

## **AGREEMENT BETWEEN**

**THE MINISTRY OF FOREIGN TRADE AND FOREIGN INVESTMENT, THE  
MINISTRY OF ENERGY AND MINES OF THE REPUBLIC OF CUBA AND THE  
NORWEGIAN AGENCY FOR DEVELOPMENT COOPERATION OF THE  
KINGDOM OF NORWAY FOR "INCREASING THE CAPACITY OF THE CUBAN  
OIL INDUSTRY BASED ON THE HUMAN RESOURCE DEVELOPMENT FOR  
AN EFFECTIVE AND EFFICIENT MANAGEMENT OF POLICIES AND  
OPERATIONS IN THE OIL INDUSTRY"**

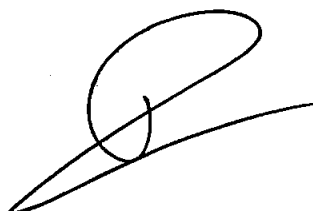
**HAVING REGARD** to the Declaration on the Bilateral Cooperation of April 9, 2010, between the Government of the Kingdom of Norway and the Government of the Republic of Cuba, whereby the two Governments confirmed their mutual interest in pursuing bilateral cooperation and promoting development and complementarity in the economic, cultural, scientific and technological fields;

**HAVING REGARD** to the Memorandum of Understanding signed the same day, entered into between the Government of the Kingdom of Norway and the Government of the Republic of Cuba pointing at the shared interest the two Governments have been working together in areas related to natural disaster prevention and environmental issues;

**HAVING REGARD** to the Memorandum of Understanding of May 17, 2011, between the Ministry of Foreign Trade and Foreign Investment of the Republic of Cuba and the Norwegian Agency for Development Cooperation of the Kingdom of Norway pointing their mutual interest in enhancing bilateral cooperation;

**HAVING REGARD** to the request from Cuban party received on March 4, 2013, for support to the Management of Petroleum activities in Cuba.

**THEREFORE** the Ministry of Foreign Trade and Foreign Investment of the Republic of Cuba hereinafter "MINCEX", the Ministry of Energy and Mines, and the Norwegian Agency for Development Cooperation, hereinafter "NORAD", hereinafter "the Parties", have reached the following understanding which shall constitute an Agreement between the Parties.

A handwritten signature in black ink, consisting of a large, stylized capital 'P' followed by a horizontal line extending to the right.

## ARTICLE 1

### Scope and Objectives

1. This Agreement sets forth the terms and procedures for NORAD's support to the Management of petroleum activities in Cuba, hereinafter "the Program". (Project title; *"Increasing the capacity of the Cuban Oil Industry based on the human resource development for an effective and efficient management of policies and operations in the oil industry"*.) Norway will provide, in coordination with the Cuban Parties, technical assistance to Ministry of Energy and Mines in accordance with relevant Framework Agreements between NORAD and Norwegian institutions.
2. The Program shall be carried out in accordance with the Agreed Program Document summary attached to this Agreement. The attached Program Document summary reflects the agreements of the activity plans reached between the Cuban and Norwegian parties in Havana during the period March 3 – 6, 2014, and further outlined in the report NORAD received from MINCEX, May 19, 2014. The Program Document is subject to be updated with an Annual Activity Plan, hereinafter "the Annual Plan", for the period mentioned in Article 9.1. The Annual Plan shall specify the activities to be carried out and the corresponding responsibilities of each of the Parties. Elements in the Annual Plan may be changed or adjusted by a record in agreed minutes of a meeting between the Parties. The Annual Plan may cover assistance in processes linked to petroleum legislation, strategic planning, technology, safety and environmental issues, supervision of activities and implementation.
3. The purpose ("outcome") of this Program is to establish a close cooperation between the Parties for the pooling of human resources and prevailing knowledge and experience, based on the best available qualified techniques and good governance principles. The goal ("impact") of the Program is capacity building in the Cuban petroleum administration through workshops, seminars or short courses which are mainly to be held in Cuba. This implies the promotion of economic growth, safety management and protection of the environment.
4. The Parties shall carry out the cooperation with due regard to the rights and obligations which each of them have pursuant to applicable national and international agreements.

**ARTICLE 2**  
**Coordination and Representation**

1. A Coordinating Committee, hereinafter "the Committee", shall be established with six (6) members, of which each of the Parties shall nominate two (2) representatives, or as otherwise agreed by the Parties. The Committee shall tentatively meet in January each year in order to discuss the Program, including results and fulfillment of agreed obligations, discuss and, if feasible, approve annual plans and budgets for the years 2014-2017, and discuss issues of special concern for the implementation of the Program, such as major risk factors (Coordinating Committee Meetings). The documentation specified in Article 6 shall form the basis for the Committee Meetings. Main issues discussed and points of view expressed shall be recorded in the agreed minutes. Minutes shall be prepared by Ministry of Energy and Mines within 4 weeks of a meeting. Meetings of the Committee shall be called and agreed by the Parties. Other Norwegian and Cuban institutions will participate as observers.
2. The Parties shall communicate and cooperate fully with the aim to ensure that the goal and purpose of the Program are successfully achieved. The Parties further agree to cooperate on preventing corruption in the execution of the Program and to take rapid action to stop, investigate and prosecute in accordance with applicable law, any person suspected of corruption or misuse of resources. The Parties shall immediately inform each other of any indication of corruption or misuse of resources related to the Program.
3. The Parties shall keep each other informed about matters of importance to the cooperation and the implementation of the Program, and each of the Parties shall promptly inform the other Parties of any circumstances that interfere or threatens to interfere with the successful implementation of the Program.
4. Each Party shall nominate one person as its representative in matters pertaining to the implementation of the Program. Whenever more convenient, the communication may be channeled through the Norwegian Embassy in Havana. Each Party shall immediately inform the other Parties of its nomination of the contact person.

### **ARTICLE 3**

#### **Contributions of NORAD**

1. NORAD will provide technical assistance to Ministry of Energy and Mines in accordance with relevant Framework Agreements between NORAD and Norwegian institutions regarding Technical Assistance to partners in recipient countries under Oil for Development (OfD) Initiative. Resource persons, hereinafter "Experts" will be made available from institutions in Norway.
2. NORAD undertakes, subject to Parliamentary appropriations, to provide a financial contribution not exceeding NOK ten (10) million to be used exclusively to cover technical assistance from the above mentioned Experts for the planned period 2014 - 2017 (the Support period).

### **ARTICLE 4**

#### **Disbursements**

NORAD will effect disbursements in arrears based on invoices from the relevant Norwegian institutions involved in accordance with the Framework Agreement between NORAD and the respective institution for cost incurred from the implementation of the Program.

NORAD will send a copy of the invoice to Ministry of Energy and Mines for information purposes. Ministry of Energy and Mines shall confirm to NORAD that agreed activities have taken place and that the services by the Norwegian Experts have been delivered as agreed. Disbursements to Norwegian institutions shall not be made before NORAD has received such confirmation.

### **ARTICLE 5**

#### **Responsibilities of the Parties**

##### **Responsibilities of NORAD:**

1. Select, in cooperation with Ministry of Energy and Mines and the Norwegian institutions, the subject matters for the development of the training activities.
2. Select the Norwegian experts that will participate in these training activities.
3. Cover the expenses related to international transportation and for accommodation and meals of the Norwegian experts when they are in Cuba.
4. Ensure the available means and materials necessary for conducting the activities.

5. Ensure that the Norwegian Experts co-participate with Ministry of Energy and Mines in drafting the Reports and provide written inputs to the Parties as set forth in the present Agreement.

#### **Responsibilities of Ministry of Energy and Mines:**

1. Select, in cooperation with NORAD, the subject matters for the development of the training activities.
2. Select the Norwegian experts, in cooperation with NORAD, as well as the Cuban specialists that will participate in these training activities.
3. Ensure satisfactory premises for conducting training activities in Cuba.
4. Ensure the transportation of the Norwegian experts selected by NORAD from their accommodation to the premises where the training activities are held and to the locations of Cuban organizations participating in the training activities to be visited.
5. Ensure the available means and materials necessary for conducting the activities.
6. Define precisely the Annual Plan of Activities in cooperation with NORAD.
7. Co-participate with the Norwegian Experts in drafting the Reports to be submitted to the Parties as set forth in the present Agreement.

#### **Responsibilities of MINCEX:**

1. Provide all the facilities for the execution of the Program within the framework of the Cuban legislation and provisions in force regarding the international collaboration within their fields of competence.
2. Offer the services of its Donation Enterprise (EMED), accredited with the Customs Agency, in order to import or clear through customs the goods and items required for the execution of the Program free of charge.
3. Ensure arrangements for securing the corresponding exemptions from customs tax and duties.
4. Offer all the facilities required by the legislation in force in Cuba, for requesting the visas required by the personnel of the foreign counterpart traveling to Cuba as part of the Program.
5. Control and supervise the execution of the Program while in force.

### **ARTICLE 6**

#### **Reports and Reviews**

1. Each institution involved from Norway and Cuba being part of the Program will report to MINCEX within 2 weeks of completing each training event. MINCEX will instruct the relevant Cuban institutions, and NORAD will instruct the relevant Norwegian institutions, under contract with NORAD, to prepare inputs to the reports. Within 3 weeks of each training event, based on such input Ministry of Energy and Mines shall prepare a summary report explaining program content, detailing participants, institutions, and report on

important aspects of achievements and "lessons learned" for future similar activities.

2. Each institution involved from Cuba and Norway being part of the Program shall submit their relevant input to the Annual Report for the Program to MINCEX and NORAD in due time, and no later than 6 weeks, before the date of the Coordinating Committee meeting which will discuss the Annual report and the next years program and budget. Ministry of Energy and Mines shall prepare an Annual Report covering the respective calendar year to be submitted to NORAD within 3 weeks before the Coordinating Committee Meetings referred to in Article 2. Within the same deadline, Ministry of Energy and Mines shall also submit to Norad the annual plan and budget for the next calendar year. Ministry of Energy and Mines and the relevant Norwegian institutions, in accordance with the relevant Framework Agreement, will prepare inputs to the reports, which shall include:
  - a. A description of actual outputs compared to planned outputs (as defined in the Program document/work plans),
  - b. a brief summary of the use of funds compared to budget,
  - c. an assessment of the efficiency of the Program (how efficiently resources/ inputs are converted into outputs),
  - d. an explanation of major deviations from plans,
  - e. an assessment of problems and risks (internal or external to the Program) that may affect the success of the Program,
  - f. an assessment of the need for adjustments to activity plans and/or inputs and outputs, including actions for risk mitigation.
  - g. If feasible, a brief assessment of achievements in relation to Purpose.


NORAD shall submit to MINCEX any financial reports from the relevant Norwegian institutions for information purposes.

3. Within 3 months after the end of the Support period, Ministry of Energy and Mines shall submit to NORAD a final report on the implementation of the Program, including the matters referred to in clause 2.
4. Each Party may at its own cost carry out independent reviews or assessment of the implementation of the Program as and when it deems it necessary. The Parties are permitted, for purposes related to the Agreement, to examine any relevant records and documents, as well as training activities included in the Project, previously agreed by the Parties.

## ARTICLE 7

### Personnel

1. Each of the Parties shall nominate their Experts with due regard to applicable laws, institutional regulations and responsibilities. An Expert may at any time be changed by the Party having appointed him or her.



2. Any person or entity involved in the execution of the Program shall comply with applicable local legislation. The Party responsible for the person or entity shall take prompt corrective action with regard to any violation by that person or entity.

## **ARTICLE 8**

### **Confidentiality and intellectual Property Rights**

1. The Parties undertake only to use disclosed confidential information in accordance with instructions as to disclosure and use and will not disclose such information to any person or organization not directly involved in the implementation of the Program.
2. Matters related to intellectual properties rights and protection of results obtained during the implementation of the Program shall be handled in accordance with applicable legislation in the country of origin, and international law.

## **ARTICLE 9**

### **Entry into Force, Modification and Termination**

1. This Agreement shall enter into force upon signature and shall remain in force until the Parties have fulfilled all obligations arising from it. Whether the obligations are fulfilled, shall be determined in consultations between the Parties.
2. The Parties may modify this Agreement by amendments that will form integral parts of the Agreement when such amendments are approved in writing by all Parties.
3. Each Party may terminate the Agreement unilaterally upon three months prior written notice of its decision to the other Parties.
4. The Parties shall distribute copies of the Agreement to ministries and authorities involved in its implementation.
5. If any dispute arises relating to the implementation or interpretation of the Agreement, the Parties shall consult with a view to reach an amicable solution.



IN WITNESS HEREOF, the undersigned, acting on behalf of their respective Parties, have signed the Agreement in three (3) originals in both the Spanish and the English language. In case of conflict, the English version shall prevail.

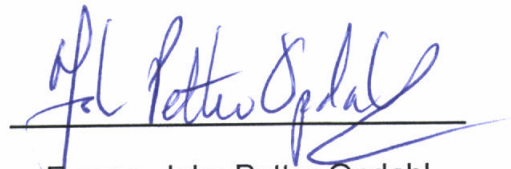
Done in Havana, (October 8<sup>th</sup>, 2014)

**On behalf of the Ministry of Foreign  
Trade  
and Foreign Investment**



Raúl Becerra Egaña  
Director  
European Comercial Policy Division

**On behalf of NORAD**



Excmo. John Petter Opdahl  
Ambassador of the Kingdom of Norway  
in Cuba

**On behalf of the Ministry of Energy  
and Mines**



Raúl Pérez de Prado  
General Director Oil and Gas