LETTER OF INTENT

BETWEEN THE

ASIAN DEVELOPMENT BANK

AND THE

ENVIRONMENTAL PROTECTION AGENCY OF THE UNITED STATES OF AMERICA FOR THE PERIOD 2010-2015

I. THE COOPERATION PARTNERS

1. The Asian Development Bank (ADB) and the Environmental Protection Agency (EPA) (the "Participants") have a mutual interest in achieving effective and relevant policies and programming in international development. ADB is a major development institution in the Asian and Pacific region which seeks to foster economic growth, good governance, human resource development and the alleviation of poverty for the benefit of its developing member countries. Promoting sustainable development and environmental protection is a key strategic development objective of ADB. EPA is the federal agency responsible for protecting human health and environment in the United States. EPA's mission includes maintaining the quality of air, water, and land; ensuring the proper storage, treatment, and disposal of solid and hazardous wastes; providing the public with data and information on a variety of environmental issues; performing environmental research; and developing regulations to implement U.S. environmental laws; EPA also works closely with other U.S. Government agencies, international organizations, and other nations and development partners to protect the global environment. EPA's priority countries in Asia are the People's Republic of China, India, and Indonesia.

2. Representatives of ADB and EPA have held discussions with a view to enhancing opportunities for collaboration. It is believed that collaboration strengthens institutional capacities in both organizations and enhances the efficiency and effectiveness of the use of their respective resources.

3. ADB and EPA have concluded that they should collaborate in the areas of mutual interest identified in this Letter of Intent (LOI), without creating formal obligations for either Participant.

II. THE GUIDING PRINCIPLES

4. ADB and EPA acknowledge that the collaboration which they seek to foster is expected to facilitate the realization of their aims to protect the environment while promoting economic growth, inclusive social development, and improved governance. Promoting the role of the private sector in development, supporting regional cooperation and integration for development and addressing environmental sustainability are acknowledged as fundamental aims. Both

Participants further acknowledge that cooperation is expected to increase their development relevance and effectiveness by managing activities on the basis of performance results.

5. The collaboration between ADB and EPA should be guided by the following principles:

(a) Country and regional ownership of sound development policies and programs is necessary to ensure sustainable development;

(b) Long-term approaches to sustainable development are needed;

(c) Full stakeholder participation should be encouraged, consistent with available resources; and

(d) Development policies and programs should be result oriented and built on transparent relationships between development assistance providers and beneficiary countries.

III. THE IDENTIFIED AREAS OF COOPERATION

6. ADB and EPA intend to explore all possibilities for effective collaboration with respect to environment, sustainable development, and natural resource management, including, but not limited to cooperation on:

(a) Improving air quality management, especially in urban areas;

(b) Improving provision of safe drinking water, especially in urban and peri-urban areas;

(c) Improving management of toxic substances, especially of Persistent Bioaccumulative Toxins (PBTs) including Persistent Organic Pollutants (POPs);

(d) Building strong environmental institutions and legal structures (development, implementation, and enforcement of environmental law, as well as strengthening of environmental governance institutions such as courts); and

(e) Improving water resource management.

7. Other areas for mutual collaboration and cooperation may be identified and addressed by the Participants from time to time.

IV. PARTICULAR ASPECTS OF COOPERATION

8. The collaboration between ADB and EPA may involve the following activities:

(a) Environmental information activities in project development, implementation, and assessment;

(b) Environmental policy and technical assistance;

(c) Training;

(d) Human resource development related to the environment;

(e) Project and policy evaluation related to the environment;

(f) Institutional capacity building, particularly around environmental governance;

(g) Regular exchanges of information;

(h) Access to publications and reports prepared by either Participant; and

(i) Staff exchanges

9. ADB and EPA understand that there is a need to strengthen international and regional networks for the generation and dissemination of knowledge and research, and intend to collaborate so as to achieve this objective.

10. ADB notes that EPA staff cannot work in countries where U.S. Government policy prohibits EPA from providing assistance or in countries where the U.S. Department of State has issued a travel warning prohibiting non-essential U.S. Government travel.

11. EPA notes that the scope of ADB's operations is defined by the Agreement Establishing the Asian Development Bank and ADB's policies, and that there may be constraints regarding the ability of ADB to provide assistance (e.g. in cases where a travel warning has been issued).

V. REVIEW OF THE ARRANGEMENT AND DESIGNATION OF FOCAL POINTS

12. ADB and EPA propose to review this cooperative arrangement through:

(a) Periodic review meetings held as mutually decided, to be reviewed by the focal points no less than every two years;

(b) Regular exchanges of information; and

(c) Designation of focal points at each organization.

13. The designated ADB focal point is Director General, Regional and Sustainable Development Department.

14. The designated EPA focal point is Office Director, Office of Regional and Bilateral Affairs, Office of International and Tribal Affairs.

VI. MISCELLANEOUS

15. This LOI is not a legally binding document and does not create any right or benefit, substantive or procedural, enforceable by law or equity against the signatories, their officers or employees, or any other person. This LOI does not direct or apply to any person outside the signatory organizations.

16. Activities under this LOI shall commence upon the date of signing, shall remain in force for five years, and may be extended or amended by written agreement of the Participants. This LOI may be terminated by either Participant upon six months' written notice to the other Participant. Unless otherwise agreed, the termination of this LOI shall not affect the validity or duration of activities undertaken pursuant to this LOI and initiated prior to such termination.

17. No provisions herein are to be construed so as to interfere in any way with ADB's and EPA's independent decision-making autonomy with regard to their own respective affairs and operations.

18. All activities that may be undertaken under this LOI are to be subject to the availability of funds. Nothing in this LOI, in and of itself, obligates either signatory to expend funds or to enter into any contract, assistance agreement, or other financial obligation. Any endeavor involving reimbursement or contribution of funds between the Participants is to be handled in accordance with applicable laws, regulations, and procedures.

19. In the event that opportunities are identified for further collaboration involving the provision or management of funds or resources of either Participant, these are to be implemented pursuant to a written understanding or agreement, as appropriate.

20. This LOI terminates and supersedes in its entirety the letter of intent between the Asian Development Bank and the Environmental Protection Agency of the United States of America that was signed in Manila on 29 April 2005 and in Washington, D.C. on 12 May 2005.

SIGNED in Washington, D.C. this 30th day of March 2010

ASIAN DEVELOPMENT BANK

Rajat M. Nag
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