of the Russian Federation and the Government of the Republic of South Africa, hereinafter referred to as "the Parties",

Expressing common desire to develop long-term cooperation in the exploration of outer space and the application of space equipment and technologies for the benefit of the peoples of both countries,

Considering that the expansion of such cooperation brings forth new practical requirements for the organizational and legal regulation of relations between its participants,

Recognizing significant potential mutual benefits from encouragement and development of cooperation in commercial space activities,

Attaching due significance to the elaboration of coordinated measures aimed at facilitating prospective forms of industrial and economic activities and business partnership in the space field, including fair and mutually beneficial trade practices and procurement methods,

Reaffirming their commitment to furthering peaceful use of outer space through cooperation at regional and global levels,

Desiring to strengthen existing and develop new forms of cooperation in relevant areas of industry and business activities between the legal persons of both States,

Taking into consideration the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, including the Moon and other Celestial Bodies, of 27 January 1967, as well as other multilateral treaties regulating the use of outer space in which both the Russian Federation and the Republic of South Africa participate,

Have agreed as follows:

Article 1

Purpose

The purpose of this Agreement is to create an appropriate organizational and legal framework for mutually beneficial cooperation in specific areas of the joint activities relating to the exploration and use of outer space and the practical application of space equipment and technologies for peaceful purposes, particularly by:

1) developing a framework for commercial and other types of activities related to the launching of spacecrafts and space apparatus;

2) encouraging scientific research and cooperation, and joint types of activities in the design, development, production, testing and operation of space equipment;

3) promoting mutual exchanges of relevant technologies, expertise, equipment and material resources;

4) providing conditions for the conclusion of subsequent agreements relating to the activities pursuant to this Agreement.

Article 2

Applicable law

Cooperation in pursuance of this Agreement shall be carried out in accordance with the laws and other statutory Acts of the States of the Parties, subject to the observance of generally recognized principles and norms of international law and without prejudice to the fulfilment by the Parties of obligations under other international agreements and arrangements in which the Russian Federation and the Republic of South Africa participate (including the Missile Technology Control Regime).

Article 3

Cooperating organizations

1. The competent authorities responsible for the cooperation in pursuance of this Agreement shall be: the Federal Space Agency on behalf of the Russian Party and the Department of Science and Technology on behalf of the South African Party.
2. Where necessary, either of the Parties may, by means of notification of the other Party in written form through diplomatic channels, appoint another authority as the competent authority.
3. In accordance with the laws and other statutory Acts of the States of the Parties, the Parties or their competent authorities may, as appropriate, designate additional entities in order that they may conclude separate agreements and engage in specific types of the joint activities within the framework of this Agreement (hereinafter referred to as the designated organizations).
4. Under this Agreement the cooperating organizations are understood to be the competent authorities and designated organizations.

Article 4

Areas of cooperation

1. Cooperation pursuant to this Agreement may be carried out in such areas as:
   a) the scientific exploration of outer space, including the physics of solar and terrestrial links, radioastronomy, high energy astrophysics and the study of planets;
   b) remote sensing and monitoring of the Earth from space and related information technologies and services;
   c) space material studies in space;
   d) space medicine and biology;
   e) space communications and related information technologies and services;
   f) satellite navigation systems and related information technologies and services;
   g) research and development, production, operation and other works related to space automated apparatus and manned systems, as well as to the corresponding ground-based equipment;
   h) development of launch vehicles and other space transport systems;
   i) provision and use of launch services;
   j) research on matters relating to the protection of the outer space environment, including control, prevention and reduction of man-caused impact on the outer space environment.
2. Additional areas of cooperation shall be determined by mutual agreement of the Parties as the need arises.

Article 5

Forms of cooperation

1. Organizational, financial, legal and technical conditions for the accomplishment of specific programmes, projects of cooperation and other types of activities shall be the subject of separate agreements between the cooperating organizations or, where necessary, and considering the international obligations of the States of the Parties, of agreements between the Parties (hereinafter referred to as separate agreements).

2. The Parties and their competent authorities shall, in relevant cases, facilitate, on the basis of separate agreements, the establishment and development of cooperation in the areas provided for in this Agreement.

3. Cooperation pursuant to this Agreement may be carried out, in particular, in such forms as:

a) planning and implementation of joint programmes and projects using scientific, experimental and industrial bases;

b) mutual provision of scientific and technical information, expertise, experimental data, results of experimental design works, materials and equipment in various fields of space science, equipment and technology;

c) development, manufacturing and launch of spacecrafts, instruments and systems;

d) use of ground-based objects and systems for securing launches and control of spacecrafts and space apparatus, including the collection and exchange of telemetric information;

e) organization of programmes for the training of personnel and the exchange of scientists, technical and other specialists;

f) holding symposia, conferences and congresses;

g) participation in various specialized exhibitions, fairs and similar events;

h) development of various forms of partnership and joint activities in the international market for space technologies and services, including activities associated with commercial space launches;

i) provision of technical assistance and aid in the field of the joint space research;

j) mutual facilitation of access to national and international programmes and projects for the practical application of technological innovations and for the promotion of industrial and economic development related with space technologies and infrastructure.

4. Additional forms of cooperation shall be determined by mutual agreement of the Parties as the need arises.

5. The Parties or the cooperating organizations may, where necessary, establish upon mutual arrangement working groups for the purposes of implementing programmes, projects and specific types of activities, as well as for the elaboration of organizational and legal mechanisms of developing cooperation pursuant to this Agreement.

6. Nothing in this Article shall be construed as creating additional obligations for the Parties concerning budgetary provisions to finance cooperation conducted pursuant to this Article.

Article 6

Financing

1. The joint activities carried out pursuant to this Agreement in accordance with the state policies in the field of exploration and use of outer space shall be financed by the Parties in accordance with the laws and other statutory Acts of their States regarding budgetary regulation and subject to the availability of funds allocated for these purposes.

2. The financing of the joint activities under this Agreement beyond budgetary allocations and/or the States of the Parties programmes shall be within the scope of responsibility of relevant cooperating organizations and shall be set forth in separate agreements between them.

3. The Parties shall not be responsible for any financial obligations arising from separate agreements or contracts concluded by the cooperating organizations in accordance with this Agreement.

Article 7

Intellectual property

1. The term "intellectual property" as provided for in this Agreement shall have the meaning found in Article 2 of the Convention establishing the World Intellectual Property Organization, done at Stockholm, on 14 July 1967.

2. The Parties shall ensure adequate and effective protection of intellectual property created or provided within the framework of cooperation under this Agreement and separate agreements, in accordance with the international obligations and the laws and other statutory Acts of the States of the Parties.

3. The Parties and their cooperating organizations shall in all cases define in separate agreements the conditions to be observed with regard to intellectual property used in, and/or resulting from the joint activities pursuant to this Agreement, following the principles and norms set forth in the Annex to this Agreement, which shall form an integral part thereof.

Article 8

Exchange of information

1. For the purposes of this Agreement the term "information" shall mean any information, including data on persons, objects, facts, events, phenomena and processes, irrespective of the form of presentation, related to the joint activities under this Agreement or separate agreements, as well as information about the progress of its implementation or results obtained.

2. Information obtained in the course of conducting the joint activities shall be accessible to both Parties and/or their cooperating organizations and shall be transmitted as soon as practicable in accordance with the provisions on confidentiality of information provided for in the Annex to this Agreement, where such provisions are applicable, and the provisions of paragraph 3 of this Article.

3. The Parties shall provide appropriate protection of information, transmitted or generated in the course of the joint activities under this Agreement, the access to and dissemination of which is restricted according to the laws and other statutory Acts of the States of the Parties (hereinafter referred to as Restricted use information). Restricted use information shall not fall under the category of information classified as state secret.

The treatment of the restricted use information shall be carried out in accordance with the laws and other statutory Acts of the State of the Party which receives the information. Such information shall not be disclosed or transmitted to any third party/third person with respect to this Agreement without the consent in written form of the Party and participants in the joint activities which provide the information.

Restricted use information shall be duly marked as such. This information media shall be provided with a mark: in the Russian Federation - Для служебного пользования (for official use) and in the Republic of South Africa - FOR OFFICIAL USE ONLY (только для служебного пользования). Responsibility for such marking shall rest with the Party and participants in the joint activities, the information of which requires such marking. The participants in the joint activities shall determine the procedure for the transmission and treatment of such information on the basis and under the terms and conditions of a separate agreement in written form.

4. Separate agreements indicated in paragraph 1 of Article 5 of this Agreement shall envisage protection of the restricted use information, modalities and conditions for the transmission of restricted use information to the personnel of the Parties or cooperating organizations, or to a third party with respect to these agreements including its contractors and subcontractors.

5. The Parties shall, through the competent authorities, facilitate the mutual exchange of information relating to the joint activities under this Agreement and the basic directions of the national space programmes of their States, and shall encourage the exchange of information in relation to the joint activities carried out within separate agreements, in accordance with the laws and other statutory Acts of the States of the Parties.

6. Each Party and its cooperating organizations shall not disclose or retransmit any information referred to in paragraphs 1 - 3 of this Article, received from the other Party and/or the cooperating organizations of the other Party, except for cases when there is a prior consent in written form of the transmitting Party and/or the transmitting cooperating organizations.

7. No information requiring protection in the security interests of the States of the Parties and classified as state secret in accordance with the laws and other statutory Acts of the States of the Parties shall be transmitted under this Agreement. If the provision of specific information classified in the State of either Party as state secret is accepted by this Party as necessary in specific cases for the purposes of implementing this Agreement, the procedure for the transmission and treatment of such information shall be regulated by the laws and other statutory Acts of the States of the Parties on the basis and under the terms and conditions of a separate agreement between the Parties in written form.

Article 9

Protection of property

Each Party shall ensure the observance of the interests of the other Party and its cooperating organizations relating to the legal and physical protection of their property located in the territory of its State for implementation of the joint activities under this Agreement.

Article 10

Liability

1. The Parties agree to a cross-waiver of liability pursuant to which each Party shall waive any claims against the other Party, including any claims against the cooperating organizations of the other Party, for damages to their personnel or property arising from the implementation of the joint activities under this Agreement, unless otherwise agreed as envisaged in paragraph 4 of this Article.

2. In accordance with the laws and other statutory Acts of its State, each Party shall, through agreements or otherwise, extend the operation of the principle of cross-waiver of liability to its cooperating organizations, contractors, sub-contractors, and other legal persons engaged in the implementation of the joint activities under this Agreement.

3. The cross-waiver of liability for damages, as provided for in paragraph 1 of this Article, shall apply only if the Party, the cooperating organizations, personnel or property causing the damage and the Party, the cooperating organisations, personnel or property suffering the damage, are participating or being used, respectively, in the joint activities under this Agreement.

4. The Parties or their cooperating organizations may, through separate agreements between them, limit the area/scope of application, or change the conditions with regard to the cross-waiver of liability set forth in this Article as required due to the specific nature of the joint activities under this Agreement. In particular, they may agree upon additional or alternative provisions for the apportionment of liability and compensation for damages in respect of a specific type of the joint activities.

5. Cross-waiver of liability shall not cover claims:

a) for damage caused by wilful misconduct or gross negligence;

b) related to intellectual property matters and protection of information;

c) between a Party and its own cooperating organizations and/or claims between such organizations;

d) made by a natural person, his/her executor, heirs, or subrogees for bodily injury to or any other serious impairment of the health of such natural person or his/her death;

e) based on explicit contractual provisions.

6. The provisions of this Article shall be without prejudice to the application of relevant principles and norms established by international law in this regard. Nothing in this Article shall be construed to create a basis for claims where none would otherwise exist.

7. The Parties shall without delay initiate consultations on any potential liability under international law, on the distribution of the burden of compensation for damages, and on the defence against the claims.

8. The Parties shall cooperate in order to establish relevant facts while investigating any incident, in particular through the exchange of experts and information.

Article 11

Customs regulation

1. For the purposes of this Article the following terms shall mean:

a) "goods" - items related to the exploration and use of outer space for peaceful purposes, such as: spacecrafts, their parts and

components; ground-based equipment for checking, testing, integration and launching spacecrafts and their components and supporting equipment for these purposes; spare parts; natural or man-made substances or materials necessary for manufacturing, preparation and operation of spacecrafts; technologies in the form of information and data stored on physical media, computer software and databases; other information or data in any other material form;

b) "import" - any movement across the customs border of the Republic of South Africa to its territory and across the customs border of the Russian Federation to its territory of goods transported for the purposes of bilateral cooperation under this Agreement;

c) "export" - any movement across the customs border of the Republic of South Africa from its territory and across the customs border of the Russian Federation from its territory of goods transported for the purposes of bilateral cooperation under this Agreement.

2. Goods imported and/or exported within the framework of this Agreement shall, in accordance with the procedures established by the laws and other statutory Acts of the States of the Parties, be subject to exemption from customs duties and taxes which are collected while goods cross the customs border.

3. Competent authorities shall, for each case, confirm to the customs authorities of their respective States that import and/or export of goods is effectuated within the framework of this Agreement and separate agreements concluded in the pursuance of this Agreement. Such confirmation may, as appropriate, be the subject of decisions adopted by the relevant Party. Specific lists of goods, provided for in subparagraph a) of paragraph 1 of this Article, moved across the customs borders of the States of the Parties and specifically intended for the purposes of cooperation under this Agreement, shall be agreed upon in written form by competent authorities in accordance with the laws and other statutory Acts of the States of the Parties before the delivery of goods.

4. Exemptions from duties and taxes referred to in paragraph 2 of this Article shall be granted, in accordance with the laws and other statutory Acts of the States of the Parties, in respect of goods imported into the customs territory of the Republic of South Africa or into the customs territory of the Russian Federation from third countries and/or goods exported from the customs territory of the Republic of South Africa or from the customs territory of the Russian Federation to third countries, regardless of the country of their origin, including goods imported and/or exported within the framework of multilateral programmes and projects of cooperation.

5. For the purposes of effective implementation of this Agreement, and subject to the customs regulations of their States, the Parties shall seek to ensure the expeditious customs clearance of goods and, if required, implement that procedure as a matter of priority.

6. Provisions of this Article shall not extend to excisable goods.

Article 12

Export control

1. The transfer of technology and other export items, including equipment and materials, for the purposes of any joint activities

pursuant to this Agreement shall be undertaken by the Parties subject to the observance of the laws and other statutory Acts of their States and the requirements of the Missile Technology Control Regime. The Parties shall act in accordance with the laws and other statutory Acts of their States on export control in relation to those goods and services included in the national lists and enumerations of export control.

2. This Article shall extend to any form of cooperation under this Agreement, the exchange of information, technical data and items of all types, including jointly produced goods and intellectual property in the territory of the exporter, importer or third countries.

Article 13

Technology safeguards

For the purposes of implementing specific projects of the joint activities under this Agreement, the Parties, or by mutual consent of the Parties, through their competent authorities shall, when necessary, conclude an agreement on technology safeguards with a view to providing the conditions for the:

1) prevention of any unauthorised access to protected export items and related technologies, and any unauthorised transfer thereof;

2) implementation by representatives and personnel of cooperating organisations skilled in handling of protected items of appropriate functions to effectively protect and control them;

3) elaboration of appropriate agreements and specific technology protection plans.

Article 14

Assistance to activities of personnel

In accordance with the laws and other statutory Acts of its State, each Party shall, through its competent authority, assist in facilitating activities of personnel, including, inter alia, visa support, of nationals of the State of the other Party involved in the realisation of programmes and projects within the framework of this Agreement who enter and stay in the territory of its State.

Article 15

Economic and industrial types activities

1. In accordance with the laws and other statutory Acts of their States, the Parties shall strive to encourage activities of state, private and other organizations (companies, firms, enterprises, institutes) of their States, directed at the support of joint programmes and projects of cooperation in the field of exploration and use of outer space, and the practical application of space equipment and technologies.

2. For the purposes contemplated in paragraph 1 of this Article, the Parties shall strive to implement, by mutual consent, measures to facilitate corresponding entrepreneurial activities and trade and economic transactions.

Article 16

Settlement of disputes

1. In cases of disputes pertaining to the interpretation and implementation of this Agreement, the Parties shall use, on a priority basis, methods and means of amicable settlement and, if necessary, hold consultations for these purposes.

2. The cooperating organizations shall take all necessary measures for amicable settlement of disputes arising between them. For this purpose, such disputes may be referred, for joint consideration, to the authorized officials of the parties in dispute.

3. Upon the consent of the parties in dispute, such disputes may be resolved through other conciliatory procedures, including, but not limited to, referring the matter to the Parties or the cooperating organizations, accordingly.

4. Disputes with respect to which settlement has not been reached, in accordance with the procedures envisaged in paragraphs 1 - 3 of this Article, within six months, after one of the Parties forwards a request in written form for such settlement may, at the request of either Party, be submitted to an Arbitration Tribunal which shall be established in accordance with the provisions of this Article.

5. If a dispute is heard at an Arbitration Tribunal each Party shall appoint an arbitrator and these two arbitrators shall select a national of a third state as a senior arbitrator appointed Chairperson by the two Parties. The arbitrators shall be appointed within two months, while the Chairperson shall be appointed within three months after either Party informs the other Party in written form of its intention to submit the dispute to the arbitration procedure.

6. If the periods of time specified in paragraph 4 of this Article are not observed, either Party may, in the absence of any other agreement, invite the President of the International Court of Justice to make the necessary appointments. If the President of the International Court of Justice is a national of the State of either Party or is unable to discharge the said function for any other reason, the necessary appointments shall be made by the Vice-President of the International Court of Justice. If the Vice-President of the International Court of Justice is a national of the State of either Party or is unable to discharge the said function for any other reason, the necessary appointments shall be made by the next most senior Member of the International Court of Justice who is not a national of the State of either Party.

7. The Arbitration Tribunal shall take its decisions by majority vote on the basis of existing treaties between the Parties and generally recognized principles and norms of international law. Its decisions shall be final and shall not be subject to appeal, unless the Parties have agreed in advance in written form on the procedure of appeal. At the request of both Parties, the Arbitration Tribunal may formulate recommendations which, while not having the force of a decision, only form the basis for examination by the Parties of the issue underlying the dispute. Decisions and advisory opinions of the Arbitration Tribunal shall be limited to the subject of the dispute and shall set forth motivation on which they are based.

8. Each Party shall bear the costs of its arbitrator and its lawyer during arbitration; the costs of the Chairperson shall be borne in equal parts by both Parties. Any other expenses associated with the dispute settlement by way of arbitration shall be shared between the Parties in equal parts, unless the Parties agree otherwise. In all other respects, the Arbitration Tribunal

shall itself establish its rules of procedure. The provisions of this paragraph shall not apply to the distribution of costs between a Party and its cooperating organizations.

Article 17

Final provisions

1. The Parties shall notify each other in written form through diplomatic channels of the fulfilment of their respective domestic procedures for the entry into force of this Agreement. This Agreement shall enter into force on the date of receipt of the last such notification.

2. This Agreement is concluded for a period of ten years. Its effect shall be automatically extended for a subsequent ten-year period, unless either Party notifies the other Party in written form through diplomatic channels of its intention to terminate this Agreement twelve months prior to the expiration of the initial ten-year period. In the period following its automatic extension this Agreement may be terminated by either Party by a notice in written form sent to the other Party through diplomatic channels twelve months in advance of the date of termination.

3. Additional extension of this Agreement shall be the subject of consultations between the Parties, which shall commence not later than twelve months prior to the expiration of the period of its automatic extension.

4. This Agreement may be amended by mutual agreement of the Parties in written form.

5. This Agreement shall not prejudice existing agreements between cooperating organizations concluded prior to the entry into force of this Agreement.

6. In the event of termination of this Agreement, its provisions shall continue to apply to all unfinished activities within the framework of this Agreement, unless the Parties agree otherwise. The termination of this Agreement shall not serve as the basis for the revision or termination of obligations of a financial or other contractual nature still in force and shall not affect the rights and obligations of legal and natural persons, which have arisen before its termination.

In witness whereof, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement in duplicate, each in the Russian and English languages, both texts being equally authentic.

Done at Cape Town on this 5th day of September 2006.

Annex
to the Agreement
between the Government of the Russian
Federation and the Government
of the Republic of South Africa
on Cooperation in the Field
of the Exploration and Use of Outer
Space for Peaceful Purposes

INTELLECTUAL PROPERTY RIGHTS
AND BUSINESS CONFIDENTIAL INFORMATION

Pursuant to Article 7 of the Agreement between the Government of the Russian Federation and the Government of the Republic of South Africa on Cooperation in the Field of the Exploration and Use of Outer Space for Peaceful Purposes (hereinafter referred to as the Agreement) the Parties and/or cooperating organizations shall notify each other in proper time of all results of the joint activities subject to legal protection as objects of intellectual property and timely cooperate in order to register and implement other procedures to ensure such legal protection. Rights to such intellectual property shall be allocated as provided for in this Annex.

I. Scope

1. This Annex shall be applicable to all types of the joint activities pursuant to the Agreement, except as otherwise specifically agreed by the Parties in written form.

2. This Annex regulates the allocation of rights between the Parties or cooperating organizations. Each Party and/or cooperating organization shall ensure that the other Party and/or cooperating organization can obtain the rights to intellectual property allocated in accordance with this Annex through contracts, or, if necessary, other legal means. This Annex does not otherwise alter or prejudice the allocation of intellectual property rights between a Party and/or cooperating organizations and nationals of its State, which shall be determined by the laws and other statutory Acts of that Party's State.

3. The conduct of the joint activities under this Agreement shall hot affect the intellectual property rights of the Parties and/or the cooperating organizations which have been acquired earlier or resulted from independent activities or independent research (hereinafter referred to as background intellectual property).

The Parties shall, in accordance with the laws and other statutory Acts of their States, promote the provision of legal protection of background intellectual property of the Russian Federation and of the Republic of South Africa and/or the cooperating organizations of both Parties, created by means of State budgetary allocations, and shall implement measures aimed at preventing, identifying, investigating and restraining infringements with regard to such intellectual property. The transfer and use of background intellectual property shall be effectuated only after its legal protection in the territory of the State where it shall be used is granted to it in accordance with the laws and other statutory Acts of the States of the Parties.

The use of background intellectual property rights shall be determined by separate agreements between the Parties and/or the cooperating organizations.

4. Disputes concerning intellectual property rights arising from the implementation of the Agreement and separate agreements shall be resolved through discussions between the concerned cooperating organizations, or, if necessary, the Parties or their designees. Upon mutual agreement of the Parties and/or the cooperating organizations, disputes shall be submitted to arbitration for a binding decision in accordance with the generally recognized principles and applicable norms of international law. Unless the Parties or their designees agree otherwise in written form, the arbitration rules of UNCITRAL shall govern.

5. Termination or expiration of the Agreement shall not affect rights or obligations under this Annex.

II. Allocation of rights

1. With regard to possession (if applicable), allocation and exercise of intellectual property rights, the Parties and cooperating organizations shall apply the following basic principles of:

a) adequate protection of the results of intellectual activities obtained and/or used within the framework of the Agreement;

b) due consideration of corresponding contributions by the Parties and cooperating organizations when their rights to the jointly created intellectual property are allocated;

c) efficient use of intellectual property;

d) non-discrimination with respect to participants in joint activities;

e) protection of business confidential information;

f) transfer and use of background intellectual property only after its legal protection in the territory of the State where it shall be used is ensured;

g) mandatory implementation by the Parties of measures aimed at preventing, identifying, investigating and restraining infringements with regard to intellectual property created by means of budgetary allocations of the States of the Parties.

2. With regard to the intellectual property created in the course of the joint activities, the Parties or cooperating organizations shall jointly elaborate a plan for the assessment and use of the results either before the beginning of their cooperation or within reasonable time from the date when one Party or its cooperating organization notifies the other Party or its cooperating organization in writing of obtaining a result subject to protection as an object of intellectual property.

3. Each Party or cooperating organization shall be entitled to a non-exclusive, irrevocable and royalty-free license in all countries to translate, reproduce and publicly distribute articles, reports and books directly arising from the joint activities under the Agreement. All publicly distributed copies of copyrighted works prepared under this provision shall indicate the name of the author of the work unless the author explicitly declines to be named.

4. Rights of visiting researchers, inventors and authors to all types of intellectual property, other than those rights described in paragraph 3 of this Section, shall be allocated as follows:

1) visiting researchers, inventors and authors of one Party, for example, scientists visiting cooperating organization of the other Party primarily in furtherance of their education shall receive intellectual property rights under the policies of the host institution;

2) (a) in relation to intellectual property rights created during joint research, for example, when the Parties, cooperating organizations, or their personnel have agreed in advance on the scope of work, each Party, cooperating organization or a person from among the personnel shall be entitled to obtain all rights and benefits in its country. Rights and benefits in third countries shall be determined in separate agreements. If research is not defined as joint research in separate agreements, rights to intellectual property created as a result of the research shall be allocated in accordance with subparagraph 1 of this paragraph;

(b) notwithstanding subparagraph (a) of this paragraph, if an

object of intellectual property is protected under the laws and other statutory acts of the State of one Party, but is not protected under the laws and other statutory Acts of the State of the other Party, the Party or cooperating organization, the laws and other statutory Acts of the State which provides such protection shall provide for such protection in the territory of its State on conditions agreed to by the Parties or the cooperating organizations considering their respective contributions;

(c) persons named as inventors or authors shall be entitled to awards, bonuses, benefits, or any other rewards in accordance with the policies of the cooperating organization of the Party obtaining rights.

III. Business confidential information

1. In the event that information identified in a timely fashion as business-confidential is furnished or created under the Agreement, each Party and its cooperating organizations shall protect such information in accordance with the laws and other statutory Acts of their State. Information may be identified as business confidential if a person having the information may derive an economic benefit from it or may obtain a competitive advantage over those who do not have it, and if the information is not generally known or publicly available from other sources, and the owner has not previously made the information available to a third person without imposing in a timely manner an obligation to keep it confidential.

2. The Parties or cooperating organizations may transmit business confidential information to their own personnel, unless otherwise provided for in separate agreements. Such information may be passed on to the contractors and sub-contractors within the limits of the scope of application of agreements concluded with them. Information transmitted in this way may be used only within the scope of application of the said agreements, which shall set out the conditions and time limits of application of such provisions on confidentiality. Business confidential information shall not be passed on to any third party without the consent of the transmitting Party and/or the transmitting cooperating organization.

3. The Parties and cooperating organizations shall take all necessary measures in relation to their personnel, contractors and sub-contractors to ensure the observance of the obligations on maintaining confidentiality defined above.