

MEMORANDUM OF UNDERSTANDING
ON COOPERATION
IN THE SECTOR OF GEOTHERMAL ENERGY
BETWEEN
THE MINISTRY OF THE ENVIRONMENT, ENERGY AND CLIMATE OF
ICELAND
AND
THE MINISTRY OF THE ENVIRONMENT AND ENERGY SECURITY
OF THE ITALIAN REPUBLIC

The Ministry of the Environment, Energy and Climate of Iceland and the Ministry of the Environment and Energy Security of the Italian Republic, hereinafter individually referred to as a 'Participant' and jointly as 'the Participants',

DESIRING to further strengthen the friendship and economic relations between Iceland and Italy,
TAKING INTO ACCOUNT the global potentialities and opportunities of the geothermal energy,
CONSIDERING Iceland and Italy are among the top players in the world in the use of geothermal energy,
BUILDING on the Agreement between the Government of Iceland and the Government of the Italian Republic on cultural, scientific and technological cooperation, done in Rome on 14 January 1999,
WITH THE INTENTION OF establishing and intensifying cooperation between Icelandic and Italian entities active in the sector of the geothermal energy, including public institutions, private sector and energy research and development bodies,
have entered into the following Memorandum of Understanding:

Article 1 – Objective

The objective of this Memorandum of Understanding is to establish the basis for a cooperative relationship between Iceland and Italy to encourage and promote public-to-public, public-to-private and private-to-private partnerships in the field of geothermal energy.

Article 2 – Areas of cooperation

For the purposes of this Memorandum of Understanding, the areas of cooperation between the involved entities indicated in Article 3 may include, but are not limited to, the exploration and utilization of geothermal

resources for producing electricity and transferring heat, the district heating and the activities related to the development and management of geothermal power plants.

Article 3 – Involved entities

For the purposes of this Memorandum of Understanding, involved entities may include, but are not limited to, the following:

- a) public administrations, agencies and authorities;
- b) industry players working in the geothermal energy, including energy companies and SMEs, technology suppliers, project developers, service companies, investors and financial institutions;
- c) geothermal associations and other relevant non-governmental organizations;
- d) renewable energy research and development institutions and scientific bodies.

Article 4 – Cooperation activities

The implementation of this Memorandum of Understanding may include, but is not limited to, the following activities:

- a) promoting global awareness of geothermal utilization in tackling negative climate change;
- b) promoting active participation in the Global Geothermal Alliance;
- c) encouraging and facilitating an active role of multilateral financial institutions in financing of geothermal projects around the world, including the World Bank Group, Regional Development Banks, the Green Climate Fund, in addition to the financial institutions of the European Economic Area.
- d) promoting exchange of experiences and best practices in the field of geothermal energy among Icelandic and Italian public institutions, companies and other entities indicated in Article 3;
- e) facilitating cooperation between Icelandic and Italian companies in the areas referred to in Article 2, including transfer of technical and managerial know-how, mutual training activities, sharing expertise in the improvement of power plant efficiency and in implementation of innovative projects focused on reducing environmental impact;
- f) encouraging joint development of projects in the areas of cooperation referred to in Article 2, especially in third Countries and, where possible, with relevant multilateral institutions;
- g) promoting joint participation in calls for proposal made available by international organizations in the areas of cooperation referred to in Article 2;
- h) encouraging dialogue on geothermal energy among entities indicated in Article 3, through the organization of joint activities including workshops, conferences and round tables.

Article 5 – Joint Committee

1. In order to coordinate the activities referred to in Article 4, the Participants intend to establish a Joint Committee with the following functions:
 - managing the effective implementation of this Memorandum of Understanding;
 - adopting decisions and recommendations;
 - identifying areas of mutual interest and cooperation for the development of activities referred to in Articles 2 and 4;
 - monitoring and evaluating cooperation activities referred to in Articles 2 and 4.
2. The Competent Authorities, as identified in Article 6, will designate two representatives each in the Joint Committee.
3. The Joint Committee will carry out the aforesaid activities, as much as possible, by means of electronic communication. The Joint Committee will meet when deemed necessary.
4. The Joint Committee will use electronic instruments in order to increase the sharing of information and to facilitate the creation of partnership between the national entities indicated in Article 3.
5. The Joint Committee may decide to set-up a database of national entities interested in the cooperation between Iceland and Italy in the areas referred to in Article 2.
6. The Joint Committee may involve other members from energy agencies and authorities, scientific institutions, research centres, universities or any other entity, as and when deemed appropriate by the Participants.

Article 6 – Competent Authorities

For the purposes of implementing this Memorandum of Understanding, the Competent Authorities are:

- for the Icelandic Participant, the National Energy Authority of Iceland (Orkustofnun) under the auspices of the Ministry of the Environment, Energy and Climate,
- for the Italian Participant, the Energy Department within the Ministry of the Environment and Energy Security.

Article 7 – Legal status

1. This Memorandum of Understanding will be implemented in accordance with the Icelandic and Italian legislations, as well as applicable international law and, as far as the Italian Participant is concerned, obligations stemming from Italy's membership of the European Union.

2. This Memorandum of Understanding does not constitute an international agreement that may lead to rights and obligations under international law. No provision of this Memorandum of Understanding is to be understood and performed as a legal obligation or commitment of the Participants.

Article 8 –Financial provisions

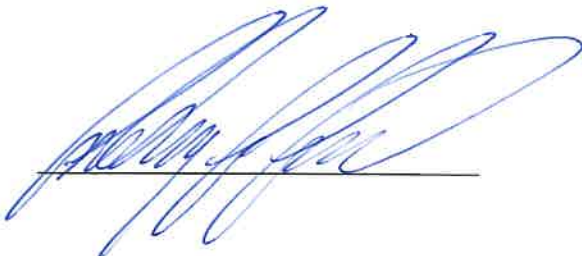
1. Each Participant will be responsible for its own expenses in the implementation of this Memorandum of Understanding, unless otherwise mutually understood by the Participants.
2. The expenses arising from the implementation of this Memorandum of Understanding will be covered by the Participants according to their ordinary budget availability without any additional cost for the State budgets of Iceland and the Italian Republic.

Article 9 –Final provisions

1. This Memorandum of Understanding takes effect on the date of its signature, it will remain valid for a period of five (5) years and will be automatically renewed for an additional period of five (5) years.
2. Either Participant may terminate this Memorandum of Understanding at any time by giving six (6) months' notice to the other Participant.
3. The Participants may amend this Memorandum of Understanding in writing by mutual consent.
4. Any difference in the interpretation and/or implementation of this Memorandum of Understanding will be settled amicably through direct consultations and negotiations between the Participants.

Signed in Reykjavík, on 17 October 2024 in two originals, each in the Icelandic, Italian and English languages, all texts being equally authentic. In case of divergence of interpretation of this Memorandum of Understanding, the text in English will prevail.

For the Ministry of the Environment, Energy and
Climate of Iceland



For the Ministry of the Environment and Energy
Security of the Italian Republic

