

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE MINISTRY OF ENVIRONMENT AND CLIMATE CHANGE OF THE
FEDERATIVE REPUBLIC OF BRAZIL
AND
THE GOVERNMENT OF THE STATE OF CALIFORNIA OF THE UNITED STATES
OF AMERICA**

The Ministry of Environment and Climate Change (Ministério do Meio Ambiente e Mudança do Clima, abbreviated "MMA") of the Federative Republic of Brazil and the Government of the State of California ("California"), hereinafter referred to as "the Participants," declare as follows:

WHEREAS climate change is an urgent issue, causing more frequent and extreme weather events that threaten our residents, economies, businesses, public health, and cultural heritage;

RECOGNIZING the importance of the clean energy transition to achieve California and Brazil's respective climate goals of carbon neutrality by 2045 and 2050;

WHEREAS nature-based solutions, biodiversity protection, carbon markets, and the development, adoption, and scale-up of clean technologies play an important role in climate change mitigation, adaptation, and resilience, and reduce air pollution and greenhouse gases that harm peoples' health and the economy;

WHEREAS Californian and Brazilian government entities have met periodically to share perspectives on carbon pricing, carbon monitoring, low-carbon fuel policies, greenhouse gas emissions reporting, workforce transition, organic waste treatment, and related policy concerns;

ACKNOWLEDGING the imperative for climate action to provide economic and human health benefits to disadvantaged and low-income communities;

RECOGNIZING the ongoing processes of support for Indigenous peoples in Brazil and California Native American tribes, the importance of full and meaningful representation and participation of Indigenous peoples in climate action and decision-making, and the critical role of traditional ecological knowledge in ecosystem stewardship and biodiversity preservation;

RECOGNIZING the importance of biofuels in the decarbonization of the transportation system and the imperative to ensure that the cultivation of biofuel feedstocks does not negatively impact food production or lead to deforestation;

WHEREAS California and Brazilian states work together to protect forests, reduce greenhouse gas and air pollutant emissions, and enhance livelihoods across the world's forests in the context of the Governors' Climate and Forests (GCF) Task Force;

WHEREAS California and Brazilian states work together to reduce methane emissions in the context of the Subnational Methane Action Coalition (SMAC);

RECOGNIZING the opportunities to strengthen relations between Brazil and California and spur innovation and other collaborations, and the value that strengthened relations will bring to advancing climate action;

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 continue to collaborate on climate action. In doing so, the Participants share the following common objectives:

- a) To provide mutual exchanges of knowledge and best practices in progressing towards Brazil's and California's respective targets for carbon neutrality;
- b) To provide dialogue and idea-sharing to scale nature-based solutions to build the health and resilience of our lands;
- c) To support the reduction of greenhouse gas emissions through the exchange of technical knowledge on climate policy, including carbon markets and the development of Brazil's national emissions trading system;
- d) To promote the development, adoption, and scale-up of clean energy technologies and strategies to support Brazil's and California's respective clean energy transitions in an equitable manner;
- e) To provide mutual support and information sharing regarding safeguarding communities and their cultural heritage in adaptation and mitigation strategies.

SECTION II

Areas of Cooperation

The Participants intend to continue to collaborate on climate action through initiatives focused particularly on, but not limited to, the following areas of cooperation:

- a) Carbon markets;
 - i. Development and application of market-based programs and carbon pricing instruments,
 - ii. High-quality offsets;
- b) Clean transportation;
 - i. Accelerating uptake of low-carbon liquid fuels to reduce the greenhouse gas intensity of the fuel mix,
 - ii. Zero-emission vehicles (ZEVs) and ZEV infrastructure, including charging and refueling infrastructure and accelerating the uptake of zero-emission vehicles,
 - iii. Carbon-neutral or carbon-negative bioenergy and biofuels, including strategies to ensure biofuel production and consumption does not result in deforestation or negative impacts to food markets,
 - iv. Efficient, accessible, and reliable public transit, including a focus on multi-modal transport hubs, "complete streets," last mile connections, and public safety,
 - v. Vehicular inspection and fleet renewal for the reduction of greenhouse gas and local pollutants emissions;

- c) Clean energy;
 - i. Strategic load management and flexibility,
 - ii. Energy efficiency in the built environment,
 - iii. Battery technology,
 - iv. Transmission planning, forecasting, and planning,
 - v. Encouraging renewable hydrogen,
 - vi. Promoting renewable energy development and integration,
 - vii. Promoting social and economic equity through the clean energy transition, including by implementing strategies to enhance customer affordability such as energy infrastructure financing, cost efficiencies, and rate design;
- d) Nature-based solutions;
 - i. Building health and resilience of lands, such as through building forest health and decreasing deforestation,
 - ii. Strategies to achieve shared goals to protect 30 percent of land and ocean area by 2030,
 - iii. Scaling up climate smart land management, particularly agriculture, with a focus on dairy methane and soil health,
 - iv. Monitoring ecosystem carbon on a subnational and federal scale,
 - v. Promoting ethical conservation of biodiversity,
 - vi. Sharing the latest science in ecosystem monitoring, modeling, and management,
 - vii. Sustainable pest management and integrated pest management,
 - viii. Water and soil conservation and watershed environmental management;
- e) Cultural heritage;
 - i. Promoting climate literacy in cultural heritage sectors,
 - ii. Sharing knowledge and expanding cultural heritage-inclusive climate vulnerability assessment frameworks,
 - iii. Increasing the inclusion of cultural heritage in adaptation and mitigation solutions;
- f) Sustainable urban planning;
 - i. Promoting sustainable urban planning to increase livability and reduce emissions;
- g) Climate change resilience;
 - i. Increasing resilience to shared climate change impacts, including extreme heat, flooding, drought, sea level rise, ocean warming and acidification, and wildfire,
 - ii. Prioritization and protection of climate vulnerable communities and critical infrastructure,
 - iii. Promoting the use of nature-based solutions as climate adaptation and resilience strategies;
- h) Circular economy and waste management;
 - i. Organic waste recycling and methane reduction,
 - ii. Reducing the waste of and increasing recycling rates in materials such as aluminum, plastic packaging, electronic waste, and batteries,
 - iii. Reduction of waste through reverse logistics;

- i) Air quality management;
 - i. Air quality monitoring and modeling,
 - ii. Air pollutant emissions regulations and control,
 - iii. Development of cost-benefit assessments of air pollution control measures.

SECTION III

Coordination

The Participants respectively designate the Brazil Federal Ministry of Environment and Climate Change and the California Environmental Protection Agency (CalEPA) – in cooperation with CalEPA's boards, departments, and offices, and with other California agencies such as the California Natural Resources Agency (CNRA), the California Department of Food and Agriculture (CDFA), the California Public Utilities Commission, the Governor's Office of Business and Economic Development (GO-Biz), and the Governor's Office of Land Use and Climate Innovation (LCI) – 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:

- a) Dialogues; technical exchanges; joint workshops; sharing of knowledge, experience, best practices, and information on policy development and implementation and regulatory frameworks; economic incentives and the advancement of innovation, investment, adoption, and scale up of clean technologies and other climate solutions;
- b) Exploring opportunities to engage academic institutions and the private sector in the exchange of information on strategies and policies;
- c) Cooperation by other means related to the scope of this Memorandum of Understanding, as may be decided upon by the Participants in writing.

SECTION V

Points of Contact

The Brazil Federal Ministry of Environment and Climate Change and the California Environmental Protection Agency will also serve as the respective contact points for communication and information exchange, as well as any notice submitted under this Memorandum of Understanding.

Brazil Federal Ministry of Environment and Climate Change: Head of the Office of International Affairs or any successors or designees.

California Environmental Protection Agency: Deputy Secretary for Climate Policy or any successors or designees.

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 commitments in this Memorandum of Understanding are not conditioned upon reciprocal actions by other Participants; each Participant retains full discretion over implementation of its commitments in light of the Participant's individual circumstances, laws, and policies; and each Participant is free to terminate 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 that incurs them, unless otherwise expressly stated 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 Memorandum of Understanding will be construed consistent with all applicable laws, and activities undertaken in connection with this Memorandum of Understanding will be subject to, and will 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, which 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 5 year period, unless renewed or extended by the Participants in the same manner that the Participants may otherwise modify this Memorandum of Understanding.

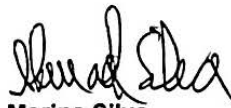
This Memorandum of Understanding may be modified at any time by mutual consent of the Participants. Any modification will be made in writing and specify the date on which such modification is to become effective.

Any of the Participants may, at any time, terminate this Memorandum of Understanding by providing a written notice to the other Participant(s). A Participant that intends to terminate this MOU will endeavor to provide notice of such termination to other Participants 60 days in advance.

The termination of this Memorandum of Understanding will not affect when activities initiated while this Memorandum of Understanding is in effect will conclude, unless a Participant expressly states otherwise. A Participant that intends to terminate a previously initiated activity will endeavor to reach an understanding with the other Participant concerning such termination.

Signed in New York City on September 23, 2025, in two original copies in English and Portuguese.

**FOR THE MINISTRY OF
ENVIRONMENT AND CLIMATE
CHANGE OF THE FEDERATIVE
REPUBLIC OF BRAZIL**


Marina Silva

**Minister of the Environment and
Climate Change**

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


Yana Garcia

**Secretary for Environmental
Protection**