

Joint Declaration of Intent
between
the Federal Ministry for Economic Affairs and Energy
of the Federal Republic of Germany
and the Ministry of Economic Affairs and Climate Policy
of the Kingdom of the Netherlands
on the Energy Transition

Berlin, 2 October 2019

Introduction

The Federal Ministry for Economic Affairs and Energy of the Federal Republic of Germany and the Ministry of Economic Affairs and Climate Policy of the Kingdom of the Netherlands (hereinafter “the Participants”) acknowledge that the energy transition is a corner stone of their countries’ common aim to achieve climate neutrality in the European Union in 2050. With the adoption of the ‘Clean Energy for all Europeans Package’, the course for EU energy policies over the next decade has been set as well as a first framework for further regional and bilateral energy cooperation.

The German and Dutch energy markets and infrastructure are strongly integrated. Whilst respecting country-specific challenges, both Participants acknowledge that national energy policy decisions need to take due account of effects on neighboring countries.

In this regard, the Participants acknowledge the importance of closer regional cooperation on issues with high cross-border relevance within the framework of the Integrated National Energy and Climate Plans (NECPs).

A first step has been taken with the adoption of a common NECP chapter by the Pentalateral Energy Forum on 25 June 2019 and a joint chapter on the North Seas Energy Cooperation on 20 June 2019. Both documents outline the current scope of these regional cooperation fora and set the priorities for the next few years.

At the same time, the Participants will increase their exchange on the main directions and principles of their energy policies and will identify cross-border challenges and opportunities for cooperating on the energy transition. Against this background, they have come to the following understandings in order to strengthen their cooperation on the following areas at bilateral and (inter)regional level over the next few years:

Shared vision on a decarbonised energy system

Within the Pentalateral Energy Forum, the Participants aim to develop a shared view on how to achieve a balanced, flexible and resilient energy supply in light of their common aim to reach climate neutrality in the European Union.

As a first step, a stocktaking of national scenarios on what the energy system could look like towards 2050 will be performed, with the aim of identifying common and diverging aspects across these scenarios.

Security of supply

In light of their respective policies on the phase-out of coal, the Participants will jointly pursue regional solutions to issues related to security of energy supply. They will deepen their dialogue on the basis of their respective national electricity generation adequacy studies. At the same time, they underline the importance of having resilient regional adequacy assessments for the electricity generation that are performed by transmission system operators (TSOs) in the Pentalateral Energy Forum.

The Participants intend to continue their cooperation on security of gas supply in the Pentalateral Gas Platform, taking into account the ambition of the Dutch government to terminate gas production from the Groningen field as soon as possible and the need for growing gas imports in Northwest Europe in the coming decade.

In light of the ambition of the Dutch government to terminate gas production from the Groningen field as soon as possible, the Participants intend to continue their cooperation with the relevant ministries of Belgium and France in the Task Force on Gas Market Conversion Monitoring. The Task Force will focus on collecting data to monitor the progress of the conversion of the gas market and the reduction in L-gas achieved in the Netherlands, Germany, France and Belgium and on attaining security of supply for the German, Belgian and French market. The respective Governments, TSOs and NRAs will participate in this Task Force.

The development of cross-border off-shore wind projects

The Participants see great potential in the development of off-shore wind projects and infrastructure in the North Seas region to accelerate the deployment of renewable energy.

Within the context of the North Seas Energy Cooperation, several exemplary cross-border offshore wind projects have been identified where a more detailed assessment and greater cooperation could be beneficial.

The Participants will continue to look at these projects. They intend to jointly assess how these and other projects could contribute to further market integration and future sector coupling.

The Participants intend to support the work of the European Commission in assessing the need to update the EU regulatory framework in order to eliminate investment barriers and to facilitate the development of interconnected cross-border offshore wind generation projects. This work can be facilitated within one of the North Seas Energy Cooperation support groups.

The potential role of hydrogen

The Participants recognise the potential role of hydrogen as an important energy carrier in their energy system, for sector coupling and system integration, as well as a base material for industrial production.

They intend to jointly perform a feasibility study on the viability of future hydrogen applications, hydrogen production particularly production based on renewable energy, large scale storage and transportation infrastructure.

The Participants will examine the possibilities to create a common regulatory framework for hydrogen (such as common approaches for guarantees of origin, standards for hydrogen blending and the role and responsibilities of TSOs and distribution system operators (DSOs)), with a view to developing a European regulatory framework. They will do this not least within the context of the Pentilateral Energy Forum.

Carbon pricing

The Participants intend to continue their dialogue at expert level on the various options for carbon pricing as a key measure in the decarbonisation of the economy.

Innovation and research

The Participants have common interests in research areas including the decarbonisation of industry, sector coupling, hydrogen technologies and offshore wind. Therefore, they will pursue closer cooperation within the SET-Plan framework, e.g. by means of bilateral or multilateral research projects.

Carbon Capture Utilization and Storage

The Participants intend to continue a cross-border expert dialogue on CC(U)S, inter alia within the context of the North Sea Basin Task Force, and to explore bilaterally possibilities to connect German and Dutch CC(U)S projects.

Governance

Experts of the Ministries will meet on a regular basis to work on the priorities set out in this declaration and to share information on general developments in their energy policies.

The Directors-General responsible for energy policy intend to meet every six months to assess the progress on the areas identified for closer cooperation and to assess general follow-up action to this Joint Declaration of Intent.

The Ministers intend to discuss the progress made on achieving the priorities set out above once a year.