

PARTNERSHIP FOR THE DEVELOPMENT OF AVIATION BIOFUELS

In accordance with the Memorandum of Understanding between the United States and Brazil to Advance Cooperation on Biofuels, dated 9 March 2007; aware of the aviation industry's reliance on high energy density liquid fuels; convinced of the vital role played by technology and industrial partnership in the field of aviation biofuels; and aware, as the world's two largest biofuels producers, that the development of aviation biofuels constitutes an important instrument for the mitigation of climate change and for the reduction of greenhouse gas (GHG) emissions, the Ministry of External Relations of Brazil and the U.S. Department of State, as representatives of the Government of the Federative Republic of Brazil and the Government of the United States of America, respectively (the "two sides"), announce that they are launching a Partnership for the Development of Aviation Biofuels, with the following goals:

To endorse the development of sustainable biofuels for aviation as an important means of reducing aviation greenhouse gas emissions;

To coordinate efforts towards the establishment of common standards and specifications for aviation biofuels;

To strengthen private sector partnerships through the creation of a favorable environment for research and academic circles as well as enterprises to develop cooperation and initiatives towards the development of aviation biofuels. This includes supporting the dialogue between the Brazilian Alliance for Aviation Biofuels (ABRABA) and the Commercial Aviation Alternative Fuels Initiative (CAAFI);

To provide for coordination in multilateral fora concerning aviation biofuels in order to prevent international barriers to biofuels trade and development and to ensure that the use of biofuels is promoted as an important contribution for GHG emissions reduction.

1. Cooperating institutions

To carry out this Partnership, the following governmental entities, as well as other institutions, are expected to engage in cooperative activities:

a) On the Brazilian side: Office of the Chief of Staff for the Presidency (Casa Civil); The National Civil Aviation Agency (ANAC); The National Agency of Petroleum, Natural Gas and Biofuels (ANP); The Ministry of Mines and Energy; The Ministry of Agriculture, Livestock and Food Supply; The Ministry of Defense.

b) On the US side: The United States Federal Aviation Administration, the U.S. Department of Energy, [the U.S. Department of Agriculture,] the U.S. Department of Defense.

The two sides may decide to establish activities to be undertaken in partnership with private sector organizations such as the Commercial Aviation Alternative Fuels Initiative (CAAFI) and the Brazilian Aviation Biofuels Alliance (Aliança Brasileira para Biocombustíveis de Aviação - ABRABA).

2. Activities

Consistent with the programmatic priorities of the institutions, cooperative activities may encompass:

- a) exchanges of experts and non-proprietary data and analysis on the Brazilian National Institute of Metrology, Standardization and Industrial Quality (INMETRO) and American Society of Testing and Materials (ASTM) standards development for renewable jet fuels;
- b) exchanges of experts and non-proprietary data and analysis on environmental sustainability;
- c) exchanges of experts and non-proprietary data and analysis by national research labs, academic institutions and willing industrial partners seeking to research, demonstrate and deploy production capability for aviation biofuels;
- d) joint engagement in multilateral fora to promote standards, trade and development, and
- e) Other forms of cooperation determined by the two sides.

3. Reporting

The two sides intend to report relevant progress, in a fashion consistent with other reporting of bilateral R&D activities, to the U.S.-Brazil biofuels MOU Steering Committee periodically.

4. Funding

The two sides intend to decide the methods of funding on a project-by-project basis, consistent with each Government`s internal procedures. All activities under this Partnership are subject to the availability of funds and to further arrangements between appropriate institutions. This Partnership is not intended to effect a commitment or obligation of specific funds by either side.

Activities under this Partnership are to commence when determined by the two sides. Either side may suspend or discontinue its participation in this Partnership or in an activity under it and should attempt to give 30 days` written notice of such suspension or discontinuation.

Signed at Brasília, on 19th of March of 2011, in the Portuguese and English languages.