

MEMORANDUM OF COOPERATION

BETWEEN

THE MINISTRY OF ECONOMY, TRADE AND INDUSTRY OF JAPAN

AND

**THE DEPARTMENT OF SCIENCE AND INNOVATION OF THE
GOVERNMENT OF THE REPUBLIC OF SOUTH AFRICA**

ON

MATTERS RELATED TO HYDROGEN AND AMMONIA

PREAMBLE

The Ministry of Economy, Trade and Industry of Japan and the Department of Science and Innovation of the Government of the Republic of South Africa (hereinafter jointly referred to as the “Participants” and separately as a “Participant”)

CONSIDERING that over the next few decades, the world is expected to make an energy transition to a low carbon economy and that in implementing the mentioned transition the Participants need to work collaboratively to ensure a level playing field;

NOTING that the Participants have a shared interest to cooperate and create synergies in the field of hydrogen and ammonia, including science, technology, innovation and investment in the relevant areas.

RECOGNISING that South Africa has the ability to be an internationally competitive producer of hydrogen and ammonia. In addition, Japan has technological advantages in the hydrogen and ammonia fields and is making efforts to expand demand for hydrogen and ammonia;

BEARING in mind that the Participants have a mutual understanding that cooperation between them in the fields of hydrogen and ammonia will contribute to the development of national competencies in the production of key components from the hydrogen and ammonia value chain and their application, which provides the opportunity for the creation of new industries, leading to the development of social progress and the creation of employment;

FURTHER NOTING that the Participants announced hydrogen strategies to accelerate efforts towards the clean energy transition, and that there are already good examples of cooperation in the field of hydrogen and ammonia.

MINDFUL thereof that this Memorandum of Cooperation (hereinafter referred to as this “MoC”) will be built on the strong historic relationships developed between the Participants; and

DESIROUS to enter into a memorandum of cooperation relating to matters of hydrogen and ammonia;

HEREBY HAVE REACHED the following recognition:

PARAGRAPH 1

PURPOSE AND SCOPE

- (1) The purpose of this MoC is to support the Participants' cooperation with respect to developing a sustainable and affordable hydrogen and ammonia supply chain, based on the shared recognition that hydrogen and ammonia are key contributors to achieving net zero emissions.
- (2) This MoC will provide a framework within which detailed proposals for programmes of cooperation between the Participants can arise.
- (3) The Participants will endeavour to encourage and facilitate, as appropriate, the advancement of linkages and cooperation between their respective governments, industries and research agencies within the respective areas of competence of the Participants.

PARAGRAPH 2 APPROACH

- (1) In order to pursue the purpose and scope of this MoC, the Participants, in line with their respective mandates, will cooperate in the following areas, with the aim to contribute to the objective of this MoC:
 - (a) Exchanging information and exploring coordination of hydrogen and ammonia related policies, regulations and the development of standards to build an international supply chain;
 - (b) Sharing best practices and lessons learnt in hydrogen and ammonia research, development and demonstration projects, in cooperation with other agencies than the Participants where necessary;
 - (c) Facilitating international development funding including project preparation funding for hydrogen and ammonia projects;
 - (d) Development and utilisation of relevant technologies in various areas, including renewable and low-carbon hydrogen and ammonia production, distribution and storage, power sector, transport sector, and decarbonization of industry;
 - (e) Enhancing the development and uptake in national and international regulation and certification frameworks of a methodology to determine greenhouse gas emissions associated with the production and transport of a unit of hydrogen and ammonia, including through cooperation in the International Partnership for Hydrogen in the Economy;
 - (f) Facilitating the developments of skills that are necessary for developing a hydrogen and ammonia society, through various means, such as exchange of experts, education, upskilling, reskilling and vocational training;

- (g) Facilitating an improvement in the investment climate by taking into consideration the challenges of promoting a just transition, especially a hydrogen and ammonia society;
 - (h) Encouraging public-private cooperation and the private sector's participation to promote further cooperation and the development of new projects by the private sector; and
 - (i) Other areas that may be confirmed and jointly decided by the Participants.
- (2) It is anticipated that the Participants will cooperate under this MoC mainly through various meetings including dedicated meetings with representatives of the Participants that are expected to be held periodically, as well as meetings or events expected to be held by relevant organisations.

PARAGRAPH 3

CONFIDENTIALITY AND INTELLECTUAL PROPERTY RIGHTS

- (1) All information exchanged in terms of this MoC is confidential and the Participants will ensure that the data and information provided to each other, including the result of activities implemented under this MoC, is not transferred or supplied to a third party without the prior written consent of the other Participant, unless required by their respective domestic law.
- (2) The Participants will not use information or documents exchanged under this MoC for any purposes other than the intended purposes of this MoC and in line with what has been mutually decided upon in the signing of this MoC, and will not transfer such information or documents to a third party without the prior written consent of the other Participant, unless required by their respective domestic law.
- (3) The ownership of any intellectual property owned by either Participant prior to the commencement of this MoC will be and remain vested with that Participant.
- (4) Any intellectual property rights resulting from activities for the implementation of this MoC will be handled in line with a separate arrangement to be formulated between the Participants and/or their involved entities.

PARAGRAPH 4

MISCELLANEOUS

- (1) This MoC does not create any legally-binding and/or financial rights and obligations between the Participants or in relation to any third party under domestic or international law.

(2) This MoC does not constitute an obligation to provide funding for any separate or joint work by the Participants. Such funding will require a separate and specific arrangement.

(3) This MoC may be modified at any time by the mutual written consent of the Participants.

(4) Each Participant will bear its own expenses in connection with the application of this MoC, and neither Participant will be responsible for any financial compensation or contribution to the other Participant concerning this MoC.

PARAGRAPH 5

PROTECTION OF PERSONAL INFORMATION

(1) The Participants will take reasonable measures to ensure that there is no unauthorised access to personal information pertaining to this MoC.

(2) The Participants hereby acknowledge and concur that in the course and scope of the relationship envisaged in terms of this MoC, they will be required, from time to time, to process personal information of each other.

(3) In line with to the preceding matters, a Participant will –

(a) ensure that it secures the confidentiality and integrity of all personal information obtained and processed by it or on its behalf;
and

(b) ensure that the processing of personal information of the other Participant will only be for the purpose of implementing this MoC.

PARAGRAPH 6

SETTLEMENT OF DISPUTES

Disputes arising from the implementation of this MoC will be settled between the Participants by negotiations through the diplomatic channel.

PARAGRAPH 7

COMMENCEMENT, DURATION AND DISCONTINUATION

- (1) This MoC will commence on the date of the last signature thereof.
- (2) This MoC will continue for an initial period of five (5) years, after which it will be renewed automatically for successive periods of five (5) years at a time, unless discontinued in line with sub-paragraph (3).
- (3) This MoC may be discontinued by either Participant giving six (6) months' written notice in advance to the other Participant through the diplomatic channel of its intention to discontinue the MoC.
- (4) The discontinuation of this MoC will not affect programmes, projects or activities concluded in terms of this MoC until the completion of such programmes, projects or activities.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto have signed this MoC in two (2) originals.

SIGNED at Tokyo, on September 25th, 2023.

SIGNATURES

**For Ministry of Economy, Trade
and Industry of Japan**

**For the Department of Science
and Innovation of the Republic of
South Africa**
