

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE GOVERNMENT OF THE REPUBLIC OF ICELAND  
AND  
THE GOVERNMENT OF THE REPUBLIC OF INDONESIA  
ON  
THE ENERGY AND MINERAL RESOURCES COOPERATION**

The Government of the Republic of Indonesia and the Government of the Republic of Iceland (hereinafter referred to as the "Parties"),

**Desiring to** further develop the friendly relations and strengthen the cooperation between the two countries and to serve the bilateral interests of their nations, based on the principle of equality and mutual benefits;

**Recognizing** the need for energy and mineral resources cooperation that will enhance the economic and social development of both countries;

**Considering** the need to promote and strengthen scientific and technical exchange and co-operation between scientists, scientific and industrial institutions in the field of energy and mineral resources;

**Recalling** meeting memo between Minister of Energy and Mineral Resources of the Republic of Indonesia and Minister of Industry, Energy and Trade of the Republic of Iceland signed in Analya, Turkey on April 19, 2005;

**Pursuant to** the prevailing laws and regulations of their respective countries as well as the policies and procedures of the Government of the Republic of Indonesia and the Government of the Republic of Iceland concerning international cooperation;

**Have agreed** as follows:

**Article I**  
**Objectives**

The objectives of this Memorandum of Understanding are:

1. To strengthen the economic relationship between the Parties;
2. To encourage and promote investments in each country's energy and mineral project;
3. To facilitate the implementation of the cooperation in the field of energy and mineral resources by private sector.

**Article II**  
**Areas of Cooperation**

The areas of cooperation under this Memorandum of Understanding may include the following subjects of mutual interest:

1. Exchange of scientific and technical development in the field of energy and mineral;
2. Education and training programmes on energy and mineral resources;
3. Organization of seminars, workshops and conferences on energy and mineral related issues;
4. Geothermal energy exploration, exploitation, and utilization;
5. Geos-cientific research on volcanic and seismic hazards;
6. Increase the value added for mineral utilization in Indonesia such as Bauxite, by use of geothermal power;
7. Other areas as may be agreed upon by the Parties.

**Article III**  
**Executing Agencies**

Executing Agencies for this cooperation will be:

1. For the Government of the Republic of Indonesia: The Ministry of Energy and Mineral Resources (MEMR);

2. For the Government of the Republic of Iceland: the Ministry of Industry and Energy (MIE) of the Republic of Iceland.

#### **Article IV**

##### **Joint Activities**

1. The Parties shall promote and co-ordinate joint activities in research, development, creation and operation of facilities on energy and mineral in both countries (hereinafter referred to as "Joint Activities");
2. The Parties shall implement Joint Activities on the basis of equality, reciprocity and mutual benefit through setting up of joint programmes and projects and their implementation;
3. The Parties shall formulate detailed arrangements to set forth terms, conditions and timing of Joint Activities appropriately.

#### **Article V**

##### **Joint Committee**

1. The Parties shall establish a Joint Committee on Energy and Mineral Resources (hereinafter referred to as "the Joint Committee") to oversee and coordinate Joint Activities;
2. Each Party shall designate a representative to the Joint Committee;
3. The Joint Committee shall operate by consensus;
4. Members of the Joint Committee shall consult on any matters that may arise from or in connection with Joint Activities primarily via electronic communications and correspondence;
5. The Joint Committee shall hold its meetings when deemed necessary by the Parties;
6. The Parties shall share the responsibility for the planning, hosting and convening of the meetings of the Joint Committee on a reciprocal basis.

**Article VI**  
**Information and Data**

1. The Parties shall take the necessary measures so that scientific and technical information and data of a non-proprietary nature, derived from Joint Activities, will be made available to the international scientific community and to the public through customary channels, and in accordance with prevailing laws and regulations of their respective countries;
2. Information transmitted by one Party to the other under this Memorandum of Understanding shall be accurate and to the best knowledge and belief of the transmitting Party, who shall not be liable for the content, or use of such information.

**Article VII**  
**Intellectual Property Rights**

In accordance with the legislation of their states the Parties shall provide efficient protection and distribution of intellectual property rights, including its ownership and legal use, which are being transferred or created in accordance with this Memorandum of Understanding. The issues of protection and distribution of intellectual property rights including protection of a third party's legitimate rights, taking into full consideration the equitable portion of ownership based on the contribution of the respective participants, shall be regulated by the agreements concluded by organizations of the Parties on specific areas of cooperation.

**Article VIII**  
**Settlement of Differences**

Differences arising in relation to the interpretation or implementation of this Memorandum of Understanding shall be settled amicably by mutual consultation or negotiation between the Parties.

**Article IX**  
**Amendment**

Either Party may request at any time in writing amendment of all parts of this Memorandum of Understanding. Any amendment which has been agreed by the Parties shall come into effect on such date as will be determined by the Parties.

**Article X**  
**Entry into Force and Duration**

1. This MoU shall enter into force on the date of its signing;
2. This MoU shall remain in force for 5 (five) years and will be automatically extended for consecutive period of another 5 (five) years unless either Party notifies the other in writing at least 6 (six) months in advance of its intention to terminate this MoU;
3. Termination of this Memorandum of Understanding shall not affect the validity of the duration of any arrangement or contract made under the present Memorandum of Understanding until the completion of such arrangement or contract.

**In Witness Whereof**, the undersigned, being duly authorized thereto by their respective Governments, have signed this Memorandum of Understanding.

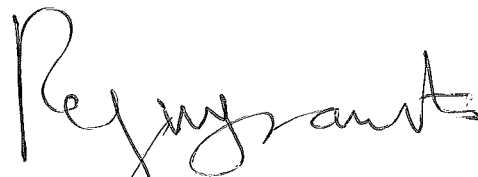
**Signed** in duplicate at Jakarta on this twenty third day of October 2007, in the English language. Both texts being equally authentic.

**FOR THE GOVERNMENT  
OF THE REPUBLIC OF ICELAND**



**Dr. OSSUR SKARPHEDINSSON**  
Minister of Industry and Energy

**FOR THE GOVERNMENT  
OF THE REPUBLIC OF INDONESIA**



**Dr. PURNOMO YUSGIANTORO**  
Minister of Energy and Mineral Resources