

**MEMORANDUM OF COOPERATION
ON STRENGTHENING EFFORTS TO COMBAT CLIMATE CHANGE AND ECONOMIC AND
TRADE RELATIONS
BETWEEN
THE GOVERNMENT OF JAPAN
AND
THE STATE OF CALIFORNIA, THE UNITED STATES OF AMERICA**

This Memorandum of Cooperation (hereinafter referred to as “MOC”) is made by the Government of Japan (hereinafter referred to as “the Japanese side”) and the State of California, the United States of America (hereinafter referred to as “the Californian side”) (hereinafter collectively referred to as “the Participants” and individually as “Participant”).

The Participants share their intention to strengthen and coordinate efforts on combating climate change and promoting economic and trade relations through renewable energy, energy storage, business exchange, zero emission vehicles (ZEVs), public transportation, and water.

**SECTION I
Objective**

The purpose of this MOC is to establish a flexible framework between the Participants in order to broaden and deepen the relationship between the two regions. In doing so, the Participants share the following common objectives:

- The Participants share their intention to strengthen and coordinate climate-related activities including combating climate change, promoting renewable energy, and exploring investments in clean energy storage; and
- The Participants look to deepen their trade and investment relationship, including providing opportunities for business exchange and exploring investments in vehicles, particularly zero emission vehicles (ZEVs), high speed rail and other modes of public transport, and water conservation and management.

**SECTION II
Areas of Cooperation**

The Participants share the intention to cooperate on the following areas, according to the principles of equality and mutual benefit:

- **Climate change**, including promoting dialogue and joint projects on climate change mitigation and adaptation, such as building resilience, reducing greenhouse gas emissions and short-lived climate pollutants, cleaner transport, and addressing impacts on underserved populations. In this regard, the Californian side welcomed the Japanese side’s declaration that by 2050 Japan

will aim to reduce greenhouse gas emissions to net-zero;

- **Trade and investment**, including economic and business development activities related to the clean technology sector through the enhancement of business relationships, promotion of mutual investment, and the facilitation of collaboration between Japanese and Californian entrepreneurs through (but not limited to) California's innovation hub (iHub) network, trade delegations, and public-private partnerships. Promoting and encouraging two-way trade and investment by Californian and Japanese businesses, the Japanese side welcomes the Californian side's intention to establish, with support of Japanese private sector, a trade and service desk in Japan to be utilized on an as-needed basis by California's trade representative for Asia;
- **Renewable energy**, including promoting dialogue and joint projects on clean energy technology trade and deployment between Japan and California, with a particular focus on energy efficiency, renewable energy development, and deployment of hydrogen in several sectors, such as the transport and generation sector;
- **Energy storage**, including cooperative support for and expansion of the use of energy (electricity) storage technologies that are particularly focused on integrating higher penetrations of variable and intermittent renewable energy resources, including exploring collaboration on large-scale hydrogen production and storage demonstrations;
- **Business exchange**, promoting innovation through dialogue between Japanese and California business leaders for advocacy to improve the investment environment in both regions and supporting the exchange of information between governments on policy to improve dialogue, cooperation, and collaboration between California and Japanese small and medium enterprises;
- **ZEVs**, including cooperation on best practices, research, incentives, and other measures to accelerate the ongoing rollout of all ZEV technologies; cooperation on demonstration project(s) on the effectiveness of DC fast charging and enhanced battery electric vehicles (BEV) use through BEV charging infrastructure deployment in California; cooperation on the effectiveness of increased hydrogen fueling infrastructure to spur fuel cell electric vehicles (FCEV) availability; and, cooperation on research into clean hydrogen fueling technologies;
- **High-speed rail (HSR) and other passenger rail services**, through an exchange of information and best practices on safety, planning, operations and maintenance, environmental friendliness and sustainability, climate adaptation, seismic safety measures, technology including tunneling, station area development, as well as on social, financial, and economic effects of high-speed rail and other passenger rail services;

- **Other public transportation**, through dialogue and cooperation on best practices, research, and other measures to improve convenience and ridership of other public transportation; and
- **Water conservation and management**, by encouraging business development and commercialization of technologies related to securing water resources, recycling, and strengthening environmental conservation cooperation on feasibility studies towards promotion of sewage/reclaimed water treatment technology to support a stable water supply and more efficient energy use in California.

SECTION III Coordination

In order to follow up on the implementation of this MOC, the Japanese side designates the Ministry of Foreign Affairs (MOFA), the Ministry of Economy, Trade and Industry (METI), the Ministry of Land, Infrastructure, Transport, and Tourism (MLIT), the Ministry of the Environment (MOE), the Japan External Trade Organization (JETRO), the Japan National Tourism Organization (JNTO) and the Consulate-General of Japan in San Francisco, and the Californian side designates the Governor's Office of Business and Economic Development (GO-Biz), the California Environmental Protection Agency (CalEPA) and the California State Transportation Agency (CalSTA). These organizations will coordinate the implementation of this MOC, as appropriate, with other commitments between entities in Japan and California, and will meet, in person or by video or telephone conference, at mutually acceptable times.

SECTION IV Specific Activities

Forms of cooperation may include the following, as well as any other forms decided by the Participants:

- Specific projects, including technology and infrastructure demonstration projects, especially to explore large-scale hydrogen development and storage;
- Sharing information and experiences regarding policies and programs, as well as policy design and capacity building support;
- Cooperative research, development, and deployment projects on clean, energy efficient and/or low carbon technologies;
- Joint organization of symposia, seminars, workshops, exhibitions, training, business match-making events, and other useful exchanges;
- Participation in other commitments and/or initiatives, including multilateral consortiums;
- Facilitation of introductions to foster additional Japanese investment in California, including to the California IBank, Business Investment Services, and Innovation hubs;
- Participation and support from universities, non-governmental organizations, and other organizations; and
- Any other mutually acceptable forms of cooperation that contribute to the

goals of this MOC.

SECTION V

No Legal Obligations, Rights, or Remedies

This MOC 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 form whatsoever. In addition, the pledges in this MOC are not conditioned upon reciprocal actions by the other Participant; 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 this Memorandum.

SECTION VI

Availability of Personnel and Resources

This MOC does not involve any 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 MOC will be assumed by the Participant who incurs them, unless otherwise stipulated and decided pursuant to a future written arrangement. All activities carried out pursuant to this MOC 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 MOC will work under the orders and responsibility of the Participant and any other organization or institution to which they belong, at all times maintaining any preexisting employment relationship with the Participant and such organization or institution. Their work will not create an employer-employee relationship with another Participant or any other organization or institution, so in no case will that other Participant, or other organization or institution, be considered as a substitute or joint employer of the designated personnel.

SECTION VII

Compliance with Applicable Laws

All activities carried out pursuant to this MOC, and all personnel designated by the Participants for the execution of those activities carried out pursuant to this MOC are subject to all laws applicable in the jurisdiction where the activities are performed. Such personnel, if visiting the other Participant to participate in an activity pursuant to this MOC, will not engage in any activity detrimental to this MOC.

SECTION VIII

Interpretation and Application

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

SECTION IX
Final Provisions

The cooperation under this MOC commences on the date of its signature, for a four-year period, unless renewed or extended by the Participants in the same manner that the Participants may otherwise modify this MOC.

This MOC 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.

Either Participant may, at any time, withdraw from this MOC. Each Participant will endeavor to provide a written notice to the other Participant 45 days in advance of the decision to withdraw.

The termination of this MOC will not affect the conclusion of the cooperation activities that may have been initiated during the time this MOC is in place.

Signed in Sacramento, California on March 21, 2022, in two original copies in English and Japanese both texts having equal value.

FOR THE GOVERNMENT OF JAPAN

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

Tomita Koji
Japanese Ambassador to the United States

Gavin Newsom
Governor of the State of California