MEMORANDUM OF UNDERSTANDING ON BIOENERGY COOPERATION, INCLUDING BIOFUELS BETWEEN THE DEPARTMENT OF ENERGY OF THE REPUBLIC OF THE PHILIPPINES AND THE MINISTRY OF MINES AND ENERGY OF THE FEDERATIVE REPUBLIC OF BRAZIL

The Department of Energy of the Republic of the Philippines and the Ministry of Mines and Energy of the Federative Republic of Brazil (hereinafter referred to as the "Parties"),

Sharing the determination to strengthen cooperation, friendship and fraternity between both countries and their peoples,

Recognizing their common interest in the development of affordable, clean and sustainable energy sources,

Acknowledging the strategic role of alternative sources of energy, including bioenergy, in addressing current global challenges such as climate change and sustainable development needs,

Considering that this Memorandum of Understanding expresses the intent of the Parties to cooperate in the field of bioenergy including biofuels,

Have agreed as follows:

ARTICLE 1 OBJECTIVES

The objectives of this Memorandum of Understanding are to facilitate technical cooperation in the field of bioenergy including the production and use of biofuels, particularly ethanol, and to promote the expansion of bilateral trade and investment in the biofuel sector, in accordance with the respective national laws and regulations of the Parties.

ARTICLE II AREAS OF COOPERATION

The areas of cooperation under this Memorandum of Understanding shall include projects and activities of mutual interest such as:

1. Information exchange on the sustainable production and use of biofuels, including large-scale production technology, and best practices in policy and regulatory infrastructure, among others;

- 2. Joint undertakings, including research and development; exchange of experts; training, seminars and conferences and other cooperative activities promoting the efficient production and use of biofuels;
- 3. Dialogue on trade related issues, including measures to promote bilateral trade of goods and services associated with the biofuels production chain, with a view to ensuring that biofuels become an energy commodity;
- 4. Other areas in the bioenergy sector as agreed upon by the Parties.

ARTICLE III JOINT COMMITTEE

The Parties shall establish a Joint Committee, which shall be composed of an equal number of representatives from both Parties, to oversee the implementation of this Memorandum of Understanding. The lead coordinating agencies of the Joint Committee shall be:

For the Republic of the Philippines:

Department of Energy

For the Federative Republic of Brazil: Ministry of Mines and Energy

The Joint Committee may invite the participation of representatives from other government agencies, industry associations, the business sector, the academe and nongovernmental organizations, as may be agreed upon by the Parties. The Joint Committee shall be responsible for planning, implementing, monitoring and evaluating projects, activities, work plans or contracts that are mutually agreed upon by the Parties pursuant to this Memorandum of Understanding. The Joint Committee shall meet when considered appropriate by mutual consent, at least every two years alternately in the Philippines and Brazil.

ARTICLE IV IMPLEMENTATION ARRANGEMENTS

The parties shall develop projects, activities and contracts in accordance with the provisions of this Memorandum of Understanding to implement the aforementioned areas of cooperation. The implementation of this MOU including the projects and other activities based herein shall be in accordance with the relevant laws and regulations of the Parties. Costs related to the implementation of this Memorandum of Understanding shall be subject to the availability of funds and the respective national laws and regulations of the Parties. The Joint Committee shall ensure that the costs and funds for each project, activity or contract arising from this Memorandum of Understanding shall be in writing and mutually agreed upon by the Parties.