

**AGREEMENT
ON CO-OPERATION IN
INFORMATION TECHNOLOGY AND
COMMUNICATIONS
BETWEEN
THE GOVERNMENT OF THE HONG KONG SPECIAL
ADMINISTRATIVE REGION
OF THE PEOPLE'S REPUBLIC OF CHINA
AND
THE GOVERNMENT OF
THE STATE OF ISRAEL**

The Government of the Hong Kong Special Administrative Region of the People's Republic of China and the Government of the State of Israel (hereinafter referred to as the "Parties", or as the "Party");

RECOGNIZING the interest of both Parties in furthering the development of their respective information technology and communications industries, and in supporting the expansion of domestic, regional and international markets for their products, services and technology,

GUIDED by the mutual interest and benefit of both Parties in encouraging and supporting partnerships, investment co-operation, commercial ventures, research and development, in the areas of information technology and advanced communications,

Have reached the following Agreement :

ARTICLE 1

Acting within the framework of their powers and responsibilities, the Parties agree to develop co-operation and conduct exchanges in the field of information technology and communications.

ARTICLE 2

Recognising the rapid change of technological development in the information technology and communications industries, the Parties have identified the following areas of mutual interest for co-operation :

- (a)
 - (1) computers, data processing, computer security;
 - (2) data communication;
 - (3) software and multimedia;
 - (4) wide band communication components;
 - (5) information and communications infrastructure, including, but not limited to :
 - (i) electronic commerce infrastructure;
 - (ii) broadband networks and applications
 - (iii) Internet applications; and
 - (iv) IP (Internet Protocol) communication.
- (b) Other areas of mutual interest to the Parties.

ARTICLE 3

Having identified areas of mutual interest, this Agreement focuses on the following areas of co-operation :

- (a) promotion of investment and technology partnerships;
- (b) fostering business partnerships and accelerating commercial and industrial exchanges between businesses in the Hong Kong Special Administrative Region of the People's Republic of China (hereinafter referred to as "Hong Kong") and the State of Israel (hereinafter referred to as "Israel");
- (c) promotion, facilitation and support of industry and technology development efforts;
- (d) encouragement of joint industrial and technological research and development projects of mutual interest, to be undertaken by businesses or businesses together with academic institutions from Hong Kong and Israel; and
- (e) exchange of policy and regulatory information.

ARTICLE 4

Co-operation in the field of information technology and communications between the Parties may take the following forms :

- (a) encouragement of liaison between industrial, academic, professional organisations and other agencies in Hong Kong and Israel to promote the areas of mutual interest and areas of co-operation set out in Article 2 and Article 3, and to provide expertise and support thereto;
- (b) exchange of information and materials in areas of mutual interest concerning information technology and communications, and establishment of channels for exchange of such information, where appropriate;
- (c) facilitation and organisation of joint programmes including investment and venture capital, seminars, symposia, missions and delegations, facilitation and promotion of joint trade events and activities and creation of opportunities to encourage commercial ventures;
- (d) exchange of information concerning opportunities for investments and participation in industrial research and development or in infrastructure projects of mutual interest, to be executed in Hong Kong or Israel or a third location, including, but not limited to, information regarding tenders;
- (e) provision of opportunities for each Party to become acquainted with the organisational structure, statutes, regulations, methods and procedures of the other Party;
- (f) facilitation, promotion and financial support of joint industrial and technological research and development projects undertaken by companies or companies together with academic institutions from Hong Kong and Israel; and
- (g) other form of co-operation to be agreed by the Parties.

ARTICLE 5

- (1) Industrial scientific and technological research and development projects which are jointly undertaken by private sector businesses or businesses together with academic institutions from Hong Kong and Israel may apply for support from industrial

support funding schemes administered by either Party and such applications shall be subject to the application criteria and vetting procedures of the funding schemes concerned. Each Party shall, on becoming aware that a funding application for such a project has been submitted to a competent authority on its side, notify the other Party and inform the latter of the application result when available.

(2) The Israeli partners in market-driven industrial scientific and technological research and development projects, which are jointly undertaken by private sector businesses from Hong Kong and Israel and which can help to bring about innovative and marketable systems, products, applications and processes with potential benefits to the economies of both Hong Kong and Israel, are eligible to apply for funding support from the Government of the State of Israel. Private sector businesses interested in applying for such funding support from the Government of the State of Israel shall, in addition to other application requirements, prepare a document describing the joint project, its technical content, division of work, dissemination of results, intellectual property rights and arrangements for manufacturing and marketing for presentation to the Co-operating Authorities of the Parties referred to in Article 6.

ARTICLE 6

(1) The Information Technology and Broadcasting Bureau on behalf of the Government of the Hong Kong Special Administrative Region and the Office of the Chief Scientist of the Ministry of Industry and Trade on behalf of the Government of the State of Israel shall be the respective Co-operating Authorities in relation to the implementation of this Agreement.

(2) The respective Co-operating Authorities of the Parties shall be responsible for determining the directions of co-operation and for ensuring the effectiveness of all co-operative activities. They shall consult with each other on issues arising from or in connection with the implementation of this Agreement. When necessary and mutually agreed, their representatives may hold working meetings.

(3) The respective Co-operating Authorities of the Parties may enter into agreements in respect of specific activities and matters of co-operation in the field of information technology and

communications.

ARTICLE 7

The co-operative activities to be carried out pursuant to this Agreement shall be subject to the availability of funds and resources of the Parties. Unless otherwise agreed, each Party shall provide resources to carry out its respective obligations hereunder. They shall be responsible for their respective costs and expenses such as travelling expenses and the costs of organising seminars and publication in the implementation of this Agreement.

ARTICLE 8

The Parties shall promote co-operation in all respects pursuant to this Agreement in order to derive maximum technical, industrial and commercial benefits for Hong Kong and Israel.

ARTICLE 9

(1) It shall be the responsibility of the partners in industry and technology development projects jointly undertaken by private sector businesses or businesses together with academic institutions from Hong Kong and Israel to safeguard their own interests regarding intellectual property rights having regard to the respective laws, regulations and procedures in Hong Kong and Israel.

(2) The Israeli partners in projects supported by the Government of the State of Israel under this Agreement shall be required to submit to the Parties evidence of contractual arrangements between them and the Hong Kong partners relating to intellectual property rights which shall include evidence of :

- (a) the ownership and use of know-how and intellectual property owned by the partners prior to the project; and
- (b) arrangements for the ownership and use of know-how and intellectual property to be created in the course of the project.

ARTICLE 10

(1) Scientific and technological information of a non-proprietary nature arising from the co-operative activities under this Agreement may be made available to the public through customary channels of Hong Kong and Israel.

(2) Subject to Article 9, other scientific and technological information concerning the results obtained from joint projects for industrial and technological research and development which have received funding support from the competent authorities in Hong Kong or Israel shall be dealt with in accordance with the established procedures set by the concerned competent authority.

(3) Neither Party shall transmit, unless with the prior written approval of the other Party, information concerning the results obtained from the co-operative programmes for industrial research and development covered under this Agreement to a third person, organisation or to any other country.

ARTICLE 11

Neither Party shall disclose or distribute any information that is supplied and marked, or stated to be, "in confidence" or words to that effect by the originating Party except as and to the extent authorised by the originating Party.

ARTICLE 12

(1) Each Party shall notify the other Party in writing of the completion of its internal procedures required for the entry into force of this Agreement.

(2) This Agreement shall come into force on the date of the latter notification and shall remain effective for a period of five years. This Agreement may be extended by mutual agreement of the Parties in writing at any time. The agreed extension shall enter into force under the same procedures for the entry into force of this Agreement stipulated in clause (1) of this Article.

(3) The Parties shall consult with each other to resolve any question concerning the interpretation and application of this Agreement.

(4) This Agreement may be amended, at any time, by mutual agreement in writing of the Parties. The agreed amendment shall enter into force under the same procedures for the entry into force of this Agreement stipulated in clause (1) of this Article.

(5) This Agreement may be terminated at any time by either Party giving at least 90 days' notice in writing to the other Party before the date of termination specified in the written notice.

(6) The expiration and termination of this Agreement shall not affect the activities which are in progress at the expiration of this Agreement or on the date of notification of termination of this Agreement, as the case may be.

SIGNED in Hong Kong, this 7th day of March 2000, which corresponds to the 30th day of Adar(A) of 5760, in duplicate, in the English, Chinese and Hebrew languages, each version being equally authentic. In case of divergence of interpretation the English text shall prevail.



For the
Government of the Hong Kong
Special Administrative Region
of the People's Republic of China



For the
Government of the State of Israel