

AGREEMENT

on funding of

The Baltic-Nordic Energy Research programme 2023-2027
(hereinafter referred to as "the Programme")

between;

Ministry of Energy of the Republic of Lithuania
Gedimino av. 38, LT-01104, Vilnius, Lithuania

and;

Nordic Energy Research
Stensberggata 25, 0170 Oslo, Norway

The Ministry of Energy of the Republic of Lithuania and Nordic Energy Research (NER) are hereinafter also individually referred to as the "Partner" and jointly as the "Partners".

Other signatories to the Memorandum of Understanding (hereinafter referred to as the "MoU", Annex 1) are referred to as "Other Programme Co-funding Partners".

NER is an organisation under the umbrella of the Nordic Council of Ministers, organising Nordic cooperation on energy research and analysis.

1.0 The Agreement

1.1 The Contract Documents

The Contract encompasses this Agreement with all attachments thereto.

In case of conflict between the Agreement and the attachments thereto, the documents shall have the following priority:

1. Annex 1: MoU including annexes
2. This Agreement

Any subsequent written changes to the documents above shall, in the case of conflict, only have priority before the actual contractual documents if agreed upon by both Partners through a duly signed amendment to this Agreement.

1.2 The Scope of the Agreement

This Agreement is entered into between Ministry of Energy of the Republic of Lithuania and NER in relation to the funding of the Programme as defined in the MoU and regulates the Ministry of Energy of the Republic of Lithuania's funding contribution of the Programme.

The Agreement regulates the Partners' rights and obligations pursuant to the funding of the Programme.

1.3 Duration of the Agreement

The Agreement enters into force when signed by the Partners and will be valid for four years from concluding the Agreement.

The Agreement period may be extended by an amendment to the Agreement that is duly approved and signed by the Partners, pursuant to clause 5.0.

2.0 The Programme

The Programme is a collaborative effort between NER and the following organisation:

- Ministry of Energy of the Republic of Lithuania

The overall aim of the programme is to promote energy research and analysis in the Baltic states and inspire intra-Baltic and Baltic-Nordic collaboration and is further described in the MoU including annexes.

3.0 Funding

By signing the Agreement, the Ministry of Energy of the Republic of Lithuania agrees to fund the Programme pursuant to clause 3.1.

3.1 The funding of the Programme

The Programme is funded through a common pot with no fair return provided by the Partners and administrated by NER.

The Ministry of Energy of the Republic of Lithuania has committed that it will provide at least € 100 000 per year in the period 2023-2024 (hereafter referred as to "Funding") to the Programme for the period 2023–2027. Until funding from the Ministry of Energy of the Republic of Lithuania has been secured, the representative appointed by the Ministry of Energy of the Republic of Lithuania to the Programme Board will function in a consultative role with no voting rights (observer).

The Funding is addressed to NER and can be used at NER within the terms and objectives set by this Agreement and 3.0 of the MoU. The Funding may only be used for the purpose specified in this Agreement and 3.0 of the MoU.

3.2 Transfer of the funding contribution

The Ministry of Energy of the Republic of Lithuania shall transfer the funding contribution to NER in one of the following ways:

- For the whole Programme period (2023-2027) or its part;
- On annual basis.

In case funding has not been used in accordance with this Agreement, the Ministry of Energy of the Republic of Lithuania may withhold its payments.

Funding not used in accordance with this Agreement should be repaid to the Ministry of Energy of the Republic of Lithuania.

The payment is to be completed by 31.12.2027.

3.3 Returning and Recovery of Funding

If requested by the Ministry of Energy of the Republic of Lithuania, any unused Programme funds shall be returned to the Participant according to the original payment ratio. This shall not affect any Actions already in progress unless agreed upon by all other Programme Co-funding Partners.

4.0 Reporting

4.1 Annual reporting

NER shall annually at Programme Board meetings report to the funding partners, i. e. the Programme Board, on the Programmes financial status, including updated and/or audited Programme accounts.

5.0 Amendments

Either Partner may propose amendments to the Agreement. Any such amendment shall be made in writing and approved by both Partners.

6.0 Termination

The Agreement may be terminated by either Partner by giving six months written notice to the other Partner of the intention to terminate.

Ongoing Actions shall not be affected by the termination of this Agreement, unless agreed upon by all other Programme Co-funding Partners.

7.0 Attachments

Annex 1: MoU including annexes.

* * *

This Agreement is signed in two (2) original copies, of which each Partner keeps one (1).

Place/date: 15.12.2023



Klaus Skytte, CEO
Nordic Energy Research

Place/date: *Vilnius, 15 December 2013*



Dainius Kreivys, Minister of Energy
The Ministry of Energy of the Republic of Lithuania

Memorandum of Understanding between Nordic Energy Research and the Ministry of Energy of the Republic of Lithuania on the Joint Baltic-Nordic Energy Research Programme 2023-2027

Nordic Energy Research and the Ministry of Energy of the Republic of Lithuania, hereinafter individually designated as the Participant and collectively as the Participants,

Recalling that the Joint Baltic-Nordic Energy Research Programme was initiated by Nordic Energy Research in 2017 and developed in collaboration with the Ministry of Energy of the Republic of Lithuania, the Ministry of Economics of the Republic of Latvia and the Ministry of Economic Affairs and Communications of the Republic of Estonia.

Having regard to the Memorandum of Understanding on the establishment of the Joint Baltic-Nordic Energy Research programme 2018-2021, which was financed by Nordic Energy Research (NER), the Ministry of Energy of the Republic of Lithuania, the Ministry of Economics of the Republic of Latvia and the Ministry of Economic Affairs and Communications of the Republic of Estonia;

Taking into account the Agreement on Baltic Parliamentary and Governmental Co-operation between the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania of 13 June 1994 and its common priorities for co-operation, which include energy;

Reflecting the priorities highlighted in The Marienborg Declaration of 30 August 2022 by the Heads of Governments of the Kingdom of Denmark, the Republic of Estonia, the Republic of Finland, the Federal Republic of Germany, the Republic of Latvia, the Republic of Lithuania, the Republic of Poland and the Kingdom of Sweden to urgently and immediately take action to increase energy resilience by strengthening our energy cooperation while contributing to climate neutrality and promoting renewable energy sources;

Agreeing on the importance to fund energy research in the Baltic states and inspire intra-Baltic and Baltic-Nordic collaboration as well as to promote Baltic-Nordic research;

Have reached the following understanding:

Article 1.0: The objective of the Memorandum of Understanding on the Joint Baltic-Nordic Energy Research Programme 2023-2027

This Memorandum of Understanding (hereafter called the MoU) sets out a legally non-binding framework for the second phase of funding and management of the **Joint Baltic-Nordic Energy Research Programme 2023-2027**.

The MoU defines the aims of the Joint Baltic-Nordic Energy Research Programme 2023-2027 (hereinafter called the Programme), describes the Programme's management structure and outlines thematic research areas within the Programme.

The Programme is open to relevant funding organisations willing to comply to this MoU and depending upon approval from the initial Participants.

Article 2.0: The duration of the Programme

The Participants declare their willingness to participate in this Joint Baltic-Nordic Initiative on Energy Research and to freely contribute to the funding of the Programme during the period 2023–2027.

Article 3.0: The Aims of the Programme

The overall aim of the Programme is to promote modern energy research and robust analysis in the Baltic states and inspire intra-Baltic and Baltic-Nordic collaboration as well as to promote Baltic-Nordic Research as a basis for policy development. This is further described in Annex 1: "Programme Memorandum".

Article 4.0: Funding

4.1 The Programme is financed from a fund of contributions provided by the Participants for the years 2023-2025. The Programme is administrated by NER.

4.2 The Participants aim to contribute to the Programme as follows:

- The Ministry of Energy of the Republic of Lithuania – at least 100 000 €/Year,
- Nordic Energy Research – 3 million NOK/Year

Article 5.0: Funding Procedure

5.1 Funding from the Participants shall be transferred to NER in one of the following ways:

- For the whole Programme period (2023-2027) or its part,
- On an annual basis in equal amounts of annual contributions.

5.2 Any unused Programme funds may remain at NER for further Programme activities, unless otherwise decided by the Programme Board.

If requested by the Participant, any unused Programme funds shall be returned to the Participant according to the original payment ratio. This shall not affect any Actions already in progress unless agreed upon by all other Participants.

Article 6.0: Management Structure

6.1 NER is the legal entity administering the Programme and its finances.

6.2 The Programme Board.

The Programme Board will be composed of:

- One representative appointed by the Ministry of Energy of the Republic of Lithuania,
- Two representatives appointed by NER,
- Observer(s).

The task of the Programme Board is to work to fulfil the aims of this MoU and represent the interest of the Participants.

6.3 Programme management, secretariat and administration

The NER administration will follow the decisions of Programme Board regarding the management of the Programme and its funds.

The management structure that applies to this programme is further described in the Terms of Reference.

6.4 Observer(s)

Entities that share the aims of the Programme as defined under Article 3.0 may apply for the status of "observer" to the Programme Board. The status as an observer is granted by the Programme Board.

Observers may participate at the Programme Board meetings, while decision rights are reserved for Programme Board members.

Article 7.0: Ownership of Project outputs

In relation to Participants' ownership of the Project outputs, including Intellectual property rights and open access issues, it will be regulated on the basis of the NER Standard Terms of Contract and the respective agreements. In accordance with this, NER will grant all Participants royalty-free, non-exclusive license and user rights to the Projects outputs.

Article 8.0: Status of the MoU

This MoU outlines current intentions of the Participants signing this MoU and forms a framework for the Programme. This MoU is not intended to create legally enforceable rights or obligations to its Participants.

Any disputes related to the interpretation or application of the MoU will be resolved through negotiations between the Participants and will not be brought to the national or international court or any other third party.

This MoU enters into force the day after the MoU is signed by all Participants, and is valid until the end of 2027.

Article 9.0: Miscellaneous

The MoU is drawn up in English and all documents and meetings pertaining to the MoU shall be written/conducted in English.

The MoU and its Annexes may only be amended by a document signed by all Participants and identified as an Amendment to this MoU.

Each Participant shall have the right to terminate this MoU by giving at least six months' written notice to other Participants at any time.

If the MoU is terminated by a Participant, such termination shall not affect any activity already in progress unless agreed upon by all Participants.

This MoU has been enacted in two (2) duplicates, one (1) for each Party.

10.0 Annexes to the MoU:

In case of conflict between the MoU and the annexes thereto, the documents shall have the following priority:
The MoU
Annexes

Annexes:

Annex 1: Programme Memorandum
Annex 2: Terms of Reference

Approval of the MoU

The following authorized persons approve the MoU:

On behalf of Nordic Energy Research

Date 15.12.2023

.....
sign 
Klaus Skytte, CEO of Nordic Energy Research

.....
Name, Title

On behalf of the Ministry of Energy of the Republic of Lithuania

15 December 2013

Date



.....
sign

Dainius Kreivys, Minister of Energy
.....

Name, Title

Annex 1: Programme Memorandum Reference for the Joint Baltic-Nordic Energy Research programme 2023-2027

The Aims of the Programme

The Aims of the Programme, as defined in "Article 3.0: The Aims of the Programme" in the MoU, will be to:

"...promote energy research and analysis in the Baltic states and inspire intra-Baltic and Baltic- Nordic collaboration as well as to promote Baltic-Nordic Research".

The Paris Agreement on Climate Change of 12 December 2015, the European Union's (EU) goal of working towards an European Energy Union, Fit for 55 – The EU's plan for a green transition, rapid changes in energy technologies create an international context where the Baltic and Nordic countries face similar challenges regarding the future of their energy systems.

The Programme

To achieve the Aims of the Programme, the Participants develop frameworks for cooperation that will constitute the pillars of the Programme, formulated as two actions:

Action No.1: Promotion of intra-Baltic and Baltic-Nordic research projects with participation of Baltic researchers

Due to the current geopolitical context, cooperation on energy security and energy infrastructure is an urgent priority for the Baltic and Nordic countries (see the Marienborg declaration). There is a need to strengthen the resilience of energy systems, and the crisis response capabilities of the electricity and heating sector specifically, at the same time contributing to climate neutrality and promoting renewable energy sources.

Among the areas for joint technology development, highlighted in the 2022 report of this Programme "[Baltic-Nordic Roadmap for Co-operation on Clean Energy Technologies](#)", are: demand-side management through digitalisation of the power sector; using hydrogen as an energy carrier of fuel from a systems perspective; integration of carbon capture and storage solutions; rapidly increasing renewable power production (e.g., from offshore wind energy in the Baltic Sea), and associated life-cycle management (including decommissioning renewables sites).

The aim of Action No.1 is to strengthen the common Baltic-Nordic knowledge on future challenges and developments in these areas. Drawing on the aforementioned recommendations, the Participants have identified a scope and their key interests in the Programme – the scope of the Programme spans three broad societal challenges: decarbonation of energy supply; regional energy security, adequacy and sufficiency; and energy efficiency. These can further be specified into the following key interests in the Programme:

- The renewable hydrogen economy (including electrolyzer and storage technologies), other E-fuels and gases (including ammonia, e-methanol and synthetic methane);
- Regional energy infrastructure and digitalisation;
- Carbon capture;
- On- and offshore wind power development and renewable energy production;
- Storage solutions, including batteries.

Action No.2: Exchange of energy researchers and PhD students between the Baltic and Nordic countries

The aim for Action No.2 is to promote exchange of energy researchers and PhD students between the Baltic states and Nordic countries, to deepen intra-Baltic and Baltic-Nordic research collaboration and promote knowledge sharing.

The Programme will contribute to dissemination efforts by developing tools, e.g., webinars and digital brochures summarising key takeaways. Other actions may include: joint conferences for PhD students, exchange programs, cover expenses related to overseas courses, include PhD students in projects in Action No.1 or cover travel and accommodation expenses to overseas lectures and facilitate seminars to identify joint research activities.

Annex 2: Terms of Reference for The Baltic-Nordic Energy Research programme 2023-2027

1 BACKGROUND

The Baltic-Nordic Energy Research programme 2023-2027 (hereafter called the Programme) is a collaborative effort to improve cooperation in energy research. The overall aims of the programme is to promote energy research in the Baltic states and inspire intra-Baltic and Baltic-Nordic collaboration.

A collaboration with the Baltic states was initiated by NER in a formal letter in May 2017. On the 26th of October 2018 an agreement between Nordic Energy Research, the Ministry of Energy of the Republic of Lithuania, the Ministry of Economics of the Republic of Latvia and the Ministry of Economic Affairs and Communications of the Republic of Estonia came into force and the Joint Baltic-Nordic Energy Research Programme began, receiving funding for the period 2018-2021 and with activities concluding in 2024.

In 2023 the Participants have decided to move forward with the Joint Baltic-Nordic Energy Research Programme 2023-2027.

2 THE PROGRAMME BOARD

2.1 CHAIRING OF THE PROGRAMME BOARD AND SUBORDINATE BODIES OF THE PROGRAMME BOARD

The Programme Board Chair will rotate between the Participants on an annual basis.

Expert groups may be appointed by the Programme Board if deemed necessary. In order to facilitate scientific and user relevant progress and coherence of the Programme, the Programme Board can appoint a Scientific Advisory Board (SAB). The SAB reports to the Programme Board in intervals decided by the latter.

2.2 MANDATE OF THE PROGRAMME BOARD

The task of the Programme Board is to work to fulfil the aims of this Memorandum of Understanding and represent the interests of the Participants. Calls for proposals for funding will be implemented under the Programme.

The Programme Board is mandated to:

- identify new projects and activities within the Actions, and actively participate in the consultation on the co-funding thereof,
- supervise and coordinate initiatives within the Programme. This includes suggesting the thematic scope and instrumentation for new actions, as well as providing/sourcing peers for the evaluation of incoming proposals. Moreover, it includes supervision of Programme activities such as mid-term and final evaluation and dissemination of results,
- decide on the thematic areas and funding instruments for the Actions.

2.3. WORK PROCEDURES FOR THE PROGRAMME BOARD

The Programme Board meets on a regular basis, at least twice a year. The Programme Board has quorum when a majority of its members is present. All decisions shall be made by consensus.

The Programme Board should adhere to all relevant guidelines and policies.

3 THE ADMINISTRATION OF THE PROGRAMME

NER administers the Programme and its finances. Where appropriate, the NER guidelines, procedures and rules will guide the actions by the Programme Board.

NER administers the funds of the initiative, designs and implements call(s) and evaluation procedures and is the contract partner for funded projects. NER is also in charge of follow-up and reporting of project progress and results to the Programme Board.

NER will oversee the administration of the Calls for proposals for the Programme, the management of project contracts, the follow up of the projects and reporting to the Programme Board.

NER will present a proposal for the practical organisation of the administration of the programme at the first or second Programme Board meeting.

The administrative costs (travel expenses, salary, etc.) of the Programme should not exceed 10 % of the Programme fund.

4 IMPARTIALITY

Programme Board members are subject to NER's rules for impartiality. They are prohibited from participating in applications for funding from the Programme. Other cases of potential conflicts of interest shall be thoroughly reported by the Programme Board member to NER in advance of Programme Board meetings and ruled on by the NER Director.

5 OTHER

If a Programme Board member is prevented from participating actively in the work, a new member shall be nominated by the respective Participant.