



## A new chapter for Danish subsurface: The Danish Energy Agency opens a licensing round for exploration and storage of CO<sub>2</sub> onshore

It is now possible to apply for subsurface exploration license for CO<sub>2</sub> storage in five designated onshore areas. The application deadline is 24 January 2024.

In February 2023, the Danish Energy Agency (DEA) granted the first exploration licenses for geological CO<sub>2</sub> storage. Now, the next chapter in the story of geological CO<sub>2</sub> storage is opening.

Today, the DEA opens the licensing round for subsurface exploration of potential CO<sub>2</sub> storage under five designated areas around Gassum, Havnsø, Rødby, Stenlille and Thorning, as shown on the affixed map. Exploration licenses will be granted for up to six years, with the possibility of applying for extension up to a total of 10 years. If the area fulfils all environmental requirements, and a suitable structure for CO<sub>2</sub> storage is proved, the licensee will have a preferential right to apply to have the license extended with an exclusive right to carry out storage activities for up to 30 years.

The DEA has announced the conditions for the application round. The application deadline is 24 January 2024.

### **The five areas are particularly well suited**

The five designated areas each have geological structures in the subsurface, which have been identified by the Geological Survey of Denmark and Greenland (GEUS) as particularly well suited for geological storage of CO<sub>2</sub>.

A strategic environmental assessment (SEA) has been carried out for the designated areas. The assessment report and the summary note for the SEA will be published along with the conditions for the application round on the DEA webpage [here](#).

### **Applications for nearshore areas await the maritime spatial plan**

In addition to the designated areas, the strategic environmental assessment also includes three nearshore areas: 'Inez', 'Lisa' and 'Jammerbugt'. However, exploration licences for the areas 'Inez' and 'Jammerbugt' cannot be granted until the consultation period for the new maritime spatial plan is concluded. To ensure fair competition and an efficient administration of the licensing round, all three nearshore areas will be tendered at a later date.

The DEA expects to announce the nearshore licensing round in the first half of 2024. The conditions for the nearshore licensing round are expected to resemble those for the onshore round, except for regulations that are only relevant onshore.

### **Facts**

- According to the [agreement on improved regulatory framework for CCS in Denmark](#) of 20 September 2023, a licensing round must open before the end of 2023.

- Exploration licenses area granted for up to six years, with the possibility of an extension up to a total of ten years. If a suitable storage location is proven, the licensee has a preferential right to apply for a storage license with a length of up to 30 years.
- A strategic environmental assessment has been carried out, to ensure environmentally responsible storage.
- Activities during the exploration phase, as well as specific storage projects, wells etc. are subject to the Environmental Impact Assessment Act, and will be contingent on either an environmental impact screening and habitat impact assessment or a full environmental impact assessment (EIA).
- As stipulated in [agreement on regulatory framework for CO2 storage](#) of 21 June 2022, the Danish state will participate in all exploration and storage licenses with an ownership share of 20 percent through Nordsøfonden.
- Three exploration licenses have already been granted in the Danish sector of the North Sea. For more information, [see the DEA webpage](#).

## Contacts

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