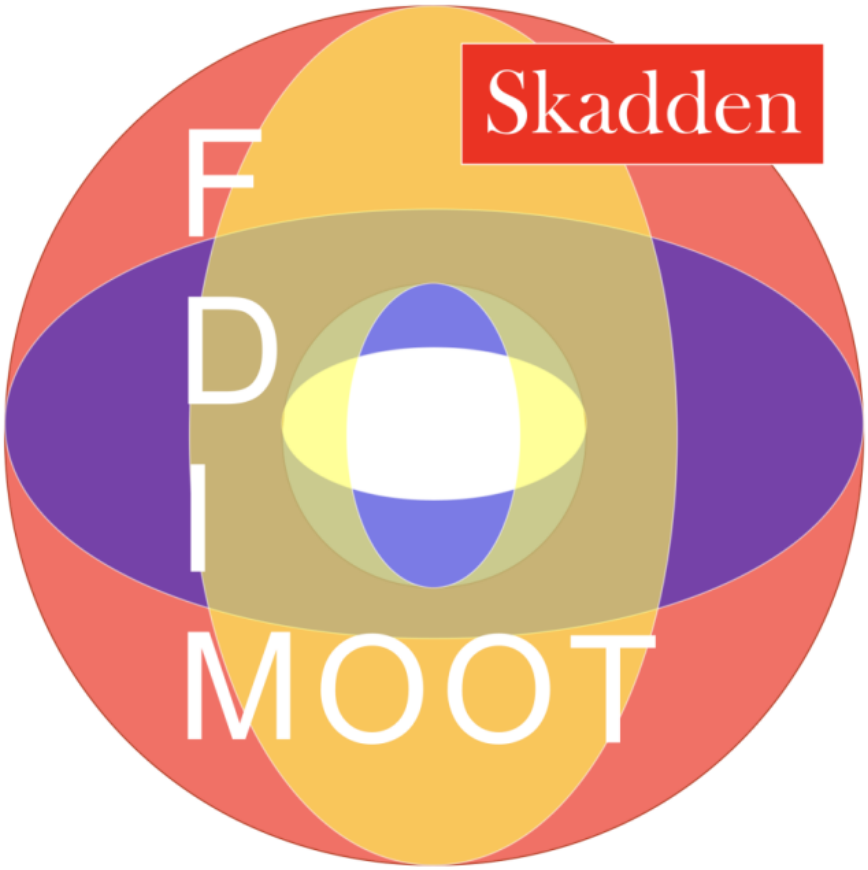
FDI MOOT CASE 2026



FOREIGN DIRECT INVESTMENT INTERNATIONAL ARBITRATION MOOT

Global Orals: 23-27 October 2026

The 2026 case was elaborated by the Case Committee consisting of Mariia Antonova, Esha Kumar, Effie Okola, Stanislava Sosnina (in alphabetical order), under the supervision of the FDI Moot's Review and Advisory Boards.

We would like to thank Prof Stefan Kröll and the Vis Moot for letting the 2025 Vis Moot's CISG case inspire this investor-State arbitration case.

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INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES

In the arbitration proceeding between

GreenHydro Plc.

(*Claimant*)

and

Equatoriana

(*Respondent*)

REQUEST FOR ARBITRATION

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30 March 2026

For the Claimant:

Mr. Maxwell Verdant
Verdant & Pierce LLP
18 Viale delle Energie Pulite,
Cittadella Energetica,
Mediterraneo

I. SUBMISSION OF THE DISPUTE TO ARBITRATION

1. This Request for Arbitration, together with Exhibits C-1 - C-9 is submitted by GreenHydro Plc. ("**GreenHydro**", the "**Claimant**") against Equatoriana ("**Equatoriana**", the "**Respondent**") to the International Centre for the Settlement of Investment Disputes ("**ICSID**") to initiate the following arbitration. The present proceedings are commenced in line with the Article 36 of the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (the "**ICSID Convention**") and Article 10 of the Agreement between the Government of Equatoriana and the Government of Mediterraneo for the Promotion and Protection of Investments, entered into on 1 January 1996 (the "**Equatoriana-Mediterraneo Agreement**").

2. The Claimant made its investment in Equatoriana by (i) entering into the Purchase and Service Agreement ("**PSA**")[1] with Equatoriana RenPower Ltd. ("**ERenPow**"), a state-owned company of Equatoriana, and (ii) acquiring Volta Transformer, a company registered under the laws of Equatoriana, by way of share purchase. The investment made by the Claimant falls under the definition of "investment" contained in Article 1 of the Equatoriana-Mediterraneo Agreement and the dispute (the "**Dispute**") falls within Article 25 of the ICSID Convention as it concerns the violations of the Equatoriana-Mediterraneo Agreement by the Respondent, who failed to provide fair and equitable treatment to the investment of the Claimant.

3. Article 10 of the Equatoriana–Mediterraneo Agreement provides that disputes between an investor and the host State shall be resolved through arbitration administered by ICSID.

II. THE PARTIES

4. The Claimant, GreenHydro, is an engineering company registered under the laws of Mediterraneo. GreenHydro specialises in the planning, construction, and sale of plants for the production of green hydrogen and connected services for the whole hydrogen and Power-to-X value chain for the industry, energy, and mobility sector.

[1] Exhibit C-1, Excerpt from the Purchase and Service Agreement between GreenHydro Plc. and Equatoriana RenPower Ltd. dated 17 July 2023.

5. The Claimant is represented by Verdant & Pierce LLP.[2] The Claimant respectfully requests that all communications in this arbitration be directed to its counsel at the following address:

Mr. Maxwell Verdant
Verdant & Pierce LLP
18 Viale delle Energie Pulite,
Cittadella Energetica, Mediterraneo
Mob: 789-9913621
Email: mverdant@verdantpierce.com

6. The Respondent is Equatoriana, a sovereign state. Equatoriana has been an ICSID member state since 1 December 1990. To the best of the Claimant's knowledge, the Respondent is represented in the arbitration by:

Ms. Camila Ventura
LexEnergia Equatoriana
Regent Court, 10 Commonwealth Avenue
Grand Harbor 22015, Equatoriana
Mob: 915655712
Email: camila@lexenergia.eq

III. SUMMARY OF THE DISPUTE

7. The Claimant is an engineering company registered under the laws of Mediterraneo, specialising in the design, construction, and commercialisation of green hydrogen production plants, as well as in providing integrated services across the hydrogen and Power-to-X value chain for the industrial, energy, and mobility sectors. Recently, the Claimant developed an innovative process for producing green hydrogen for industrial use based on the PEM electrolysis method. The Claimant is regarded as a pioneer in renewable energy development, with a particular focus on advancing the industrial application of green hydrogen.

[2] Power of Attorney is intentionally omitted.

8. Since 2018, the Claimant has been evaluating foreign markets and considered Equatoriana as a potential host State for its investments due to its conducive legal framework for renewable energy projects. In 2019, Equatoriana adopted the Green Energy Strategy Act to facilitate a national green energy program of Equatoriana.[3] The Green Energy Strategy Act was introduced at the initiative of Mr. James Positive ("**Mr. Positive**"), a member of the leading People's Choice Party ("**PCP**") and the Minister of Energy and Environment, who expressed big ambitions about the Green Energy Strategy Act.

9. Through the Green Energy Strategy Act, Equatoriana adopted the Net-Zero 2040 goal, aiming to substantially decarbonise energy production for the transportation and industrial sectors while offsetting any residual emissions by 2040. The implementation of the Green Energy Strategy Act was financed through the issuance of Sovereign Green Energy Bonds ("**SGE Bonds**"),[4] with the development of green hydrogen serving as its principal focus. Further, the Respondent's unwavering commitment to investment in this sector was evident from its use of public funds, as the proceeds of the bonds were strictly applied to the purposes for which they were issued.

10. ERenPow was designated as the primary vehicle for implementing the Green Energy Strategy Act, with a specific mandate to accelerate the development of infrastructure for green hydrogen production and related derivatives, such as eAmmonia. ERenPow is a wholly government-owned entity, established in 2004 through the consolidation of two state-owned renewable energy companies. Its management and board of directors are appointed by the State.

11. Since 2013, the PCP has consistently secured a parliamentary majority. During this period, the PCP Government has pursued a development trajectory centred on environmentally sustainable and renewable energy initiatives. Notably, in 2013, Equatoriana introduced caps on petrol and gas usage.

12. Following the introduction of the Green Energy Strategy Act, none of Equatoriana's neighbouring States could claim a comparable level of consistent and progressive legislative advancement in the energy sector, particularly in relation to green hydrogen

[3] Exhibit C-2, Excerpt from the Green Energy Strategy Act 2019.
[4] Exhibit C-3, Sovereign Green Energy Bond.

production. The Green Energy Strategy Act effectively encouraged foreign investment in the renewable energy sector, with a particular emphasis on the development of green hydrogen production.

13. The consistent pro-renewable energy policies adopted by Equatoriana, the long-term objectives of the Green Energy Strategy Act, and Mr. Positive's personal assurances regarding its importance and immutability[5] reasonably assured the Claimant that the Respondent would not amend the Green Energy Strategy Act to the detriment of green hydrogen projects.

14. Therefore, when the Respondent in 2022 decided to construct three large green hydrogen production plants in line with the Green Energy Strategy Act, the Claimant applied to be listed as a potential contractor.

a. Claimant's investment

15. On 3 January 2023, ERenPow invited bids for the construction and delivery of a plant to produce green hydrogen and potential derivatives (the "**Green Hydrogen Plant**"), the premier renewable energy project of ERenPow and Equatoriana. ERenPow specifically invited the Claimant to participate in the reverse auction. As described in the tender documents, the bids had to address four elements. These were a fixed 100 MW plant delivered on a turnkey basis, one year of maintenance and training services, and two options available to the Respondent for expanding the plant. The first option concerned a simple increase in capacity of up to twice the originally contracted capacity. The second concerned the addition of a unit for the production of eAmmonia.

16. The Claimant submitted its tender for the Green Hydrogen Plant based on its patented proton exchange membrane ("**PEM-electrolysis**") process, which achieves greater efficiency by channelling the excess heat generated during electrolysis for district heating.

17. The Claimant emerged successful in the tender and, on 17 July 2023, entered into the PSA with ERenPow for the Green Hydrogen Plant, which was scheduled to begin operation at the start of 2026. The PSA was based on the Model Purchase and Sales

[5] Exhibit C-4, Interview with Mr. Positive of 28 March 2019.

Agreement for governmental entities in Equatoriana. It was signed in the presence of Mr. Positive, during which assurances regarding the stability and continuity of the project were once again provided on behalf of Equatoriana.[6]

18. A transformer ordered from Volta Transformer for another project that ultimately did not materialise was to be used for the Green Hydrogen Project in Equatoriana. Volta Electrolyser, a subsidiary company of Vola Transformer, supplied the electrolyser stacks and packaging services required by the Claimant. When the Volta family presented an offer in November 2023, the Claimant acquired the local Equatorianian company, Volta Transformer. The Claimant became the sole shareholder of Volta Transformer with the aim of facilitating and streamlining its operations for the Green Hydrogen Plant.

19. On 1 October 2023, ERenPow disbursed 10 percent of the Contract Price in accordance with the PSA. On 1 November 2023, the Claimant submitted the Permission Planning for approval, as required under the PSA. Following a minor delay caused by a subcontractor, on 28 February 2024, the Claimant submitted the Final Plans, though without the planning for the eAmmonia module.

b. The measures taken by the Respondent towards the Claimant's investment

i. Amendment to the Green Energy Strategy Act

20. In October 2023, the Equatoriana National Party ("**ENP**") gained a majority in the parliamentary elections. Mr. Positive was subsequently replaced by Ms. Theresa Vent ("**Ms. Vent**"), a member of the ENP. To the Claimant's surprise, the political reshuffle resulted in a diametric revision of the Green Energy Strategy Act in December 2023,[7] whereby the ENP removed the focus on green hydrogen production, *inter alia* by reducing the funds allocated to this sector ("**Green Energy Strategy Amendment Act**"). These changes were applied retroactively to the Claimant, despite being contrary to the Green Energy Strategy Act, effectively stripping the Claimant of the benefits

[6] Exhibit C-5, Press Report of 17 July 2023 on the press conference after signing of PSA.

[7] Exhibit C-6, Green Energy Strategy Amendment Act 2023.

guaranteed to it. In addition to this, the Green Energy Strategy Amendment Act was cause of concern to the SGE Bond holders as well.[8]

ii. Termination of the PSA by ERenPow and FAI arbitration

21. After assuming office, Ms. Vent replaced the CEO of ERenPow as well as the members of its board of directors. In light of the revision of the Green Energy Strategy Act, on 29 February 2024, ERenPow issued a unilateral termination of the PSA, alleging that the Claimant had fundamentally breached the agreement by failing to deliver the Final Plans within the timeline prescribed under the PSA. ERenPow further asserted that the PSA had become incompatible with the revised government policies set out in the Green Energy Strategy Amendment Act.

22. Later, on 25 May 2024, ERenPow proposed renegotiating the PSA, requiring a reduction of the contract price by at least 15 percent. ERenPow further indicated that the renegotiation had been discussed with Ms. Vent and would be subject to her approval. This offer was not only commercially unviable for the Claimant but also blatantly inconsistent with ERenPow's prior commitments. Consequently, on 31 July 2024, the Claimant initiated arbitration proceedings against ERenPow before the Arbitration Institute of the Finland Chamber of Commerce, as provided under Article 30 of the PSA ("**FAI arbitration**").

23. As a result of the termination of the PSA, the Claimant incurred significant losses, including those arising from the reservation of a transformer of this scale, the acquisition of Volta Transformer for the purposes of performing the PSA, its contractual commitments with Volta Electrolyser and Green Ammonia, as well as potential lost profit under the PSA. Despite these losses, all that the Claimant sought was the continuation of the PSA. Accordingly, in the FAI arbitration, the Claimant requested that the tribunal declare that the PSA had not been validly terminated and order the specific performance of the PSA.

24. On 30 September 2025, the arbitral tribunal in FAI arbitration rendered an award concluding that the PSA had been validly terminated under the Equatorianian Civil

[8] Exhibit C-7, Excerpt from the Press Report of June 2024 on Bondholder's response to the termination of PSA.

Code ("**FAI award**").[9] However, the arbitral tribunal declined to find any fundamental breach of the PSA on the part of the Claimant.

25. While the Claimant had earlier pursued a commercial arbitration against ERenPow limited to contractual issues, the present ICSID arbitration arises from the Respondent's violations of its treaty obligations.

IV. THE RESPONDENT VIOLATED APPLICABLE FAIR AND EQUITABLE TREATMENT OBLIGATIONS IN RESPECT OF CLAIMANT'S INVESTMENT

a. The PSA was terminated in violation of the procedure prescribed by Article 2 of the Equatoriana-Danubia Agreement

26. The Respondent treated the investment of the Claimant unfairly and inequitably by terminating the PSA.

27. Article 3(1) of Equatoriana-Mediterraneo Agreement requires the host State to accord fair and equitable treatment ("**FET**") to the investment of an investor. Article 3(3) further provides that covered investors and investments shall receive treatment no less favourable than that accorded, in similar circumstances, to investors and investments of any third country (the "**MFN Clause**").

28. In this regard, Article 2 of the Agreement between the Government of Equatoriana and the Federal Council of Danubia on the Mutual Encouragement and Protection of Investments dated 1 November 1995[10] ("**Equatoriana-Danubia Agreement**") provides more favourable treatment, as it contains a specific procedure for the termination of contracts in the renewable energy sector. Therefore, pursuant to the MFN clause, the FET standard contained in Article 2 of the Equatoriana–Danubia Agreement should be applied by the arbitral tribunal in the present case (the "**Arbitral Tribunal**").

29. The Respondent may state that Equatoriana-Danubia Agreement was terminated on 29 October 2023 and hence Article 2 cannot be imported. However, the Equatoriana-Danubia Agreement contained a sunset clause enshrined in Article 11 which provides

[9] Exhibit C-8, Excerpt from the Finish Arbitration Institute Award of 30 September 2025.
[10] Exhibit C-9, Excerpt from the Equatoriana – Danubia Agreement of 1 November 1995.

that the Equatoriana-Danubia Agreement shall remain in force, with respect to investments made prior to its termination, for a period of seven years.

30. As was mentioned above, the Claimant made its investment, i.e. entered into the PSA, on 17 July 2023, prior to termination of the Equatoriana-Danubia Agreement and the Dispute arose during the effect of the sunset clause, therefore, Article 2 of the Equatoriana-Danubia Agreement can be imported to the present case through the MFN clause in Equatoriana-Mediterraneo Agreement.

31. Therefore, the Claimant is permitted to import the FET standard from Equatoriana-Danubia Agreement by invoking the MFN clause in the Equatoriana-Mediterraneo Agreement.

b. The Respondent frustrated the legitimate expectations of the Claimant

32. In any event, the Respondent failed to treat the Claimant's investment fairly and equitably by frustrating the legitimate expectations created towards the energy policy of Equatoriana and performance of the PSA.

33. First, the Respondent created the Claimant's legitimate expectations through the general legislative and regulatory framework. In particular, the Green Energy Strategy Act contained clear stability assurances concerning green hydrogen projects, as well as an assurance that the Green Energy Strategy Act would not be applied in a retroactive manner. In addition, Mr. Positive gave further assurances regarding the stability of the Green Energy Strategy Act and the safety of the Claimant's investment. In these circumstances, the Claimant reasonably expected that the PSA would be secured and supported rather than terminated.

34. Second, the Claimant placed reliance on this legislative framework when making its investment. The Green Energy Strategy Act, including the SGE Bond Framework under Schedule II of the Green Energy Strategy Act, formed part of the general legal environment governing renewable energy in Equatoriana. The Green Energy Strategy Act had been adopted with the specific aim of attracting foreign investment into the renewable energy sector. The Claimant would not have agreed to build the Green Hydrogen Plant but for these assurances provided by the Respondent, including through its legislation.

35. Third, the Respondent frustrated the Claimant's legitimate expectations by revising the Green Energy Strategy Act in a manner that allowed ERenPow to terminate the PSA. As a result, the Claimant incurred significant losses.

36. Therefore, the Respondent violated Article 3(1) of the Equatoriana-Mediterraneo Agreement by frustrating the legitimate expectations of the Claimant.

V. ACTIONS OF ERENPOW ARE ATTRIBUTABLE TO THE RESPONDENT

37. The actions of ERenPow in its commercial relations with the Claimant in connection with the PSA are attributable to the Respondent. ERenPow acted under the direction or control of the Respondent in accordance with Article 8 of the United Nations International Law Commission's Articles on Responsibility of States for Internationally Wrongful Acts 2001.

38. The Respondent owns 100% shares of ERenPow, appoints the executive positions in ERenPow, and determines the commercial and business decisions of ERenPow. Besides, it was expressly designated in the Green Energy Strategy Act as the entity responsible for implementing that strategy on behalf of the Respondent. Hence, the actions of ERenPow in commercial relations, i.e. regarding the PSA, with the Claimant, are attributable to the Respondent.

VI. CONSTITUTION OF THE ARBITRAL TRIBUNAL

39. In accordance with Article 37(2)(a) of the ICSID Convention, the Claimant proposes that the Arbitral Tribunal be composed of three arbitrators, where each party shall appoint one arbitrator.

40. The Claimant proposes that the parties shall thereafter jointly appoint the presiding arbitrator within fifteen (15) days from the appointment of the second arbitrator, following a procedure inspired by Article 30 of the Shenzhen Court of International Arbitration ("**SCIA**") Arbitration Rules 2025. In the event that the parties are unable to jointly appoint the presiding arbitrator within this period, the appointment shall be made in accordance with Article 38 of the ICSID Convention.

41. The Claimant emphasises that this proposal does not confer any administrative or institutional role on SCIA. All functions relating to the registration of the request,

administration of the proceedings, and appointment of arbitrators remain with the ICSID Secretariat. The proposed SCIA procedure is intended solely as a model for the sequence and mechanics of an efficient and expeditious appointment process, subject at all times to the Respondent's consent and the mandatory provisions of the ICSID Convention and Arbitration Rules.

42. Accordingly, the Claimant herewith appoints, as one of the arbitrators:
Dr. Cikū Oluwapemi
Asari street 59, 134 78, Republic of Verencia
E-mail: C.Oluwapemi@pmail.com

43. Further, subject to the Respondent's consent, the Claimant proposes the appointment of Mr. Arlo Gooseman as the President of the Tribunal.

44. In light of the above, the Claimant respectfully requests the Secretary-General to register this Request for Arbitration against Equatoriana pursuant to Article 36(3) of the ICSID Convention.

VII. RELIEF

45. In light of the above, the Claimant respectfully requests the Arbitral Tribunal to:

a. DECLARE that the Arbitral Tribunal has the jurisdiction over the Dispute;

b. DECLARE that the Respondent violated Article 3 of the Equatoriana-Mediterraneo Agreement;

c. ORDER the Respondent to provide the Claimant the damages in the amount determined at the appropriate stage of the proceedings, plus interest until the date of payment;

d. ORDER the Respondent to compensate all costs and fees incurred by the Claimant in relation to the proceedings.

For and on behalf of Claimant,
Mr. Maxwell Verdant
Verdant & Pierce LLP

Exhibit C-1, Excerpt from the Purchase and Service Agreement between GreenHydro Plc. and Equatoriana RenPower Ltd. dated 17 July 2023

PURCHASE AND SERVICE AGREEMENT

Whereas the government of Equatoriana, as the owner of Equatoriana RenPower Ltd., has set in its Green Energy Strategy Act the goal to decarbonise energy production, the transport sector, and industrial production by 2040;

Whereas Equatoriana RenPower has been entrusted with implementing this strategy in the area of energy production and building up an infrastructure for the production of green hydrogen and possible derivatives such as eAmmonium infrastructure;

Whereas in pursuance of those objectives Equatoriana RenPower intends to build a plant for the production of green hydrogen and possible derivates;

Whereas GreenHydro Plc is a leading producer of electrolysers with experience in the use of PEM-electrolysers and the owner of a protected production process;

Whereas both GreenHydro Plc and Equatoriana RenPower are committed to jointly building the plant and making it operational by 1 January 2026;

Equatoriana RenPower Ltd., Rue 9, Capital City, Mediterraneo ("**CUSTOMER**"),

and

GreenHydro Plc, Crescent 3, Oceanside, Equatoriana ("**CONTRACTOR**"),

collectively referred to as "**the Parties**", conclude the following Agreement.

Article 1 – DEFINITIONS AND INTERPRETATION

…	…
Extension-Option	Customer's option defined in Article 2 (2) to request until 31 December 2026 an extension of the Plant of up to 100 MW at the price fixed and in line with the schedule agreed in Annex 2.
eAmmonia-Option	Customer's option defined in Article 2 (3) to request until 31 December 2026 the addition of a part to produce eAmmonia at the price fixed and in line with the schedule agreed in Annex 3.
…	…

Plant	The 100 MW plant for the production of green hydrogen to be built on the Greenfield side with the specification and performance indicators as described in detail in Annex 1.

Article 2 – SCOPE OF SUPPLIES AND SERVICES AND OTHER CONTRACTOR OBLIGATIONS / SCOPE OF SERVICES

The Contractor agrees

(1) to deliver the 100 MW Plant for the production of green hydrogen with the technical and performance specifications as described in detail in Annex 1 in accordance with the terms of delivery as defined in Article 3;

(2) to grant Customer an option to be exercised until 31 December 2026 to request an extension of the Plant of up to 100 MW at the price, timeline, and specification fixed in Annex 2;

(3) to grant Customer an option to be exercised until 31 December 2026 to request the addition of a module for the production of eAmmonia of up to 100 MW at the specification, price, and timeline fixed in Annex 3;

(4) to provide maintenance and training services as agreed in detail in Annex 4.

Article 3 – TERMS OF DELIVERY / CONTRACTUAL MILESTONES

The Contractor agrees to deliver and hand over the Plant as agreed no later than 2 January 2026.

To ensure the timely hand-over the Contractor agrees to the following milestones described in detail in Annex 5:

1 November 2023	Submission of Permission Planning for approval
1 February 2024	Submission of Final Plans for approval (including a plan for eAmmonia Option)
1 June 2024	Start of building activities on-site
1 October 2025	Test run
1 November 2025	Performance and Acceptance Test

Article 4 – CUSTOMER'S OBLIGATIONS REGARDING PERMISSIONS, INSTALLATION AND COMMISSIONING / CUSTOMER'S OBLIGATION

The Customer is required to use its best endeavours to ensure the finalization of the project within the agreed schedule by supporting the Contractor where possible and taking all steps necessary from its side. In particular, the Customer is obligated to

(1) hand over the construction site at Greenfield in the condition and with necessary infrastructure as detailed in Annex 5 by 2 January 2024;

(2) to ensure the issuance of the necessary permits for the construction and operation of the plant by the Equatorianian authorities by 1 May 2024;

(3) to provide the necessary utilities for the construction of the Plant (Electricity/Water/Sewage); and

(4) to ensure the connection of the plant to the green energy.

Delays in the fulfilment of any of these obligations may endanger the delivery of the Plant in accordance with the timeline in Article 3. Such delays entitle the Contractor to ask for an extension of the milestones and the timeline but not for further remuneration or damages if they do not exceed 6 months.

Article 5 – TRANSFER OF TITLE

[...]

Article 7 – REMUNERATION / CONTRACT PRICE AND PAYMENT

For the delivery of the Plant and the additional maintenance and training services, the Contractor is entitled to an overall remuneration of EUR 285,000,000 (Contract Price).

Payments have to be made according to the following schedule:

1 October 2023	10% of the Contract Price
10 February 2024	25% of the Contract Price
1 January 2025	25% of the Contract Price
10 October 2025	10% of the Contract Price
10 January 2026	20% of the Contract Price
31 December 2026	10% of the Contract Price

The payment schedule is dependent on the Contractor's fulfilment of its corresponding obligations.

[…]

Article 17 – PERFORMANCE BANK GUARANTEE

The Contractor (GreenHydro), within 30 days from the signing of this Agreement, shall furnish a Performance Bank Guarantee for an amount equal to 20% of the Contract Price issued by any nationalised or commercial bank incorporated in Equatoriana towards the performance of this

Agreement. The Customer (ERenPow) shall be entitled to encash the Performance Bank Guarantee upon default in construction after the start of the building activities.

Article 18: PERFORMANCE AND ACCEPTANCE TEST

The acceptance of the Plant will be based on the successful completion of the Performance and Acceptance Test as specified in Annex 7. The Contractor will approach the Customer at least one month prior to the planned date to coordinate the details of the Test and ensure that the Test Conditions will be met.

If the Plant does not pass the Test, the Contractor and the Customer will discuss the future steps to remedy the shortcomings. The Contractor is entitled to prove the conformity of its performance by another Test.

[…]

Article 27: RECORDS AND DATA ACCESS

Operating data obtained by the Contractor during the Performance and Acceptance Test and thereafter in the course of the maintenance and training services are the property of the Customer. This data shall be kept confidential. The Customer will allow the Contractor to use this data for reference purposes in accordance with the principles and the approval procedure foreseen in Annex 11.

Article 28: TERMINATION

1. Both Parties may terminate this Agreement for cause in case of a failure of the other Party to perform any of its obligations resulting from this Agreement that amounts to a serious and fundamental non-performance.

2. There is no right for the CUSTOMER or the CONTRACTOR to terminate the Agreement for convenience against the payment of compensation. Both Parties will use their best endeavours to realize the project.

Article 29: GOVERNING LAW

The Agreement is governed by the law of Equatoriana to the exclusion of its conflict of laws principles.

Article 30: DISPUTE RESOLUTION

Any dispute, controversy or claim arising out of or relating to this contract, or the breach, termination or validity thereof, shall first be submitted to mediation in accordance with the Mediation Rules of the Finland Chamber of Commerce.

(a) The place of mediation shall be Danubia.

(b) The language of the mediation shall be English.

Any dispute, controversy or claim arising out of or relating to this contract, or the breach, termination or validity thereof, shall be finally settled by arbitration in accordance with the Rules for Expedited Arbitration of the Finland Chamber of Commerce. However, at the request of a party, the Arbitration Institute of the Finland Chamber of Commerce may determine that the Arbitration Rules of the Finland Chamber of Commerce shall apply instead of the Rules for Expedited Arbitration, if the Arbitration Institute considers this to be appropriate taking into account the amount in dispute, the complexity of the case, and other relevant circumstances.

(a) The seat of arbitration shall be in Vindobona, Danubia.

(b) The language of the arbitration shall be English.

Article 31: MISCELLANEOUS

This document contains the entire agreement between the Parties and is based on the Model Purchase and Sales Agreement for governmental entities in Equatoriana. It should be interpreted in light of the Request for Quotation RFQ 1/2023.

Equatoriana,

17 July 2023

Michelle Faraday, CEO

Poul Cavendish, CEO

ANNEX 1
[…]

ANNEX 7 - Performance and Acceptance Test

1. Purpose of the Test

The Performance and Acceptance Test shall assess whether the Plant, as an integrated installation, is capable of safe, continuous, and stable operation using the PEM electrolysis technology and the protected process employed by the Contractor, in accordance with the technical specifications set out in herein and the capacity requirements stipulated by the Customer.

2. Capacity and Configuration

At the time of the Performance and Acceptance Test, the Plant shall demonstrate an operational capacity of **100 MW**, or such extended capacity as may have been validly requested by the Customer pursuant to Article 2(2), and shall include the eAmmonia module if the eAmmonia-Option has been exercised pursuant to Article 2(3).

3. Performance Criteria

The operability of the Plant shall be assessed by reference to:

(a) its ability to operate at the agreed capacity on a stable and continuous basis;

(b) the proper functioning of the PEM electrolysis process under normal operating conditions; and

(c) compliance with the technical and performance parameters specified in Annex 1.

4. Protected Process

For the purposes of the Performance and Acceptance Test, the Contractor's protected process and associated patent specifications shall serve as a technical reference standard, without limiting the Contractor's obligation to meet the performance and capacity requirements expressly agreed under this Agreement.

5. Test Outcome and Retesting

If the Plant does not successfully pass the Performance and Acceptance Test, the Parties shall consult in good faith on remedial measures. The Contractor shall be entitled to conduct one or more additional tests in accordance with Article 18 of the Agreement in order to demonstrate conformity with the agreed performance criteria.

Exhibit C-2, Excerpt from the Green Energy Strategy Act 2019



Green Energy Strategy Act 2019

An Act to make provision for the regulation of Sovereign Green Bonds and for the realisation of Green Energy Projects to support decarbonisation of energy production in furtherance of Equatoriana's Net-Zero 2040 goal.

25 March 2019

Definitions:

"**Authority**", for the purposes of this Act, means the Minister for Energy and Environment.

[…]

"**Designated Entity**" means a special purpose vehicle wholly owned by the Government of Equatoriana, designated in Schedule III, for carrying out Green Energy Projects under this Act either alone or in conjunction with other public or private entities, either domestic or foreign.

[…]

"**Green Energy Project**" for the purposes of this Act, is an eligible project under Section 2, undertaken by, or through, the Authority for the purposes of implementing this Act, whether executed directly by the Authority or through competitive tenders.

[…]

"**Sovereign Green Energy (SGE) Bond**" is a debt security issued by the Government of Equatoriana, the proceeds of which or an equivalent amount thereto shall be exclusively applied to finance or re-finance, Green Energy Projects.

1. National Importance of Strategic Energy

At the commencement of this Act, energy produced from renewable sources shall be recognised as a strategic energy resource of national importance, including energy generated from solar and wind sources, and in particular green hydrogen produced using renewable energy.

2. Eligible Projects

a. The following categories of projects shall be deemed eligible for implementation under this Act, provided that their operation is based on renewable energy sources and does not involve the direct combustion of fossil fuels:

(i) projects relating to hydrogen, which for the purposes of this Act shall be construed as green hydrogen, including its production, storage, and distribution;

(ii) projects relating to solar energy, including both utility-scale and distributed generation; and

(iii) projects relating to wind energy, whether onshore or offshore.

b. For the avoidance of doubt, the construction or manufacture of Eligible Projects may entail the use of rare earth materials, which shall, to the extent practicable, be sourced in an environmentally sustainable manner.

3. SGE Bonds

a. The Authority shall, at the beginning of each financial year, determine the total issue value of the SGE Bonds.

b. The Government of Equatoriana shall issue the SGE Bonds in accordance with the issue value determined under subsection (a).

c. The proceeds of the SGE Bonds shall be applied exclusively to Green Energy Projects, in accordance with the framework set out in Schedule II to this Act.

4. Required Permissions and Infrastructure

The Authority shall accelerate the process of granting permits, including the necessary environmental, construction, and operational clearances, for implementing any Green Energy Project. The permits shall be granted in a facilitated and expedited procedure, which shall include strict timelines and a limitation of the possible objections. The

Authority shall provide for a construction site for every Green Energy Project and will ensure that it is well-connected with the required infrastructure. To the extent such activities require cooperation between the ministries of the Government, facilitating such cooperation shall be the responsibility of the Authority.

5. Funding Allocation

The Authority shall allocate the proceeds of each issuance of SGE Bonds among the Eligible Projects in accordance with Schedule I of the Act.

6. Review and Amendment of Allocation

a. The Authority shall review the allocation ratios every five (5) years.

b. Any adjustment shall be enacted through amendment to this Act or its Schedule, taking into account cost-effectiveness, technological maturity, and national energy needs.

7. Non-Retroactivity

Any benefit or entitlement granted to a Green Energy Project under this Act shall not be revoked or diminished with respect to a project approved, licensed, or commissioned prior to any amendment of this Act.

8. Authority and the Designated Entities

a. The Authority shall appoint all board members to, and oversee all operations of, any Designated Entities.

b. The Authority may, where circumstances warrant and to the extent permitted by law, delegate the to a Designated Entity:

(i) the power to negotiate and conclude contracts with private entities under the Public Procurement Law of Equatoriana for the purpose of carrying out Green Energy Projects;

(ii) the power to manage and apportion the allocated funds for Green Energy Projects to private entities under subclause (i) based on predetermined milestones.

Schedule I (Initial Allocation Ratio)

Each annual tranche of SGE Bonds shall be issued in the following ratios, earmarked for the corresponding Green Energy Project categories:

1. Solar projects: 30%
2. Wind projects: 20%
3. Green Hydrogen projects: 50%

Schedule II (SGE Bond Framework)

Funds for project allocation under Schedule I shall be raised through the issuance of SGE Bonds.

1. Use of Proceeds

a. Each SGE Bond issued under this Act shall specify the Green Energy Project category or categories to which its proceeds shall be exclusively allocated. The proceeds from the SGE Bonds shall be utilised exclusively for projects falling within clearly defined Eligible Project categories under Section 2 within 48 months of its issuance.

b. Proceeds allocated for a particular Green Energy Project shall be managed by the Authority or Designated Entity undertaking such project.

c. Proceeds shall not be applied to projects involving the direct combustion of fossil fuels or other excluded technologies. Pending allocation, unutilised proceeds may be temporarily invested in cash or cash equivalents in accordance with the Government's treasury management policies.

2. Process for Project Evaluation and Selection

a. Each SGE Bond must contain the specifications of the following:

(i) The eligible project category for which the bond is issued;

(ii) The date of issuance and maturity period; and

(iii) The coupon rate.

b. Where a Green Energy Project funded through Sovereign SGE Bonds under the Green Energy Strategy Act is terminated or otherwise unable to proceed, the net proceeds of such Bonds shall be either:

(i) returned or redeemed upon the expiry of the 48 month period from their issuance; or

(ii) reallocated to another project within the same Eligible Project category within the 48 month period.

3. Management of Proceeds

The net proceeds of each SGE Bond, or an amount equal thereto, shall be credited to a sub-account, transferred to a sub-portfolio, or otherwise tracked by the Authority to ensure that the proceeds are not fungible with the Government's general funds and are applied exclusively to Green Energy Projects.

4. Reporting

The Authority shall make information regarding the use of proceeds from the issuance of SGE Bonds available to public biannually on the first Tuesday of the months January and July.

Schedule III (Designated Entities)

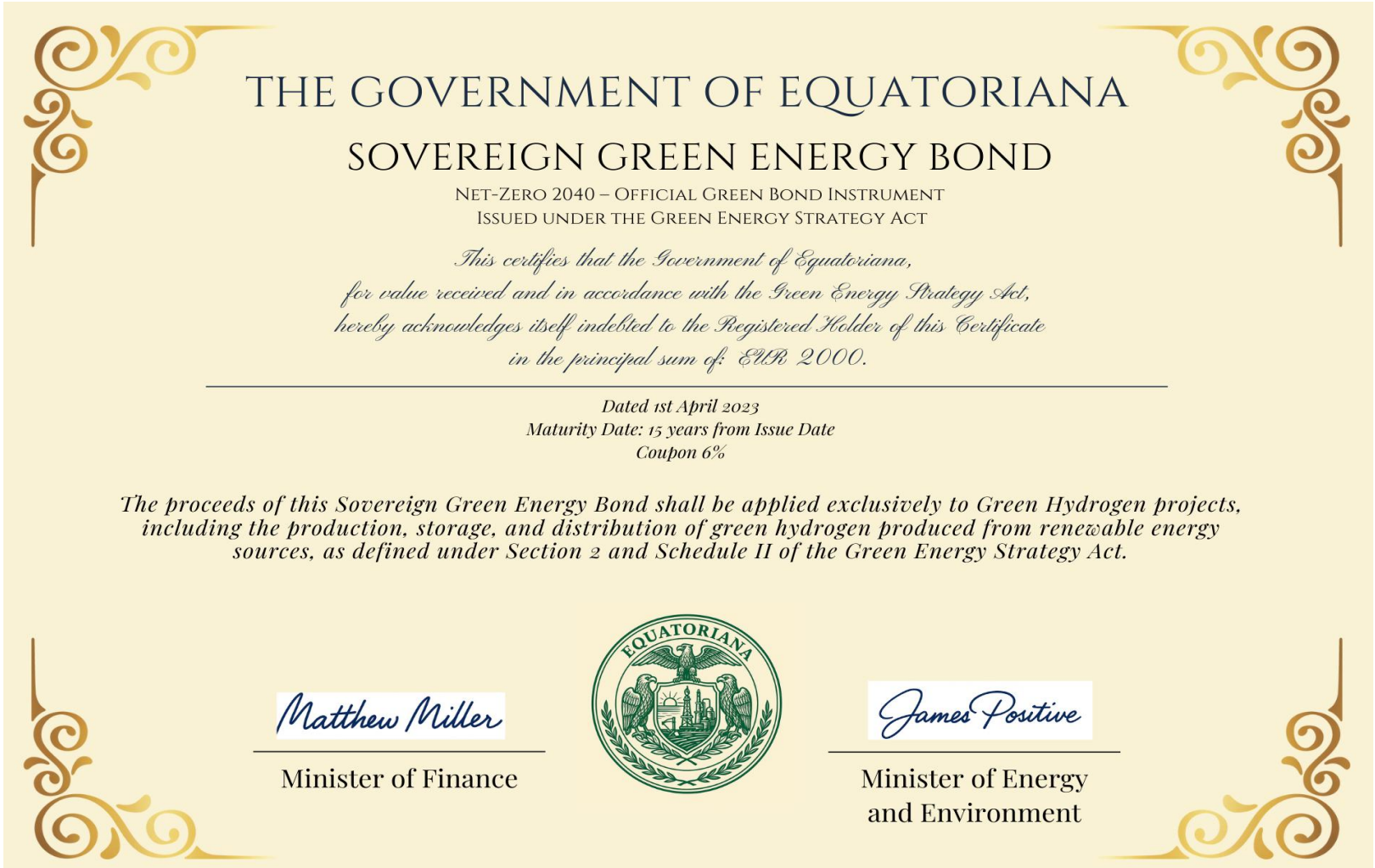
The Authority designates the following entities as Designated for the purpose of implementing the Green Energy Strategy Act:

[…]

4. Equatoriana Ren Power Ltd.

[…

Exhibit C-3, Sovereign Green Energy Bond



THE GOVERNMENT OF EQUATORIANA

SOVEREIGN GREEN ENERGY BOND

NET-ZERO 2040 – OFFICIAL GREEN BOND INSTRUMENT
ISSUED UNDER THE GREEN ENERGY STRATEGY ACT

This certifies that the Government of Equatoriana,
for value received and in accordance with the Green Energy Strategy Act,
hereby acknowledges itself indebted to the Registered Holder of this Certificate
in the principal sum of: EUR 2000.

Dated 1st April 2023
Maturity Date: 15 years from Issue Date
Coupon 6%

The proceeds of this Sovereign Green Energy Bond shall be applied exclusively to Green Hydrogen projects, including the production, storage, and distribution of green hydrogen produced from renewable energy sources, as defined under Section 2 and Schedule II of the Green Energy Strategy Act.

EQUATORIANA

Matthew Miller

Minister of Finance

James Positive

Minister of Energy and Environment

Equatoriana Daily 28 March 2019

GREEN LIT - PARLIAMENT ENACTS THE GREEN ENERGY STRATEGY ACT

Interview with Mr. Positive

"... visionary legislation - one through which Equatoriana will make decisive strides towards its ambitious Net-Zero 2040 goal by substantially decarbonising its major steel and transport industries."

Q Mr Positive, thank you sitting with me today. You have referred to the "Green Energy Strategy Act" as the most ambitious legislative policy in Equatorianian history. What makes you so confident it will succeed where previous initiatives have faltered?

Thank you for having me. My confidence in this Act comes from a blend of personal experience and a clear vision of our nation's potential. Prior to becoming Minister of Energy and Environment, I completed a bachelor's degree in Energy Systems Engineering, specialising in sustainability and renewable energy, followed by a master's degree in Energy Management for Sustainable Development. I then spent 15 years in the corporate sector managing sustainable renewable energy projects. I've seen diverse technologies employed, different strategies applied, and I understand what works, what doesn't, and the challenges involved. Hence, my goal is the widespread introduction and development of renewable energy sources, making them a central pillar of Equatoriana's national development.



"The cost of inaction of the state in health and economic sectors is equally as colossal.

...

This is an invitation to people of Equatoriana to own a piece of our sustainable future."

Q From our understanding of the Act, one of its main focuses is the implementation of Green Energy Projects to achieve the Net Zero 2040 goal. At the same time, such projects will likely require significant funding and resources. Are our companies ready for such innovative initiatives? And do you already know whether there are any interested parties?

You are absolutely right that Green Energy Projects require significant capital investment, but I would like to note that the Act also provides for the facilitation of obtaining the necessary permissions and for the development of infrastructure for Green Energy Projects.

As for interested parties, unfortunately, I am not in a position to share any information at the present moment. However, I would like to highlight that the Act does not require interested parties in Green Energy Projects to be from Equatoriana. We are confident that collaboration with our foreign partners in shaping our shared future holds great promise and potential for success.

Q That sounds promising. However, some critics have pointed to the colossal cost of the Act, particularly its focus on decarbonising the heavy steel and transport sectors. What is your response to them?

The cost of inaction in the health and economic sectors is equally colossal. The Green Energy Strategy Act treats our industrial backbone not as a problem, but as an opportunity for modernisation and job creation.

Q Where is the funding for the strategy coming from?

We intend to issue Sovereign Green Energy Bonds (SGE), which are designed to be very lucrative long-term investments for those who acquire them.

Q Are such investments even profitable?

The SGE Bonds are an investment, not a debt burden. This is an invitation to all people sharing the same values to own a piece of our sustainable future. The returns are not just financial, but also cleaner air, energy independence, and a thriving green-technology sector. We are building the infrastructure for the next century and securing a better future for younger generations.

Q In the context of future electoral cycles, can such a far-reaching strategy realistically be insulated from political change?

This is a point I must emphasise unequivocally: the Green Energy Strategy Act will not be merely a government programme, but a cornerstone of enduring legislation. I would hesitate to describe our own work in grand terms, but this is legislation through which Equatoriana will make decisive strides towards its ambitious Net Zero 2040 goal by substantially decarbonising its major steel and transport industries. By its very design, the Act is built for continuity, not subject to discontinuation or dilution with changing administrations. It is my life's work and I have crafted it to outlast any single political cycle. It is a commitment to the future we seek to achieve.

MAJOR BRIDGE CLOSURE DISRUPTS TRANSPORT ACROSS CENTRAL REGION

Authorities have closed the Santa Lucía Bridge indefinitely following structural safety concerns identified during an emergency inspection. The bridge connects three major provinces and is used daily by more than 40,000 vehicles.

Page 2



Exhibit C-5, Press Report of 17 July 2023 on the press conference after signing of PSA

EQUATORIANA TIMES

Politics ● 1 min read

Equatoriana RenPower and GreenHydro Sign Landmark Green Hydrogen Agreement

Jul 17, 2023

By Liza Negutif



What a day for Equatoriana's energy future. **Equatoriana RenPower Ltd.** has formally entered into an agreement with **GreenHydro Plc.**, a Mediterranean company specialising in renewable energy technologies, for the construction and delivery of a plant dedicated to the production of **green hydrogen and its potential derivatives**.

Negotiations, which began in **May 2023**, culminated today in the signing of the Agreement, marking a major milestone in the development of Equatoriana's energy system. Under the Agreement, GreenHydro is set to construct **Equatoriana's first large-scale green hydrogen production facility**, scheduled to be operational by **2026**.

The project has been designated as a **strategic national initiative** and positioned as a flagship undertaking under Equatoriana's **Green Energy Strategy Act**. It is also widely regarded as the flagship project of **Mr James Positive**, Equatoriana's Minister for Energy and Environment.

To mark the signing, a **joint press conference** was held today in the **Blue Hall**,[1] which *Equatoriana Times* had the pleasure and honour of attending. The conference was led by **Mr Poul Cavendish**, Chief Executive Officer of GreenHydro Plc., **Dr Michelle Faraday**, Chief Executive Officer of Equatoriana RenPower, and **Mr James Positive**. No other government officials were present.

[1] Blue Hall is the hall on the first floor of the building where the Government of Equatoriana is located.

Opening the conference, Mr Cavendish expressed his appreciation for the trust placed in GreenHydro:

"*It is a great honour for GreenHydro to be entrusted with such a significant project. We are proud to share our expertise in green hydrogen and renewable energy with Equatoriana and to contribute meaningfully to its economic and environmental ambitions. We are especially grateful to Minister Positive for his unwavering support from the very beginning, and we intend to fully justify that confidence.*"

Dr Faraday followed by emphasising the project's strategic importance for the country:

"*The Green Hydrogen Plant has the potential to be a quantum leap for Equatoriana's energy sector. It will not only advance domestic production capabilities but also secure Equatoriana's position among the leading nations in green energy innovation.*"

Minister Positive concluded the opening statements by highlighting the Government's commitment to the project:

"*This Agreement is a clear signal that Equatoriana is serious about its energy transition. Green hydrogen will play a central role in our long-term strategy, and the Government will do its utmost to facilitate all necessary permits and authorisations required for the timely construction and operation of the Green Hydrogen Plant, in full alignment with our Green Energy Strategy Act.*"

The opening remarks were followed by a series of questions from journalists, focusing on GreenHydro's previous experience, the financial parameters and specific terms of the Agreement, and the anticipated industrial and export uses of the future Green Hydrogen Plant.

Exhibit C-6, Green Energy Strategy Amendment Act 2023



Amendment Green Energy Strategy Amendment Act 2023

4th December 2023

AN ACT of Parliament to amend the Green Energy Strategy Act 2019. Enacted by the Parliament as follows:

1. The words "in particular" shall be deleted from the Section 1.

2. Section 5A shall be inserted as, "Allocations and incentives under this Act shall be structured to balance environmental objectives with the need to maintain affordable energy prices for domestic consumers and businesses."

3. Section 6(c) shall be inserted as "Where the continuation of any Green Energy Project under this law would impose undue economic burden on the competitiveness of Equatorianian businesses, the Authority or designated entity may terminate or renegotiate such project subject to fair, equitable, and transparent compensation to the investor."

4. Section 9 shall be inserted as "The Authority, or a designated authority acting under its instruction, reserves the right to revoke the Green Energy Project status under the Act of any project for reasons of public interest, including energy affordability and competitiveness."

5. Schedule I shall be amended as follows:

   The allocation of SGE Bond proceeds shall be revised as follows:

   i) Solar energy: 45%
   ii) Wind energy: 30%
   iii) Green Hydrogen: 25%

Exhibit C-7, Excerpt from the Press Report of June 2024 on Bondholder's response to the termination of PSA

Issue 3 EQUITORIANA INSTITUTE OF ECONOMIC STUDIES JOURNAL Vol. 3

June 2024

PULLING THE FIRE ALARM: BONDHOLDERS SEEK AN ESCAPE ROUTE

C.C Kiri

The infrastructure-backed bonds landscape of Equatoriana has been rattled by the storm of impatience that has been brewing since the ENP, through various legislative amendments, pivoted the country's energy policy. SGE Bond subscribers of the highly touted "SGE Bonds" are aggressively pursuing premature redemption, pursuant to para 2(ii)(a) of Schedule II of the Green Energy Strategy Act. This situation arises against the backdrop of ever-growing concern around the intersection of politics and ESG investing and the lack of proper contractual safeguards for fixed-term investors.

…

The current situation of impatience is fuelled by the uncertainty over the bonds as there have been no negotiations or government proposals forwarded since the policy shift began. Bondholders have expressed concern over the state of limbo they have been left in as they would only salvage their investments through the state's credit and redemption process as the main assets have factually been done away with.

Mr Wams Sato, the CEO of a green energy investor group, expressed in a recent interview that the investments in bonds were only made after they had done a strict ESG criteria and impact assessment and looked at the profitability of the investment only for the funds to be effectively repurposed for a different purpose under the new policy. He stressed that the only appropriate outcome would be immediate redemption.

…

The government's promises that the funds would be reinvested into a new "eligible project" has been met with scepticism as the SGE Bond holders find the current leadership distrustful owing to their swift and arbitrary cancellation of the GreenHydro project and switch of policy.

The current impatience of bondholders is more than just frayed nerves. It is a rational, collective response to a broken investment premise.

Exhibit C-8, Excerpt from the Finish Arbitration Institute Award of 30 September 2025



ARBITRATION INSTITUTE OF THE FINLAND CHAMBER OF COMMERCE

FAI MOOT 100/2024

GreenHydro PLC v. Equatoriana RenPower Ltd.

FINAL AWARD

30 September 2025

Tribunal
Prof. Dolores Greenhouse (President)
Mr. Narvin Aqua
Mr. Carl Gustaf Synonoun

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A. THE PARTIES AND THEIR REPRESENTATIVES

1. The claimant is GreenHydro PLC and is hereinafter referred to as “Claimant”.

The Claimant’s contact details are:

1974 Russell Avenue
Capital City
Mediterraneo

The Claimant is represented in these arbitration proceedings by:

Joseph Langweiler
Advocate at the Court
75 Court Street
Capital City
Mediterraneo
Tel (0) 146 9845; Telefax (0) 146 9850
Langweiler@lawyer.me

2. The Respondent is Equatoriana RenPower Ltd. and is hereinafter referred to as “Respondent”.

The Respondent’s contact details are:

1 Russell Square
Oceanside
Equatoriana

The Respondent is represented in these arbitration proceedings by:

JULIA CLARA FASTTRACK
Advocate at the Court
14 Capital Boulevard
Oceanside
Equatoriana
Tel. (0) 214 77 32 Telefax (0) 214 77 33fasttrack@host.eq

[...]

I. THE PARTIES’ PRAYER FOR RELIEF

[...]

25. In its Statement of Claim, the Claimant requested the following:

“1) Declare that the Agreement is governed by the CISG.

2) Declare that the Agreement has not been validly terminated by Equatoriana RenPower.

3) Order Equatoriana RenPower to fulfil the Agreement by using its best effort to have the necessary construction and operation permits issued and allowing Claimant to start with the construction works on the Greenfield site, as well as taking all further steps agreed upon under the Purchase and Service Agreement and necessary to ensure the realisation of the project, including but not limited to making the relevant payments.

4) Order Equatoriana RenPower to bear the costs of the arbitration.

5) To make any other order the Arbitral Tribunal considers appropriate."

26. In its Statement of Defence, the Respondent requested the following:

"1) Declare that it has no jurisdiction to hear the case;

2) Exclude Claimant's Exhibit C 7 from the file;

3) Reject the Claimant's request for a declaration that the CISG governs the Agreement.

4) Reject the Claimant's request for a declaration of wrongful termination; and

5) Order Claimant to bear the costs of this arbitration."

J. CONSIDERATIONS

[...]

2. Applicability of CISG

[...]

c. Tribunal's Analysis

Claimant's Place of Business

[...]

66. Equatoriana and Mediterraneo are Contracting States to the CISG; accordingly, the requirement under Article 1(1)(a) of the Convention appears to be satisfied. However, the Respondent alludes to Equatoriana being the place of business for the Claimant as most of the actual deliveries of goods were made from its place of business in Equatoriana. Volta Transformer, while originally still independent, was producing at the time nearly exclusively for Claimant and thus already constituted a place of business of Claimant before its subsequent formal acquisition by Claimant in November 2023.

[...]

70. At the time the Purchase and Service Agreement ("**PSA**") was concluded, Volta Transformer was merely a supplier to the Claimant. It is therefore untenable to infer the Claimant's place of business from that of its supplier. The Claimant's engagement with Equatorianian companies such as Volta Transformer and Volta Electrolyser was undertaken to comply with the local content requirements under the PSA. To construe this contractual obligation as establishing the Claimant's place of business in Equatoriana is both strained and unsupported. Moreover, the subsequent acquisition of Volta Transformer does not alter this conclusion.

Characterisation of the PSA as a Sale by Auction

71. The Respondent's principal objection to the applicability of the CISG rests on the exclusion of a reverse auction undertaken as part of a public procurement process from the Convention's scope under Article 2(b) of the CISG.

[...]

80. Notwithstanding its designation as an "auction," the reverse auction mechanism employed under the PSA departs materially from the concept of an auction as contemplated by the CISG, which typically involves sellers inviting bids from buyers, being unaware or indifferent to their nationality. In the present case, the Claimant had been approved by ERenPow as a potential seller much before the commencement of the public procurement process and had thereafter engaged in extensive negotiations concerning the terms of the PSA.

81. Accordingly, the Tribunal is satisfied with the extensive authority presented by the Claimant distinguishing the reverse auction conducted for the PSA from the auction exclusion contemplated by Article 2(b) of the CISG.

Contractual exclusion of the CISG

865 82. Without prejudice to its primary position that the CISG does not apply, the Respondent additionally contended that Article 29 of the PSA excludes the application of the CISG. Interpreting Article 29 requires consideration of the earlier model contracts used by Equatorianian governmental entities, which expressly provided for the application of the CISG. It is contended that, the deliberate exclusion of such a clause under the PSA signifies
870 the clear intention displace CISG and apply the Equatorianian Civil Code even to disputes which hold an international sales character.

[...]

875 90. From a plain reading of Article 29 of the PSA, it can at most be regarded as an implied exclusion of the CISG and not an express manifestation of the parties' intent to opt out. The Tribunal finds that, for a Governing Law clause in the PSA to be construed as effecting an implied exclusion of the CISG, the relevant domestic law instrument intended to apply in its place, such as the Civil Code of Equatoriana, must be expressly identified in the agreement. A
880 mere reference to the law of Equatoriana as the governing law does not suffice, as such a reference would, by default, encompass the CISG, considering that Equatoriana is a Contracting State to the Convention.

91. Accordingly, Article 29 of the PSA does not operate to exclude the application of the CISG.

885 **Objective inapplicability of the CISG**

92. The Claimant submits that the delivery of the hydrogen plant constitutes a sale of goods under the CISG and represents the main and preponderant obligation under the PSA. According to the Claimant, the plant is an industrial installation whose individual components likewise constitute goods.

890

[...]

98. On the other hand, the Respondent asserts that the PSA imposes substantial service obligations on the Claimant, bringing it under the realm of a mixed contract with service
895 obligations holding preponderance.

[...]

120. The Respondent, in support of its burden to demonstrate the preponderance of service obligations, has attempted to corelate the Milestones in Article 3 of the PSA with the Payment Schedule in Article 7 of the PSA. It is their case that the staged payment structure, linked to engineering and construction milestones rather than to the delivery of goods, affirms the preponderant service focus of the PSA.

121. However, in complex EPC projects, milestone-based payments do not reflect the market value of discrete tasks, but the progressive assumption and performance of contractual obligations over time. Moreover, it also cannot be arrived that the contract price is driven mainly by equipment value. Therefore, contrary to the Respondent's assertion, the application of the economic value criterion is untenable under the PSA. Therefore, the attendant question is whether the delivery of the plant is the essential obligation under the PSA.

[...]

130. The delivery of a plant may certainly be a sale of a tangible good. Be that as it may, all the milestones set out in Article 3 are overwhelmingly service-based. Leaving aside the extension options and the secondary contractual accessory obligations such as the long-term service obligations beyond delivery, even the delivery of the plant itself is incidental to the design and production services rendered by the Claimant.

131. Moreover, completion of the project i.e. the Performance and Acceptance Test under Article 18 read with Annex 7 is dictated by a service standard. The Performance Criteria (paragraph 2 of Annex 7) and the Reference Standard (paragraph 4 of Annex 7) focus not on mere delivery, but on the operability of the plant in conformity with the Claimant's process patent.

132. Therefore, the sellers preponderant obligation is technology transfer and engineering services, with delivery of the plant being consequential to the service.

4. Termination of the PSA

[...]

c. Tribunal's Analysis

170. According to the Termination Letter issued by the Respondent dated 29 February 2024, two reasons were provided for the termination: (i) Fundamental breach of PSA due to delay in delivery of the final plan pursuant to Article 7.3.1 of the Equatorianian Civil Code ("**Code**"), and (ii) ERenPow's entitlement to terminate the contract based on conflicts with the policies of the government.

[...]

Fundamental Breach

[...]

191. On examining the PSA, the Tribunal finds that the belated delivery of the final plans by the Claimant, even though they did not incorporate the schedule of works for the eAmmonia option, does not constitute a fundamental breach of the agreement under Article 28(1) of the PSA and therefore does not entitle the Respondent to terminate the PSA pursuant to Article 7.3.1 of the Code.

Termination for convenience

192. The Claimant asserts that, under Article 28(2), the parties have contractually excluded any right to terminate the PSA for convenience. The Respondent, however, relies on Article 7.3.8 of the Code, which it argues confers a statutory right on governmental entities to terminate contracts following a change in governmental strategy.

193. Consequently, the Tribunal considers that two issues arise from the Parties' conflicting submissions: (i) whether Article 7.3.8 of the Code is capable of contractual exclusion; and (ii) whether the amendment to the Green Energy Strategy Act constitutes a change in governmental strategy for the purposes of Article 7.3.8 of the Code.

194. The Code reproduces the UNIDROIT Principles of International Commercial Contracts verbatim, subject only to the inclusion of an additional provision. Article 7.3.8 of the Code reads as follows:

> "Governmental entities may always terminate contracts which have been concluded in the pursuance of a particular strategy if the government has changed the strategy. In these cases, the counterparty has to be reimbursed for the costs incurred in connection with the contract"

[...]

201. Judicial and academic opinion on the waivability of Article 7.3.8 is divided. It is also largely accepted that this provision does not form part of the *ordre public* of Equatoriana. As such, the Code establishes a flexible framework of contract law which, pursuant to Article 1.5, permits the parties to derogate from or vary the effect of its provisions, except where the Code expressly provides otherwise.

202. Although Article 7.3.8 of the Code is generally regarded as non-mandatory and does not form part of the *ordre public* of Equatoriana, this does not resolve the present dispute. The termination in question was not triggered by a discretionary governmental policy shift, but by the enactment of the Green Energy Strategy Act, a legislative instrument expressing binding public policy. While parties may derogate from Article 7.3.8 as a contractual rule, they cannot, by agreement, preclude the application of mandatory statutory measures. In such circumstances, Article 7.3.8 operates not as an autonomous contractual principle, but as the civil-law mechanism through which a legislatively mandated policy change is implemented.

[...]

210. Therefore, the Tribunal finds that the PSA has been validly terminated for convenience.

[...]

L. DISPOSITIVE SECTION OF THE AWARD

Based on the above analysis and after having carefully considered all factual and legal allegations and arguments submitted by the Parties, even if not explicitly mentioned or discussed in this Final Award, the tribunal:

a. Confirms the jurisdiction of this tribunal.

[...]

d. Declares that the PSA is governed by the Civil Code of Equatoriana.

e. Declares that the termination of the PSA is legally valid under the Civil Code of Equatoriana.

f. Orders Equatoriana RenPower to pay the GreenHydro EUR 1,000,000 for the costs incurred in connection with the PSA.

g. Any other further claim and/or request made by the Parties in this arbitration proceeding is consequently rejected.

Seat of arbitration: Vindobona, Danubia

Date: 30 September 2025

Exhibit C-9, Excerpt from the Equatoriana – Danubia Agreement of 1 November 1995

Agreement between the Government of Equatoriana and the Federal Council of Danubia on the Mutual Encouragement and Protection of the Investments

Equatoriana and Danubia

hereinafter referred to as the Contracting Parties,

[*intentionally omitted*]

Article 1. Definitions

For the purposes of this Agreement:

1. The term "Investor" refers with regard to either Contracting Party to

   (a) natural persons who are nationals of that Contracting Party in accordance with its laws;

   (b) legal entities, including companies, corporations, business associations and other organizations, which are constituted or otherwise duly organized under the law of that Contracting party and have their seat, together with real economic activities, in the territory of that same Contracting Party;

   (c) legal entities established under the law of any country which are, directly or indirectly, controlled by nationals of that Contracting Party or by legal entities having their seat, together with real economic activities, in the territory of that Contracting Party.

2. The term "Investment" shall include every kind of assets and particularly:

   (a) movable and immovable property as well as any other rights in rem such as servitudes, mortgages, liens, pledges;

   (b) shares, parts or any other kinds of participation in companies;

   (c) bonds, debentures, other debt instruments, loans, futures, options, and other derivatives;

   (d) claims and rights to any performance having an economic value;

(e) copyrights, industrial property rights (such as patents, utility models, industrial designs or models, trade or service marks, trade names, indications of origin), know-how and goodwill;

(f) concessions under public law, including concessions to search for, extract or exploit natural resources as well as all other rights given by law, by contract or by decision of the authority in accordance with the law;

(g) licenses, authorisations, permits, and similar rights conferred pursuant to a Contracting Party's law.

3. The term "Renewable Energy Investments" includes any investments in the meaning of paragraph 2 of this Article made by any investor in the meaning of paragraph 1 of this Article for the purpose of generating, transmitting, storing, or distributing energy derived from renewable sources, including but not limited to solar, wind, hydroelectric, geothermal, and other non-fossil energy sources.

4. The term "Competent authority" means any governmental, regulatory, or administrative body of the Contracting Party that is empowered under its laws and regulations to grant, supervise, modify, suspend, or revoke licenses, concessions, permits, authorizations, or other approvals related to Renewable Energy Investments, or to conduct proceedings concerning the rights and obligations of investors in the renewable energy sector.

[*intentionally omitted*]

Article 2. Fair and Equitable Treatment

1. Each Contracting Party shall ensure fair and equitable treatment within its territory of the investments of the investors of the other Contracting Party. Before revoking, suspending, materially altering, or terminating any license, concession, permit, or authorisation granted to the Renewable Energy Investments, as well as any agreements entered into in respect of such Renewable Energy Investments, the Host Contracting Party shall:

(a) Provide the investor with written notice of the proposed measure and the factual and legal grounds therefor;

(b) Afford the investor a reasonable opportunity to be heard and to present evidence or arguments before a Competent authority; and

(c) Ensure that any such proceedings are fair, transparent, and conducted without undue delay.

2. These procedural rights shall not preclude the Host Contracting Party from adopting bona fide, non-discriminatory measures in the public interest, such as for environmental protection or energy transition, provided such measures are accompanied by appropriate procedural guarantees as set out above.

Article 3. [*intentionally omitted*]

Article 4. [*intentionally omitted*]

Article 5. [*intentionally omitted*]

Article 6. [*intentionally omitted*]

Article 7. [*intentionally omitted*]

Article 8. [*intentionally omitted*]

Article 9. Alternate Dispute Resolution [*intentionally omitted*]

Article 10. Termination

1. Either Contracting Party may, by giving six months' advance notice in writing to the other Contracting Party, terminate the present Agreement.

2. The Contracting Parties may mutually terminate the Agreement through written agreement. Where the Agreement is terminated by mutual consent, the termination shall take effect after 3 months.

Article 11. Sunset Clause

1. In respect of investments made prior to the date when the notice of termination of this Agreement becomes effective, the provisions of this Agreement shall remain in force for a further 7 years from that date.

2. Where this Agreement is mutually terminated by the parties, the Agreement shall continue to be effective until such a time that a new Agreement is concluded between the parties.

Done in English in two originals at Vindobona, Danubia, on 1 November 1995

INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES

In the arbitration proceeding between

GreenHydro PLC

(Claimant)

and

Equatoriana

(Respondent)

RESPONSE TO THE REQUEST FOR ARBITRATION

---

25 May 2026

Counsel for the Respondent

Ms. Camila Ventura

LexEnergia Equatoriana

Regent Court, 10 Commonwealth Avenue

Grand Harbor 22015, Equatoriana

I. INTRODUCTION

1. Equatoriana, the Respondent in the present proceedings, hereby submits a short response to the Request for Arbitration filed by GreenHydro, the Claimant, in line with Article 36 of ICSID Convention and Article 10 of the Equatoriana-Mediterraneo Agreement, together with the Exhibits R-1 – R-5 (the "**Response**").

2. In this Response, unless otherwise stated, the Respondent adopts the abbreviations used in the Claimant's Request for Arbitration.

3. In the Request for Arbitration, the Claimant submits that the present Dispute arises from the Respondent's alleged breach of its obligation to ensure fair and equitable treatment and seeks compensation for the resulting damages.

4. The Respondent firmly contests the allegations advanced by the Claimant and, unless expressly admitted, denies each of the statements set out in the Request for Arbitration.

5. For the sake of clarity, and solely for the purposes of this Dispute, the Respondent does not contest that ERenPow acted as its designated entity for the implementation of its policy objectives. The actions of ERenPow may therefore be attributed to Equatoriana.

6. The Respondent is represented in the arbitration by:

Ms. Camila Ventura
LexEnergia Equatoriana
Regent Court, 10 Commonwealth Avenue
Grand Harbor 22015, Equatoriana
Mob: 915655712
Email: camila@lexenergia.eq

II. THE ARBITRAL TRIBUNAL LACKS JURISDICTION RATIONE MATERIAE

7. The Respondent submits that the PSA is a standard commercial contract containing ordinary commercial terms between two commercial parties. It does not satisfy the criteria for an investment as required by tribunals in their interpretation of Article 25 of the ICSID Convention. Notably, the PSA contains its own dispute resolution clause. In any event, the PSA does not constitute a covered investment within the meaning of Article 1 of Equatoriana-Mediterraneo Agreement.

8. Hence, the Arbitral Tribunal lacks jurisdiction to consider the Dispute because the claim falls outside both the Equatoriana-Mediterraneo Agreement and the ICSID Convention.

III. THE CLAIMANT IS PRECLUDED FROM SEEKING DAMAGES FOR THE TERMINATION OF THE PSA

9. The Claimant has initiated the present investor-State arbitration primarily to claim damages for the alleged wrongful termination of the PSA. However, in the FAI arbitration, the Claimant had sought a declaration that the termination was unlawful, which was dismissed. Notably, no damages were claimed. It is evident that the declaratory relief sought before the FAI tribunal and the damages now pursued before the ICSID Arbitral Tribunal both arise from the same act of termination.

10. The foundation of the Claimant's claims in both arbitrations is therefore identical. The parties in the FAI and ICSID proceedings are essentially the same (privity of interest); the object is the same (challenging the termination); only the grounds differ (contractual and treaty). Preclusion against re-litigation and seeking consequential relief follows from Article 10 (4) of the Equatoriana–Mediterraneo Agreement.

11. Even though the FAI arbitration was contractual and the present dispute is treaty-based, the specific issue of wrongful termination was already the subject of the former proceedings. While not advanced as a separate claim, any consequential damages could and should have been sought in that commercial arbitration.

12. The legality of the termination has already been "fully and finally" adjudicated between the same parties. The issue was necessary and central to the prior award. Any re-agitation risks inconsistent outcomes and undermines legal certainty. Accordingly, this Tribunal must accept the finding that the termination was lawful under the contract and the laws of Equatoriana.

13. Therefore, the Claimant cannot pursue a claim for damages arising out of the termination of the PSA before the Arbitral Tribunal after having chosen to go for commercial arbitration as consent to arbitration under the ICSID Convention is to the exclusion of any other remedy.

IV. THE RESPONDENT TREATED THE INVESTMENT OF THE CLAIMANT FAIRLY AND EQUITABLY

i. Article 2 of the Equatoriana-Danubia Agreement cannot be imported to the Equatoriana-Mediterraneo Agreement as the Equatoriana-Danubia Agreement has been replaced by the Equatoriana-Danubia FTA

14. Article 2 of the Equatoriana-Danubia Agreement cannot be imported into the Equatoriana-Mediterraneo Agreement through Article 3(3). The Claimant is limited to the FET standard set out in Article 3(1) of the Equatoriana-Mediterraneo Agreement.

15. As indicated by the Claimant, the Equatoriana-Danubia Agreement was indeed terminated on 29 October 2023. However, the Claimant omits the fact that the Equatoriana-Danubia Agreement has been superseded by the new Free Trade Agreement between the Government of Mediterraneo and the Government of Danubia dated 28 February 2024 ("**Equatoriana-Danubia FTA**").[1]

16. Article 11 of the Equatoriana-Danubia Agreement provides that the protections of the said agreement would remain operational up until it is replaced by another treaty (the "**Sunset Clause**"). The purpose of the Sunset Clause in the terminated agreement was to provide a temporary apparatus in the absence of a new framework to govern the transactions between the parties. It was not intended to create a system where there would be overlapping parallel treaties.

17. Therefore, by entering into the Equatoriana-Danubia FTA on 28 February 2024, the Respondent brought the sunset period of the terminated Equatoriana-Danubia Agreement to an end. Moreover, the Equatoriana-Danubia FTA is based on the same subject matter as Equatoriana-Danubia Agreement, hence, the condition for the former agreement to be replaced by a new one has been met.

18. MFN cannot be used to import whole provisions from another treaty when there was no intention of Contracting Parties to do so. Besides, Article 3 of the Equatoriana-Mediterraneo Agreement already contains a broad FET provision.

19. Even if the Arbitral Tribunal finds that the MFN clause as enshrined in Article 3(3) of Equatoriana-Mediterraneo Agreement can be used to extend protections from other treaties, this should be limited to treaties are still in force. The MFN clause cannot be relied upon to resurrect provisions that have already been terminated or amended.

[1] Exhibit R-1, Excerpt from the FTA between Mediterraneo and Danubia of 28 January 2024.

20. In the present case, the Equatoriana-Danubia Agreement had already lapsed before the termination of the PSA.

21. Therefore, the FET provision contained in Article 2 of the Equatoriana-Danubia Agreement cannot be revived and imported through the MFN clause.

22. Since the Equatoriana-Mediterraneo Agreement does not prescribe any separate procedure for the termination of commercial contracts in the renewable energy sector, the Respondent did not breach its FET obligation.

ii. The Respondent did not create and (or) frustrate any legitimate expectations of the Claimant

23. The Respondent denies having breached its obligation to afford FET by frustrating any alleged legitimate expectations of the Claimant. The Respondent did not create any such expectations in the first place, and therefore no frustration could have occurred.

24. The Green Energy Strategy Act was a general legislative act setting out the gradual development of renewable energy use. It did not contain any specific assurances regarding the hydrogen energy sector or the Claimant's investment. Moreover, no specific representations were made to the Claimant in this regard. In arguendo, even if any such expectation had been created, the Claimant would not be entitled to rely on it following the declassification of its project as an eligible green energy project.

25. In any event, the amendment of national legislation is a sovereign prerogative of every State and is inevitable over the long term. Investors must anticipate the possibility of legislative change in the absence of a stabilisation clause or other specific assurance capable of giving rise to a legitimate expectation. The Respondent was therefore fully entitled to amend the Green Energy Strategy Act. Moreover, the amendment was reasonable and driven by the prevailing challenges facing the national economy.[2] In light of the amendment, the Claimant can no longer assert entitlement to benefits under an Act that is no longer applicable to it.

26. In any case, the inevitable alteration of the Green Energy Strategy Act was foreseeable even before the Claimant entered into the PSA. The Claimant should have known about ambiguous reaction of Equatorianian society to the previous economic measures in the

[2] Exhibit R-2, Press Report of 5 September 2023 on the efficiency of the PEM Electrolysis process.

energy sector.[3] It is presumed that any prudent investor conducts basic due diligence regarding the host State's regulatory framework and prevailing political and socioeconomic conditions. An investor that fails to undertake such due diligence cannot later seek protection on the basis of alleged legitimate expectations. The Claimant, having entered into the PSA with full awareness of the political climate in Equatoriana,[4] cannot now invoke legitimate expectations.

27. Therefore, the Respondent did not violate Article 3(1) of the Equatoriana-Mediterraneo Agreement, as no legitimate expectations were created on which the Claimant could rely.

V. CONSTITUTION OF THE ARBITRAL TRIBUNAL

28. The Respondent appoints Prof. Eustace Silver as the arbitrator.

29. Prof. Eustace Silver's contact information is the following:

Frescati Embarkment 1, 111 890, the Kingdom of Elastica
EustaceSilver@progon.com

30. The Respondent accepts the Claimant's proposal to appoint Mr. Arlo Gooseman as the President of the Tribunal, acknowledging the efficiency and efficacy of the appointment procedure inspired by the SCIA Arbitration Rules 2025.

VI. RELIEF SOUGHT

31. In light of the above, the Respondent respectfully requests the Arbitral Tribunal to:

i. **DECLARE** that it has no jurisdiction over the Claimant's claim;

ii. **DECLARE** that the Respondent did not violate Article 3 of the Equatoriana-Mediterraneo Agreement and reject the Claimant's claim;

iii. **DECLARE** that the Claimant is not entitled to any damages; and

iv. **ORDER** the Claimant to compensate all costs and fees incurred by the Respondent in relation to the proceedings.

[3] Exhibit R-3, Report on the perceived impact of petrol and gas usage cap of 1 March 2014.
[4] Exhibit R-4, Equatoriana Demographic Swingometer During the By-Election in January 2022; Exhibit R-5, Excerpt from the Manifesto of the Equatoriana National Party (ENP) 2022.

32. The Respondent reserves its right to further develop its arguments.

For and on behalf of the Respondent,

Ms. Camila Ventura

LexEnergia Equatoriana

Exhibit R-1, Excerpt from the FTA between Mediterraneo and Danubia of 28 January 2024

FREE TRADE AGREEMENT BETWEEN THE GOVERNMENT OF MEDITERRANEO AND THE GOVERNMENT OF DANUBIA

[Intentionally omitted]

Chapter 3: Investments

Article 3.1 National Treatment

Each Party shall accord to an investor of the other Party and to a covered investment, treatment no less favourable than the treatment it accords, in like situations to its own investors and to their investments with respect to the establishment, acquisition, expansion, conduct, operation, management, maintenance, use, enjoyment and sale or disposal of their investments in its territory.

Article 3.2 Most Favoured Nation

1. Each Party shall accord to an investor of the other Party and to a covered investment, treatment no less favourable than the treatment it accords in like situations, to investors of a third country and to their investments with respect to the establishment, acquisition, expansion, conduct, operation, management, maintenance, use, enjoyment and sale or disposal of their investments in its territory.

2. For greater certainty, the treatment accorded by a Party under paragraph 1 means, with respect to the government of Mediterraneo, or, with respect to the government of Danubia, treatment accorded, in like situations, by that government to investors in its territory, and to investments of such investors, of a third country.

3. For greater certainty, the ‘treatment’ referred to in paragraphs 1 and 2 does not include procedures for the resolution of investment disputes between investors

and states provided for in other international investment treaties and other trade agreements. Substantive obligations in other international investment treaties and other trade agreements do not in themselves constitute ‘treatment’, and thus cannot give rise to a breach of this Article, absent measures adopted or maintained by a Party pursuant to those obligations.

Article 3.3 Expropriation

1. Neither Party shall expropriate or nationalize a covered investment except for a public purpose and in accordance with its laws. Where appropriate, compensation shall be provided in accordance with domestic law.

2. Nothing in this Chapter shall be construed as preventing a Party from adopting measures necessary to achieve legitimate public policy objectives.

[Intentionally omitted]

Chapter 14 Final Provisions

1. This Agreement shall enter into force on 1 April 2024.

[Intentionally omitted]

Done in English in two originals at Solmera, Equatoriana, on 28 February 2024

Exhibit R-2, Press Report of 5 September 2023 on the efficiency of the PEM Electrolysis process

ISSUE #10

Energy Insights

ENERGY RESEARCH & SOCIAL SCIENCE

✦

5 September 2023



All Sizzle – No Steak? The Inefficiency of PEM Electrolysis in Green Hydrogen Production

As the global energy transition accelerates, Proton Exchange Membrane (PEM) electrolysis has garnered much attention for the production of green hydrogen.

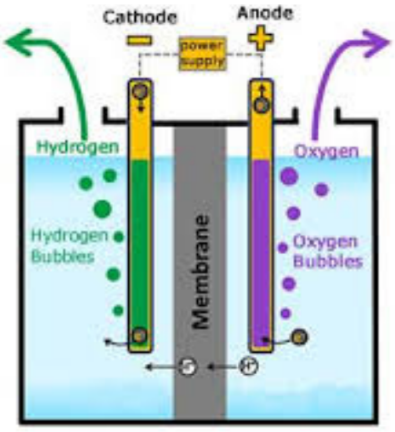
Promising operational flexibility and the dual benefit of hydrogen and thermal energy generation, an attempt has been made to position the PEM electrolysis process as a cornerstone of sustainable energy.

However, a critical analysis of its commercial viability, particularly regarding cost-effectiveness, reveals significant concerns for energy-intensive economies.

A key claim by proponents of the PEM electrolysis process is that overall system efficiency is enhanced by capturing residual heat for district heating.

However, the temperature is relatively low, typically ranging from 40 to 80°C during standard operation. District heating systems, however, generally require higher temperatures (often 70–120°C) to remain efficient over long distances. Consequently, any cogeneration benefit is geographically confined, offering negligible utility for wider industrial or residential applications, especially when plants are sited in remote greenfield locations. Notwithstanding its supposed technical advantages, the economic viability of PEM electrolysis warrants careful consideration.





Compared to the mature and well-established alkaline electrolysis, PEM electrolysis entails significantly higher capital and operating costs. These cost differentials arise primarily from the use of catalyst-coated polymer membranes and highly specialised stack components.

For manufacturing sectors in countries like Equatoriana, where business competitiveness is acutely sensitive to energy input costs, adopting such an expensive green hydrogen technology imposes a direct and significant financial burden.

Needless to say, the higher cost of hydrogen translates into an increase in production costs, undermining the competitiveness of local industries in both domestic and export markets.

Compounding these cost challenges are the uncertainties of commercial scalability. Although PEM electrolysis has been deployed in small-scale installations, its performance and reliability at the large capacities required for industrial decarbonisation remain insufficiently demonstrated. Therefore, the associated technical and financial risks cannot be ignored.

In summary, despite the technical promise, the current economic narrative of PEM electrolysis risks being “all sizzle and no steak”. Its purported efficiency gains are context-dependent and often exaggerated, while its high costs present a tangible threat to the economic health of energy-intensive businesses.

For policymakers prioritising both decarbonisation and industrial competitiveness, a pragmatic evaluation of hydrogen production costs is essential.

A diversified strategy, rather than a dominant focus on a single premium technology, may be crucial to ensuring a sustainable and economically resilient energy transition.

Exhibit R-3, Report on the perceived impact of petrol and gas usage cap of 1 March 2014

SUSTAINABLE FUTURE NOW (SFN)

Equatoriana's socio-economic research non-governmental organisation

Report on the perceived impact of petrol and gas usage cap across stakeholder groups

1 March 2014

In early 2013, the new PCP-led government PCP set a course for sustainability and renewable energies by introducing a 15% cap on petrol and gas usage in manufacturing, aiming to encourage large manufacturing corporations to adopt alternative renewable energy sources. Although the SFN's goal is consistent with the PCP government's policy, a market analysis conducted almost a year later shows that business reactions are divided.

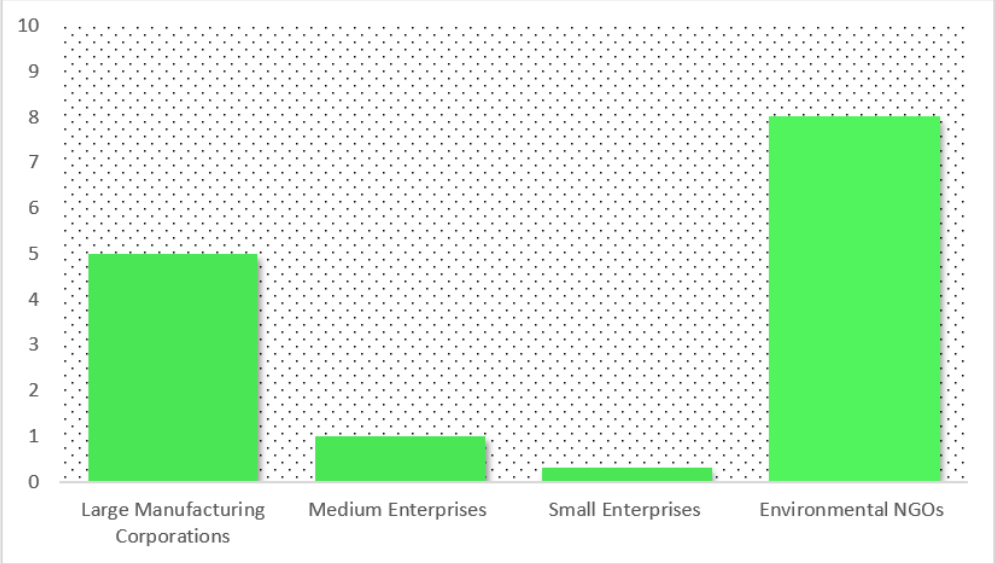


Figure 1. Level of approval of petrol and gas usage cap across stakeholder groups

Analysis

The implementation of 15% cap on petrol and gas usage in manufacturing generated markedly heterogeneous responses among stakeholder groups.

- Large manufacturing corporations generally perceived the measure positively, reflecting their greater capacity to absorb compliance costs, access alternative energy sources, and benefit from economies of scale or government support mechanisms.
- Environmental non-governmental organizations (NGOs) also strongly supported the policy, viewing it as a necessary intervention to accelerate the transition toward more sustainable production practices.
- In contrast, medium-sized enterprises expressed moderate concern, while small enterprises reported strongly negative perceptions. These groups, which constitute the majority of Equatorianian businesses, highlighted the disproportionate economic burden imposed by the cap, particularly in the absence of sufficient financial support, technological alternatives, or transition periods. For many smaller firms, energy costs constitute a critical share of operational expenses, making abrupt regulatory constraints a direct threat to competitiveness and economic viability.

The analysis demonstrates that such measures may advance environmental objectives, it's economic impact is unevenly distributed across the industrial landscape. Policies that rely on uniform regulatory constraints risk exacerbating structural inequalities between large corporations and smaller enterprises. Future energy and environmental strategies should therefore incorporate differentiated approaches, transitional safeguards, and economic feasibility assessments to ensure that sustainability goals are pursued without undermining industrial competitiveness, employment, and social cohesion.

Exhibit R-4, Equatoriana Demographic Swingometer During the By-Election in January 2022

ELECTORAL COMMISSION OF EQUATORIANA

DEMOGRAPHIC SWINGOMETER DURING THE BY-ELECTION IN JANUARY 2022

PARTY	2018 NATIONAL (%)	2022 **CONSENSUS CANYON** BELLWETHER (%)
PCP	65	30 (decline)
ENP	20	55 (majority)
ELF	10	10 (stable)
MINOR	5	5 (stable)

PCP → ENP swing:

There's a **35% swing from PCP to ENP** in the bellwether district.

Exhibit R-5, Excerpt from the Manifesto of the Equatoriana National Party (ENP) 2022

Manifesto of the Equatoriana National Party (ENP) 2022

Prosperity, Practicality, and Power for People of Equatoriana

"*The election in October 2023 is our chance to drive the change Equatoriana desperately needs. Millions of people across our country feel insecure and deeply concerned about the future. We promise you that this will change. We believe in environmental stewardship that works with business communities, and not against them. […] We can create a better country together – one in which we are all safer, happier and more fulfilled.*"

Mr. Ronald Pump,
Leader of Equatoriana National Party

1. THE ECONOMY […]

2. ENERGY SECTOR

Our Vision

We believe in clean air, strong industry, affordable energy, and secure jobs. Real progress is not achieved through coercion or wishful thinking, but through practical solutions grounded in economic reality.

We acknowledge and support the need to develop renewable energy sources. However, we firmly believe that the energy transition must be gradual and aligned with the country's economic realities and strategic needs. It must be carried out with great caution, taking into account the actual capacities and financial conditions of all participants in our economy. This transition should be guided by collective responsibility and evidence-based planning, not by the personal preferences or ambitions of a single individual.

What will we do?

The current Green Energy Strategy Act, as imposed by the ruling party, has drifted away from practical solutions and towards ideology. We stand for reform.

We believe that the Green Energy Strategy Act was adopted ahead of its time and does not align with our economic needs. ENP commits to a comprehensive review of all green energy laws and regulations to determine their real-world economic impact. Environmental protection should not become a pretext for economic paralysis.

In particular, we will review, revise, or repeal the Green Energy Strategy Act. The current Green Energy Strategy Act is overly stringent and narrowly focused on prescriptive solutions, particularly on specific renewable sources such as green hydrogen.

It is a fact that solar and wind energy are cheaper, simpler, more efficient, and ready to be deployed at scale today. Green hydrogen may play a role in the future, but forcing it into widespread use in the current geopolitical and economic context,

especially where energy costs are critical, risks higher prices and economic strain without proportional benefits.

While green hydrogen may have long-term potential, its economic viability today is deeply questionable. High production costs, expensive infrastructure requirements, and unreliable supply chains make green hydrogen uncompetitive compared to other energy sources. For wider use, green hydrogen must first prove to be affordable, scalable, and genuinely beneficial, without relying on economic measures that distort markets.

By attempting to pick technological winners, the government has stifled innovation and excluded potentially more efficient or transitional solutions. ENP advocates for technology neutrality: setting realistic goals while allowing markets, engineers, and communities to determine the best path forward.

Furthermore, we reject unproven climate alarmism that punishes businesses. Instead, we must ensure affordable energy prices not only for large corporations but also for households and small and medium-sized enterprises, while safeguarding the competitiveness of Equatoriana's economy as a whole. Environmental responsibility must never come at the cost of social stability.

Although we acknowledge the necessity of promoting renewable energy sources, conventional energy sources remain critical for energy security, affordability, and industrial competitiveness. The high production costs of green hydrogen threaten to undermine its competitiveness compared with conventional energy sources. Renewable energy sources should be gradually integrated, while conventional sources should be maintained to ensure stable and affordable power.

3. BUSINESS AND JOBS […]
4. HEALTH AND CARE […]
5. EDUCATION […]
6. PROSPERITY FOR ALL SOCIAL GROUPS […]
7. CULTURE AND MEDIA […]
8. RIGHTS AND EQUALITY […]
9. POLITICAL REFORMS […]

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INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES

In the arbitration proceedings between

GreenHydro PLC

(Claimant)

and

Equatoriana

(Respondent)

ICSID Case No. ARB/26/79

PROCEDURAL ORDER NO. 1

Members of the Tribunal

Mr. Arlo Gooseman, President of the Tribunal

Dr. Cikū Oluwapemi, Arbitrator

Prof. Eustace Silver, Arbitrator

Secretary of the Tribunal

Ms. Nyokabi Naa

29 June 2026

Introduction

The first session of the Tribunal was held on 22 June 2026 at 9 a.m. by videoconference.

A recording of the session was made and deposited in the archives of ICSID. The recording was distributed to the Members of the Tribunal and the parties.

Participating in the conference were:

Members of the Tribunal:

Mr. Arlo Gooseman, President of the Tribunal

Dr. Cikū Oluwapemi, Arbitrator

Prof. Eustace Silver, Arbitrator

ICSID Secretariat:

Ms. Nyokabi Naa, Secretary of the Tribunal

On behalf of the Claimant[s]:

Mr. Maxwell Verdant, Lead Counsel for the Claimant

On behalf of the Respondent[s]:

Ms. Camila Ventura, Lead Counsel for Respondent

The Tribunal and the parties considered the following:

[*intentionally omitted*]

Having considered the above documents and the parties' views, the Tribunal now issues the present Order:

Order

Pursuant to ICSID Arbitration Rules 27 and 29, this Procedural Order sets out the Procedural Rules that govern this arbitration.

1. Applicable Arbitration Rules and Applicable Law (Convention Article 44; Arbitration Rule 1)

    1.1. These proceedings are conducted in accordance with the ICSID Arbitration Rules in force as of 1 July 2022 and the Official Rules of the Foreign Direct

Investment International Arbitration Moot ("**FDI Rules**"). In case of any inconsistency between the two, the latter shall prevail to the extent of the inconsistency. This Case File is self-contained, and no facts, information, or documents outside it, including those contained in the Problem of the Thirty-Second Annual Willem C. Vis International Commercial Arbitration Moot, may be imported or relied upon.

1.2. These proceedings will be conducted in accordance with the provisions of the Agreement between the Government of Equatoriana and the Government of Mediterraneo for the Promotion and Protection of Investments dated 1 January 1996 ("**Equatoriana-Mediterraneo Agreement**") and the applicable rules of international law.

1.3. The Claimant and Respondent agree that the UNCITRAL Rules on Transparency in Treaty-based Investor-State Arbitration 2014 shall apply to these proceedings.

2. Constitution of the Tribunal and Tribunal Members' Declarations (Arbitration Rule 21)

2.1. The tribunal was constituted on 29 May 2026 in accordance with the ICSID Convention and ICSID Arbitration Rules. The Parties confirmed that the Tribunal was properly constituted and that no Party has any objections to the appointment of any Member of the Tribunal.

2.2. The members of the Tribunal timely submitted their signed declarations in accordance with ICSID Arbitration Rule 19(3)(b). Copies of these declarations were distributed to the parties by the ICSID Secretariat.

2.3. The Members of the Tribunal confirmed that they have sufficient availability during the next 24 months to dedicate to this case and that they will use best efforts to meet all time limits for orders, decisions and the Award, in accordance with ICSID Arbitration Rule 12(1).

3. Fees and Expenses of Tribunal Members (Convention Article 60; Administrative and Financial Regulation 14; ICSID Schedule of Fees; Memorandum on Fees and Expenses)

[*intentionally omitted*]

4. Presence and Quorum (Arbitration Rule 33)

[*intentionally omitted*]

5. Rulings of the Tribunal (Convention Article 48(1); Arbitration Rules 10, 11(4), 12, 27 and 35)

[intentionally omitted]

6. Power to Fix Time Limits (Arbitration Rules 10 and 11)

[*intentionally omitted*]

7. Secretary of the Tribunal (Administrative and Financial Regulation 28)

[*intentionally omitted*]

8. Representation of the Parties (Arbitration Rule 2)

8.1. Each Party shall be represented by its counsel below and may designate additional agents, counsel or advocates by notifying the Tribunal and the Tribunal Secretary promptly of such designation.

For Claimant	For Respondent
Mr. Maxwell Verdant Verdant & Pierce LLP	Ms. Camila Ventura LexEnergia Equatoriana
18 Viale delle Energie Pulite, Cittadella Energetica, Mediterraneo	Regent Court, 10 Commonwealth Avenue Grand Harbor 22015, Equatoriana
Mob: 789-9913621 Email: mverdant@verdantpierce.com	Mob: 915655712 Email: camila@lexenergia.eq

9. Place of Proceeding and Hearings (Convention Articles 62 and 63; Arbitration Rule 32)

9.1. At the agreement of the parties, Shenzhen, China shall be the place of proceeding.

9.2. The Tribunal shall hold the hearings at the premises of the SCIA in Shenzhen, China.

9.3. The Tribunal may hold in-person hearings at any other place that it considers appropriate.

9.4. The Tribunal members may deliberate at any place and by any appropriate means they consider convenient.

10. Procedural Language(s), Translation and Interpretation (Administrative and Financial Regulation 32; Arbitration Rule 7)

10.1. English is the procedural language of the arbitration.

10.2. The Tribunal shall render the Award only in English.

11. Routing of Communications (Arbitration Rule 6)

[*intentionally omitted*]

12. Number of Copies and Method of Filing of Parties' Pleadings (Arbitration Rules 4, 5 and 9)

[*intentionally omitted*]

13. Number and Sequence of Pleadings (Arbitration Rule 30)

[*intentionally omitted*]

14. Production of Documents (Convention Article 43(a); Arbitration Rules 5 and 36-40)

[*intentionally omitted*]

15. Submission of Documents (Convention Article 44; Arbitration Rule 5)

15.1. Only one round of written submissions shall be made by the Parties. The parties shall detail their legal arguments respectively in a Memorial and Counter-Memorial. The Memorial and Counter-Memorial shall address the issues as indicated in paragraph 17.2 of this Procedural Order. The written submissions shall include legal authorities relied upon.

15.2. The Claimants' Memorial shall be submitted to the Tribunal no later than 9 September 2026; the Counter-Memorial is to be submitted to the Tribunal no later than 16 September 2026.

15.3. The Parties may not revise, substitute, delete, or in any other manner alter the Memorial and Counter-Memorial once submitted.

15.4. Equipment or software failure is not considered an excuse for improper formatting or late submission of the Memorial and Counter-memorial.

15.5. The memorial and Counter-memorial shall comply with the FDI Rules.

16. Witness Statements and Expert Reports (Convention Article 43(a); Arbitration Rule 38)

16.1. The Parties shall not submit any new evidence together with their respective Memorial or Counter-Memorial.

16.2. Parties are to jointly submit a Statement of Uncontested Facts. The Tribunal understands that the Parties are already working amicably on this.

17. Hearings (Arbitration Rule 32)

17.1. The Parties and the Tribunal have agreed that the issues raised in the present proceedings should be addressed in two stages.

17.2. During Stage 1 the Tribunal will hold a hearing on the following issues:

(i) Whether the Claimant is precluded from claiming damages for the termination of the PSA;

(ii) Whether the Claimant is entitled to import the FET provision from the Agreement between the Government of Equatoriana and the Federal Council of Danubia on the Mutual Encouragement and Protection of the Investments dated 1 November 1995 as enshrined in Article 2;

(iii) Whether the Respondent violated Article 3 of the Equatoriana-Mediterraneo Agreement.

17.3. The hearing on Stage 1 will take place in Shenzhen on 23-27 October 2026.

17.4. During Stage 2 the Tribunal will address the questions of quantum of damages, if any, as well as the costs of the proceedings and their allocation among Parties in this stage.

17.5. The Tribunal will schedule the second stage of the proceedings and set a timetable for its conduct in consultations with the Parties after the Tribunal issues its decision in Stage 1.

17.6. As agreed between the Parties and the Tribunal, the evidence that may be relied on in the proceeding will be limited to:

(a) Facts and assertions contained in the Request for Arbitration and the Response to it, the Statement of Uncontested Facts;

(b) Publicly available information;

(c) Reponses to questions presented by the Parties' counsel in accordance with the procedure below:

i. By 1 June 2026 factual questions that require clarification shall be posted in accordance with the procedure described in https://fdimoot.org/Rules.pdf.

ii. The Parties shall then confer and seek to agree as soon as practicable on the response the responses to those questions. The Parties agreed responses shall be appended to the case file (https://fdimoot.org/problem.pdf) and

iii. By 15 August 2026 another set of factual questions may be posted in accordance with the same procedure referenced above. The responses to those questions shall be appended as described above.

On behalf of the Tribunal,

Mr. Arlo Gooseman

President of the Tribunal

29 June 2026

INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES

In the arbitration proceeding between

GreenHydro PLC

(*Claimant*)

and

Equatoriana

(*Respondent*)

ICSID Case No. ARB/26/79

REQUEST FOR THE ADMISSION OF ADDITIONAL CLAIMS AND APPLICATION FOR PROVISIONAL MEASURES

---

10 August 2026

For the Claimant:

Mr. Maxwell Verdant

Verdant & Pierce LLP

I. INTRODUCTION

1. This request to introduce additional claims, together with Exhibit C-10 is submitted by the Claimant in furtherance of the Request for Arbitration dated 30 March 2026. In view of the Arbitral Tribunal's powers, under Article 46 of the ICSID Convention and Rule 40 of the ICSID Arbitration Rules, the Claimant respectfully presents to the Arbitral Tribunal supplemental facts that have arisen thereafter, together with the claims and request for provisional measures arising from the resulting change in circumstances.

2. In this Request, the Claimant uses the abbreviations used in the Claimant's Request for Arbitration.

II. INITIATION OF THE BANKRUPTCY PROCEEDINGS BY ERENPOW AGAINST VOLTA TRANSFORMER

3. On 29 December 2025, the Claimant filed an application before the High Court of Vindobona seeking to set aside the FAI award. As the challenge against the Award remained pending, on 2 May 2026, ERenPow sought to recover the first instalment of 10% of the contract price paid under Article 7 of the PSA. Therefore, ERenPow attempted to encash the Performance Bank Guarantee executed by the Claimant as per Article 17 of the PSA. However, the Bank declined the request.

4. Thereafter, in disregard of the set-aside proceedings at the High Court of Vindobona ERenPow, on 3 July 2026, filed a winding-up petition against Volta Transformer. Volta Transformer, an Equatorianian company wholly owned by the Claimant, constitutes a covered investment under the Equatoriana-Mediterraneo Agreement.

5. Not only were the insolvency proceedings unlawfully initiated, but the accelerated liquidation process targeting debts owed to the State was also launched against the assets of Volta Transformer. To further exacerbate the situation, on 24 July 2026, the Insolvency Court of Equatoriana ordered the *de facto* seizure of Volta Transformer's assets, even before formal insolvency was declared.[1]

[1] Exhibit C-10, Excerpt from the Decision of the High Court of Vindobona on preliminary objection of 24 July 2026.

III. THE INSOLVENCY PROCEEDINGS ARE EXPROPRIATORY IN NATURE. THE ARBITRAL TRIBUNAL SHALL GRANT ANTI-SUIT INJUNCTION

a. The Respondent expropriated the Claimant's investments by initiating the Insolvency proceedings

6. ERenPow, acting as the primary instrument for implementing the Green Energy Strategy Act on behalf of the Respondent, effectively deprived the Claimant of its investment by initiating insolvency proceedings against Volta Transformer. This is a clear case in which ERenPow's conduct is attributable to Equatoriana. Although the PSA between the Claimant and ERenPow had already been terminated, the initiation of the insolvency proceedings by ERenPow further deprived the Claimant of its legitimate returns on its investment. By using insolvency proceedings in this manner, ERenPow, acting on behalf of the Respondent, interfered with the Claimant's ability to recover its investment and realise the expected benefits, constituting an indirect expropriation under international law.

7. The insolvency petition has not yet been admitted or formally set in motion by the courts of Equatoriana, and the liquidation process has not been approved. Despite this, ERenPow, on the authority of the Equatoriana, has maliciously sought the seizure of the Claimant's assets. This is a highly irregular measure, as such assets would only come under the control of a court-appointed administrator once the petition is admitted.

8. Pertinently, the transformers owned by the Claimant are of significantly higher value than the alleged instalment on the Contract Price under the PSA. However, the Respondent's inadequate maintenance of the seized assets has resulted in their depreciation. Photographs showing the poor condition of the assets were leaked by an anonymous individual affiliated with ERenPow. The Claimant fears that liquidation of the poorly maintained transformers would yield minimal recovery, and that they may not recover any value after the settlement of the alleged outstanding defaults.

9. Therefore, the initiated insolvency proceedings is expropriatory and the Claimant seeks cessation of the expropriatory measure. Alternatively, the Arbitral Tribunal may award compensation for the expropriation.

b. Tribunal shall grant an Anti-Suit Injunction Against the Respondent Exercising Control Through ERenPow

10. In the meantime, if the insolvency petition is formally admitted and insolvency is declared by the High Court of Vindobona, the Claimant's assets would reach a point of no return, as the *in rem* liquidation proceedings cannot be halted, even by the petitioner, ERenPow.

11. Article 47 of ICSID Convention confers discretion on the tribunal to recommend provisional measures which should be taken to preserve the respective rights of either party. The Claimants circumstances satisfy all the necessary ingredients for recommendation of a provisional measure under Rule 47(3) of the ICSID Arbitration Rules. Moreover, these are not standard industrial transformers. They are specialised traction-type transformers, which are not off-the-shelf products. Typical lead times for such transformers range from a few months to years. Therefore, the harm caused to the Claimant by the seizure and potential liquidation of assets is irreparable.

12. Therefore, the Claimant requests the Arbitral Tribunal to grant an anti-suit injunction against Equatoriana to compel ERenPow to cease pursuing or, at the very least, to itself seek and maintain a stay of the insolvency proceedings, as it is very clear that Equatoriana is pursuing it in the guise of ERenPow.

IV. RELIEF

13. In light of the foregoing, the Claimant asks that the Arbitral Tribunal:

a. DECLARE that the Respondent violated Article 5 of the Equatoriana-Mediterraneo Agreement and ORDER cessation of the insolvency proceedings;

b. GRANT an anti-suit injunction restraining the Respondent, acting through ERenPow, from pursuing the insolvency proceedings while this arbitration is pending.

For the Claimant,

Mr. Maxwell Verdant

Verdant & Pierce LLP

Exhibit C-10, Excerpt from the Decision of the High Court of Vindobona on preliminary objection of 24 July 2026

HIGH COURT OF VINDOBONA

COMMERCIAL LAW DIVISION

IN THE MATTER OF THE INSOLVENCY ACT OF EQUITORIANA

CASE NO. 35 OF 2026

BETWEEN

EQUITORIANA RENPOWER LIMITED

AND

VOLTA TRANSFORMER

DECISION ON PRELIMINARY OBJECTION

24 July 2026

BACKGROUND

1 The case before the court relates to a winding-up petition initiated through an application by Equatoriana RenPower ("ERenPow"/ "Applicant") under the Equatoriana Insolvency Act (the "Act") on 3 July 2026, seeking, among other things, that Volta Transformer (the "Respondent"/ "Volta") be placed into accelerated liquidation.

2 The application is supported by affidavits sworn by the Applicant's directors along with a several exhibits.

…

7 Pending a decision on the winding-up petition, the Applicant filed an *ex-parte* application for interim relief. On 7th July 2026, this Court granted an interim order for the preservation ("*de facto* seizure") of the Respondent's assets.

8 Volta Transformer now raises a preliminary objection dated 13 July 2026. It contends that this Court lacks jurisdiction because the underlying debt is owed by its parent company, Green Hydro. Respondent argues the liquidation application is fundamentally flawed and should be dismissed, and the preservation orders lifted as any claim lies against GreenHydro's assets, not its own.

RELEVANT FACTS

9 The Applicant's evidence shows that on 17 July 2023 it entered into a Project Service Agreement (PSA) with GreenHydro. Under the PSA, GreenHydro received an initial instalment of EUR 28.5 million.

…

11 The PSA was terminated on 29 February 2024 due to breaches on the part of GreenHydro, a decision that was upheld by the FIA Tribunal on 30 September 2025. The Applicant could not recover the sum using the bank guarantee that Green Hydro had issued as the triggering event (project commencement) did not occur.

…

21 Around 17 July 2026, the Applicant discovered that Green Hydro was in severe financial distress and intended to sell Volta's assets to pay creditors. Investigations revealed GreenHydro acquired Volta Transformer shortly after receiving the Applicant's payment. The Applicant argues that this purchase was at an inflated price. Notably, GreenHydro's former Head of Contracts, Mr Deiman, was appointed COO of the acquired company.

…

25 An email thread between Mr. Deiman and GreenHydro's CEO suggests the acquisition was funded from Applicant's initial payment. The Applicant argues this was a strategic move to place funds beyond reach once the contract termination seemed more likely. Furthermore, the acquisition meant GreenHydro no longer needed to purchase transformers externally, thereby distancing project assets from the company and complicating any recovery efforts.

…

35 Owing to the above facts, the Applicant initiated the these proceedings to recover the 28.5 million that was paid to GreenHydro under the PSA that it alleges was used to fund the acquisition of Volta Transformer.

…

ISSUE 1: WHETHER THE COURT SHOULD PIERCE THE CORPORATE VEIL

48 The corporate veil of a company, based on previous jurisprudence of this court, is not to be pierced unless in exceptional circumstances such as the evasion of liability are present.

…

55 The family owners of Volta Transformer initiated the sale negotiations only after GreenHydro had received a guarantee of the initial payment from ERenPow. The purchase of the company appears inflated, effectively funnelling the Applicant's payment to the seller making it money unrecoverable.

…

59 Post-acquisition, GreenHydro exercised *de facto* and *de jure* control over the Respondent in a manner suggesting that the subsidiary operates as its agent. The structure had the consequence of making PSA-related procurement appear as separate engagements in the Respondent's books, untraceable to GreenHydro and thus shielding it from any enforcement in Equatoriana.

…

73 Owing to the above the Court finds a *prima facie* case that the veil may be pierced to treat the assets of Volta Transformer as those of GreenHydro for purposes of this application.

ISSUE 2: WHETHER THE INTERIM PRESERVATION ORDERS SHOULD BE VACATED

74 The Respondent argues that the preservation orders were given in error and should be lifted as the debt owed is not its own.

75 The Applicants central contention, however, is that the funds which from the subject matter of this case were directly used to acquire the very assets now under preservation.

76 The critical facts here are the timing of the acquisition after the initial payment under the PSA, the alleged inflation of the purchase price, the internal emails suggesting a strategic purpose to subsume the funds, the shielding off of assets and the looming threat of Volta's assets being sold off by GreenHydro to pay its creditors.

…

79 These facts, disputed as they may be, establish a good arguable case that the Respondent's assets represent a direct conduit for the Applicant's capital. They further demonstrate a real risk of dissipation given GreenHydro's financial distress and intention to liquidate assets.

…

82 To lift the preservation orders at this preliminary stage would risk irrevocably alienating assets which are arguably traceable to the debt owed. The purpose of the interim relief is to maintain the status quo pending a full determination. The balance of convenience in this case leans in favour of the preservation.

…

[REST OF DECISION INTENTIONALLY OMITTED]

ORDERS

1. The preliminary objection on jurisdiction is hereby dismissed.
2. The interim preservation i.e, *de facto* seizure dated 7 July 2026 over the Respondent's assets is hereby upheld.
3. [Other orders]
4. [Other orders]

The matter is listed for further hearing on 3 December 2026.

INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES

In the arbitration proceeding between

GreenHydro PLC

(Claimant)

and

Equatoriana

(Respondent)

ICSID Case No. ARB/26/79

RESPONSE TO THE REQUEST FOR ADDITIONAL CLAIMS AND APPLICATION FOR PROVISIONAL MEASURES

---

24 August 2026

Counsel for the Respondent

Ms. Camila Ventura

LexEnergia Equatoriana

Regent Court, 10 Commonwealth Avenue

Grand Harbor 22015, Equatoriana

I. INTRODUCTION

1. Equatoriana, the Respondent in the present proceedings, hereby submits a short response to the Request for Additional Claims and Provisional Measures filed by GreenHydro, the Claimant, under Article 46 of the ICSID Convention and Rule 40 of the ICSID Arbitration Rules (the "**Response**") together with Exhibit R-6.

2. In this Response, unless otherwise stated, the Respondent adopts the abbreviations used in the Claimant's Request for Arbitration and Request for Additional Claims.

II. THE ARBITRAL TRIBUNAL SHALL NOT GRANT ANTI-SUIT INJUNCTION. IN ANY EVENT, THE INSOLVENCY PROCEEDINGS BY ERENPOW DO NOT CONSTITUTE EXPROPRIATION

3. The Respondent seeks to clarify that the insolvency proceedings against Volta Transformer currently pending in Equatoriana (the "**Insolvency proceedings**") have been initiated by ERenPow against the Claimant for the repayment of the Contractual Price under the PSA, an amount which has not been disputed by the Claimant. ERenPow is not a party to the present arbitration; therefore, an injunctive relief against it is not tenable. Moreover, any claims that these proceedings constitute indirect expropriation are far-fetched and unavailing, given the undisputed nature of the debt and the lawful exercise of ERenPow's rights.

4. While the arbitral tribunal may have jurisdiction *ratione personae* over the Respondent, such jurisdiction cannot be exercised against ERenPow which is a separate legal entity. Moreover, the Insolvency proceedings against the Claimant, which will take the form of proceedings *in rem*, would not be solely in privity with ERenPow. In essence, restraining the Respondent from pursuing the Insolvency proceedings would not, by itself, bring the liquidation to a halt.

5. Further, ERenPow's ability to recover the disputed sums relies on assets that are movable or could be transferred outside the jurisdiction. If the Insolvency proceedings are stayed until the conclusion of this arbitration, there is a significant risk that the assets may be diminished or rendered inaccessible, preventing ERenPow from fully recovering the amounts owed. Therefore, the anti-suit injunction is not merely a temporal inconvenience, as it could turn into a permanent or irrecoverable loss. It also

cannot be ignored that the Claimant has demonstrated a pattern of strategically moving assets in prior litigation within its home state.[1]

6. Furthermore, if the Arbitral Tribunal grants an anti-suit injunction against Equatoriana, it could permanently affect ERenPow's ability to recover the Claimant's default through legal means, i.e. Insolvency proceedings. Considering that the Equatoriana-Mediterraneo Agreement does not contemplate the host state to bring claims, it creates a legal asymmetry. The Respondent submits that granting an anti-suit injunction at the request of the Claimant would leave ERenPow remediless. If the Respondent cannot assert a counterclaim to recover the default, granting the anti-suit injunction denies it a meaningful remedy, causing irreparable financial or legal prejudice.

7. Therefore, inability to raise a counterclaim is not just theoretical as it amounts to a structural limitation that curtails the ERenPow's ability to obtain relief.

8. It is also worthy of noting that the Claimant seeks either the cessation of the expropriatory Insolvency proceedings or, alternatively, damages for the alleged expropriation. The Respondent strongly contests that Insolvency proceedings amount to expropriation. The fact that the Claimant includes a claim for damages as an alternative relief suggests that there is no irreparable harm that cannot be compensated monetarily. Therefore, the Claimant fails to satisfy the absolute necessity for an anti-suit injunction to be granted.

III. RELIEF SOUGHT

33. In light of the above, the Respondent respectfully requests the Arbitral Tribunal to:

i. **DECLARE** that the Insolvency proceedings initiated by ERenPow do not constitute an expropriation;

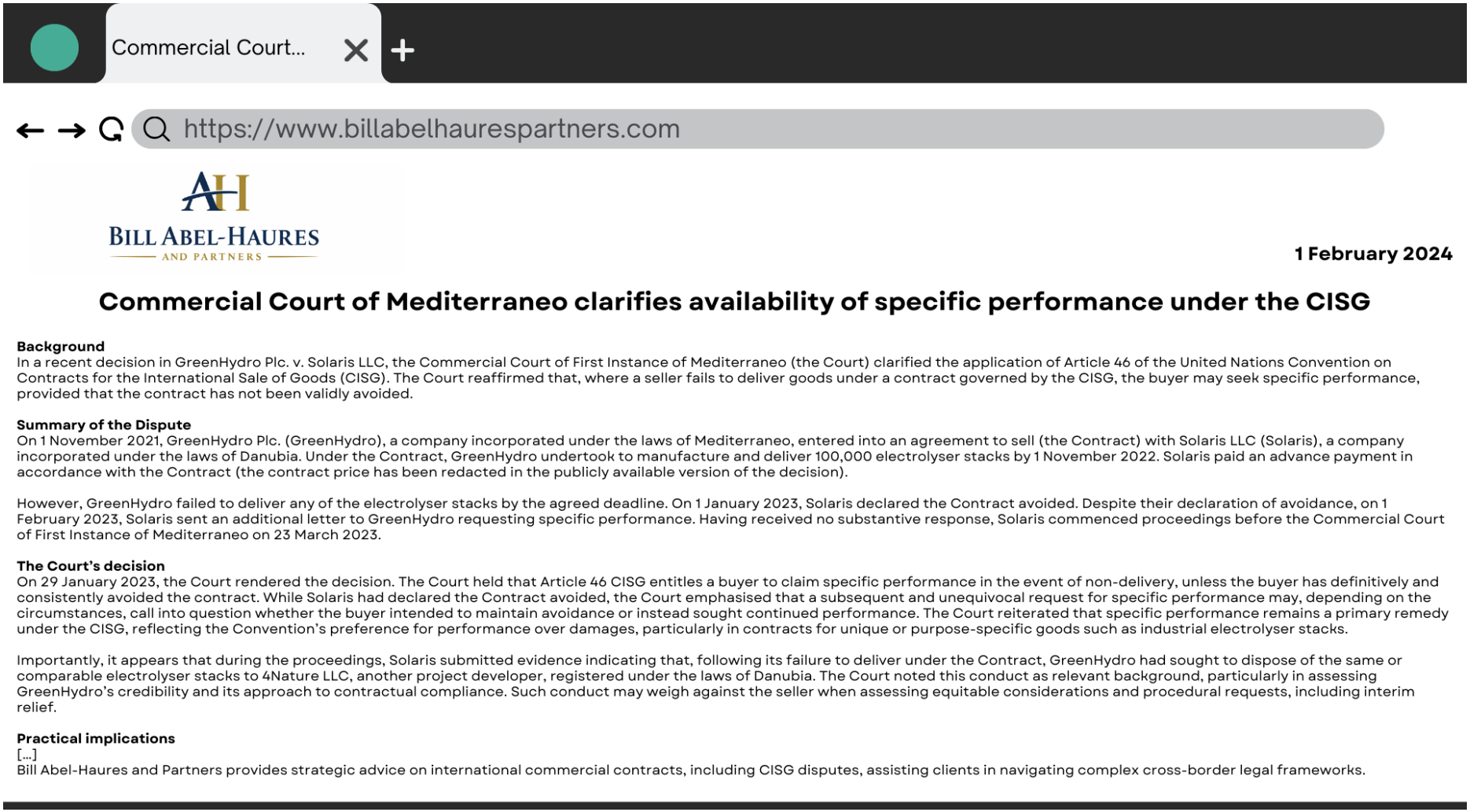
ii. **REFUSE** granting anti-suit injunction against the Insolvency proceedings.

For the Respondent,

Ms. Camila Ventura
LexEnergia Equatoriana

[1] Exhibit R-6, Excerpt from the Press Report of 1 February 2024 on the decision of the Commercial Court of Mediterraneo.

Exhibit R-6, Excerpt from the Press Report of 1 February 2024 on the decision of the Commercial Court of Mediterraneo



INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES

In the arbitration proceeding between

GreenHydro PLC

(Claimant)

and

Equatoriana

(Respondent)

ICSID Case No. ARB/26/79

PROCEDURAL ORDER NO. 2

Members of the Tribunal

Mr. Arlo Gooseman, President of the Tribunal

Dr. Cikū Oluwapemi, Arbitrator

Prof. Eustace Silver, Arbitrator

Secretary of the Tribunal

Ms. Nyokabi Naa

27 August 2026

Introduction

This Procedural Order No. 2 ("**PO2**") records the Tribunal's decision on the Claimant's Request to submit additional claims. The Tribunal finds that the additional claims raised by the Claimant arise directly out of the subject matter of the dispute. Accordingly, the Tribunal admits the additional claims into the record.

1. Procedural Background

1.1. On 30 March 2026, GreenHydro Plc. (the **"Claimant"**) submitted to the International Centre for Settlement of Investment Disputes (ICSID) a Request for Arbitration instituting the present proceedings against the Equatoriana (the **"Respondent"**) under Article 10 of the Agreement between the Government of Equatoriana and the Government of Mediterraneo for the Promotion and Protection of Investments (the **"Equatoriana – Mediterraneo Agreement"**) which was entered into on 1 January 1996.

1.2. The Tribunal was constituted on 29 May 2026 and is composed of:

Mr. Arlo Gooseman, President of the Tribunal

Dr. Cikū Oluwapemi, Arbitrator

Prof. Eustace Silver, Arbitrator

1.3. On 22 June 2026 the Tribunal held its first session via videoconference.

1.4. On the 29 June 2026, the Tribunal issued Procedural Order No 1 ("**PO1**").

1.5. On 10 August 2026, the Claimant filed a Request for leave to introduce additional claims and apply for a provisional measure (**"Request for additional claim**").

1.6. On 24 August 2026, the Respondent filed it's Response to the Request to introduce additional claims and seek a provisional measure.

1.7. This PO2 provides the Tribunal's decision and reasoning on the Request for additional claim.

2. The Parties' Positions

2.1. The Claimant's position

[*intentionally omitted*]

2.2. The Respondent's position

[*intentionally omitted*]

3. Analysis

3.1. The Claimant asks the Tribunal to grant it leave to file additional claims relating to expropriation of their investment. It also asks the Tribunal to issue an anti-suit injunction to prevent the Respondent from proceeding with the insolvency petition initiated against it at the local courts while the present proceedings are underway.

3.2. The Tribunal has carefully reviewed and considered the Claimant's Request for additional claim and the Respondents answer to the request. The Tribunal's decision is based on the assessment of the Parties' claims and objections. The Tribunal's decision does not reflect its view on the merits of the Claimants assertions in its Request for additional claim or on the merits of the Respondents objections.

4. Additional Claims (Convention Article 46 and Arbitration Rule 40)

4.1. The Equatoriana – Mediterraneo Agreement is silent on the Tribunal's authority to admit additional claims and/ or to grant provisional measures. The Request for additional claim is thus governed by the ICSID Convention and the current ICSID Arbitration Rules (2022).

4.2. Article 46 of the ICSID Convention provides:

"Except as the Parties otherwise agree, the Tribunal shall, of requested by a party determine any incidental and or additional claims or counterclaims arising directly out of the subject matter of the dispute provided that they are within the scope of the consent of the parties and are otherwise within the jurisdiction of the Centre."

4.3. The additional claim raised by the Claimant falls within the scope of the parties' consent and arises directly out of the subject matter of the dispute under Article 46 of the ICSID Convention. It is therefore taken on record.

5. Provisional measures (Convention Article 47 and Arbitration Rule 47)

5.1. Article 47 of the ICSID Convention provides:

"Except as the parties otherwise agree, the Tribunal may, if it considers that the circumstances so require, recommend any provisional measures which should be taken to preserve the respective rights of either party."

5.2. Rule 47 of the ICSID Arbitration Rules provides in part that:

"A party may at any time request that the tribunal recommend provisional measures to preserve that party's rights, including measures to:

- Prevent action that is likely to cause current or imminent harm to that party or prejudice the arbitral process"

5.3. Rule 47 (3) provides the circumstances the ICSID Tribunal is to take into consideration when deciding whether to issue provisional measures and states as follows:

"In deciding whether to recommend provisional measures, the Tribunal shall consider all relevant circumstances, including:

1. Whether the measures are urgent and necessary; and

2. The effect that the measures may have on each party."

5.4. The Parties agree that the ICSID Convention and Arbitration Rules afford the Tribunal the authority to recommend provisional measures.

5.5. The Tribunal accepts that there is no presumption in favour of granting provisional measures and shall rely on the relevant circumstances and facts in deciding whether to grant the provisional measures.

6. Conclusion

6.1. Considering all relevant factors, the Tribunal finds it appropriate to have the additional claims raised by the Claimant admitted into the record as they arise directly out of the subject matter of the dispute.

6.2. Para 17.2 of PO1 shall be supplemented with the following additional issue for the written submissions and the Stage I hearing:

iv. Whether an Anti-suit injunction should be granted against the Respondent restraining it from pursuing the insolvency proceedings while this arbitration is pending.

6.3. Para 17.4 of PO1 shall be supplemented with the following additional issue for the Stage 2 hearing:

Whether the insolvency proceeding initiated at the petition of ERenPow is expropriatory in nature?

6.4. This decision is without prejudice to any later assessment of the merits of any objections to the anti-suit injunction.

Mr. Arlo Gooseman

President of the Tribunal

27 August 2026

STATEMENT OF UNCONTESTED FACTS

General overview

1. The present proceedings result from certain measures undertaken by Equatoriana ("**Equatoriana**", "**Respondent**") against GreenHydro Plc., a medium-sized engineering company registered under the laws of Mediterraneo ("**GreenHydro**", "**Claimant**").

2. Equatoriana is a sovereign State located near the equator. It receives consistent, direct sunlight that produces year-round high temperatures and minimal variation in day length and seasons. Despite being a coastal country, sea winds rarely moderate the high humidity and temperatures, creating favourable conditions for both conventional and renewable energy generation. The country's energy requirements have been a frequent topic of political discourse, shaping parliamentary debates and influencing election campaigns.

3. Equatoriana possesses moderate domestic oil reserves, sufficient to cover part of its national energy demand but not enough to ensure long-term energy security. As a result, the country relies on a mixed supply model, combining production from its own fields with substantial imports from neighbouring States. Although Equatoriana's crude output is limited, it maintains a well-developed refining sector, with several modern refineries capable of processing both domestically extracted and imported petroleum. This refining capacity has historically enabled Equatoriana to meet domestic consumption needs for transportation fuels and industrial use, even when crude imports fluctuated.

4. Equatoriana neighbours two States, Danubia and Mediterraneo, whose geographical and environmental conditions are similar to those of Equatoriana.

5. Politically, Equatoriana is a parliamentary republic with general elections held every 5 years. Following each election, the party that secures a majority of seats in the Parliament forms the Government. Three parties have historically dominated the political sphere: the People's Choice Party ("**PCP**"), the Equatoriana National Party ("**ENP**"), and the Equal Latitude Front ("**ELF**"). Among them, the PCP has consolidated its hold on power through successive sweeping majorities since 2013.

6. In October 2018, PCP secured 65% of the votes, thereby obtaining a clear majority of seats in parliament. The ENP (20%), the ELF (10%), and various minor parties (5%) made little to no impact, leaving the PCP's dominance in the Parliament effectively uncontested.

Consequently, PCP members occupied the ministerial positions in the Cabinet, with Mr. James Positive ("**Mr. Positive**") appointed as Minister of Energy and Environment.

7. By 2018, several national strategies for ecological development and environmental preservation had already been implemented. In 2013, the PCP-led government introduced caps on petrol and gas usage in manufacturing, aiming to encourage large manufacturing corporations to adopt alternative renewable energy sources. This policy, however, met with considerable opposition from the business community.

8. Thereafter, the elected chamber of the Parliament of Equatoriana introduced the Green Energy Strategy Bill in January 2019 and on 25 March 2019, the Green Energy Strategy Act was enacted. In a media interview, Mr. Positive highlighted the importance of the Green Energy Strategy Act. The Green Energy Strategy Act was his brainchild, and he emphasized this legislation to be a cornerstone of national law that will not be subject to discontinuation or attenuation.

9. Although the Green Energy Strategy Act broadly reflects development priorities aligned with the views of Equatoriana's population, it marked a shift in focus by placing special emphasis on green hydrogen, a less energy-efficient form compared to conventional sources. This move was motivated by the potential of hydrogen to replace non-renewable energy sources in hard-to-electrify sectors such as steel and aviation. As the political debate unfolded, ENP launched strong opposition to the Green Energy Strategy Act.

By-Election of 2022

10. In January 2022, the demise of Ms. Charlie Changeable, a PCP member and the elected minister from the Consensus Canyon district of Equatoriana, led to a by-election in the district. This by-election engendered much hysteria on account of the district's long history as a bellwether, often serving as a demographic swingometer in predicting broader electoral trends.

11. The PCP's already diminishing popularity was put to the test, and the Consensus Canyon voters remained true to tradition. Ms. Taylor Trendwell from the ENP prevailed and was sworn in as the elected representative of the district.

Campaigns for the national elections

12. After unsuccessful attempts to persuade the PCP majority Parliament of the potential disadvantages of the Green Energy Strategy Act, the ENP released its election manifesto in October 2022, proposing radical reforms to the policy. The ENP's campaign motto has been to review, revise, or repeal green energy policies that harm the economy or block infrastructure projects. The ENP's manifesto raised again a broad discussion in and out of Equatoriana about viability of a broad usage of green hydrogen and the respective legislative measures.

13. Since November 2022, the three major political parties in Equatoriana have been campaigning for the upcoming national elections in October 2023 in full swing. The two major opposition parties, ENP and ELF, took complete advantage of the prevailing anti-incumbency to create their stronghold.

Implementation of the Green Energy Strategy Act

14. Following the enactment of the Green Energy Strategy Act, the Government of Equatoriana through its Ministry of Environment and Energy took several steps to ensure its implementation. Inter alia, the planning and permitting regimes for the infrastructure necessary to support the energy transition were streamlined, and the required funding was allocated. Equatoriana RenPower Ltd. ("**ERenPow**"), as one of the government's primary vehicles to implement the Green Energy Strategy Act, was charged with ensuring an accelerated development of the infrastructure for the production of green hydrogen and possible derivatives such as eAmmonia infrastructure.

15. ERenPow is a fully State-owned company created in 2004 by a merger of the two State-owned energy companies operating in the field of renewables. ERenPow is a separate legal entity governed by private law. Its sole shareholder is Equatoriana, which also appoints ERenPow's management. The management is entrusted with the day-to-day operation of the company, including its representation. The Government of Equatoriana is entitled to change ERenPow's management at any time and without providing any explanation.

16. ERenPow is a major player in the Equatorianian renewable energy market, known for its green energy production through wind farms and solar parks. In recent years, ERenPow has developed several renewable energy projects, consistent with the strategic direction established by the PCP.

GreenHydro

17. With the enactment of the Green Energy Strategy Act, there has been what critics have called a "hydro-hype" among the investors. The announcement of this ambitious Green Energy Strategy Act in 2019 has led to Equatoriana becoming one of the fastest-growing markets for producing renewable energy, with a sharp increase in start-ups in the sector and a corresponding rise in investment. Yet, the production of green hydrogen remained largely untapped on a large scale, particularly through the Proton Exchange Membrane Electrolysis ("**PEM-electrolysis**") process.

18. On 3 January 2023, ERenPow, in ongoing consultation with Mr. Positive, decided to build three large plants for the production of green hydrogen in line with the Green Energy Strategy Act. Both local and international investors were invited to contribute. Among the interested investors was GreenHydro, a Mediterranean company led by its Chief Executive Officer, Mr. Poul Cavendish.

19. GreenHydro is a medium-sized engineering company with more than 2,000 employees active in the area of renewable energy production. The company specialises in the planning, construction, and sale of green hydrogen production plants, along with integrated services across the hydrogen and Power-to-X value chain for the industrial, energy, and mobility sectors. After years of dedicated research, GreenHydro developed an innovative process for producing hydrogen for industrial use. This process is based on PEM electrolysis and incorporates a system for recovering the heat generated during electrolysis for use in district heating.

20. Since 2018, GreenHydro has been studying and analysing potential foreign markets in neighbouring countries for implementing a green hydrogen project using innovative PEM technology. In recent years, both Danubia and Equatoriana have expressed their intention to transition to renewable energy in the manufacturing and transportation sectors. Although legislation in Danubia encouraged foreign investment in the renewable energy sector, it did not explicitly include hydrogen as a targeted renewable energy source. Therefore, GreenHydro identified Equatoriana as a more suitable foreign market and applied to be listed as a potential seller under Equatoriana's Public Procurement Law, receiving approval in November 2022. Prior to this, GreenHydro had concluded two smaller contracts with other government entities of Equatoriana in the field of renewable energy.

Tender and Purchase and Service Agreement

21. ERenPow invited bids on 3 January 2023 for the construction and delivery of a plant to produce green hydrogen and potential derivatives (the "**Green Hydrogen Plant**"). GreenHydro was specifically invited to participate in the tender. The Green Hydrogen Plant was designated as a strategic project and positioned as a flagship initiative in renewable energy under the Green Energy Strategy Act.

22. According to the description, the bids were to cover the following four elements: a fixed 100 MW turnkey plant for the production of green hydrogen, maintenance and training services for one year, and two optional extensions for ERenPow regarding the Green Hydrogen Plant. The first concerned a capacity expansion of up to twice the contracted capacity, and the second involved the addition of a unit for the production of eAmmonia.

23. To facilitate the programme, attract bidders, and expedite the construction of the Green Hydrogen Plant, the Ministry of Environment and Energy assured the availability of all necessary environmental, construction, and operational permits in line with the Green Energy Strategy Act. The issuance of the necessary environmental permits was imminent and depended only on internal procedures. The remaining permits, which generally do not pose any issues, required the detailed planning of the plant.

24. Alongside advancing the hydrogen transition, a key objective of the tender process was to foster the development of local industry in the renewable energy sector. Accordingly, substantial local content requirements were introduced. The Request for Quotation specified that the local content of the materials provided would be an important factor in evaluating the bids, and a minimum of 25 percent was required for eligibility.

25. The relevant documents were to be published on the Ministry of Environment and Energy's official tender platform. With a reverse auction as its initial phase, the tender was technology-open, and overall efficiency in relation to price served as the key basis for comparing the various proposals.

26. GreenHydro was keen on the realisation of this project, as it would have been its first opportunity to showcase the advantages of its patent-protected production process on such a large scale. The prospect of utilising the excess heat generated during hydrogen production for district heating further increased the project's appeal and would enhance the overall efficiency of the plant. Until then, the only operating facility of this kind was GreenHydro's own 5 MW plant, and at the time of the tender, a second 20 MW plant had just been commissioned by the Government of Mediterraneo.

27. PEM electrolysis is a process in which electricity is used to split water into hydrogen and oxygen using a special membrane that is permeable to protons but not to gases such as hydrogen or oxygen. The electrolysers used in this process are arranged in stacks of 10 MW each, allowing the system to be scaled up by adding additional stacks.

28. In conventional plants, a significant amount of heat generated as a byproduct during electrolysis is wasted. GreenHydro claims that the excess heat captured in their process can be channeled to district heating systems, thereby supplying residential and industrial consumers with thermal energy. In theory, this dual use of the plant's output would significantly improve overall efficiency by generating both green hydrogen and usable heat.

29. Despite being better suited to the fluctuating energy supply from renewable sources, proponents of PEM electrolysis have yet to demonstrate the commercial viability of this technology.

30. Despite these doubts, no local entity was capable of realising a project of this scale in hydrogen production as the main contractor. While preparing its bid, GreenHydro was fortunate to already have a suitable transformer available for the Green Hydrogen Plant, which it had ordered in 2020 from its long-time Equatorianian business partner, Volta Transformer, for another project. The transformers were scheduled for delivery in early 2024, but the other project was cancelled in November 2022 due to the insolvency of the customer. The transformers were the right size for the present project, with sufficient capacity to cover the two options, should ERenPow make use of them. Its availability gave GreenHydro a competitive advantage by significantly reducing the lead times that most businesses would face.

31. With the support from the Ministry of Environment and Energy, it was expected that the Green Hydrogen Plant would begin producing green hydrogen from early 2026 onwards, as specified in the Request for Quotation. Having the Green Hydrogen Plant operational by 2026 was also important for GreenHydro, as it would allow the company to use the project as a reference for future opportunities and to leverage the exponential market growth anticipated from 2026 onwards. Above all, it would help dispel the reservations that persisted in certain quarters of the renewable energy community regarding the PEM technique.

32. GreenHydro entered the tender process with an initial offer calculated on a cost-only basis, without any profit margin. Owing to its initial offer, the potential of its innovative

technology, and its advantageous lead time for procuring the requisite infrastructure, GreenHydro emerged as a top bidder.

33. During the final discussions between GreenHydro and ERenPow on 13 July 2023, GreenHydro was even willing to lower its already competitive price by an additional 5%, in exchange for the exclusion of ERenPow's right to terminate the PSA for convenience and for certain commitments regarding the sharing of data for future marketing purposes. Based on its calculations, the offer would not only have failed to cover GreenHydro's costs but could have resulted in a loss of EUR 15 million for the fixed component alone if no further savings were achieved. ERenPow was fully aware of this, as GreenHydro had been transparent about its cost structure throughout the negotiations. The successful realisation of this innovative project required ongoing, forward-looking cooperation between the two partners, founded on mutual trust.

34. The negotiations that began in May 2023 continued until 17 July 2023, when the Claimant and ERenPow entered into the Purchase and Service Agreement ("**PSA**"). The parties, along with Mr. Positive, held a joint press conference on the signing of the PSA.

35. As agreed under the PSA, 10 percent of the Contract Price was disbursed on 1 October 2023. From the outset of the tender process, GreenHydro had been exploring options to meet its local content obligations, both for the fixed delivery components and for the two optional extensions. By then, on 25 August 2023, the Claimant entered into a contract with a company registered under the laws of Equatoriana, for the production of the transformers and electrolyser stacks. These electrolysers stacks were to be produced by Volta Electrolyser, a fully own subsidiary of Volta Transformer, under a license from the Claimant. They were nearly identical to GreenHydro's own and could therefore be easily combined with its stacks.

36. GreenHydro subsequently acquired Volta Transformers in November of the same year through a share deal with the Volta family, the owners of Volta Transformer and Volta Electrolyser. Through this full acquisition, GreenHydro gained complete control and operational influence over Volta Transformer, and the obligation to pay the remaining consideration for the transformer order beyond the 15% advance became unnecessary, as GreenHydro now owned the manufacturing company.

37. The contract for the eAmmonia module was concluded with Green Ammonia, a company located in Danubia. This did not influence the local content for the contracted 100 MW

Green Hydrogen Plant, which was still above the requested 25% but would have resulted in a lower percentage if ERenPow exercised the eAmmonia option.

Election results

38. The national elections took place in October 2023. As anticipated from the Swingometer Projections, the PCP was voted out of power, paving the way for the ENP to secure a resounding majority. After the results came out, Mr. Positive, the then Minister for Energy and Environment faced with waning popularity, was replaced by a colleague from the ENP, Ms. Theresa Vent ("**Ms. Vent**"). Ms. Vent had been vocal in her criticism of the Green Energy Strategy Act, particularly regarding its baseless hydrogen quotas.

Change in the Green Energy Strategy Act

39. Since coming into power, the ENP led government introduced an Amendment Bill to revise the Green Energy Strategy Act due to serious concerns about its negative effects on the competitiveness of Equatorianian businesses due to the high costs of energy. In early December 2023, the Green Energy Strategy Amendment Act came into effect.

Change in the management of ERenPow

40. The CEO of GreenHydro, Mr. Poul Cavendish ("**Mr. Cavendish**"), and the CEO of ERenPow, Dr. Michelle Faraday ("**Dr. Faraday**"), had once been classmates during their Master's program. Owing to their close relationship, Dr. Faraday, on 27 December 2023, over a phone call, confided in Mr. Cavendish that she would be replaced as CEO by the end of the month. Dr. Faraday confirmed rumours that ERenPow would review all contracts to see whether they fit the amended Green Energy Strategy Act. She also predicted that the new CEO would try everything to either terminate the unwanted contracts or at least aggressively renegotiate them.

41. Dr. Faraday's fears proved correct when the newly appointed Minister of Energy and Environment, Ms. Vent, removed her from office, installing Mr. Henry la Cour ("**Mr. la Cour**"), a former manager of a solar company, as the new CEO and simultaneously reshuffling the board of directors of ERenPow. Mr. la Cour is a member of the ENP and a well-known critic of hydrogen energy.

Termination of the PSA

42. On 28 February 2024, GreenHydro submitted the Final Plans for approval, though without the planning for the eAmmonia module. Due to delays caused by a subcontractor, GreenHydro failed to submit the Final Plans within the timeframe prescribed under the PSA. Consequently, ERenPow withheld the 25 percent of the Contract Price that had been scheduled for disbursement on 10 February 2024.

43. In these circumstances, on 29 February 2024, ERenPow unilaterally terminated the PSA, citing two grounds: (i) a fundamental breach of the agreement arising from delays in the delivery of the Final Plans; and (ii) ERenPow's asserted entitlement to terminate the contract on account of conflicts with prevailing government policies since it no longer fits into Equatoriana's energy strategy.

Equatoriana's agreements with third States

44. Under the constitutional framework of Equatoriana, the negotiation, termination, and conclusion of international treaties fall within the competence of the executive, acting through the Ministry of Trade and Commerce. The change of the ruling political party in Equatoriana also led to reviewing some of the trade agreements with third States by the Ministry of Trade and Commerce. On 29 October 2023, the Agreement between the Government of Equatoriana and the Federal Council of Danubia on the Mutual Encouragement and Protection of the Investments dated 1 November 1995 was mutually terminated. Thereafter, on 28 February 2024, after clarifying several crucial points, Equatoriana and Danubia entered into a new treaty called the Free Trade Agreement between the Government of Mediterraneo and the Government of Danubia.

Renegotiation of the PSA

45. In April 2025, Mr. Cavendish, some members of the ERenPow's board of management, as well as Ms. Vent, met to have a discussion on the Green Hydrogen Project. During this meeting, Mr. Cavendish explained the reason for the delay of the required plans and other issues around the PSA's execution.

46. The meeting appeared fruitful, as it seemed the impasse between the parties had been resolved, and Ms. Vent expressed a willingness to continue the project. In view of this, on 25 May 2024, ERenPow extended a without-prejudice offer to renegotiate the PSA. Citing the reduced competitiveness of the project, ERenPow indicated that the price for the plant, including the two extension options, would need to be lowered by at least 15 percent.

47. Moreover, it was made abundantly clear that any renegotiation and continuation of the PSA was subject to the approval of Ms. Vent, and that she would agree to proceed only if hydrogen could be produced at a price competitive with other forms of energy. To achieve such competitiveness, a price reduction of at least 15 percent, if not more, would be required.

48. Of the three hydrogen projects initially envisaged by the Government of Equatoriana, one was never signed or realised due to ERenPow's aggressive renegotiation approach. Another project, involving a 50 MW plant based on alkaline electrolysis, was successfully renegotiated with a price reduction of 7 percent.

FAI Award

49. On 31 July 2024, GreenHydro initiated an arbitration under the FAI rules based on the arbitration agreement included in the PSA, where it sought both a declaration that the contract was not validly terminated and an order for specific performance of the PSA.

50. The Award was rendered on 30 September 2025, and the Tribunal found that the PSA had been validly terminated under the Equatorianian Civil Code ("**FAI Award**").

Post FAI ward

51. On 29 December 2025, GreenHydro applied to the High Court of Vindobona, Equatoriana, to set aside the FAI Award.

52. Upon the FAI Tribunal upholding the PSA's termination, ERenPow sought repayment of the first instalment (10% of the Contract Price) paid to GreenHydro via notice dated 2 May 2026, by encashing the Performance Bank Guarantee executed by GreenHydro as per Article 17 of the PSA. However, the bank refused to honour the encashment, as it was conditional upon a default in construction. Since the project under the PSA has not progressed beyond the planning stage, ERenPow's entitlement to encash the BG has not yet arisen.

53. GreenHydro used a part of this instalment to purchase Volta Transformer and other essential assets, which left them unable to return the money upon termination. ERenPow further suspected that part of the advance was diverted by GreenHydro to cover expenses for their minor 20 MW plant project undertaken in Mediterraneo.

54. ERenPow also received a tip-off indicating that GreenHydro was experiencing financial difficulties. GreenHydro's dire financial situation resulted from the failed project and

accumulated debts to other creditors. On 3 July 2026, ERenPow filed a winding-up petition in the High Court of Vindobona (Commercial Division) against Volta Transformer, an Equatorianian company owned by GreenHydro, to recover the sum of EUR 28.5 million.

55. Equatorianian law provides for an accelerated liquidation mechanism for debts owed to the State. Although ERenPow is a separate private-law entity, it invoked the special statutory status granted to the renewable energy and the natural resources sector, under which State-owned entities are endowed with statutory power to approach the insolvency court for an accelerated winding-up.

56. Fearing that GreenHydro might transfer its assets held with Volta Transformer out of Equatoriana before liquidation commences, ERenPow filed a provisional relief application to prevent the dissipation of GreenHydro's assets, pending the court's determination of the winding-up petition. Accordingly, the High Court of Vindobona ordered the *de facto* seizure of assets on 7 July 2026, even before the declaration of formal insolvency by the Court.

57. On 30 March 2026, GreenHydro filed a Request for Arbitration under ICSID Arbitration Rules. The Secretary-General of ICSID registered the Request for Arbitration on 15 April 2026. On 25 May 2026, Equatoriana sent a Response to the Request for Arbitration.

58. On 10 August 2026, the Claimant filed the Request for the admission of additional claims and application for provisional measures. On 24 August 2026, the Respondent sent a Response to the Request for additional claims and application for provisional measures.

59. Equatoriana, Danubia, and Mediterraneo are the parties to the Vienna Convention on the Law of Treaties dated 23 May 1969, the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards dated 10 June 1958 and, the Convention of Washington of March 18, 1965 on the Settlement of Investment Disputes between States and Nationals of other States.

AGREEMENT BETWEEN THE GOVERNMENT OF EQUATORIANA AND THE GOVERNMENT OF MEDITERRANEO FOR THE PROMOTION AND PROTECTION OF INVESTMENTS

The State of Equatoriana and the State of Mediterraneo hereinafter referred to as the "Contracting Parties",

Desiring to intensify economic cooperation to the mutual benefit of both States,

Intending to create and maintain stable, favourable and transparent conditions for investments by investors of one Contracting Party in the territory of the other Contracting Party on the basis of mutual benefit,

Recognizing that the encouragement and reciprocal protection of such investments will be conducive to the stimulation of business initiatives and will increase prosperity in the territories of the Contracting Parties,

Considering the need to promote and protect foreign investments with the aim to foster the economic prosperity of both States,

Have agreed as follows:

Article 1 – Definitions

For the purpose of this Agreement:

(1) The term "**Investment**" means every kind of economic asset, owned, or controlled directly or indirectly, by investors of a Contracting Party in the territory of the other Contracting Party, in accordance with the law of the latter, including in particular, but not exclusively, the following:

(a) an enterprise;

(b) shares, stock, and other forms of equity participation in an enterprise;

(c) bonds, debentures, other debt instruments, and loans;

(d) futures, options, and other derivatives;

(e) claims to money, or to any performance under contract having an economic value;

(f) intellectual property rights;

(g) licenses, authorisations, permits, and similar rights conferred pursuant to a Contracting Party's law; and

(h) other tangible or intangible, movable or immovable property, and related property rights, such as liens, mortgages, pledges, and leases.

(2) The term "**Investor**" means a natural or juridical person of a Contracting Party, other than a branch or representative office, that has made an investment in the territory of the other Contracting Party;

(3) The term "**returns**" means the amounts yielded by an investment and includes in particular, profits, interest, capital gains, dividends, royalties and fees.

(4) The term "**territory**" means the territory of either Contracting Party as defined by the laws of the Contracting Party concerned in accordance with international law.

Article 2 – Scope of Application

The present Agreement shall apply to investments in the territory of one Contracting Party by investors of the other Contracting Party, if the investments have been made later than 1 January 1970 in accordance with the laws and regulations of the former Contracting Party.

Article 3 – Fair and Equitable Treatment

(1) Investments and returns of investors of each Contracting Party shall at all times be accorded fair and equitable treatment and enjoy full protection and security in the territory of the other Contracting Party.

(2) Neither Contracting Party shall in any way impair by unreasonable or discriminatory measures the management, maintenance, use, enjoyment, extension, or disposal of such investments.

(3) Neither Contracting Party shall subject investments and activities associated with such investments by the investors of the other Contracting Party to treatment less favorable than that accorded to the investments and associated activities by the investors of its own state or any third State.

Article 4 – Free Transfer

Each Contracting Party in whose territory investments have been made by investors of the other Contracting Party shall grant those investors the free transfer of the funds relating to these investments, particularly of:

(a) returns on investments;

(b) amounts relating to loans incurred for the investment;

(c) additional contributions of capital necessary for the maintenance or development of the investment;

(d) the proceeds, including possible capital appreciation, arising from the sale or the partial or total liquidation of the investment.

Article 5 – Expropriation

(1) Neither Contracting Party shall nationalize or expropriate a covered investment either directly or indirectly through measures having an effect equivalent to nationalization or expropriation (hereinafter referred to as "expropriation") except:

(a) for a public purpose;

(b) under due process of law;

(c) in a non-discriminatory manner; and

(d) against payment of prompt, adequate and effective compensation

(2) The compensation referred to in paragraph 1 shall amount to the fair market value of the investment at the time immediately before the expropriation or the impending expropriation became publicly known or when the expropriation took place, whichever is earlier.

(3) The compensation shall include interest at a normal commercial rate from the date of expropriation until the date of payment.

(4) This Article does not apply to the issuance of compulsory licenses granted in relation to intellectual property rights, to the extent that such issuance is consistent with the Agreement on Trade-Related Aspects of Intellectual Property Rights in Annex 1C to the WTO Agreements.

Article 6 – Principle of Subrogation

If a Contracting Party makes a payment to a natural or juridical person pursuant to a guarantee it has granted in respect to an investment in the territory of the other Contracting Party, the latter Contracting Party shall recognize the assignment of any right or title of such natural or juridical person to the former Contracting Party and the subrogation of the former Contracting Party to any such right or title.

Article 7 – Compensation for Losses

Natural or juridical persons of one Contracting Party whose investments in the territory of the other Contracting Party suffer losses owing to war or other armed conflict, revolution, a state of national emergency, revolt, insurrection or riot in the territory of the latter Contracting Party shall be accorded by the latter Contracting Party treatment, as regards restitution, indemnification, compensation or other settlement, no less favourable than that which the latter Contracting Party accords to its own natural or juridical persons or to natural or juridical persons of any third State. Resulting payments shall be freely transferable.

Article 8 – Regulatory Measures

The Contracting Parties reaffirm the right to regulate within their territories to achieve legitimate policy objectives for protection of public health, social services, public education, safety, the environment including climate change, public morals, social or consumer protection, privacy and data protection, or the promotion and protection of cultural diversity.

Article 9 – Disputes Between Contracting Parties

(1) Disputes between Contracting Parties regarding the interpretation or application of the provisions of this Agreement shall be settled through diplomatic channels.

(2) If both Contracting Parties cannot reach an agreement within twelve months after the beginning of the dispute between themselves, the latter shall, upon request of either Contracting Party, be submitted to an arbitral tribunal of three members. Each Contracting Party shall appoint one arbitrator, and these two arbitrators shall nominate a chairman who shall be a national of a third State.

(3) If one of the Contracting Parties has not appointed its arbitrator and has not followed the invitation of the other Contracting Party to make that appointment

within two months, the arbitrator shall be appointed upon the request of that Contracting party by the President of the International Court of Justice.

(4) If both arbitrators cannot reach an agreement about the choice of the chairman within two months after their appointment, the latter shall be appointed upon the request of either Contracting Party by the President of the International Court of Justice.

(5) If, in the cases specified under paragraphs (3) und (4) of this Article, the President of the International Court of Justice is prevented from carrying out the said function or if he is a national of either Contracting Party, the appointment shall be made by the Vice-President, and if the latter is prevented or if he is a national of either Contracting Party, the appointment shall be made by the most senior Judge of the Court who is not a national of either Contracting Party.

(6) Subject to other provisions made by the Contracting Parties, the tribunal shall determine its procedure.

(7) The decisions of the tribunal are final and binding for each Contracting Party.

Article 10 – Disputes Between a Contracting Party and an Investor of the Other Contracting Party

(1) Any dispute relating to investments arising between a Contracting Party and an investor of the other Contracting Party, to the extent possible, shall be settled amicably.

(2) If the dispute cannot be amicably settled within six months of its initiation, the investor shall be entitled to initiate appropriate legal action before a competent forum. For the purposes of this paragraph, a dispute is considered to be initiated when the investor of one Contracting Party has delivered notice in writing to the other Contracting Party.

(3) In the absence of an agreed procedure, the investor shall have the option to initiate arbitration. Each Contracting Party hereby consents to the submission of any investment dispute for settlement by binding arbitration to the International Centre for the Settlement of Investment Disputes under the Convention on the Settlement of Investment Disputes between States and Nationals of other States, opened for signature at Washington DC on 18 March 1965.

(4) Where a dispute concerning the legality of a measure alleged to constitute a breach of this Agreement has been submitted to a competent forum under paragraph (2), such prior submission shall be given due consideration, and the same matter may not thereafter be pursued before any other forum.

Article 11 – Final Provisions

(1) This Agreement shall enter into force on the day on the date of its signature by both Contracting Parties, and shall remain binding for a period of twenty years. Unless written notice of termination is given six months before the expiration of this period, the Agreement shall be considered as renewed on the same terms for a period of five years, and so forth.

(2) In case of official notice as to the termination of the present Agreement, the provisions of Articles 1 to 10 shall continue to be effective for a further period of ten years for investments made before official notice was given.

Done in English in two originals at Solmera, Equatoriana, on 1 January 1996.

For the Government of Equatoriana:

V. Gangart

For the Government of Mediterraneo:

A. Gorinov