

Agreement on Statistical transfer of Energy from renewable sources for the year 2021

This Agreement is signed between

The Republic of Finland, represented by the Minister of Economic Affairs having its seat at Aleksanterinkatu 4, Helsinki, Finland;

and

The Brussels-Capital Region, represented by the Minister of Climate Transition, Environment, Energy and Participatory Democracy, Social Action and Health, having its seat at Boulevard Saint-Lazare, 10 B-1210 Brussels, Belgium.

The Republic of Finland, hereinafter referred to as “the Selling Member State” and the Brussels-Capital Region, hereinafter referred to as “the Buying Entity” (hereinafter individually referred to as “a Party” or “the Party” and collectively as “the Parties”),

WHEREAS:

1) The Parties wish to enter into an Agreement for the Statistical transfer of the amount(s) of energy from renewable sources as specified in this Agreement from the Selling Member State to the Buying Entity under current Article 8 of Directive (EU) 2018/2001. If Article 8 of Directive (EU) 2018/2001 were to be revised, the present Agreement will remain in effect *mutatis mutandis*.

2) The Selling Member State will endeavour to use the revenues received from the Statistical transfer for new renewable energy projects and/or scientific research in the field of renewable energy sources in Finland. No remedy can apply for breach of this paragraph.

CONCLUDE THE FOLLOWING:

Part 1 – OBJECTIVE AND DEFINITIONS

Article 1 Objective

(1) The objective of this Agreement is to enter into an arrangement for the Statistical transfer of the amount of energy from renewable sources specified in this Agreement for the year 2021 from the Selling Member State to the Buying Entity under Directive (EU) 2018/2001.

(2) The Parties enter into this Agreement with the purpose of :

- a) Contributing to the cost-efficient achievement of the European Union’s targets for the share of energy produced from renewable sources as established in Directive (EU) 2018/2001;
- b) Optimising the balance of benefits from Statistical transfers of renewable energy amounts for both the Buying Entity and the Selling Member State.

Article 2 Definitions

Pursuant to this Agreement the following terms are defined as:

- a) The Selling Member State: the Republic of Finland, a Member State of the European Union which, as a Party to this Agreement, statistically transfers the renewable energy amounts to the Buying Entity according to this Agreement;
- b) The Buying Entity: the Brussels-Capital Region, a federated entity of the Kingdom of Belgium – a Member State of the European Union - which, as a Party to this Agreement, purchases the renewable energy amounts from the Selling Member State for target compliance purposes under Article 3(2) and Article 3(4) of Directive (EU) 2018/2001;
- c) Directive (EU) 2018/2001: Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources;
- d) Renewable energy amount(s): the statistical value of energy from renewable sources in accordance with calculation methods of Article 7 of Directive (EU) 2018/2001;
- e) Statistical transfer: statistical transfer of renewable energy amount(s) from the Selling Member State to the Buying Entity in accordance with Article 8 of Directive (EU) 2018/2001.

Part 2 – PRINCIPAL OBLIGATIONS

Article 3 Cooperation

(1) The Parties shall at all times co-operate in order to establish and maintain the necessary and favourable conditions for the implementation of the Statistical transfer.

(2) National contact points are established to facilitate the implementation of this Agreement and deal with any matters arising in the course of the implementation. The contact point of the Selling Member State is the Ministry of Economic Affairs and Employment of Finland. The contact point of the Buying Entity is the Air Climate Energy Planning Department of Bruxelles Environnement (the government entity responsible *inter alia* for energy in the Brussels-Capital Region).

Article 4 Obligations of the Parties

(1) The Selling Member State enters into an obligation to notify the European Commission about the Statistical transfer according to the terms of this Agreement and in accordance with Article 8 of Directive (EU) 2018/2001.

(2) The Buying Entity remunerates the Selling Member State according to the terms laid down in this Agreement for each unit of Renewable energy amounts notified by the Selling Member State according to paragraph (1) as being subject to the Statistical transfer to the benefit of the Buying Member State.

Part 3 – SPECIFICATIONS AND NOTIFICATION OF STATISTICAL TRANSFER

Article 5 Specifications of statistical transfer

(1) This Agreement covers the Statistical transfer of an annual volume of energy from renewable energy sources for the year 2021.

(2) The exact amount is 132 GWh.

(3) When the Selling Member State, due to *Force Majeure* pursuant to Article 11, is not able to notify the European Commission according to the terms of this Agreement, the Buying Entity is not obliged to make the payments as set out in this Agreement.

(4) This Agreement does not affect the Buying Entity's right to obtain Statistical transfers of additional volumes of energy from renewable sources from third Parties, other than the volume envisaged in paragraphs (1) and (2).

Article 6 Notification to the European Commission

(1) The Selling Member State shall notify the European Commission in writing, specifying the exact amount of energy from renewable sources statistically transferred from the Selling Member State to the Member State of which the Buying Entity is part of, as well as the corresponding price to be paid by the Buying Entity.

(2) The Member State of which the Buying Entity is part of shall notify the European Commission in writing, specifying the exact amount of energy from renewable sources statistically transferred from the Selling Member State to the Member State of which the Buying Entity is part of and the corresponding price to be paid by the Buying Entity.

(3) The moment of informing the European Commission in accordance with paragraphs (1) shall be no later than the 10th of December 2022.

(4) The moment of informing the European Commission in accordance with paragraphs (2) shall be no later than the 31st of December 2022.

(5) A copy of the notification shall be sent to the contact point of the other Party.

Part 4 – PAYMENT AND OTHER RESPONSABILITIES

Article 7 Price

(1) The price of each unit of Renewable energy amount statistically transferred pursuant to this Agreement shall be 12,50 EUR per MWh.

(2) The total price for the volume pursuant to Article 5(2) is 1,650,000 EUR (one million six hundred and fifty thousand euros).

Article 8 Payment(s)

(1) The Selling Member State shall send to the Buying Entity (invoice@environnement.brussels) a detailed invoice for the total amount in Euro together with the copy of the notification referred to in Article 6(5) no later than 15th of December 2022.

(2) The Buying Entity shall disburse the due amount onto the following account:

Account owner: Ministry of Economic Affairs and Employment

IBAN: FI07 8000 1771 3730 25

BIC/SWIFT: DABAFIHH

(3) The payment of the due amount follows the delivery of the Statistical transfer, and will be paid in Euro no later than the 31st of December starting from 2022 until 2024.

(4) The Selling Member State shall send to the Buying Entity a confirmation of the receipt of the payment within five business days of the date of transfer to the bank account referred to in paragraph (2) of this Article.

Part 5 – GENERAL PROVISIONS

Article 9 Responsibilities in case of non-compliance

(1) The Parties assume the responsibility for any failure or refusal to perform their obligations under this Agreement other than for reasons of *Force Majeure* according to Article 11 of this Agreement.

(2) In case of non-compliance with any obligation under this Agreement a Party is obliged to compensate the injured Party fully for any direct damages incurred due to the non-compliance.

(3) The payment of such direct damages shall not limit the right to seek further compensation under this Agreement or otherwise.

Article 10 (Civil) Agreement and applicable law

(1) This Agreement does not constitute a treaty.

(2) The Agreement is governed exclusively through the rules of Finnish law.

Article 11 Force Majeure

(1) Responsibility for non-performance or delay in performance on the part of any Party to this Agreement with respect to any obligations or any part thereof under this Agreement, other than an obligation to pay money, shall be suspended to the extent that such non-performance or delay in performance is caused or occasioned by *Force Majeure*, as defined in this Agreement.

(2) *Force Majeure* shall be limited to:

a) Natural disasters (earthquakes, landslides, cyclones, floods, fires, lightning, tidal waves, volcanic eruptions and other similar natural events or occurrences);

b) War between sovereign States where the relevant State has not initiated the war under the principles of international law, acts of terrorism, sabotage, rebellion or insurrection;

c) International embargoes against States other than the relevant State, provided, in every case, that the specified event or cause of the above mentioned types and any resulting effects preventing the performance by the relevant State of its obligations, or any part thereof, are beyond the relevant State's control.

(3) If a Party to this Agreement is prevented from carrying out its obligations or any part thereof under this Agreement (other than an obligation to pay money) as a result of *Force Majeure*, it shall notify in writing the other affected Party to which performance is owed at the earliest convenience. The notice must:

- a) Specify the obligations or part thereof that cannot be performed;
- b) Fully describe the event of *Force Majeure*;
- c) Estimate the time during which the *Force Majeure* will continue; and
- d) Specify the measures proposed to be adopted to remedy or abate the *Force Majeure*.

Following this notice, and for so long as the *Force Majeure* continues, any obligations or parts thereof which cannot be performed because of the *Force Majeure*, other than the obligation to pay money, shall be suspended.

Article 12 Dispute Settlement

(1) The Parties shall take all possible steps in good faith in order to ensure that all disputes and disagreements arising in connection with the implementation of this Agreement, or related to this Agreement are settled by mutual negotiations between the Parties.

(2) The Party raising any dispute shall first serve a written notification of the dispute to the other Party (a "Dispute Notice"). If within 2 months of the service of a Dispute Notice, the dispute is not settled or good faith consultations have not taken place, then either Party shall be entitled to refer the dispute for final and binding resolution to arbitration in accordance with paragraph (3) of this Article.

(3) Any dispute, controversy or claim arising out of or relating exclusively to this Agreement, or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules:

- a) The appointing authority shall be the Secretary-General of the Permanent Court of Arbitration at The Hague;
- b) The number of arbitrators shall be three, the language to be used in the arbitral proceedings shall be English;
- c) The seat, or legal place, of arbitration shall be The Hague.

Article 13 Exchange of information

(1) All information provided or generated pursuant to this Agreement will be safeguarded, used, transmitted, stored, handled in accordance with the Parties national laws and regulations.

(2) The Party will take all lawful steps available to it to ensure that all classified information provided or generated pursuant to this Agreement is used only for the purposes it was provided and is protected from further disclosure unless the other Party consents to such a disclosure.

Article 14 Additions

All additions and modifications to this Agreement, which will be numbered consecutively, shall be duly signed by both Parties. No addition or modification of this Agreement shall be effective or binding on either of the Parties hereto unless agreed in writing and duly signed by the Parties.

Article 15 Entry into Force and Review

(1) This Agreement shall enter into force after both Parties have signed the Agreement.

(2) This Agreement shall be jointly reviewed upon written request of one of the Parties. Either Party shall give a three (3) month's written notice to the other Party.

Article 16 Termination

(1) The agreement shall remain in force until the 31st of March 2023 or until both Parties have duly performed their contractual obligations under the present Agreement, whichever is later.

(2) By way of exception, this Agreement can be terminated prematurely by mutual written arrangement of the Parties.

Signed in Helsinki and Brussels on the 1st of December 2022 in two original copies each in the English language.

The Republic of Finland, being represented by The Minister of Economic Affairs	The Brussels-Capital Region, being represented by the Minister of Climate Transition, Environment, Energy and Participatory Democracy, Social Action and Health
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Mika Lintilä	Alain Maron