

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE GOVERNMENT OF BRAZIL

AND

**THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND**

THE GOVERNMENT OF BRAZIL, through the Ministry of Development, Industry, Trade and Services (MDIC), with headquarters in Brasilia – Federal District, at address Esplanada dos Ministérios, Bloco J, sala 400, Zip Code 70053-900, registered with CNPJ/MF no. 00,394,478/0002-24 hereby represented by the Minister of State, GERALDO JOSÉ RODRIGUES ALCKMIN FILHO;

and

THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND, hereinafter referred to as the UK Government, hereby represented by the Secretary of State from the Department for Energy Security and Net Zero, CLAIRE COUTINHO.

NOTING the efforts by the Government of Brazil to develop and launch its new Industrial Decarbonization Strategy setting out the ambition and aspiration of reducing emissions from its industrial sector and promoting green and inclusive industrial growth, including via the development and deployment of new clean technologies,

RECOGNISING the role that the international community can play in supporting Brazil in developing and delivering high levels of ambition in its domestic industrial decarbonization plans through the provision of a wide range of international assistance, including but not limited to:

- i. the exchange of expertise, lessons learned, modelling and insights;
- ii. the delivery of capacity building interventions linked to industrial decarbonisation, including through the UK PACT (Partnering for Accelerated Climate Transitions) programme;
- iii. providing technical assistance to support strategy and policy developments, and wider capacity and capability building;
- iv. providing access to concessional finance programmes in order to help de-risk investments and leverage private sector capital;
- v. convening prospective private sector investors, customers and trading partners for Brazilian green industrial goods;

- vi. enacting partnerships on specific projects, programmes or themes where mutual benefit can be generated through joint working, learnings and generating economies of scale;
- vii. collaboration through specific international initiatives to help create the wider global conditions to support investments, such as international standards and demand signals,

RECOGNISING the need for the international community to strengthen the international assistance offer for industrial decarbonization, as identified as an urgent international priority in the 2022 and 2023 Breakthrough Agenda Reports from the IEA, IRENA and UN High Level Champions and highlighted as a Breakthrough Agenda Priority Action at COP27, including through improved coordination, aggregation and simplification of international assistance which in turn can boost its accessibility, maximise its collective impact and speed up its delivery;

ACKNOWLEDGING the Joint Declaration of 24 May 2023 launching the UK-Brazil Partnership on Green and Inclusive Growth between the Minister of Foreign Affairs of Brazil, the Minister of Environment and Climate Change of Brazil and the Secretary of State for Foreign, Commonwealth and Development Affairs of the United Kingdom of Great Britain and Northern Ireland strengthening cooperation and dialogue in relation to: climate; forests; agriculture; energy, decarbonization of industry and finance.

HAVE REACHED THE FOLLOWING UNDERSTANDINGS:

**PARAGRAPH ONE
OBJECTIVE**

1. The purpose of this Memorandum of Understanding is to establish a non-exclusive framework to promote co-operation between the Participants in particular to enhance MDIC's ability to identify, align and match sources of international assistance with projects and activities to support the decarbonization of Brazil's industrial sector - including by promoting the development and deployment of new clean technologies.
2. For the purposes of this Memorandum of Understanding, this framework for collaboration is referred to as the Hub for Industrial Decarbonization in Brazil (**IDHub**).
3. The Participants intend for the activities carried out in connection with the IDHub to support MDIC in developing a more coordinated, effective and efficient programme of activities to support the decarbonization of Brazil's industrial sector. The Participants recognise that the IDHub may act as a pilot of this form of international sectoral assistive offer.

**PARAGRAPH TWO
AREAS AND FORMS OF COOPERATION**

1. In order to give effect to the objective of this Memorandum of Understanding, the Participants intend to co-operate with a view to:
 - i. understanding the needs and ambitions of the Government of Brazil in decarbonizing its industrial sector, with a view to identifying opportunities for

international assistance to support the industry (including through promoting the development and deployment of new and clean technologies);

- ii. convening international parties with an interest in industrial sector decarbonization (including technical assistance providers, international climate finance donors, private investors and other industrial initiatives) in order to facilitate the identification, alignment and matching of international assistance with appropriate industrial decarbonization projects and related activities
 - iii. encouraging international climate finance donors to participate in and support the work of IDHub in order to strengthen the coordination, coherence and complementarity of international support for the decarbonization of its industrial sector;
 - iv. promoting activities carried out in connection with the IDHub at key international climate and clean energy events and identify opportunities for public engagement; and
 - v. considering how any technical, financial or other assistance made available to industrial decarbonization projects in Brazil by the UK Government under its International Climate Finance policy program is, aligned with the relevant strategies, policies and ambitions of the Government of Brazil.
2. Cooperation between the Participants in connection with this Memorandum of Understanding may take the form of:
- i. ongoing official-level dialogues, exchanges of technical and policy expertise;
 - ii. technical workshops to be held in Brazil or online between Participants to share information regarding possible political and technical means to promote the decarbonization of the industrial sector (noting that the Participants intend for the first of these workshops to be held in the fourth quarter of 2023);
 - iii. the establishment of a dedicated post at the British Embassy in Brasilia, with an employee by the UK Government, which will facilitate co-operation and collaboration between the Participants as may be required in connection with this Memorandum of Understanding (for an initial period of not less than 12 months with the potential for further extension at the discretion of the UK Government); and
 - iv. any other forms of cooperation that may be jointly determined by the Participants in writing.

PARAGRAPH THREE IMPLEMENTATION

1. The Participants will convene every four months meetings of the IDHub Steering Group. The IDHub Steering Group will comprise of officials from each of the Participants and any other members as jointly decided between them.

2. The agenda for, time and format of each IDHub Steering Group meeting will be jointly decided by the Participants in advance.
3. The primary purpose of IDHub Steering Group meetings will be to:
 - i. identify activities to be carried out in connection with the anticipated areas of co-operation outlined in this Memorandum of Understanding and to reflect those activities in a jointly decided Programme of Action (having regard to Brazil's G20 Presidency and hosting of the CEM-MI Ministerial in 2024, and Brazil's bid to host COP30 in 2025, where relevant);
 - ii. review progress against any Programme of Action jointly decided by the Participants or any other activities jointly decided by the Participants in connection with this Memorandum of Understanding; and
 - iii. arrange bi-annual Country Co-Chaired Transition Dialogue events.
4. The Participants intend for the first Programme of Action to be jointly decided after the signature of this MoU.
5. The purpose of bi-annual Country Co-Chaired Transition Dialogue events will be to convene international parties with an interest in industrial sector decarbonization in order to facilitate the identification, alignment and matching of sources of international assistance with appropriate industrial decarbonization projects and related activities in Brazil.
6. The Participants intend for every other bi-annual Country Co-Chaired Transition Dialogue to be attended by Ministers from each of the Participants or their deputies.

**PARAGRAPH FOUR
FUNDING AND GENERAL CONSIDERATIONS**

1. There will be no transfer of financial resources between the Participants in connection with this Memorandum of Understanding or in relation to activities otherwise carried out in connection with the IDHub, unless otherwise jointly decided by the Participants in writing.
2. Each Participant will be responsible for the costs of its own participation in meetings and all other co-operative activities carried in connection with this Memorandum of Understanding, unless jointly decided by the Participants in writing.
3. This Memorandum of Understanding serves only as a record of the Participants' intentions to be given effect on the basis of mutual, fair and reciprocal benefits. It is not an international agreement. This Memorandum of Understanding does not constitute or create obligations under international or domestic law and will not give rise to any legal process and will not be deemed to constitute or create any legally binding or enforceable obligations, express or implied.
4. Any collaboration, projects or activities to be pursued under this Memorandum of Understanding will be subject to the independent decision-making processes of each Participant including their respective applicable policies, rules, procedures, objectives, and approval requirements.

5. Activities carried out in connection with this Memorandum of Understanding are subject to the laws, rules, regulations and national policies governing the subject matter in their respective countries, as applicable.

**PARAGRAPH FIVE
HUMAN RESOURCES**

1. No official or other representative of the Participants will owe any obligations to or incur any liabilities in respect of the other Participant in relation to the activities carried out in connection with this Memorandum of Understanding and no change in employment relationship will result from the same.
2. No activities carried out in connection with this Memorandum of Understanding will involve the transfer of employees, who will only be required to carry out specific activities for a specific period of time.

**PARAGRAPH SIX
AMENDEMENTS**

1. Either Participant may request a review, modification or amendment of all or any part of this Memorandum of Understanding in writing.
2. Such review, modification or change will come into effect on such date as is decided jointly by the Participants.
3. Any review, modification or amendment will not prejudice the benefits and commitments arising from, or based, on this Memorandum of Understanding prior to or up to the date of such review, modification or amendment.

**PARAGRAPH SEVEN
TERMINATION**

1. This Memorandum of Understanding will come into effect on the date of signing and will remain in effect for a period of 3 years unless extended by a joint decision of the Participants in writing.
2. Either Participant may terminate this Memorandum of Understanding by notifying the other Participant of its intention to do so by written notice delivered through diplomatic channels, at least three months before the intended date of termination;
3. The termination of this Memorandum of Understanding will not prevent the completion of cooperation activities formalized before the date of termination of this Memorandum of Understanding, unless otherwise jointly decided between the Participants.

**PARAGRAPH EIGHT
PUBLICATION**

The Participants may publish a summary of the Memorandum of Understanding on the relevant official website.

**PARAGRAPH NINE
ADVERTISING AND DISCLOSURE**

Engagement opportunities and publication by or on behalf of the Government of Brazil in relation with this Memorandum of Understanding will be of an educational, informative or socially oriented nature, and may not contain names, symbols or images that characterize personal promotion of authorities or public servants, under the terms of art. 37, §1º, of the Federal Constitution, and Normative Instruction No. 02, of April 20, 2018, of the General Secretariat of the Presidency of the Republic.

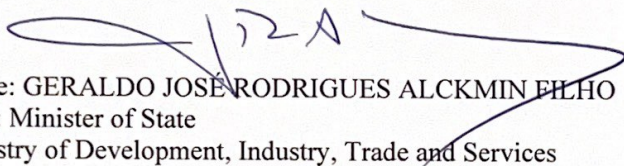
**PARAGRAPH TEN
DISPUTES**

The Participants intend to amicably resolve any question concerning the implementation of this Memorandum of Understanding through mutual consultation.


The foregoing represents the understanding reached between **THE MINISTRY OF DEVELOPMENT, INDUSTRY AND FOREIGN TRADE OF THE FEDERATIVE REPUBLIC OF BRAZIL** and **THE GOVERNMENT OF UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND** upon the matters referred to therein.

Signed on the 29th of November in the year of 2023 in 4 original copies, 2 in English and 2 in Portuguese, all texts having equal validity.

Signed on behalf of the Government of Brazil


Name: GERALDO JOSÉ RODRIGUES ALCKMIN FILHO
Title: Minister of State
Ministry of Development, Industry, Trade and Services

Signed on behalf of the Government of the United Kingdom of Great Britain and Northern Ireland


Name: CLAIRE COUTINHO
Title: Secretary of State for Energy Security and Net Zero
Department for Energy Security and Net Zero