

MEMORANDUM OF UNDERSTANDING (MoU)
BETWEEN
THE MINISTRY OF CLIMATE, ENERGY AND UTILITIES OF DENMARK
AND
THE MINISTRY OF CLIMATE AND ENTERPRISE OF SWEDEN
ON CROSS-BORDER TRANSPORTATION OF CO₂ WITH THE PURPOSE OF
PERMANENT GEOLOGICAL STORAGE

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

In pursuit of the long-term temperature goal of the Paris Agreement on climate change adopted at the 21st Conference of the Parties to the UNFCCC in Paris on 12th December 2015, hereinafter the “Paris Agreement”,

Taking into account the precautionary approach stated in Principle 15 of the Rio Declaration, adopted at the 1992 United Nations Conference on Environment and Development,

Recalling the Convention for the Protection of the Marine Environment of the North-East Atlantic of 1992, hereinafter the “OSPAR Convention”, Annex II and Annex III, recognizing that permanently stored CO₂ in sub-seabed geological formations is not prohibited,

Also recalling the 1996 Protocol to the Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter 1972, hereinafter the London Protocol, as amended in 2006 by Resolution LP.1(1) recognizing that carbon dioxide streams from carbon dioxide capture processes may be considered for dumping,

Further recalling Resolution LP.3(4) to the London Protocol, allowing for the export of CO₂ for the purpose of permanent geological storage in sub-seabed geological formations,

Emphasizing Resolution LP.5(14) to the London Protocol, adopted on 11th October 2019, allowing provisional application of Resolution LP.3(4) to the London Protocol,

Confirming that the Participants have declared such provisional application,

Underlining the willingness of the Participants to share information on their provisional application of the amendment,

Emphasising the importance of carbon capture and storage (CCS) in achieving national and European climate goals,

Stating that both Participants are also parties to the Agreement on the European Economic Area of 1992 (EEA Agreement), and that this MoU is without prejudice to any EEA processes,

Mindful of Directive 2009/31/EC of the European Parliament and of the Council of 23 April 2009 on the geological storage of carbon dioxide and amending Council Directive 85/337/EEC, European Parliament and Council Directives 2000/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC, 2008/1/EC and Regulation (EC) No 1013/2006, hereinafter the “CCS Directive”,

Also mindful of Directive 2003/87/EC of the European Parliament and of the Council of 13th October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC, hereinafter the “EU ETS Directive”,

Conscious of Commission Regulation (EU) 2018/2066 of 19th December 2018 on the monitoring and reporting of greenhouse gas emissions pursuant to the EU ETS Directive,

Acknowledging the requirements of the London Protocol, other international law, and the

applicable EU law, regarding the CO₂ streams, and the CO₂ transport and storage activities between the territories of the Participants, the permitting responsibilities and the issuing of permits and authorisations, and the relevant monitoring plans,

Recognizing the importance of relevant international framework and the compatibility of this MoU with relevant commitments undertaken pursuant to international law and applicable EU legislation,

Have reached the following understanding:

Section 1 – Scope

This MoU is an arrangement in the sense of Article 6 paragraph 2 of the London Protocol, as amended by Resolution LP. 3(4). Any definitions used should be understood as they are understood in the context of the London Protocol and applicable EU/EEA legislation.

This MoU applies to cross-border transportation of CO₂ between the territories of the Participants with the purpose of permanent geological storage.

Section 2 – Allocation of permits

The Participants confirm that necessary permitting procedures for the activities are in place, and that the permits can be granted by the competent authorities of the Participants if the relevant requirements for obtaining such permits are met, to safeguard the provisions of the London Protocol Annex 2, and other applicable international law.

The Participants recognise that all necessary permit responsibilities will be allocated to the relevant authorities of each Participant's country in accordance with the London Protocol. A current list of relevant permitting authorities is:

For Denmark:

- The Danish Energy Agency (Energistyrelsen) is responsible for the issuance of exploration permits, CO₂ storage permits as well as ETS permits:

Danish Energy Agency (Energistyrelsen)
Carsten Niebuhrs Gade 43
1577 København V

Tel: +45 33 92 67 00
ens@ens.dk

Danish Energy Agency (Energistyrelsen), Esbjerg
Niels Bohrs Vej 8D
6700 Esbjerg

Tel: +45 33 92 67 00
ens@ens.dk

For Sweden:

- The Government is responsible for examining the permissibility of some projects for geological storage of carbon dioxide located in Sweden

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Herkulesgatan 17

111 52 Stockholm

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- The Land and Environment Courts are responsible for granting permits for carbon capture projects above 100.000 tons. There are five Land and Environment Courts in Sweden, and the applicable court is determined by the location of the project.
- The Environmental Assessment Delegation at the County Administrative Boards are responsible for granting permits for carbon capture projects of maximum 100.000 tons. There are 21 County Administrative Boards in Sweden and the applicable board is determined by the location of the project.
- The Environmental Protection Agency is the competent authority for EU ETS reporting.

Naturvårdsverket

106 48 Stockholm

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registrator@naturvardsverket.se

Section 3 – Reporting of CO₂ in National Greenhouse Gas Inventories

The Participants recognize the importance of ensuring consistent reporting of CO₂ emissions related to carbon capture, transportation, and storage operations, including cross-border transportation for storage covered by this MoU.

The Participants will report in their greenhouse gas inventories on cross-border CCS operations and related CO₂ emissions in accordance with the 2006 IPCC Guidelines and further refinements or iterations for the reporting in the national greenhouse gas inventories as agreed under the UNFCCC. Relevant EU/EEA legislation, and future amendments thereof, will be used as a basis for monitoring and reporting of emissions.

The Participants will ensure that the competent authorities under the EU ETS and the national entities responsible for reporting greenhouse gas inventories will exchange relevant information for complete and transparent reporting.

Section 4 – Arrangements of the Participants

This MoU does not create any rights or obligations under international law and does not impose any financial obligations on the Participants. This MoU does not affect or interfere with existing or future national, regional, or international obligations with regards to transportation and storage of CO₂.

Each Participant intends to conduct the cooperation under this MoU subject to all applicable laws and regulations.

Section 5 – Amendment procedures and mutual understanding

This MoU may be amended at any time in writing by the Participants. The Participants will inform and consult each other should they foresee any necessary amendments.

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 quickly resolve any difficulties or misunderstandings that may arise.

The Participants will convene at least once a year to evaluate the MoU, unless they decide not to convene by joint written consent. The Participants will convene alternatively in Copenhagen and Oslo, or in any other place decided upon by the Participants by joint written consent.

Section 6 – Final provisions

This MoU will come into effect upon signature. This MoU may be terminated by either Participant giving three (3) months' written notice to the other Participant. The termination of this MoU will not affect any on-going activities under this MoU, unless otherwise decided by the Participants.

The Participants will notify the International Maritime Organization of this MoU.

Signed in duplicate in Brussels on the 15th of April 2024 each in the English language.

*The Minister for Climate, Energy and Utilities
of Denmark*



Lars Aagaard

*The Minister of Climate and the Environment in
Sweden*



Romina Pourmokhtari