

MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE MINISTRY OF AGRICULTURE, FORESTRY, ENVIRONMENT AND  
WATER MANAGEMENT  
OF THE REPUBLIC OF AUSTRIA  
AND  
THE STATE MINISTRY OF THE ENVIRONMENT  
OF THE REPUBLIC OF INDONESIA  
ON  
CO- OPERATION UNDER  
THE CLEAN DEVELOPMENT MECHANISM

The Ministry of Agriculture, Forestry, Environment and Water Management of the Republic of Austria and the State Ministry of the Environment of the Republic of Indonesia hereinafter referred to as " Partners";

*Desiring* to further close a friendly relation between the Partners in the field of the environment;

*Recognizing* that the Government of the Republic of Austria and the Republic of Indonesia are Parties to the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol to the United Nations Framework Convention on Climate Change;

*Recognizing* also as the Parties of the Kyoto Protocol, the Partners intend to undertake all efforts to promote sustainable development in accordance with the principles of the Convention and the Protocol;

*Considering* all the decisions of Conference of the Parties UNFCCC related to Article 12 of the Kyoto Protocol, particularly Decision 15/CP 7 and Decision 17/CP 7 adopted at the Marrakech Conference;

*Realizing* that participation of both Partners in a Clean Development Mechanism project activity is voluntary and implies mutual co-operation on an equal basis;

*Considering also* that participation of both Partners in a Clean Development Mechanism (CDM) project activity is to assist the Government of Indonesia in achieving sustainable development and in contributing to the ultimate objective of the Convention, and to assist Annex I Parties and in this regard the Republic of Austria in achieving compliance with their quantified emission limitation and reduction commitments under Article 3 of the Kyoto Protocol;

*Recalling* existing co-operation and stressing the importance of enhanced co-operation in the field of environment and sustainable development;

*Pursuant to* the prevailing laws and regulations of respective countries;

Have reached the following understanding:

## **ARTICLE I Definitions**

For the purpose of the present Memorandum of Understanding, the following definitions will apply:

- a. "Certified Emission Reduction" or CER means a specified amount of greenhouse gas emissions reduction achieved through a Clean Development Mechanism project.
- b. "Clean Development Mechanism" or "CDM" means the mechanism defined in Article 12 of the Kyoto Protocol;
- c. "COP/MOP" means the Conference of the Parties to UNFCCC serving as the meeting of the Parties to the Kyoto Protocol;
- d. The "Kyoto Protocol" means the Kyoto Protocol to the United Nations Framework Convention on Climate Change;
- e. The "Marrakech Accord" means elaboration of modalities and procedures for Kyoto Protocol which text has been adopted on COP 7 in Marrakech;
- f. "Project" means a project activity under the present Memorandum expected to generate Certified Emission Reductions;

## **ARTICLE II Objectives**

The objective of this Memorandum is to promote and facilitate CDM projects aiming at promoting sustainable development through, inter alia, reducing greenhouse gas emissions in accordance with Article 3 and 12 of the Kyoto Protocol and the Marrakech Accords.

## **ARTICLE III Scope of Cooperation**

The Partners will promote the exchange of information on project criteria, approval procedures and guidelines for CDM projects; as well as on methodologies and mechanisms for determining emission baselines in proposed project activities, and for monitoring and verification of net greenhouse gas emissions reductions or uptakes;

1. The Partners will promote, as may be possible, concrete CDM projects in accordance with definitions, rules, procedures, and modalities set forth in the Kyoto Protocol and other decisions related to CDM with a view of generating, transferring, and accruing of CERs;
2. The Partners will exchange views and information on the possibilities of future cooperation for the enhancement of capacities in the public and private sectors;
3. The Partners will facilitate the evaluation and approval of submitted CDM project activities, and any other related projects pursuant to further arrangements concluded between the Partners in accordance with the Kyoto Protocol;
4. The Partners will respect the ownership of the accrued Certified Emission Reduction (CER) from the approved projects that have been agreed upon in such contracts for these projects, in accordance with the Partners' national laws;
5. The Partners will promote the exchange of information, know-how, and learning by doing in CDM activities;
6. The Partners will encourage the participation of private sector and promote capacity building in the CDM projects.

#### **ARTICLE IV Joint Consultation Mechanism**

1. The Partners will establish a Joint Consultation to facilitate the implementation of this Memorandum;
2. The Partners will designate their representatives for the Joint Consultation.
3. The Joint Consultation will review the implementation of this Memorandum regularly;
4. The Joint Consultation will be conducted regularly;

#### **ARTICLE V IMPLEMENTATION**

The Partners will designate a focal point, who will act as representative of the Partner in all matters concerning the implementation of this Memorandum. For the Austrian Partner, the focal point is the designated national authority for the CDM. For Indonesian Partner, the focal point is the Deputy Minister for Environment Degradation Control and Natural Resources Conservation Development, State Ministry of Environment.

**ARTICLE VI**  
**Settlement of Dispute**

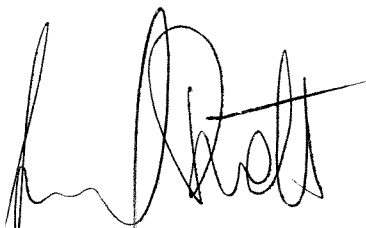
Any disputes between the Partners concerning the implementation of this Memorandum will be settled amicably through consultations or negotiations between the Partners.

**ARTICLE VII**  
**Effectiveness, Modification, and Ending of the Memorandum**

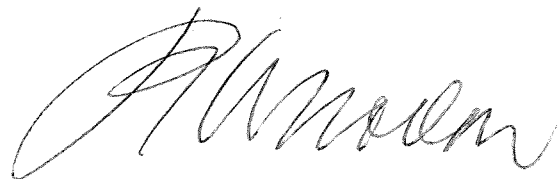
1. This Memorandum will become effective on the date of signature and will remain effective either until 30<sup>th</sup> June, 2013, or six months after a written notice has been submitted to terminate this MoU by either Partner;
2. The ending of this Memorandum will not affect the effectiveness and duration of any ongoing program or project until the completion of such program or project;
3. This Memorandum will be modified or changed, if it is deemed necessary, by mutual written understanding by the Partners. Any modification will become effective on the date as will be determined by the Partners and will be part of this Memorandum.

This Memorandum is executed in two originals in the English language.

SIGNED at *Montreal*, on *Dec. 7.* 2005.



Josef Pröll  
Federal Minister of Agriculture, Forestry,  
Environment and Water Management of the  
Republic of Austria



Rachmat Witoelar  
State Minister of the Environment of the  
Republic of Indonesia