Agreement on International Consortium

*(Example)*

This agreement (hereinafter referred to as “this Agreement”) is made and executed to establish an International Consortium (hereinafter referred to as “this Consortium”) and utilize the Financing Programme —“Demonstration Programme for Application of New Decarbonizing Technology”.

Title of the project: ＿＿＿＿＿＿＿ (hereinafter referred to as “the Project”)

Article 1 (Appellation)

The International Consortium established based on this Agreement shall be named ＿＿＿＿＿＿＿ project consortium.

Article 2 (Locations and names of participants)

This Consortium shall be consisted of a Japanese participant(s), and foreign participant(s) as follows.

1. Participant name
Address (Japan)
2. Participant name
Address (Partner country)
3. Participant name
Address (Partner country)

Article 3 (Representative participant and co-participant(s))

The representative of this Consortium shall be a Japanese participant, and \_\_\_\_\_\_\_\_\_\_\_ is hereby appointed. The other participants shall be co-participant(s).

Article 4 (Liabilities and authorities of the Representative participant)

The Representative participant of this Consortium shall apply for the Financing Programme. The Representative Participant of this Consortium shall be liable for purchase, installation, and commissioning of the facilities and equipment introduced by the Project (hereinafter referred to as “the Facilities”). Regarding implementation of the Project, the Representative participant shall also be liable for all the operational management, including, but not limited to, accounting, final examination of completion of the Project. The Representative participant shall apply for and receive the financial support facilitated by the Japanese government and administer the property belonging to this Consortium.

2

Article 5 (Joint liabilities of participants)

1. Each participant of this Consortium shall strive for progress in its respective assignments and is jointly liable for implementation of the Project.

2. Each participant of this Consortium is also jointly liable for the following obligations as listed below:

(1) To cooperate with the Representative participant in effective implementation of the Project and diffusion of the achievements through the Project.

 (2) To manage the Facilities with duty of diligence during the legal depreciation period in order to realize its efficient operation in accordance with the purpose of the financial support upon the completion of the Project.

(3) To provide information regarding operational status and management of Facilities, effects of the Facilities in reduction of CO2 emission and other information that are necessary to verify project results when requested by Ministry of Environment, Japan (hereinafter referred to as “MOEJ“) (including private entities which is consigned by MOEJ) or Global Environment Centre Foundation (hereinafter referred to as “GEC”).

(4) To cooperate with JCM methodology developers by providing information required to develop methodology applicable to the Project for greenhouse gas (GHG) emission reductions achieved through the Facilities.

(5) To cooperate with Third Party Entities (TPEs) by providing materials and information required to efficiently conduct validation of the Project and verification of GHG emission reductions at the project site.

(6) To reduce, monitor and calculate amount of GHG emission achieved through the Facilities.

(7) To execute measurement and reporting on the effect of GHG emission reductions from the Facilities, and to report it to MOEJ annually from the date of completion of the Project to the end of March of that fiscal year and for two (2) years thereafter (however, if the Project is adopted as a JCM Model Project, the period will be adjusted to the end of the fiscal year in which the Project is adopted.).

(8) To take necessary actions such as application for the project registration by the Joint Committee set up by the governments of Japan and JCM partner-country.

(9) To request the Joint Committee to issue credits and deliver the issued JCM credit to the Japanese government according to the credit allocation decided by the Ministry of Environment, Japan, calculated based on the GHG emission reduction achieved by the registered JCM project from the date of operation of the Facilities until the end of completion of the Project.

(10) In the event that there are stipulations regarding the allocation of credit in contracts of the Project, it shall not hinder observance of the rules of JCM between Japan and the partner country.

(11) To obtain approval of GEC when replacing a Consortium member and to commit the replacing member to fulfill the above obligations from (1) to (10), when such replacement is necessary.

Article 6 (Implementation organization of this Consortium)

Implementation organization based on this Agreement shall be as referred to in the Appendix.

Article 7 (Effective period of this Agreement)

1. This Agreement comes into effect on ●● of \_\_, 20YY and expires at the end of March of the last year of legal depreciation period.

2. The effective period of this Agreement set forth in the preceding article can be extended based on an agreement between the Representative participant and the co-participant(s).

Article 8 (Management committee)

This Consortium shall organize a management committee consisting of all the participants to manage the Project.

Article 9 (Project supervisor)

In this Consortium, the Representative participant shall serve as the project supervisor and as the authority overseeing and supervising the Project.

Article 10 (Persons in charge)

Representatives of the participants of this Consortium shall appoint a responsible person and/or persons in charge to engage in the Project under the Representative Participant.

Article 11 (Liability of participant)

Each participant shall be liable for the damages to the other participants or a third party resulting from their fault in implementation of their scope of responsibilities in the Project.

Article 12 (Restriction of transferring rights and obligations)

All or part of the rights and obligations of this Agreement shall not be transferred or succeeded to a third party.

Article 13 (Confidentiality)

This Agreement is based on mutual consent among the participants of the Project and shall not be disclosed to any third parties.

Article 14 (Measures for bankruptcy and dissolution of participant during the Project)

In the event that any of the participants becomes bankrupt or is dissolved, the remaining participants shall jointly complete the scope of the responsibilities originally assigned to such participant.

Article 15 (Defect liability after dissolution)

Each participant shall be jointly liable for any defects found in the Project after the dissolution of this Consortium.

Article 16 (Matters not provided for in this Agreement)

Matters that are not addressed in this Agreement shall be determined by the Management Committee.

Article 17 (Ways to settle dispute and/or doubt)

The Representative Participant and the co-participant(s) shall consult with each other to settle disputes and/or doubts regarding interpretation of this Agreement amicably.

5

In witness whereof, this Agreement has been made in \_\_\_\_\_\_ (\_) originals and one copy and each participant shall place its signature and seal respectively thereon and retain the original. The copy shall be submitted to GEC together with the Financing Programme application form.

Date XX of Month, 20YY

Representative participant:

 (Signature)

Name:

Title:

(Name of the Representative participant)

Co-participant(s):

 (Signature)

Name:

Title:

(Name of the Co-participant)

 (Signature)

Name:

Title:

(Name of the Co-participant)

Appendix: Implementation organization

**Representative Participant (Company A)**

**Japanese Company**

**Responsible Manager：Head of \*\* department**

**Role：Project Administration**

**Report to GEC/MOEJ**

**(Company C)**

**Equipment Supplier**

**International Consortium**

**Order**

**Construction**

**Co-participant (Company B)**

**Responsible Manager ：Head of \*\* department**

**Role : Facility Installation, Plant Operation,
Administration and Monitoring**

**Joint Implementation**

**Local Entity (Company D)**

**Contractor**

**Order**

**Supply**

**（E社）**

**施工会社**

16