

Agreed Minutes
concerning the Right of Participation pursuant to Articles 5 and 6 of the
Agreement of 22 October 1981 between Iceland and Norway on the
continental shelf in the area between Iceland and Jan Mayen

In accordance with the Agreement of 22 October 1981 between Iceland and Norway on the continental shelf in the area between Iceland and Jan Mayen, Iceland and Norway, hereinafter referred to as “the Parties”, have the right to participate with a share of 25 percent in petroleum activities on the other Party’s continental shelf, in conformity with the terms of the said Agreement.

The Parties agree that the following procedures shall apply in relation to these rights of participation.

1. Before a Party announces an area, for which applications for exploration and production licences may be submitted, within the area defined in Article 2 of the Agreement, that Party shall inform the other Party about the forthcoming announcement.
2. The announcement shall include information concerning the other Party’s right of participation and hence, its right to also have access to all applications with appurtenant documentation.
3. A copy of all applications with appurtenant documentation shall be submitted by the awarding Party to the other Party with no undue delay after they have been received.
4. The awarding Party shall consult the other Party when formulating mandatory work programmes for licences to be awarded and shall ensure the other Party timely access to relevant information in that respect.
5. In order to enable the other Party to make an informed decision on whether to exercise its right of participation, and if so to what extent, the awarding Party shall without undue delay forward to the other Party plans and proposals to award licences, including all work programmes and other draft documents.
6. Within 30 days of receipt of all information referred to in paragraph 5, the other Party shall notify the awarding Party of its decision on whether to exercise its right of participation, and if so to what extent. With regard to Iceland’s right of participation pursuant to Article 5 of the Agreement, such notification may be given up to 30 days after a notification, with appurtenant documentation, from Norway that a hydrocarbon deposit has been declared commercial. Norway shall inform Iceland when a decision-making process for a declaration on commercialization of a hydrocarbon deposit has been initiated and shall submit all relevant information to Iceland.
7. Each Party has the right to transfer its share – in whole or in part – in any licence awarded to it by the other Party in accordance with the Agreement, subject to prior consultation and in accordance with the awarding Party’s national legislation.

8. Participation rights shall be exercised on the basis of a licence and within the framework of a joint venture agreement. A Party deciding to participate in the petroleum activities on the continental shelf of the other Party shall either itself be a party to the joint venture agreement or appoint a legal person to hold this position on its behalf.
9. The joint venture agreement shall contain voting rules which in a balanced manner both reflect the participating interest and protect a minority interest. The joint venture agreement shall contain provisions allowing a participant to individually decide whether or not to take part in a particular field development plan for hydrocarbon deposits, and the right to assign a participating interest.
10. The procedures set out in these Agreed Minutes do not affect the particular provisions contained in Articles 5 and 8 of the Agreement of 22 October 1981 between Iceland and Norway on the continental shelf in the area between Iceland and Jan Mayen.

Signed in duplicate at on
in the English language.

For Iceland

For Norway