MEMORANDUM OF UNDERSTANDING

BETWEEN

THE GOVERNMENT OF THE KINGDOM OF DENMARK

AND

THE SCOTTISH GOVERNMENT

ON COOPERATION IN THE AREAS OF

DECARBONISATION OF HEATING SYSTEMS, DISTRICT HEATING AND ENERGY EFFICIENCY IN

BUILDINGS

The Government of the Kingdom of Denmark

and

The Scottish Government

hereinafter referred to as “the Parties”

Recognizing the common interests shared by the Parties regarding the development of affordable, low and zero carbon emission, sustainable energy sources;

Considering the strategic role of energy planning and the importance of increased energy efficiency within the heating sector;
Recognizing the importance of decarbonising heating systems, promoting district energy solutions and finding cost effective and lasting solutions to energy issues that are compatible with the need for economic growth and the fight against fuel poverty;

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 Parties,

Have agreed as follows:

**Article 1 - Objective**

The objectives of this Memorandum of Understanding are to promote a mutually beneficial partnership between the Parties in the fields of decarbonisation of heating systems, district heating and energy efficiency in buildings. Within the period of the Memorandum, the parties also agree to explore and identify options for possible cooperation to build an alliance of “like-minded” European countries, nations, states and regions committed to low-carbon and energy efficient buildings pathways towards 2050 through transformational energy efficiency and heat decarbonisation programmes.

**Article 2 – Priorities of Cooperation**

The following topics have been identified as priority areas for cooperation between the Parties under the framework of this Memorandum of Understanding:

a) development of national policies and programmes between the parties to transform their built environments (through regulation, funding, advice and information)

b) development and promotion of energy distribution systems for the heat sector and low carbon heating systems and energy efficiency especially in the building sector;

c) strategic energy efficiency, low carbon heating systems and heat decarbonisation plans and heat mapping including administrative
procedures for ‘zoning’ areas for different heating technologies e.g. for district heating areas;

d) financial structures and models for establishment and development of, energy efficiency low/zero carbon heating systems and district heating systems;

e) technology development including exchange of information and best practice on heat decarbonisation, district heating and energy efficiency pathways for the built environment.

f) international peer review and benchmarking of progress in each other’s policies and programmes.

The priorities for the years 2018 and 2019 will be agreed by the Parties under the work programme referenced in Article 5.

Article 3 – Cooperation Mechanism

Cooperation between the Parties under this Memorandum of Understanding may be conducted in the form of:

a) exchange of information and documentation;

b) exchange visits by experts and delegations;

c) jointly organized seminars, workshops and meetings involving experts, private companies and other relevant agencies; and

d) other forms of cooperation as mutually agreed upon; for example, the creation of a wider alliance with like-minded European countries, nations, states and regions committed to low-carbon and energy efficient buildings pathways towards 2050; and collaboration on transnational projects and programmes for heat decarbonisation, district heating and energy efficiency in buildings.

Article 4 – Engagement of Parties

1. The Parties appoint relevant institutions as implementing agents for the cooperation. The Danish Party has appointed the Danish Energy Agency and The Danish Embassy in London. The Scottish Party has appointed the Scottish Government Energy and Climate Change Directorate as a contact point.
2. Each Party shall designate a Senior Official responsible as its Coordinator to supervise and coordinate the planning, performance, evaluation and approval of the cooperation activities to be carried out by the Parties under this Memorandum of Understanding.

3. Both Parties shall encourage organisations, private companies, government institutions at all levels and research institutions on both sides to establish cooperation activities aimed at fulfilling the objectives of this Memorandum of Understanding.

Article 5 - Obligations of the Parties

Both Parties will:
- encourage commercial investment in energy efficiency, low carbon heat networks, and low carbon heating systems;
- encourage development of local supply chain capacity to take advantage of these opportunities; and
- mobilise and organise the delivery of expert assistance and support to activities as appropriate and as defined in a work programme.

Both Parties will agree the work programme for 2018 by 30 August and the work programme for 2019 by December 2018.

The Parties will communicate and cooperate fully with the aim to ensure that the objectives and outcomes are successfully achieved.

Article 6 - Costs

1. Costs related to the 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 Party.

2. All costs resulting from cooperation under this Memorandum of Understanding are to be borne by the Party that incurs them, unless otherwise mutually agreed.
Article 7 – Amendment Procedures

This Memorandum of Understanding may be amended at any time by the mutual written consent of the Parties.

Article 8 – Dispute Resolution

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

Article 9 - Terms

1. This Memorandum of Understanding will commence upon notification by the Parties through diplomatic channels, once their respective internal legal procedures have been fulfilled.

This Memorandum of Understanding shall be valid until 31 December 2019, may be extended for a further period by mutual written consent of the Parties.

2. Each Party may terminate this Memorandum of Understanding by means of a written notice to the other Party. Termination will take effect three months following the date of notification and will not affect activities already under implementation.


Lars Chr. Lilleholt
Minister for Energy, Utilities and Climate

Paul Wheelhouse
Minister for Business, Innovation and Energy

FOR THE GOVERNMENT OF
THE KINGDOM OF DENMARK

FOR THE SCOTTISH GOVERNMENT