

MEMORANDUM OF UNDERSTANDING

in the field of energy efficiency and renewable energy sources

Federal State Budget Organization “Russian Energy Agency”, the Russian Federation, hereinafter referred to as “REA”, represented by its General Director Mr. Timur Ivanov, on the one part, and

Danish Energy Agency, the Kingdom of Denmark, hereinafter referred to as “DEA” represented by its Director General Mr. Ib Larsen,

hereinafter referred to as “Parties”,

striving to develop a mutually beneficial cooperation in the fields of energy innovation, energy efficiency and renewable energy sources (RES),

noting the significant potential offered by the implementation of joint initiatives and projects in the stated domains,

state their intentions concerning further cooperation and agree with the following.

PREAMBLE

- I. On April, 28, 2010 the Ministry of Energy of the Russian Federation and the Ministry of Climate and Energy of the Kingdom of Denmark signed the Memorandum of cooperation in the field of energy efficiency and renewable energy sources which is considered by the Parties as the basis for their collaboration.
- II. On November 23, 2009 a Federal Law №261 “On Energy Saving and on Energy Efficiency Enhancement” was signed by the President of the Russian Federation. The Law aims to set up a legal environment to promote energy efficiency in the Russian Federation. In the framework of this Law on December 22, 2009 the REA was established for the purpose of implementation of the state strategy of the Russian Federation in the field of developing energy efficiency, energy-saving and renewable energy sources (renewables).
- III. DEA was established in 1976 and its activity is intended on the improvement

of energy efficiency and stimulation of the Renewable Energy Sources' use. DEA is responsible for national policies for security of supply, energy distribution and regulation of the end-use sectors in Denmark. DEA is a part of the Danish Ministry of Climate and Energy.

- IV. Based on their relevant experience and within their competence, the Parties are aimed to develop mutually advantageous cooperation in the field of energy efficiency, energy saving and renewable energy sources.
- V. The Parties note the considerable potential of developing energy efficiency, energy-saving and renewable energy sources in Russia on institutional, legislative, technological levels, and also good prospects for implementation of joint initiatives and projects in the indicated fields

ARTICLE 1 MEMORANDUM AIM

1. **The aim** of this Memorandum is to ensure the development of cooperation on the institutional level aimed at joint implementation of activities and projects in the field of energy efficiency, energy-saving and renewable energy sources (renewables) by the organizations and the companies of two countries.

ARTICLE 2 OBJECTIVES

2. **Objectives of cooperation** shall be as follows:

2.1. Improvement of interaction on the institutional level aimed at development and implementation of a policy in following fields: state policy instruments, the strategy in the field of increasing energy efficiency on federal and regional levels, support to the development of renewable energy sources.

2.2. Assistance in implementation of projects in the field of energy efficiency, energy saving and renewables in the Russian Federation, the Kingdom of Denmark and the third countries to be performed by the Russian and Danish economic entities, including the issue of project funding.

ARTICLE 3

FORMS OF CO-OPERATION OF THE PARTIES

3. The forms of implementation of the given lines of cooperation are as follows:

3.1. Regular exchange of information and statistical data in the field of energy efficiency and renewable energy sources; joint preparation of analytical reports and other documents aimed at disseminating information on issues of energy efficiency, energy saving and renewables and their targeted diffusion in the Russian Federation and the Kingdom of Denmark.

3.2. Joint economic and forecast survey, development of appropriate procedures and experience exchange concerning issues related social and economic development of the Russian Federation and the Kingdom of Denmark, regions and cities and development of renewable energy sources.

3.3. The joint analysis of institutional, structural and economic barriers that prevent the increase in energy efficiency of industrial, construction, transport industry sectors, housing and public services sector; suggesting solutions for overcoming thereof. In particular, the Parties intend to focus on the following aspects:

3.3.1. Identification and comparison of problems which occur in the course of execution of projects on energy-saving and renewables implementation in the Russian Federation and the Kingdom of Denmark, including taxation, administrative barriers, risks, legislative issues, standards, competition etc.; development of proposals on improvement of process of projects implementation;

3.3.2. Preparation of guidelines on making up a favorable investment climate, improvement of the corporate governance culture and financial transparency of the Russian companies implementing energy effective technologies so that to create comfortable conditions for a capital inflow to the maximum practical extent;

3.3.3. Preparation of the proposals aimed at upgrading the national and regional legislation of the Russian Federation and the Kingdom of Denmark, and also international regulatory legal acts in the sphere of energy efficiency, energy saving and use of renewable energy sources;

3.3.4. Preparation of the proposals aimed at upgrading labeling systems for energy efficient products.

3.4. Exchange of knowledge related to best practices and mechanisms of control over implementation and compliance with standards on increasing energy efficiency in buildings and structures and housing and public services (in particular, in heating systems), including:

3.4.1. Comparison of construction standards of the Russian Federation and the Kingdom of Denmark and plans of their upgrade;

- 3.4.2. Development of proposals on harmonization of standards of the Russian Federation and the Kingdom of Denmark for more effective and integrated engineering design of energy facilities and renewables' systems.
- 3.4.3. Exchange of methods and informational materials on practice and mechanism of control over compliance with standards on increasing energy efficiency in buildings, structures, housing and public services. These materials will also deal with the compliance of binding standards on behalf of organizations and large-scale producers and consumers of power resources, also including the organizations performing transportation of energy resources.
- 3.5. Exchange of knowledge on: Energy efficiency enhancement in buildings by the utilization of new approaches in architectural projects.
- 3.6. Organization of conferences and seminars concerning issues on developing of energy efficiency, energy saving and renewables.
- 3.7. Promotion of Russian-Danish partnerships and of exchange of information between universities, technological centers and industrial enterprises with regard to "low carbon" technologies and know-how in the field of energy efficiency and renewable energy sources:
 - 3.7.1. Creation of database on research organizations, technological centers and industrial enterprises of both countries, allowing to perform operative selection of partners for joint development and implementation of energy efficiency projects;
 - 3.7.2. Training activities for specialists in the field of energy efficiency and energy management;
 - 3.7.3. Exchange of experts for improving mutual acquaintance about implemented projects in the field of energy efficiency and renewable energy sources;
 - 3.7.4. Support to the establishment of an open Russian-Danish business forum on issues related to energy efficiency and sustainable development.
- 3.8. Lines of cooperation can be added on mutual consent of the Parties.

ARTICLE 4

PRIORITY PROJECTS OF THE PARTIES

4. The Parties confirm their intention to promote implementation **of projects** in the field of energy efficiency and renewables, with special focus on the following items.
 - 4.1. Analyses of the potential and identification of areas of implementation of projects on energy efficiency, energy-saving and renewables.

4.2. Creation and updating of a database by regions of the Russian Federation and the Kingdom of Denmark aimed at selecting energy efficiency projects for implementation, including:

4.2.1. Preparation of projects on energy efficiency on different levels: national, initiated by the governments, municipalities, non-state organizations etc.;

4.2.2. Preparation of energy efficiency projects for municipalities, that can be fast implemented.

4.3. Use and development of mechanisms of public-private partnership for financing and implementing energy efficiency projects:

4.3.1. Definition of investment projects in the field of energy saving and renewables and interaction between the commercial organizations of the Russian Federation and the Kingdom of Denmark.

4.4. Feasibility studies with identification of conditions for creating of Intergovernmental fund on investments aimed at supporting the implementation of infrastructural projects.

4.5. Development of all the necessary arrangements to establish a Russian-Nordic&Baltic Countries Center for Innovation, Energy Efficiency and RES.

4.6. The Parties will identify and prepare the list of priority projects in the field of the mutual cooperation.

ARTICLE 5 INTENTIONS OF THE PARTIES

5. According to the objectives of this Memorandum the Parties intend:

5.1. To inform each other on relevant projects in agreement with compliance of all regulations of the applicable anti-trust legislation and without detriment to confidentiality which cover any of the Parties according to already in force or future agreements.

5.2. To carry out constructive discussions on other agreements aimed at implementation of this Memorandum

ARTICLE 6

OTHER PROVISIONS

6.1. Any changes and/or additions to the present Memorandum are considered to be valid only if they are made in writing and signed by authorized representatives of Parties and the said changes and/or additions are integral parts of the present Memorandum.

6.2. The present Memorandum comes into force from the moment of signing thereof by both parties and shall be effective until the moment when the parties fulfilled **the obligations taken** under this Memorandum, but under any conditions for not less than three years from the moment of signing thereof unless the Parties jointly make decision on its extension.

6.3. The Memorandum was signed in Copenhagen on the twenty-sixth of April 2011 in two copies, one in Russian and English languages, both texts being equally authentic.

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