

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (“MOU”) is signed on day 10th of December 2021 by and between

Climate Change and Development Authority on behalf of the Government of Papua New Guinea

and

Emergent Forest Finance Accelerator, Inc., as administrative coordinator of the LEAF Coalition (“Emergent”)

WHEREAS,

Global deforestation makes up nearly 15 percent of all greenhouse gas emissions and conserving tropical forests is crucial to maintaining a 1.5-degree pathway as envisioned under the Paris Agreement, protecting livelihoods, and preserving biodiversity; and

The Lowering Emissions by Accelerating Forest finance (“LEAF”) Coalition is a voluntary global coalition bringing together companies and governments to provide finance for tropical and subtropical forest conservation commensurate with the scale of the climate change challenge; and

The LEAF Coalition aggregates demand from governments and private companies for high-quality, verified, jurisdictional Reducing Emissions from Deforestation and forest Degradation (“REDD+”) emission reductions from tropical forest countries; and

The LEAF Coalition sets a high standard for how companies can supplement deep cuts in their own emissions by investing in additional emission reductions from tropical forests; and

The Climate Change and Development Authority as the Host Jurisdiction is undertaking efforts to protect and restore forests in a manner consistent with the Call for Proposals (“CFP”) that was published by the LEAF Coalition on April 22, 2021; and

Emergent is a U.S. based non-profit organization that coordinates the LEAF Coalition and facilitates outreach to tropical forest countries, helping to creating a new marketplace in large-scale transactions of high-integrity carbon credits at the jurisdictional level; and

Emergent seeks to accelerate the speed and scale of finance to support emissions reductions in deforestation and to catalyze finance for tropical forest protection programs that maximize climate, ecosystem and sustainable development benefits.

I. MUTUAL INTEREST

The purpose of this MOU is to indicate mutual interest between the Climate Change and Development Authority on behalf of the Government of Papua New Guinea and Emergent to, following the execution of this MOU, in good faith, continue discussions, and explore the possibility of future agreements related to emission reductions and removals that are validated and verified under the Architecture for REDD+ Transactions’ REDD+ Environmental Excellence Standard (also known as ART-TREES) including social and environmental safeguards, and subject to other terms established by the LEAF Coalition.

Such discussions will take into account best practices and compliance requirements consistent with relevant international and national legal frameworks.

The Parties hereby acknowledge that nothing within this MOU is legally binding. Each Party shall have the discretionary right to terminate at any time any discussion regarding this MOU, for any reason, by notifying the other party in writing about its termination. This MOU is effective for twelve (12) months from the signature date and may be extended upon mutual agreement by the Parties for an additional period of twelve (12) months.


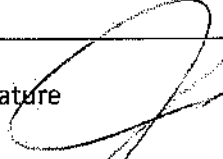
II. MISCELLANEOUS

Public Release. This MOU and the Papua New Guinea proposal to the LEAF Coalition in response to the CFP will be made publicly available on the LEAF Coalition website. The Parties will endeavor to cooperate on the initial public announcement regarding the signing of this MOU. Should Emergent and the Climate Change and Development Authority reach agreements on the terms of a definitive agreement, the agreement will also be made publicly available after signing.

Transparency. The Parties hereby acknowledge and agree that this MOU shall be made public in the interests of transparency, and that mutual efforts to pursue a potential purchase agreement shall be conducted transparently. To the extent that the Parties must preserve confidentiality on transmitted information, the Parties shall label such information as "confidential".

Counterparts. This MOU may be executed in any number of counterparts (including electronic PDF documents) and this has the same effect as if the counterparts were on a single copy of this MOU.

In witness whereof, this MOU shall be effective as of the date first written above.

Authorized Representative for Emergent Forest Finance Accelerator, Inc.	Authorized Representative for Climate Change and Development Authority
Signature 	Signature 
Printed Name Eron Bloomgarden	Printed Name: MR. WILLIAM LAKAIN
Title Executive Director	Title: Acting MANAGING DIRECTOR
Date 12th December 2021	Date: 10th December 2021