



North Seas Energy Cooperation

Joint Statement on the North Seas Energy Cooperation – 12 Sept 2022

Context / Introduction

In line with their renewed [Political Declaration of December 2021](#) and building upon momentum from the Esbjerg [North Sea Summit in](#) May 2022, the members of the North Seas Energy Cooperation (NSEC) recognise their historic opportunity to accelerate the delivery of regional offshore renewable energy. The urgency of action has been reinforced by Russia's illegal invasion of Ukraine and the consequential energy price and security of supply crises. Developing our common offshore renewable resource will reduce regional reliance on imported fossil fuels through strengthened energy regional self-sufficiency, as well as necessarily speeding up the transition towards a green and resilient energy system. NSEC is the framework for facilitating the enhanced cooperation between the countries of the North Seas, with support from the European Commission, that will deliver upon our combined offshore renewables ambition, including through a joint vision and the promotion of cooperation projects.

2030, 2040 and 2050 Targets

Today, as a signal of increased political ambition in the area of offshore renewables, the NSEC countries announce ambitious combined aggregate regional non-binding targets for the deployment of offshore renewable energy in the entire maritime area of the NSEC region.¹ Together, Ministers have set ambitious new aggregate targets of reaching at least 260 GW of offshore wind energy by 2050, with intermediate targets of at least 76 GW by 2030 and 193 GW by 2040.² This constitutes more than 85% of the EU-wide ambition of reaching a total offshore wind capacity of at least 300 GW by 2050, as set out in the EU strategy for offshore renewable energy. Today's announcement reinforces our commitment

¹ These targets are with regard to the entire maritime area of the NSEC region, and not the North Seas Offshore Grids priority sea basin established under the TEN-E Regulation, as referred to in Article 14 (1) thereof.

² Aggregate NSEC targets are informed by current NSEC member state offshore ambitions, outlined in Annex 1.

to cooperate on maximising our offshore resource, while respecting Member States' national energy policy priorities and their choices of energy mix.

Trans-European Energy Infrastructure - TEN-E

In the framework of the revised TEN-E Regulation³, Ministers and the Commissioner agree that NSEC will act as facilitating body for the task of the North Seas Offshore Grids (NSOG) priority offshore corridor sea basin.⁴ In this role, NSEC, and in particular NSEC Support Group 4, will support development of a non-binding NSOG agreement to cooperate on goals for offshore renewable energy to be deployed for the sea basin by 2050, with intermediate steps for 2030 and 2040, in time for the NSOG agreement by January 2023, and will cooperate on their implementation. This will enable ENTSO-E to prepare in 2023 a strategic offshore network development plan until 2050 for the NSOG maritime area. It will further facilitate the large-scale implementation of hybrid offshore renewable energy projects and enhanced cross-border cooperation in offshore grid development in the region.

As the facilitating body for NSOG, NSEC will seek increased cooperation with the members of other priority offshore corridors established under the revised TEN-E, including in the development of hybrid projects. This enhanced cooperation both within and beyond NSEC is necessary to deliver on the objectives of the EU Strategy on offshore renewable energy.

Ministers and the Commissioner recognise the key role of EU Projects of Common Interest (PCIs) which provide political visibility to key infrastructure projects and streamlined permitting, as well as the availability of funding through the EU Connecting Europe Facility (CEF) to accelerate the future development of offshore grids. Likewise for Projects of Mutual Interest developed in cooperation with third countries.

NECP Common Offshore Chapter

Ministers agree that the EU NSEC members will aim to develop a renewed common NSEC chapter in the update of their respective National Energy and Climate Plans⁵. This new chapter will set out aggregate deployment targets and respective measures, with a view to facilitating increased cooperation and realising projects in the area of offshore renewables

³ Regulation (EU) 2022/869 of the European Parliament and of the Council of 30 May 2022 on guidelines for trans-European energy infrastructure, OJ L 152, 3.6.2022, p. 45. Norway is in the process of assessing the TEN-E regulation under the EEA agreement.

⁴ The maritime area incorporated by NSOG is comprised of the North Sea, the Irish Sea, the Celtic Sea, the English Channel and neighbouring waters.

⁵ Norway is in the process of assessing the regulation on the Governance of the Energy Union under the EEA agreement.

and associated offshore grids. To this end, all NSEC Support Groups will contribute to the preparations of this common chapter.

Permitting, Maritime Spatial Planning and Environmental Considerations

Ministers and the Commissioner agree that meeting the offshore deployment targets necessary to deliver upon our common climate and energy objectives will require accelerated permitting for offshore renewable energy and infrastructure projects. Ministers therefore support the intention of the permitting package within the RePowerEU Plan on streamlining and accelerating permit granting procedures, which will be given the fullest consideration by EU members in NSEC. In order to support the realisation of projects, Ministers and the Commissioner further commit to take all relevant and appropriate steps, if not already in place, to speed up regulatory and permit granting procedures to as great an extent as possible, while ensuring a balanced co-existence of renewable energy and a healthy marine ecosystem, and promoting the sharing of best practices within NSEC.

NSEC will ensure that maximising our common offshore resource takes place with due regard for the protection of marine and other biodiversity and ecosystems, the economic wellbeing of local communities, viable and sustainable food production and alternative activities taking place within our shared maritime space. Ministers and the Commissioner therefore agree to strengthen the collaboration between NSEC members, including the respective ministries of the region and within the European Commission responsible for energy, biodiversity and maritime spatial planning. To this end, NSEC Support Group 2 will explore options for better integration of spatial planning and regional strategies within a 2050 scenario study based on broader cooperation, including with NSEC Support Group 4.

Development of hybrid and joint projects and an increasingly meshed offshore grid

Ministers welcome the progress made by the Commission in assessing the business cases of hybrid offshore projects and its guidance on cost and benefit sharing that will incentivise their development. Ministers encourage the Commission to continue progressing these vital work-streams to incentivise development of hybrid and joint offshore renewable energy projects. To this end, NSEC countries will cooperate upon and support the Commission in strengthening the EU electricity market arrangements by considering possible distributional effects on costs and benefits of market actors, including TSOs and offshore wind farm developers, a fair distribution of costs and an efficient integration and utilisation of grid and market resources. In this regard, NSEC Support Group 1 will monitor and facilitate concrete project implementation and develop concepts for hybrid and joint projects in the North Sea area, and work on regulatory aspects, such as electricity market arrangements. NSEC

Support Group 3 will work towards removing barriers for commercial Power Purchase Agreements, and facilitate the design of offshore tenders, including the development of solutions for the inclusion of Power-to-X. Both Support Groups will cooperate in supporting the Commission in developing guidance on cost-benefit sharing for cross-border offshore projects.

Ministers further stress the key role that the EU Renewable Energy Financing Mechanism may have in facilitating the establishment of joint offshore projects, which NSEC Support Group 3 will support and develop additional options for financing for hybrid (pilot) and joint projects.

Ministers and the European Commissioner welcome the progress that has been made on a number of offshore hybrid projects⁶ and encourage NSEC members to accelerate their implementation, which will create an increasingly meshed offshore grid in the region. To this end, Ministers and the European Commissioner agree to promote a closer coordination of offshore grid planning and onshore grid connection of offshore wind farms among North Seas countries as well as a better coordination between maritime spatial planning and offshore grid planning to facilitate our joint ambition of offshore wind energy deployment in the region. Ministers will also work on a common vision within the NSEC of establishing the next of several major hybrid projects in the North Seas.

Supply Chains

Ministers and the Commissioner recognise considerable supply chain bottleneck challenges currently impacting developers of offshore renewables projects, which could undermine the ability of NSEC to meet our ambitious offshore energy goals. In this regard, Ministers and the Commissioner commit to continuing constructive engagement with industry and other stakeholders in order to overcome these challenges, including collaborating with the Clean Energy Industrial Forum's working group on offshore renewable energy established by the European Commission.

Ministers and the Commissioner acknowledge the main barriers expressed by industry, including the ongoing war in Ukraine, supply chain disruptions, and the financial stress faced

⁶ Hybrid projects include the following: North Sea Wind Power Hub (DK, NL, DE); Triton Link (DK-BE); Nautilus (UK-BE); Kriegers Flak (DE-DK); Bornholm Energy Island (DE-DK); WindConnector (NL-UK)

by segments of the offshore supply chain. They further note the importance that is attached by industry to transparent and ambitious long-term national and regional offshore deployment targets, as well as regional coordination of future offshore auction timetables and the benefits of harmonized tender design.

NSEC highlights that today's announcement of respective offshore deployment targets for 2030, 2040 and 2050, together with its continuous work on cooperation and sharing of best practices, will be beneficial for the EU's offshore supply chain.

NSEC-UK

Ministers welcome recent progress in discussions between the Commission and the United Kingdom of Great Britain and Northern Ireland (UK) on the establishment of a memorandum of understanding on offshore renewable energy cooperation between the participants of NSEC and the UK. Cognisant of the mutual benefits of enhanced future cooperation, Ministers and the Commissioner look forward to a final agreement on the Memorandum of Understanding, while noting that this will be contingent on a successful conclusion to the discussions between the Commission and the UK, as well as for the Commission's participation on the Union's behalf, on the approval by the Council.

Nature of this Joint Statement

This Joint Statement does not create any rights or obligations under national or international law and does not intend to replace or modify any existing legal obligations. The contents of this document remain within the framework of the 2021 Political Declaration on energy cooperation between the North Seas Countries and the European Commission.

The work of the North Seas Energy Cooperation should be in line with relevant EU and national legislation, the EEA agreement, as well as with existing obligations under international law.

Annex 1

Non-binding aggregate NSEC offshore deployment targets are informed by the following member state current offshore ambitions⁷, noting that these may be subject to further future revision, including with regard to TEN-E Regulation obligations:⁸

- Belgium - 6 GW by 2030; 8 GW by 2040; 8 GW by 2050
- Denmark – 12.9 GW by 2030; 22.65 GW by 2040; 35 GW by 2050
- France – 4.4 GW by 2030; 18 GW by 2035; 40 GW by 2050
- Germany – 30 GW by 2030; 40 GW by 2035; 70 GW by 2050
- Ireland – 7 GW by 2030; 15-20 GW by 2040; 37 GW by 2050⁹
- Luxembourg – Dependent on cross-border cooperation, noting that Luxembourg aims to contribute to exploiting offshore potential by means of joint projects, joint support schemes or through the Renewable Energy Financing Mechanism¹⁰
- Netherlands – 16/21 GW by 2030/2031; 30-50 GW by 2040; 40-70 GW by 2050.
- Norway – 30 GW by 2040; 30 GW by 2050¹¹

⁷ Sweden is developing and facilitating the possibility of investing in offshore wind energy, without a specific national target at this point in time.

⁸ These targets are with regard to the entire maritime area of the NSEC region, and not the North Seas Offshore Grids priority sea basin established under the TEN-E Regulation, Article 14.

⁹ Ireland's 7 GW target for 2030 includes 2 GW of offshore renewables dedicated to green hydrogen production.

¹⁰ While Luxembourg, having no national maritime space, does not participate through specific offshore renewable target contributions, Luxembourg plans to contribute significantly through cooperation on cross-border projects, especially through contributing via the Renewable Energy Financing Mechanism in exchange of statistical transfers.

¹¹ Norway's ambition is to award areas for 30 GW by 2040