

Memorandum of Understanding
between
The Metropolitan Air Quality Management Office of the Ministry of Environment
of the Republic of Korea
and
The Air Resources Board of the State of California
of the United States of America
on
Environmental Cooperation for Air Quality Management

RECITALS

WHEREAS, The Metropolitan Air Quality Management Office (“MAMO”) of the Ministry of Environment (“MoE”) of the Republic of Korea and the Air Resources Board of the State of California (“CARB”) of the United States of America (hereinafter referred to separately as the “Party” or collectively as the “Parties”)

WHEREAS, recognizing that clean air is essential for public health and stable economic and social activities for all economies around the world;

WHEREAS, believing that sharing knowledge and experience in air quality management will contribute to environmental protection on a global scale;

WHEREAS, expecting that strengthening mutual cooperation between the Parties in the field of air quality management will promote greater sharing of knowledge and experience; and

WHEREAS, affirming that this cooperation will generate mutual benefits across all sectors of society for both Parties;

NOW, THEREFORE, the Parties agree as follows:

Article I (Principles of Cooperation)

The Parties will maintain and enhance mutual cooperation in the field of ambient air quality management and emission control of motor vehicles on the basis of equality, reciprocity, and mutual benefit.

Article II (Scope of Cooperation)

Cooperation may be undertaken in mutually agreed areas as follows:

1. Policies and measures on: Air Quality and Transportation Planning; Mobile Sources Control, including, but not limited to, vehicle emission standards

(including greenhouse gases (GHG)), vehicle certification, low emission vehicles, on-board diagnostics, on-road vehicle inspection program, and engine emission certification label; Emission Reduction Measures for On-Road Vehicles; Fuel Program, including, but not limited to, fuel average program, cleaner burning gasoline program, diesel fuel regulations, and alternative fuels; Emission Reduction Measures for Non On-Road Vehicles; emission regulation on farm machinery, construction machinery and ship, and ground support equipment (GSE) in airports; Particulate Matter Control, including, but not limited to, PM-2.5 regulation; Air Toxic Control; Vapor Recovery; Cap and Trade (GHG, NOx, and SOx)

2. Other areas of air quality management as may be mutually agreed.

Article III (Form of Cooperation)

The Parties agree that cooperation under this Memorandum of Understanding may include the following forms:

1. Exchange of human resources including government officials, scientists, scholars, and specialists, both in the short and long-term, to promote exchange of knowledge and experience on air quality management;
2. Exchange and provision of scientific and technological information in the field of air quality management;
3. Joint research on subjects of mutual interest;
4. Regular hosting of joint symposium, seminars, and lectures on the environment; and
5. Other forms as may be mutually agreed upon.

Article IV (Funding of Cooperation)

Cooperative activities under this Memorandum of Understanding will be subject to the availability of appropriate funds and other resources of each Party. All costs and expenses incurred during the performance of cooperative activities abroad, including international travel and accommodation fees, will be covered by the Party performing such activities, unless otherwise specified.

For exchange of personnel, including short-term technical assistance and consultancies, the requesting Party will provide the resources necessary to fund activities, unless otherwise agreed.

No financial commitment shall be made without the approval from appropriate authorities on each Party.

Article V (Effectiveness)

From the moment this Memorandum of Understanding takes effect, the Memorandum of Understanding entered into between Air Conservation Bureau of MoE of Republic of Korea and the Air Resources Board of the State of California (CARB) of the United States of America on February 2005 shall be terminated and become ineffective. This Memorandum of Understanding shall come into force on the date of signature by both Parties and shall remain in force for five (5) years. It shall be automatically renewed for further five (5) year periods unless either Party notifies the other Party in writing of its intent to terminate three months prior to the expiration of the applicable term. This Memorandum of Understanding may also be terminated at any time by either Party upon six months' written notice to the other Party. The termination of this Memorandum of Understanding shall not affect the validity of any arrangements initiated but not yet completed under its provisions at the time of termination.

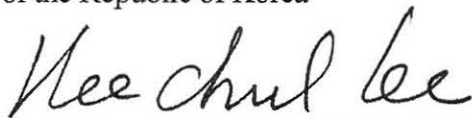
Article VI (Amendments)

This Memorandum of Understanding may be amended at any time by mutual agreement of the Parties in writing.

Article VII (Special Understanding)

The Parties acknowledge that this Memorandum of Understanding is only intended to provide for cooperation between the Parties and does not create any right, benefit, or trust responsibility, substantive or procedural, that is enforceable at law or equity by any person or party against the Parties, their officers or any other person. To the extent any other provision of this Memorandum of Understanding is inconsistent with this paragraph, this paragraph shall control.

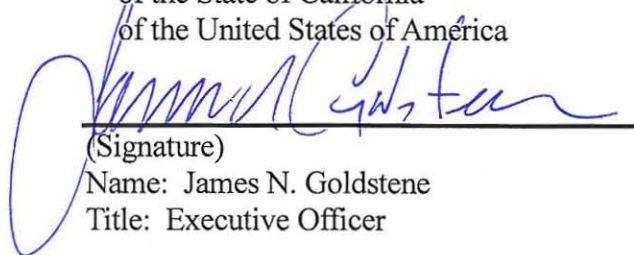
Agreed:
Ministry of Environment
of the Republic of Korea



(Signature)
Name: Hee Chul Lee
Title: Director-General
Metropolitan Air Quality Management
Office

Date 24 August, 2012

Agreed:
Air Resources Board
of the State of California
of the United States of America



(Signature)
Name: James N. Goldstene
Title: Executive Officer

Date 7 AUGUST, 2012