

**MEMORANDUM OF UNDERSTANDING OF CLEAN TECHNOLOGY
INNOVATION PARTNERSHIP
between
HAIDIAN DISTRICT OF BEIJING OF THE PEOPLE’S REPUBLIC OF CHINA
and
THE CALIFORNIA ENERGY RESOURCES CONSERVATION AND
DEVELOPMENT COMMISSION**

To facilitate the cooperation on research, innovation, and investment in low-carbon development and clean energy resources, State of California and Beijing Municipality (hereinafter referred to as “Participants”) signed a Memorandum of Understanding to establish a partnership on clean technology.

ACKNOWLEDGING that California has a long history of successful collaboration with China, including cooperation on climate change, air quality, energy efficiency, renewable energy, new-energy and zero emission vehicle development, emissions trading systems, and climate-positive trade and investment opportunities;

ACKNOWLEDGING that California has strong climate mitigation policies, including reducing greenhouse gas emissions 40% below 1990 levels by 2030, 50% renewable energy and doubling of energy efficiency by 2030, and extensive investment in clean technology development and deployment;

ACKNOWLEDGING that the Beijing Municipality has strong programs and policies designed to reduce air pollution and address climate change, has a large number of businesses focused on innovative clean technologies, and seeks to stimulate economic growth while improving air quality and public health;

ACKNOWLEDGING the opportunity to further California-Beijing bilateral cooperation to promote clean technology innovation and investment;

STRIVING to develop a mutually beneficial relationship of partnership and cooperation to stimulate economic growth in both Beijing and the California through business-led innovation which can draw on the research and development capabilities in both countries in order to address industrial challenges that will shape the markets of the future; and

CONSISTENT with the governing laws of their respective countries:

Participants have reached the following understanding:

**Paragraph 1
OBJECTIVE**

The objective of this Memorandum of Understanding (“MOU”) is to support the Participants in advancing innovation and development of, and investment in, low-carbon energy resources and clean technologies. Cooperation between the Participants will be based on a mutual understanding of shared issues and concerns of the governments and citizens of California and the Beijing Municipality as they relate to research, innovation, and commercialization of clean technologies.

To achieve these objectives, the Participants agree to develop the California-Beijing Clean Technology Partnership (the “Partnership”), which will allow the Participants to communicate and cooperate on matters of research, innovation, and commercialization. The Partnership will also provide a mechanism through which the Participants’ governments, researchers, key stakeholders, and industrial collaborators may exchange views, express concerns, and arrange to carry out joint actions. The Partnership will provide a mechanism to promote scientific, technological, and industrial research and commercialization cooperation between California and the Beijing Municipality and will provide a platform for promoting mutually beneficial endeavors between the Participants, including developing markets for science and technology-based products.

Paragraph 2 AREAS OF COOPERATION

The Parties agree that the areas of cooperation of the Partnership will include, but not be limited to:

1. Clean energy technologies that focus on reducing energy use, improving energy efficiency, advancing renewable energy technologies such as solar and wind power, energy storage and grid modernization technologies, new-energy and zero emission vehicles, and low-carbon urban development;
2. Greenhouse gas emission and air pollution reduction programs, including emissions trading systems;
3. Environmental protection technologies, including pollution mitigation technologies, water and waste water technologies, and solid waste management technologies;
4. Information technologies and techniques including software, advanced communication products and services benefiting the mitigation of criteria air pollutants and greenhouse gas emissions, and advancing clean energy development;
5. Establishment of California-Beijing Clean Tech Innovation Center in the Zhongguancun High-tech Park (Z-Park);
6. Participation in the development of the California-China Clean Technology Partnership Fund;
7. Other areas mutually agreed by the Participants.

Paragraph 3 IMPLEMENTATION

The implementation of this MOU will be led by California Governor’s Office and Energy Resources Conservation and Development Commission from California side and the Zhongguancun High-tech Park of Haidian District, Beijing Municipality.

The Participants of this MOU will establish a Joint Working Group on the California-Beijing Clean Technology Partnership (hereinafter referred to as the “Joint Working Group”) to implement this MOU. The Participants will each designate a co-chair and an equal number of representatives to develop collaborative activities under this MOU and advise the Participants on ways to conduct the activities included in this MOU. The Joint Working Group will meet annually on a mutually agreed date and at a mutually agreed upon venue to discuss progress on the implementation of the MOU. Each Participant

will bear its own costs in meeting its commitments under this MOU, including but not limited to any costs associated with the Joint Working Group.

To implement this MOU, the Working Group will create a coordinated Joint Investment Plan that identifies projects and technologies consistent with the objectives of this MOU that may be considered as part of the California-Beijing Clean Technology Partnership. Each Participant will identify and fund eligible projects consistent with the Joint Investment Plan according to its own processes ("Projects"). Each solicitation for eligible Projects must include a description of the Partnership.

Each Participant agrees to independently fund the activities contemplated by and being conducted pursuant to the MOU, on a contribution schedule that permits the Participants to achieve the objectives set forth under the MOU, including but not limited to any costs associated with the joint committee and implement organizations.

The Participants agree to collaborate on these Projects where possible and to share information resulting from the projects funded pursuant to the Joint Investment Plan. Collaboration may include exchange of documents, workshops, webinars, and other forms of information sharing, including in-person meetings in either Beijing or California.

Paragraph 4
PARTICIPATION OF OTHER INSTITUTIONS

The Participants, by common consent, may seek the collaboration of third parties, including universities and other public and private academic and research and development institutions, or any other organizations whose activities may contribute to achieving the goals of this MOU.

Paragraph 5
TRANSPARENCY AND PUBLIC INFORMATION

Documents and communications related to this MOU and its implementation may be subject to disclosure under public record laws.

Paragraph 6
OTHER RIGHTS AND INTERESTS

The Participants intend to adopt all appropriate measures, in accordance with their respective laws and regulations, to protect intellectual property rights and interests.

Nothing in this MOU limits the right of each of the Participants to establish similar agreements with other institutions. Cooperation under this MOU does not affect the rights and obligations acquired by the Participants in other international agreements.

Paragraph 7
EFFECT OF MOU

This MOU serves only as a record of the Participants' intentions and does not constitute or create any legally binding or enforceable rights or obligations, expressed or implied.

Paragraph 8
SUPPLEMENTARY PROVISIONS

The Participants also agree to the following provisions:

1. The Participants have decided that any disagreement arising from the implementation of this MOU shall be settled in writing through amicable discussion;
2. Nothing in this MOU precludes the Government of Beijing or the Government of California or the California Energy Resources Conservation and Development Commission from entering into any other agreement with an entity inside or outside of the People's Republic of China or the United States of America; and
3. Consultation and exchange of information and documents shall preserve the security and integrity of the systems, processes, and information (including trade secrets) of each Participant and all third parties acting on behalf of any of the Participants and be without prejudice to Participants' legal requirements or obligations, which may prevent the exchange of certain confidential information and documents under this MOU.

Paragraph 9
FINAL PROVISIONS

This MOU is neither a contract nor a treaty.

This MOU will be effective upon the date of signature by both participants and will remain in force for five (5) years thereafter.

This MOU may be renewed for equal periods by mutual consent of the Participants until terminated through written notice.

This MOU may be amended or modified by mutual written consent of the Participants.

Either Participant may terminate this MOU by providing the other with 30 days written notice.

Signed in Beijing, China on June 5, 2017, in two originals in Chinese and English languages, both texts being equally authentic.

Chair
California Energy Commission
State of California
The United States of America

Director General
Zhongguancun High-tech Park, Haidian District
Beijing Municipality
People's Republic of China