

LETTER OF INTENT

BETWEEN

THE MINISTER OF ENERGY OF THE KINGDOM OF BELGIUM AND

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

ON A SECOND PHASE OF COOPERATION ON CONNECTIONS BETWEEN DANISH AND BELGIAN ENERGY ISLANDS IN THE NORTH SEA

The Minister of Energy of the Kingdom of Belgium and the Minister of Climate, Energy and Utili-ties of the Kingdom of Denmark (hereinafter referred to individually as a "Participant" and collec-tively as the "Participants");

Building on the good cooperation between the Participants established in the Memorandum of Understanding (MoU) on Cooperation on Offshore Energy Infrastructure between the Participants of February 4th 2021, the Memorandum of Agreement on the Realization of a Hybrid Interconnector between Belgium and a Danish Energy Island of November 23th 2021, and the Agreement on Statis-tical transfer of Energy from renewable sources for the years 2021-2025 and, on renewable energy shares generated by the Danish Energy Island post 2030 between the Participants of September 9th 2022;

Acknowledging that energy security and the fight against climate change are crucial to the fu-ture of the European Union;

Further acknowledging that recent geopolitical events have strengthened the need to increas-ingly replace fossil fuels, including Russian oil, coal and gas, with European renewable energy from the North Sea, including offshore wind and green hydrogen, contributing to both EU climate neu-trality and energy security;

Acknowledging the cooperation on joint and hybrid offshore projects and wish to realise the vision of the North Sea as a Green Power Plant of Europe established between Denmark, Germany, Belgium and the Netherlands in the "Esbjerg Declaration" on May 18th 2022;

Recognising that offshore renewable energy hubs/islands and an increasingly meshed off-shore grid are crucial to generate, connect, convert and transport offshore wind energy in the North Sea;

Bearing in mind that this Letter of Intent (LoI) provides a general framework for cooperation and to express the cooperative intent of the Participants;

Have therefore agreed on the need for an additional MoU to initiate the second phase of co-operation on possible connections between the Danish and Belgian energy islands in the North Sea and have thus decided on the following:

Section 1 Objective

The objective of this LoI is to investigate together a second phase of cooperation on connections between the Danish and Belgian energy islands in the North Sea after 2033 for mutual benefit of both countries. This could improve security of supply, increase overall socio-economic welfare, bring diversification of energy sources, contribute to national targets and ambitions for renewable energy and facilitate energy system integration of wind power and development of hydrogen and Power-to-X technologies.

Section 2 Cooperation

The cooperation between the Participants under this LoI will be operationalized through a Joint Working Group established and presided by the ministries, and further consisting of representatives of the energy authorities and the relevant Transmission System Operators (TSOs). The TSOs will be responsible for the analyses to be carried out, referring regularly to relevant ministries and agencies.

The Joint Working Group will in particular work on the following topics:

A jointly developed analysis ("pre-feasibility study") that clarifies technical and economic aspects.

 Preparation of a joint recommendation from the Joint Working Group at the latest by the first half of 2024 on how to continue with the next phase towards realization of a project. This recommendation should be based on the analysis mentioned above and will describe which configuration would be most suited for the cooperation and can act as basis for fur-ther design and development of the project with a view towards realisation in the mid 2030's;

Section 3 Arrangements of the Participants

This Lol does not create any rights and obligations under international law and does not impose any financial obligations on the Participants.

All costs resulting from cooperation under this LoI are to be borne by the Participant that incurs them, unless otherwise mutually jointly decided/consented.

Section 4 Amendment Procedures and Dispute Resolution

This LoI may be amended at any time by jointly written consent of the Participants. At any time, the Participants will consult, at the request of any of them, on any matter relating to this LoI, in the spirit of cooperation, good faith and mutual trust, to resolve quickly any difficulties or misunderstanding that may arise. In case of misunderstanding or insufficient progress between the TSOs, the Ministers will be informed.

Section 5 Final Provisions

This LoI will come into effect on the day of signature.

This LoI will be jointly reviewed upon written request of one of the Participants.

This LoI may be terminated by either Participant giving three (3) month's 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.



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

ON A SECOND PHASE OF COOPERATION ON CONNECTIONS BETWEEN DANISH AND BELGIAN ENERGY ISLANDS IN THE NORTH SEA

Signed in duplicate at Ostend on the 24th of April 2023 each in the English language.

The Minister for Energy of the Kingdom of Belgium

The Minister for Climate, Energy and Utilities of the Kingdom of Denmark

Tinne Van der Straeten

Lars Aagaard

