

**IMPLEMENTING ARRANGEMENT #7 TO  
THE AGREEMENT  
BETWEEN  
THE AMERICAN INSTITUTE IN TAIWAN  
AND  
THE COORDINATION COUNCIL FOR NORTH AMERICAN AFFAIRS  
FOR TECHNICAL COOPERATION  
IN THE FIELD OF ENVIRONMENTAL PROTECTION  
FOR  
FISCAL YEAR 2006 AND 2007 PROGRAM IMPLEMENTATION**

**Article I : Purpose**

This Implementing Arrangement is entered into by the American Institute in Taiwan (AIT) and the Taipei Economic and Cultural Representative office in the United States (TECRO), formerly known as the Coordination Council for North American Affairs (CCNAA), and, hereinafter referred to as the "Parties", to implement program activities under the Agreement between AIT and CCNAA for Technical Cooperation in the Field of Environmental Protection, dated June 21, 1993 (the "AIT/CCNAA Agreement). The AIT/CCNAA Agreement was extended effective to June 21, 2008. AIT, through its designated representative, the U.S. Environmental Protection Agency in Washington D.C. (EPA) in cooperation with TECRO, through its designated representative, the Environmental Protection Administration in Taipei (EPAT), , shall carry out program tasks, determine priorities for future cooperation activities, and develop Implementing Arrangements which shall set forth work programs for such future activities.

## **Article II: Authorization**

The activities described in this Implementing Arrangement shall be carried out under the general terms and conditions of the AIT/CCNAA Agreement. This Implementing Arrangement is hereby attached to the AIT/CCNAA Agreement and becomes part of the Agreement.

## **Article III: Scope of Work**

Program tasks to be carried out under this Implementing Arrangement are summarized in Attachment 1 (AIT-TECRO Technical Cooperation Program – Summary and Description) and Attachment 2 (AIT-TECRO Technical Cooperation Program Estimated Budget).

## **Article IV: Responsibilities of AIT**

The responsibilities of AIT, through its designated representative, EPA, under this Implementing Arrangement are:

- A. To undertake the tasks and manage the funds set forth in the attachments;
- B. To make available personnel, equipment and other assistance as may be necessary to carry out such tasks;
- C. To facilitate and provide support for consultations between and among representatives of TECRO, EPAT, EPA and other appropriate agencies; and
- D. To report on an annual basis or at the end of the term of this Implementing Arrangement to TECRO on AIT's use of funds received from TECRO pursuant to Article VI.

## **Article V: Responsibilities of TECRO**

The responsibilities of TECRO under this Implementing Arrangement are:

- A. To provide all necessary financial assistance in accordance with Article V of the AIT/CCNAA Agreement and Article VI of this Implementing Arrangement, as well as administrative and other assistance to support AIT in undertaking the tasks set forth in the Attachments;
- B. To provide guidance for and to facilitate consultations between and among representatives of EPAT, AIT, and other appropriate agencies; and
- C. To ensure that all necessary logistical arrangements for tasks to be conducted in Taiwan, including the provision of training and conference facilities, are completed prior to the commencement of each such task.

## **Article VI: Financial Arrangements**

In accordance with Article V of the AIT/CCNAA Agreement and prior to the commencement of activities by AIT's designated representative under this Implementing Arrangement, during each of the fiscal years for which this Implementing Arrangement is in force, TECRO shall advance to AIT the amount of funds (in U.S. dollars) specified in the Attachments to this Implementing Arrangement. These funds shall be used by AIT's designated representative to defray costs that it incurs in carrying out the tasks that are indicated in the Attachments to be undertaken during such fiscal year. Upon receipt of funds from TECRO for each fiscal year, AIT, through its designated representative, shall commence such tasks.

Any funds received by AIT from TECRO that remain at the end of the term of the AIT/CCNAA Agreement shall be returned to TECRO.

## **Article VII: Intellectual Property Considerations**

No intellectual property or confidential business information considerations are expected to arise in conjunction with activities to be undertaken pursuant to this Implementing Arrangement.

**Article VIII: Effective Date, Amendment and Termination**

This Implementing Arrangement shall enter into force on the date of the last signature hereinafter, may be amended by written agreement of the Parties at any time, and will remain in force for two years unless extended by mutual agreement or terminated by either Party upon six months written notice to the other Party and its designated representative. Termination shall not affect the validity or duration of activities not fully completed at the time of termination.

IN WITNESS WHEREOF, The undersigned, being duly authorized, have signed this  
Implementing Arrangement.

DONE at Washington, D.C., in duplicate, in the English language.

FOR THE AMERICAN INSTITUTE IN  
TAIWAN:

FOR THE TAIPEI ECONOMIC AND  
CULTURAL REPRESENTATIVE OFFICE  
IN THE UNITED STATES:

Walter J. Shy  
Name

John C.C. Deng  
Name

Managing Director, AIT  
Title

Deputy Representative, TECRO  
Title

7/28/06  
Date

Sep. 15, 2006  
Date

**ATTACHMENT 1: AIT-TECRO Technical Cooperation Program Description for 2006  
and 2007**

**ATTACHMENT 2: AIT-TECRO Technical Cooperation Program -- Estimated Budget**

Attachment I  
 AIT-TECRO Technical Cooperation  
 Program Description for 2006 and 2007

**AIR QUALITY MANAGEMENT**

*Air Quality: Modeling, Monitoring and Forecasting*

Activity 1

Title: Air Quality Modeling (Models 3) including Mercury

Implementation Format:	Technical Assistance/workshops
Reprogrammed remaining funds (NTD):	
2006 funds (NTD):	\$ 3,500,000 (NTD)
Estimated 2007 funds (NTD):	\$ 2,800,000 (NTD)

Project Description:

**Result:** Taiwan will have 1) increased capacity to conduct advanced modeling assessment of regional transport of air pollutants, such as O<sub>3</sub>, PM and acid depositions from outside of Taiwan region; 2) strengthen EPAT's policy decision through the technology transfer of USEPA's integrated air quality assessment tool such as AirControlNet, and Response Surface Model (RSM) to support scientific research; 3) capacity to identify air quality episodes involving mercury by collecting and analyzing mercury field measurement data; 4) ability to conduct comprehensive mercury modeling; 5) develop a state-of-the-science mercury model within the framework of the USEPA Models-3 for the application of mercury simulation; 6) prepared for mercury emission estimates and chemical transport simulation.

**Objective:** This project will 1) continue air quality modeling and emissions efforts by using USEPA's Third Generation Air Quality Modeling System (Models-3)/Community Multiscale Air Quality (CMAQ) modeling system to conduct current and future air quality assessment and study the impact of transboundary and regional air pollutants transport to Taiwan; 2) develop a Taiwan policy and decision support system by integrating modeling assessment with cost benefits analysis tools such as USEPA's AirControlNet, 3) initiate modeling and emissions projects to investigate mercury issues, its impacts, and subsequently develop cost-effective mercury control strategies at Taiwan.

**Activities:** For the air quality modeling and decision/policy support system, USEPA will 1) continue to conduct the impacts of the transported pollutants, 2) incorporate AirControlNET with Taiwan Emission Database System (TEDS), 3) obtain results from modeling runs to RSM, 4) conduct technology workshops on the RSM tool, 5) integrate AirControlNET, and RSM in one system, Air Strategy Assessment Program, 6) conduct technology transfer workshops. For mercury modeling activities, USEPA will 1) evaluate the sciences of atmospheric mercury to be implemented in the advanced modeling system (USEPA Models-3), 2) conduct technology transfer workshops on USEPA's advanced mercury chemical transport and emission inventory modeling tools, 3) develop state-of-the-science mercury model components for implementation in USEPA's Models-3 framework, 4) perform mercury emission inventory estimates from anthropogenic and vegetative sources in Taiwan, 5) prepare model-ready emission inventory and meteorological fields required for the chemical transport simulation of mercury in Taiwan, 6) verify the model performance using available measurement and