

**MEMORANDUM OF UNDERSTANDING
BETWEEN
THE ENVIRONMENTAL PROTECTION AGENCY
OF THE UNITED STATES OF AMERICA
AND
THE MINISTRY OF THE ENVIRONMENT
OF THE REPUBLIC OF INDONESIA
ON
ENVIRONMENTAL COOPERATION**

The Ministry of the Environment of the Republic of Indonesia ("MOE") and the Environmental Protection Agency of the United States of America ("EPA"); (hereinafter referred to as "the Parties");

DESIRING to strengthen environmental cooperation that is of mutual interest and benefit to the Parties; and

RECOGNIZING the Agreement between the Government of the United States of America and the Government of the Republic of Indonesia on Scientific and Technological Cooperation signed at Jakarta 29 March 2010 ("S&T Agreement");

Have agreed as follows:

**Article 1
OBJECTIVE**

1. The Parties shall endeavor to engage in a general program of cooperation for mutual benefit and to promote a climate of open exchange and cooperation in the field of environmental protection and sustainable utilization of natural resources.
2. The objective of this Memorandum of Understanding ("MOU") is to promote bilateral cooperation on efforts of mutual interest in the field of environmental cooperation.

**Article 2
FRAMEWORK**

Cooperative activities under the MOU shall be conducted in accordance with the applicable laws and regulations of the Parties.

Article 3
FOUNDATION

The Parties shall conduct cooperative activities under this MOU on the basis of equality, reciprocity, and mutual benefit.

Article 4
AREAS OF COOPERATION

Cooperation under this MOU may involve the following areas:

1. Prevention and management of:
 - a. Greenhouse gas emissions and their impacts;
 - b. Air pollution (including indoor air pollution);
 - c. Water pollution;
 - d. Chemical and hazardous waste (including medical waste);
 - e. Solid waste;
 - f. Environmental degradation; and
 - g. Environmental assessment
2. Integrated watershed management;
3. Climate change;
4. Other environmental threats to human health and to ecosystems;
5. Environmental policy and management;
6. Environmental education and public awareness;
7. Environmental governance, such as:
 - a. Public participation;
 - b. Environmental law development;
 - c. Judicial training; and
 - d. Permit development, implementation, and enforcement; and
8. Other areas as determined by the Parties.

Article 5
FORMS OF COOPERATION

Cooperation under this MOU may include but is not limited to:

1. Transfer or exchange of technical and governance information in the field of environmental protection;
2. Joint organization of symposia, seminars, workshops, and training;
3. Study tours, exchanges, and temporary assignments of personnel from one Party to the other;
4. Joint publications; and
5. Joint projects to demonstrate environmental management approaches.

Article 6
STAKEHOLDER ENGAGEMENT

The Parties shall encourage and facilitate the engagement and participation of relevant stakeholders (such as universities, other government agencies, and industry) in cooperative activities under this MOU, as mutually determined by the Parties.

Article 7
IMPLEMENTATION

1. The Parties shall develop additional annexes to the MOU for each of the major areas of cooperation contemplated under this MOU, as appropriate. Once developed, each annex shall be an integral part of the MOU. For every annex, specific cooperative activities and the terms under which they are intended to be conducted, including financial arrangements, shall be described in a workplan.
2. In the event of a conflict between the terms of an annex and this MOU, the provisions of the MOU shall prevail.
3. All activities undertaken pursuant to this MOU shall be subject to the availability of funds, personnel, and other resources of each Party. The Parties recognize that collaboration under this MOU does not represent a commitment of funds, personnel, or other resources.

Article 8
JOINT COMMITTEE FOR ENVIRONMENTAL COOPERATION

1. The Parties hereby establish a Joint Committee for Environmental Cooperation ("Joint Committee") that is responsible for coordinating and facilitating cooperative activities under this MOU, composed of representatives designated by the Parties.
2. The Joint Committee shall be co-chaired by a designated official of the EPA and a designated official of the MOE.
3. The Joint Committee shall meet periodically as determined by the Parties (but no more than once a year) to conduct a joint review of activities and discuss matters of importance in the field of environment and policies related to the environmental cooperation between the Parties under this MOU. Meetings of the Joint Committee should take place alternately in the United States and Indonesia.
4. In the intervals between the Joint Committee meetings, the Co-Chairs may meet or correspond, if necessary, to discuss and further the implementation of this MOU and to exchange information on the progress of programs, projects and activities of common interest, and implementing arrangements under this MOU.

Article 9
CONFIDENTIALITY

No information or equipment requiring protection in the interest of national defense or foreign relations and classified in accordance with its applicable national laws and regulations shall be provided under this MOU. In the event it is subsequently discovered that information or equipment which is known or believed to require such protection is identified as having been furnished inadvertently in the course of cooperative activities pursuant to this MOU, the matter shall be brought immediately to the attention of appropriate officials and the Parties shall consult to identify appropriate security measures to be mutually determined by the Parties, in writing, and applied to this information and/or equipment. All other information exchanged between the Parties is subject to the applicable laws and regulations of the Parties.

Article 10
INTELLECTUAL PROPERTY RIGHTS

It is not anticipated that intellectual property will be created or furnished in the course of activities under this MOU. However, the treatment of any intellectual property created or furnished in the course of activities under this MOU, the allocation of rights for such intellectual property, and business-confidential information obtained and/or exchanged pursuant to this MOU, shall be governed by the provisions of Annex I of the S&T Agreement.

Article 11
SETTLEMENT OF DISPUTES

Any dispute between the Parties concerning interpretation of this MOU is to be settled through consultation between the Parties.

Article 12
FINAL PROVISIONS

1. This MOU shall enter into force on the date of its signing and shall remain in force for five (5) years. Either Party may terminate this MOU by providing thirty (30) days' prior written notice to the other Party. Unless otherwise agreed, the termination of this MOU shall not affect the validity or duration of projects under this MOU that have been initiated prior to such termination, and this MOU shall continue to apply to such projects until they are discontinued.
2. This MOU may be amended or extended at any time in writing by mutual agreement of the Parties.

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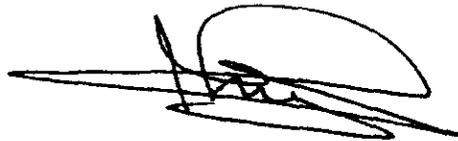
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IN WITNESS WHEREOF the undersigned, being duly authorized by their respective Governments, have signed this MOU.

SIGNED at Jakarta this 27 day of June 2011, in duplicate, in the English and Indonesian languages, all texts being equally authentic. In case of any divergence, the English text shall prevail.



**FOR THE ENVIRONMENTAL
PROTECTION AGENCY OF THE
UNITED STATES OF AMERICA**



**FOR THE MINISTRY OF
THE ENVIRONMENT OF THE
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ANNEX 1

"Breathe Easy, Jakarta" Program

Article 1 Authority

This Annex to the Memorandum of Understanding (MOU) between the Ministry of the Environment (MOE) of the Republic of Indonesia and the Environmental Protection Agency (EPA) of the United States of America on Environmental Cooperation, signed at Jakarta on June 27, 2011, sets forth a framework for cooperation on an air quality management program in Jakarta, Indonesia, entitled "Breathe Easy, Jakarta".

Article 2 Scope

"Breathe Easy, Jakarta" is a partnership program between EPA and the Jakarta Capital City Government established to gain a better understanding of Jakarta's air quality challenges and to develop cost-effective strategies for improving air quality and public health.

Under this program, MOE has designated Jakarta Capital City Government to work with EPA and other stake holders to implement a multi-year urban air quality management capacity building and knowledge management program to promote the development and application of science-based urban air pollution control strategies and associated decision support systems in Jakarta, Indonesia.

MOE has designated Jakarta Capital City Government to coordinate with EPA to promote sustainability and replicability of the "Breathe Easy, Jakarta" program.

Project activities under this annex may include work in the following areas:

1. Review of air quality management system;
2. Development of an air quality monitoring plan;
3. Monitoring of ambient and site-specific air pollution and toxics;
4. Development of emissions measurements, inventories, and source apportionment from stationary, mobile, and area sources of air pollution;
5. Modeling of air quality;
6. Assessment of health benefits and impacts;
7. Development of air pollution control policies, strategies, and standards;
8. Promotion of compliance with and enforcement of air pollution policies and standards;
9. Development of public information, involvement, and outreach programs;

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10. Management of clean energy technology (transportation, residential, industrial, and commercial) that helps to reduce or eliminate pollution and greenhouse gases;
11. Management, reduction, and elimination of air pollution; and
12. Other areas as determined by Parties.

Article 3 Forms of Cooperation

Cooperation under this Annex may include the following forms:

1. Transfer or exchange of scientific, policy, and technical information;
2. Joint organization of symposia, seminars, workshops, and trainings for a range of audiences both within and outside government;
3. Study tours, exchanges, and temporary assignments of personnel of the Parties;
4. Joint projects to demonstrate environmental management approaches and technologies;
5. Cooperative research on subjects of mutual interest;
6. Provision of samples, reagents, materials, data, instruments, and components for testing, evaluation, and other purposes; and
7. Other forms of cooperation as determined by the Parties.

Article 4 Project Plans and Activities

The Parties intend to jointly develop work plans, which shall describe specific cooperative activities and the terms under which they are intended to be conducted, including financial arrangements.

Project activities under this annex are designed to complement, not duplicate, cooperation under any other Annexes. Activities will be developed and carried out in close consultation with those involved in related work under any other Annex.

Article 5 Designation of Officials

1. Management Officials administering activities under this Annex shall work with relevant stakeholders to facilitate implementation of work plans.
2. The Management Official for the United States shall be the EPA Office Director of Regional and Bilateral Affairs in the Office of International and Tribal Affairs. The Implementing Official for the EPA shall be the EPA Indonesia Program Manager.
3. The Management Official for the Republic of Indonesia shall be the MOE Assistant Deputy for Air Pollution Control from Mobile Sources. The Implementing Official

for the Republic of Indonesia shall be the Jakarta Capital City Government Director of the Regional Environment Management Board.

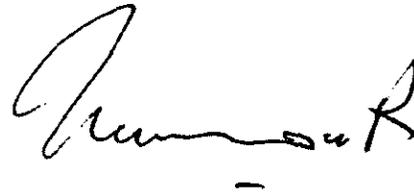
4. Each Party may designate a replacement Management Official or Implementing Official at any time upon written notice and approval of the other Party.

This Annex shall be an integral part of the MOU and shall enter into force upon signature.

Done at Jakarta this 27th day of June, 2011, in the English language.



**FOR THE ENVIRONMENTAL
PROTECTION AGENCY OF THE
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