

**ANNEX III**

**TO THE PROTOCOL FOR COOPERATION IN THE FIELDS OF ENERGY EFFICIENCY  
AND RENEWABLE ENERGY TECHNOLOGY DEVELOPMENT AND UTILIZATION  
BETWEEN**

**THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA  
AND THE STATE SCIENCE AND TECHNOLOGY COMMISSION  
OF THE PEOPLE'S REPUBLIC OF CHINA**

**FOR COOPERATION BETWEEN  
THE DEPARTMENT OF ENERGY OF THE UNITED STATES OF AMERICA  
AND THE STATE PLANNING COMMISSION OF THE PEOPLE'S REPUBLIC OF  
CHINA**

**IN THE AREA OF ENERGY EFFICIENCY**

The Department of Energy of the United States of America (USDOE) and the State Planning Commission of the People's Republic of China (SPC), hereinafter referred to as the Parties:

Noting the Agreement between the Government of the United States of America and the Government of the People's Republic of China (PRC) on Cooperation in Science and Technology signed at Washington, D.C. on January 31, 1979, as amended and extended, hereinafter referred to as the "Umbrella Agreement";

Noting that the USDOE and the State Science and Technology Commission (SSTC) of the People's Republic of China signed a Protocol for Cooperation in the Fields of Energy Efficiency and Renewable Energy Technology Development and Utilization under the Umbrella Agreement on February 23, 1995, hereinafter referred to as the "Protocol";

Noting that Article 2 of the Protocol identifies a number of areas for potential cooperation in the field of energy efficiency technology and that Article 6 of the Protocol provides that the USDOE and the SSTC may invite other organizations to participate in Annexes under the Protocol;

Recognizing that the PRC is developing objectives for energy efficiency in the Ninth Five-Year's Plan Period and that these objectives include protecting natural resources and the environment through technical improvement in energy utilization, increasing the economic benefit of energy utilization, and realizing a sustainable strategy for economic development; and

Recognizing that effective collaboration in the field of energy efficiency technology will increase energy efficiency in the PRC, promote global environmental protection, and stimulate market opportunities in the PRC for U.S. energy efficiency technology, goods and services;

Have agreed as follows:

## **ARTICLE I - OBJECTIVES**

The objectives of cooperation under this Annex are:

- A. Developing energy efficiency strategies and policies for the PRC to promote and expedite sustainable development in the PRC, through comparative evaluation of technologies for the energy end-use sectors and reducing barriers to energy efficiency;
- B. Expediting, with the support and participation of U.S. industry and other U.S. organizations, the introduction into the PRC of technically feasible and cost-effective energy efficiency technologies, through project demonstration by U.S. firms and information exchange on technology, technical services and project financing; and
- C. Assisting the PRC achieve energy efficiency targets over the next five years, while simultaneously advancing global environmental protection and stimulating trade in energy efficiency technology, goods, and services.

## **ARTICLE II - AREAS OF COOPERATION**

Cooperation under this Annex may include, but is not limited to, the following areas:

- A. Energy Efficiency Policy;
- B. Information Exchange and Business Outreach;
- C. District Heating;
- D. Co-generation;
- E. Energy Efficient Building Demonstration;
- F. Energy Efficient Motor System;
- G. Industrial Process Control;
- H. Lighting;
- I. Amorphous Core Transformer; and
- J. Finance.

## **ARTICLE III - OTHER PARTICIPATING ORGANIZATIONS**

Each Party may invite other government agencies and organizations and private organizations in their respective countries to participate in cooperative activities under this Annex, at their own expense, and subject to such terms and conditions as the Parties may specify. For the PRC, such agencies and organizations may include the State Economic and Trade Commission, the State Science and Technology Commission, the Ministry of Electric Power, the China Energy Conservation Investment Corporation, the Energy Research Institute of the SPC, and the Beijing Energy Efficiency Center.

#### **ARTICLE IV - MANAGEMENT**

A. The Parties shall establish a Steering Committee to coordinate the activities under this Annex. The Steering Committee shall meet approximately once a year, alternately in the PRC and in the United States, to assess the progress of activities under this Annex and to plan future cooperative activities.

B. The Steering Committee shall prepare an annual report, in the Chinese and English languages, describing the cooperative activities under this Annex and the results achieved. Each Party shall have the right to disseminate the annual report without prior notification to the other Party.

C. The Steering Committee may invite representatives from public or private organizations in the countries of the Parties to serve as advisers to the Steering Committee, to attend the meetings of the Steering Committee, and to assist the Steering Committee in evaluating the cooperation under this Annex and in developing plans for new activities.

#### **ARTICLE V - FINANCE AND LEGAL PROVISIONS**

Except when otherwise specifically agreed in writing, all costs resulting from cooperation under this Annex, including travel expenses and expenses associated with arrangements for meetings of the Steering Committee, shall be borne by the Party that incurs them. The Parties shall carry out cooperative activities under this Annex subject to the availability of appropriated funds and personnel, and subject to their respective applicable laws and regulations.

#### **ARTICLE VI - INTELLECTUAL PROPERTY**

In accordance with Article 8 of the Protocol, the dissemination, use, and protection of information used or generated in the activities conducted pursuant to this Annex, and the allocation of rights in intellectual property arising in the course of such activities shall be governed by the provisions of Annex I to the Umbrella Agreement.

#### **ARTICLE VII - ENTRY INTO FORCE AND TERMINATION**

A. This Annex shall enter into force upon signature by the Parties and remain in force for five (5) years or until termination of the Protocol, whichever occurs first. This Annex may be amended or extended by mutual written agreement of the Parties.

B. At the discretion of either Party, this Annex may be terminated upon six (6) months advance notice in writing to the other Party.

Done at Washington, this 25<sup>th</sup> day of October, 1996, in duplicate, in the Chinese and English languages, each text being equally authentic.

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

*Christine Egan*

FOR THE STATE PLANNING  
COMMISSION OF THE PEOPLE'S  
REPUBLIC OF CHINA:

*沈 邦 海*