

No. 46930

**Israel
and
Hungary**

Agreement between the Government of the State of Israel and the Government of the Republic of Hungary on bilateral cooperation in private sector industrial research and development. Jerusalem, 19 January 2009

Entry into force: *16 October 2009 by notification, in accordance with article VIII*

Authentic texts: *English, Hebrew and Hungarian*

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**Israël
et
Hongrie**

Accord entre le Gouvernement de l'État d'Israël et le Gouvernement de la République de Hongrie relatif à la coopération bilatérale en matière de recherche et du développement dans le secteur industriel privé. Jérusalem, 19 janvier 2009

Entrée en vigueur : *16 octobre 2009 par notification, conformément à l'article VIII*

Textes authentiques : *anglais, hébreu et hongrois*

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[ENGLISH TEXT – TEXTE ANGLAIS]

AGREEMENT

BETWEEN

THE GOVERNMENT OF THE STATE OF ISRAEL

AND

THE GOVERNMENT OF THE REPUBLIC OF HUNGARY

ON

**BILATERAL COOPERATION IN PRIVATE SECTOR INDUSTRIAL
RESEARCH AND DEVELOPMENT**

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

DESIRING to develop and strengthen economic, industrial, technological and commercial cooperation between Hungary and Israel;

CONSIDERING the mutual interest in making progress in the fields of industrial and technological research and development and the resulting advantages for both Parties;

RECOGNIZING the challenges of stimulating innovation and economic growth are of mutual concern to both Parties;

DESIRING to enhance their industrial competitiveness through cooperation in industrial and technological research and development (hereinafter referred to as "**R&D**") and to develop and strengthen economic and commercial cooperation between them;

RESOLVING to undertake a sustained effort to promote, facilitate and support joint industrial R&D projects, between businesses, corporations or entities (hereinafter referred as the "**Entities**") from the two countries;

Have reached the following Agreement:

Article I - Objectives

The Parties determine that the objectives of this Agreement are to:

- (a) Promote the activities of their respective private sectors to intensify bilateral industrial R&D cooperation;
- (b) Facilitate the identification of specific projects, partnerships or collaborations between Entities from Hungary and from Israel that could lead to industrial R&D cooperation;
- (c) Coordinate and focus suitable government resources and programs to support industrial cooperation and commercial exploitation of R&D projects results;
- (d) Give expression to the initiative by establishing a framework for financial support under which the Parties shall support jointly approved Industrial R&D cooperation projects between Entities from

the two countries leading to commercialization in the global market.

Article II - Definition

For the purpose of this Agreement, industrial R&D means, inter alia, research, development and demonstration activities intended to develop new products or processes to be commercialized in the global market.

Article III - Cooperating Authorities

1. The Minister without Portfolio in charge of Science, Research and Innovation of Hungary (hereinafter referred to as "**SRI**") and the Ministry of Industry, Trade and Labor of the State of Israel (hereinafter referred to as "**MOITAL**") shall be in charge of the implementation of this Agreement and shall designate Cooperating Authorities for the purpose of implementing this Agreement.
2. The National Office for Research and Technology on behalf of Hungary (hereinafter referred to as "**NORT** ") and the Office of the Chief Scientist of MOITAL (hereinafter referred to as the "**OCS**"), on behalf of Israel shall be the Cooperating Authorities for implementing this Agreement. They shall be responsible for their respective costs in promoting and administering the objectives of this Agreement such as traveling expenses, organization of seminars and publications.
3. The Cooperating Authorities for implementing this Agreement will set up a joint Coordinating Committee (hereinafter referred as the "**Joint Committee**") consisting of equal number of representatives from each of the Parties. The Joint Committee will meet alternately, unless otherwise agreed, in Jerusalem or in Budapest, on mutually convenient dates. All decisions of the Joint Committee shall be reached unanimously. The presidency of the Committee is to rotate every year between the Parties.
4. The Joint Committee's responsibilities will be as follows: (a) advice the Cooperating Authorities as to activities that will promote cooperation between the Parties within the framework of this Agreement; (b) identify potential methods of cooperation in the framework of this Agreement; (c) monitor the implementation of Projects (as this term is defined in Article IV sub-paragraph 1) that were approved by and receive financial support from the Cooperating Authorities in the framework of this Agreement; (d) set up the working rules of the Joint Committee.

Article IV - R&D Projects

1. The Parties within their competence and according to their applicable internal laws, regulations, rules, procedures and mechanisms shall facilitate, support and encourage cooperation projects in the field of technological and industrial R&D undertaken by Entities from Hungary and from Israel, for joint development and subsequent joint management and marketing of products or processes based on new innovative technologies to be commercialized in the global market (hereinafter referred to as the "**Projects**").
2. Each partner to a Project will be subject to the provisions of the applicable internal laws, regulations, rules, procedures and mechanisms of its country, with respect to assistance and funding of R&D provided by its own government, including the level of support and the terms and conditions under which that support may be provided, and if applicable, the obligation to pay royalties.
3. Each Party shall allocate annually up to EURO 1,000,000 (One Million EURO) to partners to Projects from their respective countries, subject to the availability of funds for such purpose and subject to, and in accordance with, their national requirements, budget and their applicable internal laws, regulations, rules, procedures and mechanisms. The annual amount allocated may be modified by mutual written agreement of the Cooperating Authorities.
4. The facilitation and stimulation of the cooperation Projects, may comprise, inter alia, the following forms and methods:
 - (a) Organization of symposia, conferences and meetings for Entities from Hungary and from Israel to jointly assess cooperation opportunities;
 - (b) Performance of any other activities to promote possibilities for cooperation between Entities from Hungary and from Israel.

Article V - Fair and Equitable Treatment

Subject to their applicable internal laws, regulations, rules, procedures and mechanisms, each Party shall accord fair and equitable treatment to the individuals, government agencies and other Entities of the other Party engaged in the pursuit of activities under this Agreement.