



MEMORANDUM OF UNDERSTANDING
BETWEEN
THE MINISTRY OF PETROLEUM AND ENERGY
OF NORWAY
AND
THE MINISTRY OF CLIMATE, ENERGY AND UTILITIES
OF DENMARK
ON ENERGY COOPERATION IN THE NORTH SEA

The Ministry of Petroleum and Energy of Norway and The Ministry of Climate, Energy and Utilities of Denmark (hereinafter referred to individually as a “Participant” and collectively as the “Participants”);

Acknowledging the common interests of the Participants to work on the implementation of the Paris Agreement and in leading the global transition to clean energy through the development of reliable, affordable, and sustainable energy sources;

Building on the long history of Danish-Norwegian energy cooperation, which has fostered mutual trust, understanding, and collaboration between the two nations to the great benefit of citizens in both countries;

Recognising the need to accelerate the deployment of offshore renewable energy and the benefits of enhancing energy cooperation in the North Sea in particular, especially in the field of offshore wind;

Noting the Danish ambition of utilizing the full offshore wind energy potential in the Danish part of the North Sea of at least 35 GW offshore wind capacity; the Danish maritime spatial plan, which lays out approximately 30 pct. of the Danish sea territory for renewable energy build-out and the decision by the Danish Parliament to establish two energy islands, one in the North Sea and one on Bornholm and the Norwegian government’s ambition to award areas suitable for 30 GW offshore wind by 2040;

Recalling the Ostend Declaration signed by nine European countries, including both Participants, on the 24th of April 2023, which affirmed their combined targets for offshore wind of at least 120 GW by 2030 and at least 300 GW by 2050 in the North Seas.

Recalling the Ostend Declaration, which welcomed the initiative that the Transmission System Operators (TSO’s) from Belgium, Denmark, Germany and the Netherlands have undertaken to develop a meshed offshore grid and to identify the next steps for its realisation, while inviting them to continue the work and extend the process to the TSO’s of the five countries that joined the Ostend Declaration:

The declaration underlined the need to strengthen our cooperation to ensure affordable, secure and sustainable energy. With reference to this, the Parties of the Ostend Declaration including both Participants of this Memorandum of Understanding (MoU) will continue planning for the

development of North Sea energy infrastructure, including multiple energy hubs and islands, where appropriate. This work will be carried out in a coordinated and cooperative manner, building on and consistent with mandatory national and EU planning procedures, where applicable, with the goal of achieving the highest efficiency and common benefits. We will also build on and further intensify common research efforts and explore new ways of building out renewable energy, including innovative partnerships with industry;

Emphasising the important role of carbon capture, utilisation and storage (CCUS) in meeting national Norwegian and Danish climate targets and that CCUS technology can help reduce greenhouse gas emissions that are otherwise difficult to reduce;

Acknowledging the advantages of knowledge exchange and cooperation to accelerate the implementation of offshore renewable generation, deployment of CO₂ storage sites for emissions from carbon capture facilities and hydrogen, and the significance of broader regional cooperation to enable this;

Recognising the need for developing a well-functioning market and infrastructure for hydrogen recognising the different national approaches in development and deployment;

Have come to the following understanding:

Section 1 – Objective

This MoU establishes mutually beneficial bilateral cooperation among the Participants in the field of the energy transition in the North Sea, with a special emphasis on CCUS, offshore wind, related offshore grid infrastructure and hydrogen.

The Participants agree to collaborate on exchanging knowledge, experiences, data, and best practices relevant to the energy transition by sharing regulatory and technical knowledge, advice, skills, and expertise in the field of offshore wind, CCUS and hydrogen.

Section 2 – General cooperation

The cooperation between the Participants under this MoU will be operationalised through continued and strengthened dialogue at expert and ministerial level, as agreed between the Participants. The Participants will engage the respective competent authorities and agencies, where appropriate.

The following topics have been identified as priority areas for cooperation between the Participants under this MoU;

- I. Offshore energy development and related areas
A particular focus will be given to knowledge exchange and cooperation on the deployment and technological development of offshore wind, including but not limited to offshore energy infrastructure;
- II. Carbon capture, utilisation and storage
A similar focus will be given to the field of CCUS by facilitating the sharing of regulatory and technical knowledge, advice, skills and expertise;
- III. Renewable hydrogen
The Participants intend to have closer cooperation and knowledge exchange on topics of mutual interest, such as hydrogen technologies, enabling pathways, and relevant regulatory regimes;

IV. Additional areas.

Additional areas of cooperation as the Participants may jointly agree in writing, taking into account respective legal obligations;

The encouragement of innovation, sector coupling, and collaboration with stakeholders are crosscutting themes in the above-mentioned topics.

The Participants intend to foster mutually beneficial cooperation between policymakers and technical experts from both Participants and their respective implementing agencies on energy and climate-related research, and exchange of data, regulatory and technical knowledge and best practices relevant to offshore wind, CCUS and hydrogen. Given the wide-ranging and diverse nature of the areas, and the considerable progress already made in some areas, the structure and approach should be tailored to each topic.

Section 3 – Cooperation in the field of carbon capture, utilisation and storage

The Participants will operationalise cooperation in the field of carbon capture, utilisation and storage through a Joint Working Group. The Joint Working Group will be established by and presided over by the two Participants, and further consisting of representatives from the relevant national energy authorities.

- I. The cooperation in the field of carbon capture, utilisation and storage may include, but is not limited to: promoting the establishment and development of necessary regulatory frameworks to enable the safe and commercial deployment and technological development of CCUS both nationally and internationally, including under the London Protocol, the OSPAR-Convention and relevant EU regulatory frameworks;
- II. Consideration and preparation of a suitable framework to enable cross-border transportation and storage of CO₂ between the Participants, in compliance with EU and international law;
- III. Exchange of knowledge on; inter alia, the latest technologies, geological infrastructure, safe storage, and other relevant experiences relating to CCUS;
- IV. Collaborate to promote the availability of funding sources for CCUS infrastructure and projects.
- V. Exchange of information and data about the safety and environmental impact of CCUS;
- VI. Consideration to international CO₂ transportation infrastructure and its implication and integration with other relevant technologies;
- VII. Other subject areas as the Participants may jointly decide.

The Joint Working Group will meet in regular intervals as decided by the Participants and, as appropriate, alternately in Norway and Denmark or virtually.

Section 4 - Cooperation on offshore energy development and related areas

The Participants plan to encourage continued and strengthened cooperation between policy makers and technical experts from the Participants, on mutually beneficial offshore energy related topics such as research and exchange of data, knowledge and best practices relevant to offshore energy such as offshore wind and related infrastructure. The Participants will engage the respective competent authorities and agencies, where appropriate. The Participants want to continue their cooperation on renewable energy – offshore wind in particular. The Participants will build on the existing efforts to develop offshore wind, including offshore grid infrastructure, with the future possibility of developing hybrid cooperation projects, in the North Seas Energy Cooperation and through bilateral formats.

In order to conduct a comprehensive investigation, the Participants may take the following aspects into account:

- I. The cooperation in the field of offshore energy development may include, but is not limited to exchange of knowledge on relevant regulatory and technical experiences in view of enabling commercial deployment and technological development of offshore energy infrastructure such as offshore wind.
- II. Continued cooperation between the Norwegian and Danish TSOs (Statnett and Energinet) on – inter alia - analyses of technological, economic and environmental aspects of offshore wind and related grid infrastructure including the future possibility of developing hybrid cooperation projects in the North Sea.
- III. Other subject areas as the Participants may jointly decide.

Section 5 – Governance

The Participants or implementing agencies will meet on a regular basis to work on the priorities set out in this MoU and to share information on general developments in their climate and energy policies. Preferably, they will meet in the margin of an event they both already attend or virtually.

The Director Generals of the respective ministries responsible for energy and climate policy will meet, at regular intervals as decided by the Participants, to assess the progress on the areas identified for closer cooperation and to assess general follow-up action to this MoU. Preferably, they will meet in the margin of an event they both already attend or virtually.

Section 6 - Arrangements of the Participants

Each Participant will designate a primary point of contact to coordinate the overall cooperation between the Participants under this MoU.

All costs resulting from cooperation under this MoU are to be borne by the Participant that incurs them, unless otherwise mutually agreed.

Each Participant intends to conduct the cooperation under this MoU subject to all applicable laws and regulations and subject to availability and deployment of resources and personnel.

Section 7 – Amendment, Termination and Dispute Resolution

This MoU shall come into effect upon signature and remain effective for a period of four (4) years. The MoU may continue to have effect after this initial period if the Participants so jointly decide at least three (3) months prior to the end of the initial period.

At any time, a Participant may propose amendments to this MoU, which may be jointly approved by the Participants in writing. Either Participant may terminate this MoU by three (3) months' written notice to the other Participant.

At any time, the Participants will consult, at the request of any of them, on any matter relating to this MoU, in the spirit of cooperation, good faith and mutual trust, to resolve quickly any difficulties or misunderstandings that may arise.

Section 8 – Final Provisions

This MoU constitutes an expression of the Participants' good faith to engage in the cooperation described herein. The Participants acknowledge that this MoU is not an international agreement, does not create any legally binding obligations and is without prejudice to the primacy of the Participants' respective national legislation and international commitments.

This MoU will not affect the Participants' respective rights and obligations under international law or impose any financial obligations on the Participants.

Signed in Copenhagen on the 15th of June 2023 in two (2) original copies each in the English language.

Lars Aagaard

Minister for Climate, Energy and Utilities

FOR THE MINISTRY OF
CLIMATE, ENERGY AND UTILITIES
OF DENMARK

Terje Aasland

Minister of Petroleum and Energy

FOR THE MINISTRY OF
PETROLEUM AND ENERGY
OF NORWAY