MEMORANDUM OF UNDERSTANDING

between

State of California

and

INTERNATIONAL BANK FOR RECONSTRUCTION DEVELOPMENT, INTERNATIONAL DEVELOPMENT ASSOCIATION

November 11, 2016

This Memorandum of Understanding ("Memorandum") represents a statement of intent by the State of California ("California"), and the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA) (collectively, the "World Bank" or the "Bank") (each a "Party" and together, the "Parties") to collaborate in the achievement of common objectives as described and on the basis outlined below.

WHEREAS:

- (A) The World Bank's overarching mission is to reduce poverty, improve living conditions, and promote sustainable and comprehensive development in its developing member countries. It has established two ambitious goals to anchor its mission: end extreme poverty within a generation and boost shared prosperity. The World Bank will achieve these goals by providing loans, concessional financing, technical assistance, and knowledge sharing services to its developing member countries and through partnerships with other organizations.
- (B) California faces significant impacts from climate change, including rising sea levels, diminishing snow pack, increased size and intensity of wildfire, and greater impact from drought. As a result, California has taken a world-leading role in response to climate change and in working with jurisdictions around the world in promoting more aggressive action to reduce greenhouse gas emissions and build resilience to climate change.

NOW THEREFORE the Parties intend as follows:

A. Objective

Consistent with their respective mandates, the Parties desire to cooperate on sharing knowledge and good practice with other territories and cities on sustainable, low carbon development strategies, tools, and good practices consistent with the goal of limiting global warming well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius. Collaboration will cover multiple sectors and programs, focusing on shared and necessary goals to achieve greater benefits.

B. Collaboration

- (a) To further the achievement of their common objectives, the Parties intend to collaborate in the following manner ("Collaborative Activities"):
 - (i) share knowledge, ideas and lessons learned;
 - (ii) plan joint activities in areas of common interest;
 - (iii) pool efforts and expertise;
 - (iv) collaborate on the promotion, preparation and organization of information exchanges, action plans, and implementation strategies:
 - (v) collaborate on the organization and execution of case studies, best practices, and templates;

- (vi) collaborate on ways to engage other entities to bring further support to the activities pursued under this Memorandum;
- (vii) collaborate on the dissemination of model policies and programs through publications, seminars, workshops, conferences and other easily accessible means; and
- (b) The Collaborative Activities will be delivered through various initiatives, including the Global Platform for Sustainable Cities (GPSC), a knowledge sharing program that will provide access to cutting-edge tools and promote an integrated approach to sustainable urban planning and financing coordinated by the World Bank, for which the California will act as a technical partner. Initial Collaborate Activities may include:
 - (i) Carbon inventory methodology, including establishment of a database and development of related templates;
 - (ii) Decarbonization pathway to 2050, including cataloging of cross sector methods and consideration of policy interactions across sectors; guidance on technical and political processes for emission target setting; identification and sharing of resources for implementation, including market and non-market means; tracking and analysis of indicators for progress towards goals;
 - (iii) Capacity building, including model policies and training programs for other regions, development of templates, case studies analysis, tool and resource sharing, and analysis of governance structures in specific regions
- (c) As part of this collaboration, the Parties will, from the outset, work in partnership with the Under 2 Coalition and its Secretariat and the Climate Group, and seek other partnerships as appropriate.
- (d) The Parties will periodically evaluate the effectiveness of working in collaboration, with reference to their respective mandates and priorities.

C. Contacts

Each party hereby designates and appoints below its representative with overall responsibility for implementing this Memorandum. The Parties may, by written notice to the other Party, designate additional or different persons as points of contact but the Parties expect to have only one person at a time designated as the person with overall responsibility for all activities undertaken pursuant to this Memorandum.

For the World Bank:

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D. General

1. This Memorandum does not constitute an agreement or commitment by either Party to enter into or provide support for any specific activity or project.

- 2. The Parties expect that this Memorandum and information with respect to the collaborative activities contemplated herein will be publicly disclosed by the Bank. Such disclosure will be made in accordance with the Parties' respective disclosure policies. The Parties plan to consult with each other concerning the manner and form of any acknowledgement of the other Party's support regarding the activities.
- 3. This Memorandum shall become effective upon signature by both Parties on the date set forth below. It will remain in effect until November 10, 2019.

In witness whereof, the Parties have caused this Memorandum to be executed as of the day and date written below.

November 11, 2016

STATE OF CALIFORNIA

INTERNATIONAL BANK FOR RECONSTRUCTION

AND DEVELOPMENT, and

INTERNATIONAL DEVELOPMENT ASSOCIATION

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