

**MEMORANDUM OF COOPERATION**

**BETWEEN**

**THE MINISTRY OF DEVELOPMENT, INDUSTRY, TRADE AND**

**SERVICES OF THE FEDERATIVE REPUBLIC OF BRAZIL**

**THE MINISTRY OF MINES AND ENERGY OF THE FEDERATIVE REPUBLIC OF BRAZIL**

**THE MINISTRY OF FOREIGN AFFAIRS OF THE FEDERATIVE REPUBLIC OF BRAZIL**

**THE MINISTRY OF PORTS AND AIRPORTS OF THE FEDERATIVE REPUBLIC OF BRAZIL**

**AND**

**THE MINISTRY OF ECONOMY, TRADE AND INDUSTRY OF JAPAN**

**ON THE INITIATIVE FOR SUSTAINABLE FUELS AND MOBILITY (ISFM)**

The Ministry of Development, Industry, Trade and Services, the Ministry of Mines and Energy, the Ministry of Foreign Affairs, the Ministry of Ports and Airports of the Federative Republic of Brazil and the Ministry of Economy, Trade and Industry of Japan (hereinafter referred to collectively as the “Participants” and individually as a “Participant”);

Recalling that the leaders of Brazil and Japan decided to establish the Initiative for Sustainable Fuels and Mobility (ISFM);

Desiring to strengthen the existing ties of friendship between the two countries and to foster mutual understanding by enhancing industrial capacity and promoting cooperation in trade, investment;

Recalling the mutual interest of the Participants to make the best use of shared perspectives and priorities, with a view to promoting a sustainable economic growth based on higher value-added goods and services, achieve win-win exchanges, and deepen and expand bilateral economic relations;

Intending to deepen the cooperative relations between the two countries in the above-mentioned fields based on the principles of equality and mutual respect; and aiming not only to strengthen bilateral relations, but also to work together to solve social issues that arise within the global system.

The Participants share the intention to:

1. Promote and strengthen cooperation between Brazil and Japan for development and use of both “high-performance mobility equipment”, such as hybrid and flex fuel engines and next-generation aircraft, and “sustainable fuels”, such as biofuels, biogas, low-carbon hydrogen and its derivatives such as e-fuels.
2. Promote discussions under the ISFM to lead global efforts to foster the combined use of high-performance mobility equipment and sustainable fuels in order to reduce emissions and encourage just and inclusive energy transitions.
3. Strengthen cooperation in international fora where topics related to the object of ISFM are discussed and jointly disseminate information in international fora, such as UNFCCC Conferences of the Parties and the G20; foster the implementation of specific projects by companies; and stimulate research on global potentials and needs.
4. Exchange information and experiences on each country’s policies related to ISFM topics, such as market-based instruments for sustainable fuels, domestic industrial policy and policies related to transport and industry decarbonization.
5. Establish a high-level dialogue and adopt a yearly “Action Plan” to accomplish the goals of ISFM.
6. Report the results of ISFM directly to the two leaders.

### **Cost and Expenses**

Except if consensually decided otherwise by the Participants, each Participant will bear its costs and expenses incurred in connection with this Memorandum of Cooperation (hereinafter referred to as “MOC”).

### **Confidentiality**

The Participants will respect confidentiality and will not disclose information which is specified as confidential by any of the Participants.

### **Conflict Resolution**

Any difference arising from a discrepancy found related to the interpretation or implementation of this MOC will be resolved through negotiations and/or consultations between the Participants.

### **General Matters**

1. The Participants recognize that this MOC is not legally binding and is not intended to create any rights or obligations under national or international laws.
2. This MOC will be implemented by mutual consent and regular consultation between the Participants.
3. Cooperation under this MOC will be conducted within the scope of the laws and regulations in effect in the respective countries.
4. Cooperation under this MOC will commence on the date of its signing, and will continue until either the Brazilian or the Japanese side notifies the other side, in writing, of its intention to terminate it with a notice of at least ninety (90) days.
5. The termination of this MOC will not affect the execution of the cooperative actions and activities that have been decided upon and formalized under this MOC.
6. This MOC may be modified by mutual consent of the Participants, putting down in writing the date on which such modifications are applied.

Signed in Tokyo, JAPAN, on 26<sup>th</sup> March, 2025, in two originals in English.

			
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## **Initiative for Sustainable Fuels and Mobility (ISFM)**

### **ACTION PLAN**

#### **2025**

The following Action Plan will be implemented by the participant ministries in the Memorandum of Cooperation on the Initiative for Sustainable Fuels and Mobility (ISFM) from the Brazilian and the Japanese sides, with eventual contribution from other ministries from both countries.

#### **FEBRUARY**

- Convene an online meeting of the ISFM High-Level Dialogue to confirm the 2025 Action Plan and to share domestic policies related to the topic of the Initiative (such as the Fuels of the Future legislation and Japan's new Strategic Energy Plan).

#### **MARCH**

- Brazil-Japan Summit (Presidential Visit). Signing of MoC (Memorandum of Cooperation) on ISFM.

#### **APRIL**

- Video conference on the MoC Action Plan on ISFM, with participation from the involved participants in both countries – Brazilian side, government: MDIC, MRE, MME, MPOR, Apex-Brazil, Inmetro; Brazilian private sector side: Anfavea, Sindipeças, SAE Brazil, and AEA (Brazilian Association of Automotive Engineering). Japanese side, government: METI; Japanese private sector side: JAMA, IEEJ.
- Organize a joint-side event at the Clean Energy Ministerial and Mission Innovation Senior Officials meeting in Korea related to the topics covered by ISFM (Seul, Republic of Korea). (TBD)

#### **AUGUST**

- Organize a side event at the CEM-16 (16<sup>th</sup> Clean Energy Ministerial) / MI-10 (10<sup>th</sup> Mission Innovation Ministerial Meeting) meetings (Busan, Republic of Korea). (TBD)

#### **SEPTEMBER**

- Organize a side event at the G20 Energy Transition Ministerial Meeting (ETMM) (Sun City, South Africa). (TBD)

#### **OCTOBER**

- Jointly organize a High-Level Dialogue during the Expo 2025 Osaka, Kansai, Japan about the role of sustainable fuels for the energy transitions and possible related Action Agenda for COP 30, emphasizing the need to provide low-carbon/zero-carbon solutions by combining sustainable fuels with high-performance equipment (Osaka, Japan).

#### **NOVEMBER**

- During COP 30 in Brazil, promote joint side events and contribute to the COP30's outcome in regards of sustainable fuels under Brazilian Presidency

**Throughout the year (dates to be defined):**

- Technical missions for visits and technology diffusion, based on prospecting conducted during events (locations/participants to be defined).
- Participating in and organizing international events to promote the following ideas and goals:
  - Side events presenting hybrid flex technology to the world, technical roundtables, and distribution of fact sheets demonstrating the technological advantage of these products in a life cycle analysis of fuel use and product life cycle, as well as scheduling technical discussion sessions and cooperation focused on technology transfer.
- Conduct practical dialogue and exchange of views with international organizations such as the IEA towards COP30