

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE MINISTRY OF CLIMATE, ENERGY AND UTILITIES OF THE KINGDOM OF DENMARK

AND

THE MINISTRY OF ECONOMIC AFFAIRS AND CLIMATE POLICY OF THE NETHERLANDS

ON COOPERATION IN THE ENERGY TRANSITION

The Ministry of Climate, Energy and Utilities of Denmark and the Ministry of Economic Affairs and Climate Policy of the Netherlands (hereinafter referred to individually as a "Participant" and collectively as the "Participants");

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

Acknowledging the energy transition as a cornerstone of their countries' common aim to achieve climate neutrality in the European Union by 2050;

Recognizing the importance of further regional and bilateral energy cooperation to achieve the goals of the "Clean Energy for all Europeans Package" and the European "Green Deal" as well as work together towards a Green Recovery from the COVID-19 crisis;

Acknowledging the relevance of their cooperation on the energy transition to face cross-border challenges and opportunities on the areas identified in this Memorandum of understanding;

Acknowledging the agreement on the statistical transfer for renewable energy in 2020 between Denmark and the Netherlands.

Bearing in mind that this Memorandum of Understanding is intended to provide a general framework for cooperation and to express the cooperative intent of the Participants;

Have come to the following arrangement:

Paragraph 1 – Objective

The objective of this Memorandum of Understanding is to establish a framework for mutually beneficial cooperation between the Participants in the field of the implementation of the Paris Agreement, the European Green Deal and the global energy transition.

Paragraph 2 – Areas of Cooperation

The following topics have been identified as areas of cooperation between the Participants under the framework of this Memorandum of Understanding, the list is not exhaustive:

- a. Policies to facilitate decarbonization of the heating sector while guaranteeing security of supply and cost efficiency; including the role of low temperature heat systems, heat market regulation geothermal energy, heat storage and heat pumps;
- b. Organization of heat distribution systems, with a focus on the role of local authorities in and achieving public support for heat distribution systems;
- c. Offshore wind, including offshore energy infrastructure, with an emphasis on sector coupling, the potential for offshore hubs in the North Sea, and jointly fostering offshore wind development in third countries;
- d. Technical pathways towards a decarbonization of the gas system, notably the role of hydrogen and biomethane, and international decarbonized gas trade;
- e. Clean fuel developments, including Power-to-X and biofuels;
- f. Development and deployment of CCUS-technologies for industrial decarbonization, including waste-to-energy;
- g. Increasing the European climate ambitions, including the European discussions on legislation and policies to implement these ambitions, such as the Decarbonization Package;
- h. Additional areas of cooperation as the Participants may decide upon in writing.

Crosscutting themes in the abovementioned topics are the promotion of innovation, sector coupling and cooperation with likeminded ambitious countries within the EU-context.

Paragraph 3 – Forms of Cooperation

The Participants plan to encourage cooperation between policy makers and technical experts from the Danish Ministry of Climate, Energy and Utilities and the Dutch Ministry of Economic Affairs and Climate Policy and their implementing agencies, on mutually beneficial energy-related research and work opportunities in both countries. Since the areas listed above range widely in content, and significant steps have already been taken in some areas, the structure and approach should be customized from topic to topic. The forms of cooperation under this Memorandum of Understanding may include the following:

1. Exchange of scientific and technical information;
2. Drafting of rolling agendas for specific topics under this Memorandum of Understanding;
3. Visits by the Participants' respective staffs to each other's facilities, preferably in the margin of an event they already attend to limit their travel-related CO₂-emissions;
4. Inform each other of relevant projects related to areas mentioned in paragraph 2 to share decarbonization experiences;
5. Continued cooperation within the framework of the North Seas Energy Cooperation regarding topics of market integration and future sector coupling in the offshore wind domain;
6. Cooperation on a tender design for a Power-to-X project as mentioned in the agreement on the statistical transfer for renewable energy in 2020.
7. Conduct of workshops and other meetings by industry, research, regions or ecosystems innovation;
8. Bilateral consultations on climate and energy issues in pursuing their common climate and energy goals at EU-level; and
9. Other forms of cooperation as the Participants may jointly decide to include in their operational agenda.

Paragraph 4 – Arrangements of the Participants

Both Participants commit to facilitate government institutions, organizations, private companies and research institutions to establish cooperation activities aimed at fulfilling the objectives of this Memorandum of Understanding. The Participants will communicate and cooperate fully with the aim to ensure that the objectives and outcomes are successfully achieved.

This Memorandum of Understanding is aimed at strengthening existing cooperation in international networks such as within the IEA, NSEC and the EU, not replacing them.

This Memorandum of Understanding will not affect the two countries' respective rights and obligations under international law or impose any financial obligations on the Participants.

Paragraph 5 – Governance

Experts of the Ministries or implementing agencies will meet on a regular basis to work on the priorities set out in this Memorandum of Understanding and to share information on general developments in their climate and energy policies.

The Directors-General responsible for energy and climate policy will meet annually to assess the progress on the areas identified for closer cooperation and to assess general follow-up action to this Memorandum of Understanding. Preferably, they will meet in the margin of an event they both already attend to limit their travel-related CO₂-emissions. In preparation of this meeting, the progress on the different areas of cooperation under this Memorandum of Understanding will be assessed.

The Ministers intend to periodically discuss the progress made on achieving the priorities set out above. Preferably, they meet in the margin of an event they both already attend to limit their travel-related CO₂-emissions. In preparation of this meeting, the progress on the different areas of cooperation under this Memorandum of Understanding will be assessed.

Paragraph 6 – Costs

Each Participant will bear its own costs associated with the cooperative activities intended under this Memorandum of Understanding unless the Participants decide otherwise in writing. Activities under this Memorandum of Understanding are subject to the availability of appropriate funds, in conformity with budgetary provisions and the relevant laws of each Participant.

Paragraph 7 – Amendment Procedures and Dispute Resolution

At any time, a Participant may propose amendments to the Memorandum of Understanding, which may be approved by mutual written consent.

Either Participant may terminate this Memorandum of Understanding by means of a three months' written notice to the other Participant. The Participants will seek to finalize the activities already under implementation.

Any dispute about the interpretation or implementation of this Memorandum of Understanding will be resolved through consultations between the Participants.

Paragraph 8 – Final Provisions

This Memorandum of Understanding comes into effect on the signature date and will be jointly reviewed upon written request of one of the Participants.

This Memorandum of Understanding will continue to have effect until 2025 and may be extended for a further period of time if jointly decided by mutual written consent of the Participants.

Signed in Copenhagen and The Hague on the 19th of June 2020 in two (2) original copies each in the English language.

For the Ministry of Climate, Energy
and Utilities of Denmark

For the Ministry of Economic Affairs
and Climate Policy of the Netherlands

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