



## MEMORANDUM OF UNDERSTANDING

on

## COOPERATION IN THE FIELD OF SUSTAINABLE ENERGY FOR CLIMATE CHANGE ADAPTATION AND MITIGATION

#### between

# THE MINISTRY FOR THE ENVIRONMENT, LAND AND SEA (IMELS) OF THE ITALIAN REPUBLIC

and

THE MINISTRY OF ENERGY AND MINES (MINEM)
OF THE REPUBLIC OF CUBA

The Ministry for the Environment, Land and Sea of the Italian Republic (IMELS) and the Ministry of Energy and Mines (MINEM) of the Republic of Cuba, hereafter referred to as "the Signatories";

**RECALLING** that the Italian Republic and the Republic of Cuba are Parties to the United Nations Framework Convention on Climate Change (UNFCCC), to the Kyoto Protocol and have signed the Paris Agreement;

**RECALLING** that the 21<sup>st</sup> Meeting of the Parties to the UNFCCC has adopted the Paris Agreement to combat climate change;

**EMPHASIZING** that the Paris Agreement, in enhancing the implementation of the UNFCCC, including its objective, aims to strengthen the global response to the threat of climate change, in the context of sustainable development and efforts to eradicate poverty;

**TAKING INTO ACCOUNT** Article 4 of the Paris Agreement, and Decisions 1/CP.19, 1/CP.20 and 1/CP.21 of the Conference of the Parties to the UNFCCC, which invite all Parties to identify and communicate their Intended Nationally Determined Contributions;

**EMPHASIZING** that enhanced action and international cooperation on mitigation and adaptation is urgently required to enable and support the implementation of actions aimed at reducing greenhouse gas emissions and climate change vulnerability and building resilience;

**EMPHASIZING** the importance of international cooperation on development and on the fight against climate change for developing country Parties, taking into account the urgent and immediate needs of those developing countries that are particularly vulnerable;

**CONSIDERING** that projects on renewable energies provide potential opportunities to be designed and implemented under the UNFCCC Mechanisms and possibly also under the Paris Agreement cooperative mechanism, and can result in an efficient contribution to sustainable development and in the reduction of greenhouse gases emissions;

Have entered into the following Memorandum of Understanding (MoU):

## Article 1

## Objective

The objective of this Memorandum of Understanding, hereinafter referred to as the Memorandum, within the competences of the Signatories, is to promote in the Republic of Cuba a secure, clean and efficient energy in order to strengthen and coordinate the efforts to combat global climate change, address its adverse effects and reduce vulnerability, to protect the environment and natural resources, and to stimulate the transition towards a sustainable low-carbon economy.

#### Article 2

## Areas of cooperation

The Signatories will cooperate, in particular, in the following areas of common interest:

- a) promotion, absorption and development of technologies that use renewable energy sources (biomass, solar photovoltaic, solar thermal power, wind power, solid urban waste and hydropower)
- b) promotion and deployment of renewable energy technologies for electrification and improvement of the quality of service in homes and isolated systems of the national electricity grid;
- c) support to the implementation, monitoring, reporting and communication of the Nationally Determined Contributions (NDCs) in the renewable energy sector;
- d) support to the development and implementation of policies, strategies and plans in the sustainable energy sector in order to achieve the emission reduction target adopted by the Republic of Cuba;
- e) enhancement of energy efficiency;
- f) stimulation and dissemination of the economic and technological transformation for low-carbon, sustainable development.

Further areas of cooperation, within the limits of this Memorandum, will be included upon approval by the Signatories.

#### Article 3

## **Activities**

The cooperation between the Signatories should be conducted through the following means:

- a) realization of joint projects;
- b) capacity building, training, technology transfer and technical assistance;
- c) exchange of information and documents related to renewable energy and environment, including programs, publications, expertise and study results;

- d) exchange of experts and trainees, organization of delegation visits;
- e) joint organization of workshops, seminars and other meetings;
- f) participation of private sector and public activities to implement Public-Private Partnership initiatives;
- g) cooperation with non-governmental organizations for mini-grid and renewable energy projects;
- h) enhancement of public education and awareness campaigns on measures for adaptation to climate change;
- i) development of joint fundraising activities with regard to global climate change and sustainable development.

Further activities of cooperation, within the limits of this Memorandum, will be included upon approval by the Signatories.

## Article 4

## Coordination

- 4.1 In order to ensure the efficient implementation of the provisions of this MoU, the Signatories will establish a Joint Committee.
- 4.2 The Joint Committee will be composed by two (2) representatives from the Ministry for the Environment, Land and Sea of the Italian Republic and two (2) representatives from the Ministry of Energy and Mines of the Republic of Cuba.
- 4.3 The Italian Ministry for the Environment, Land and Sea will be represented by the Director General of the Directorate for "Sustainable Development, Environmental Damage, European Union and International Affairs", and one (1) expert.
- 4.4 The Cuban Ministry of Energy and Mines will be represented by the Director General of the *Directorate for Renewable Energies* and one (1) expert.
- 4.5 The Joint Committee will provide general direction and guidance for the cooperation activities, approve the Work Plan, supervise and support the cooperation activities and take financial decision.
- 4.6 During its first meeting, the Joint Committee will adopt the following framework documents:
  - Rules of Procedure;
  - Financial Document;
  - Guiding Principles for Bilateral Cooperation Mechanism.

The Joint Committee will also establish the frequency of the meetings and approve the medium term Work Plan, including projects and activities, as applicable.

4.7 In the subsequent meetings, the Joint Committee will:

- approve detailed activities and projects, including project budget and schedule, to be implemented and financed, under the framework of this MoU, according to what is established for the cooperation in the current legislation of the Republic of Cuba;
- coordinate the implementation of the activities in the areas specified in Article 2;
- systematically review and assess the status, progress, results achieved, and lessons learned of the cooperation activities.
- 4.8 The Joint Committee will meet within six (6) months after the signature of the present MoU.

## Article 5

## Work Plan, projects and activities

- 5.1 Upon signature of this MoU, the Signatories will appoint the experts who will prepare a medium term Work Plan identifying sectors of intervention, to be submitted to the Joint Committee for approval, as stipulated in Article 4.5.
- 5.2 In the implementation of the programs, projects and activities consideration will be given to the participation of the public, private and non-profit sectors, including, where appropriate, universities, scientific and technical research bodies, non-governmental organizations, as well as institutions on both sides.
- 5.3 Taking into account the legal framework of each of the Signatories and their respective national obligations, the implementation of programs, projects and activities will be based on the principles of impartiality, equality, reciprocity and common interest.

#### Article 6

## Means of Implementation

- 6.1 The Ministry for the Environment, Land and Sea of the Italian Republic will cofinance the implementation of the projects and activities under this MoU in an amount not exceeding EUR 2.000.000 (two million Euros) for the implementation of projects and activities as approved by the Joint Committee.
- 6.2 The contribution from the Ministry of Energy and Mines of the Republic of Cuba will be decided at a later stage and notified to the other Signatory during the first meeting of the Joint Committee, in compliance with what is established for cooperation in the current legislation of the Republic of Cuba;
- 6.3Wherever there is a need to increase the global amount set in Paragraph 6.1, IMELS may decide to grant additional financing. Should it takes such a decision, IMELS will inform the Ministry of Energy and Mines of the Republic of Cuba about the additional amount provided, in the occasion of the Joint Committee. Funds will be issued according to the same terms and conditions set out in the Financial Document referred to in Article 4.6.

6.4 The Signatories will jointly submit project proposals to various multilateral organizations (*inter alia* the European Union, the International Financial Institutions, the United Nations organization), in order to assist the Republic of Cuba to fulfill its commitments under the UNFCCC and its instruments.

## Article 7

## **Contributions**

- 7.1 Any costs regarding the subject matter including the programs, activities, and projects under this Memorandum will be borne by the Signatories as advised by the Joint Committee and in conformity with their respective national legislation. Such costs will be met with the available budgeted resources of the Signatories and will not, in any event, create additional expenditures for the Government of Cuba and the Government of Italy.
- 7.2 The Signatories will agree on the financial coverage for the activities and establish a mechanism, under the provisions of their respective national law, for granting transparency of expenditures, accounting and audit.
- 7.3 The Signatories agree that all the financial resources allocated by the Ministry for the Environment, Land and Sea of the Italian Republic to the programs, activities and projects, developed under the provisions of this MoU, are not liable to tax, in accordance with the legislation of the Republic of Cuba or any other applicable law.

#### Article 8

## Law in force

- 8.1 This Memorandum will not affect or prevent rights and obligations of the Signatories to third Signatories.
- 8.2 This Memorandum will be implemented in conformity with international law principles, international Conventions and Protocols signed by the Signatories, national legislation of the Republic of Cuba and Italy, as well as any other obligations arising from the membership of the Italian Republic in the European Union.

#### Article 9

## **Intellectual property**

- 9.1 The Signatories agree that the specific projects signed to carry out the cooperation activities will reflect the terms and conditions to be agreed regarding the authorization of use and respect for pre-existing intellectual property, as well as those concerning protection of the results jointly obtained, by means of some form of intellectual property protection, in accordance with the Signatories' national legislations.
- 9.2 The Signatories shall ensure that participants in cooperation activities, without prejudice to what is established in the specific projects, shall maintain due confidentiality

of the joint results including the interdiction to publish the results before a writing agreement has been reached, the text of the publication has been agreed upon taking into consideration the right of the authors to be mentioned, and the appropriate protection modality of the results has been decided together.

## Article 10

## **Final Provisions**

- 10.1 The present Memorandum takes effect on the date of signature and will remain valid for five (5) years. The validity period may be extended for similar periods by written consent of the Signatories. Each Signatory may terminate this Memorandum at any time by informing the other Signatory with at least six (6) months' prior notice.
- 10.2 The provisions of this Memorandum may be consensually amended in writing by the Signatories.
- 10.3 Any divergence on the interpretation and/or implementation of this Memorandum will be solved by the Signatories amicably through direct consultations or negotiations.
- 10.4 Termination of the present Memorandum will have no effect on ongoing cooperation projects and initiatives already agreed upon by the Signatories.

Done at Havana, on May 28<sup>th</sup> 2018, in two originals, each in English, Italian and Spanish, all texts being equally authentic. In case of divergence of interpretation, the text in English will prevail.

For the Ministry of the For the Ministry of Energy and Environment, Land and Sea of the Mines of the Republic of Cuba Italian Republic

Director General Director General

Francesco La Camera Rosell Guerra Campaña