

London, United Kingdom

25 October 2011

ONE NORTH SEA

Joint Ministerial Statement on Climate Change and Energy Security

The Norwegian Minister for Petroleum and Energy and the British Secretary of State for Energy and Climate Change reaffirm their commitment to a strong partnership between the UK and Norway on energy and climate issues.

They set out a shared vision for our work in the North Sea and beyond which emphasises both the ongoing importance of petroleum production and the need to maximise the use of our shared resources, and the importance of promoting low emission growth at home and abroad, including through renewables and carbon capture and storage (CCS).

Building on this close collaboration, the Ministers agree the following updated priorities for UK and Norway cooperation in the year ahead:

Overall relationship

- Strengthen our cross-departmental approach to energy and climate issues by holding the next meeting of the UK-Norway High Level Officials' Dialogue in London during the first half of 2012.
- Share information on policy analysis and planning for our long-term energy future to 2050, given the need to meet our ambitious emissions reduction targets.

Oil and Gas

As neighbours linked by a common sea, the United Kingdom and Norway have long enjoyed strong economic ties underpinned by trade and investment in the oil and gas sector. Norway is by far the largest foreign supplier of oil and gas to the UK. Over the years Norway has proven to be a reliable natural gas supplier. We have developed numerous projects in the North Sea including the world's most sophisticated gas transportation network.

We remain fully committed to support industry in the future development of our oil and gas resources in the North Sea using the best technology available to manage emissions, protect the environment and maximise recovery of resources.

Natural gas has a crucial role to play in the future low-emissions energy mix. We share a common view of the benefits of gas including for long-term security of supply and lower emissions relative to other fossil fuels. Norwegian gas will continue to be a significant resource for UK electricity generation capacity for many years to come. A continuing major role for gas into the 2020s is consistent with UK emissions targets and with the application of carbon capture and storage (CCS), gas could retain a major role through to 2050. Norwegian gas could also help to manage intermittency from the growing UK renewable energy sector and could complement new nuclear build for base-load power. We agree to give priority to further develop the valuable relationship between Norway as gas supplier and the UK as an important gas consumer. Further priorities for joint oil and gas sector co-operation include:

- Work jointly and together with industry to enhance our oil spill response capabilities, including endeavours to utilise all relevant resources at hand.
- Exchange information and co-operate in promoting Enhanced Oil Recovery to maximise production from mature fields.
- Continue to support cooperation between our gas system operators, with particular regard to information-sharing mechanisms in the case of emergency gas supply disruptions.
- Pursue the development of fields close to the median line in the cooperative spirit laid down in agreements between our two countries.
- Work jointly with industry to explore barriers to the use of existing infrastructure - whichever side of the median line it is located – to help bring forward field developments in both countries and maximise resource recovery from the North Sea.

Renewables and interconnection

- Support continued close engagement with industry in order to promote further investment in renewables projects in the North Sea.
- Work together to encourage renewables scale-up in developing countries, including through IRENA, REEEP, the continued development of the Energy+ framework, and bilateral projects in India and South Africa.
- Support the efforts to develop electricity interconnection between the UK and Norway.
- Continue our cooperation within the North Seas Countries' Offshore Grid Initiative.

CCS

- Encourage information-sharing in our domestic CCS demonstration programmes.
- Take forward the work programme for Phase 3 of the North Sea Basin Task Force.

- Work together in the Clean Energy Ministerial CCUS Action Group to ensure that ambitious measures are presented to Ministers at the next Clean Energy Ministerial in London in 2012.
- Work together in the Carbon Sequestration Leadership Forum to ensure ambitious outcomes and effective use of the Capacity Building fund to support CCS in developing countries.
- Coordinate bilateral initiatives to advance CCS development in developing countries, particularly to ensure delivery of Phase II of the EU-China Near Zero Emissions Coal project.
- Work jointly to ensure the 2nd and 3rd meetings of the 4 Kingdoms Initiative (the latter of which will be hosted jointly by our two countries) builds on the successful meeting held in Saudi Arabia earlier this year.

Multilateral energy fora

- Extend our officials' dialogue on enhancing our bilateral cooperation in the IEA, including on energy security, low carbon, outreach, and budget sustainability.
- Work together in international fora, including the IEF and IEA, to reduce volatility in the international oil market to help ensure the world economy has secure access to the oil supplies it needs.
- Coordinate views on energy issues in the G20, including on the removal of inefficient fossil fuel subsidies, the GMEP work on offshore drilling, and the role of the G20 in supporting the IEF and others.
- Collaborate in the EU/EEA, including on the ongoing work related to offshore drilling regulations in response to the Gulf of Mexico oil spill, and by exploring ways to collaborate to promote green growth in the region, following up on the low carbon initiative of the UK Nordic Baltic summit.
- Extend our cooperation in the Energy Charter Treaty, including ensuring the Secretariat re-focuses on core-tasks, secures a sustainable budget and agrees an outreach strategy focussed on consolidating membership of the ECT.



FOR THE
UK DEPARTMENT OF ENERGY AND
CLIMATE CHANGE



FOR THE
ROYAL NORWEGIAN MINISTRY OF
PETROLEUM AND ENERGY

