JOINT DECLARATION OF INTENT

BETWEEN

THE FEDERAL MINISTRY FOR ECONOMIC AFFAIRS AND CLIMATE ACTION OF THE FEDERAL REPUBLIC OF GERMANY

AND

THE MINISTRY OF CLIMATE, ENERGY AND UTILITIES

OF DENMARK

ON

THE COOPERATION ON GREEN HYDROGEN AND THE REALIZATION OF A LAND-BASED BORDER CROSSING HYDROGEN PIPELINE BETWEEN NORTHERN GERMANY AND WESTERN DENMARK

The Ministry for Economic Affairs and Climate Action of the Federal Republic of Germany and the Ministry of Climate, Energy and Utilities of Denmark (hereinafter referred to individually as a "Participant" and collectively as the "Participants"). They remark the symmetry between the Danish ambition to reach upwards of 4 – 6 GW of electrolysis capacity by 2030, thereby becoming a net exporter of certified green hydrogen and the German large and increasing demand for hydrogen. The Participants recognize the importance of regional cooperation on dedicated cross border hydrogen infrastructure that link Danish production of and German demand for green hydrogen.

The Participants furthermore elaborate the Letter of Intent between Denmark and Germany signed May 18th 2022, with the joint pledge to cooperate on green hydrogen by specifying an explicit focus on a land-based hydrogen pipeline between Northern Germany and Western Denmark.

Therefore, the Participants have reached the following understanding:

Section 1. - Objective

The objective of this Joint Declaration of Intent is to reconfirm and reinforce the Participants' bilateral cooperation on green hydrogen. With the ambition to improve the integration of the Danish and German energy systems, and bearing in mind, that the aim is a market driven roll out of hydrogen infrastructure, the Participants will cooperate on advancing the roll-out of transmission infrastructure for green hydrogen between Western Denmark and Northern Germany from the year of 2028 enabling a large-scale transmission interconnector for green hydrogen between Denmark and the Federal Republic of Germany.

Section 2. – Priorities of Cooperation

The Participants commit to support the realisation of a hydrogen interconnector between Denmark and the Federal Republic of Germany.

The Participants are committed to, but not limited to, pursuing the following high priority topics for their cooperation:

- 1. Assisting potential hydrogen infrastructure operators and users to design and implement their respective hydrogen infrastructure projects, especially geared towards supporting their coordinated process towards binding commitments made by future infrastructure users, thereby enabling final investment decisions to take place.
- 2. Supporting the relevant joint application of potential hydrogen transmission operators for funding, e.g. becoming a Projects of Common Interest for the Connecting Europe Facility.
- 3. Engaging in discussions on the distribution of generated renewable energy target amounts.
- 4. Coordinating and aligning the implementation of respective national and EU regulatory frameworks for hydrogen. Hereto, further specifying and adopting rules and regulations under the forthcoming EU Hydrogen and Decarbonized Gas Market Package.
- 5. Supporting the coordination between national regulatory authorities (NRAs) and/or other competent authorities with regards to approval processes.
- 6. Establishing an exchange on the fair and balanced distribution of various costs and benefits connected to the hydrogen infrastructure project.

Section 3. – Management and Cooperative Mechanisms

Cooperative mechanisms to accomplish the Priorities of Cooperation may include, but are not limited to:

- 1. Regular exchange of information between the Participants.
- 2. Joint organisation of and participation in events, seminars, workshops, videoconferences, and trainings.
- 3. Meetings between relevant authorities and stakeholders, especially including the private sector.

A dedicated Steering Committee with Directorate Generals representing each of the Participants will be established. The committee will manage and steer the planning, execution, and evaluation of the cooperative activities to be carried out by the Participants.

Section 4. – Encouragement of Participation

The Participants will encourage, as appropriate, relevant potential hydrogen system operator(s), government institutions, research institutions business associations and businesses to engage in cooperative activities in further support of the objectives of this Joint Declaration of Intent.

Section 5. - Costs

All costs resulting from the cooperative mechanisms falling under Section 3 in this Joint Declaration of Intent are to be borne by the Participant that incurs them, unless otherwise decided jointly.

Section 6. – Nonbinding Agreement

This Joint Declaration of Intent is not meant to constitute an international treaty or to create any legal rights or obligations under international or any national law.

Section 7. – Terms

This Joint Declaration of Intent will come into effect upon signature by both Participants. It will be jointly reviewed upon written request of one of the Participants. It may be amended at any time by mutual consent in writing. Either Participant may end its cooperation under this Joint Declaration of Intent at any time but should strive to provide a written notice to the other Participant of its intent to do so.

Signed in duplicate in Copenhagen, Denmark, on March 24th 2023, in the English language only.

For the Federal Ministry for Economic Affairs and Climate Action of the Federal Republic of Germany For the Ministry of Climate, Energy and Utilities of Denmark

Dr. Robert Habeck

Mr. Lars Aagaard

Minister for Economic Affairs and Climate Action of the Federal Republic of Germany Minister for Climate, Energy and Utilities of Denmark