

AGREEMENT
BETWEEN THE GOVERNMENT OF THE ITALIAN REPUBLIC
AND THE GOVERNMENT OF THE STATE OF ISRAEL
ON INDUSTRIAL, SCIENTIFIC AND TECHNOLOGICAL
RESEARCH AND DEVELOPMENT COOPERATION

The Government of the Italian Republic and the Government of the State of Israel (hereinafter referred to as "the Parties"),

WISHING to strengthen the traditional friendly relations between the two Countries and to promote the sharing of knowledge between them,

CONSIDERING that industrial, scientific and technological research and development cooperation is one of the most important constituents of bilateral relations and an outstanding element of their stability,

CONSIDERING the mutual interest in making progress in the fields of industrial, scientific and technological research and development and the resulting advantages for both sides,

TAKING INTO ACCOUNT the positive experience of the ongoing relations between the scientific institutions of the two Countries,

RECOGNIZING the importance of improving the coordination of the Italian and Israeli relations in all sectors of industrial, scientific and technological research and development and the need for their expansion,

HAVE AGREED as follows:

ARTICLE 1

1. In conformity with the respective laws and regulations in force, the Parties will promote the development of industrial, scientific and technological research and development cooperation, in areas of reciprocal interest and on an equal basis.
2. Hereinafter "research and development" will be mentioned as "R&D".

ARTICLE 2

The Parties will encourage and contribute to the development of cooperation between the two Countries in the field of industrial, scientific and technological R&D with particular reference to the following areas:

- medicine, public health and hospital organization;

- biotechnology;
- agriculture and food science;
- new energy sources and natural resource use;
- applications of informatics to education and scientific research;
- environment;
- communication;
- innovation production processes;
- space;
- information technologies, data communication, software;
- any other areas of mutual interest.

ARTICLE 3

The Parties will encourage, if necessary, the establishment of industrial, scientific and technological R&D relations and the stipulation of specific agreements among Ministries and Institutions, Universities, research centres and institutes, scientific and industrial R&D associations, companies, corporations, and other natural and legal persons of both Countries working on industrial, scientific R&D and technological innovations.

ARTICLE 4

The scientific and technological cooperation within the present Agreement will be carried out in the following forms and methods:

- a) exchange of scientific and technical information and documentation;
- b) joint organization and execution of seminars, symposia, and conferences on industrial, scientific and technological topics;
- c) grants for joint industrial R&D projects;
- d) any other form of cooperation which will be further agreed upon by the Parties.

ARTICLE 5

- 1) Projects eligible for grant support will be projects of joint industrial, scientific and technological R&D which can help to bring innovative and marketable systems, products, applications and processes with potential to the economies of both Italy and Israel.
- 2) Support will be given only to joint technology development projects which are undertaken by private sector businesses from Italy and Israel.
- 3) Grant support will be limited to 50% of a project's total eligible R&D costs. The successful aid recipients will be those whose projects have passed an appropriate review, organised by the Competent Authorities.
- 4) The Cooperating Authorities, as defined in Article 8, shall develop procedures that will ensure that when a project is successful in achieving sales of a product or process and/or receives licensing fees and/or royalties, the support given under the scheme will be repaid at a prefixed royalty rate from the sales or other income from the successful project.

ARTICLE 6

The Parties will support the formulation of joint projects which could be inserted in the programs of the European Union, namely the RTD Framework Program, or other International Organizations. The Parties will encourage the partnership in initiatives about scientific research and technological innovations which could be realized within the MEDA Program Fund of the European Union for the Euro-Mediterranean Partnership.

ARTICLE 7

1. The partners to projects supported under this Agreement shall be required to submit to the Parties evidence of contractual arrangements between them relating to intellectual property rights. These should address, in particular:
 - a) the ownership and use of know-how and intellectual property owned by the partners prior to the project;
 - b) arrangements for the ownership and use of information and intellectual property to be created in the course of the project.

2. Notwithstanding the provisions of paragraph 1 above, it shall be the responsibility of the partners to projects supported under this Agreement to safeguard their own interests.
3. Scientific and technological information of a non-proprietary nature arising from the cooperative activities under this Agreement may be made available to the public through customary channels.
4. Each Party commits itself not to transmit, without written approval of the other Party, information concerning the results obtained from the cooperative programs for industrial R&D covered under this Agreement to a third person, organisation, or to any other Country.

ARTICLE 8

The Italian Party appoints the Ministry of Foreign Affairs and the Israeli Party the Ministry of Industry and Trade, as the respective coordinators for the execution of this Agreement at a national level.

The Italian Ministry of Foreign Affairs and the Office of the Chief Scientist (OCS) of the Israeli Ministry of Industry shall be the Cooperating Authorities for the purpose of implementing the forms and methods specified in Article 4.

The activities carried out under this Agreement will be subject to an agreement between the Competent Authorities regarding the nature of the cooperative projects, the availability of funds and resources of the Parties and general arrangements and procedures to be followed implementing the forms and methods specified in Article 4 and Article 5.

ARTICLE 9

In order to execute this Agreement and verify the state of its application, the Parties will appoint a Joint Commission for industrial, scientific and technological R&D cooperation. The Joint Commission will evaluate the state and prospect of cooperation, define the executive programs and supervise their realisation.

The Joint Commission, under the chairpersonship of each Country, will meet every second year, unless otherwise agreed, alternately in Italy and in Israel, the dates to be agreed upon through diplomatic channels.

ARTICLE 10

The provisions of this Agreement do not prejudice the rights and the commitments of the Parties arising from the international Conventions concluded by them with third Countries.

ARTICLE 11

Any disputes arising from the interpretation or the application of this Agreement will be settled by negotiations between the Parties.

ARTICLE 12

This Agreement shall be ratified in pursuance of the constitutional requirements of both Parties. It shall enter into force on the date of the last notification by which the two Parties shall have communicated officially to each other the fulfillment of their respective procedure.

This Agreement shall remain in force for a period of five years and it shall be automatically renewed for the same period. Each Party shall have the power to denounce in writing this Agreement six months before its expiry date.

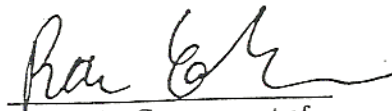
The denouncing of this Agreement will not prejudice the development of the ongoing projects, execution of which will continue until their completion, in accordance with the agreed upon terms and conditions.

In witness thereof the under-signed Representatives, duly authorised by their respective Governments, have signed this Agreement.

DONE in Bologna on 13 day of June, 2000 which corresponds to the 10 day of Sivan, 5760, in two originals, in the Italian, Hebrew and English languages, all texts being equally authentic. In case of divergence of interpretation, the English text shall prevail.



For the Government of
the Italian Republic



For the Government of
the State of Israel