

TECHNICAL AGREEMENT

ON

SUSTAINABLE DEVELOPMENT COOPERATION

BETWEEN

**THE ITALIAN MINISTRY FOR THE ENVIRONMENT
LAND AND SEA
(IMELS)**

AND

**THE LEBANESE CENTER FOR ENERGY CONSERVATION
(LCEC)**

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Hereafter referred to as “the Parties”;

- Recognizing the importance to develop joint cooperation programs and actions in the field of climate change and sustainable development;
- Being aware of the necessity to promote joint initiatives between the two countries in order to create an enabling environment for setting up climate change and renewable energy policies;
- Recalling the United Nations Framework Convention on Climate Change and Kyoto Protocol signed and ratified/acceded by Lebanon and Italy;
- Recalling the conclusions achieved at Rio+20 United Nations Conference on Sustainable Development in 2012 and the Climate Agreement reached at the COP 21 in Paris in December 2015;
- Taking into account that on September 2015 Lebanon presented the “Intended Nationally Determined Contribution” (INDC) under the UNFCCC that foresees ambitious targets on climate change and renewable energy issues, specifically 15% unconditional target, and a conditional target of 20% of the power and heat demand in 2030 generated by renewable energy sources;
- Acknowledging the success of the National Energy Efficiency and Renewable Energy Action (NEEREA) initiated by the Central Bank of Lebanon (Banque du Liban) dedicated to the financing of green energy projects in Lebanon;

- Acknowledging the success of the collaboration between the Parties within the project MEDiterranean DEvelopment of Support schemes for solar Initiatives and Renewable Energies (MED-DESIRE) co-funded by the European Union through the ENPI CBC MED Programme 2007-2013;
- Recognizing that the promotion of innovation in energy technologies, especially for the residential and tertiary sector, will be essential to cost-effectively address the global climate change challenges agreed at COP 21;
- Convinced that the collaborative efforts between developed and developing economies are strongly needed in order to accelerate research and development in low-carbon technologies and that the technological diffusion will require greater private sector engagement

Have agreed upon the following:

Article 1

The objective of this Agreement is to reinforce bilateral cooperation between the Parties in the field of climate change and sustainable development, on the basis of equality, reciprocity and mutual benefit

The cooperation under this Agreement will promote:

- a) The environmentally sound technology transfer and capacity building in the field of renewable energy and energy efficiency measures
- b) The implementation of research and development on low-carbon technologies through the private sector engagement
- c) The implementation of the measures identified in “Intended Nationally Determined Contribution” (INDC) presented in 2015 under the UNFCCC
- d) The overcoming of the financial, regulatory and legislative barriers which may hinder the renewable energies market uptake
- e) The development of the innovative financial measures and economic instruments for the renewable energies and energy efficiency measures

Article 2

The Parties will cooperate for the accomplishment of the following actions:

- Implementation of joint demonstration projects in the area mentioned in the Article 1

- Capacity building, technical assistance and awareness raising activities in the areas mentioned in the Article 1
- Transfer of scientific and technical knowledge and experience
- Exchange of experts, scientists and researchers
- Organization of seminars, workshops, conferences and exhibition to be held in Lebanon or in Italy
- Promotion of Public- Private Partnership in the area mentioned in the Article 1
- Training courses

Article 3

A Joint Committee composed by two members designated by Lebanese Center for Energy Conservation (LCEC) and two members designated by the Italian Ministry for the Environment, Land and Sea (IMELS), will be established by the Parties in order to ensure a sound project management, the coordination and the timely performance of activities mentioned at Article 2.

The Joint Committee will be responsible of following tasks:

- ✓ select the projects and allocate the financial resources on the basis of an “Plan of Activities” to be jointly approved during the Joint Committee meeting;
- ✓ coordinate the implementation of the activities specified in the “Plan of Activities”;
- ✓ systematically review and assess the state and results of cooperation activities;
- ✓ operate as a forum for discussion on broader matters of mutual concern

The Plan of Activities will last 36 months (3years) and will be systematically reviewed and assessed by the Joint Committee on the basis of the state and results of the cooperation activities.

The Committee is convened, three months after the entry in force of this Agreement will become effective. The meetings of the Committee will take place at least once a year, respectively in Lebanon and in Italy.

Article 4

The Parties engaged themselves to contribute with both institutional and economic support for the implementation of the activities mentioned in the Article 2.

The Parties implement this Agreement in the limit of their budgetary availabilities, without any further financial responsibility on the respective Central Governments.

In order to ensure the transparency of the process the Lebanese Center for Energy Conservation (LCEC) will be responsible of providing a Financial Report that will include adequate financial and non-financial information on the expenditure related

to the projects activities. This process shall be documented and subject to external audit.

Italian Ministry for the Environment, Land and Sea (IMELS) will provide financial support for the implementation of the activities and projects identified in the Plan of Activities approved in the meetings of the Joint Committee.

It should be a common aim for both Parties to submit the identified projects to International Financing Institutions, inter alia the World Bank, Global Environment Facility, European Commission, in order to co-finance the implementation of the activities and promote its replicability and scaling up.

Article 5

This Technical Agreement shall be implemented in conformity with international law principles, international Conventions and Protocols signed by the Signatories, as well as with any other obligations arising from the membership of the Republic of Italy in the European Union.

Amendments to this Agreement may be consensually adopted by the Parties with the exchange of written communications, specifying the date of entry into force.

Any difference raised in the interpretation, management or execution of the Agreement will be resolved by mutual agreement and diplomatic channel. English text will be utilized to solve disagreements arising between the Parties.

The Agreement will be operating since the day of the signature of both Parties.

The Agreement is agreed for a period of 3 (three) years and shall be automatically prolonged for new periods of 3 (three) years.

The Agreement will remain into force until one Party may terminate this Agreement via diplomatic way, by written notification submitted to the other Party. In such case, the validity of this Agreement shall cease within six months from the day of receipt of the written notification on the intention for its termination.

The Parties agree that the financial resources referred to in Article 4 allocated by the Italian Ministry for the Environment, Land and Sea are not liable to tax according to the legislation of the Republic of Lebanon.


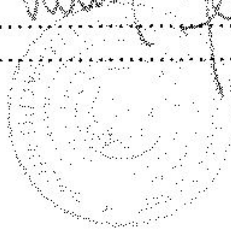
Unless otherwise specified by the Parties, cancellation of this Agreement shall have no effect on ongoing cooperation projects and programs.

Done in Rome on 07/07/ 2016 in two (2) originals in English language

FOR
THE ITALIAN MINISTRY FOR
THE ENVIRONMENT LAND
AND SEA

Francesco La Camera


Director General


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FOR
THE LEBANESE CENTER OF
ENERGY CONSERVATION

Pierre El Khoury

President/Director General



L.C.E.C.
Lebanese Center for
Energy Conservation