

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE EUROPEAN INSTITUTE OF INNOVATION & TECHNOLOGY CLIMATE
KNOWLEDGE AND INNOVATION COMMUNITY (EIT CLIMATE-KIC)
AND
THE GOVERNOR'S OFFICE PLANNING AND RESEARCH (OPR) OF THE STATE OF
CALIFORNIA OF THE UNITED STATES OF AMERICA**

The European Institute of Innovation & Technology Climate Knowledge and Innovation Community (EIT Climate-KIC) and the Governor's Office of Planning and Research (OPR) (hereinafter referred to as "the Participants") agree as follows;

WHEREAS The State of California, the fifth largest economy in the world, and the European Union are equally committed to stringent climate change action programs to meet 2050 goals in terms of greenhouse gas reductions, clean power generation, and transport safety; and through these efforts achieve the sustainable transformation of cities and regions, and the rebuilding their economies post-Covid-19 in a just and equitable manner;

WHEREAS EIT Climate-KIC is a knowledge and innovation community established by the European Institute of Innovation & Technology (EIT), an independent body of the European Union set up in 2008 to deliver innovation across Europe. EIT Climate-KIC's mission is to accelerate the transition to a net-zero, climate-resilient society through innovation;

WHEREAS The State of California continues to lead in the research and development of technologies and has made great strides in demonstration programs and deployment of EVs and infrastructure, building efficiency systems, and clean power generation;

WHEREAS EIT Climate-KIC is actively engaged in demonstration and deployment programs focused on the sustainable transformation of cities, regions and industries and transportation infrastructure. This includes EIT Climate-KIC supporting the European Green Deal in building low-carbon, climate resilient future through research and innovation, such as through the NetZeroCities project to support 100 European cities to cut down on greenhouse gas emissions to achieve climate neutrality;

WHEREAS EIT Climate-KIC, as an EIT Knowledge and Innovation Community contributes to the European Union's and EITs international cooperation objectives in full alignment with the Commission Communication on Global Approach (May 2021)¹, the

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https://ec.europa.eu/info/sites/default/files/research_and_innovation/strategy_on_research_and_innovation/documents/ec_rtd_com2021-252.pdf

Council Conclusions on Global approach to Research and Innovation – Europe’s strategy for international cooperation in a changing world (September 2021)², the Horizon Europe Regulation (April 2021)³ and the EIT Strategic Framework for EIT Community Global Outreach Activities (June 2019)⁴;

WHEREAS OPR, the California Environmental Protection Agency (CalEPA), the California Natural Resources Agency (CNRA), the Governor’s Offices of Business and Economic Development (GO-Biz), and the Coast to Coast Initiative are leading efforts to collaborate with partners to effect systemic change in a manner that benefits all segments of society, especially disadvantaged communities, and develop an economic recovery plan, land use strategy, and a transportation program to accelerate the adoption of innovation that enables the State to reach its stated climate change objectives;

WHEREAS the EU released its “Sustainable and Smart Mobility Strategy” for the next seven years (December 9, 2020) and the State of California finalized its “ZEV Market Development Strategy” to meet the 2035 100% Zero Emission Vehicle Mandate (February 2, 2021);

WHEREAS Both parties are looking for partners to share learning experiences, develop collaborative programs, and employ new investment instruments with the intention to accelerate both regional and global progress on climate change;

WHEREAS since the first talks regarding a possible MOU started in the Summer of 2019, parties have already successfully started and/or completed various projects:

- a. A very successful webinar on Green Recovery was organized with representatives from the EU and California with more than 1,500 unique viewers and participants
- b. Together with the Scottish Government a program is being developed to exchange knowledge on Regional Resilience
- c. A possible Innovation Hub at the COP in Glasgow in November 2021 is being considered
- d. Knowledge and experiences on Just Transition Projects in the European Union were shared with the Just Transition Team at OPR
- e. Possible ZEV Investment opportunities in California by the Swedish Investment Fund have been brought to the attention of the GOBIZ International Team

² <https://data.consilium.europa.eu/doc/document/ST-12301-2021-INIT/en/pdf>

³ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32021R0695&from=EN>

⁴ <https://eit.europa.eu/sites/default/files/20190605-gb57-17-strategic-framework-for-eit-community-global-outreach-activities.pdf>

- f. Two researchers at OPR have started the Synergy Agenda Research Project to determine possible collaboration on equitable, smart, and clean transportation solutions
- g. Roundtables on ZEV knowledge exchange and the role of business are being prepared
- h. Hack-a-thons with companies and experts on Vehicle-to-Grid knowledge exchange are being prepared

Therefore, the Participants have reached the following understanding:

SECTION I Objective

The purpose of this Memorandum of Understanding is to establish a flexible framework between the Participants in order to permit them to achieve tangible results in education, program development, and project deployment of systemic solutions to combat climate change. This will align with and support the objectives and delivery of the respective climate strategies of California and Europe, such as California's carbon neutrality goal and the EU Green Deal for EIT Climate-KIC, through knowledge sharing and supporting project collaborations to enhance the effectiveness of the strategies and providing a level playing field for solutions to succeed. In doing so, the Participants share the following common objectives:

- a) Build upon the networks, relations and business opportunities which have been realized by EIT Climate-KIC and the State of California, focusing heavily on establishing large, multi-stakeholder programs for innovation.
- b) Demonstrate how cities can be transformed to achieve decarbonization targets by 2030 through implementation of programs to increase building energy efficiency, use of renewable power, electrification of transportation systems, and land use strategies to make cities more livable.
- c) Demonstrate how regions can be transformed through implementation of programs to retrain the workforce as new technologies and approaches are introduced to the major industries that are the engines for economic growth.
- d) Demonstrate how regions can be made more resilient to the current and future impacts of climate change through programs that coordinate the strategic planning and interventions of key actors in the public, private, and non-profit sectors.

- e) Demonstrate how industries and supply chains can be transformed through programs to ensure that sustainability and recycling is an attribute of the materials and the operations that define them.
- f) Demonstrate how the process of prioritizing programs and funding them can be transformed through the use of methodologies such as Mission Boards and the engagement of private capital to underwrite the costs of these critical transformative efforts.
- g) Demonstrate how these transformations can be inclusive and the environmental and economic results can benefit all segments of society, especially disadvantaged communities.
- h) Demonstrate smart financing and smart procurement.

SECTION II

Areas of Cooperation

The Participants intend to achieve tangible results in education, program development, and project deployment of systemic solutions to combat climate change through initiatives focused particularly on, but not limited to, the following areas of cooperation:

- a) Co-development and execution of knowledge sharing programs on best practices, policies, and programs engaging different departments of the State of California and different entities within the European Union and its member countries.
- b) Co-development of deep demonstration projects of systems-level innovation on resilient regions, including: (1) just transition to the green economy in priority regions, which would complement the Regions Rise Together initiative in California; (2) healthy cities with smart and clean transportation solutions, sustainable land use, and smart agriculture; and (3) engaging the industries and regions that can most benefit from these efforts. California's Integrated Climate Adaptation and Resiliency Program (ICARP), run through OPR, can serve as a conduit for knowledge exchange and dialogue on how to enable and support regional coordination and action on climate resilience.
- c) Exploration and co-development of new financing mechanisms that engage private capital to underwrite the costs associated with the broad scale deployment of these transformative efforts. The State of California, via the California Infrastructure and Economic Development Bank, has and is continuing to develop a suite of innovative financing mechanisms to apply to climate solutions, including the Climate Catalyst Revolving Loan Fund, CLEEN Center loans and bonds, Climate Tech guarantees, green bonds, credit enhancements and other financial instruments to spur public private

partnerships, leverage private sector capital, and support large scale climate solutions.

- d) Joint participation in conferences, commercial exchanges, trade missions, and other events that would promote the collaborative efforts between the State of California and the European Union, including but not limited to Climate Week and the COP26 in November 2021.

SECTION III Coordination

The Participants respectively designate the EIT Climate-KIC and OPR to establish the creation of an action plan to implement the objectives of this Memorandum of Understanding.

SECTION IV Specific Activities

Specific activities to achieve the objectives of this Memorandum of Understanding for the key sectors and initiatives identified in Section II may include:

- b) EIT Climate-KIC will leverage relationships with European Union and member country officials, as well as existing Climate-KIC programs, to expose departments of the State of California to initiatives underway which are delivering meaningful results in the areas of collaboration. The program will take the form of seminars, webinars, personnel exchange activities, documents, and forums. The program will build off a joint webinar hosted by Coast to Coast in September 2020 on the European Union Green Vision and similar efforts in the State of California.
- c) EIT Climate-KIC and the California Governor's Office of Planning and Research (OPR) will conduct a series of workshops to prioritize and design projects to stimulate the transformation of regions, cities, and industries to achieve climate neutral objectives in an equitable manner. The workshops will utilize a proven methodology developed by EIT Climate-KIC intended to develop actionable plans and deliver tangible results.
- d) EIT Climate-KIC and OPR will develop a common "Synergy Agenda" on equitable, smart, and clean transportation solutions that describes in detail the areas of potential collaboration and identifies specific actions or programs, which may include: (1) organizing international webinars through the Coast to Coast Initiative; (3) exchanging experts through Coast to Coast to work collaboratively on these areas; and (4) defining deep learning projects using

the Synergy Agenda, the international webinars, and exchange experiences. The Synergy Agenda will help realize the objectives as described under Section I.

- e) EIT Climate-KIC and OPR will develop projects that leverage existing innovations underway in the State of California, such as Fresno Drive, smart and micro-mobility programs, as well as developing new solutions for freight and logistics and supporting distributed workspaces.
- f) EIT Climate-KIC and OPR will convene American and European green finance organizations to identify innovative, tried-and-tested mechanisms that could be rapidly deployed to accelerate private investment in areas such as building retrofits, electrification of public transport, smart agriculture and renewable energy, and supporting green job creation.
- g) EIT Climate-KIC and OPR will showcase the joint effort at climate change conferences, further demonstrating the shared commitment to achieving the Paris Accords and other stated climate change objectives.
- h) The Participants will work collaboratively to demonstrate and share the results of the specific initiatives between parties. The initiatives may be supported through in-kind (staff time) contributions of EIT Climate-KIC and OPR; for specific out-of-pocket expenses like the cost for webinars, hack-a-thons, exchange programs etc. cash grants from third parties will be sought. As to the latter, various third parties have already expressed interest to financially support this.

SECTION V

Points of Contact

EIT Climate-KIC Point of Contact: Mr. Neil Walmsley
OPR Point of Contact: Dr. Peter van Deventer

SECTION VI

No Legal Obligations, Rights, or Remedies

This Memorandum of Understanding 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 forum whatsoever. In addition, the pledges in this Memorandum of Understanding are not conditioned upon reciprocal actions by other Participants; 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 the Memorandum.

SECTION VII

Availability of Personnel and Resources

This Memorandum of Understanding does not involve the 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 Memorandum of Understanding will be assumed by the Participant who incurs them, unless otherwise expressly agreed in a future written arrangement in accordance with applicable laws. All activities undertaken pursuant to this Memorandum of Understanding 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 Memorandum of Understanding will work under the orders and responsibility of that Participant and any other organization or institution to which the personnel already belongs, at all times maintaining any preexisting employment relationship only with that Participant and organization or institution, and not with any other Participant.

SECTION VIII

Compliance with Applicable Laws

This MOU shall be construed consistent with all applicable laws, and activities undertaken in connection with this MOU shall be subject to, and shall be undertaken in a manner consistent with, all otherwise-applicable laws.

SECTION IX

Interpretation and Application

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

SECTION X Final Provisions

This Memorandum of Understanding is effective from the date of its signature, for a period of five years unless renewed or extended by the Participants in the same manner that the Participants may otherwise modify this Memorandum of Understanding.

This Memorandum of Understanding may be modified at any time by mutual consent of the Participants. Any modification shall be made in writing and specify the date on which such modification is to become effective.

Any of the Participants may, at any time, withdraw from this Memorandum of Understanding by providing a written notice to the other Participant(s). A Participant who intends to withdraw from this MOU shall endeavor to provide notice of such withdrawal to other Participants 30 days in advance.

The termination of this Memorandum of Understanding shall not affect the conclusion of the cooperation activities that may have been initiated during the time this Memorandum of Understanding is in effect, unless the Participants mutually decide otherwise.

Signed in [Location] on [Date], in two original copies in [The languages that the MOUs will be in].

GLASGOW, SCOTLAND ON 8TH NOVEMBER 2021
AT COP 26

FOR EIT CLIMATE-KIC

FOR OPR



**Kirsten Dunlop
Chief Executive Officer**



**Nuin-Tara Key
Deputy Director, Climate
Resilience**