

REPORT on Compliance with Investment Treaty Arbitration Awards 2022

Highlights:

- In this very first edition, we have focused on the top 20 countries that have received the most ISDS Awards and appear to be most delinquent in their international law obligations by avoiding payment of Awards rendered against them.
- The high number of EU Member States, in particular Spain, Czech Republic, Poland, Romania, Hungary, Croatia, Slovakia, Italy and Bulgaria, that refuse to pay Awards is notable.
- Indeed, Spain ranks second of the most delinquent Respondents in the world when it comes to the refusal to pay these Awards – belonging to the same top-3 group as Venezuela and Russia.
- Spain has been confronted with more than 50 ISDS disputes, resulting in damages claims totalling more than USD 9.5 billion USD so far.
- The amount of the outstanding Awards totals at least USD 700 million.
- Our analysis illustrates that most unpaid ISDS Awards relate to disputes arising out of the renewable energy sector and rendered under the ECT, although some renewable energy Awards were issued also under intra-EU BITs.
- More specifically, it is noteworthy that awards resulting from disputes in the traditional, or “unclean,” energy sector are settled significantly more often than renewable energy awards.
- This trend casts doubt on the EU’s stated goals of leading the global energy transition.
- In sum, by refusing to pay the ISDS Awards, Spain and the other EU Member States undermine the international legal order and effectively throw into doubt the whole system of international investment treaties and arbitration.

The full report and a detailed analysis per country is available at:

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