

**MEMORANDUM OF AGREEMENT**

**KNOW ALL MEN BY THESE PRESENTS:**

This Memorandum of Agreement (the "**Agreement**") is made and entered into by and between:

The **DEPARTMENT OF ENERGY (DOE)**, a government agency created by virtue of R.A. 7638, as amended, with office address at Energy Center, Rizal Drive, Bonifacio Global City, Taguig City 1632, Metro Manila, represented herein by its **Undersecretary, FELIX WILLIAM B. FUENTEBELLA**, hereinafter referred to as "**DOE**";

- and -

The **CENTRAL LUZON STATE UNIVERSITY**, a state institution of higher learning duly organized and created under the laws of the Republic of the Philippines, with principal office address at the Science City of Muñoz, Nueva Ecija, represented by its **President, DR. EVARISTO A. ABELLA**, hereinafter referred to as "**CLSU**".

The **DOE** and **CLSU** are hereinafter collectively referred to as "**PARTIES**" and individually referred to as "**PARTY**".

**WITNESSETH: that**

**WHEREAS**, the DOE is a government institution mandated to prepare, integrate, coordinate, supervise and control all plans, programs, projects and activities of the Government relative to energy exploration, development, utilization, distribution and conservation;

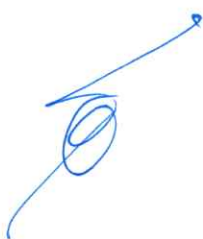
**WHEREAS**, the DOE, through the Energy Utilization Management Bureau (EUMB), is at the forefront of transitioning to cleaner fuels including Sustainable Aviation Fuel (SAF) and is implementing a research and development (R & D) activity on SAF, which aims to develop a comprehensive plan and strategy for SAF production in the Philippines and seeks to optimize fuel yield while also reducing greenhouse gas emissions during production, thereby positively impacting the aviation sector.

**WHEREAS**, the DOE, in the implementation of the said R & D activity, needs to collaborate and partner with a State University/College or other research institution for the conduct of the said activity in an acceptable scientific manner.

**WHEREAS**, CLSU has demonstrated their commitment to providing support for R & D concerning alternative fuels, specifically in the Assessment of Potential Feedstock for Sustainable Aviation. the DOE possesses the necessary financial means to back the research and development proposal of CLSU. The project in question holds an estimated value of four million pesos (P4,000,000.00), as outlined in the attached Detailed Project Proposal, which is referenced as Attachment A within this Memorandum of Agreement (referred to as the Agreement for brevity).

**WHEREAS**, CLSU possesses the technical expertise and manpower to undertake the research and development project.

**NOW, THEREFORE**, for and in consideration of the foregoing premises and the following terms and conditions, the **PARTIES** mutually agree on the following:



## SECTION 1. Title of the Project

- 1.1 The project is titled "**Assessment of Potential Feedstocks for Sustainable Aviation Fuels (SAF) in the Philippines Under the UN-ICAO's CORSIA Sustainability Criteria**" hereinafter referred to as the "**PROJECT**."

## SECTION 2. Objectives of the Project

- 2.1 To identify and recommend potential CORSIA-compliant feedstocks for SAF in the Philippines.

## SECTION 3. Specific Objectives

- 3.1. Quantify the primary agricultural residues (second-generation biomass) and other related waste streams in terms of volume and distribution (spatial and temporal).
- 3.2. Conduct a Life Cycle Assessment of the top, abundant feedstocks based on CORSIA-Eligible Fuels (CEFs) criteria.
- 3.3. Process techno-economic assessments using approved conversion pathways to SAFs and identify the feedstocks and their readiness status to be used as feedstocks for conversion to SAFs.
- 3.4. Recommend strategies (e.g. policies, practices, etc.) to produce more CEFs feedstocks in the Philippine agricultural sector.

## SECTION 4. Roles and Responsibilities of DOE

The DOE shall conduct the following:

- 4.1. Serve as the lead Agency, responsible for the overall implementation;
- 4.2. Review and approve any changes in the Agreement as requested by CLSU; and
- 4.3. Provide the necessary fund, as indicated under SECTION 6 of this Agreement.

## SECTION 5. Roles and Responsibilities of the CLSU

The CLSU shall conduct the following:

- 5.1. Identify CORSIA-Eligible feedstock from the available and sustainable source of agricultural residues.
  - 5.1.1 Complete the following deliverables:
    - 5.1.1.1. Validated quantities of top agricultural residues and other related feedstocks and their temporal and spatial nationwide distribution;
    - 5.1.1.2. Estimated GHG values and other salient results of LCA based on CORSIA criteria for SAF;
    - 5.1.1.3. Process conversion techno-economic analysis of CORSIA-eligible feedstocks and identified optimum SAF-ready feedstocks; and
    - 5.1.1.4. Scientific-based strategies and recommendations on the development of more CORSIA-eligible feedstocks from the Philippines landscape.
- 5.2. *Bases for Implementation.* - CLSU shall strictly implement the project in accordance with the approved project proposal, which shall form an integral part of this Agreement as Attachment "A".
- 5.3. *Modifications.* - No modification of the project proposal or any deviation in the implementation thereof shall be allowed without the written consent of DOE.



- 5.4. *Assignment of rights.* - No part of the project, including any rights thereto, may be transferred, assigned, or subcontracted to third parties without the written consent of DOE.
- 5.5. *Workplan.* - The schedule for the implementation of the project shall be set forth in the Workplan, which shall form an integral part of this Agreement. The project shall commence immediately or within 30 working days after the receipt of funds and Notice to Proceed. In case there is a change in the actual date of implementation, The CLSU shall notify DOE of the change through a Notice of Change of Implementation from the implementing agency. Delay or deviation in the implementation schedule of the project based on the Workplan shall not be allowed without the written consent of DOE.
- 5.6. *Promotion of Alternative Fuels* – The CLSU shall assist in the promotion of the DOE's alternative fuel R & D initiative to encourage student action to conduct related research studies.

## **SECTION 6. Funding, Financial Records & Reports**

- 6.1. *Provision of funds.* - The DOE shall provide the project funds in the total amount of FOUR MILLION PESOS ONLY (Php 4,000,000.00) for the project for a period of twelve (12) months in accordance with the provisions of the following sections. The CLSU shall receive and ensure judicious and proper disbursement of fund transferred by DOE.
- 6.2. *Accounting & auditing standards.* – All fund releases of the project shall be subject to existing standards of accounting and auditing laws, rules, and regulations of the government. It shall also conform with the provisions of the Commission on Audit Circular No. 94—013 as amended (Rules and Regulation in the Grant, Utilization, and Liquidation of Funds Transferred to Implementing Agencies) and Commission on Audit Circular No. 2012- 001, s. 12 (Prescribing the Revised Guidelines and Documentary Requirements" for Common Government Transactions) on the grant, utilization and liquidation of funds released.
- 6.3. *Fund Disbursement and Utilization.* - In the course of the implementation of the project, the CLSU shall be responsible and accountable for the direct disbursement of the funds in accordance with the project's approved Line-Item Budget (LIB): Request for necessary reprogramming or realignment of funds shall be allowed after six (6) months of implementation and not to exceed two (2) times in each implementation year. Any unutilized amount after the completion of the project implementation shall be returned to DOE supported with appropriate financial documents and justification/s.
- 6.4. *Fund liquidation.* - The CLSU shall liquidate and/or reimburse the fund subject to the usual government and accounting procedures.
- 6.5. *Transfer of Ownership* – The CLSU shall prepare all the necessary documents for the transfer of ownership of the procured tools and equipment.
- 6.6. *Forms and documents for reports.* – The CLSU shall submit quarterly project status reports to DOE including fund utilization, project completion report and other documents as maybe required by the Commission on Audit (COA) for monitoring

and record-keeping purposes or in compliance with government auditing rules and regulations.

- 6.7. *Right to inspect financial records*** - The CLSU shall keep and maintain financial records of the funds in accordance with the Philippine Accounting Standards. The DOE shall have the right to inspect and audit all financial records related to the project at any time during and after the implementation of the project. The CLSU shall make all records available upon demand thereof by DOE and the Commission of Audit.
- 6.8. *Termination/deferment of Project***- The DOE reserves the right to terminate the project of CLSU for the following reasons:
- 6.10.1 Outside of force majeure, CLSU fails to deliver or perform any or all of the project's objectively verifiable indicators specified in the project proposal, or within any extension thereof granted by DOE pursuant to a request made by CLSU prior to the delay;
  - 6.10.2 The CLSU does not actually have on the project site any of the capital outlay necessary to conduct the project in accordance with the approved project proposal;
  - 6.10.3 The CLSU does not execute the project activities in accordance with the approved project proposal or flagrantly neglects to carry out its obligations under the MOA;
  - 6.10.4 The CLSU fails to perform any other obligation under the MOA; and
  - 6.10.5 Recasting due to changing priorities of the oversight agencies that is beyond the control of DOE.

The Project Leader shall have shared accountability with the CLSU for the above-mentioned reasons.

- 6.9. *Unutilized amount***. - The CLSU shall return any amount not utilized after the completion of the project including interest if necessary.

## **SECTION 7. Project Management, Implementation, Monitoring & Evaluation**

- 7.1. *Project Management***. - The CLSU shall be responsible for the orderly, systematic, and timely implementation of the project based on Attachment A and shall provide an adequate and efficient administrative support and management system necessary for its successful implementation.
- 7.2. *Hiring of personnel***. - The CLSU shall be responsible for the hiring of personnel whose positions are listed in Attachment A. The services of all personnel hired by CLSU for the project shall be coterminous with the duration of the project unless sooner terminated based on valid and legal grounds.
- 7.3. *Labor laws and Civil Service Commission (CSC) rules and torts***. - No employer-employee relationship shall exist between DOE and the personnel hired by CLSU for the project.
- 7.4. *Planning, Monitoring, and Evaluation***. CLSU shall provide the DOE with the necessary information and assistance for monitoring and evaluation purposes. Any unforeseen changes in conditions affecting the implementation of the project shall be recorded and reported immediately to DOE. The DOE shall monitor and keep track of the progress of the project implementation and the utilization of the funds in accordance with the approved project proposal, and for this purpose, shall send representative/s for field visits and inspections.



- 7.5. *Equipment.* - Only those equipment and non-expendable properties listed in the approved proposal shall be purchased by the CLSU using the funds from the project. CLSU shall be responsible for the maintenance, upkeep, and care of these equipment and properties. Ownership of these equipment and non-expendable properties shall be for DOE. During the duration of the project, CLSU shall inform DOE of any re-assignment, movement, or transfer of these equipment and properties to any recipient other than CLSU. After the completion of the project, CLSU shall turnover to DOE for these equipment and properties. DOE reserves the sole right to re-assign or donate these equipment and properties to CLSU or to other recipients/proponents with the necessary documentation. This shall be formalized by a Deed of Donation and/or Invoice Receipt, whichever is applicable.

## SECTION 8. Intellectual Property Rights

- 8.1. Any and all intellectual property rights, including patents, copyrights, and trademarks developed in the course of the implementation of the activities or resulting from its completion, shall be a "joint property" of the DOE, as funding agency and CLSU as the R & D agency.
- 8.2. All data, information and study cannot be reproduced, publicly distributed and published without the consent of DOE and shall be used with proper citation.
- 8.3. All data gathered in the course of and as a result of the implementation of the project, such as, but not limited to, reports, articles, research papers, data banks, tri-media presentations including project outputs discoveries, inventions as well as the income derived there from, shall be subjected to the DOE Intellectual Property Rights Policy and such other government policies relating to government-funded research projects such as but not limited to RA 10055 otherwise known as "Philippine Technology Transfer Act of 2009", all of which are deemed incorporated into this Agreement. Government personnel involved in the project shall further be subject to such policies, rules, and regulations governing copyrightable and patentable works produced by government personnel.
- 8.4. The **PARTIES** should devise measures to ensure that their staff and their persons whom they work with will maintain the confidentiality of the Confidential Information. Confidentiality agreements containing provisions on maintaining and protecting the confidentiality of proprietary information relating to the project and the IP/IPRs generated therefrom shall be executed with the individuals or entities concerned, such as the researchers, consultants and staffs of the DOE and CLSU at the onset of the project when confidential information may be disclosed or acquired.
- 8.5. *Recognition of principal author/institutions.* - All major reports or articles, including media presentations using project data and output, shall recognize the CLSU and the principal researchers and authors involved in the project as well as state and acknowledge DOE as the source of research funding support. For paper and poster presentations from the results of the PROJECT by the project leader, the CLSU shall officially communicate to DOE to seek its approval.




## SECTION 9. Compliance With Local and International Laws and Agreements

- 9.1. *Responsibility.* - The CLSU shall be responsible for making sure that the subject matter of the research, including the use of test subjects, substances, and materials, is in accordance with local and international ordinances, laws, rules, and agreements.
- 9.2. *Third-Party Liability.* - In the case where third parties, both private and public, local and international, shall have a cause of action to sue as a result of the implementation of the research funded through this Agreement, CLSU shall assume full responsibility for damages and shall hold the DOE free from liability.
- 9.3. *Data Privacy.* - The Parties shall comply with RA 10173, otherwise known as the "Data Privacy Act of 2012," its IRR and other relevant laws, rules, and regulations on the matter in the event that personal information and/or sensitive personal information are used under this MOA.

## SECTION 10. Breach Of Contract

- 10.1. *Amicable Settlement.* - In case of breach of contract or when disagreement arises in the interpretation or implementation of the terms and conditions of this Agreement, both parties shall endeavor to settle the matter amicably in the following manner:
- 10.1.1 A notice in writing shall be sent by the concerned party to the other party stating therein the basis for the breach or disagreement.
  - 10.1.2 The parties shall thereafter set a meeting/s for the purpose of settling the matter amicably.
  - 10.1.3 All agreements shall be reduced in writing and signed by the parties or their duly appointed representatives.
- 10.2. *Administrative remedy.* - If no amicable settlement is reached within sixty (60) days from receipt by the other party of the written notice, the concerned party shall file a complaint before the Office of the Solicitor General or the Secretary of Justice, depending on the nature of the controversy, following the rules of procedure of the said offices for dispute settlement where contending parties are government agencies, bureaus, or government-owned and controlled corporations. Alternative legal remedies may likewise be availed of.
- 10.3. *Legal action.* - In case of failure to complete the project or for material violation of the provisions of this MOA, DOE shall institute legal action against CLSU. All legal and other related expenses shall be borne by the defaulting party.
- 10.4. This MOA shall be governed by and construed in accordance with the laws of the Republic of the Philippines. Any action brought to enforce or interpret this Agreement shall be brought in the courts of Taguig City to the exclusion of other courts.
- 10.5. *Dissolution.* - DOE shall have a lien over the assets, up to the unexpended or unutilized portion of the fund, in case of the dissolution of CLSU.





SECTION 11. Amendment

- 11.1. *Changes in Provisions.* - In the course of implementation, and as the needs demands, amendments of the MOA shall be made for any change(s) in the provisions.
- 11.2. *Separability clause.* - If, for any reason, any part of this MOA is declared invalid or unconstitutional, any part or provision not affected thereby shall remain in full force and effect.

SECTION 12. Final Provision

- 12.1. This Agreement shall be binding upon the **PARTIES** and inure to the benefit of their assigns, successors or heirs, executors, administrators, or other legal representatives of the **PARTIES** herein.
- 12.2. *Effectivity* - This Agreement shall take effect after the same is duly signed and notarized, and effect for one (1) year reckoned from the date of fund transfer unless sooner revoked. The Agreement is co-terminus with the approved duration of the project unless otherwise the project was recommended for termination before the project's actual completion, or project extension is granted.

IN WITNESS WHEREOF, the parties hereto have affixed their respective signatures this

\_\_\_\_\_, 2024 in \_\_\_\_\_, Philippines

DEPARTMENT OF ENERGY  
(DOE)

By:



FELIX WILLIAM B. FUENTEBELLA  
Undersecretary

CENTRAL LUZON STATE UNIVERSITY  
(CLSU)

By:



EVARISTO A. ABELLA  
University President

SIGNED IN THE PRESENCE OF:



PATRICK T. AQUINO, CESO III  
Director, Energy Utilization Management  
Bureau



WENDY C. MATEO  
CLSU Representative

AVAILABILITY OF FUNDS CERTIFIED BY:



HELEN C. ROLDAN  
OIC-Chief, DOE Accounting Division

CAF No. 03-24-07-018A  
CAF Date: March 19, 2024  
PR No. 02-151-2024-03-0153  
P 4, ON. NO. 00

ACKNOWLEDGEMENT

REPUBLIC OF THE PHILIPPINES)  
CITY OF MANILA ) S.S.


BEFORE ME, a Notary Public duly authorized in the City of Manila, Philippines, this 28-06-2024, personally appeared the following persons exhibiting to me their respective government issued identification documents (IDs) specified below:

Name	Government Issued ID	Date   Place Issued
FELIX WILLIAM B. FUENTEBELLA		
EVARISTO A. ABELLA	19840601-01	CLSU, Muñoz, NE

both known to me to be the same persons who executed the foregoing instrument and they acknowledged to me that the same is their own free will and voluntary act as well as those of the entities they respectively represent.

I FURTHER CERTIFY this Memorandum of Agreement which consists of eight (8) pages including this page where acknowledgment is written, has been signed by the parties and their instrumental witness on each and every page hereof.

IN WITNESS WHEREOF, I have hereto set my hand and seal on 28-06-2024, Philippines.

  
ATTY. ISIDRO V. ALMENTEROS  
NOTARY PUBLIC  
Until December 31, 2024  
1626 Estrada Street, San Andres, Manila  
IBP OR No. 248072(2023) 9-23-2022/MLA  
PTR No. 0862227/1-03-2023/MLA  
MCLE Compliance No. VII-0007108/4-14-2025  
Attorney's Roll No. 34272

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