

Memorandum of Understanding
BETWEEN
THE MINISTRY OF PETROLEUM AND ENERGY OF THE GOVERNMENT OF
NORWAY
AND
THE DEPARTMENT FOR BUSINESS, ENERGY AND INDUSTRIAL STRATEGY OF
THE GOVERNMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND
NORTHERN IRELAND
ON COOPERATION IN THE FIELD OF CARBON CAPTURE USAGE AND STORAGE

Introduction

The Ministry of Petroleum and Energy of the Government of Norway and the Department for Business, Energy and Industrial Strategy of the Government of the United Kingdom of Great Britain and Northern Ireland ("the United Kingdom") (hereinafter jointly referred to as the "Participants " and in the singular as "a Participant"), wish to further promote friendship and deepen the cooperation between Norway and the United Kingdom in the field of carbon capture, usage and storage.

Considering:

- The importance of the bilateral relationship between Norway and the United Kingdom, and the common interest of the Participants;
- The importance both Participants assign to supporting the development, and deployment, of carbon capture usage and storage ("CCUS") globally;
- The mutual obligations for both Participants to deliver on their Nationally Determined Contributions as part of the Paris Agreement¹;
- The role CCUS can play in supporting the Paris Agreement as outlined by the Intergovernmental Panel on Climate Change;
- The mutual recognition of the commercial and regulatory barriers to deploying CCUS at commercial scale and the value CCUS can bring to supporting decarbonisation;
- The mutual recognition of the need to further drive down the costs of deploying CCUS technologies;
- The mutual recognition of the geological storage opportunities that exist for both countries in the North Sea;
- The mutual recognition of the importance of science and technology in the promotion of CCUS and the shared aim of strengthening international cooperation on CCUS innovation, research and development including through the International Test Centre Network and Research Centres;
- The mutual recognition of the importance of knowledge sharing and investment in innovation to promote CCUS, and the existing commitment of both Participants to support action in these areas through the multilateral ECCSEL and Accelerating CCUS Technologies ERA-NET, led by Norway; and

http://unfccc.int/files/essential_background/convention/application/pdf/english_pariis_agreement.pdf

- The existing agreement between the Government of the United Kingdom and the Government of Norway to work together on issues surrounding the transport and storage of CO₂ beneath the North Sea through the North Sea Basin Taskforce.

In the spirit of strengthening cooperation in the CCUS sector in order to advance bilateral relations, support CCUS cost reductions and deployment, and achieve mutual economic development and environmental benefits;

The Participants have reached the following understanding:

Paragraph 1 Purpose

The purpose of this Memorandum of Understanding (MoU) is to promote the development of CCUS and the Participants cooperation in this field by:

- (a) Creating a framework for cooperation between the Participants to facilitate their sharing of technical knowledge, advice, skills and expertise in the field of CCUS.
- (b) Basing this on mutual, fair and reciprocal benefits, whilst respecting the applicable legislation, rules and national policies of each Participant, as well as the principles related to resource administration of each Participant.

Paragraph 2 Planned Areas of Cooperation

Each Participant will, subject to the laws, rules, regulations and national policies governing the subject matter in their respective countries, endeavour to encourage and promote strategic and technical cooperation in the CCUS sector for mutual benefit, in areas which may include but are not limited to:

- (a) Deployment and development of CCUS technologies, including delivery and investment frameworks, business models and incentive mechanisms;
- (b) CCUS policies, financing and best practice;
- (c) Options for CO₂ transport and storage, including shipping of CO₂ and use of shared infrastructure with a view to establish a CCUS hub in the North Sea;
- (d) Regulatory frameworks, including the London Protocol;
- (e) Low carbon hydrogen production with CCUS;
- (f) CCUS projects including biomass, cement, gas, iron and steel, chemical and waste to energy projects with CCUS;
- (g) Science, innovation and knowledge transfer in the above areas, as part of wider cooperation on energy research and innovation;
- (h) Other subject areas as the Participants may jointly decide.

Paragraph 3 Forms of Cooperation

The Participants plan to encourage cooperation, collaboration and knowledge exchange on mutually beneficial CCUS related issues in both countries. The cooperation described in Paragraph 2 of this MoU may include the following:

- (a) A yearly collaboration and knowledge sharing event between the two countries;
- (b) Exchange of publicly available scientific and technical information;

- (c) Exchange and training of policy, technical and academic experts, including those from government, industry and other non-government sectors, at respective universities, research facilities and innovation centres;
- (d) Support and encouragement of academia, research and development institutes and the private sector to work together in joint projects and exchange expertise;
- (e) Facilitation of dialogue through organisation of conferences, workshops and other meetings on agreed topics;
- (f) Encouragement of private sector companies and industry bodies to cooperate closely and to explore further business opportunities, including under EU funding mechanisms, as appropriate;
- (g) Investment in innovation through new and existing bilateral and multilateral agreements and schemes;
- (h) Provision of technical assistance and other support through relevant projects, subject to the necessary approvals; and
- (i) Other forms of cooperation as may be determined jointly by the Participants in writing.

Paragraph 4 Funding

- (a) This MoU does not involve or envisage the transfer of financial resources between the Participants.
- (b) The Participants accept that all costs arising from the cooperation activities under this MoU should be assumed by the Participant who incurs them, unless otherwise determined jointly by the Participants in writing.
- (c) Each Participant intends to conduct the activities provided in this MoU subject to all applicable laws and regulations, as well as any rules applicable to budgetary assignment, availability and deployment of resources and personnel. The Participants intend to establish jointly, in writing, the details for the financing of each particular cooperation activity before commencing such activity.

Paragraph 5 Designated Authorities

The designated authorities responsible for the implementation of this MoU will be the Ministry of Petroleum and Energy on behalf of the Government of Norway, and the Department for Business, Energy and Industrial Strategy on behalf of the Government of the United Kingdom. Each Participant will designate a primary point of contact to coordinate the overall cooperation between the Participants for the areas described in Paragraph 2.

Paragraph 6 Implementation

- (a) The Participants will convene a Steering Group meeting once a year. These meetings will be held alternately in Norway and the United Kingdom. However, the Participants may jointly decide to make alternative arrangements for the holding of Steering Group meetings, including, for example, by holding meetings via videoconference or technical workshops.
- (b) The aim of the Steering Group is to identify collaboration opportunities and activities to

be conducted under this MoU, which will be highlighted in a Programme of Action, subject to annual updates.

- (c) It is the understanding of the Participants that each Participant will bear its own internal and external costs incurred in connection with the Steering Group meetings.
- (d) The agenda, time and place of the meetings will be jointly decided upon by the Participants.
- (e) The host Participant will chair the meeting. For meetings where there is no obvious host, including any meetings held by videoconference, the Participants will jointly decide who will chair in advance of the meeting.
- (f) Subgroups may be established [by the Participants] to discuss Planned Areas of Cooperation in more detail and report findings and actions to the Steering Group meeting. Subgroups may be convened separately, as decided jointly by the Participants.

Paragraph 7 General Considerations

- (a) The Participants intend to amicably resolve any question concerning the implementation of this MoU through mutual consultation.
- (b) This MoU constitutes an expression of the Participants' good faith to engage in the collaboration described herein.
- (c) This MoU is applicable from the date of its signature and will continue to have effect for a period of 3 (three) years. It will be extended automatically for successive periods of 3 (three) years, unless one of the Participants notifies the other in writing through diplomatic channels of its intention to terminate its participation at least 3 (three) months prior to its expiration.
- (d) This MoU may be amended by mutual written consent of the Participants at any time. The amendments will come into effect upon signature by both Participants.

Signed in Edinburgh, Scotland on 28th day of November 2018 two original copies in English language, all texts being equally valid.

Edinburgh, Scotland.

28 November 2018

**FOR THE MINISTRY OF PETROLEUM AND
ENERGY FOR THE GOVERNMENT OF
NORWAY**

**FOR THE DEPARTMENT FOR BUSINESS,
ENERGY AND INDUSTRIAL STRATEGY OF
THE GOVERNMENT OF THE UNITED
KINGDOM**



**Kjell-Børge Freiberg, Minister of
Petroleum and Energy**



**Claire Perry, Minister of State for Energy
and Clean Growth**