MEMORANDUM OF UNDERSTANDING BETWEEN CONSÓRCIO BRASIL VERDE AND THE GOVERNMENT OF THE STATE OF CALIFORNIA OF THE UNITED STATES OF AMERICA

The Consórcio Brasil Verde ("CBV") and the Government of the State of California of the United States of America ("California"), hereinafter referred to as "the Participants," state as follows;

RECOGNIZING the urgent imperative to confront the simultaneous challenges of climate change, biodiversity loss, and pollution, which threaten global economic security, human wellbeing, and the ecological integrity of the planet;

RECOGNIZING the devastating local impacts of climate change that CBV member states and California have experienced in recent years, including catastrophic wildfires and flooding, as well as the long-term increased frequency of extreme heat, drought, and the spreading of pests and diseases;

WHEREAS CBV represents 21 Brazilian state governors committed to promoting climate action at the subnational level in line with the pursuit of global climate goals;

WHEREAS California has committed to achieving carbon neutrality by 2045;

WHEREAS CBV member states and California face common challenges in advancing climate adaptation, yet share a commitment to leading and promoting innovative actions to develop resilience against the impacts of climate change and reduce greenhouse gas emissions, while advancing economic development and equitable outcomes;

WHEREAS CBV member states and California have a successful history of collaboration in climate change initiatives, including the joint implementation of clean energy projects, initiatives to reduce tropical deforestation and methane emissions, and policy dialogues and technical exchanges on carbon markets, circular economy, and other topics;

WHEREAS recent technological advances provide an opportunity to expand and deepen cooperation between the Participants;

WHEREAS R20 Regions of Climate Action is CBV's partner for strategic projects;

WHEREAS the Participants recognize the importance of the full and meaningful participation of Indigenous peoples in climate action and decision-making, including the ongoing processes of reconciliation with Native American tribes in California and Indigenous peoples in Brazil;

Therefore, the Participants have reached the following understanding:

SECTION I Objective

The purpose of this Memorandum of Understanding is to establish a flexible framework between the Participants in order to continue to collaborate to promote effective and innovative climate actions. In doing so, the Participants share the following common objectives:

- a) Promote climate mitigations such as energy efficiency, the implementation of clean energy technologies, and transportation decarbonization.
- b) Promote the role of private sector in advancing sustainable and green infrastructure projects, advancing the circular economy, and clean technology development.
- c) Work in partnership with Indigenous Brazilians and California Native American tribes to develop and implement solutions to the unique difficulties faced by Indigenous communities disproportionately impacted by climate change.
- d) Increase community and ecosystem resilience to drought, floods, agricultural pests, harmful algal blooms, and other climate change impacts.
- e) Promote biodiversity conservation in a changing climate.
- f) Promote the human and environmental health co-benefits of climate action, such as air quality improvements.
- g) Promote the re-capture of economic value currently lost through material waste and reduce reliance on virgin raw materials through circular economy developments.

SECTION II Areas of Cooperation

The Participants intend to continue to collaborate to promote effective and innovative climate actions through initiatives focused particularly on, but not limited to, the following areas of cooperation:

- a) Climate adaptation and resilience;
- b) Nature-based climate solutions;
- c) Biodiversity conservation and implementation of the global target to conserve 30% of the world's lands and oceans by 2030 ("30x30");
- d) Improving affordable access to water and sanitation;
- e) Ensuring water reliability in the face of drought and floods;
- f) Protecting water quality, including from harmful algal blooms;
- g) Forestry management, including byproduct utilization pathways;
- h) Transportation decarbonization, including zero-emission vehicle transitions, charging infrastructure, and accelerating the uptake of zero- or near-zero-emission vehicles:
- i) Air pollution;
- j) Clean energy generation and energy efficiency;
- k) Circular economy, bioeconomy, and waste management, including battery technology and recycling;
- Climate smart agriculture;
- m) Sustainable pest management;
- n) Methane and short-lived climate pollutants;
- Emissions trading systems;
- p) Measurement, reporting and verification of greenhouse gases;
- q) Customer affordability, including energy infrastructure financing, cost efficiencies, and rate design; and
- r) Green investments.

SECTION III Coordination

The Participants respectively designate the Executive Secretariat of Consórcio Brasil Verde and the California Environmental Protection Agency (CalEPA) – in cooperation with sister agencies and state government bodies such as the California Natural Resources Agency (CNRA), the California Department of Food and Agriculture (CDFA), the California Public Utilities Commission (CPUC), and the Governor's Office of Business and Economic Development (GO-Biz) – to establish the creation of an action plan to implement the objectives of this Memorandum of Understanding.

SECTION IV Specific Activities

Specific activities to achieve the objectives of this Memorandum of Understanding for the key sectors and initiatives identified in Section II may include:

- a) Participation in tradeshows and/or trade missions focused on sustainability, clean technology, circular economy, and green infrastructure as appropriate;
- b) Training programs and technical knowledge exchange between specialists from both regions;
- c) Share knowledge of pilot projects and implementation in priority areas such as transportation decarbonization and circular economy;
- d) Collaboration with local partners, non-governmental organizations, and the private sector to maximize the impact of joint initiatives; and
- e) Establishment of mechanisms to track the progress and outcomes of activities.

SECTION V Points of Contact

The Consórcio Brasil Verde and the California Environmental Protection Agency will also serve as the respective contact points for communication and information exchange, as well as any notice required to be submitted under this Memorandum of Understanding.

Consórcio Brasil Verde: General Secretary Robson Monteiro and R20 Regions of Climate Action Director Jorge Pinheiro Machado, or any successors or designees.

California Environmental Protection Agency: Deputy Secretary for Climate Policy Sarah Izant, or any successors or designees.

SECTION VI No Legal Obligations, Rights, or Remedies

This Memorandum of Understanding is a voluntary initiative. It does not create any legally binding rights or obligations and creates no legally cognizable or enforceable rights or remedies, legal or equitable, in any forum whatsoever. In addition, the pledges in this Memorandum of Understanding are not conditioned upon reciprocal actions by other Participants; each Participant retains full discretion over implementation of its pledges in light of the Participant's individual circumstances, laws, and policies; and each Participant is free to withdraw from the Memorandum.

SECTION VII Availability of Personnel and Resources

This Memorandum of Understanding does not involve the exchange of funds, nor does it represent any obligation of funds by either Participant. All costs that may arise from activities covered by, mentioned in, or pursuant to this Memorandum of Understanding will be assumed by the Participant that incurs them, unless otherwise expressly agreed in a future written arrangement in accordance with applicable laws. All activities undertaken pursuant to this Memorandum of Understanding are subject to the availability of funds, personnel and other resources of each Participant.

The personnel designated by a Participant for the execution of this Memorandum of Understanding will work under the orders and responsibility of that Participant and any other organization or institution to which the personnel already belongs, at all times maintaining any preexisting employment relationship only with that Participant and organization or institution, and not with any other Participant.

SECTION VIII Compliance with Applicable Laws

This Memorandum of Understanding will be construed consistent with all applicable laws, and activities undertaken in connection with this Memorandum of Understanding will be subject to, and will be undertaken in a manner consistent with, all otherwise-applicable laws.

SECTION IX Interpretation and Application

Any difference that may arise in relation to the interpretation or application of this Memorandum of Understanding will be resolved through consultations between the Participants, which will endeavor in good faith to resolve such differences.

SECTION X Final Provisions

This Memorandum of Understanding is effective from the date of its signature, for a fouryear period, unless renewed or extended by the Participants in the same manner that the Participants may otherwise modify this Memorandum of Understanding.

This Memorandum of Understanding may be modified at any time by mutual consent of the Participants. Any modification will be made in writing and specify the date on which such modification is to become effective.

Any of the Participants may, at any time, withdraw from this Memorandum of Understanding by providing a written notice to the other Participant(s). A Participant that intends to withdraw from this MOU will endeavor to provide notice of such withdrawal to other Participants 30 days in advance.

The termination of this Memorandum of Understanding will not affect when activities initiated while this Memorandum of Understanding is in effect will conclude, unless a Participant expressly states otherwise. A Participant that intends to terminate a previously initiated activity will endeavor to reach an understanding with the other Participant concerning such termination.

Signed in Sacramento, California and Vitória, Espírito Santo on February 27, 2025, in two original copies in English and Portuguese.

FOR CONSÓRCIO BRASIL VERDE

FOR THE GOVERNMENT OF THE STATE OF CALIFORNIA OF THE UNITED STATES OF AMERICA

José Renato Casagrande Governor of Espírito Santo

Gavin Newsom
Governor of California