

**ANNEX III
FOR COOPERATION IN THE
FIELD OF ENERGY EFFICIENCY**

The Government of the Federative Republic of Brazil is developing objectives and specific National Programs for energy efficiency which include protecting natural resources and the environment through technical improvement in energy utilization, increasing the economic benefit of energy utilization, and realizing a sustainable strategy for economic development; and

Effective collaboration by the Parties in the field of energy efficiency technology will increase energy efficiency, promote global environmental protection, and stimulate the market in the Federative Republic of Brazil for energy efficiency, goods and services;

The Parties will mutually benefit from collaboration in the development and utilization of energy efficiency technologies;

OBJECTIVES

1. The objectives of cooperation under this Annex are:

A. Supporting Brazilian National Programs on energy

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efficiency strategies and policies to promote and expedite sustainable development in Brazil, through comparative evaluation of technologies for the energy end-use sectors and reducing barriers to energy efficiency;

- B. Expediting, with the support and participation of U.S. industry, U.S. organizations and other U.S. Government agencies, the introduction into the Federative Republic of Brazil of technically feasible and cost-effective energy efficiency technologies, through, but not limited to, project demonstration by U.S. firms and information exchange on technology, technical services and project financing;
- C. Assisting the Federative Republic of Brazil achieve its energy efficiency targets over the next five years, while simultaneously advancing global environmental protection and stimulating trade in energy efficiency technology, goods, and services; and
- D. Training support and technical assistance from U.S. experts.

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AREAS OF COOPERATION

2. Cooperation under this Annex may include, but is not limited to, the following areas:

- A. Energy efficiency policy and regulatory issues;
- B. Information exchange and business outreach;
- C. Performance monitoring and verification;
- D. Appliance testing, labeling and standards;
- E. Industrial assessments and process control as they relate to energy efficiency
- ~~F. Transportation~~
- G. Energy efficient motor systems and engines;
- H. Natural gas end-use technologies
- I. Efficient lighting;

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- J. Reflective roofs;
- K. Public buildings retrofit and utility demand-side management; and
- L. Identification of financing sources for energy efficiency projects.

OTHER PARTICIPATING ORGANIZATIONS

3. Pursuant to Article V of the Implementing Arrangement, additional organizations may participate in and (or) lead cooperative activities under this Annex at their own expense, and subject to such terms and conditions as the Executing Bodies may specify. For the Federative Republic of Brazil, such agencies and organizations may include, but are not limited to the National Electricity Conservation Program (PROCEL) and the National Oil and Natural Gas Conservation Program (CONPET). For the United States of America, such organizations may include, but are not limited to, the United States Agency for International Development.

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MANAGEMENT

4. Each Executing Body shall designate one Program Coordinator for this Annex. Program Coordinators shall provide technical management and coordinate activities under this Annex. Each task undertaken under this Annex shall be described in a work plan that is approved by both of the Coordinators, each of whom shall then designate a Co-Project Officer for that specific task.

EXPENSES

5. Except when otherwise specifically agreed in writing, all costs resulting from cooperation under this Annex shall be borne by the Executing Body that incurs them.

GENERAL PROVISIONS

6. Cooperation under this Annex shall be subject to the Implementing Arrangement.

7. This Annex shall remain in effect for five (5) years or until

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termination of the Implementing Arrangement, whichever occurs first. This Annex may be amended or extended by mutual written agreement of the Executing Bodies.

8. At the discretion of either Executing Body, this Annex may be terminated upon six (6) months advance notice in writing to the other Executing Body.