5. A State, or agency or institution of a State, where such State, agency, or institution is an entity described above or is otherwise involved in joint activities under this Framework Agreement.

The terms “contractor” and “subcontractor” include suppliers of any kind.

ARTICLE 3
IMPLEMENTING AGENCIES AND IMPLEMENTING ARRANGEMENTS

A. The specific terms and conditions for the joint activities specified in Article 1 (Scope of Activities) shall be set forth in Implementing Arrangements between the Implementing Agencies under this Framework Agreement. The Government of Japan designates the Ministry of Education, Culture, Sports, Science, and Technology and JAXA, or their successors, as its Implementing Agencies, and the Government of the United States of America designates NASA, NOAA, and the United States Geological Survey, or their successors, as its Implementing Agencies. Either Party may designate additional Implementing Agencies for specific joint activities, as necessary. In such a case, that Party shall duly notify the other Party regarding any designated additional Implementing Agencies through diplomatic channels.

B. The Implementing Arrangements shall refer to and be subject to this Framework Agreement. Each Implementing Arrangement shall indicate that it has been duly authorized or confirmed by each Party. The Implementing Arrangements shall describe, inter alia, the scope of the joint activities and the individual and joint responsibilities of the Implementing Agencies, consistent with this Framework Agreement. The Parties agree that the Implementing Arrangements shall not create rights and obligations under international law.

C. The Parties shall ensure that their respective Implementing Agencies comply with this Framework Agreement in accordance with their respective laws and regulations. Any terms, conditions, and obligations of this Framework Agreement apply to the Parties’ respective Implementing Agencies.

D. The Parties shall establish and maintain a list of Implementing Arrangements under this Framework Agreement. The list shall include the relevant Implementing Agencies for each Implementing Arrangement, the title of each Implementing Arrangement, the date(s) on which it is signed, and its duration. The Parties shall update and exchange the list at least yearly. This list shall not constitute an integral part of this Framework Agreement.

ARTICLE 4
FINANCIAL ARRANGEMENTS

A. Each Party shall bear its own costs in the implementation of this Framework Agreement and any Implementing Arrangement. Obligations under this Framework Agreement and activities pursuant to any Implementing Arrangement shall be subject to the availability of appropriated funds and to each Party’s funding procedures.

B. Each Party shall ensure that, should its Implementing Agency encounter budgetary problems that may affect the activities to be conducted pursuant to this Framework Agreement or any Implementing Arrangement, the Implementing Agency notifies and consults with the other Party’s Implementing Agency as soon as possible.

ARTICLE 5
TAXES, DUTIES, AND FEES

A. Each Party shall ensure exemption of all applicable taxes and duties that would be collected by customs authorities, and in accordance with its laws and regulations, each Party shall make reasonable efforts to facilitate exemption of fees, for the importation and exportation to and from its territory of goods and software that are necessary for the implementation of this Framework Agreement.

B. In the event that any fees of any kind for the importation and exportation to and from its territory are nonetheless levied on such goods and software, such fees shall be borne by the Party of the country levying them unless otherwise agreed by the Parties.

C. Each Party shall also facilitate, in accordance with its laws and regulations, the movement of goods into and out of its territory for the implementation of this Framework Agreement.