

EC-BRAZIL REGULAR ENERGY POLICY DIALOGUE

TERMS OF REFERENCE

1. Background

The Framework Agreement for Cooperation between the European Economic Community and the Federative Republic of Brazil signed on 29 June 1992 and into force since 1st November 1995 provides the legal basis for setting up a EC-Brazil Regular Energy Policy Dialogue.

At the 9th meeting of the EU-Brazil Joint Committee on 14 April 2005, the parties agreed that the Joint Committee will oversee potential areas for strengthening future dialogues, approve new areas for inclusion and review their reports.

On 31st May 2006, the President of the European Commission, Mr José Manuel Barroso and the President of the Federative Republic of Brazil, Mr Luiz Inácio Lula da Silva, recognising the need for further strengthening energy cooperation, agreed to reinforce the bilateral relations on the basis of a sectoral policy dialogue in the field of energy.

In this context, the parties to the EU-Brazil Joint Committee, in its 10th meeting held on 21 March 2007 in Brasilia, decided to deepen their cooperation by establishing an "EC – Brazil Regular Energy Policy Dialogue".

2. Objectives

The purpose of the dialogue is threefold:

- (i) to exchange information, experiences and views on issues of common interest regarding energy policy strategies for a sustainable, competitive and secure energy, including positions in international fora in the energy field,
- (ii) to study the future development of fossil and renewable fuel chains consistent with the objective of sustainable development and
- (iii) to discuss the various possible strategies for the development of a secure and sustainable energy and define specific projects for future EC-Brazil bilateral cooperation in order to help achieve this objective.

3. Scope

The dialogue shall be flexible and operational, and look for ways to forge closer ties and particularly to address questions of mutual interest in a number of areas, as follows:

- policies to improve energy supply security, diversification of supply and supply routes;

- regulatory issues for competitive energy markets;
- renewable energy sources, in particular biofuels, and low carbon energy in general;
- energy demand management and energy efficiency, including joint initiatives and joint work to promote energy efficiency at international level;
- technology cooperation on energy efficiency and low carbon energy, including clean coal, and identifying possible technological research issue for a cooperation in the field of nuclear energy;
- safety and security of vulnerable energy infrastructure;
- exchanging views on major international energy developments, and
- other cooperation fields as mutually agreed upon.

The parties could arrange joint workshops, seminars and conduct joint studies and projects on the above related issues as appropriate.

4. Implementation bodies

For the EC side: the Directorate-General for Energy and Transport (DG TREN) of the European Commission, in association with the Directorate-General of External Relations (DG RELEX), and other relevant Commission services as appropriate.

For the Brazilian side: the Department of Energy of the Ministry of External Relations in association with the Ministry of Mines and Energy.

Both sides may jointly decide to invite other organisations/bodies, public and/or private, to participate in meetings, as appropriate.

5. Organisation of Meetings

Policy strategy meetings shall be held between the two Parties alternately in Brussels and Brasilia, in principle once a year, as per mutual agreement.

In addition, expert working meetings shall be organised when and wherever agreed by the two parties in order to facilitate an in-depth technical discussion of the various relevant issues.

Each side shall cover its costs of participation.

Each side shall appoint an official as contact person responsible for the organisation of the above indicated meetings and for preparing the meetings' agenda.

6. Follow-up Agenda and reporting

The activities, proposals, recommendations and outcomes of the policy strategy meetings shall be reported to the EU-Brazil Joint Committee.

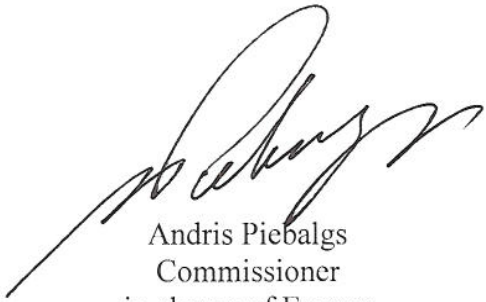
7. Final considerations

The present document records political intent alone and provides for no legal commitment.

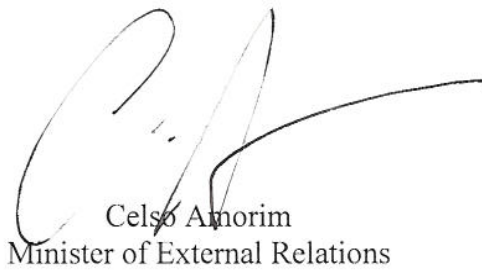
Done in Brussels on the fifth day of July 2007, in the English and Portuguese languages.

On behalf of the European Commission

On behalf of the Government of the
Federative Republic of Brazil



Andris Piebalgs
Commissioner
in charge of Energy



Celso Amorim
Minister of External Relations