International Energy Charter

EIRA

ENERGY INVESTMENT RISK ASSESSMENT

2021

COMMON RULES FOR GLOBAL ENERGY SECURITY

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ABOUT THE INTERNATIONAL ENERGY CHARTER

In the early 1990s, after the end of the Cold War, the Dutch Prime Minister at the time, Ruud Lubbers, took the initiative to establish cooperation in the field of energy between the East and the West. His efforts paved the way for the Energy Charter Treaty (ECT) which was signed in December 1994 at Lisbon and entered into force in April 1998.

The ECT establishes a unique multilateral legal framework to facilitate international energy cooperation. Its key principles, namely, openness of energy markets, investment protection and non-discrimination stimulate foreign direct investment and cross-border trade. As of 1 April 2021, the ECT has 56 Signatories and Contracting Parties (including the European Union and Euratom).

The *International Energy Charter* is the informal working name of the Energy Charter Conference, its subsidiary bodies and the ECS. It was adopted in 2016 to reflect the global nature of the Organisation better.

The Energy Charter Conference is the governing and decision-making body of the Organisation. Each year its Chairmanship is entrusted to a different Contracting Party of the ECT. In 2021, Armenia holds the Chairmanship. The 99 Members and Observers of the Energy Charter Conference represent governments and regional intergovernmental organisations from six continents, including all significant energy producing, transit and consuming regions.

The Energy Charter Secretariat is based in Brussels, Belgium. It is headed by Secretary-General Urban Rusnák. The main functions of the Secretariat include:

Providing administrative support and facilitating the work of the Energy Charter Conference and its subsidiary bodies;

Monitoring the implementation of the ECT;

Assisting governments in enhancing their investment climate through various instruments;

Offering support for dispute settlement and conflict resolution;

Developing regulation and model agreements for cross-border energy projects;

Organising capacity building and training sessions related to the ECT;

Assisting Observer countries with ECT accession.

FOREWORD

Even as the COVID-19 pandemic continues to impact society and the economy, the resilience and decisiveness shown by governments in the face of the crisis are commendable. Over the last year, governments introduced ambitious recovery plans and stimulus packages to deal with the immediate challenges posed by the pandemic. In the energy sector, policy-makers took measures to increase the sector's resilience and inflow of investments. While the work done in the short-term is optimistic, at the same time, it is also essential for governments to keep an eye on the future. Policy-makers will need to assess how they will meet the long-term national and global clean energy objectives, mobilise the required investment to build back better and give investors legal and policy predictability in these uncertain times.

Against this backdrop, the Energy Charter Secretariat has launched the 4th edition of the Energy Investment Risk Assessment (#EIRA2021) report to address – to some extent – these significant issues. #EIRA2021 has been developed during the COVID-19 pandemic. It is, therefore, a timely instrument that benchmarks advances made by governments in mitigating legal and regulatory risks for investors in the energy sector, achieving a progressive and predictable clean energy transition, and ensuring energy security.

The uniqueness of #EIRA2021 lies in that it analyses the policy commitments and measures undertaken by countries and, at the same time, also gives information on their implementation. It informs readers of how far countries have implemented the improvements suggested in the previous editions of EIRA and describes the measures taken to make the legal and regulatory environment more conducive to investment. I hope that policy-makers will use the report's findings to assess their progress, adapt their approach to optimise results and develop future policies in the national and international interest.

The growing confidence of policy-makers in EIRA is evident from the fact that participation in the report increased from 30 countries in 2020 to 34 this year. While 29 countries are returning to the assessment from past years, five new participants are from Africa and Asia. Another testament of the benefit it brings to countries is that in 2021, the Energy Charter Secretariat received requests from some recurrent EIRA participants to develop complementary assessment reports. The second edition of the EIRA Extended Country Profile of Nigeria, which provides detailed recommendations to reduce legal and regulatory risks in the country, was launched this year during the Nigeria National Energy Summit in Abuja. The Energy Charter Secretariat also plans to release in 2021 the third edition of Nigeria's EIRA Extended Profile and the first edition of The Gambia's EIRA Extended Profile – both of which will be produced in collaboration with the ECOWAS Commission.

In light of our constant efforts to improve the report, I am sure that EIRA's influence and geographical coverage will expand manifold in the coming years. The Energy Charter Secretariat continues to enhance the report's quality and content each year. It is also working tirelessly to improve its methodology to meet the expectations of the Energy Charter Constituency and serve it in the best possible way.

I will take this opportunity to express my gratitude to the participating countries, the external contributors in #EIRA2020, as well as the Energy Charter Secretariat's investment analysts. Their efforts have made this report possible despite the challenges posed by the COVID-19 pandemic.

Dr. Urban Rusnák
Secretary-General
Energy Charter Secretariat
Brussels

MESSAGE OF THE CONFERENCE CHAIR

The Government of the Republic of Armenia welcomes the launch of the Energy Investment Risk Assessment's (EIRA) 4th edition under its Chairmanship of the Energy Charter Conference.

EIRA assists policy-makers in identifying legal and regulatory risks to investments in the energy sector and take timely action to mitigate these risks. It supports the efforts of the Energy Charter Conference Members and Observers to create a predictable and transparent investment climate, strengthen energy security, rise out of energy poverty, and foster economic, social, and sustainable development.

As the Chair of the Energy Charter Conference, I would like to emphasise the Energy Charter Secretariat's efforts in developing this valuable report. This year, 34 countries are participating in EIRA from Asia, Africa, the Americas and Europe. Of these, 29 countries are returning from past years, while five are participating in the report for the first time. The high number of returning participants demonstrates the utility of EIRA for governments and their commitment to the core principles of the Energy Charter Process. It is my sincere hope that EIRA's scope and geographical coverage will only grow in future editions.

The Energy Charter Secretariat has also increased the depth and quality of the information presented in EIRA. The report includes an annex summarising the implementation of the suggested improvements. It also has information from the Orbis Cross Border Invesmtement database on the key investment trends in the participating countries, such as the number of deals and projects, the value of the investments, the investment's source country and the resource type that received the most investment. Moreover, the online EIRA library now contains over 1800 investment and energy-related laws and regulations from the participating countries. These features enhance the analysis of EIRA and make it even more informative and illustrative.

As the Chair of the Energy Charter Conference, I would like to encourage all the Contracting Parties and Observers to participate in the report regularly and work with the Energy Charter Secretariat to ensure EIRA continues to reflect the key principles of the Energy Charter Process.

Surent Papikyan
Chair of the Ministerial
Energy Charter Conference 2021
Minister
Ministry of Territorial Administration and
Infrastructure of the Republic of Armenia

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EIRA is an initiative of Urban Rusnák, Secretary-General of the Energy Charter Secretariat (ECS).

The EIRA report is prepared annually by the Investment Unit that is headed by Ruslan Rakhmetov. EIRA 2021 has been developed under the leadership of Investment Coordinator Ishita Pant. The team members include Anna Pitaraki, Ardit Cami and Edward Safaryan. The detailed biographies of the authors are available in the last section of the report.

The team is grateful for the assistance provided by colleagues, both within and outside the ECS. Special mention is made to Monica Emmanuel who liaised extensively with the ECOWAS and EAC countries to facilitate their participation in EIRA 2021. The efforts of Nidal Tayeh and Theresia Betty Sumarno are also appreciated and acknowledged.

The ECS expresses its appreciation to the participants of EIRA 2021: Afghanistan, Albania, Armenia, Bangladesh, Belarus, Benin, Bosnia and Herzegovina, Burundi, Colombia, Croatia, Eswatini, The Gambia, Guyana, Jordan, Kazakhstan, Kyrgyzstan, Mali, Mauritania, Mongolia, Montenegro, Nigeria, Palestine, Panama, the Republic of Moldova, Rwanda, Senegal, Sierra Leone, South Sudan, Tajikistan, Uganda, Ukraine, Uzbekistan, Viet Nam and Yemen.

The ECS thanks the focal points in the participating countries for their invaluable cooperation and support in preparing EIRA 2021.

This edition of EIRA is made possible through the expertise and generous input of more than 215 contributors. Legal and energy experts, members of the academia, financial institutions, think-tanks, business consultants, accountants, and other professionals that are actively engaged in the participating countries provided the team with in-depth on-the-ground information and data. They are duly acknowledged in the Contributors section of the report.

The project has benefitted from the feedback of the Energy Charter Strategy Group and the Energy Charter Implementation Group delegates, the peer reviewers, and the Energy Charter Industry Advisory Panel.

ABBREVIATIONS

BIT	Bilateral Investment Treaty
CapEx	Capital Expenditure
ECS	Energy Charter Secretariat
ECT	Energy Charter Treaty
EIRA	Energy Investment Risk Assessment
EAEU	Eurasian Economic Union
EITI	Extractive Industries Transparency Initiative
EU	European Union
EUR	Euro
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GHG	Greenhouse Gas
HPP	Hydro Power Plant
ICSID	International Center for Investment Dispute Settlement
IEA	International Energy Agency
IP	Intellectual Property
km	Kilometre
kV	Kilovolt
MDA	Ministries Departments and Agencies
MW	Megawatt
NDC	Nationally Determined Contributions
OECD	Organisation for Economic Co-operation and Development
OHADA	Organization for the Harmonization of Business Law in Africa
PPP	Public-Private Partnership
SDG	Sustainable Development Goals
UNCITRAL	United Nations Commission on International Trade Law
USD	United States Dollar
WTO	World Trade Organization

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EXECUTIVE SUMMARY

EIRA assesses risks to energy investment that can be mitigated by making adjustments to legal and regulatory frameworks. It guides countries on how they can improve their investment climate and benchmarks their performance against international best practices.

EIRA evaluates three types of risks: (1) unpredictable policy and regulatory change, (2) discrimination between domestic and foreign investors and (3) breach of State obligations. It highlights the key strengths and areas for improvement in each country, gives recommendations to improve results, assists in designing risk mitigation plans, and influences governments to work towards these plans. EIRA recognises that various factors, which are outside its scope, can shape investment decisions. For this reason, it does not claim to give a complete picture regarding the investment prospects or attractiveness of a country. Similarly, it does not judge or indicate if one country is better to invest in over another.

The target audience of EIRA is policy-makers. Its objective is to assist them in (1) identifying policy and regulatory gaps and (2) taking action to attract the right investments in the energy sector. Additionally, it seeks to give the energy industry, investors and the financial sector insight into particular aspects of the investment climate in the assessed countries. That said, the findings of EIRA are not an alternative to the due diligence that companies must conduct before they invest in the energy sector of an assessed country.

The scope and methodology of EIRA 2021 are the same as last year. Like its predecessors, this fourth edition of EIRA does not delve into commercial and other market-related risks as well as geopolitical issues. Despite this, its application remains comprehensive and covers investment across the entire spectrum of the energy sector.

Highlights of EIRA 2021

Participation in EIRA increased from 30 countries in 2020 to 34 in 2021. Twenty-seven countries participating this year were also assessed in EIRA 2020, while two countries – Viet Nam and Mongolia – are returning from 2019. Apart from these, five countries are taking part in EIRA for the first time: Burundi, Mali, Mauritania, South Sudan and Yemen.

The ECS invited 160 external parties to participate in EIRA 2021 after conducting extensive research on various aspects, such as their expertise, renown, and participation in other international publications. Of these, 60% were shortlisted and agreed to participate in EIRA 2021. All the participants contributed to the report pro bono.

EIRA 2021 gives the latest information on energy projects, programmes, policies and action plans developed by the participating countries between April 2020 to April 2021. The report includes an annex that synthesises the actions taken by governments to mitigate the risks assessed in EIRA and address the improvements suggested in the previous editions of the report. Depending on the progress made in each country, the annex categorises the work done as fully implemented, partially implemented, ongoing, or pending.

Compared to EIRA 2020, there is more information available on investment trends in the participating countries. Apart from providing data on the number of energy projects and deals completed between 2015-2021, the country profiles also give information on the energy sub-sectors that received the investment, its value, and the source country of the investment. The information has been derived and compiled from the Orbis Crossborder Investment database.

Key findings

Unpredictable policy and regulatory change is the highest risk assessed in EIRA for the fourth consecutive year. It is the topmost risk in 19 out of the 34 countries assessed this year.

The risk is lowest in **Rwanda** and the **Republic of Moldova,** and it is the highest in **Yemen** and **Palestine.**

Although unpredictable policy and regulatory change is the most prominent risk in countries, at the same time, its level has reduced in 20 out of the 29 countries that previously participated in EIRA. Only in two countries, **Nigeria** and the **Republic of Moldova**, the risk level has increased by a point. **The Gambia**, which had the highest risk of unpredictable policy and regulatory change in EIRA 2020, has shown maximum improvement. Its risk level decreased by 7 points due to the recently adopted Strategic Plan (2021-2025) of the Ministry of Petroleum and Energy. The Plan sets quantifiable targets to improve power reliability, reduce electricity network losses and increase the share of renewables in the power generation mix.

In 16 countries, the risk of unpredictable policy and regulatory change decreased because their performance improved on the underlying “foresight of policy and regulatory change” indicator. In six countries, the indicator score improved due to recently adopted long-term energy strategies for 2030 or 2050 (**Armenia**, **Colombia**, **Jordan**, **Kazakhstan**, **Mongolia** and **Rwanda**). Four countries adopted long-term strategies addressing climate change and setting a roadmap for low carbon development and energy transition (**Croatia**, **Panama**, **Sierra Leone** and **Uzbekistan**). The COVID-19 pandemic was one of the primary causes for policy and legal uncertainty in countries. Therefore, it is unsurprising that countries also took measures to streamline their future actions and mitigate the instability resulting from the pandemic. In ten countries (**Afghanistan**, **Albania**, **Bangladesh**, **Belarus**, **Bosnia and Herzegovina**, **Mongolia**, **Nigeria**, **Senegal**, **The Gambia** and **Ukraine**), governments prepared national development plans and energy sector strategies and programmes considering the adverse effects of the pandemic and taking financial and policy measures to address these.

In the previous editions of EIRA, 18 countries received recommendations to set quantifiable long-term strategies and targets to achieve a progressive and predictable clean energy transition. Commendably, five countries (**Albania**, **Bosnia and Herzegovina**, **Croatia**, **Jordan** and **Uzbekistan**) fully implemented the recommendations in this respect. Work is ongoing in nine countries (**Eswatini**, **The Gambia**, **Kazakhstan**, **Nigeria**, **Palestine**, **Panama**, **Republic of Moldova**, **Sierra Leone** and **Uganda**), and the recommendations are pending only in four countries (**Afghanistan**, **Belarus**, **Guyana** and **Tajikistan**).

Fourteen countries have long-term energy strategies in place but are missing action plans to implement the objectives underlined in these strategies. As a result, these countries received recommendations to develop action plans that help them reach their energy objectives, set timeframes to achieve the objectives, and establish indicators to verify and measure the progress made. The improvement made by these countries on the recommendations was promising and indicated that governments remain committed to meeting their policy objectives. **Croatia** fully implemented a recommendation on this issue by adopting in 2020 its final Integrated National Energy and Climate Plan 2021-2030. Another country that fully addressed a recommendation was **Senegal**. As advised by the EIRA report, the Government of Senegal adopted the revised Petroleum Code in 2019, the Priority Action Plan 2019-2023 and the Energy Sector Development Policy Letter 2019-2023. Work is ongoing in ten countries (**Albania**, **Armenia**, **Bangladesh**, **Bosnia and Herzegovina**, **Colombia**, **Kyrgyzstan**, **Montenegro**, **Republic of Moldova**, **Ukraine** and **Viet Nam**), and pending only in two countries (**Afghanistan** and **Jordan**).

The performance of 10 countries improved on the “robustness of policy goals and commitments” sub-indicator, contributing to a lower risk of unpredictable policy and regulatory change (**Armenia**, **Croatia**, **The Gambia**, **Jordan**, **Mongolia**, **Palestine**, **Panama**, **Senegal**, **Sierra Leone** and **Uganda**). **The Gambia**, **Palestine**, and **Sierra Leone** made the maximum progress in this respect by proactively publishing policy impact assessments, submitting the government’s financial and performance audit reports to the legislature for an independent review, and reporting periodically on energy statistics. In the previous editions of EIRA, four countries had received recommendations to publish the policy and regulatory impact assessments, audits, and performance reports of ministries and State agencies. Three of these countries are currently working to implement these recommendations (**Afghanistan**, **Bangladesh** and **Nigeria**).

On the other hand, meaningful progress was not made towards establishing independent policy monitoring and evaluation institutions and processes. Out of the 17 returning participants who received a recommendation in this respect, only **Albania** fully implemented it by operationalising and fully staffing the independent Energy Efficiency Agency set up in 2016. **Rwanda** partially implemented the recommendation by ensuring that the Monitoring & Evaluation Unit in the Ministry of Infrastructure received external expertise and support in preparing the Energy Backward Looking Joint Sector Review Report 2019-2020. In ten countries, the recommendation remains pending (**Bangladesh**, **Belarus**, **Jordan**, **Kazakhstan**, **Kyrgyzstan**, **Mongolia**, **Palestine**, **Ukraine**, **Uzbekistan** and **Viet Nam**), and work is ongoing in five (**Armenia**, **Benin**, **Eswatini**, **Montenegro** and **the Republic of Moldova**).

Breach of State obligations is the next most significant risk area- highest in nine countries.

Rwanda and **the Republic of Moldova** have the least risk in this area, whereas **South Sudan** and **Palestine** have recorded the highest risk.

Three countries have a "very good" score on the underlying indicator "rule of law", 16 have a "good" score, and 15 are in the "moderate" zone.

In 25 of the 29 recurrent EIRA participants, the risk of breaching State obligations is on the same level as in last year's assessment. It has reduced most in **Eswatini** and **Jordan** due to better dispute management mechanisms and access to multiple fora for resolving investor-State disputes.

The last three editions of EIRA noted that the pace of reform in the management and settlement of investor-State disputes was slow. However, this year, the results were more optimistic as countries made some measurable progress in implementing judicial reforms.

Twenty-three countries evaluated in EIRA 2021 are undertaking reforms to streamline case management mechanisms, provide high-quality judicial services, and encourage alternative dispute resolution. Seven countries introduced alternative dispute resolution mechanisms in their national laws and regulations (**Benin**, **Eswatini**, **Kazakhstan**, **Senegal**, **Ukraine**, **Uzbekistan** and **Viet Nam**). Four others adopted regulatory measures to improve domestic case management mechanisms (**Afghanistan**, **Colombia**, **Mongolia** and **Ukraine**).

Two countries made commitments on the international level to boost investors' confidence in the management and resolution of investor-State disputes. **Belarus** ratified the United Nations Convention on International Settlement Agreements Resulting from Mediation (Singapore Convention) in 2020, while **Sierra Leone** acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards on 28 October 2020.

In six countries, steps were taken to operationalise institutional mechanisms that will improve domestic judicial processes and promote alternative dispute prevention. The International Chamber of Mediation and Arbitration of **Mauritania**, established under the 2012 Investment Code, became operational in 2020. **Albania** reconstituted the Constitutional Court and the High Court, which were vacant for more than two years. The Government of **Bangladesh** set up Case Coordination Committees that catalogue disputes and forward these to the appropriate venues to minimise case congestion in the domestic courts. The **Jordan** Investment Commission adopted Grievance Hearing Instructions in 2020, establishing a conflict resolution mechanism in the "pre-dispute" phase. In July 2020, the Investment Promotion Centre of **Mongolia** and the International Finance Corporation launched the Systemic Investor Response Mechanism, an investor grievance registration and monitoring platform that aims to streamline conflict resolution processes for investors and the public authorities. **Tajikistan's** International Arbitration Court at the Chamber of Commerce and Industry, in April 2020, inaugurated the Mediation and Negotiation Centre to institutionalise mediation in the country and train the local mediators.

Nine countries received recommendations over the last three years on strengthening access to international arbitration. Of these countries, **Sierra Leone** fully implemented a recommendation in 2021. Work is ongoing in four countries (**Albania**, **Montenegro**, **Ukraine** and **Viet Nam**) and pending in four (**Armenia**, **Bosnia and Herzegovina**, **Kyrgyzstan** and **Nigeria**).

Moreover, the countries assessed in EIRA have established national legal frameworks to protect foreign investors' private property and assets. There were no cases observed where States breached their national and international commitments in this respect. All 29 returning EIRA participants maintained the scores from the last assessment. The scores of seven countries were "very good" on the underlying sub-indicator "respect for property rights", "good" for three, and "moderate" for 16. Only three countries received a "low" score on this sub-indicator.

On the other hand, more efforts are needed to implement the recommendations on setting dispute prevention policies and institutional mechanisms. Some countries have established investment promotion and facilitation agencies and even provide investor aftercare services. However, few have appointed an authority that acts as the first point of contact for an aggrieved investor, helps it navigate and resolve conflicts with public authorities at an early stage, and thereby prevents the escalation of grievances to disputes. Out of the 16 returning participants that received a recommendation on this point, **Jordan** was the only one to address it fully. Work is ongoing in four countries (**Bangladesh**, **Kazakhstan**, **Montenegro** and **the Republic of Moldova**) and pending in thirteen countries (**Afghanistan**, **Albania**, **Armenia**, **Belarus**, **Bosnia and Herzegovina**, **The Gambia**, **Guyana**, **Nigeria**, **Palestine**, **Panama**, **Rwanda**, **Tajikistan** and **Uganda**).

There is also scope to improve the legal regime on expropriation, which is at a nascent stage in some countries or outdated in others. This year, "respect for property rights" was the lowest-scoring sub-indicator in six countries (**Bangladesh**, **Eswatini**, **Mongolia**, **Nigeria**, **Palestine** and **Ukraine**). Moreover, of the 21 countries that received recommendations in this respect, only two addressed them in their entirety. The first was **Afghanistan** that introduced criteria in its domestic law to determine the compensation for expropriation. The second was **Croatia**, which simplified land registry procedures through its Joint Land Registry and Cadastre Information System. Four countries are implementing recommendations to streamline legal provisions on land administration and protection against the expropriation of private property (**Belarus**, **Colombia**, **The Gambia** and **Uganda**). In the remaining 15 countries, no progress has been made.

In six countries, discrimination between domestic and foreign investors is a more substantial risk than unpredictable policy and regulatory change and breach of State obligations.

The Republic of Moldova and **Montenegro** have recorded the least risk in this area, whereas **South Sudan** and **Yemen** have the highest. Out of the 34 countries participating in EIRA this year, the risk level is "very low" in three countries, "low" in 19, and "moderate" in 12.

The risk of discrimination between domestic and foreign investors has reduced in 17 of the 29 recurring EIRA participants, with **Benin** and **Rwanda** showing the most improvement. **Benin's** lower risk level is particularly commendable because it was the only country in EIRA 2020 to have seen an increase in this risk. In 11 countries, the risk level is the same as last year, and in one country (**Armenia**), it has increased marginally by a point.

The robust performance of countries on the indicator "management of decision-making processes" has contributed substantially to the low risk of discrimination. Four countries (**Kazakhstan**, **Montenegro**, **Republic of Moldova** and **Rwanda**) have a "very good" score on this indicator, and 21 have a "good" score. Although nine countries performed moderately, no countries received a low score on this indicator. In particular, the scores of 14 countries improved due to more intensive stakeholder engagement in the decision-making process and greater public access to laws and regulations.

Over the last three years, 16 countries received recommendations through EIRA on creating a legal and institutional framework to formalise stakeholder engagement on draft laws and regulations. Of these, progress stalled only in two countries (**Sierra Leone** and **Uganda**). Three countries partially implemented the recommendations (**Afghanistan**, **Bangladesh** and **Jordan**), and work is ongoing in ten (**Belarus**, **Eswatini**, **The Gambia**, **Kazakhstan**, **Kyrgyzstan**, **Mongolia**, **Montenegro**, **Nigeria**, **Senegal** and **Uzbekistan**).

An outstanding performer was **Mongolia** that in 2020 revised its Law on Policy and Planning and its Management, making it legally mandatory for the Government to engage with all categories of stakeholders in drafting the national development policies and plans. **Benin** adopted its Electricity Code in 2020, requiring the energy regulator to publish all tariff-related information and ensure public participation in framing electricity sector regulations. Similarly, **Eswatini** adopted a new Petroleum Code in 2020 that requires the energy regulatory authority to publish its decisions on petroleum licensing, pricing, and sanctions in the Official Gazette. Two countries made visible progress by improving transparency in public procurement processes. The first was **Eswatini** that published new Public Procurement Regulations in 2021 to align with international best practices. The other was **Senegal**, which enacted the Public-Private Partnership Law of 2021, establishing an agency responsible for the a priori control of public procurement. In some countries, stakeholder engagement by the energy regulator increased prominently. For example, in 2020, the **Bangladesh** Energy Regulatory Commission published the electricity and gas tariffs and invited comments from the public on its Draft Dispute Resolution Regulations. Another example is **Nigeria**, where the electricity regulator democratised the newly introduced service-based tariff structure to ensure that the tariff rates cannot be changed without consultations with the affected customers.

Three countries took measures to increase financial disclosures in the extractive sector and de-classify contractual information. **Afghanistan** became the only country to implement a recommendation in this respect by receiving its second EITI membership validation on 28 October 2020. Apart from this, **Uganda** made the most substantial progress towards implementing the EIRA recommendations in this area by becoming an EITI implementing country in August 2020. The Government of **Uganda** has also produced its EITI Multi-Stakeholder Group Workplan for 2020-2022. It is already implementing some of the activities under the Workplan and setting up a dedicated UG-EITI website. In **The Gambia**, work is moving forward to give the public access to the extractive industry contracts in line with the EIRA recommendations. The Ministry of Petroleum and Energy's Strategic Plan sets a target to ensure compliance with the EITI standards increases from 0% in 2020 (baseline) to 80% by 2023 and 100% by 2025.

Four countries made notable progress in addressing corruption (**Kazakhstan**, **Jordan**, **The Gambia** and **Viet Nam**). **Kazakhstan** amended its laws in 2021 to explicitly prohibit State officials and their family members from taking gifts and introduce penalties for violating rules and requirements on the reporting of corruption cases. Similarly, **Jordan** approved in June 2020 a draft law amending the Integrity and Anti-Corruption Law of 2016. The amendment enhances the financial and institutional independence of the Integrity and Anti-Corruption Commission. It also addresses the abuse of power exercised in obtaining public offices, public services, bids, contracts, or any other undue advantage from the Government. **The Gambian** government also took steps to implement anti-corruption measures. In 2021, it submitted the Anti-Corruption Bill to the country's Parliament for its approval. **Viet Nam** launched, in 2020, the National Reporting System (NRS) and the Government Operations Center (GOC) to fight against corruption in public administration. The GOC is linked to the NRS and other public authorities' databases. It allows the Prime Minister and other officials to interact directly with ministries and local governments' representatives.

Although the progress of countries in strengthening transparency was visible, at the same time, compared to last year, not many reforms were observed in the institutional governance of countries. **Rwanda** was the only country that improved its performance significantly in this respect. Its score increased by 12 points following the release of its updated NDC that creates an institutional framework to implement the country's NDC and monitor the progress. **Ukraine** also streamlined the institutional framework on climate change adaptation and mitigation by establishing, in May 2020, the Ministry of Ecology and Natural Resources was established to, among other things, ensure compliance with the Paris Agreement commitments. Another country that improved its public sector administration was **Colombia** by launching, in 2021, the National System of Accountability (SNRdC) to coordinate State and private activities on accountability.

Fifteen countries received recommendations through EIRA to set up one-stop shops for all pre- and post-investment services in the energy sector. Only **Bangladesh** fully implemented the recommendation by adopting the One-Stop Service Act in 2018 and making the Online One-Stop Service operational in 2019. **Viet Nam** partially implemented an EIRA recommendation on this issue by ensuring that its National Single Window is fully operational with 200 administrative procedures of 13 ministries and sectors connected to it by the end of 2020. Work is ongoing in five countries (**Afghanistan**, **Armenia**, **Panama**, **the Republic of Moldova** and **Ukraine**) but is still pending in eight (**Belarus**, **Bosnia and Herzegovina**, **Colombia**, **Croatia**, **The Gambia**, **Guyana**, **Kyrgyzstan** and **Tajikistan**).

Another indicator contributing to a lower risk of discrimination between domestic and foreign investors in some countries was "regulatory environment and investment conditions". Three countries have a "very good" score on this indicator (**Armenia**, **Montenegro** and **the Republic of Moldova**), 12 have a "good" score and 14 "moderate".

Overall, 24 countries maintained their scores from last year on this indicator. Four countries improved their performance compared to last year (**Benin**, **Nigeria**, **Rwanda** and **Viet Nam**). Only in **Eswatini**, the scores dropped by 5 points due to new local content requirements imposed through the Petroleum Act of 2020.

Nineteen countries received recommendations to establish organisationally and financially independent energy regulators. **Bangladesh's** energy regulatory partially implemented a recommendation in this respect by increasing its operation revenue over the last years and reducing government funding. **Nigeria** also partially implemented a recommendation on this issue by fully deregulating the downstream oil sector. Eight other countries are currently implementing the recommendations in this area (**Afghanistan**, **Benin**, **Colombia**, **Eswatini**, **Rwanda**, **Senegal**, **Ukraine** and **Uzbekistan**). On the other hand, implementation of the recommendations is pending in nine countries (**Armenia**, **Belarus**, **The Gambia**, **Jordan**, **Kyrgyzstan**, **the Republic of Moldova**, **Sierra Leone**, **Uganda** and **Viet Nam**).

Twenty-four countries received recommendations through EIRA to lower restrictions to the entry and establishment of FDI, increase market competition and introduce cost-reflective electricity tariffs. Four countries fully implemented these recommendations. As advised, **Albania** unbundled its electricity supply and distribution activities. **Bangladesh** adopted legislative amendments that allow the energy regulator to approve tariff determinations at more regular and predictable intervals, thereby securing the financial stability of energy utilities. **Benin's** newly adopted Electricity Code formally vested the energy regulator with authority to ensure healthy and legal competition in the sector and protect the interests of consumers and the State. **Ukraine** took legislative measures in 2020 to lower currency controls and restrictions on capital transfer applicable to foreign investment.

Four countries partially implemented recommendations on these issues. **Armenia** partially implemented a recommendation by setting new wholesale electricity market rules in 2021. In **Jordan**, the Companies Control Department relaxed the investment screening procedures as advised in EIRA. It launched in 2020 an electronic portal through which investors can submit a company's registration request and data, allowing it to perform an automatic audit of the request. **Nigeria** introduced in September 2020 a service-based tariff regime under which distribution companies can review electricity tariffs of metered customers only after consulting them and assuring them of a guaranteed level of electricity service based on hours of supply. Finally, **Uganda** addressed, to a large extent, the EIRA recommendation on setting similar eligibility requirements for registering and issuing investment licenses to domestic and foreign companies.

It is encouraging that apart from the countries mentioned previously, seven others are currently implementing the EIRA recommendations in this respect (**Afghanistan**, **Palestine**, **Panama**, **Republic of Moldova**, **Tajikistan**, **Uzbekistan** and **Viet Nam**). However, it is equally important to note that progress has stalled in nine countries (**Belarus**, **Croatia**, **Eswatini**, **The Gambia**, **Kazakhstan**, **Kyrgyzstan**, **Mongolia**, **Montenegro** and **Sierra Leone**).

Five countries were recommended to set clear policy and institutional frameworks to regulate local content requirements in the energy sector. Of these, **Benin** fully implemented a recommendation by enacting a new Investment Code in 2020, which clarifies the legal regime of local content requirements and grants incentives to investors if they contribute to local employees' training and technology transfers. **Guyana** partially implemented its recommendation on this issue. In August 2020, it appointed a new Panel on Local Content that reviewed the existing and draft local content policies in the petroleum sector. The Panel prepared guidelines to develop an updated local content policy and legislation based on consultations with various stakeholders. Work towards implementing the EIRA recommendations on this issue is ongoing in **Nigeria** and **Senegal** and is pending in **Kazakhstan**.

In summary, unpredictable policy and regulatory change continues to be the most predominant risk in the assessed countries. It is also the area that has seen the most improvement and progress in terms of risk mitigation. Most countries fall in the "low" to "moderate" risk zone on the other two risk areas, namely, discrimination between domestic and foreign investors and breach of State obligations.

RISK AREAS AND INDICATORS FOR EIRA

EIRA evaluates risks to energy investment that can be mitigated by adjusting policy, legal and regulatory frameworks. The performance of countries against the EIRA risk areas is evaluated through four indicators. The indicators reward countries for sound regulation and efficient processes, and capture their ability to cope with the risks through predictable policy objectives, transparent decision-making, strong public institutions, competent market oversight mechanisms, and the successful resolution of investor-State disputes.

What are the risks assessed by EIRA?

EIRA analyses the following risk areas:

Unpredictable policy and regulatory change
Governments reserve the right to adopt policy and regulatory measures that are necessary to pursue legitimate public policy objectives. Nevertheless, unsystematic and arbitrary modifications can detrimentally affect the interests of foreign investors. They can lead to increased or stranded costs for operating a business, reduced attractiveness of investment, and an overall distorted competitive landscape. Foreign investors may reconsider investing in the country or relocate the investment. It follows that in exercising their right to regulate, governments must make investors aware of the conditions and nature of policy and regulatory changes.

Discrimination between domestic and foreign investors
Foreign investors need clarity on the extent to which markets are competitive and whether they offer a level playing field. While discrimination can take various forms, e.g. between energy resources, technologies and types of investors, EIRA focuses on discrimination between domestic and foreign investors. This risk area assesses the likelihood of an unfair advantage to local investors, as recipients of rights and privileges, to the exclusion of foreign investors, and "protectionist" practices that give rise to foregone investment gains.

Breach of State obligations
Disputes brought by investors against a State can disrupt the relations between the two parties and even damage the overall investment climate. Investors must have confidence that they will have recourse to mechanisms for dispute resolution and the enforcement of rights if governments default on their obligations. Such obligations include protection against discrimination, expropriation and nationalisation, breach of investment treaties, and limited access to alternative dispute settlement avenues.

How are the EIRA indicators selected?

The indicators are constructed from a wide range of variables. They are premised on the objective of governments to guarantee investors a secure, favourable, and transparent investment environment.

Five criteria are applied to determine the appropriate indicators:

Functionality/actionability – The indicators are "reform-oriented". They reflect best practices through which countries can manage the risks, and capture aspects of policy-making and regulation that are under the control of governments.

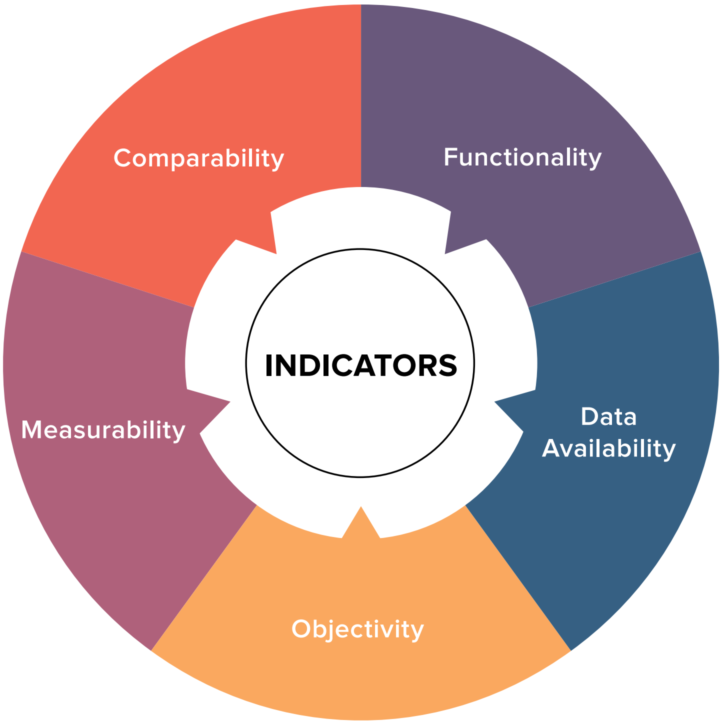
Data availability – Data for the indicators is available from sources that are reputable and reliable. The indicators are based on data that is relevant, readily accessible and easy to collect.

Measurability – The indicators provide a quantifiable assessment, are robust, and unaffected by minor changes to their construction methodology.

Comparability – The indicators remain comparable over time, and across countries, energy sub-sectors, and the energy value chain.

Objectivity – The indicators reflect an accurate overview of the policy, regulatory and legal reality in the countries.

Figure I.1 – Criteria for selection of indicators



What are the EIRA indicators?

Based on the above criteria, the EIRA indicators developed are:

- Foresight of policy and regulatory change
- Management of decision-making processes
- Regulatory environment and investment conditions
- Rule of law (compliance with national and international obligations)

The indicators apply to more than one risk, and consist of two sub-indicators each. They measure the ability of governments to identify whether the assessed risks exist, and the extent to which they can mitigate these risks. The indicators reward countries for taking concrete measures to manage and limit arbitrary or discriminatory policy changes, and for reducing the possibility of breaches of State obligations. Such measures include setting long-term policy objectives and goals, ensuring transparency in decision-making, granting equal treatment to domestic and foreign investors, and effectively managing disputes with foreign investors.

Table I.1 – Correlation between EIRA risk areas and indicators

RISK AREAS	INDICATORS			
	Foresight of policy and regulatory change	Management of decision-making processes	Regulatory environment and investment conditions	Rule of law
Unpredictable policy and regulatory change	✓	✓		✓
Discrimination between domestic and foreign investors		✓	✓	✓
Breach of State obligations				✓

INDICATOR 1
Foresight of policy and regulatory change

National energy priorities and regulatory frameworks evolve in response to changing circumstances. Ensuring stable investment conditions is a significant challenge as the global energy transition is proving to be a highly dynamic process. Policy and investment patterns are likely to evolve as countries seek to decarbonise their energy sectors under the Paris Agreement. Meeting new objectives will result in policy revisions, and governments must be able to anticipate the impact of these revisions on long-term investments. They must, therefore, communicate any adjustments to their energy policy objectives well in advance, and have a realistic plan to implement these adjustments with minimal impact on the country's investment climate. Investors can then better manage risk, modify investment portfolios and cope with the policy changes.

SUB-INDICATOR:
COMMUNICATION OF VISION AND POLICIES

This sub-indicator evaluates whether governments are effectively communicating their short- and long-term energy sector vision to investors. It looks into the immediate and future energy sector targets of countries, and the timely adoption and implementation of policies and action plans.

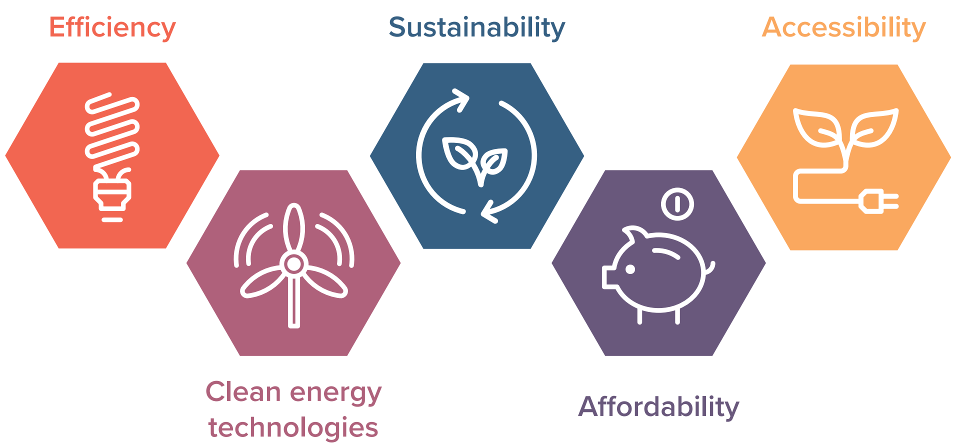
Risk management requires a view of the future. As countries transition to sustainable energy systems, there will be new demands placed upon regulatory frameworks and existing decision-making structures. Understanding the energy landscape, and how it is evolving, is a central element of investment planning. National policies are the most relevant documents for informing investors about the goals governments intend to pursue, and the timeframes they have set for achieving these goals. Accordingly, governments must make investors aware of their current and future national energy priorities, and of any course corrections in these priorities, by adopting clear and timely energy policies. By doing so, they will be able to retain the confidence of investors better, keep them updated on the need, pace and nature of policy changes, and in turn, avert risk.

SUB-INDICATOR:
ROBUSTNESS OF POLICY GOALS AND COMMITMENTS

Effective monitoring mechanisms play a significant role in assessing how far governments have progressed on achieving their policy goals. Conversely, a fragmented or weakly implemented monitoring and evaluation framework can greatly reduce the ability of policymakers and investors to track if there has been any real progress made on the goals.

This sub-indicator focuses on proper monitoring and evaluation of the energy goals, policies and targets. Monitoring and evaluation authorities, which are financially and institutionally independent of governments, will be more objective in assessing the implementation of the national energy priorities. The existence of independent monitoring authorities will also give investors confidence that policy revisions will be proportionate to the situation, subject to evidence-based evaluations, and not due to arbitrary and unsupported reasons.

Figure I.2 – Energy priorities under the UN Sustainable Development Goal 7



INDICATOR 2
Management of decision-making processes

The second indicator addresses the importance of coordinated and transparent policies in eliminating perceived or actual opacity of government initiatives, and the inclusion of investors in the planning and decision-making phases. The roles and responsibilities of the national and sub-national government levels must be clear to ensure structured and simplified decision-making processes. It is also essential that investors are well informed and consulted whenever governments intend to revise laws or regulations. Stakeholder engagement will allow foreign investors to participate in decision-making processes actively and take well-informed and timely decisions.

SUB-INDICATOR:
INSTITUTIONAL GOVERNANCE

Formulating investment and energy policies requires the engagement of multiple government levels. Provinces, municipalities as well as regional and local authorities participate in framing and implementing these policies. Multi-level governance can make the decision-making process complex and result in the risk of overlapping or contradictory decisions. Unless managed and coordinated correctly, policy choices of countries with multi-layered governance structures may end up being sub-optimal, and in turn, inadequately implemented.

This sub-indicator measures how well governments coordinate the decision-making process in their respective countries. While the degree of centralisation in each country may differ significantly, one central body should ultimately be responsible for coordinating across different levels of government, and for reconciling the diverging perspectives of public agencies. Effective intra-governmental coordination in policy design and implementation is, therefore, an essential precondition for minimising unpredictability and maintaining an investment-friendly climate.

Figure I.3 – Key aspects of effective decision-making processes

SUB-INDICATOR:
TRANSPARENCY

Policy and regulatory changes that are systematised and transparent give investors time to plan and align their business models, operations, and finances according to the changing circumstances. While transparency is beneficial to all types of investors, it is particularly crucial for foreign investors who have to cope with regulatory systems and administrative frameworks that may be unfamiliar to them. This sub-indicator measures inclusiveness shown by governments in designing and implementing their laws and policies.

EIRA understands transparency as (1) the effective communication of information on national laws, regulations and practices that may materially affect investments, and (2) prior notification of and consultation on regulatory changes that are of interest to investors.

Governments can enhance the quality and predictability of their regulatory framework by reviewing and publishing administrative decisions, codifying legislation, disseminating regulatory materials, and developing registers of the existing and proposed regulation. These measures will help to ensure that investors are aware of policies affecting them. Prior consultation on investment- and energy-related governmental actions can provide investors with more foresight on the conditions in the host countries. For instance, it may reveal indirect discrimination in secondary measures, even though the enabling legislation does not intend for this. Moreover, affording interested parties the right to comment on policy options and regulatory decisions will allow policy-makers, legislators and regulators to take stock of different opinions, parameters and considerations before modifying the existing framework.

INDICATOR 3
Regulatory environment and investment conditions

This indicator evaluates the independence energy regulators exercise in taking decisions, setting tariffs, and in performing their functions. Regulatory independence guarantees neutrality and helps to avoid situations where decisions are continuously revised, to the detriment of some market actors and investors. The indicator further examines the restrictions faced by foreign investors in the energy sector. Despite the increasing realisation that international capital flows are crucial for developing the energy sector, persisting restrictions tend to deter foreign investors. Key FDI restrictions include investment screening, local content and other performance requirements, and limitations on currency and investment-related capital transfers.

SUB-INDICATOR:
REGULATORY EFFECTIVENESS

When an independent and specialised institution monitors the market, there is a lower risk of biased decision-making, discriminatory rules, and anticompetitive behaviour. Political distance gives regulatory authorities credibility because it limits governmental influence, and provides investors assurance that political events will not interfere with regulatory decision-making.

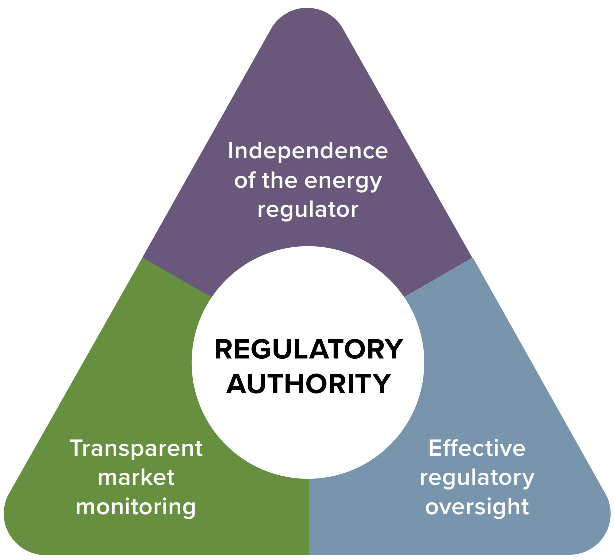
This sub-indicator examines the autonomy of energy regulators through various parameters, such as their legal basis, sources of funding, financial accountability to independent institutions, and their relationship to ministries and other public authorities. It also assesses the level of transparency exercised in the selection of the regulatory staff.

SUB-INDICATOR:
RESTRICTIONS ON FOREIGN DIRECT INVESTMENT

Policy and regulatory measures that discriminate between domestic and foreign firms can restrict inward investment flows. They can obstruct foreign investments or make the cost of operation financially unviable. Some of the typical restrictive measures foreign investors may face are lengthy investment screening and approval procedures, regional investment restrictions, and operational controls.

This sub-indicator assesses the commitment of countries to accord non-discriminatory treatment to foreign investors. It evaluates whether domestic and foreign investors receive equal treatment in the application of domestic laws and regulations, and gives particular attention to sectoral restrictions, limits on the transfer of profit and repatriation of capital abroad, and onerous local content requirements.

Figure I.4 – Regulatory environment and investment conditions



INDICATOR 4
Rule of law (compliance with national and international obligations)

EIRA relies on the "rule of law" definition presented in the UN Report *The rule of law and transitional justice in conflict and post-conflict societies*[1]. It focuses on three aspects of this definition. First, fair and effective implementation of national laws and international commitments arising from treaties and international agreements; second, settlement of investor-State disputes promptly and according to due process; and third, respect for the property rights of foreign investors. Peace, security and human rights are outside the purview of EIRA.

SUB-INDICATOR:
MANAGEMENT AND SETTLEMENT OF INVESTOR-STATE DISPUTES

This sub-indicator examines the efficiency of case-management and dispute settlement procedures. International companies tend to invest in low-risk host countries that provide them with transparent and predictable legislation, avoid retrospective changes to laws, and make efforts to resolve disputes through alternative dispute resolution mechanisms, without unnecessary cost or delay.

Well-organised judicial procedures help to foster trust between investors and the State. Timely and cost-effective enforcement of foreign judgements and awards give investors assurance that the domestic courts of host countries will safeguard and uphold their rights. Similarly, the existence of appeal mechanisms and domestic dispute mitigation instruments, such as an investment ombudsman and mediation, provide additional avenues for resolving conflicts between investors and States. Beyond the national legal system, governments must provide an extra layer of protection to investors by granting them recourse to dispute settlement mechanisms under international law. They may give foreign investors this benefit either through BITs or on a case-by-case basis.

SUB-INDICATOR:
RESPECT FOR PROPERTY RIGHTS

This sub-indicator assesses the risk of companies losing ownership, or control, over their investment as a result of government action. Arbitrary acquisition of property by the State can also lead to the risk of discrimination when foreign investors, in particular, suffer a loss.

In this sub-indicator, the term "investment" refers to tangible and intangible assets, including IP rights. It does not delve into the forms of expropriation. Instead, it focuses on whether expropriation, nationalisation or confiscation (or any action equivalent to these) was undertaken for a legitimate public purpose, following the due process of law, in a non-discriminatory manner and with adequate compensation.

There are some steps governments may take to reduce the risk of perceived arbitrariness. For instance, they should define in the national laws (1) activities and areas of "public interest" that are grounds for expropriation, (2) the process for determining expropriation compensation, and (3) a timeframe for paying the compensation. These details will give increased security to foreign investors operating under BITs, and also protect investors not covered under these treaties. Investors will also be able to assess better whether the host country's laws, mechanisms and guarantees are in line with international practice and investment agreements.

Figure I.5 – Rule of law elements covered by EIRA

1 EIRA interprets "rule of law" as "a principle of governance in which all persons, institutions and entities, public and private, including the State itself, are accountable to laws that are publicly promulgated, equally enforced and independently adjudicated, and which are consistent with international human rights norms and standards. It requires, as well, measures to ensure adherence to the principles of supremacy of law, equality before the law, accountability to the law, fairness in the application of law, separation of powers, participation in decision-making, legal certainty, avoidance of arbitrariness and procedural and legal transparency". United Nations, Report of the Secretary-General, *The rule of law and transitional justice in conflict and post-conflict societies (2004). UN Member States reaffirmed their commitment to uphold "rule of law" in the United Nations, Declaration of the High-level Meeting of the UN General Assembly on the Rule of Law at the National and International Levels,* A/RES/67/1 (30 November 2012).

EIRA
METHODOLOGY

EIRA assesses three types of risk to energy investment. It applies four indicators to (1) identify the actions needed to address these risks, and (2) highlight the corrective measures countries may take to mitigate them.

EIRA evaluated risks by examining whether countries have adopted the necessary laws, policies and actions. However, legislation and policy measures have maximum impact when they are enforced. EIRA 2021 recognises this and tries to give a clearer picture regarding the enforcement of laws and policies. This year, the country profiles reflect the implementation of the existing policy framework and highlight the progress made by countries in translating their commitments to actions. EIRA 2021 also contains an annex summarising the actions taken by governments to implement the improvements suggested in the previous editions of EIRA. Depending on the progress made, it categorises the work done as fully implemented, partially implemented, ongoing, or pending.

There has been no change to the methodology since last year. The indicator scores are derived from a questionnaire, developed over two years, which allows comparability across energy sub-sectors and captures trends over time. The questions are designed to be user-friendly and ensure that the responses received can be easily verified. While most of them are binary, requiring simple “yes” or “no” answers, some are cascading and multiple-choice. The EIRA website allows respondents to give detailed information, clarifications and additional remarks on each question.

How are the respondents for EIRA selected?

The EIRA questionnaire is provided to the national governments in the participating countries. It is also sent to selected external parties to counter the perception of self-assessment and secure an objective viewpoint.

The unit of analysis for EIRA is a country. The policies taken into consideration are those framed and implemented at national level. In federal arrangements, the central government is designated as a single point of contact responsible for collecting and processing inputs from relevant ministries/departments at State and municipal level.

External parties are chosen from a pool of experts comprising local and international law firms, legal practitioners, business councils, accounting and consulting firms, think-tanks, energy associations, chambers of commerce, international institutions and non-governmental organisations operating in the assessed countries. In 2021, the ECS invited 160 parties to participate in the report. It conducted extensive research on various aspects, such as their expertise, renown, and previous participation in other international reports. Of these, 60% of the parties were shortlisted and agreed to participate in the report. All the participants contributed to the project pro-bono.

The main parameters for selecting the external parties are:

Expertise in the energy sector: Active involvement in different stages of energy projects, and experience of providing consulting services in multiple energy sub-sectors and on regulatory issues.

Diversity of clients and neutrality: Vast experience working with governmental entities as well as private investors. This ensures the external party has a holistic understanding of issues in the energy sector and contributes to a more balanced approach.

Reputation: Parties with extensive global reach or local partner groups. For law firms, international guides identifying leading providers of legal services (local and global) in each country are consulted.

What is the data collection and validation process for EIRA?

Data was collected in a standardised manner through the EIRA questionnaire. The ECS received responses from the national government focal points and the external parties over five months. The respondents provided copies of the source documentation to support their responses. This year, the questionnaire responses, and the supporting documents, were collected through the EIRA website. The new online system helped to streamline the ECS' data collection process. It gave recurrent participants the option to view, copy and take guidance from last year's answers, as per their needs.

The answers provided by the respondents were accepted only to the extent that they relied on laws, regulations, national plans, and strategies that are currently in force. The cut-off date was 1 April 2021. Accordingly, countries are scored only on legislation, regulation, policies, legislative initiatives and regulatory reforms that came into force before this date.

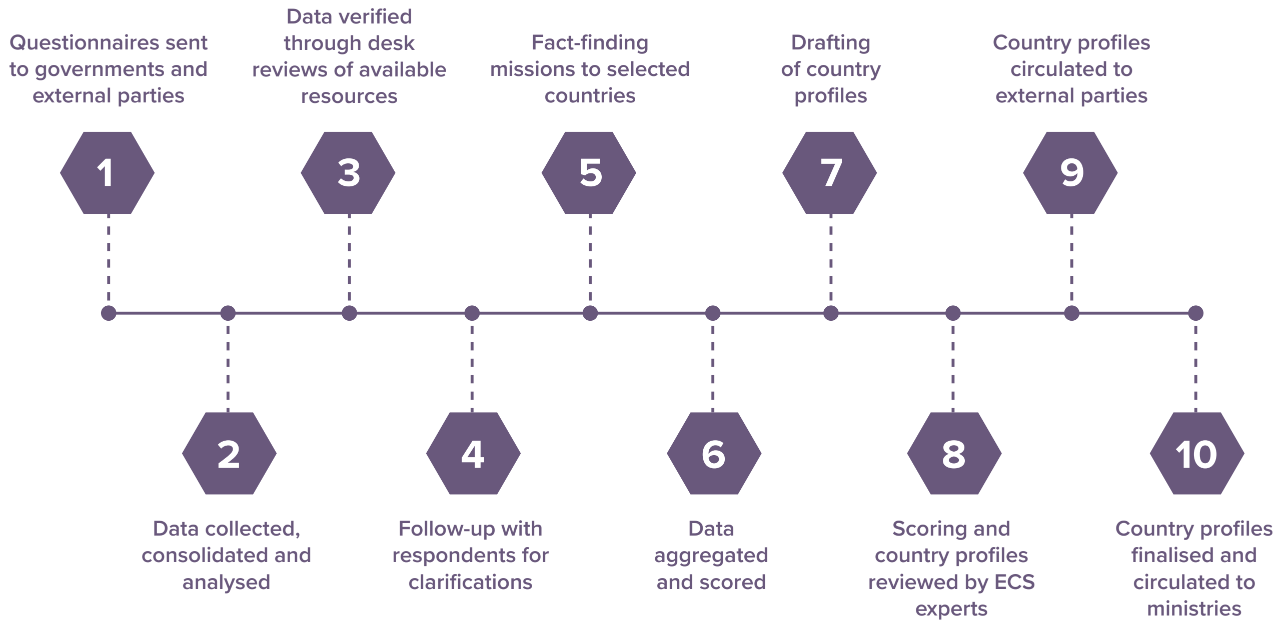
Upon receiving responses to the questionnaire, the ECS in-house experts engaged in an extensive data-validation process. They confirmed that the respondents correctly understood each question, and that the submitted documents supported the responses. In the absence of supporting documents, or if respondents gave conflicting answers, the ECS experts sought clarifications from government officials and external parties through correspondence and phone interviews.

The ECS took steps to address the issue of low data availability in certain countries, but the spread of the COVID-19 pandemic made this challenging. There were no EIRA fact-finding missions organised this year. As an exception, due to the lack of external parties, the country profiles of Mali and Sierra Leone were based on the information provided by the Government and the desk research conducted by the ECS in-house experts. At the same time, the national government focal points and external parties made substantial efforts to ensure that the ongoing global crisis has minimal impact on the report's quality by providing the ECS with exhaustive information and documents, and continual updates.

Overall, the process of data collection and validation lasted eight months, from December 2020 to July 2021.

The ECS endeavours to improve its methodology and rectify past mistakes that come to its attention. In this light, it is important to acknowledge that despite our best efforts to ensure quality control, errors slipped into EIRA 2020. In particular, Armenia's score on the sub-indicator "transparency" stands corrected. On 27 July 2021, the ECS published a corrigendum to EIRA 2020 correcting the scores and text of the country profile. The corrigendum is available on the EIRA website.

Figure I.6 – Data collection and validation process



How are risks assessed in EIRA?

EIRA assesses countries through a quantitative and qualitative analysis. The quantitative assessment is by a scoring system that shows the performance of the countries on the EIRA indicators. The qualitative evaluation is through "country profiles" that describe their strengths and identify areas for improvement.

Scoring system

All indicators carry equal weight. The score of each indicator is the average of its component sub-indicators. The score of each sub-indicator is calculated through a set of questions. The questions are scored between 0 and 100 and are equally weighted. The highest possible score for each question is 100. All the scores are rounded off for the risk areas and the indicators. A country's total indicator score is the average of (1) the score received on the government questionnaire, and (2) the combined average of the external party scores.

Figure I.7 – Scoring an indicator for individual respondents

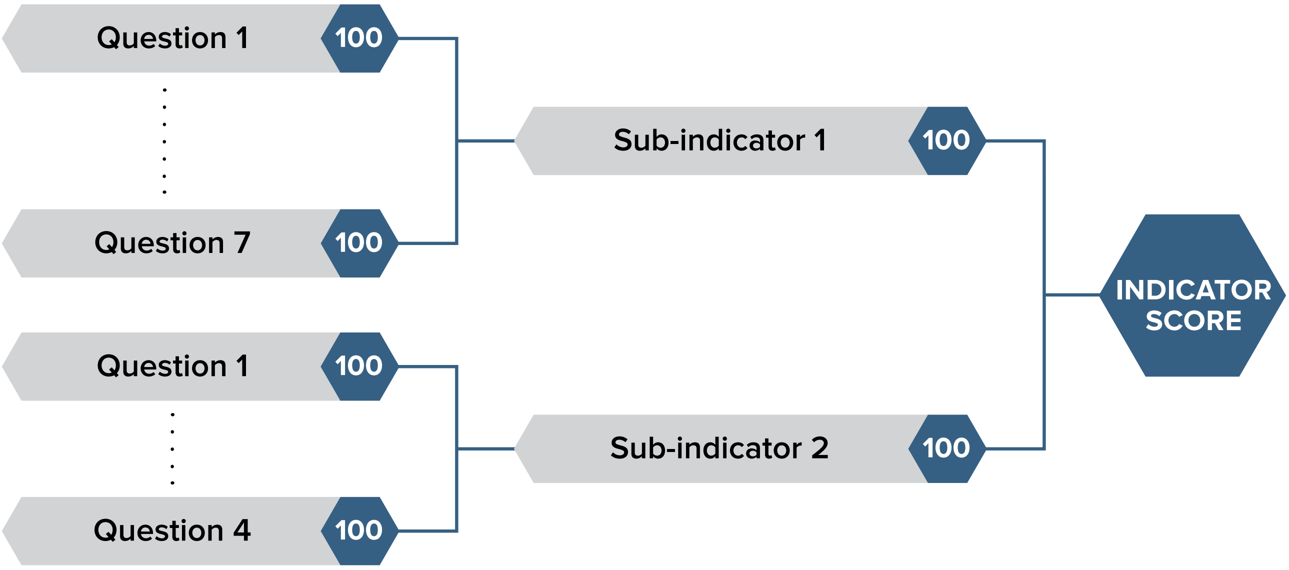
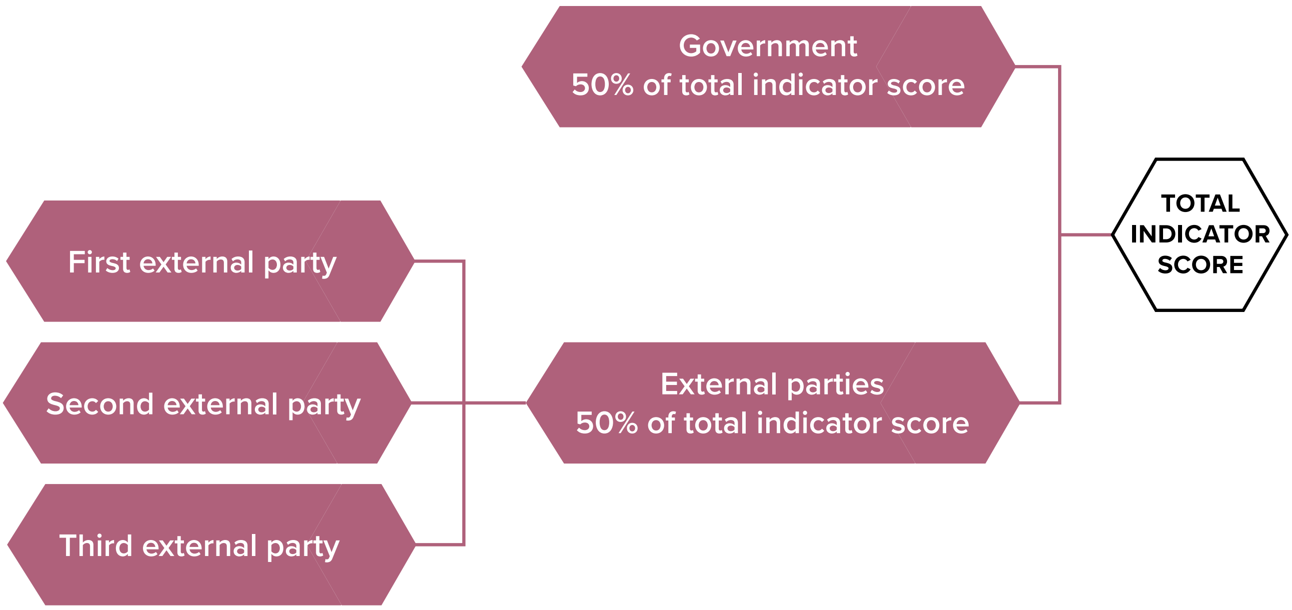
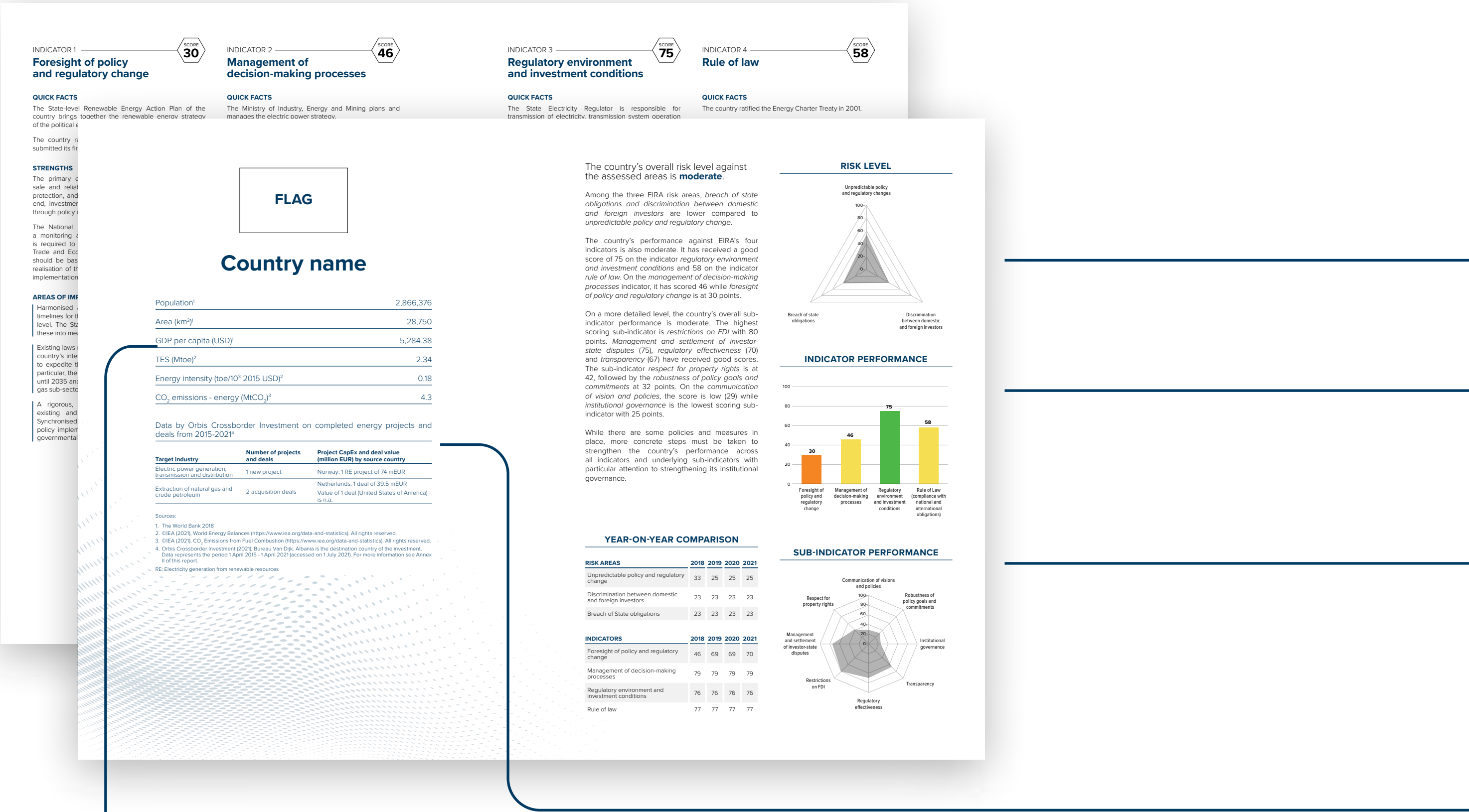


Figure I.8 – Total score of an indicator



Country profile outline

The qualitative assessment for each country is through a four-page profile. The first page gives background information on the assessed country. It features a table of key metrics on area, population, GDP per capita, total energy supply, energy intensity and CO_2 emissions. This year, the page also includes new information from Orbis Crossborder Investment on energy projects and deals completed between 2015-2021 in the participating countries. The second page of the profile contains three charts showing the risk level across the assessed areas, the performance of the country on the four indicators, and the score on the sub-indicators. A five-colour-coded bar chart depicts the indicator scores. Dark green represents the highest band of scores, while the colour red represents the lowest. In the radial chart, representing the sub-indicator scores, 0 denotes the weakest performance and 100 the strongest. Profiles of the recurrent countries have a table that reflects changes to their performance, vis-à-vis the past years. The final two pages of the profile describe the country's strengths on the EIRA indicators and the main areas for improvement.



KEY METRICS

Population and surface area: Data refers to year 2018. *The World Bank 2018, World Development Indicators, World Bank national accounts data and OECD National Accounts data files, https://data.worldbank.org/ (accessed on 19 June 2021).**

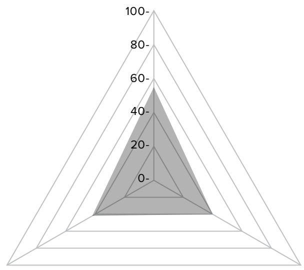
GDP per capita (current USD): Data refers to year 2018. *The World Bank 2018, World Development Indicators, World Bank national accounts data and OECD National Accounts data files, https://data.worldbank.org/ (accessed on 19 June 2021).**

Total energy supply (TES): TES is made up of production + imports - exports - international marine bunkers - international aviation bunkers ± stock changes. Note, exports, bunkers and stock changes incorporate the algebraic sign directly in the number. Data refers to the year 2018. *IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.**

Energy intensity: This is a measure of total primary energy use per unit of gross domestic product. Data refers to year 2018. *World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.**

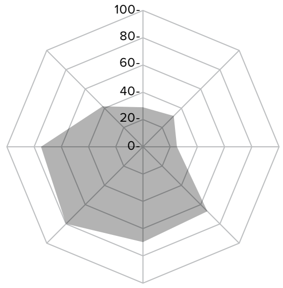
CO_2 emissions from fuel combustion: Data refers to year 2018. *IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.**

*N/A means data is not available for this metric



RISK LEVEL

The risk level is displayed by the grey triangle. Each axis represents a risk area. The smaller the size of the grey triangle, the lower the level of risk.



SUB-INDICATOR PERFORMANCE

Each axis represents a sub-indicator. The larger the size of the grey area, the better the country's performance.

DATA FROM ORBIS CROSSBORDER INVESTMENT

Energy projects and deals completed between 2015-2021.

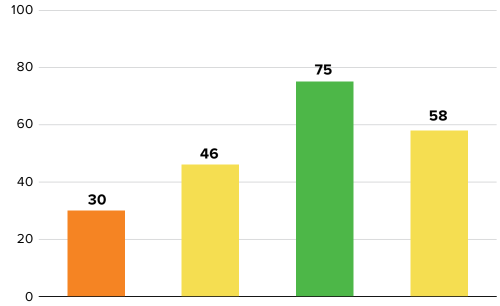
INDICATOR AND SUB-INDICATOR CORRELATION

Indicator 1
1. Communication of vision and policies
2. Robustness of policy goals and commitments

Indicator 2
1. Institutional governance
2. Transparency

Indicator 3
1. Regulatory effectiveness
2. Restrictions on FDI

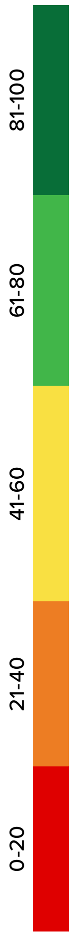
Indicator 4
1. Management and settlement of investor-State disputes
2. Respect for property rights



INDICATOR PERFORMANCE

The indicators affect the risk areas differently. For example, *rule of law* has the highest impact since it influences all three risk areas. For details on the correlation between the indicators and the risk areas, see Table I.1.

The bars are colour-coded. Each colour corresponds to a performance level.



VERY GOOD
The performance against the assessed indicators is very good and the risk level is very low. The country provides attractive conditions for investors and is working in the right direction.

GOOD
The performance against the assessed indicators is good and the risk level is low. While the country has relevant policies and measures in place, there is some potential for improvement.

MODERATE
The performance against the assessed indicators is moderate and the risk level is moderate. There are some policies and measures in place but more concrete steps must be taken to further strengthen the performance.

LOW
The performance against the assessed indicators is low and the risk level is high. Considerable steps need to be taken to improve the performance.

VERY LOW
The performance against the assessed indicators is very low and the risk level is very high. Significant and immediate steps need to be taken to improve the performance.

COUNTRY PROFILES

Afghanistan

Population[1]	37,172,386
Area (km^2)[1]	652,860
GDP per capita (USD)[1]	493.75
TES (Mtoe)[2]	N/A
Energy intensity (toe/10^3 2015 USD)[2]	N/A
CO_2 emissions - energy ($MtCO_2$)[3]	N/A

There is no data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021

Sources:
1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.

Afghanistan's overall risk level against the assessed areas is **low**.

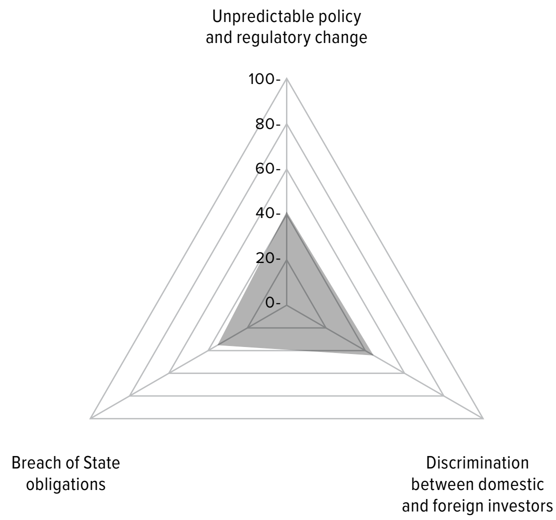
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *unpredictable policy and regulatory change* and *discrimination between domestic and foreign investors*.

Afghanistan's performance is good on one indicator, and it is moderate on three indicators. Its highest-scoring indicator is *rule of law* at 65. It has the same score as in EIRA 2020 on the indicators *foresight of policy and regulatory change* (56), *management of decision-making processes* (56), and *regulatory environment and investment conditions* (47).

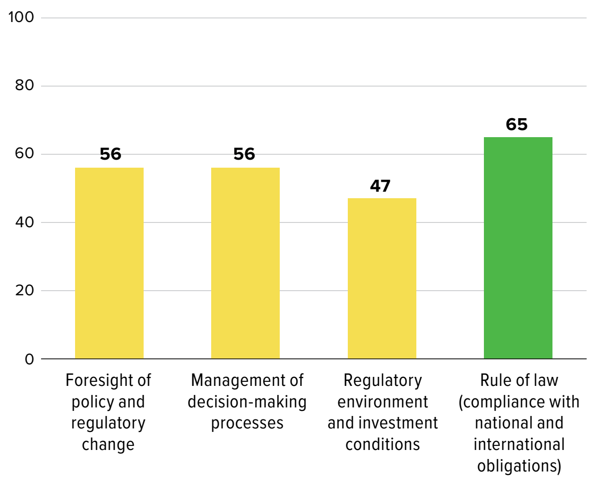
On a more detailed level, Afghanistan's overall sub-indicator performance is moderate. *Management and settlement of investor-State disputes* continues to be the highest-scoring sub-indicator at 80. Compared to EIRA 2020, there were no changes to its scores on *communication of vision and policies* (74), *restrictions on FDI* (60), *institutional governance* (56), *transparency* (56) and *respect for property rights* (50). Its performance on *robustness of policy goals and commitments* (38) is on the same level as in EIRA 2020. *Regulatory effectiveness* continues to be the lowest-scoring sub-indicator at 33.

While Afghanistan has the relevant policies and measures in place, there is potential for improvement. Attention should be given to strengthening the country's regulatory effectiveness.

RISK LEVEL



INDICATOR PERFORMANCE

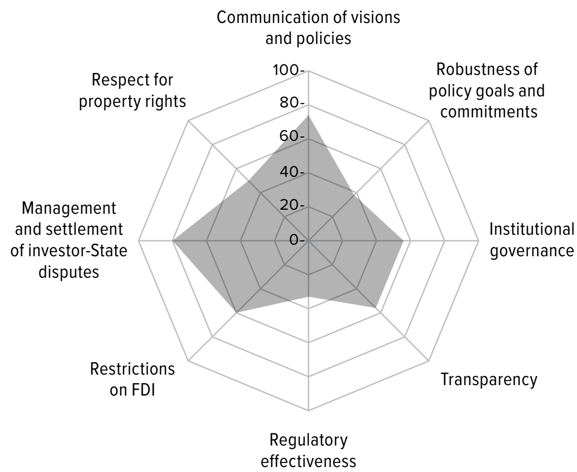


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	44	41	41	41
Discrimination between domestic and foreign investors	47	44	44	44
Breach of State obligations	35	35	35	35

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	55	55	56	56
Management of decision-making processes	49	56	56	56
Regulatory environment and investment conditions	47	47	47	47
Rule of law	65	65	65	65

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 56

Foresight of policy and regulatory change

QUICK FACTS

In 2021, the Government of Afghanistan adopted the Afghanistan National Peace and Development Plan II (2021-2025): Forging our Transformation.

Afghanistan ratified the Paris Agreement in 2017 and submitted its first NDC.

STRENGTHS

The Government aims to ensure that 65% of the country's population has electricity by 2032. For this purpose, it is working with international organisations to finance domestic power generation projects. In 2020, it signed a debt financing agreement with the International Finance Corporation for the Mazar-e-Sharif gas-to-power plant, which will increase the country's energy production by 30%. Moreover, the Ministry of Finance (MoF) is seeking investors for three HPPs that will collectively add 856.5 MW to the country's current generation capacity. To strengthen the power infrastructure, Da Afghanistan Breshna Sherkat (DABS) signed a contract with Tajikistan to extend the national transmission network by 12 km. It is also investing in new double circuit transmission lines and substations in Tranche 7, which is an integral part of the national transmission system. DABS is also implementing the TAP 500-KV line that will transport energy from Turkmenistan to the Herat area.

The State Audit Office has made available the 2020 performance audit of the economic measurement system and electricity services of DABS. The National Statistics and Information Authority published quarterly statistics on the State authorities engaged in the energy sector, such as the number of energy projects implemented by them, their total expenditure and the share of spending financed by internal and external budgetary sources. The Ministry of Mines and Petroleum (MoMP) also published its quarterly and annual financial reports for 2020, as well as the provincial budget distributions for 2019 and 2020.

AREAS FOR IMPROVEMENT

The Government should prepare an integrated national energy policy to strengthen the country's energy security, reduce import dependency, and ensure access to a reliable power supply. The policy should include measurable targets and implementation programmes that create synergies among different energy forms and priorities. The Government should also update the Afghanistan National Renewable Energy Plan, which terminated in December 2020.

The Government should define the modalities, timeframe, and other steps of the policy monitoring and evaluation process. Also, the Afghanistan Energy Information Center (AEIC) should regularly update the energy and power system data on its website to become a useful tool for policy-makers, investors, and the public.

INDICATOR 2

SCORE 56

Management of decision-making processes

QUICK FACTS

The Afghanistan Energy Services Regulatory Authority (ESRA) is the lead decision-maker for the energy sector. The hydrocarbon sector is under the responsibility of the MoMP.

The Independent Joint Anti-Corruption Monitoring and Evaluation Committee (MEC) ensures public accountability across sectors, including energy.

STRENGTHS

In the last year, the Government took some legislative and administrative measures to improve the country's business environment. The Ministry of Justice (MoJ) planned, drafted, and scrutinised over 21 laws, 27 regulations, 2 statutes and 29 amendments to legislative acts in various fields, including economics and trade. The MoMP is currently implementing an electronic Mining Cadastre Administration System (MCAS) to register and administer mining licence allocations. The Directorate General of the Cadastre, operating within the MoMP, will monitor the MCAS' implementation.

Afghanistan has made substantial progress in improving the extractive sector's accountability and transparency. On 28 October 2020, it received its second EITI membership validation. The EITI's report noted that as of May 2020, the MoMP's transparency portal disclosed information on beneficial ownership of 127 mining companies. The portal also recently started giving real-time information on the licensed awards, executed payments and the ownership structure of companies. The MEC is monitoring the Government's efforts to fight corruption in the mining sector. For 2020, it produced evaluation reports on the progress made by the MoMP, the National Procurement Authority, the National Environmental Protection Agency and DABS in implementing its recommendations. In October 2020, the MEC launched its Anti-Corruption Monitoring and Evaluation Database to facilitate the public's access to its recommendations.

AREAS FOR IMPROVEMENT

The Government should update the e-governance strategy, approved in 2012, to support digital business services. It may also consider changing the existing investment registration procedures, which require companies to physically submit all the documents at the Afghanistan Central Business Registry's main office or a regional office.

The Government should ensure an adequate budget and technical capacity for the Anti-Corruption Commission to fulfil its mandate effectively.

The Supreme State Audit conducted a performance audit of the Afghan Gas Enterprise and the North Coal Enterprise for the first time in 2019. The Government should now ensure that such audits become standard practice for all State-owned enterprises. Moreover, it should take steps to improve the availability of data on financial disclosures in the future.

INDICATOR 3

SCORE 47

Regulatory environment and investment conditions

QUICK FACTS

The Electricity Services Regulation Department, under the ESRA, regulates the electricity market.

The Law on Private Investment 2005 protects private investment in the country.

STRENGTHS

Starting from 2020, DABS is offering large solar packages to investors in the electricity sector. It has also published guidelines to regulate and standardise electricity distribution for registered businesses and ensure consumers have access to reliable, safe, and affordable services. Apart from its efforts to improve electricity supply and generate investments, DABS is also focusing on demand-side management. In 2020, it published general guidelines for saving electricity and conducted campaigns to encourage the use of efficient technologies by residential consumers.

The Government intends to introduce Value-Added Tax (VAT) in 2022 to improve the country's financial stability. It is expected that this new tax regime will yield an additional revenue of 1.1% of GDP. Moreover, to attract private investors, the MoF recently launched an investment package worth USD 8.7 billion to channel private and public capital in different economic sectors, including energy and power. The Government anticipates that these investments will lead to a 37% increase in energy availability. The Fiscal Strategy Paper 2021 expects that in terms of GDP (USD 7.48 million) and job creation, the incremental effects of the electricity sector's investment will be higher compared to other public sectors. This increase will come from priority projects, including the 220 kV transmission lines of the Puli Hashimi-Shindand project, and the 50 kV Surkhan Uzbekistan – Alawan Plain transmission line.

AREAS FOR IMPROVEMENT

The functions and powers of the policy-making, regulatory, executive, and service delivery institutions should be separated. While the Government is taking steps to reduce the MoMP's regulatory role, it is yet to establish an independent electricity regulator that will facilitate transparency in licensing, return on investments, and tariffs. Additionally, the Government must take measures to operationalise the Afghanistan Oil and Gas Regulatory Authority fully.

According to the Fiscal Strategy Paper 2021, Afghanistan's economic development still heavily relies on foreign aid. Therefore, the Government should develop a multi-sectoral strategy to increase private investments and, in turn, reduce dependence on donor agencies. Such a strategy should allow the Government to identify the sectors with the most investment potential and establish support schemes to promote them.

INDICATOR 4

SCORE 65

Rule of law

QUICK FACTS

Afghanistan is a contracting party to the ECT since 2013.

Afghanistan ratified the Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 2004.

The Law on Private Investment 2005 contains provisions protecting private property against unlawful expropriation.

STRENGTHS

In the last year, the Government of Afghanistan took steps to improve domestic case management mechanisms. On 24 August 2020, the Cabinet of Ministers approved the Regulation on Case Management, which establishes a leadership board to oversee the case management system. It defines the board's duties and responsibilities and the procedure to operate and supervise the system. The Regulation also emphasises that the system must fast-track legal proceedings and establish an electronic registry of cases. The Government anticipates that this system will allow for smoother and more transparent judicial processes.

The Government of Afghanistan remains committed to upholding the property rights of investors and to their protection from incidents of unlawful expropriation. On 15 March 2020, the Law on Expropriation of Lands for TAPI Gas Pipeline Project Route was published in the Official Gazette. This Law sets out conditions for the better implementation of the TAPI Gas Pipeline project and to meet the lenders' requirements. It determines the ownership rights, dispute resolution mechanism, valuation of properties, compensation, and resettlement of affected communities and citizens in the TAPI project route. The Law establishes a Property Recognition Board to resolve any dispute concerning the lands falling in the TAPI pipeline route. If the parties disagree with the board's decision, they may refer the dispute to the domestic courts.

AREAS FOR IMPROVEMENT

The Government may consider establishing an investment ombudsperson to resolve conflicts between investors and public authorities. It can seek guidance from the Energy Charter Model Instrument on Management of Investment Disputes that aims to assist States in handling investment disputes while keeping in mind their particular needs and circumstances.

The Land Acquisition Act 2017 grants private investors protection from expropriation, but its scope is limited to immovable property. The Government may consider strengthening guarantees against the expropriation of intangible property in domestic laws. This approach will give investors clarity and security on the legal protection afforded to their intangible property and IP rights.

Albania

Population[1]	2,866,376
Area (km^2)[1]	28,750
GDP per capita (USD)[1]	5,284.38
TES (Mtoe)[2]	2.34
Energy intensity (toe/10^3 2015 USD)[2]	0.18
CO_2 emissions - energy ($MtCO_2$)[3]	4.3

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	**Number of projects and deals**	**Project CapEx and deal value (million EUR) by source country**
Electric power generation, transmission and distribution	1 new project	Norway: 1 RE project of 74 mEUR
Extraction of natural gas and crude petroleum	2 acquisition deals	Netherlands: 1 deal of 39.5 mEUR Value of 1 deal (United States of America) is N/A

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Albania is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

Albania's overall risk level against the assessed areas is **low**.

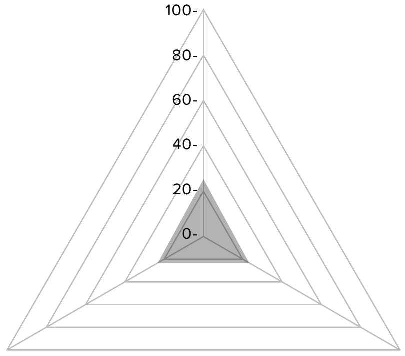
Of the three risks assessed in EIRA, *discrimination between domestic and foreign investors* and *breach of State obligations* are lower compared to *unpredictable policy and regulatory change*.

Albania's performance against EIRA's four indicators is good. It has maintained a good score on the indicators *management of decision-making processes* (79), *rule of law* (77), and *regulatory environment and investment conditions* (76). On *foresight of policy and regulatory change*, the country's performance has improved by a point and stands at 70.

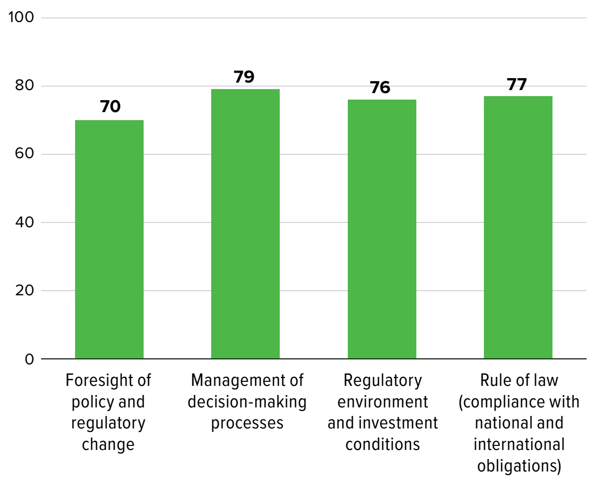
On a more detailed level, Albania's overall sub-indicator performance is good. The highest-scoring sub-indicators are *transparency* and *respect for property rights*, both at 83. On *restrictions on FDI* (80), *institutional governance* (75), *robustness of policy goals and commitments* (75), *regulatory effectiveness* (72), and *management and settlement of investor-State disputes* (70) it has the same score as in EIRA 2020. Its score on *communication of vision and policies* has improved by three points, from 62 to 65.

While Albania has the relevant policies and measures in place, there is potential for improvement. Attention should be given to better communicating its vision and policies.

RISK LEVEL



INDICATOR PERFORMANCE

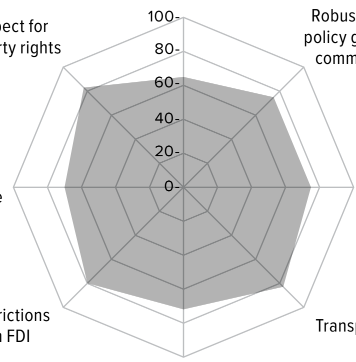


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	33	25	25	25
Discrimination between domestic and foreign investors	23	23	23	23
Breach of State obligations	23	23	23	23

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	46	69	69	70
Management of decision-making processes	79	79	79	79
Regulatory environment and investment conditions	76	76	76	76
Rule of law	77	77	77	77

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE **70**

Foresight of policy and regulatory change

QUICK FACTS

Albania's National Energy Strategy 2018-2030 outlines the energy sector's outlook for the following decade.

Albania ratified the Paris Agreement in 2016 and submitted its first NDC.

STRENGTHS

Albania is advancing with the implementation of the EU acquis in its energy sector. The Government aims to increase the share of renewables in the total consumption from 38% in 2020 to 42% in 2030. To this end, in 2020, the Ministry of Infrastructure and Energy (MIE) launched two bids to construct the country's largest solar power plants, with installed capacities of 140 MW and 100 MW, respectively. To promote energy efficiency, the Ministry of Finance and Economy (MoFE) has developed an Economic Reform Programme 2021-2023, which introduces policy and regulatory measures to increase competitiveness, reduce energy consumption and lower electricity costs. In 2021, the Parliament of Albania amended Law no. 124/2015 "On Energy Efficiency" to introduce new obligations for the public and private sectors. The amendments require local governments to frame policies, action plans, and measures to improve energy efficiency and facilitate energy savings. In addition, large private and public energy consumers must develop action plans to reduce their electricity consumption by 4%.

The MIE monitors the implementation of the short- (2020), medium- (2025) and long-term (2030) targets set under the National Energy Strategy. In 2020, the State Supreme Audit published mid-term financial performance reports to evaluate the State-owned electricity distribution operator (OSHEE sh.a), the transmission system operator (OST sh.a) and the national oil company, Albpetrol sh.a. The MoFE also prepared the implementation report of the 2020 State budget that provides information on the financial performance indicators of the State-owned electricity generation, distribution and transmission companies. In addition, the Energy Efficiency Agency became fully operational in 2020. As required under the Energy Efficiency Directive, it published the fourth annual report on the key statistics and indicators, national targets, consumption trends, and legislative measures concerning energy efficiency.

AREAS FOR IMPROVEMENT

The Government of Albania should update its third National Energy Efficiency Action Plan 2017-2020 that expired in 2020. Moreover, it should establish the Energy Efficiency Fund and develop a financing framework for energy efficiency projects.

INDICATOR 2

SCORE **79**

Management of decision-making processes

QUICK FACTS

The MIE prepares policies for the energy sector and updates the National Energy Strategy.

Law no. 146/2014 "On Notification and Public Consultation" was enacted to improve accountability in the public sector.

STRENGTHS

The Government of Albania is making efforts to streamline public services and make them more efficient. Since January 2020, the MIE is offering approximately 50 public services online, including mining exploration applications. Moreover, in December 2020, the Albanian Parliament approved Law no. 155/2020 "On Climate Change" which entered into force on 8 July 2021. This law paves the way to adopting the National Energy and Climate Plan and establishing an inter-institutional national framework to address climate change. Per the law, the Ministry of Tourism and Environment (MTE) will monitor, report, and verify GHG emissions and produce biennial update reports and NDC implementation reports. The MTE will undertake these activities based on sectoral emissions data from the MIE and statistics from the National Statistics Institute and other relevant ministries.

Albania has received two successful validations from EITI so far, and it is progressing well with the implementation of the EITI Standards. In 2020, various public agencies published data on the energy sector. For instance, the Albanian Energy Regulatory Entity (ERE) made available its annual report, which provides information on its activities throughout the year, the national energy balance, network tariffs, and consumer electricity prices. ERE also appointed a resident coordinator to initiate a free of charge information disclosure procedure based on companies' and individuals' requests. In 2020, OST sh.a published its data on electricity transmissions on the European Network of Transmission System Operators (ENTSO-E) transparency platform. The National Agency of National Resources prepared the annual energy balances and completed questionnaires that reflect energy prices in 2020.

AREAS FOR IMPROVEMENT

Albania should consider establishing a specialised agency to develop its renewable energy sources, as envisaged in Law no. 7/2017 "On Renewable Resources". The agency could create and maintain a database of renewable electricity priority producers and record renewable sources' contribution to the energy balance. It could also draft a National Action Plan for Renewable Sources and submit it further to the MIE and ERE for their input and approval.

The Government has made progress on climate issues by enacting the new Law no. 155/2020 "On Climate Change". It is now a timely moment to start developing the subsidiary legislation and regulations to support this law's implementation. Moreover, the MIE, in cooperation with MTE, must prepare the national adaptation and mitigation plan(s) that are in line with the EU requirements.

INDICATOR 3

SCORE 76

Regulatory environment and investment conditions

QUICK FACTS

ERE regulates the electricity and natural gas sub-sectors.

In May 2020, the Parliament amended Law no. 43/2015 "On Power Sector" to restructure the electricity sector.

Law no. 7764/1993 "On Foreign Investments", amended in 2017, establishes a legal framework to safeguard foreign investment.

STRENGTHS

The Government is making progress with its electricity sector reforms. In January 2020, OSHEE sh.a was made a holding company with three subsidiaries, namely, the Electricity Distribution System Operator (OSSH sh.a), the Universal Service Supplier (FSHU sh.a), and the Free Market Supplier (FTL sh.a). This event marks the first step towards a new market model based on the free-market principle. The amended Law on Power Sector also addresses some challenges to the country's EU acquis compliance. For instance, tasks related to the OST sh.a have been transferred to its sole shareholder, the MoFE, in line with the Energy Community Secretariat's opinion. Moreover, in 2020, the MIE and the MoFE approved an action plan to control and reduce the debt of State-owned power utilities and improve their financial performance. In October 2020, Kosovo and Albania's transmission system operators signed a shareholders agreement establishing the power exchange company ALPEX to operate the day-ahead market in these countries.

The Government has initiated a campaign to attract new investments in solar- and wind-based power generation. It offers investors attractive conditions, including Power Purchase Agreements (PPAs), 15-year supply contracts at a fixed price, Feed-in Tariff schemes, and the possibility of converting the PPA into a Contract for Differences (CfD) once the market matures. Moreover, measures have been taken to reduce investors' financial burden and improve the business climate. From January 2021, all investing companies with a turnover of up to 14 million Albanian Lek will pay a 0% profit tax. In December 2020, the Parliament of Albania approved the new Law no. 153/2020 "On the Fiscal Regime in the Petroleum Sector". Among other things, the law foresees a fiscal stability regime clause to protect a petroleum right holder against discriminatory fiscal conditions that were not in force when the agreement entered into force.

AREAS FOR IMPROVEMENT

The legal unbundling of the State-owned electricity distribution system operator (DSO), which started in January 2020, is now complete. Therefore, the Government should now finalise the market's functional unbundling. To achieve full functional unbundling, the DSO must ensure management separation, independence in decision-making and a distinct identity in communication and branding. The Government should also consider deregulating electricity prices below 35 kV and approving customers' right to choose their electricity supplier.

INDICATOR 4

SCORE 77

Rule of law

QUICK FACTS

Albania is a contracting party to the ECT since 1998.

In 2001 Albania ratified the Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

Law no. 8561/1999 "On Expropriations and Temporary Possession of Private Property for a Public Interest" guarantees the protection of property rights.

STRENGTHS

The Minister of State for Protection of Entrepreneurship (MSPE) handles administrative complaints of foreign investors against public institutions. According to the 2020 monthly reports of the MSPE, more than 60% of the domestic and foreign companies' complaints were settled amicably between private sector companies and the State entities. Between 2020 and 2021, the justice reform's implementation continued to progress, and the judiciary's quality improved through the magistrates' vetting process. Albania reconstituted the Constitutional Court and the High Court, which were vacant for more than two years. Moreover, the Government has drafted an arbitration law that is currently awaiting approval in the Albanian Parliament.

The Government of Albania continues to grant adequate protection to the property rights of foreign investors. The Law on Expropriations lists the public interest grounds on which expropriation of private property is possible. It also indicates the general criteria that the expropriating authority should consider while making a property valuation, such as the nature of the properties/rights, initial value, amortisation, destination and location. The General Directorate of Industrial Property (GDIP) is an autonomous agency under the MoFE responsible for the registration and protection of intellectual and industrial property rights. The GDIP is currently drafting a strategy (2021-2025) to strengthen Albania's IP rights protection with support from the World Intellectual Property Organization.

AREAS FOR IMPROVEMENT

The Parliament of Albania should adopt the draft arbitration law, pending since 2013, as soon as possible. The law will offer certain advantages for investor-State disputes, such as expeditious proceedings, low administrative costs, and flexible procedures.

Albanian laws do not define timeframes for the payment of compensation in expropriation cases. Currently, the Council of Ministers decides the period for initiating and completing the compensation payment process. To avoid delays and ensure correct budgetary allocation by the responsible bodies, there should be a legally established cap on the timeframe to pay the compensation. The State should ensure the property owner receives compensation before the acquisition or within a short and specified period after that.

Armenia

Population[1]	2,951,776
Area (km^2)[1]	29,740
GDP per capita (USD)[1]	4,220.49
TES (Mtoe)[2]	3.08
Energy intensity (toe/10^3 2015 USD)[2]	0.26
CO_2 emissions - energy ($MtCO_2$)[3]	5.4

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Electric power generation, transmission and distribution	1 new project 4 acquisition deals	United States of America: 1 RE project of 1.75 mEUR Cyprus: 1 TD deal of 478 mEUR United States of America: 1 RE deal of 164 mEUR Russian Federation: 1 RE deal of 2.15 mEUR Value of 1 FF deal (Cyprus) is N/A

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Armenia is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

FF: Electricity generation from fossil fuels

TD: Transmission and distribution of electricity

Armenia's overall risk level against the assessed areas is **low**.

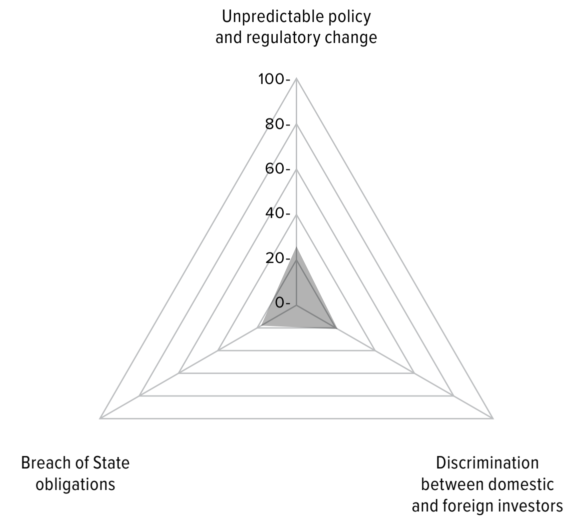
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *discrimination between domestic and foreign investors* and *unpredictable policy and regulatory change*.

Armenia's performance is very good on two of the EIRA indicators and good on two indicators. The highest-scoring indicator is *rule of law* at 82, followed by *regulatory environment and investment conditions* at 81. Its score on the indicator *management of decision-making processes* is 75. On *foresight of policy and regulatory change*, its score has improved by two points, from 63 to 65.

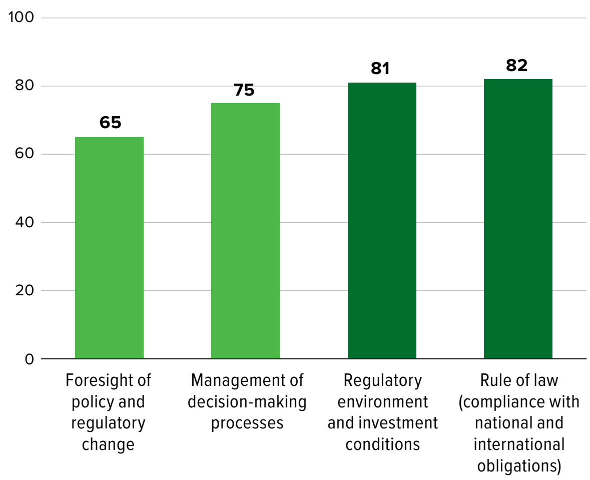
On a more detailed level, Armenia's overall sub-indicator performance is good. The highest-scoring sub-indicator is *restrictions on FDI* at 90, followed by *respect for property rights* (83) and *transparency* (82). Its score is 80 on the sub-indicators *communication of vision and policies*, and *management and settlement of investor-State disputes*. It has retained its EIRA 2020 scores on the sub-indicators *regulatory effectiveness* (72) and *institutional governance* (69). The lowest-scoring sub-indicator is *robustness of policy goals and commitments* at 50.

While Armenia has the relevant policies and measures in place, there is potential for improvement. Attention should be given to increasing the robustness of its policy goals and commitments.

RISK LEVEL



INDICATOR PERFORMANCE

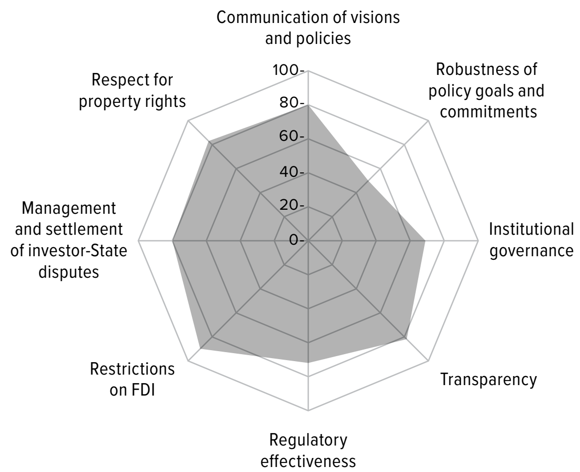


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	29	29	26	26
Discrimination between domestic and foreign investors	22	22	20	21
Breach of State obligations	18	18	18	18

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	62	63	63	65
Management of decision-making processes	70	70	76	75
Regulatory environment and investment conditions	81	81	81	81
Rule of law	82	82	82	82

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 65

Foresight of policy and regulatory change

QUICK FACTS

The main policies governing Armenia's energy sector are the Concept Note on Ensuring Energy Security 2013 and the Strategic Programme of Prospective Development for 2014-2025.

In January 2021, the Government of Armenia approved Decree no. 48-L/2021 on the Strategic Programme on Development of the Energy Sector until 2040 (Strategic Programme on Energy).

Armenia ratified the Paris Agreement in 2017 and submitted its updated NDC in May 2021.

STRENGTHS

The Strategic Programme on Energy aims to maximise the utilisation of renewable energy resources, improve energy efficiency in buildings, extend the operational life of the Armenian nuclear power plant, build regional energy corridors, and further liberalise the electricity market. Annex II of Decree no. 48-L/2021 identifies actions to implement the Strategic Programme on Energy, such as adopting legislative amendments to facilitate competitive trading of renewable electricity, enacting a new gas supply law, and approving a new National Programme on Energy Savings and Renewable Energy (2021-2030). Moreover, it lists measures for transitioning to a new wholesale electricity market model, the rehabilitation and reconstruction of power infrastructure, and the digitalisation of the energy sector. The Government has also set ambitious climate change adaptation and mitigation targets. It plans to reduce 30% of the country's CO_2 emissions by 2030 (compared to the 1990 level) and reduce 2.07 tons of CO_2 equivalent per capita by 2050.

The Government of Armenia's annual reports on its 5-year Programme and Action Plan are the primary tools to monitor and evaluate its progress towards meeting the national energy priorities. The Ministry of Territorial Administration and Infrastructure and the Ministry of Environment publish progress reports on their respective activities to implement the Action Plan. These reports also contain additional information, such as the reasons for incomplete or partially complete activities. Additionally, throughout 2020, the Ministry of Finance presents quarterly reports on the execution of the State budget by each economic sector. On 14 April 2021, the Prime Minister of Armenia presented before the National Assembly the annual progress made by the Government in implementing the 2019-2023 Government Programme.

AREAS FOR IMPROVEMENT

Most of the targets set under the Strategic Programme on Energy are for 2027 or 2030, and it does not include long-term targets for the national energy priorities. For this reason, the Government may consider updating the Action Plan Ensuring the Implementation of the Strategic Programme to integrate ultimate targets to be achieved in the energy sector by 2040.

INDICATOR 2

SCORE 75

Management of decision-making processes

QUICK FACTS

The Ministry of Territorial Administration and Infrastructure develops and implements the national energy policies.

The Ministry of Economy frames the investment policies.

The Armenian National Interest Fund (ANIF) is responsible for attracting foreign investors in priority sectors and key infrastructure.

STRENGTHS

With Decree no. 183-L/2021, the Government approved the new digitalisation strategy, the underlying action plan, and performance indicators. Among others, this strategy aims to improve the quality of public services and increase the efficiency and transparency of the public administration system. It also envisages a unified platform to provide digital public services to citizens, where all the State institutions will operate under separate sub-platforms. Moreover, the Government has committed to developing several cross-sectoral documents to implement its Paris Agreement commitments, including the National Climate Change Adaptation Plan, the implementation plan for the country's NDC and the NDC Partnership Plan.

The Government is trying to encourage the use of electronic services by public authorities and State agencies. Currently, numerous e-governance platforms are operational and available to citizens. For instance, the Government operates a website (e-draft.am) that regularly publishes draft legislation and allows interested stakeholders to provide their opinions, comments and suggestions. It also has a platform through which citizens can vote in favour of or against draft legislation. Moreover, on 24 March 2021, the National Assembly adopted Law no. HO-147-N/2021 "On Anti- Corruption Committee" through which it established a new committee to investigate corruption cases, including misconduct by high-level Government officials. Armenia is a member of the Open Government Partnership initiative. It is also part of the Istanbul Anti-Corruption Action Plan, a peer review programme of the OECD.

AREAS FOR IMPROVEMENT

The Government of Armenia can improve consultations and dialogue with energy sector stakeholders. For instance, it can increase engagement with professional associations and specialised civil society organisations in drafting legal and regulatory acts.

INDICATOR 3

SCORE **81**

Regulatory environment and investment conditions

QUICK FACTS

The Public Services Regulatory Commission (PSRC) is an independent agency responsible for regulating the electricity and natural gas sectors.

The Competition Protection Commission deals with competition issues in all sectors of the economy, including the retail fuel market.

STRENGTHS

The Strategic Programme on Energy aims to establish a fully liberalised wholesale electricity market. To this end, the PSRC approved Decision no. 516-N/2019, which came into effect on February 2021. The Decision sets new wholesale electricity market rules, streamlines planning of the power system balance, regulates the activities of the market participants, and ensures open, transparent, and non-discriminatory network access and use. Additionally, Armenia is making efforts to further integrate into the regional energy markets through various fora, including the EAEU. The EAEU's Strategy-2025, presented in December 2020 at the Summit of Heads of the EAEU Member States, envisions 25 amendments to the EAEU Treaty and the signing of international treaties on several issues, including the establishment of a supranational authority to regulate common financial markets.

On 1 March 2021, the EU-Armenia Comprehensive and Enhanced Partnership Agreement entered into force. This Agreement enhances the regulatory environment for businesses and covers several areas of cooperation, including company operations, capital movement, public procurement, and sustainable development. On 26 May 2021, the National Assembly adopted Law no. HO-236-N/2021 "On Amendments and Addendums to the Law on Joint-Stock Companies and Other Relevant Legal Acts" to improve the existing legal framework on joint-stock companies, enhance corporate governance and streamline capital market regulations. Additionally, the Government plans to launch several renewable power generation projects in line with its climate neutrality ambitions and commitments. Recently, ANIF concluded a deal with Abu Dhabi-based group Masdar to develop the first stage of a 400 MW solar photovoltaic project with an estimated investment of around USD 320 million. In July 2020, the European Bank for Reconstruction and Development, the International Finance Corporation and the EU loaned USD 38.4 million to the Spanish company Fotowatio Renewable Ventures to develop a 55 MW solar power plant in the Mets Masrik municipality.

AREAS FOR IMPROVEMENT

The Government should expedite the adoption of its FDI promotion strategy initially planned for the end of 2020. The strategy should contain measures to attract foreign investments in the energy sector.

INDICATOR 4

SCORE **82**

Rule of law

QUICK FACTS

Armenia is a contracting party to the ECT since 1998.

Armenia signed the UN Convention on International Settlement Agreements Resulting from Mediation (Singapore Convention) in 2019.

Law no. HO-110-N/2018 "On Civil Procedure Code" and Law no. HO-55-N/2006 "On Commercial Arbitration" contain legal provisions on the recognition and enforcement of international arbitration decisions in the Republic of Armenia.

STRENGTHS

Recently, the Armenian Government announced judicial reforms, supported by an EUR 9 million grant from the EU, to enhance accountability in the justice system and improve access to modern and quality judicial services. As part of these reforms, the Government plans to establish a specialised Anti-Corruption Court, increase the number of judges, and digitalise the judicial procedures. The Government and the private sector are taking proactive measures to promote alternative dispute resolution in the country. Armenia houses several alternative dispute resolution bodies, including the Arbitration Institution at the Chamber of Commerce and Industry of the Republic of Armenia (RR CCI) and Optimus Lex Arbitration Court. The RR CCI has introduced its own arbitration rules that were last updated in 2019. The Law on Commercial Arbitration in Armenia is based on the UNCITRAL Model Law on International Commercial Arbitration, and it sets the legal framework for domestic and international arbitration.

Law no. HO-115/1994 "On Foreign Investment" states that private foreign investment cannot be nationalised or expropriated by State authorities except in emergencies, based on a court's decision, and upon fully compensating the property owner. Armenia is also developing a robust legal framework to protect the IP rights of foreign investors. On 11 May 2020, it ratified the Protocol on the Protection of Industrial Designs to the Eurasian Patent Convention, which introduces a regional system to protect industrial design patents. In 2020, the Member States of the EAEU signed the Treaty on Trademarks, Service Marks and Appellations of Origin. This Treaty regulates the registration and management of trademarks and appellations of origin in the EAEU. Additionally, Armenia has signed and ratified BITs with 42 countries, of which 39 are in force. It also has eight treaties with investment protection provisions, of which five are in effect.

AREAS FOR IMPROVEMENT

The State can offer an arbitration pledge, which would bind it to participate in arbitration proceedings if the investor so chooses.

Bangladesh

Population[1]	161,356,039
Area (km^2)[1]	147,630
GDP per capita (USD)[1]	1,698.35
TES (Mtoe)[2]	41.90
Energy intensity (toe/10^3 2015 USD)[2]	0.17
CO_2 emissions - energy ($MtCO_2$)[3]	82.0

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Electric power generation, transmission and distribution	1 expansion project 5 new projects	India: 2 FF projects of 4,113 mEUR Canada: 1 RE project of 3,833 mEUR United States of America: 1 RE projet of 444.7 mEUR Singapore: 1 FF project of 352 mEUR China: 1 FF project of 305.5 mEUR
Manufacture of refined petroleum products	1 new project	Indonesia: 1 project of 4 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Bangladesh is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

FF: Electricity generation from fossil fuels

Bangladesh's overall risk level against the assessed areas is **moderate**.

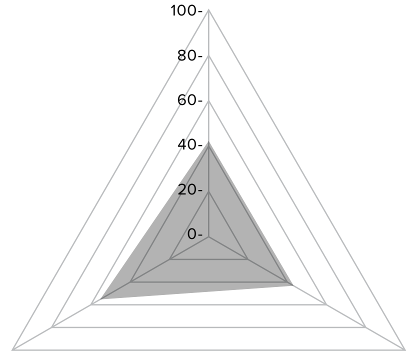
Of the three risks assessed in EIRA, *unpredictable policy and regulatory change* is lower compared to *discrimination between domestic and foreign investors* and *breach of State obligations*.

Bangladesh has a moderate performance on three of the EIRA indicators and a good performance on one indicator. Its score on the *management of decision-making processes* indicator is 69. The country has maintained its scores from EIRA 2020 on the indicators *foresight of policy and regulatory change* (59), *regulatory environment and investment conditions* (58), and *rule of law* (45).

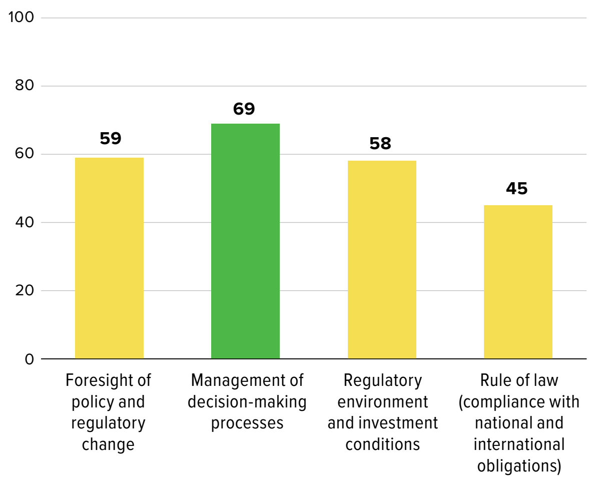
On a more detailed level, Bangladesh's overall sub-indicator performance is moderate. The highest-scoring sub-indicators are *communication of vision and policies* and *transparency*, both at 70. On *institutional governance* (69), *regulatory effectiveness* (67), *management and settlement of investor-State disputes* (65), *restrictions on FDI* (50) and *robustness of policy goals and commitments* (48), it has the same scores as in EIRA 2020. Its score on the sub-indicator *respect for property rights* continues to be the lowest at 25.

While there are some improvements in Bangladesh's performance compared to EIRA 2020, further steps must be taken to build on the work done. Particular attention should be given to strengthening the respect for property rights in the country.

RISK LEVEL



INDICATOR PERFORMANCE

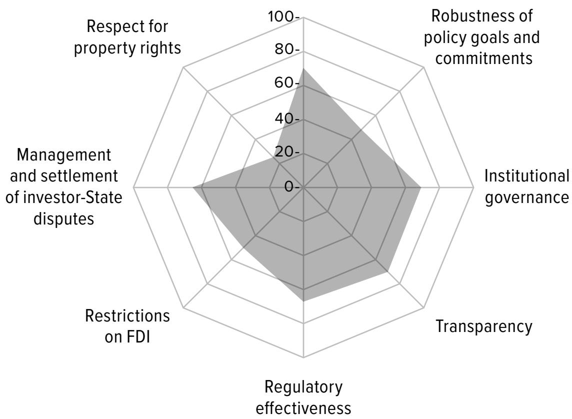


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	45	44	43	42
Discrimination between domestic and foreign investors	44	43	43	43
Breach of State obligations	55	55	55	55

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	56	56	59	59
Management of decision-making processes	65	68	68	69
Regulatory environment and investment conditions	58	58	58	58
Rule of law	45	45	45	45

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE **59**

Foresight of policy and regulatory change

QUICK FACTS

In March 2020, the Government adopted the Second Perspective Plan of Bangladesh 2021-2041 (Second PP).

In December 2020, the Government approved the Eighth Five-year Plan 2020-2025 (EFYP) to fulfil the Second PP.

STRENGTHS

Over the last years, Bangladesh has substantially increased its power generation. It has also strengthened the transmission and distribution infrastructure to ensure 97% of its population has electricity access. The Second PP aims to adopt a least-cost power expansion strategy to meet the country's growing energy demand. It sets an ambitious target to increase the country's total grid-based generation capacity from 18,961 MW in 2019 to 56,734 MW by 2041. It also prioritises cross-border connectivity and energy imports from India, Bhutan and Nepal to improve energy security. The EFYP complements the Second PP by proposing new power generation targets until 2025 and strategies to identify and finance the most efficient and optimal primary energy mix.

In 2020, the Planning Commission of Bangladesh published the SDG report assessing the progress made on indicators such as electricity access, primary reliance on clean fuels and technology and the share of renewable energy in the total final energy consumption. In addition, the Ministry of Power, Energy and Mineral Resources (MPEMR) published its Annual Performance Agreement for 2020-2021. To ensure fiscal accountability, it also published its Budget Implementation Plan for 2020-2021. The EFYP requires results-based monitoring and evaluation to assess the completion of financial or physical targets. It mandates a mid-term review in 2023 and a final one in 2025.

AREAS FOR IMPROVEMENT

The MPEMR should conduct technical studies to assess the accuracy of future demand forecasts and the methodology to estimate electricity demand. The stability of policies may be adversely affected if there is no long-term plan to deal with the overcapacity risk in a cost-effective manner. Efforts should also be made to gradually develop a competitive power market in Bangladesh, which will help in the economic optimisation of various power sector infrastructures.

The Integrated Power Development Plan (2016-2041) does not include solar power since the country's peak load is at night. This approach undermines the country's plans to increase renewable power generation. Instead, the Government should develop mechanisms to shift the peak load to the most appropriate time of the day by creating awareness among consumers on Demand Side Management measures. It should make the country's future NDC targets ambitious enough to offset the planned increase in fossil-based power generation. Furthermore, the Government should develop a policy framework on large-scale energy storage systems.

INDICATOR 2

SCORE **69**

Management of decision-making processes

QUICK FACTS

The MPEMR defines the national energy policy.

The Bangladesh Investment Development Authority (BIDA) is the country's leading investment promotion and facilitation agency.

Bangladesh enacted the Right to Information Act in 2009.

STRENGTHS

The ministries and State agencies implement national development programmes collaboratively. The Planning Commission of Bangladesh drafted and approved the Annual Development Programme 2020-2021 (ADP) after consultation with the relevant ministries. The ADP allocates funds for projects to be implemented within the year in coordination with State-level ministries, divisions and agencies. In May 2020, BIDA published the One-Stop Service Rules to support the One-Stop Service Act of 2018. The new rules aim to expedite the implementation of local and foreign projects by facilitating the licensing and registration procedures. For instance, they set a one-day timeframe to issue a trade licence. The rules also require the Registrar of Joint Stock Companies and Firms to provide all the necessary registrations within defined timelines.

Bangladesh makes legal and regulatory information available to the public. The Legislative and Parliamentary Affairs Division hosts the online Laws of Bangladesh portal, which contains all Acts of Parliament, ordinances and presidential orders promulgated and approved in 2020. The Bangladesh Energy Regulatory Commission (BERC) has published the electricity and gas tariffs on its website. In August 2020, it also invited comments from the public on its Draft Dispute Resolution Regulations. The Bangladesh National Portal has updated the information on business registrations, taxation system, trade licences and foreign investment climate. It also offers e-services facilitating investors' requests for tax filing applications, power energy permits, and online application for new electricity connections.

AREAS FOR IMPROVEMENT

The Government should institutionalise stakeholder consultation procedures and enact legal provisions to make public engagement mandatory in policy development. The method and timeframes of public consultation must be decided at an early stage and made widely known. Moreover, it should consider waiving fees charged by public authorities for disclosing information under the Right to Information Act of 2009.

The Government should develop an open data policy to improve transparency in the extractives industry. It can create a real-time online portal that registers ownership of extractive companies and records the licences and permits issued to these companies, the fiscal terms under which they operate, and their revenues. It may also adopt the EITI principles to design the framework for implementing an open data strategy.

INDICATOR 3

SCORE 58

Regulatory environment and investment conditions

QUICK FACTS

BERC regulates the electricity, natural gas, and petroleum sub-sectors.

The Foreign Private Investment (Promotion and Protection) Act of 1980 protects foreign investment.

STRENGTHS

In November 2020, the Parliament passed the Bangladesh Energy Regulatory Commission (Amendment) Bill of 2020, which empowers BERC to adjust electricity tariffs more than once per fiscal year to reflect changes in the international market. Power reliability in Bangladesh has improved, with total network losses dropping from 12% in 2019 to 11.23% in 2020. The target for 2025 is to reduce these losses to 9.5%. In May 2020, the Power Grid Company of Bangladesh (PGCB) signed a contract with the Malaysian-based HG Power Transmission to construct 140 km of new transmission lines. In June 2020, it also signed four contracts with China National Technical Import and Export Corporation to build new grid substations and expand the power network.

Private sector participation in power generation has increased from 2,104 MW in 2010 to 9,454 MW in 2019, including power import. The Government estimates that the rate of private investment will grow from 23.6% of GDP in 2020 to 27.4% in 2025. According to the Bangladesh Power Development Board (BPDB), ten privately funded power generation projects were commissioned in 2020 with a total installed capacity of 1,063 MW. There are 11 solar photovoltaic independent power plant projects currently under construction with a total installed capacity of 488 MW. The BPDB plans to develop three more solar power plants with a collective installed capacity of 175 MW. In April 2021, the PGCB signed a contract with the Indian company Transrail Lighting Ltd. to construct two high voltage transmission lines of 400 kV to improve grid reliability.

AREAS FOR IMPROVEMENT

The Government may relax some of the existing restrictions on the repatriation of dividends, interests, royalties, and capital proceeds. For instance, the repatriation of sale proceeds of non-listed securities by a non-resident requires the prior permission of the Bangladesh Bank. Moreover, in-kind investment by a foreign investor can only be through the import of capital machinery. Finally, the outward remittance of any royalties, fees for technical knowledge and technical assistance in an industrial sector, such as energy, requires BIDA's prior approval.

The Government should establish competitive pricing policies to incentivise large-scale solar projects. It should also introduce regulation to streamline and facilitate land acquisitions or rentals of uncultivated State-owned Khas land and water bodies for large-scale solar projects.

INDICATOR 4

SCORE 45

Rule of law

QUICK FACTS

Bangladesh acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 1992.

Provisions against expropriation of immovable property are in the Acquisition and Requisition of Immovable Property Act of 2017.

STRENGTHS

Efforts are being made to improve the judiciary's case management systems. According to the EFYP, judicial reforms are ongoing to reduce the backlog of cases. At the district level, the Case Coordination Committees are classifying cases by nature and type and forwarding these to the appropriate venues to minimise case congestion. During the EFYP's implementation from 2020 to 2025, the Government plans to establish an inter-ministerial coordination committee to complete the policy-evidence feedback loop from the municipal to the central government level. Moreover, investors are increasingly seeking recourse to alternative dispute resolution to resolve commercial disputes. According to the latest estimate of the Law and Justice Division under the Ministry of Law, Justice and Parliamentary Affairs, the number of cases settled through alternative dispute resolution was 14,000 in 2014. The Ministry's target is to reach 17,000 settlements in 2021.

The land digitalisation process is underway, and once completed, it will ensure more access to data and quicker disposal of land disputes. In 2021, the Government attempted to improve the land administration system by making cadastral surveys, registered deeds and transfer deeds available online. As of 2020, Bangladesh has 25 BITs in force. The BITs consider IP rights as "investment" and grant protection to all investment against any form of expropriation and through the unqualified operation of Most-Favoured-Nation and National Treatment obligations.

AREAS FOR IMPROVEMENT

The Government may establish an investment ombudsperson to resolve conflicts between investors and public authorities. It can also seek guidance from the Energy Charter Model Instrument on Management of Investment Disputes, which aims to assist States in handling investment disputes while keeping in mind their particular needs and circumstances.

Timelines should be set in law for domestic courts to render final judgements. The Government may also introduce legally binding deadlines for different stages of a hearing, such as the first date of hearing and the completion of appeals.

A definition of the term "public purpose or in the public interest" should be incorporated in the Acquisition and Requisition of Immovable Property Act of 2017.

Belarus

Population[1]	9,483,499
Area (km^2)[1]	207,600
GDP per capita (USD)[1]	6,330.07
TES (Mtoe)[2]	26.96
Energy intensity (toe/10^3 2015 USD)[2]	0.46
CO_2 emissions - energy ($MtCO_2$)[3]	57.1

There is no data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.

Belarus' overall risk level against the assessed areas is **low**.

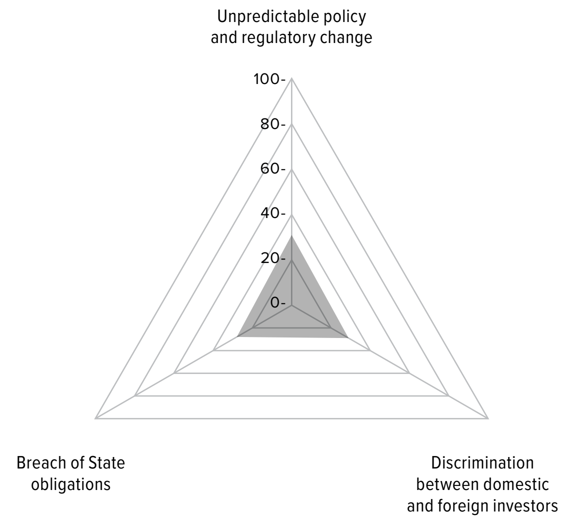
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *discrimination between domestic and foreign investors* and *unpredictable policy and regulatory change*.

Belarus' performance is good on all four indicators. On *management of decision-making processes* its score is 73, followed by *rule of law* at 72. Its scores on *regulatory environment and investment conditions* (69) and *foresight of policy and regulatory change* (61) are the same as in EIRA 2020.

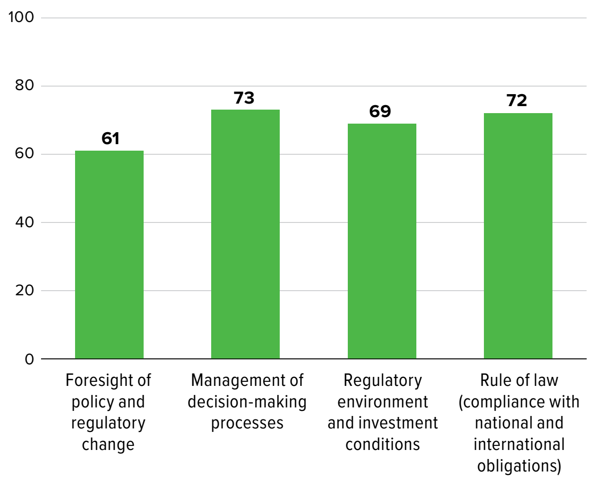
On a more detailed level, Belarus' overall sub-indicator performance is good. The highest-scoring sub-indicator is *restrictions on FDI* at 100, followed by *management and settlement of investor-State disputes* at 85. Its score is good on the sub-indicators *transparency* (78), *communication of vision and policies* (73) and *institutional governance* (69). It has maintained its scores from EIRA 2020 on *respect for property rights* (58). On *robustness of policy goals and commitments* its score has increased by a point, from 49 to 50. *Regulatory effectiveness* is the lowest-scoring sub-indicator at 39.

While Belarus has the relevant policies and measures in place, there is potential for improvement. Attention should be given to strengthening its regulatory effectiveness.

RISK LEVEL



INDICATOR PERFORMANCE

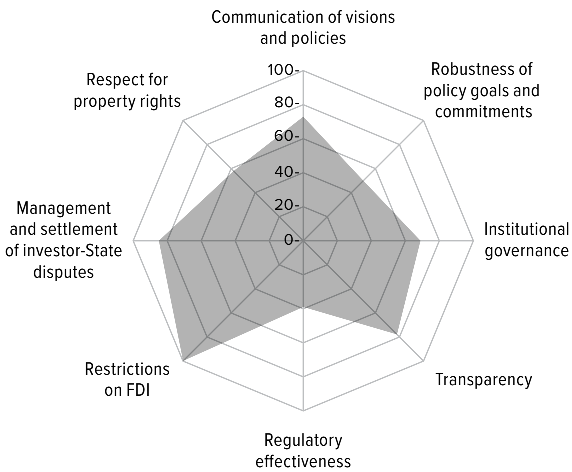


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	34	34	31	31
Discrimination between domestic and foreign investors	30	30	29	29
Breach of State obligations	31	31	28	28

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	57	57	61	61
Management of decision-making processes	72	72	73	73
Regulatory environment and investment conditions	69	69	69	69
Rule of law	69	69	72	72

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 61

Foresight of policy and regulatory change

QUICK FACTS

In 2020 and 2021, the Government adopted two State-level and various sectoral programmes on energy and environmental protection for 2021-2025.

Belarus accepted the Paris Agreement in 2016.

STRENGTHS

Belarus is taking steps to strengthen its energy security. On 7 November 2020, it commissioned the first unit of the Ostrovets nuclear power plant with a planned annual production capacity of 18.5 billion kWh. The plant will help decrease the annual consumption of imported natural gas by 4.5 billion cubic metres and reduce the country's GHG emissions by 7 million tonnes. Meanwhile, Belarus' total renewable power generation capacity increased from 47 MW in 2006 to 491 MW in 2020. The Government has also approved new State Programmes to reduce energy intensity and strengthen the power infrastructure from 2021-2025. The State Programme on Energy Saving envisions that by 2026, the energy intensity of GDP will be reduced by 7% compared to the 2020 level. The State Programme on Increasing Electricity Use for Heating, Hot Water and Food Preparation (2021-2025) plans to refurbish 3465 km of the 0.4-10 kV distribution network. The Programme for Complex Modernisation of Gas Sector Production 2021-2025 intends to install 617.9 km of high and medium pressure gas pipelines. The Council of Ministers has also adopted Resolution no. 137/2021 to implement the Paris Agreement. The Resolution approves the procedures for maintaining the State inventory of anthropogenic emissions and absorption by GHG sink removal. It also establishes a national GHG inventory system.

By Resolution no. 758/2020, the Council of Ministers of Belarus approved the Activities Programme of the Government of the Republic of Belarus until 2025, including an action plan containing performance indicators, implementation activities, and timelines. The Resolution outlines mechanisms to monitor and evaluate the Programme's progress annually. The Government agencies responsible for completing the relevant activities must submit annual implementation reports to the Ministry of Economy and provide any requested clarifications before 1 March of each year. By 1 April, the Ministry of Economy must submit to the Council of Ministers a summary of the activities implemented. The Vice Prime Ministers are accountable for controlling the execution of the Government Programme within their areas of responsibility.

AREAS FOR IMPROVEMENT

The Government is encouraged to cooperate and negotiate with prospective electricity buyers within the EAEU and beyond to ensure the successful implementation of the country's energy export plans.

The energy sector's policy monitoring and evaluation will improve if the final assessment reports are publicly available and open for stakeholder feedback.

INDICATOR 2

SCORE 73

Management of decision-making processes

QUICK FACTS

The Ministry of Energy develops and implements national energy policies.

Law no. 130-Z/2018 "On Normative Legal Acts" determines the requirements for publishing legal and regulatory acts online and in print.

STRENGTHS

The Government is taking proactive legal and regulatory measures to improve the business climate and digitalise the public sector services. The President of Belarus has approved the 2021 annual plan to prepare 37 draft laws and amendments concerning different economic sectors, such as the securities market, leasing, trunk pipelines, labour regulations, Public-Private Partnerships, improving competition, and fighting corruption. By Decree no. 759/2020, the Government approved 36 State Programmes covering the period 2021-2025 in areas including innovative development, scientific technologies and equipment, protection of the environment, sustainable use of natural resources and energy savings. The State Programme on Digital Development of Belarus for 2021-2025 aims to expand digital services and improve the national information and communication infrastructure and services. It includes an action plan to make the public sector operations more effective by creating a digital inter-agency information exchange interface.

After the 2020 presidential elections, discussions on constitutional reforms are ongoing in the country. A Constitutional Committee has been established through Presidential Decree no. 105/2021. The Committee comprises members of the Constitutional Court, the Council of the Republic of the National Assembly, the State agencies, local governments, the economic sector, civil society and academia. It is responsible for developing the draft Constitutional amendments and ensuring nationwide discussions on these. In addition to the Constitutional reforms, on 14 December 2020, the National Assembly held the regular session of the Sustainable Development Council consisting of State officials as well as members of the Partnership Group on SDG. The Council discussed the country's progress in achieving the SDGs and preparing the National Strategy for Sustainable Development until 2025 and the State Programme for Socio-Economic Development.

AREAS FOR IMPROVEMENT

The Government should increase the minimum time for discussing draft laws with the public from 10 days to at least 25 days.

INDICATOR 3

SCORE 69

Regulatory environment and investment conditions

QUICK FACTS

The Council of Ministers regulates the electricity and heating tariffs for residential end-users based on the Ministry of Energy's proposals.

The Ministry of Antimonopoly Regulation and Trade regulates the tariffs for legal entities and individual entrepreneurs.

Law no. 345-Z/2015 "On Public-Private Partnership" safeguards the properties and assets of private investors.

STRENGTHS

The tariffs for electricity, gas and heating increased in 2021 following the approval of Presidential Decree no. 490/2020 "On Setting Tariffs for Housing and Public Utilities for 2021" and the Council of Ministers Resolution no. 795/2020 "On Amendment of Resolution of the Council of Ministers of the Republic of Belarus no. 1166 dated 30 December 2013". The tariff hike is aligned with the Republic of Belarus' Budget and Finance Policy for 2021-2023, which refers to the necessity of increasing the tariffs for housing and public utilities. It also furthers the Government's plan to introduce economically feasible mechanisms to revise tariffs for energy customers due to various external and internal conditions, as outlined in the National Strategy for Sustainable Social-Economic Development until 2030. In the long-term, the new tariffs aim to phase out the cross-subsidisation of utility tariffs.

Law no. 53-Z/2013 "On Investments" guarantees to investors the right to freely transfer investment-related capital, payments and profits outside of the Republic of Belarus after paying all taxes and duties. According to the Ministry of Economy's annual report, foreign investment inflow reached USD 8.7 billion in 2020, out of which USD 6 billion USD or 69.2% was FDI. The Government's Programme until 2025 contains a set of actions to increase investment flow in the country, such as creating a planned system for investment in the engineering, transport and social infrastructure as per the State National Infrastructure Plan 2021-2025. It also gives investors additional guarantees against adverse amendments to the tax legislation. It increases the independence of local governments in determining the priority sectors for investment and establishes a specialised regional organisation for investment facilitation called the Regional Development Centre. Finally, it facilitates the signing of agreements on free trade and investment with specific countries and the ratification of corresponding agreements with Members of the Commonwealth of Independent States.

AREAS FOR IMPROVEMENT

The Government should expedite the finalisation and adoption of the Strategy on Attraction of Direct Foreign Investments. It may also consider developing an action plan to implement this Strategy.

INDICATOR 4

SCORE 72

Rule of law

QUICK FACTS

Access to arbitration is provided in Law no. 279-Z/1999 "On International Arbitration Court".

Law no. 58-Z/2013 "On Mediation" regulates the mediation and enforcement of mediated settlement agreements.

STRENGTHS

In the last year, the Government took steps to encourage alternative dispute resolution mechanisms, particularly mediation. On 21 May 2020, the House of Representatives of the National Assembly adopted Law no. 25-Z/2021 "On ratification of the United Nations Convention on International Settlement Agreements Resulting from Mediation" (Singapore Convention). On 10 June 2020, the Council of the Republic (upper house of the National Assembly) endorsed the ratification of the Singapore Convention. This development signals the country's continued commitment to promoting mediation as an alternative method to resolve disputes between investors and the State and will help to improve the enforceability of settlements mediated across borders. The National Assembly also enacted Law no. 89-Z/2021 "On amendments to laws on matters related to mediation", effective from 15 January 2021, to harmonise local legislation with the requirements of the Singapore Convention. The amendments bring in new provisions on the recognition and enforcement of international mediation agreements, and they define the grounds for denying enforcement.

Nationalisation of private property is possible only on the grounds of "social necessity" and on the timely and full payment of compensation equivalent to the property's value and other losses. Domestic laws do not include provisions restricting the transfer of technology in the energy sector. On 18 December 2020, the Council of the Republic of the National Assembly endorsed the ratification of the Agreement on Trademarks, Service Marks and Appellation of Origin of Goods in the EAEU (Law no. 79-Z/2021). Belarus signed and ratified BITs with 66 countries, of which 56 are in force, and eight treaties with investment protection provisions, of which seven are in effect.

AREAS FOR IMPROVEMENT

Belarus should consider amending the domestic legislation on property rights to include well-defined grounds to expropriate property, with a detailed description of the process to determine the compensation amount and the timeline for completing this process.

Benin

Population[1]	11,485,048
Area (km^2)[1]	114,760
GDP per capita (USD)[1]	1,240.82
TES (Mtoe)[2]	5.24
Energy intensity (toe/10^3 2015 USD)[2]	0.54
CO_2 emissions - energy ($MtCO_2$)[3]	7.2

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Electric power generation, transmission and distribution	2 new projects	Germany: 1 FF project of 213.2 mEUR United Arab Emirates: 1 RE project of 15.8 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Benin is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

FF: Electricity generation from fossil fuels

Benin's overall risk level against the assessed areas is **low**.

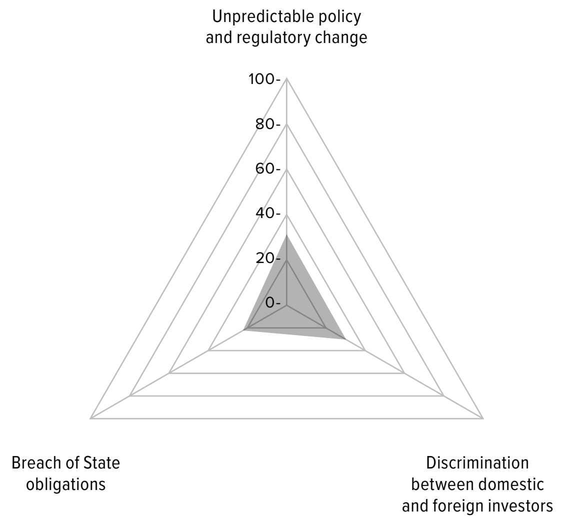
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *discrimination between domestic and foreign investors* and *unpredictable policy and regulatory change*.

Benin's performance is good on two of the EIRA indicators, and it is moderate on two indicators. *Management of decision-making processes* is the highest-scoring indicator this year at 80, followed by *rule of law* at 78. Its score on *regulatory environment and investment conditions* has improved by eight points and stands at 53, while *foresight of policy and regulatory change* is at 49.

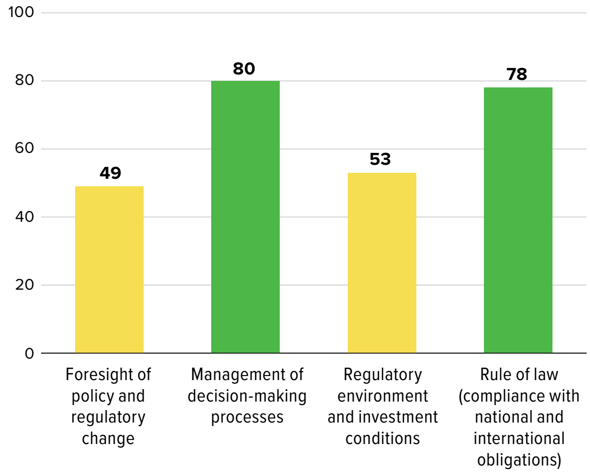
On a more detailed level, Benin's overall sub-indicator performance is good. In 2021, *institutional governance* is the highest-scoring sub-indicator at 88, followed by *management and settlement of investor-State disputes* at 80. It has a good score of 75 on *respect for property rights*. On *transparency* the score has increased from 68 to 72, while *communication of vision and policies* is at 65. Its score on the sub-indicators *regulatory effectiveness* and *restrictions on FDI* is 61 and 45, respectively. *Robustness of policy goals and commitments* is the lowest-scoring sub-indicator at 34.

While Benin has the relevant policies and measures in place, there is potential for improvement. Attention should be given to increasing the robustness of its policy goals and commitments.

RISK LEVEL



INDICATOR PERFORMANCE

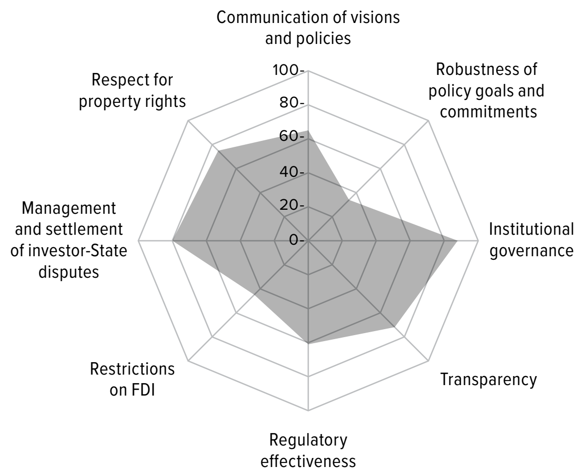


YEAR-ON-YEAR COMPARISON

RISK AREAS	2019	2020	2021
Unpredictable policy and regulatory change	34	32	31
Discrimination between domestic and foreign investors	31	33	30
Breach of State obligations	22	22	22

INDICATORS	2019	2020	2021
Foresight of policy and regulatory change	49	49	49
Management of decision-making processes	72	78	80
Regulatory environment and investment conditions	59	45	53
Rule of law	78	78	78

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE **49**

Foresight of policy and regulatory change

QUICK FACTS

The Government Action Programme 2016-2021 (GAP 2016-2021) aims to improve energy security and ensure reliable electricity supply across Benin.

In April 2020, Law no. 2020-05 introducing the new Electricity Code of Benin came into force.

Benin ratified the Paris Agreement in 2016 and submitted an updated version of its NDC, which covers the energy sector.

STRENGTHS

The Government of Benin is tapping into the country's renewable energy potential to secure affordable and universal energy access for its population. The 2020 Electricity Code has liberalised the power sector, improved licensing procedures, and made renewable power generation investments commercially viable. The Millennium Challenge Account-Benin II (MCA-Benin II) and the Off-Grid Clean Energy Facility, alongside the Government, have dedicated resources and expertise to mini-grid projects. In November 2020, construction began on the DEFISOL solar power plant, funded by the EU and France. The DEFISOL plant will supply the country with 35 GWh of electricity a year and reduce annual GHG emissions by 23,000 tonnes of CO_2 over 25 years.

The National Electricity Regulatory Authority (ARE) and the Agency for Rural Electrification and Energy Management (ABERME) are responsible for the implementation and appraisal of power projects. The Government has set up a rural electrification and renewables fund to finance the extension of the distribution networks and the installation of off-grid electrification solutions.

AREAS FOR IMPROVEMENT

The Government has made progress in implementing GAP 2016-2021, particularly on facilitating the development of a competitive energy market. It is now a timely moment for the Government to prepare a long-term energy strategy comprising measurable policy targets and implementation plans. This approach is especially relevant to the scaling up of renewable energy and the growth of the country's nascent off-grid sector as both are essential to secure energy independence and ensure 100% electricity access.

The 2020 Electricity Code defines the roles and responsibilities of the State agencies implementing and monitoring the country's energy strategy. However, the Government should further streamline the monitoring process and coordinate the Code's implementation by rationalising and operationalising it through secondary legislation and plans.

INDICATOR 2

SCORE **80**

Management of decision-making processes

QUICK FACTS

The Ministry of Energy is responsible for the overall energy policy formulation process.

The Ministry of Living Conditions and Sustainable Development is in charge of the country's environmental issues, including its NDC implementation.

Law no. 2019-06 of 2019 introduces the new Petroleum Code.

Law no. 2020-02 of 2020 introducing the Investment Code has come into force.

STRENGTHS

The Government's efforts to attract private investment in support of economic growth has culminated in the adoption of the 2020 Investment Code. The new Code overhauls the institutional framework by abolishing the requirement of project approval by the Minister of Planning. Instead, three institutions are now in charge of investment promotion. More specifically, the National Agency in charge of investment promotion is a one-stop shop that facilitates the administrative formalities on the approval of projects linked to the 2020 Investment Code. The Investment Control Commission verifies the conformity of investments with the authorisation regime, while the Inter-ministerial Committee monitors and evaluates all investments that benefit from the advantages provided in the new Investment Code.

As with the Petroleum Code, the 2020 Investment Code seeks to reinforce transparency in the public sector. Hence, it strictly prohibits any act of corruption during or after the establishment of an investment. Moreover, it does not allow investors to use funds derived from unlawful activities. The 2020 Electricity Code crystallises the ARE's legal obligation to publish all tariff-related information. Also, it guarantees the participation of private entities, consumers associations and professional organisations in the development of policies and laws related to the electricity sector.

AREAS FOR IMPROVEMENT

Stakeholder engagement in the decision-making processes ensures the proposed regulation's legitimacy and reinforces ownership and responsibility in implementation. It is, thus, reiterated that the Government of Benin should adopt an overarching law on public consultation to facilitate cross-sector dialogue, prevent conflict between the public and the Government and increase citizens' confidence in public institutions.

INDICATOR 3

SCORE 53

Regulatory environment and investment conditions

QUICK FACTS

The Ministry of Energy is responsible for the development and oversight of the electricity sector.

The petroleum sector's governance is the responsibility of the Ministry of Water and Mines.

The ARE's role is enshrined in Decree no. 2009-182 on the Creation, Attributions, Organisation and Functions of the ARE.

STRENGTHS

The 2020 Electricity Code makes the ARE's decision-making organ, the National Council, leaner by reducing its membership from nine to seven. Five of its members will now be selected through an open competition, and their mandate will be time-bound and renewable only once. Similar changes have been introduced to the appointment of the ARE's Executive Secretary, who manages its daily activities. The ARE's regulatory responsibilities have also grown since it is now responsible for issuing permits to off- and mini-grid promoters. Moreover, it is required to set and publish cost-reflective tariffs for renewable energy projects in advance.

The adoption of the 2020 Electricity Code eliminates the National Electric Power Company's (SBEE) market monopoly and opens up the production, distribution, transmission and marketing of electricity to private investors. This development is in line with the Government's overall privatisation scheme, which includes targeted divestiture programmes such as the private management of the SBEE through 2023. The 2020 Investment Code introduces appealing incentives and benefits such as exemptions on corporate income tax and income tax deposit. Moreover, it sets the groundwork for a more significant role of investors in national development plans. To increase the skills of the country's workforce, the Government grants incentives to investors if they contribute to the training of local employees and to technology transfers.

AREAS FOR IMPROVEMENT

The Government has improved the ARE's status considerably by setting criteria and an open selection procedure for its members and restricting their appointment to a one-time renewal. However, it may take further steps to safeguard the appropriate, sufficient and autonomous operation of the ARE, including complete budgetary independence with funds deriving exclusively from its market operations.

INDICATOR 4

SCORE 78

Rule of law

QUICK FACTS

Benin ratified the Convention on the Settlement of Investment Disputes between States and Nationals of other States in 1966 and acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 1974.

Benin is a Member State of the OHADA. In 2017, OHADA revised the Uniform Act on Arbitration to include provisions on commercial and investment arbitration.

STRENGTHS

In 2020 and 2021, the Government carried out numerous reforms in the justice sector. In April 2020, Law no. 2020-08 on Modernisation of Justice in Benin was adopted to improve the transparency of domestic judicial proceedings, ensure the speedy disposal of cases, and facilitate access to justice. The said Law modifies the Code of Civil, Commercial, Social, Administrative and Accounts Procedure to ensure better compliance with the rule of "reasonable time" in case management and provides for the use of innovative digital tools. The 2020 Investment Code introduces an avenue to resolve investor conflicts before they precipitate into full-scale disputes. The Code states that difficulties in the interpretation of its provisions may be settled by instructions (circulaires) from the Interministerial Committee for Investment Promotion on the proposal of the National Agency in charge of investment promotion. Parties can submit a dispute for arbitration to a forum of their choosing, such as the Arbitration, Mediation and Conciliation Center of the Chamber of Commerce and Industry of Benin (CAMeC), the Common Court of Justice and Arbitration of OHADA (CCJA-OHADA), the Multilateral Investment Guarantee Agency or ICSID.

Guarantees against unlawful expropriation and arbitrary nationalisation are intact in the 2020 Investment Code. Law on Modernisation of Justice in Benin reinforces the land ownership regime by reducing the formalities governing the exercise of legal remedies in applying the Land and State Code. IP rights are protected under national laws, BITs and international treaties, such as the Bangui Agreement.

AREAS FOR IMPROVEMENT

Following the enactment of Law on Modernisation of Justice in Benin and the 2020 Investment Code, the Government must now implement these important legislative initiatives. Robust and systematic implementation will require political commitment as well as human and financial resources.

Bosnia and Herzegovina

Population[1]	3,323,929
Area (km^2)[1]	51,210
GDP per capita (USD)[1]	6,072.18
TES (Mtoe)[2]	7.47
Energy intensity (toe/10^3 2015 USD)[2]	0.42
CO_2 emissions - energy ($MtCO_2$)[3]	22.2

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	**Number of projects and deals**	**Project CapEx and deal value (million EUR) by source country**
Electric power generation, transmission and distribution	2 new projects	Austria: 1 RE project of 15.8 mEUR China: 1 RE project of 4 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Bosnia and Herzegovina is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

Bosnia and Herzegovina's (BiH) overall risk level against the assessed areas is **moderate**.

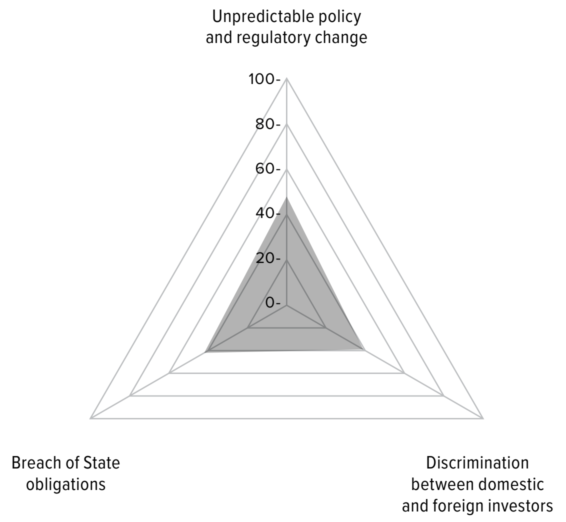
Of the three risks assessed in EIRA, *discrimination between domestic and foreign investors* is lower compared to *breach of State obligations* and *unpredictable policy and regulatory change*.

BiH's performance is moderate on three of the EIRA indicators and good on one indicator. It has scored 75 on the indicator *regulatory environment and investment conditions* and 58 on the indicator *rule of law*. Its score on *management of decision-making processes* has gone up from 46 to 50. On *foresight of policy and regulatory change*, it has a score of 47.

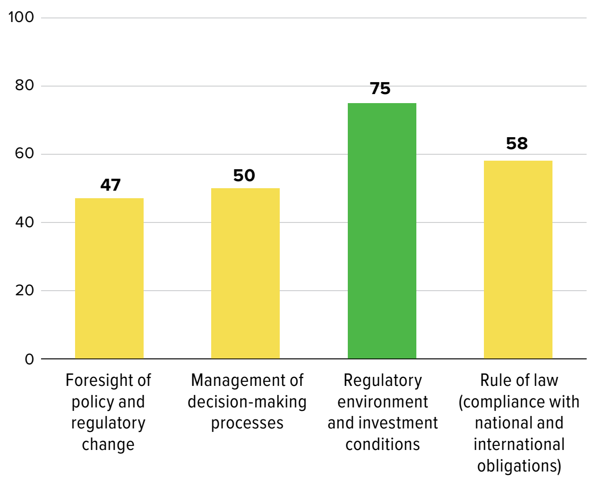
On a more detailed level, BiH's overall sub-indicator performance is moderate. The highest-scoring sub-indicator is *restrictions on FDI* at 80. On *management and settlement of investor-State disputes* (75) and *regulatory effectiveness* (70), it has the same score as in EIRA 2020. Its score on *transparency* has increased from 67 to 74. On *communication of vision and policies*, it has scored 56. Following this are the sub-indicators *respect for property rights* at 42 and *robustness of policy goals and commitments* at 38. *Institutional governance* is the lowest-scoring sub-indicator at 25.

While there are some improvements in BiH's performance compared to EIRA 2020, further steps must be taken to build on the work done. Particular attention should be given to strengthening the country's institutional governance.

RISK LEVEL



INDICATOR PERFORMANCE

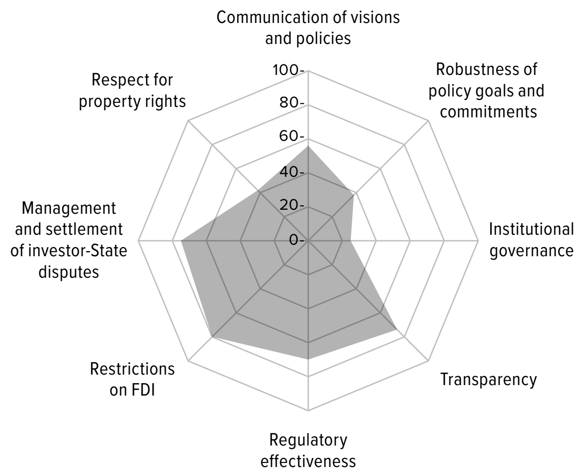


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	55	50	50	48
Discrimination between domestic and foreign investors	40	40	40	39
Breach of State obligations	42	42	42	42

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	30	47	47	47
Management of decision-making processes	46	46	46	50
Regulatory environment and investment conditions	75	75	75	75
Rule of law	58	58	58	58

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 47

Foresight of policy and regulatory change

QUICK FACTS

The Council of Ministers (CoM) of BiH adopted the Bosnia and Herzegovina Framework Energy Strategy until 2035 (Framework Strategy) in 2018.

BiH ratified the Paris Agreement in 2017 and submitted its second NDC in 2021.

STRENGTHS

The Government is currently finalising policies and action plans to support the Framework Strategy's implementation. The Ministry of Foreign Trade and Economic Relations (MoFTER) is in the final stages of preparing the National Energy Efficiency Action Plan 2021-2030 (NEEAP) modelled on the long-term vision of the EU countries. The NEEAP aims to increase energy savings in final consumption by proposing programmes to improve energy efficiency in buildings, industry, and transportation sectors. Its adoption will pave the way for the Integral Long-term Building Strategy 2050, which aims to mitigate adverse environmental impacts and increase energy supply security. In 2020, the CoM of BiH adopted a document, SDG Framework in BiH, to achieve the Agenda 2030 targets and guide the policy planning process in the energy sector. At entity level, the Ministry of Energy and Mining of Republika Srpska (MER) adopted a new Law on Electricity in 2020 and aims to adopt in 2021 a new Law on Renewable Energy Sources that will limit subsidies and introduce a competitive auction system for power generation. By the end of 2021, BiH will also finalise its Integrated Energy and Climate Plan 2021-2030 (NECP).

In 2020, MoFTER submitted to the Energy Community the fourth annual progress report on energy efficiency. This report provides an update on the progress made towards achieving the short-term energy-efficiency targets (2020-2021). In 2020, the Agency for Statistics of BiH published monthly reports on the short-term energy statistics indicators. Last year, the Ministry of Finance and Treasury of BiH published a consolidated report on public institutions' financial management and control. It also released the annual internal audit report of the BiH institutions. The Public Administration Reform Coordinator's Office issued its monitoring and evaluation report on implementing the annual work programme for 2020.

AREAS FOR IMPROVEMENT

The entities and the Brčko District should adopt laws on renewable energy and energy efficiency as soon as possible. At State level, the Government is encouraged to continue its work on finalising the long-term action plans for these areas because the existing action plan on energy efficiency covers the period up to 2018, while the one on renewable energy expired in December 2020.

The State and entity-level institutions should harmonise the guidelines and processes on monitoring the implementation of the energy targets and develop a unified system to collect and process the country's GHG emissions data.

INDICATOR 2

SCORE 50

Management of decision-making processes

QUICK FACTS

The MER plans and manages the electric power strategy in the Republika Srpska.

The Federal Ministry of Energy, Mining and Industry (FMERI) sets energy policies for the Federation of Bosnia and Herzegovina (FBiH). The FBiH is divided into ten cantons, each of which has distinct regulations on local energy generation.

All governmental levels have enacted legislation facilitating access to information.

STRENGTHS

In the last year, MoFTER engaged and cooperated with the MER, the FMERI, the Brčko District, and GIZ to prepare the Action Plan on Renewable Energy Sources of BiH. The State and entity governments are also working across different levels to publish the NECP in 2021. MoFTER is leading the NECPs' development with support from the MER and the FMERI. The country is also modernising its public services. For instance, in 2021, the Government of Republika Srpska started developing information and communication technologies infrastructure to provide e-services, such as a platform for electronic payment and online registration of business entities.

The CoM of BiH uploaded 178 law decisions on its e-governance website during 2020. On the federal level, the BiH E-Konsultacije Governmental portal offers the possibility of stakeholder consultations on draft laws and by-laws. In 2020, the Ministry of Foreign Affairs organised stakeholder consultations on the UN Sustainable Development Cooperation Framework 2021-2025, which aims to guide the work of BiH institutions on achieving the SDGs. In August 2020, the BiH Concession Commission opened public consultations on its draft programme comprising concession granting activities. In 2021, the Ministry of Justice (MoJ) of BiH published its report on implementing the rules for consultation on drafting regulations for 2020. At entity level, Republika Srpska's e-Public Administration Portal provides access to public hearings, consumers rights, public participation in drafting laws on profit, income and real estate taxes, open bids and bundles of approved legislative acts for 2020. In FBiH, the FMERI approved and published 186 energy permits in 2020.

AREAS FOR IMPROVEMENT

The independent transmission system operator, NOSBiH, should make comprehensive data available on the European Network Transmission System Operators transparency platform, particularly on congestion management and electricity month-ahead forecasted transfer capacities.

The entity governments should give investors more information on their respective licensing and approval processes. In FBiH, one-stop shops may be established at the cantonal level.

INDICATOR 3

SCORE 75

Regulatory environment and investment conditions

QUICK FACTS

The State Electricity Regulatory Commission (SERC) is responsible for the transmission of electricity, the transmission system operation and international electricity trade.

The Federal Commission for Energy Regulation is the regulatory authority in the FBiH.

The Regulatory Commission for Energy of Republika Srpska (RERS) regulates the entity's electricity market.

STRENGTHS

SERC is playing an active role in monitoring the operations of power transmission companies in BiH. In April 2020, it approved NOSBiH's indicative production development plan for 2021-2023. In November 2020, it approved the rules for allocating cross-border transmission capacities between NOSBiH and its Serbian and Montenegrin counterparts. This step aims to enforce regional electricity integration through periodic electricity auctions. In April 2020, SERC approved Elektroprijenos BiH's investment plan for 2020, which contains the finance sources and the plans for the import/export of electricity. In September 2020, SERC increased the transmission network capacities of wind power plants from 460 MW to 840 MW and for solar power plants from 400 MW to 825 MW. This decision will ensure higher integration of renewable electricity in the grid and support GHG emission reduction.

The Government aims to ensure FDI flow reaches 1.6% of the GDP in 2021 and 1.9% of the GDP in 2022. To this end, it plans to stimulate economic growth through public investment in energy projects. In January 2021, FMERI announced the Public Investment Programme of the FBiH 2022-2024, inviting public energy companies to apply for financial support. In 2020, MER signed a concessions contract with the EFT Company to construct and operate a photovoltaic plant in Bileća with an installed capacity of 60 MW and an investment value of EUR 53 million. In 2020, FMERI issued a construction permit to Toplana Zenica d.o.o for a heating plant with an installed electricity capacity of 14.45 MW. Moreover, the State-owned power utility Elektroprivreda BiH has adopted a business plan for 2020-2022, which envisages investments worth almost EUR 1 billion in electricity and mining infrastructure and joint projects with private companies.

AREAS FOR IMPROVEMENT

BiH should establish a State-level legal framework to coordinate and define the responsibilities of national, regional and local administrative bodies on business registration and granting authorisation, certification, and licences for energy activities and projects, particularly in renewable energy.

The RERS should offer greater transparency on its decisions regarding gas and electricity prices. For instance, it could already list the electricity supply and distribution prices for 2020 on its website.

INDICATOR 4

SCORE 58

Rule of law

QUICK FACTS

BiH ratified the ECT in 2001.

The MoJ has launched the Action Plan to implement the Justice Sector Reform Strategy in Bosnia and Herzegovina 2019-2020 (Reform Implementation Plan).

STRENGTHS

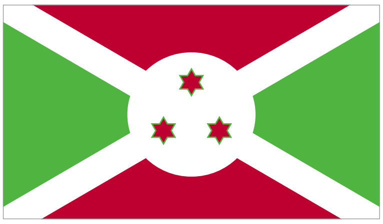
In August 2020, the Constitutional Court of BiH signed a Memorandum of Understanding (ongoing until March 2022) with the Advice on Individual Rights Europe Centre to execute and implement the Judicial Capacity Building project. This project aims to develop the country's judicial capacity further and harmonise the domestic legal system at State-level. The MoJ has published its action plan for the annual work programme of 2021, emphasising regular cooperation with international judicial bodies and reporting on the implementation of the Justice Sector Reform Strategy in BiH. According to the annual work programme, the MoJ will amend the Law on High Judicial and Prosecutorial Council of BiH (HJPC) concerning the composition and election of its members, the establishment of two sub-councils, the termination of the mandate of judges and prosecutors and other issues related to the functioning of the HJPC of BiH.

Although there is no timeframe for compensating the owner of an expropriated private property, according to the respective entity laws, after a decision on expropriation becomes valid, the municipal body must schedule the hearing to agree on the compensation without delay. BiH is working to strengthen the protection given to IP rights. In 2020, the Institute of Intellectual Property of BiH produced its mid-term work plan for 2020-2022. According to the work plan, the Institute will introduce procedures offering protection to intellectual ownership on par with the standards and practices of the World Intellectual Property Organization, the European Patent Office and the European Union Intellectual Patent Office.

AREAS FOR IMPROVEMENT

The State may establish an investment ombudsperson to address the grievances of foreign investors. It can seek guidance from the Energy Charter Model Instrument on Management of Investment Disputes to enhance the management of investment disputes. The general investment climate will also benefit from an update of the Alternative Dispute Resolution Strategy drafted in 2008.

The expropriation laws of the entities and the Brčko District should be updated to clarify the process of deciding whether an expropriation qualifies the "public purpose" criteria. These laws should specify the timeframe and bodies responsible for making this decision and how the different government levels will coordinate the decision-making process. Moreover, the scope of protection under these laws may be extended to cover intangible property.



Burundi

Population[1]	11,175,378
Area (km^2)[1]	27,830
GDP per capita (USD)[1]	271.75
TES (Mtoe)[2]	N/A
Energy intensity (toe/10^3 2015 USD)[2]	N/A
CO_2 emissions - energy ($MtCO_2$)[3]	0.6

There is no data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.

Burundi's overall risk level against the assessed areas is **moderate**.

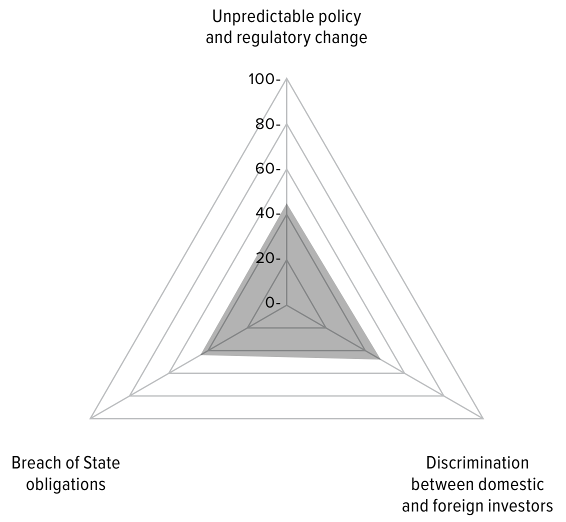
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *unpredictable policy and regulatory change* and *discrimination between domestic and foreign investors*.

Burundi has a moderate performance on all the EIRA indicators. The highest-scoring indicator is *management of decision-making processes* at 57, followed by *rule of law* at 56. On *foresight of policy and regulatory change*, it has a score of 51 while *regulatory environment and investment conditions* stands at 43.

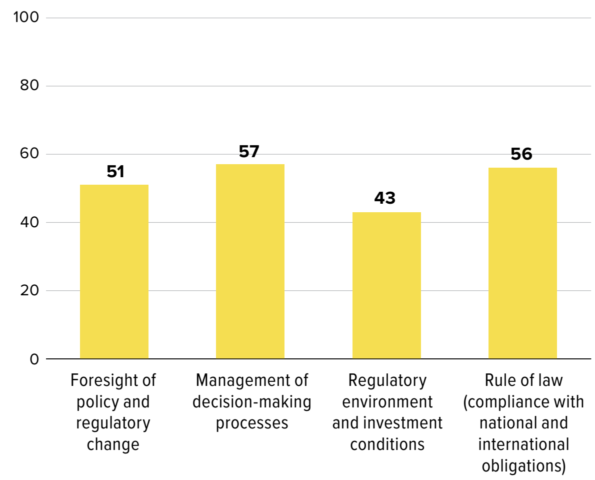
On a more detailed level, Burundi's overall sub-indicator performance is moderate. The highest-scoring sub-indicator is *institutional governance* at 75. On the sub-indicator *management and settlement of investor-State disputes*, it has scored 70, followed by *regulatory effectiveness* at 56. Its score on *robustness of policy goals and commitments* is 54. Its score is 47 on the sub-indicator *communication of vision and policies* and 42 on *respect for property rights*. It has a score of 39 on the sub-indicator *transparency*. The lowest-scoring sub-indicator is *restrictions on FDI* at 30.

While there are some policies and measures in place, more concrete steps must be taken to strengthen Burundi's performance across all indicators and underlying sub-indicators. Particular attention must be given to lowering the existing restrictions on FDI in the country.

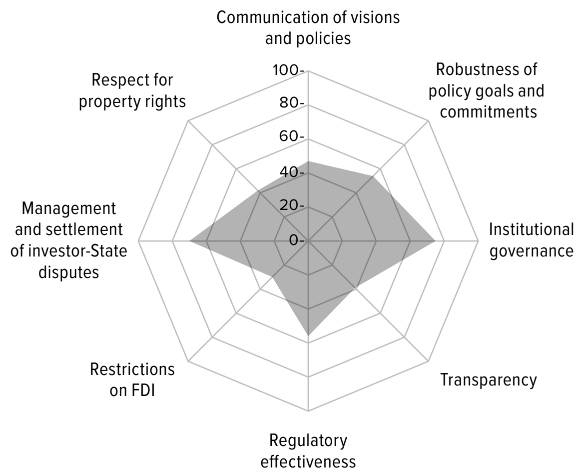
RISK LEVEL



INDICATOR PERFORMANCE



SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE **51**

Foresight of policy and regulatory change

QUICK FACTS

The main strategy document of Burundi is Vision 2025.

In 2011, the Energy Sectoral Strategy and its Action Plan (PNAA) were updated in line with Vision 2025 and the Poverty Reduction Strategy Paper II (PRSP-II).

Burundi ratified the Paris Agreement in 2018 and submitted its first NDC.

STRENGTHS

The Government is working towards achieving universal energy access and attracting the associated investments. The country is ideal for developing renewable energy, especially wind, solar, and water. Various hydroelectric power plants are being deployed both on a regional and national level. For instance, a 200 MW hydroelectric project in the Ruzizi River is being developed on a Build, Own, Operate, Transfer (BOOT) basis involving three countries: Burundi, the Democratic Republic of the Congo, and Rwanda. The project will become operational in 2025-2026. In 2020, the construction of a 7.5 MW solar plant began with support from the Renewable Energy Performance Platform. It will be the first-ever photovoltaic plant connected to the electricity grid and is expected to increase Burundi's power generation capacity by 15%.

A multi-sectoral National Consultative Committee (CCN) oversees the achievement of Vision 2025 and supports dialogue between development stakeholders and public authorities. The Government has established a technical body, the Permanent Executive Secretariat (SEP), to support the CCN in its tasks. The SEP ensures that the formulation of successive PRSPs and the implementation of the Millennium Development Goals aligns with Vision 2025. The PNAA National Coordinator, jointly with the National Director, submits an activity progress report to the donor organisations.

AREAS FOR IMPROVEMENT

The Government has expressed a willingness to exploit the country's untapped renewable potential. It should now develop a national policy with evidence-based targets to support this priority. The policy should ensure balanced growth in power production from hydro, biomass and solar resources. Moreover, it should promote energy solutions suited to the population's needs, for instance, clean cooking technologies. Finally, it must encourage the much-needed private investment in power generation infrastructure through a well-functioning framework for renewable energy auctions.

To bridge the substantial gap between the generated electricity and the demand load, the Government approved a master plan for power production, transmission and distribution in 2018. It is highly recommended that follow-up activities are carried out, including feasibility studies for selected investment, planning for off-grid expansion and interconnection with neighbouring countries.

INDICATOR 2

SCORE **57**

Management of decision-making processes

QUICK FACTS

Burundi is a constitutional Republic.

The Ministry of Hydraulics, Energy and Mines (MINHEM) has the overall responsibility for the energy sector.

STRENGTHS

The Government has channelled significant resources in centralising and simplifying business registration procedures. Its success in this respect was possible due to the establishment of the Investment Promotion Agency (API). The API is a professionally and financially independent institution that not only informs and assists potential investors on business procedures but also ensures that new laws and regulations that benefit investors are upheld. Businesses can complete registration services through the API within 24 hours by simultaneously obtaining the certificate of incorporation and a Tax Identification Number. The National Development Plan 2018-2027 (PND BURUNDI 2018-2027) encourages cooperation among State entities, as well as with local authorities, on matters that are essential for the country's economic growth, such as the mobilisation of funds, promotion of market competition, and development of sub-regional and regional infrastructure.

The Government has recently implemented several initiatives to address bottlenecks historically inherent in the land titling process. These initiatives aim to inform the public on the procedure to register land and procure title deeds and measures to combat corruption in the properties registration process. Since 2016, national legislation address issues related to conflict of interest in awarding public procurement and criminalise bribery in public services. Following the 2020 election, the new Government is making efforts to re-establish ties with key stakeholders, including the African Union, the EU, the United Nations agencies, and international financial institutions.

AREAS FOR IMPROVEMENT

A law on access to information should be enacted as soon as possible. It should outline the scope of application, the procedure for citizens and investors to obtain government-held information and the obligation of public authorities to provide it.

All Government levels should make legislative and regulatory drafts publicly available and invite feedback from relevant stakeholders. There should be definitive timelines set to receive comments from concerned stakeholders, depending on the issues raised and the number of people affected.

INDICATOR 3

SCORE 43

Regulatory environment and investment conditions

QUICK FACTS

The Authority for the Regulation of Water and Electricity (AREEN) regulates electricity and water services.

Law No. 1/13 of 2015 On the Reorganisation of the Electricity Sector governs activities in the electricity sector.

STRENGTHS

AREEN was established under Decree No. 100/159 of 2018 as an independent legal entity to assist MINHEM in implementing Law No. 1/13 and its associated regulations. Its role includes supporting MINHEM in setting electricity prices, evaluating applications for electricity licences and monitoring compliance with the applicable rules and regulations. The Inspection General and the Court of Auditors oversee the management and finances of AREEN. Law No. 1/13 prohibits anti-competitive practices in the electricity sector.

Burundi welcomes foreign investment in different economic sectors, including energy. The Investment Code of 2008 outlines the business incentives available to new investors, including deduction on tax credit and reduced tax rate on profits. To lower the administrative burden on investors, the Government allows them to avail tax credit without procuring preliminary approval. Moreover, the Investment Code grants foreign investors from some countries free access to land and the right to use it, subject to reciprocity. The opportunities for sub-regional collaboration and access to the regional market are interesting for Burundi, which is a member of the East African Community, African Union, and the Common Market for Eastern and Southern Africa.

AREAS FOR IMPROVEMENT

AREEN's independence can be further enhanced, particularly in terms of recruiting its board members. The Government's role in appointing board members should be limited. Instead, the criteria and process of their selection should be competitive and publicly announced.

The technical capacity of key Government officials in PPP delivery and management should be strengthened, and AREEN should be actively involved in granting licences for the production, transmission and distribution of electricity in the context of PPP contracts and concessions.

In compliance with Law No. 1/13, the public services of water and electricity are liberalised. Yet, the national utility, Régie de Production et de Distribution d'Eau et d'Electricité (REGIDESO), continues to enjoy a monopoly over electricity transmission, distribution and supply until 2040. Given its precarious financial and technical status, the Government should improve REGIDESO's performance as this is a critical requisite for effective private-sector participation. It should prepare a performance improvement plan that includes a programme on revenue protection and emergency investments.

INDICATOR 4

SCORE 56

Rule of law

QUICK FACTS

Burundi's legal system is largely based on civil and customary law.

Burundi acceded to the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States in 1969.

Arbitration in Burundi is governed by Law No. 1/010 of 2004 enacting Articles 337 to 370 of the Code of Civil Procedure.

STRENGTHS

National law allows parties to use alternative dispute resolution methods before or during a trial or arbitration procedure. The Centre for Arbitration and Conciliation was established to deal with commercial and investment disputes. The arbitral tribunal may be composed of lawyers or specialists from various sectors. Law No. 1/010 was enacted to harmonise Burundi's legal framework on arbitration with that of the OHADA Member States.

The Investment Code protects and facilitates the acquisition and disposition of all property rights. In exceptional cases of expropriation in the public interest, investors are guaranteed a lawful procedure and fair and prior compensation. Following the Land Code's adoption in 2011, the Government has worked consistently on the land registration regime. Communal land services (guichets foncier) have been installed in many areas to create a link with the central cadastre service. There are no technology transfer requirements applicable to foreign investments.

AREAS FOR IMPROVEMENT

Although Burundi's Industrial Property Law, enacted in 2009, complies with international norms, on a practical level, its implementation is insufficient, and enforcement measures are lagging. The Government should focus its efforts on building capacity and setting up a database to collect and collate the relevant IP information.

The Government should develop a comprehensive legal and judicial reform strategy to ensure the independence and efficacy of the judicial system. Meaningful changes include, first and foremost, strengthening the capacity of justice actors and institutions. Currently, 80% of litigation concerns land conflicts, thus impeding courts from handling other types of disputes adequately. Establishing designated courts and introducing timeframes to examine cases will help to reduce further delays in the delivery of justice.

Colombia

Population[1]	49,661,056
Area (km^2)[1]	1,141,749
GDP per capita (USD)[1]	6,716.91
TES (Mtoe)[2]	38.86
Energy intensity (toe/10^3 2015 USD)[2]	0.13
CO_2 emissions - energy ($MtCO_2$)[3]	73.1

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	**Number of projects and deals**	**Project CapEx and deal value (million EUR) by source country**
Electric power generation, transmission and distribution	3 new projects 1 acquisition deal	Italy: 1 RE project of 62.4 mEUR Spain: 1 RE project of 4 mEUR United States of America: 1 RE project of 4 mEUR Value of 1 deal (Peru) is N/A
Manufacture of refined petroleum products	1 new project	Venezuela: 1 project of 4 mEUR
Transport by pipeline	1 minority stake deal	Value of 1 deal (Cayman Islands) is N/A
Mining of hard coal and lignite	1 acquisition deal	United States of America: 1 deal of 2,689 mEUR
Support activities for other mining and quarrying	2 acquisition deals	Canada: 2 deals of 0.6 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Colombia is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

Colombia's overall risk level against the assessed areas is **low**.

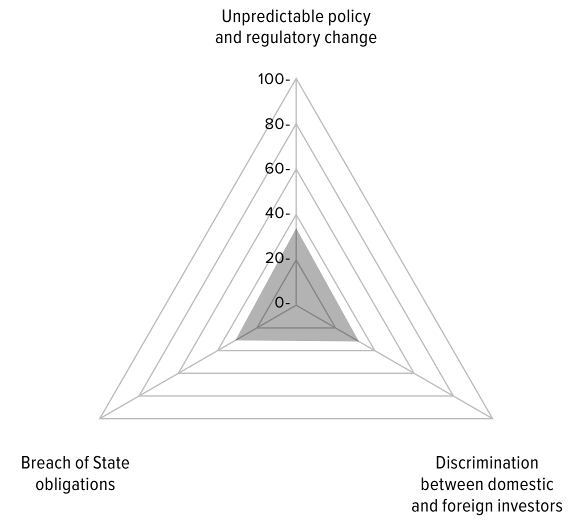
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *discrimination between domestic and foreign investors* and *unpredictable policy and regulatory change*.

Colombia has a good performance on all the EIRA indicators. Its score on *rule of law* has improved by two points, from 67 to 69, making it the highest-scoring indicator this year. Following this is the indicator *regulatory environment and investment conditions* at 68. On *management of decision-making processes*, its score is 67, up by two points from last year. On the indicator *foresight of policy and regulatory change*, its performance has improved by five points and stands at 63.

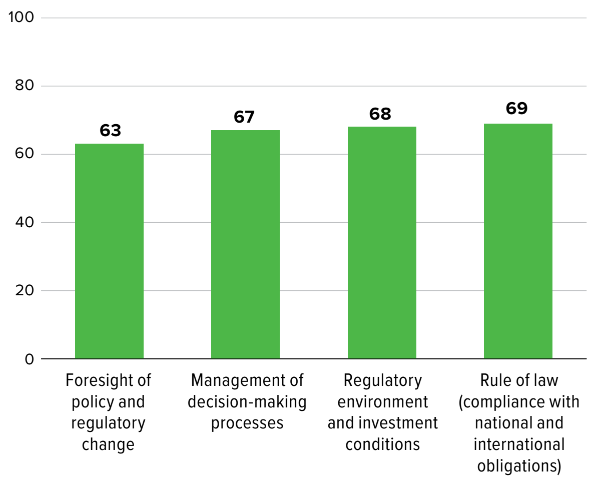
On a more detailed level, Colombia's overall sub-indicator performance is good. The highest-scoring sub-indicator is *transparency* at 84, up by three points compared to EIRA 2020. Its score on *management and settlement of investor-State disputes* has improved by five points and stands at 80, the same as *restrictions on FDI*. Its performance on the sub-indicator *communication of vision and policies* has also improved, from 65 to 75. It has received the same scores as in EIRA 2020 on *respect for property rights* (58) and *regulatory effectiveness* (56). The lowest-scoring sub-indicators continue to be *robustness of policy goals and commitments* and *institutional governance*, with 50 points each.

While Colombia has the relevant policies and measures in place, there is potential for improvement. Attention should be given to strengthening the country's institutional governance and the robustness of its policy goals and commitments.

RISK LEVEL



INDICATOR PERFORMANCE

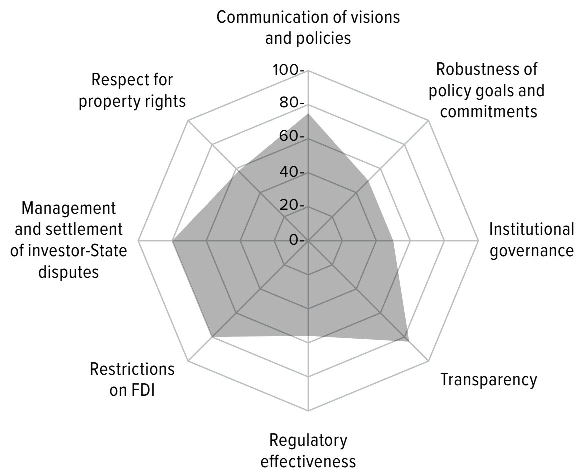


YEAR-ON-YEAR COMPARISON

RISK AREAS	2020	2021
Unpredictable policy and regulatory change	37	34
Discrimination between domestic and foreign investors	33	32
Breach of State obligations	33	31

INDICATORS	2020	2021
Foresight of policy and regulatory change	58	63
Management of decision-making processes	65	67
Regulatory environment and investment conditions	68	68
Rule of law	67	69

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 63

Foresight of policy and regulatory change

QUICK FACTS

On 19 January 2021, the Mining and Energy Planning Unit (UPME) released the National Energy Plan 2020-2050: Energy Transformation that Enables Sustainable Development (PEN 2050).

In 2020, Colombia submitted its updated NDC.

STRENGTHS

The PEN 2050 sets four strategic “pillars” to focus policy actions: the security and reliability of electricity supply, climate change mitigation and adaptation, competitiveness and economic development, and knowledge management and innovation. It defines quantifiable actions, monitoring indicators and baselines to measure the progress made in achieving strategic results under the pillars. PEN 2050 targets that the share of non-conventional renewable energy (FNCER) in the primary energy supply must increase from 3.1% in 2019 to 12-20% by 2050. It also aims to ensure that users with smart meters increase from 1.2%-2.4% in 2019 to 90%-100% by 2050. In September 2020, the Government adopted regulations to develop a pilot research project using fracking technology and explore new techniques for scaling up domestic resource utilisation. In October 2020, the Ministry of Mines and Energy (MME) issued Resolution 40311, which sets the conditions for assigning connection points to generation projects and prioritising transmission grid connections for projects awarded in energy auctions.

The UPME published its 2021 Action Plan with details on each activity, sub-activity, the deliverable product under each sub-activity and the related monitoring indicators. The MME published its quarterly financial execution reports for 2020 on its budget implementation and operational and investment expenditure. The Internal Control Office of the MME prepared a report evaluating the Annual Action Plan’s (PA) progress as of 30 June 2020. It developed 39 programmes and executed these from 12 to 30 June 2020 to comply with the PA’s indicators. In the first quarter, four programmes were completed with 100% progress. For the second quarter, five programmes were planned, but eight were executed with 160% progress. In 2021, the MME published a follow-up report on the fiscal controls established by the Office of the Comptroller General of Colombia.

AREAS FOR IMPROVEMENT

The Government should develop a roadmap, with quantifiable actions, to gradually phase out coal production, consumption and export and reduce fiscal dependence on coal. It is encouraged to continue its ongoing efforts to identify alternative economic activities to coal mining, diversify its mineral matrix, and ramping up renewable power generation in regions with the highest coal production, such as La Guajira and Cesar.

INDICATOR 2

SCORE 67

Management of decision-making processes

QUICK FACTS

The Government formulates energy policies through the MME.

Decree 230 of 2021 creates the National System of Accountability (SNRdC) to coordinate State and private sector activities on accountability.

STRENGTHS

The SNRdC comprises institutions, principles, policies, programmes, methodologies and mechanisms to ensure accountability and facilitate citizen monitoring and evaluation of public administration entities at the national, departmental, district and municipal levels. One of its objectives is to formulate and implement institutional and inter-institutional accountability strategies taking territorial, thematic, and sectoral approaches. It also aims to harmonise institutional and inter-institutional commitments on social, political, disciplinary, and fiscal control exercises. The SNRdC comprises a high-level National Committee of representatives from ministries, the Parliament, and the Colombian Association of Universities. It also has Territorial Committees composed of regional and departmental entities. The SNRdC requires all public administration entities and State-owned companies undertaking commercial operations to maintain their financial accounts continually. Entities from the judicial and legislative branches and autonomous bodies may volunteer to the SNRdC.

In 2020, State authorities in the energy sector made their data publicly available. The Agencia Nacional de Hidrocarburos (ANH) issued an update on the country’s hydrocarbon exploration contracts registry as of September 2020 and the list of breached hydrocarbon contracts as of 30 November 2020. The Commission for Energy and Gas Regulation (CREG) and the MME published justifications for upcoming regulations, and stakeholders were allowed to comment on these per the OECD standards. In the first quarter of 2021, the CREG released for public consultation its resolutions on liquefied petroleum gas supply prices from wholesalers to distributors and on adjustments to the temporary natural gas supply plan. The CREG strengthened citizen participation through 22 online workshops, two public-theme hearings and one accountability hearing. The initiatives were attended by around 15,542 people resulting in a 29% participation increase compared to 2019.

AREAS FOR IMPROVEMENT

The Government has reduced substantially the time and cost spent by companies in procuring licences and permits. Now, it may consider establishing a one-stop shop that can grant approvals exclusively for energy projects. Currently, a general participation mechanism allows citizens to submit queries and applications to the National Planning Department on investment policies by presenting a personal request. A unified and automated system will further facilitate the ease of doing business in the country.

INDICATOR 3

SCORE 68

Regulatory environment and investment conditions

QUICK FACTS

The ANH is a special administrative unit in charge of administrating hydrocarbons.

The CREG regulates electric energy, natural gas, liquefied petroleum gas and liquid fuels.

STRENGTHS

The CREG's 2021 regulatory agenda defines its main activities for the year, such as setting procedures on reliability charge auctions, modifying regulations for self-generation and distributed generation projects, establishing regulations on power subsidies applicable to off-the-grid zones, setting the procedure to award generation projects and e-transportation capacity, and periodically updating the tariff methodologies for regulated services including power distribution and transmission. MME's Resolution 40295 of 7 October 2020 sets the mandatory technical requirements to undertake drilling activities, well intervention, and hydrocarbons production in shallow, deep and ultra-deep waters. Its provisions are compulsory unless the ANH, in its capacity as the auditing entity, decides otherwise. The ANH also issued Agreement 1 of 2021, which establishes criteria for the extension, granting of terms, and termination by mutual agreement of contracts to evaluate, explore, exploit, and produce hydrocarbons.

In March 2021, the MME published the terms for organising a new auction in renewable energy that will contribute around 5.8 GW to the installed capacity, attract more than USD 6.8 billion and generate up to 32,000 jobs. On the oil and gas front, the ANH concluded the Third Round of the Permanent Area Allocation Process (PPAA) and gave two Canadian companies the exploration rights to four onshore blocks. The associated investments for the blocks are estimated to be around USD 40 million. For the Fourth Round of the PPAA, ANH has offered 12 areas for technical exploration agreements and 20 for exploration and production contracts. On 29 October 2020, the UPME announced a call to select investors for providing LNG storage, regasification, natural gas transportation and associated services to the Pacific gas import infrastructure. In January 2021, it also published specifications for the design, construction, operation, and maintenance of electrical energy storage systems with batteries to mitigate the national grid's failures or insufficiencies. This tender call for storage was the first of its kind in Latin America and was successfully awarded in July 2021. In early 2021, it also launched three tender processes to design, construct, operate, and maintain new transmission lines.

AREAS FOR IMPROVEMENT

The Government is encouraged to increase the CREG's financial autonomy by making budgetary approval subject only to the Parliament and not the MME.

INDICATOR 4

SCORE 69

Rule of law

QUICK FACTS

The National Congress approved through Law 2080 of 2021 the modification of the Code of Administrative Procedure and Contentious-Administrative Matters (CPACA amendment).

The Constitution guarantees private property and other rights acquired under civil laws.

STRENGTHS

The CPACA amendment aims to digitalise judicial procedures, among other things. As per its provisions, petitions may now be submitted electronically, and case files can be accessed online. It also clarifies the role of the Council of State in mining disputes. Until now, Article 295 of the Colombian Mining Code required that actions on mining matters, apart from contractual actions, are under the Council of State's sole jurisdiction. However, the repealed CPACA Law 1437 of 2011 was silent on the subject, leading to ambiguity on the Council of State's role in this respect. The CPACA amendment expressly repeals article 295 of the Mining Code. It reduces the Council of State's competence since mining matters, other than contractual ones, will not be heard by the Council in the first instance, but by the administrative judges or by the administrative court per the general rules of jurisdiction established in the relevant law.

Colombia continues to uphold the property rights of its foreign investors. The Constitution states that expropriation may occur only for reasons of public utility or social interest and subject to a judicial decision. Law 388 of 1997 requires that compensation in the case of expropriation should be paid in one unique payment or through an initial payment of 40%-60% of the price and the pending value paid within the following five years recognising an interest equivalent to the banking interest at the time of the expropriation. An ICSID tribunal recently decided in favour of Colombia in a claim brought by Naturgy Electricidad Colombia for the administrative takeover of the public electricity distribution company, Electricaribe. The tribunal found that Colombia did not violate the investment standards invoked under the Colombia-Spain BIT, and the takeover was a valid regulatory measure given Electricaribe's impending insolvency.

AREAS FOR IMPROVEMENT

The Constitution of Colombia has provisions that protect investors' property and assets from expropriation. However, to adequately balance and protect the interests of businesses and local landowners, the Government should implement robust transparency and accountability measures, such as a monitoring system that can record the results of land restitution proceedings between business owners and landowners, follow up on the implementation of the decisions, and publish all the documents and data in this respect on a dedicated online portal. Moreover, there is scope for the Government to strengthen guarantees in domestic laws against indirect expropriation and the expropriation of IP rights.

Croatia

Population[1]	4,087,843
Area (km^2)[1]	88,070
GDP per capita (USD)[1]	15,014.08
TES (Mtoe)[2]	8.51
Energy intensity (toe/10^3 2015 USD)[2]	0.16
CO_2 emissions - energy ($MtCO_2$)[3]	15.3

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Electric power generation, transmission and distribution	2 new projects 3 acquisition deals 1 minority stake deal	Czech Republic: 2 RE projects of 55 mEUR China: 1 RE deal of 32 mEUR Viet Nam: 1 RE deal of 15.4 mEUR Values of 2 RE deals (Austria and France) are N/A

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Croatia is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

Croatia's overall risk level against the assessed areas is **low**.

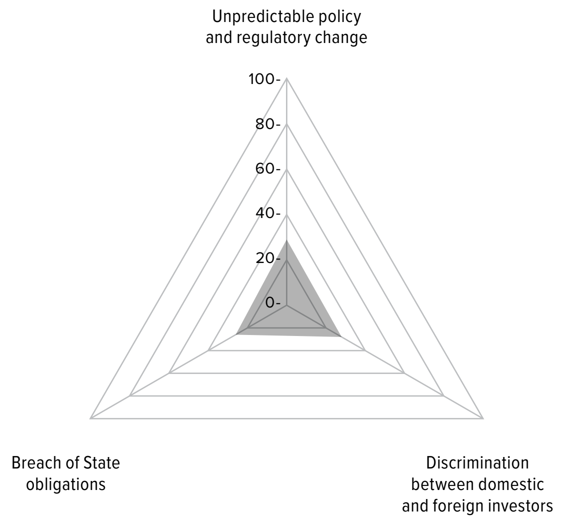
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *discrimination between domestic and foreign investors* and *unpredictable policy and regulatory change*.

Croatia has a good performance on all the EIRA indicators. It has maintained its score from EIRA 2020 on the indicator *rule of law* (74) and the indicators *management of decision-making processes* (71), and *regulatory environment and investment conditions* (71). Its score on *foresight of policy and regulatory change* has increased from 57 to 68.

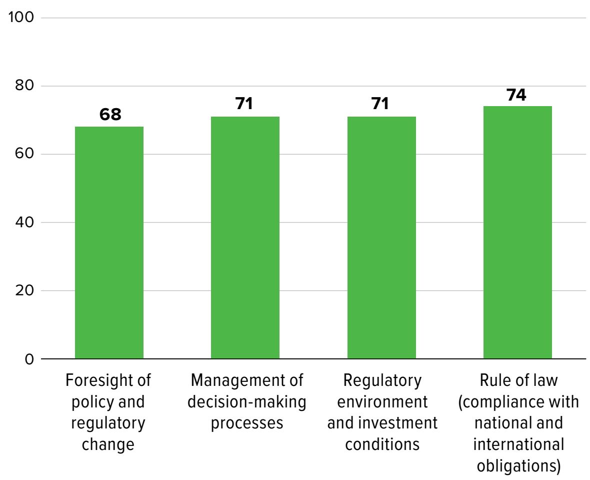
On a more detailed level, Croatia's overall sub-indicator performance is good. The highest-scoring sub-indicator is *respect for property rights* at 83. Its score on *communication of vision and policies* has increased from 59 to 79. It has received the same score as in EIRA 2020 on the sub-indicators *transparency* (79), *regulatory effectiveness* (72), *restrictions on FDI* (70), *management and settlement of investor-State disputes* (65) and *institutional governance* (63). Its score on *robustness of policy goals and commitments* has increased from 56 to 58, although this is the lowest-scoring sub-indicator.

While Croatia has the relevant policies and measures in place, there is potential for improvement. Attention should be given to strengthening the robustness of policy goals and commitments.

RISK LEVEL



INDICATOR PERFORMANCE

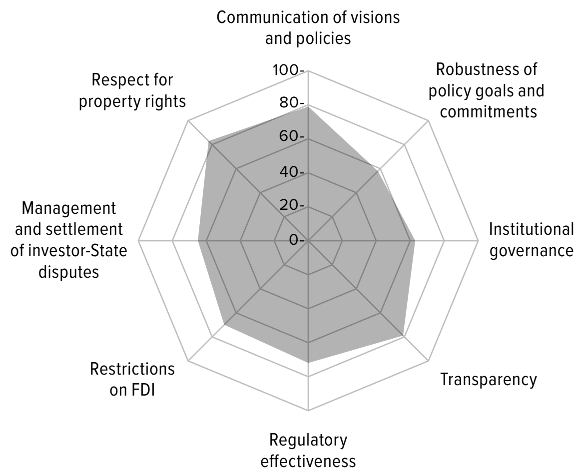


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	35	34	33	29
Discrimination between domestic and foreign investors	28	28	28	28
Breach of State obligations	26	26	26	26

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	49	52	57	68
Management of decision-making processes	71	71	71	71
Regulatory environment and investment conditions	71	71	71	71
Rule of law	74	74	74	74

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 68

Foresight of policy and regulatory change

QUICK FACTS

In 2020, the Croatian Parliament adopted the new Energy Sector Development Strategy until 2030 with a view to 2050 (Energy Strategy) and the Climate Change Adaptation Strategy (Climate Strategy) for the period until 2040 with a view to 2070.

In 2020, Croatia adopted the Integrated National Energy and Climate Plan for the period 2021-2030 (NECP).

STRENGTHS

Croatia is developing its energy policy in line with the five dimensions of the EU. To ensure a sustainable environment and energy sector development, the Energy Strategy sets policy measures to reduce GHG emissions, increase the share of renewables in the electricity generation mix and promote energy efficiency in end-use sectors. The new Climate Strategy also aims to reduce the impact of climate change on the environment, strengthen the resilience of climate-vulnerable sectors and ensure swift mitigation responses. The Government is currently drafting the Long-Term Strategy for National Stock Building Renovation by 2050. Once implemented, it will help increase the country's energy renovation rate to over 3% per year from 2021 to 2030 and allow for an efficient and decarbonised building stock by 2050. The Government is also developing the draft Low Carbon Development Strategy until 2030 with a view to 2050.

The Ministry of Economy and Sustainable Development (MGOR), the Energy Institute Hrvoje Požar (EIHP) and the Croatian Energy Regulatory Agency (HERA) monitor the implementation of the country's energy targets. In 2020, the Croatian Bureau of Statistics published monthly reports on the short-term energy indicators. The Government reported to the United Nations Framework Convention on Climate Change Secretariat on the national GHG emissions inventory in April 2020. From January to December 2020, the Croatian Energy Market Operator (HROTE) monitored the generation and installed capacities of renewable energy producers operating within the Renewable Energy Sources Incentive System (OIEiK) and published monthly reports on this data. In February 2021, the independent transmission system operator (HOPS) published data on electricity generated from wind power plants in 2020. Private and public entities operating in the energy sector submitted their financial statements to HERA throughout 2020.

AREAS FOR IMPROVEMENT

The Government is encouraged to further develop the legal regime on biofuels by adopting the relevant primary and subsidiary legislation as soon as possible. It should also consider increasing the primary and final energy consumption targets set in the NECP to reach the EU's 2030 targets under the Energy Efficiency Directive 2018/2002/EU.

INDICATOR 2

SCORE 71

Management of decision-making processes

QUICK FACTS

The MGOR is responsible for implementing the national energy policies and goals.

In February 2021, the Croatian Parliament approved the National Development Strategy 2030 (National Strategy).

STRENGTHS

In 2020, the public sector's coordinated approach contributed to the successful development of cross-sectoral policies and regulations. In December 2020, the Government of Croatia, with support from the Croatian National Bank, prepared and approved the adoption of the National Plan for the Replacement of Croatian Kuna with the Euro. Following this, it established six coordinating committees on cash exchange, general State adaptation, legislative adjustments, the financial system, the economy and consumer protection, and communications. The introduction of the Euro will benefit foreign investment by eliminating exchange rate risk and lowering interest rates for investment loans to the eurozone level. The MGOR's online Start Portal supports businesses by shortening the time needed for procuring permits, eliminating third-party certifications and reducing administrative fees. In 2020, the Start Portal facilitated the registration of more than 20,000 business entities.

In 2020, the EIHP, the Ministry of Justice and Administration (MPU) and HERA published their annual report on implementing the Act on the Right of Access to Information 2013. The Government's Open Data Portal offers an annual catalogue of the legislation, international treaties and official documents of local governments that came into effect in 2020. The Croatian Parliament's e-Doc platform published more than 400 legal acts, including draft laws, amended and approved bills, and parliamentary committees' opinions. Throughout 2020, HERA made its decisions on tariff rates publicly available. In February 2020, it approved the tariff rates for the public gas supply service from 1 April to 31 December 2020 and from 1 January to 31 March 2021. In November 2020, it published its decision on the tariff rates for the reception and shipment of LNG. In March 2021, HERA informed citizens of a public debate regarding the proposal to amend the methodology for determining the tariff rates for gas transport.

AREAS FOR IMPROVEMENT

Foreign investors would greatly benefit from a one-stop shop or agency that could help them navigate the country's multi-layered administrative procedures and procure the necessary permits and licences to operate in the country. The Government could also require this agency to act as a single window in responding to inquiries of potential domestic and foreign investors.

INDICATOR 3

SCORE **71**

Regulatory environment and investment conditions

QUICK FACTS

HERA is the authority in charge of regulating energy activities.

The Strategic Investment Project Act 2018 regulates the criteria and application procedure for strategic investment projects.

STRENGTHS

The Government and its agencies took various measures in 2020 to strengthen the energy sector's policy planning and regulatory framework. HERA published 124 decisions issuing electricity and natural gas permits and licences. In December 2020, it also approved the 10-year development plan of the gas transport system (2021-2030) to increase the existing interconnection capacities and decrease the average transmission costs. Moreover, the Government approved the Regulation on Hydrocarbon Exploration and Exploitation Fees that sets the methodology to determine the level and ratio of compensation for the exploration and exploitation of hydrocarbons, geothermal waters and natural gas storage. In May 2020, the Government approved the Regulation on Quotas for Encouraging Electricity Production from Renewable Energy Sources and High-Efficiency Cogeneration, aiming to reach the Energy Strategy's policy targets for renewable electricity. The Regulation requires the market operator, HROTE, to allocate renewable electricity production quotas through the State-aid scheme with the MGOR and the Ministry of Finance's approval.

In January 2021, the European Investment Bank and the MGOR signed a Memorandum of Understanding to develop joint projects in renewable electricity generation, the transmission and distribution infrastructure, energy efficiency, and transition to a green economy. This cooperation aims to support investments in energy and climate change adaptation and mitigation. In December 2020, the Government introduced new excise duty rates for some products through the Regulation on the Amount of Excise Duty on Energy and Electricity. In May 2020, the Croatian Power Exchange allowed the trading of Linked and Profile block products on the Day-Ahead market, giving electricity trading companies more flexibility in their trading activities. In 2020, the MGOR published the Investment Guidelines providing data and analysis on the business climate, investment conditions, labour market, potential project partners, investment locations and investment incentives.

AREAS FOR IMPROVEMENT

Final decisions on whether a project is of strategic significance should be made available to the public and include detailed information on the evaluated parameters such as its economic, human resource, and environmental feasibility.

INDICATOR 4

SCORE **74**

Rule of law

QUICK FACTS

Croatia ratified the ECT in 1997.

Croatia ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States in 1998.

Provisions against the expropriation of immovable property are stated in the Expropriation and Determining of Compensation Act 2014 (Expropriation Act).

STRENGTHS

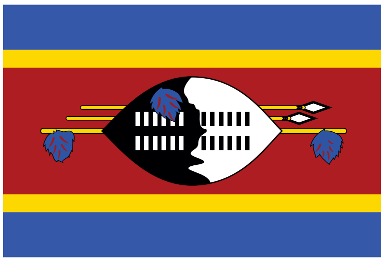
The Government is implementing measures to promote an efficient judiciary, good governance and the rule of law. For instance, the National Strategy mandates the MPU to prepare and implement a new National Plan for the Development of the Public Administration 2021-2027 and a National Plan for the Development of the Justice System 2021-2027. The Croatian Arbitration Act 2001 regulates domestic arbitration, the recognition and enforcement of judgements and the courts' competence vis-à-vis arbitration. Croatia grants foreign investors the option to resolve disputes with the State through international arbitration without exhausting local dispute resolution mechanisms. The Mediation Act 2011 regulates voluntary mediation in civil disputes, including commercial, labour and other disputes. The Act applies to cases where, among others, one of the parties is domiciled, habitually resident, or seated outside Croatia.

The Expropriation Act describes the process to determine the expropriated property's value. It also guarantees fair compensation for the expropriated real estate within 15 days from the expiration of the expropriation decision or settlement. The BITs signed by Croatia define "investment" to include IP rights, in particular, copyright, industrial property rights and know-how. The State Intellectual Property Office (SIPO) is responsible for protecting IP rights. In May 2020, SIPO issued the New Patent Regulations, which provide for the enforcement of the Patent Act 2020 and define detailed rules, procedures and standard application forms.

AREAS FOR IMPROVEMENT

The Government should consider introducing provisions in the Civil Procedure Act 2011 (as amended) and the Administrative Disputes Act 2010 (as amended) establishing concrete time limits to deliver final judgements in commercial matters.

As mentioned in EIRA 2020, Croatia should consider establishing an investment ombudsperson in charge of managing foreign investors' complaints. The Government may also seek guidance from the Energy Charter Model Instrument on Management of Investment Disputes, which aims to assist States in handling investment disputes while keeping in mind their particular needs and circumstances.



Eswatini

Population[1]	1,136,191
Area (km^2)[1]	17,360
GDP per capita (USD)[1]	4,106.19
TES (Mtoe)[2]	N/A
Energy intensity (toe/10^3 2015 USD)[2]	N/A
CO_2 emissions - energy ($MtCO_2$)[3]	1.1

There is no data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021

Sources:
1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.

Eswatini's overall risk level against the assessed areas is **moderate**.

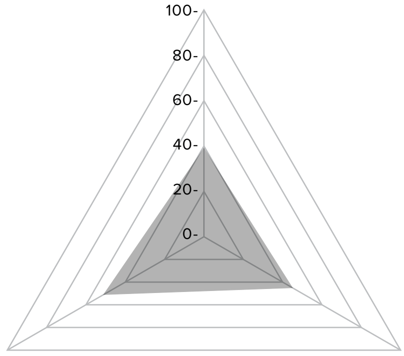
Of the three risks assessed in EIRA, *unpredictable policy and regulatory change* is lower compared to *discrimination between domestic and foreign investors* and *breach of State obligations*.

Eswatini's score is good on one indicator, and moderate on three indicators. It has a good score on *foresight of policy and regulatory change* (76). Its score on *management of decision-making processes* has increased from 56 to 59, while on *regulatory environment and investment conditions* it is 56. Its score on the indicator *rule of law* has also improved from 44 to 49.

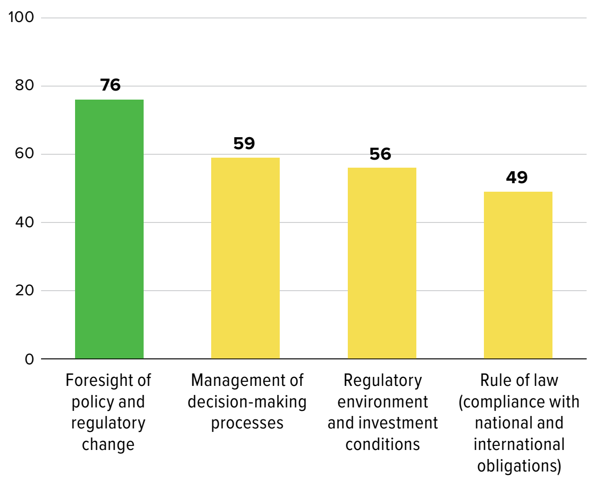
On a more detailed level, Eswatini's overall sub-indicator performance is moderate. *Communication of vision and policies* is the highest-scoring sub-indicator (78), followed by *robustness of policy goals and commitments* and *institutional governance*, both at 75. Its score on *management and settlement of investor-State disputes* has increased from 55 to 65, while the score on *restrictions on FDI* stands at 60. On *regulatory effectiveness*, its score has improved from 50 to 52, and on *transparency* from 36 to 43. *Respect for property rights* continues to be the lowest-scoring sub-indicator at 33.

While there are some improvements in Eswatini's performance compared to EIRA 2020, further steps must be taken to build on the work done. Particular attention should be given to reinforcing the respect for property rights.

RISK LEVEL



INDICATOR PERFORMANCE

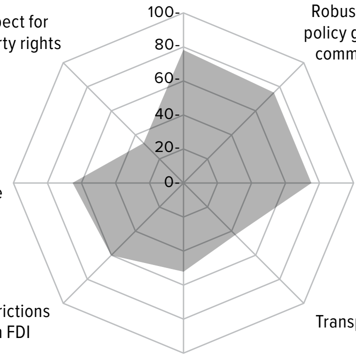


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	40	41	41	39
Discrimination between domestic and foreign investors	46	47	47	45
Breach of State obligations	56	56	56	51

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	76	76	76	76
Management of decision-making processes	60	56	56	59
Regulatory environment and investment conditions	57	60	60	56
Rule of law	44	44	44	49

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE **76**

Foresight of policy and regulatory change

QUICK FACTS

The Government adopted the National Development Strategy in 1999.

The updated National Energy Policy 2018 and the National Energy Policy Implementation Strategy 2018 reflect the vision for the energy sector until 2030.

STRENGTHS

Eswatini has made significant progress toward ensuring universal electricity access by 2022 under the Network Reinforcement and Access Project (NRAP). The recently enacted Petroleum Act 2020 contains measures to strengthen energy security. For instance, it requires the Government to prepare, along with wholesalers, an emergency supply plan for petroleum products and maintain national strategic stocks to address interruptions or serious distortions in supply. In April 2021, the Eswatini Energy Regulatory Authority (ESERA) published an intention to award Globeleq and its consortium partner, Sturdee Energy Southern Africa, a bid for two 15MW solar plants. Moreover, African Clean Energy Developments will be awarded a bid for a 15 MW photovoltaic project. These projects, situated in Balekane and Ngwenya, are the first utility-scale solar projects in the country and will help to improve the power system's resilience, increase domestic power generation, and reduce electricity imports. The consortium will also build the infrastructure to connect the plants to the Eswatini Electricity Company (EEC). Moreover, in 2020, the Civil Aviation Authority launched a call for expressions of interest to construct a solar photovoltaic plant on a Build-Own-Operate-Transfer basis. The 850 kWp capacity plant will be located at the King Mswati III International Airport and connected to an 11 kV underground cable distribution system.

The Ministry of Natural Resources and Energy (MNRE) is responsible for planning and monitoring energy policies and projects. Under the Petroleum Act 2020, the National Petroleum Company (ENPC) implements targets on energy security by carrying out surveys to determine key development areas and building and managing crude oil and petroleum logistics investments. Licence holders must make a security deposit with the Petroleum Fund against any environmental damage caused due to their operations. Independent inspectors and the Eswatini Environmental Authority monitor compliance with relevant standards and impose sanctions in case of violations.

AREAS FOR IMPROVEMENT

The Government has set an ambitious target to increase electrification rates from 80% in 2020 to 85% by 2022. To achieve this target, the MNRE should revise the rural electrification plan giving more attention to off-grid solutions such as micro-grids and rooftop photovoltaic.

The Government should ensure that independent entities, similar to those envisaged in the NRAP, monitor the progress made under the National Energy Policy 2018.

INDICATOR 2

SCORE **59**

Management of decision-making processes

QUICK FACTS

The Energy Department of the MNRE is responsible for implementing the national energy policy and overall management of the country's energy resources.

The Ministry of Commerce, Industry and Trade is in charge of formulating the national investment policy.

The Energy Department of the MNRE is responsible for administering the Petroleum Act 2020.

STRENGTHS

In 2021, the Initiative for Climate Action Transparency invited proposals from independent institutions to provide technical support in sectoral monitoring, reporting and verification systems. The project aims to increase the technical capacity of the Ministry of Tourism and Environmental Affairs, its line departments, and national experts such as the University of Eswatini in developing a reliable data collection process for future inventory compilation. Moreover, it will conduct a renewable energy policy assessment to model the economic and social impact of various scenarios on the economy, especially in land use, land-use change and forestry (LULUCF) and agriculture sectors.

The Government has consolidated and fully updated its official website, where electronic copies of national legislation are now available. In 2021, the Public Procurement Regulations were issued in line with international best practices to render the relevant process more transparent. Public entities are required to publish important information related to their activities. In keeping with this, ESERA recently made a public request for consultancy proposals to develop its three-year (2023-2026) strategic plan. Moreover, in March 2021, the Auditor General of Eswatini issued a report on the consolidated Government accounts. The new Petroleum Act 2020 also requires the publication of all decisions related to licensing, pricing, and sanctions in the Official Gazette and the Petroleum Register. During the licence term, the holder must forward a detailed and audited annual report to the Minister responsible for Petroleum Affairs.

AREAS FOR IMPROVEMENT

It is commendable that the Government has integrated transparency requirements in the Petroleum Act 2020. That said, it still needs to enact an overarching law on access to information as soon as possible. This law should have a clear scope of application, outline the procedure for the public to obtain information, and contain a definitive list of exceptions to information access. Moreover, it must set timelines for consulting with the public and receiving feedback from stakeholders.

INDICATOR 3

Regulatory environment and investment conditions

SCORE **56**

QUICK FACTS

ESERA was established under the Energy Regulatory Act 2007 to regulate the electricity sector.

The Eswatini Investment Promotion Act 1998 provides for equal treatment of domestic and foreign investors.

STRENGTHS

Following the adoption of the Petroleum Act 2020, ESERA's functions encompass licensing downstream petroleum activities, while upstream and midstream operations fall under the Ministry responsible for Petroleum Affairs. An Advisory Committee of eight members assists the Ministry of Petroleum Affairs in its tasks. The Committee members receive remuneration directly from the Petroleum Fund, and their term of office cannot exceed six years. In 2021, ESERA and a consortium of South African-based companies developed guidelines on ring-fencing power sector activities and supporting the development of the small-scale embedded generation policy.

Since 2018, the Government has intensified its efforts to increase competitiveness and attract foreign investment. It has prioritised the energy and the ICT sector by developing a Grid Code and a policy on renewable energy and independent power producers. The digital migration programme of the Southern African Development Community also presents ICT opportunities. Other positive developments include the ratification of the African Continental Free Trade Agreement, and the country's reinstatement under the African Growth and Opportunity Act. Moreover, Eswatini has received financial support from the World Bank and the International Monetary Fund to help ease fiscal challenges posed by the COVID-19 pandemic.

AREAS FOR IMPROVEMENT

ESERA's involvement in the licensing of downstream activities and its funding from fees and levies are positive developments. Further functional autonomy of its members through open competition will enhance the independence of its decision-making power.

The Government may consider easing FDI-related restrictions to render incentive schemes more meaningful. Its substantial role in regulating the mining sector may already be perceived as restrictive by investors. Compounding this perception is the fact that two-thirds of the land surface is considered national property.

Public-private sector cooperation can help to strengthen the competitiveness of local companies significantly. For this reason, collaborative partnerships among State authorities and the industry should accompany the local content requirements in both the Public Procurement Act 2011 and the Petroleum Act 2020.

INDICATOR 4

Rule of law

SCORE **49**

QUICK FACTS

Eswatini ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States in 1971.

Eswatini is not a signatory to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards of 1958.

Eswatini has been a WTO member since 1 January 1995.

STRENGTHS

The Petroleum Act 2020 provides favourable conditions for alternative resolution of disputes. More specifically, aggrieved licence holders may submit their case to arbitration. Amicable negotiations, mediation, and expert determination are also available to investors. Pending the outcome of the dispute resolution procedure, the suspension or termination of licence produces no effect unless confirmed by the award or the decision resulting from such procedure. A separate process is established for complaints against any public agent operating under the Petroleum Act 2020. An appeal can be lodged with the Minister of Petroleum Affairs as an initial step. Should the complainant disagree with the Minister's findings, they have recourse to the national High Court.

Expropriation and nationalisation is a rare occurrence. Deprivation of private property is possible only where necessary, following a court order and upon compensation. There are no instances where contractual terms or obligations have been renegotiated. The Petroleum Act 2020 states that the rights and obligations under a licence obtained before the entry into force of this Act cannot be any less favourable than those accruing from a licence granted after it enters into force. Over the past five years, the Government has enacted laws to reinforce IP protection, such as the Copyright and Neighboring Rights Act 2014, the Intellectual Property Tribunal Act 2015, and the Trademarks (Amendment) Act 2015.

AREAS FOR IMPROVEMENT

The Government should consider updating the Arbitration Act 1904. In doing so, it may draw inspiration from the Energy Charter Model Instrument on Management of Investment Disputes, which aims to assist States in handling investment disputes while keeping in mind their own particular needs and circumstances.

Although investment disputes are uncommon, the Government may wish to further develop legal guarantees against expropriation in line with international best practices. It may also consider giving investors more clarity on what activities are considered "public interest" in the context of compulsory property acquisition.

The Gambia

Population[1]	2,280,102
Area (km^2)[1]	11,300
GDP per capita (USD)[1]	732.71
TES (Mtoe)[2]	N/A
Energy intensity (toe/10^3 2015 USD)[2]	N/A
CO_2 emissions - energy ($MtCO_2$)[3]	0.6

There is no data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021

Sources:
1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.

The Gambia's overall risk level against the assessed areas is **moderate**.

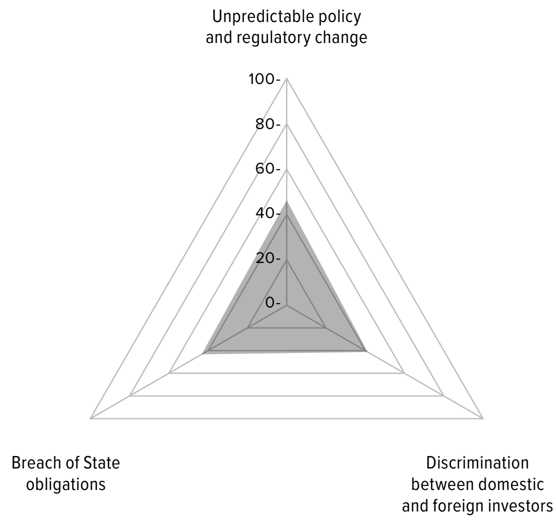
Of the three risks assessed in EIRA, *discrimination between domestic and foreign investors* is lower compared to *breach of State obligations* and *unpredictable policy and regulatory change*.

The Gambia's performance is good on one indicator, and it is moderate on three indicators. It has maintained a good score of 68 on *regulatory environment and investment conditions*. On *rule of law* it has a score of 57, same as in EIRA 2020. Its score on *management of decision-making processes* has increased by two points and stands at 52. On the indicator *foresight of policy and regulatory change*, its performance has improved by 19 points, and its score is now 52.

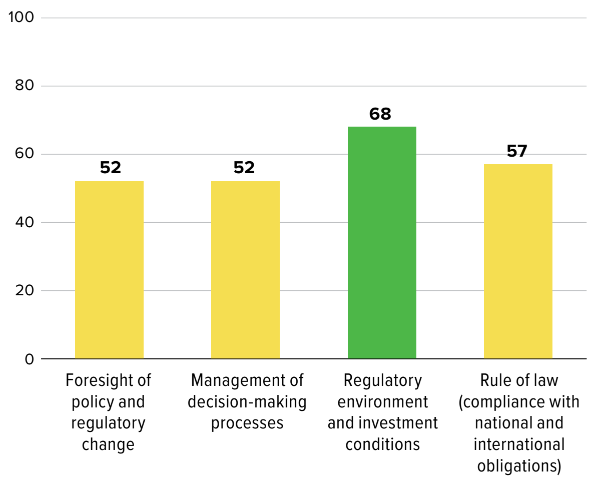
On a more detailed level, The Gambia's overall sub-indicator performance is moderate. The highest-scoring sub-indicators are *restrictions on FDI* at 75 and *management and settlement of investor-State disputes* at 73. On *regulatory effectiveness* its score is 61, the same as in EIRA 2020. Its score has improved by 15 points on the sub-indicator *communication of vision and policies*, from 41 to 56. Following this is *institutional governance* at 53 and *transparency* at 50. Its score on *robustness of policy goals and commitments* has improved the most, from 25 to 49. This year, *respect for property rights* is the lowest-scoring sub-indicator at 42.

While there are some improvements in The Gambia's performance compared to EIRA 2020, further steps need to be taken to build on the work done. Particular attention should be given to strengthening the respect for property rights in the country.

RISK LEVEL



INDICATOR PERFORMANCE

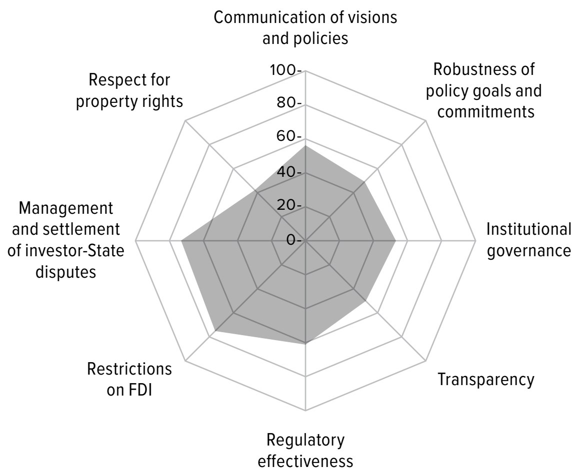


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	53	53	53	46
Discrimination between domestic and foreign investors	42	42	42	41
Breach of State obligations	43	43	43	43

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	33	33	33	52
Management of decision-making processes	50	50	50	52
Regulatory environment and investment conditions	68	68	68	68
Rule of law	57	57	57	57

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 52

Foresight of policy and regulatory change

QUICK FACTS

The Gambia's National Development Plan sets the country's development and investment programme from 2018-2021.

The Ministry of Petroleum and Energy (MoPE) recently published its Strategic Plan 2021-2025 (Strategic Plan). It has also developed a draft Strategic Master Plan for the Gambia's Electricity Sector (2021-2040) to update the 2017 Electricity Sector Roadmap.

STRENGTHS

The MoPE's Strategic Plan sets the short- and mid-term priorities for the energy sector. One of its main objectives is to create an appropriate policy, legal, and regulatory framework for energy and petroleum. To this end, the MoPE plans to update the national energy policy in 2021, approve a revised petroleum law by 2025, and update seven petroleum sector regulations by 2025. It also aims to improve the percentage increase in transmission and distribution capacity from 55% in 2020 to 85% in 2023 and 100% in 2025. The Strategic Plan seeks to reduce transmission and distribution losses from 20% in 2020 to 2% from 2021 to 2025. To ensure an adequate and reliable energy supply, it targets an increase in electricity generation from 351 GWh in 2020 (baseline) to 421 GWh in 2021 and 600 GWh in 2025. The energy supplied from renewable sources should increase from 1% in 2020 to 25% in 2021 and 60% in 2025.

The Strategic Plan contains a results-based framework to track its implementation. Each expected result is accompanied by key performance indicators, a baseline, measurable targets from 2021 to 2025, and mechanisms to verify the progress. The Strategic Plan envisages two oversight mechanisms within the MoPE. One is the Policy Committee which will conduct overall policy oversight for the Strategic Plan, review the progress on its implementation and approve adjustments to it. The second is a Technical Committee that will conduct technical oversight for the Strategic Plan's implementation, coordinate the preparation of progress reports, identify and alert the Policy Committee on any implementation challenges, and organise the annual stakeholders' forum.

AREAS FOR IMPROVEMENT

Since the MoPE is currently in the process of revising the national energy policy, it should use this opportunity to define ultimate outcomes and a long-term vision (2050) for the energy sector. It should also update the national renewable energy and energy efficiency action plans (drafted in 2014) in line with its Strategic Plan.

The MoPE should ensure that the monitoring and evaluation process in its Strategic Plan is fully implemented. It should also ensure the upcoming national energy policy has provisions on ex-post impact assessment. Finally, it should make the performance evaluation and budget execution reports of MDAs publicly available to improve accountability.

INDICATOR 2

SCORE 52

Management of decision-making processes

QUICK FACTS

The Gambia has a unicameral legislature.

The Gambia's energy policies are framed and implemented by the MoPE.

STRENGTHS

The MoPE developed its Strategic Plan through inclusive consultations with stakeholders in the energy sector, including MDAs, the National Assembly, private sector entities, civil society, local communities, and donor agencies. The MoPE also conducted a Strengths, Weaknesses, Opportunities and Threats analysis and surveys at an institutional and individual level to assess the capacity development needs of The Gambia's civil service. The Strategic Plan's Implementation Responsibility Matrix designates a lead authority to implement each of its targets and the MDAs, non-State actors and development partners supporting the work. In June 2020, the Local Government Amendment Bill 2020 was submitted to the National Assembly's Business Committee for review. This Bill aims to fortify the independence of area council members from political influence and reinforce freedom of speech as envisaged in the Constitution.

In 2021, the Government submitted the Anti-Corruption Bill to the National Assembly for its approval. The Bill will be tabled for discussion in the next legislative session of the year. Significant progress was also made on the Access to Information Bill. The National Assembly's Committee on Education, Training and ICT reviewed this Bill most recently. The review report of the Committee was successfully adopted by the National Assembly on 25 June 2020. In December 2020, the Government presented the Bill to the National Assembly for consideration and enactment during its second reading.

AREAS FOR IMPROVEMENT

The MoPE ensured cooperation with stakeholders in developing its Strategic Plan. It is advised to replicate this approach in other priority areas, such as regulating household energy consumption which accounts for 80% of energy demand. The main energy source for households, fuelwood, currently falls under the joint responsibility of the MoPE and the Ministry of Environment, Climate Change and Natural Resources as per the Forest Act. The ministries are advised to develop institutional tools for coordinating decisions between themselves and the relevant MDAs to avoid implementation overlaps or gaps.

The Government should adopt the Access to Information Bill and the Anti-Corruption Bill as soon as possible. It should also set up an independent Anti-Corruption Commission as soon as the Anti-Corruption Bill is signed into law. The Commission should be empowered with sufficient financial and human resources to investigate and prosecute corruption cases and to confiscate public officials' assets if needed.

INDICATOR 3

SCORE **68**

Regulatory environment and investment conditions

QUICK FACTS

The Public Utilities Regulatory Authority (PURA) regulates, among other sectors, the electricity and downstream petroleum sub-sectors.

The Petroleum (Exploration, Development and Production) Act of 2004 defines the regulatory functions of the MoPE.

STRENGTHS

In March 2021, the National Assembly's Public Enterprises Committee and the Environment and Sustainable Development and NGO Affairs Committee adopted the Petroleum Commission Bill. This Bill establishes an independent Petroleum Commission in line with the ECOWAS guidelines on separating policy from operational responsibilities in the oil and gas sector. In the power sector, the Government has secured about USD 300 million in donor funding to improve the operational performance of the National Water & Electricity Company (NAWEC) and increase its capacity to dispatch variable renewable electricity. Moreover, the MoPE anticipates that by 2023 The Gambia will be connected to the West African Power Pool via the OMVG and OMVS networks. This development will help to bring frequency and voltage stability and greater security of supply.

The MoPE's Strategic Plan aims to mobilise USD 600 million by 2025 to develop the country's energy infrastructure. In this context, the Government inaugurated the USD 17 million Gambia Electricity Access Project in March 2020 to increase the population's access to affordable and reliable electricity services. It is also trying to attract investment in power generation. On 4 November 2020, NAWEC issued a request for qualification from independent power producers to develop, finance, build, operate and maintain a 30 MW dual-fuel power plant in Kotu. There were also some developments in the oil and gas sector. On 25 June 2020, Australian-based FAR signed new Joint Operating Agreements (JOA) for the A2 and A5 offshore blocks with PC Gambia, a subsidiary of the Malaysia-based Petronas. The updated JOA better reflects the terms and conditions of the new licences. Although drilling activities were temporarily put on hold due to COVID-19, FAR confirmed in April 2021 its intention to resume operations during the second half of the year.

AREAS FOR IMPROVEMENT

The Government should increase the PURA's institutional capacity and streamline the existing resources to meet the objectives set for all the regulated sectors. Alternatively, it may also consider establishing a separate and independent authority dedicated exclusively to energy regulation.

The Government should expedite the liberalisation of the energy market and reduce the MoPE's role in NAWEC's decision-making. Furthermore, it should establish, without delay, the legal and regulatory framework for private investment in transmission and distribution, a segment currently under NAWEC's exclusive domain.

INDICATOR 4

SCORE **57**

Rule of law

QUICK FACTS

The Gambia ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States in 1974.

Intellectual property rights are guaranteed by the Industrial Property Act 2007.

STRENGTHS

The Government is making efforts to settle disputes with foreign investors amicably and, in turn, give an impetus to resource exploration. In September 2020, it reached a mutual agreement with the Norwegian-based oil and gas company PetroNor to settle its arbitration related to the A1 and A4 offshore licences. PetroNor has regained the A4 license and signed a 30-year lease under new terms of the settlement agreement. At the same time, it has relinquished its claim to the A1 block. Notably, national laws do not oblige investors to exhaust local judicial remedies before recourse to international arbitration. Similarly, international agreements do not impose such conditions on investors.

The Constitution guarantees private property rights. Expropriation for reasons of public interest is only possible with prompt payment of adequate compensation determined by the court or another independent authority. In March 2021, the MoPE published Resettlement Action Plans (RAP) for two sub-projects under The Gambia Electricity Restoration and Modernisation Project. One sub-project is for modernising the transmission and distribution infrastructure of the Greater Banjul Area, and the other is for the Laminkoto-Diabugu Electricity Transmission Corridor. The RAPs aim to minimise the adverse economic, social and environmental impact of involuntary resettlement. They require that all persons affected by the project activities receive compensation calculated from a specific date. The RAPs establish the eligibility for compensation and the procedure for valuation and payment of compensation for losses and resettlement measures. Each RAP also sets up a project-level grievance mechanism to address complaints and concerns raised during the RAP's implementation.

AREAS FOR IMPROVEMENT

As foreign investments in The Gambia are increasing, the Government should adopt appropriate dispute prevention policies and institutional setups, such as an early-warning mechanism and an investment ombudsperson, to assist investors in addressing potential grievances against public authorities early on.

In addition to project-specific tools, such as RAPs, acts of expropriation should be underpinned by law and conducted following due process. Therefore, the Government could enact a law on the expropriation of private property that includes detailed provisions on determining compensation and establishes a timeframe for its payment. The law may also define "public interest" to ensure the legitimacy of the decisions to expropriate.

Guyana

Population[1]	779,004
Area (km^2)[1]	214,970
GDP per capita (USD)[1]	6,145.84
TES (Mtoe)[2]	0.92
Energy intensity (toe/10^3 2015 USD)[2]	0.26
CO_2 emissions - energy ($MtCO_2$)[3]	2.4

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Extraction of natural gas and crude petroleum	1 new project	United States of America: 1 project of 4 mEUR
Support activities for other mining and quarrying	1 acquisition deal	Value of 1 deal (United States of America) is N/A

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Guyana is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

Guyana's overall risk level against the assessed areas is **low**.

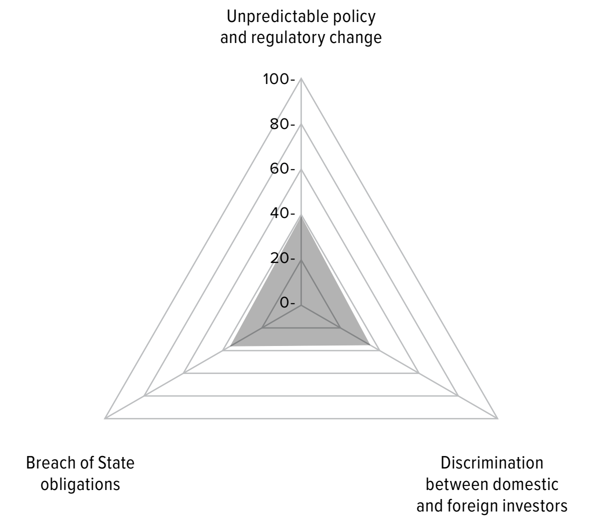
Of the three risks assessed in EIRA, *discrimination between domestic and foreign investors* and *breach of State obligations* are lower compared to *unpredictable policy and regulatory change*.

Guyana's performance is good on three indicators and moderate on one indicator. *Management of decision-making processes* is the highest-scoring indicator at 65, followed by *rule of law* at 64. Its score on *regulatory environment and investment conditions* stands at 62, while *foresight of policy and regulatory change* is at 45.

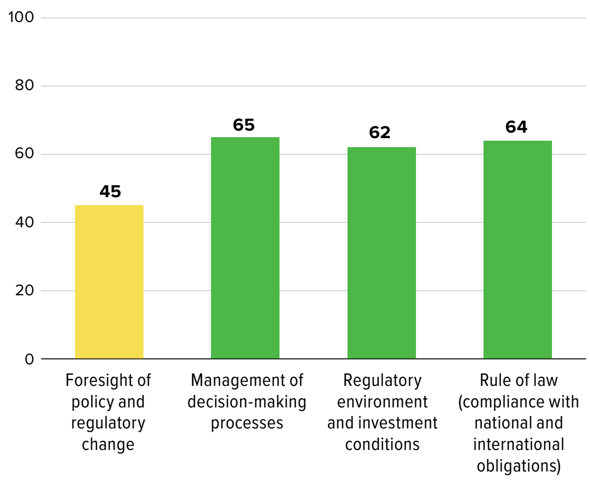
On a more detailed level, Guyana's sub-indicator performance is good. *Management and settlement of investor-State disputes* is the highest-scoring sub-indicator at 70, followed by *transparency* at 67. Its performance on the sub-indicators *regulatory effectiveness* (65) and *institutional governance* (63) is good. On *restrictions on FDI* its score stands at 60. Next are the sub-indicators *communication of vision and policies* and *respect for property rights* at 59 and 58, respectively. *Robustness of policy goals and commitments* is the lowest-scoring sub-indicator at 30.

While Guyana has the relevant policies and measures in place, there is potential for improvement. Attention should be given to increasing the robustness of its policy goals and commitments.

RISK LEVEL



INDICATOR PERFORMANCE

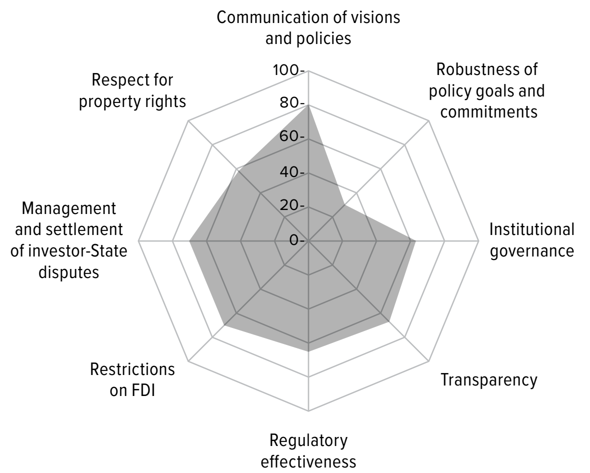


YEAR-ON-YEAR COMPARISON

RISK AREAS	2020	2021
Unpredictable policy and regulatory change	44	42
Discrimination between domestic and foreign investors	37	36
Breach of State obligations	36	36

INDICATORS	2020	2021
Foresight of policy and regulatory change	41	45
Management of decision-making processes	63	65
Regulatory environment and investment conditions	62	62
Rule of law	64	64

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE **45**

Foresight of policy and regulatory change

QUICK FACTS

The Green State Development Strategy 2020-2040, the Power Sector Policy, and the Hinterland Energy Strategy are the main documents shaping Guyana's energy sector.

Guyana ratified the Paris Agreement in 2016.

STRENGTHS

Though Guyana's economy is now receiving a significant boost from oil production, it remains committed to pursuing a low carbon development trajectory. The Government is updating the draft Low Carbon Development Strategy to meet the current development context. The updated Strategy will address the challenges that have arisen since its first version in 2009, analyse the impact of hydrocarbon expansion, and foresee Guyana's smooth transition to clean energy production and consumption. The 2021 State budget highlights that the Government will diversify energy production, facilitate large-scale private investment in energy infrastructure, and create an enabling business environment. In 2020, the President of Guyana declared plans to install 400 MW of new hydro, gas-fired, solar and wind generating capacities over the next five years. Moreover, the Government intends to allocate USD 135 million towards developing renewable energy projects in 2021. The Guyana Energy Agency (GEA) has recently announced tenders to install new generating capacities in remote locations.

With the Natural Resource Fund Act no. 12/2019, Guyana established a sovereign wealth fund, the National Resource Fund (NRF), to manage income generated from the country's natural resources. The Act establishes a Public Accountability and Oversight Committee to supervise the NRF. The Committee consists of 22 members, including civil society, the business community, legal and consumer associations, regional councils, and academia. It is required to develop bi-annual activity reports and submit these to the President of Guyana and the National Assembly. The NRF's monthly financial reports from 2020 onwards are publicly available on its website.

AREAS FOR IMPROVEMENT

The Government should update its low carbon development strategy. It may also consider developing a hydrocarbons production and trade strategy, given the country's recent discovery of new oil reserves. This hydrocarbon strategy could define measures and actions to mitigate global oil price volatility risks, further diversify the economy through long-term strategic investments in various sectors of the economy and ensure proper allocation of revenues accumulated in the NRF.

The Government of Guyana should improve the policy monitoring process by conducting an independent analysis of their implementation and making recommendations to increase the public administration's efficiency.

INDICATOR 2

SCORE **65**

Management of decision-making processes

QUICK FACTS

The Office of the Prime Minister of Guyana is responsible for developing the national energy policy. The GEA implements the local energy policy.

The Ministry of Natural Resources (MNR) develops and implements policies on the exploration and utilisation of natural resources.

The new Ministry of Tourism, Industry and Commerce has taken over the functions of the former Ministry of Business.

STRENGTHS

The Government is implementing the national energy and environmental policies at the local and central level through the Office of the President, the Office of the Prime Minister, the Ministry of Public Works, the MNR, and the Ministry of Local Government and Regional Development. Since 2019, the World Bank is implementing the Guyana Petroleum Resources Governance and Management Project to develop a comprehensive legal and regulatory framework for Guyana's petroleum sector in line with best practices. Within the project's lifetime (2019-2023), the Government plans to submit to the National Assembly several legal acts, including the Petroleum Commission Bill and the Local Content Bill.

Guyana is taking measures to strengthen transparency, public participation and stakeholder engagement in the law- and policy-making process. On 27 August 2020, the President of Guyana appointed members to the newly established Advisory Panel on Local Content. Following their appointment, the Panel members reviewed the existing and draft local content policies in the petroleum sector. They also prepared guidelines to develop an updated local content policy and legislation based on consultations with various stakeholders. The Panel submitted its final report on this issue to the MNR in November 2020. In April 2021, Guyana published its second EITI report for the year 2018. It has also published its third EITI Work Plan for 2021-2022. The main priorities under the 2021-2022 Work Plan are the compilation of accurate data, the dissemination of information obtained under the EITI Standard to promote stakeholder dialogue, and the timely reconciliation of the information supplied under the EITI Standard.

AREAS FOR IMPROVEMENT

The Government may consider establishing a standing council comprising State institutions, development partners, foreign investors, business associations and academia to improve the country's investment climate. Such a council can serve as a platform for public-private dialogue, review the existing investment-related legislation, policies and strategies and provide recommendations to develop future investment plans. It can also advise the Government on measures to remove entry barriers for new investors.

INDICATOR 3

SCORE 62

Regulatory environment and investment conditions

QUICK FACTS

The Public Utilities Commission (PUC) Act no. 19/2016 states that the PUC will undertake regulatory, investigative and enforcement functions in various sectors, including energy.

The Office of the Prime Minister grants operational licences for the electricity sector.

STRENGTHS

The Government of Guyana is making efforts to ensure greater electricity access for its people and reduce tariffs for all end-users, particularly those in the hinterlands. The 2021 State budget recognises the need for securing energy supplies at a competitive cost and, in this light, removes Value-Added Tax on electricity and water supply services. Meanwhile, the recent discovery of petroleum reserves has prompted the Government to set up an appropriate policy and regulatory framework for the sub-sector. In February 2021, the MNR published the updated Oil and Gas Master Plan, which evaluates oil and gas utilisation projects and contains a roadmap for 2021-2040. Over the last five years, the International Monetary Fund reviewed the country's Production Sharing Agreement (PSA) framework and, in 2017, provided the Government with recommendations to modify it. Among other things, it recommended revising the fiscal regime to maximise the Government's share in upstream oil and gas revenues. Based on the recommendations, the Government announced in 2020 modifications to its model PSA.

Over the last years, the Guyanese oil and gas sector has attracted the attention of investors. The average daily production of crude oil is expected to reach 750,000 barrels by 2025. As of January 2021, the country's total income derived from oil production was USD 185 million. To ensure that benefits arising from the oil and gas sector percolate to the local communities, the Government has prepared a new draft Local Content Policy (LCP). The MNR circulated this draft policy for a discussion with stakeholders on 15 February 2021. The LCP establishes the Petroleum Commission of Guyana (PCG) to ensure international operators and contractors comply with the LCP's provisions when procuring services and goods. The PCG is also expected to monitor licences or contracts awarded by the Government and examine exploration, appraisal and development plans and programmes. A Local Content Secretariat will be established to monitor and report on the performance of the industry operators.

AREAS FOR IMPROVEMENT

While the PPP Policy Framework is in place since 2018, Guyana might consider adopting PPP legislation to enhance the interest of private players in large energy infrastructure projects. The PPP legislation should have a well-defined scope, clarify the type and nature of support provided by the State to such projects and describe the rights, responsibilities, and risks for each party.

INDICATOR 4

SCORE 64

Rule of law

QUICK FACTS

Guyana ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States in 1969.

Guyana acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 2014.

STRENGTHS

In 2020, the Government initiated a reform to upgrade the country's arbitration legislation and promote alternative dispute resolution. It approached a prominent regional legal expert to review the relevant legislation and regulations and provide recommendations on which laws should be abolished or amended, and identify the areas where new legislation is needed. The regional expert gave its first set of recommendations to the Government in December 2020 for consideration and implementation. The main recommendations include utilising the UNCITRAL Model Law on International Commercial Arbitration to modernise the local arbitration legislation and joining international treaties such as the Inter-American Convention on International Commercial Arbitration and the United States Bilateral Investment Treaty.

The property rights of investors are guaranteed by Investment Act no. 1/2004. The Act states that the Government shall take possession of an investor's asset only per the national legislation, through a non-discriminatory process and upon the payment of adequate compensation. The State Lands Act no. 32/1903 regulates land rights in Guyana. The Guyana Lands and Surveys Commission administers long-term land-related leases, mortgages, transfers and renewal rights. Intangible property rights are protected under the Investment Act of 2004. Guyana is a contracting party of the World Intellectual Property Organization and the Paris Convention for the Protection of Industrial Property since 1994. The country has signed BITs with nine countries, of which five are in force and eleven treaties with investment protection provisions, of which ten are in effect.

AREAS FOR IMPROVEMENT

The Government may consider amending the State Lands Act no. 32/1903 to identify "public interest" in the case of expropriation and define the timeframe for providing compensation in such cases.

Considering Guyana's strategic geographic location, it has the potential to become a regional arbitration and mediation hub. Therefore, the Government should consider establishing new arbitration and mediation centres throughout the country.

Jordan

Population[1]	9,956,011
Area (km²)[1]	89,320
GDP per capita (USD)[1]	4,312.18
TES (Mtoe)[2]	9.11
Energy intensity (toe/10^3 2015 USD)[2]	0.23
CO_2 emissions - energy ($MtCO_2$)[3]	23.0

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Electric power generation, transmission and distribution	1 new project 2 institutional buy-out deals	Republic of Korea: 1 RE project of 170.3 mEUR Values of 2 RE deals (United Kingdom & Saudi Arabia) are N/A

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Jordan is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

Jordan's overall risk level against the assessed areas is **low**.

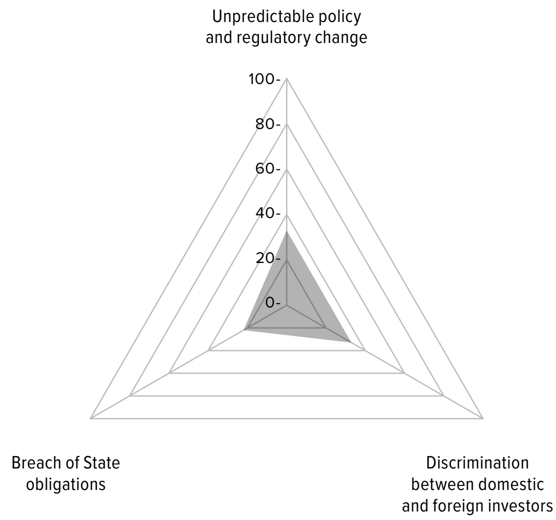
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *discrimination between domestic and foreign investors* and *unpredictable policy and regulatory change*.

Jordan's performance is good on two indicators, and it is moderate on two indicators. *Rule of law* is the highest-scoring indicator at 78 this year. On *management of decision-making processes* Jordan's score has increased from 68 to 70, while on *regulatory environment and investment conditions* it has the same score as in EIRA 2020 (56). Its score on *foresight of policy and regulatory change* has gone up from 51 to 55.

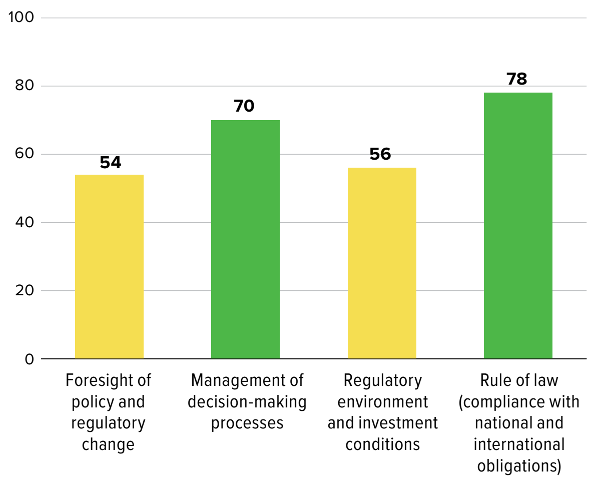
On a more detailed level, Jordan's overall sub-indicator performance is good. On the highest-scoring sub-indicator, *management and settlement of investor-State disputes*, its score has improved from 80 to 90 compared to EIRA 2020. Following this is *institutional governance* at 75. Next are the sub-indicators *respect for property rights* and *regulatory effectiveness*, both at 67. Its score on *transparency* has improved, from 62 to 65. Next is the sub-indicator *communication of vision and policies*, on which its score has gone up from 57 to 61. Its score on *robustness of policy goals and commitments* has also improved from 44 to 48. This year, the lowest-scoring sub-indicator is *restrictions on FDI* at 45.

While Jordan has the relevant policies and measures in place, there is potential for improvement. Attention should be given to lowering the existing restrictions on FDI.

RISK LEVEL



INDICATOR PERFORMANCE

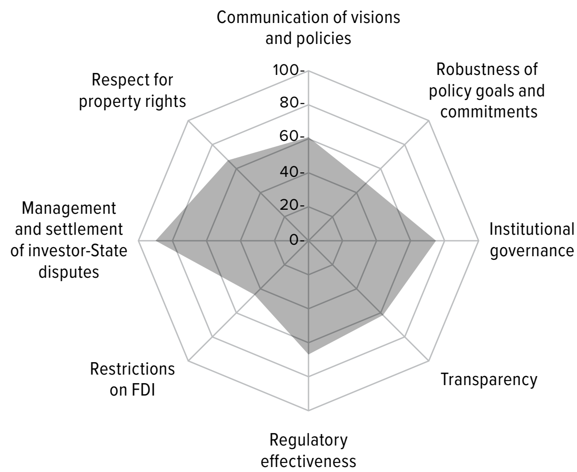


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	39	37	36	33
Discrimination between domestic and foreign investors	37	35	35	32
Breach of State obligations	31	27	27	22

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	49	49	51	54
Management of decision-making processes	64	67	68	70
Regulatory environment and investment conditions	56	56	56	56
Rule of law	69	73	73	78

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 54

Foresight of policy and regulatory change

QUICK FACTS

In July 2020, the Ministry of Energy and Mineral Resources (MEMR) adopted the Energy Strategy 2020-2030.

The Green Growth National Action Plan 2021-2025 (GG-NAP) was published in July 2020.

STRENGTHS

Jordan's Energy Strategy 2020-2030 aims to ensure a sustainable energy supply for the country, diversify the national energy mix, increase reliance on local energy sources and reduce electricity costs. In 2020, the share of renewables in the total generated electricity reached 20%. The new Energy Strategy sets a target of 31% renewables in the total power generation capacity and 14% of the energy mix by 2030. It also aims to improve energy efficiency by 9% by 2030 from the base year 2018 and increase energy efficiency in the water sector by 15% by 2025. The GG-NAP uses a cost-benefit analysis to identify the challenges and opportunities in implementing projects within six green growth sectors, including energy. It breaks down the national green growth objectives into 16 sub-objectives for the energy sector.

The MEMR has published the latest statistics on the country's total electricity capacity and annual generation by resource type, the electricity consumption by sector, as well as the yearly electricity loss reduction. The Government has adopted two new action plans that describe the measures to implement the energy priorities and a process to monitor and evaluate the progress made. The Executive Action Plan to implement the Energy Strategy 2020-2030 describes the actions necessary to achieve the country's energy priorities, the timeframe for their completion and the lead implementation authority. The GG-NAP's monitoring and evaluation process involves several donor-funded actions, each with specific logic models and corresponding performance indicators. These indicators are aligned with the overall results framework for the GG-NAP.

AREAS FOR IMPROVEMENT

The Government has taken a commendable step forward by adopting a long-term energy strategy with new targets. To promote renewable power generation and improve energy efficiency, it may now consider lifting at the earliest the suspension on new applications for renewable energy projects exceeding 1 MW. It may also develop a renewable peak load strategy to accommodate higher shares of renewables and a least-cost strategy to expand the grid infrastructure. The Government should set disaggregated renewable energy targets for the industry, agriculture and transport sectors in the upcoming national renewable action plan. Similarly, it should develop disaggregated energy-efficiency targets for end-use sectors in an updated national energy efficiency action plan since the last one expired in December 2020.

INDICATOR 2

SCORE 70

Management of decision-making processes

QUICK FACTS

The MEMR frames and implements energy policies and laws.

Access to Information Law no. 47 of 2007 establishes the procedure for obtaining information from public authorities.

STRENGTHS

The MEMR took a collaborative approach in preparing the Energy Strategy 2020-2030. It received support from the second Renewable Energy and Energy Efficiency Programme in reviewing past strategies, achievements, and lessons learned. The MEMR involved public and private sectors while preparing its strategic plans, such as the GG-NAP. It worked in partnership with national stakeholders and the Global Green Growth Institute to identify 12 priority actions in the energy sector. The private sector, civil society actors, and Government agencies – such as the Great Amman Municipality, the Ministry of Public Works and Housing, municipal authorities, and many more – are included in the GG-NAP as action implementation leads and support.

In June 2020, the Government approved a draft law amending the Integrity and Anti-Corruption Law no. 13 of 2016. The amendment enhances the financial and institutional independence of the Integrity and Anti-Corruption Commission. The Commission can now conduct investigations related to money laundering crimes. It can make settlements with the perpetrators of these crimes if they return the money per the Economic Crimes Law provisions. The new amendments also address the abuse of power exercised in obtaining public offices, public services, bids, contracts, or any other undue advantage from the Government. The Council of Ministers has also approved amendments to the Audit Bureau's Law, aiming to enhance its financial and administrative independence. In December 2020, the Integrity and Anti-Corruption Commission published its annual report for the year 2019. Per the report, the Commission dealt with 2,572 complaints and issued 145 recommendations to 8 municipalities to improve public services and address national integrity standards breaches.

AREAS FOR IMPROVEMENT

The Government should replicate the GG-NAP's collaborative policy-making approach while developing other strategies and plans. For instance, the MEMR's high-level committee, comprising the Ministry of Transport, the Energy and Mineral Regulatory Commission (EMRC) and the Land Transport Regulatory Commission, should prepare an e-mobility strategy and a supporting action plan to promote energy-efficient technologies in the transport industry.

The Government should finalise, at the earliest, the revised version of the Law on Guarantee of Access to Information of 2007.

INDICATOR 3

SCORE 56

Regulatory environment and investment conditions

QUICK FACTS

The EMRC is the national regulator for all energy activities. The National Electric Power Company (NEPCO) is the sole buyer of electricity, which it sells to the distribution network operators.

The Regulation for Organising Non-Jordanian Investments No. 77 of 2016 lists the economic activities that non-Jordanians investors can undertake.

STRENGTHS

The Government is currently reforming the electricity sector to reduce the high debt of NEPCO. With financial support from the European Bank for Reconstruction and Development, NEPCO aims to ensure full payment discipline towards renewable and conventional power producers which it could not maintain due to the sluggish electricity demand during the COVID-19 pandemic. Following these efforts, NEPCO has reached an agreement with all renewable energy independent power producers to repay its arrears during the first half of 2021. This decision is meant to reassure investors that the Government remains committed to upholding its contractual and financial obligations. The Government is developing a plan to outline the reforms that will gradually allow the phase-out of electricity cross-subsidies granted to households. The plan will identify the companies that will achieve the highest growth and create jobs due to the reduced electricity prices.

The Government has prioritised investment in green growth projects through the GG-NAP. The GG-NAP identifies 12 priority actions to achieve green growth through the energy sector. The estimated implementation cost of these actions is USD 85,300,000, from a mix of the public, private sector and donor support. The GG-NAP provisions USD 10,000,000 to develop and implement a National Energy Storage Action Plan and Investment Pipeline. Moreover, it provides an estimated USD 15,000,000 to increase public investment in energy sector research and development. The Government has also taken measures to streamline company registration procedures for investors. In 2020, the Companies Control Department (CCD) at the Ministry of Industry, Trade and Supply launched an electronic company's registration portal to submit initial registration requests. Investors can submit the company's data on capital, economic activities, partners and company representatives, thereby allowing the CCD to perform an automatic audit of the request.

AREAS FOR IMPROVEMENT

The Government is encouraged to implement a symmetrical tariff adjustment mechanism that meets the requirements set under the Extended Fund Facility of the International Monetary Fund. It should already conduct technical studies to protect low income and vulnerable households from the high electricity costs resulting from cost-reflective tariffs and the elimination of cross-subsidies for commercial consumers.

INDICATOR 4

SCORE 78

Rule of law

QUICK FACTS

The ECT entered into force for Jordan on 11 December 2018.

The Constitution of Jordan from 1952 grants protection against the expropriation of property.

STRENGTHS

The Government has developed dispute prevention policies and institutional mechanisms to settle differences between public authorities and investors. In 2019, the Jordan Investment Commission (JIC) set up a Grievance Committee under the Investor Grievance Bylaw (No. 163 of 2019). The Regulation allows Jordanian and foreign investors to submit grievances against public authorities to the Grievance Committee for a review. Since this conflict resolution mechanism applies to the "pre-dispute" phase, an investor cannot submit a grievance application if it filed an appeal before the competent court or initiated alternative dispute resolution proceedings. However, a grievance application does not affect their right to institute court or arbitration proceedings. On 23 January 2020, the JIC published the Grievance Hearing Instructions (No. 1 of 2020), which sets out the procedures and mechanisms to deal with investor grievances under the Bylaw. The Instructions describe the rules for application submission, documentation, referral to the Grievance Committee and the hearing procedure. Pursuant to the Instructions, which required the JIC to computarise the grievance system within a year from their entry into force in 2020, grievance applications may now be submitted through the Online Grievance Application Form available on the JIC's website.

Jordan continues to uphold the property rights of investors. The Law on Property Ownership 2019 obliges the expropriating public authority to compensate the property owner within 30 days from (1) the date the domestic court issues its final decision on the compensation amount or (2) the date agreed by the parties, or (3) the date the agreement between the parties was certified. The property owner is entitled to an interest of 5% per year until the compensation is paid. The Unfair Competition and Trademark Infringement Law provides for unrestricted technology transfer. It states that any legal or contractual provision which restricts competition adversely affects trade or restricts the transfer of technology shall be considered void.

AREAS FOR IMPROVEMENT

The Government may amend the Investment Law 2014 and the Law on Property Ownership 2019 to identify and list the "public interest" activities for which public authorities can expropriate private property and assets. Moreover, there should be a legally binding timeline for paying compensation and an explanation of the acquired property's intended use. For clarity, there must be explicit mention that any act of expropriation will be non-discriminatory.

Kazakhstan

Population[1]	18,276,452
Area (km^2)[1]	2,724,902
GDP per capita (USD)[1]	9,812.62
TES (Mtoe)[2]	75.76
Energy intensity (toe/10^3 2015 USD)[2]	0.38
CO_2 emissions - energy ($MtCO_2$)[3]	214.0

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	**Number of projects and deals**	**Project CapEx and deal value (million EUR) by source country**
Extraction of natural gas and crude petroleum	1 acquisition deal 1 joint venture deal	Values of 2 deals (Luxemburg & United States of America) are N/A
Manufacture of refined petroleum products	1 new project	Russian Federation: 1 project of 77.6 mEUR
Support activities for petroleum and natural gas extraction	2 acquisition deals 1 joint venture deal	Canada: 1 deal of 168.3 mEUR Values of 2 deals (Austria and France) are N/A
Mining of uranium and thorium ores	1 new project	China: 1 project of 1,000 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Kazakhstan is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

Kazakhstan's overall risk level against the assessed areas is **low**.

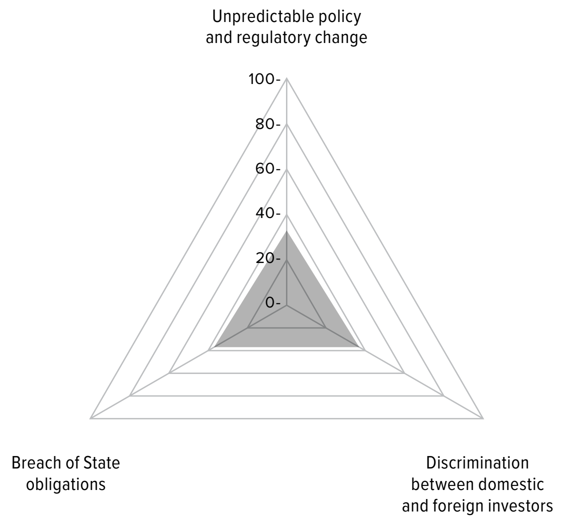
Of the three risks assessed in EIRA, *unpredictable policy and regulatory change* is lower compared to *breach of State obligations* and *discrimination between domestic and foreign investors*.

Kazakhstan has a very good performance on one indicator, a good performance on one indicator and a moderate performance on the remaining two indicators. Compared to EIRA 2020, its score on the indicator *management of decision-making processes* has improved by three points, reaching 81. Its score on *rule of law* is 63. On *foresight of policy and regulatory change*, its score has increased from 53 to 56. Its score on *regulatory environment and investment conditions* is the same as in EIRA 2020 (44).

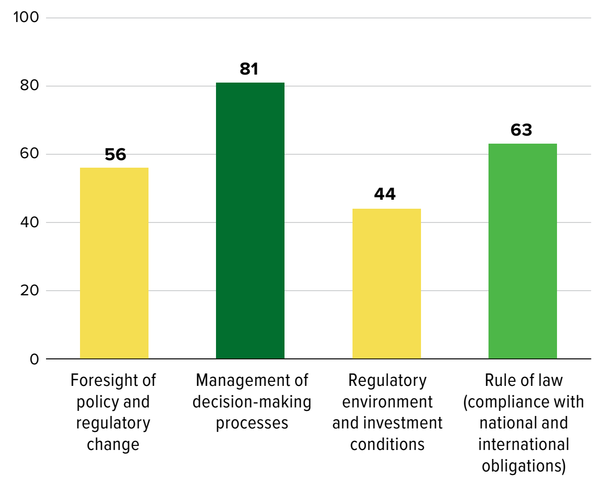
On a more detailed level, Kazakhstan's overall sub-indicator performance is good. The highest-scoring sub-indicator is *transparency* at 86, followed by *institutional governance* and *management and settlement of investor-State disputes*, both at 75. It has a score of 70 on the sub-indicator *communication of vision and policies*. Its score on two sub-indicators, *restrictions on FDI* and *respect for property rights*, is 50. On *robustness of policy goals and commitments* it has scored 42, the same as in EIRA 2020. The lowest-scoring sub-indicator is *regulatory effectiveness* at 37.

While Kazakhstan has the relevant policies and measures in place, there is potential for improvement. Attention should be given to strengthening the country's regulatory effectiveness.

RISK LEVEL



INDICATOR PERFORMANCE

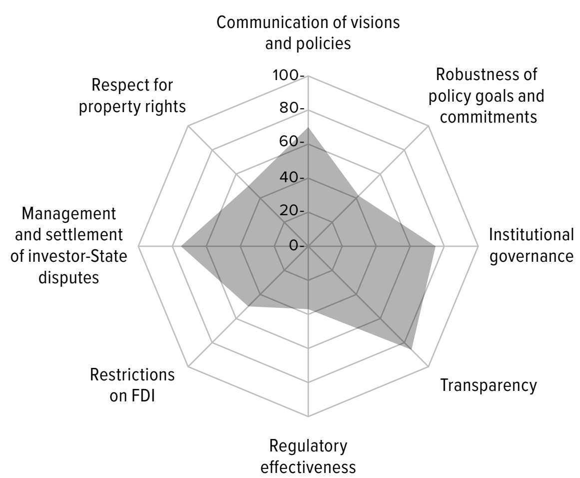


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	37	38	36	33
Discrimination between domestic and foreign investors	37	41	39	37
Breach of State obligations	38	38	38	37

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	53	53	53	56
Management of decision-making processes	74	72	78	81
Regulatory environment and investment conditions	54	44	44	44
Rule of law	63	63	63	63

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 56

Foresight of policy and regulatory change

QUICK FACTS

On 28 June 2020, the Government adopted the new edition of the Concept for the Development of the Fuel and Energy Complex of the Republic of Kazakhstan until 2030 (Energy Concept).

On 29 July 2020, the Government adopted a new action plan for 2021-2031 to implement the Concept for the Transition of the Republic of Kazakhstan to a Green Economy (Green Economy Concept Action Plan).

STRENGTHS

The Energy Concept aims to ensure balanced and sustainable power generation and transmission development and reduce electricity production costs. It introduces measures to promote energy-efficient technologies, enhance demand-side management, and support smart grids and energy storage facilities. In line with these objectives, the Government recently adopted the State Programme of Industrial-Innovative Development of the Republic of Kazakhstan 2020-2025 to facilitate competitiveness and innovation in all economic sectors, including energy. The Government also intends to develop a new roadmap for 2022-2026 on energy savings and energy efficiency. Kazakhstan remains committed to increasing renewable power generation. It has already met its national target for 2020 to produce 3% of electricity from renewable sources. It has 119 renewable energy facilities operational, including five biofuels, 29 wind, 46 solar stations, and 39 small HPPs, with a total capacity of nearly 1.8 GW, ten times higher than in 2014. On 16 March 2021, the Ministry of Industry and Infrastructure Development announced that for the first time in Kazakhstan, up to 50 new charging stations for electric vehicles will be installed in Nur-Sultan and Almaty by the end of 2021.

On 16 March 2021, the Government laid before the Parliament legislative amendments empowering JSC Electric Power and Energy Saving Development Institute to monitor State agencies' energy consumption. The new Ecological Code no. 400-VI LRK/2020, which entered into force on 1 July 2021, establishes the legal framework to monitor the country's GHG emissions. According to the new Code, the monitoring process will be based upon the data collected and recorded by the State Cadastre of GHG emissions.

AREAS FOR IMPROVEMENT

The Government should intensify its discussions with stakeholders on the draft Concept on Low-Carbon Development. An action plan with quantifiable targets and timelines should support the Concept's implementation. A well-designed strategy will help the Government meet its ambition of producing 30% of total electricity from renewable energy sources by 2030 and 50% by 2050, respectively.

INDICATOR 2

SCORE 81

Management of decision-making processes

QUICK FACTS

The Ministry of Energy leads policy-making in the energy sector.

In 2020, a new Agency for Strategic Planning and Reforms was established.

STRENGTHS

Kazakhstan is committed to undertaking political reforms and improving the public administration system. In 2020, the President of Kazakhstan established the Supreme Council for Reforms to review and approve reform proposals suggested by the new Agency for Strategic Planning and Reforms and monitor the Strategic Development Plan until 2025. One of the Council's six working groups is dedicated to enhancing public administration and improving the efficiency of public services. Moreover, the Government recently launched the "Digital Kazakhstan" platform, which aims to support the country's transition to a digital economy. According to the State Programme Digital Kazakhstan 2018-2022, the share of authorities providing digital services is expected to reach 80% by 2022. The amended rules for the Astana International Financial Centre (AIFC) and the Astana International Exchange, effective from 1 July and 20 July 2020, ease some financial disclosure requirements and improve corporate governance. For instance, the amended rules state that if an issuer complies with the Equivalent Regulated Exchange's market disclosure requirements, it does not need to make the additional market disclosures of the Astana Financial Services Authority.

Kazakhstan continues to take steps towards improving the transparency and efficiency of its public administration. A Governmental portal (egov.kz) operates electronic public services and gives open access to legal acts, budgetary documents and reports, and the financial and performance evaluations of State agencies. Law no. 365-VI LRK/2020 "On amendments and additions to some legislative acts of the Republic of Kazakhstan in the area of countering corruption" introduced additional anti-corruption rules for State officials. The amendments expand the list of State officials to whom the anti-corruption limitations are applied according to Law no. 410-V LRK/2015 "On combating corruption". State officials and their family members are prohibited from taking gifts, and the Government can now impose penalties for violating rules and requirements on reporting corruption cases.

AREAS FOR IMPROVEMENT

The Government ensures stakeholder participation in developing draft regulatory and legal acts, per the Law no. 416-V LRK/2015 "On state services" and Law no. 401-V LRK/2015 "On access to information". It may consider further institutionalising stakeholder engagement to facilitate the involvement of different interested groups in public consultations, such as civil society and business associations.

INDICATOR 3

SCORE 44

Regulatory environment and investment conditions

QUICK FACTS

The Ministry of Energy is responsible for regulating energy activities.

In 2020, the new Agency for Protection and Development of Competition was established.

STRENGTHS

The Government is making efforts to create a more competitive energy market. The new Agency for Protection and Development of Competition is responsible for implementing policies to promote competition and restrict monopolistic activities. On 7 December 2020, the Government approved amendments to the legal framework on renewable energy. Per the amendments, the duration of Power Purchase Agreements for renewable auctions starting January 2021 shall be 20 years. HPPs are now required to sell electricity generated from flood control areas to the Financial Settlement Center for Renewable Energy Sources (RFC) on a centralised basis. The amendments also promote the construction of manoeuvrable capacities through the auction selection mechanism. The amendments also introduce a "pass-through" tariff rate to support renewable energy that will lower the insolvency risk of contingent consumers who are obliged to buy renewable electricity.

In 2020, Kazakhstan held the first online auction to explore and extract hydrocarbon reserves. It granted rights to seven fields for a cumulative amount that is 230 times higher than the initial prices. Due to the auction schemes, renewable energy prices have fallen considerably, in some projects up to 64%. The Government has also approved 19 new renewable energy projects, with a total cost of USD 1.1 billion. For the December 2020 renewable energy auctions, the power market operator, JSC KOREM, selected 16 projects with a total installed capacity of 147.95 MW, comprising 64.95 MW from wind power, 60 MW from solar power, and 23 MW from small hydro. Twenty-seven companies from Kazakhstan, Russia, the Netherlands and Germany placed bids for these projects. In the solar auctions of 8 December 2020, the Russian Hevel Group was awarded projects for 20 MW. The Hevel Group built two solar power plants of 3 MW and 4.95 MW in the Almaty region in 2020. It also completed the construction of a solar power plant with a capacity of 10 MW in the Zhanakorgan district in 2021. The RFC foresees that in 2021, the financing of renewable energy resources will exceed 130 billion Kazakhstani tenge.

AREAS FOR IMPROVEMENT

Kazakhstan should gradually introduce cost-reflective electricity and heating tariffs and phase out the cross-subsidisation practice. This adjustment would generate the necessary income to rehabilitate the energy and heating systems. Moreover, rolling out the gas market liberalisation process will promote transparency in transmission tariffs and gas trade and exchange. It will also enable competition in gas exports and non-discriminatory third-party access.

INDICATOR 4

SCORE 63

Rule of law

QUICK FACTS

Kazakhstan is a contracting party to the ECT since 1998.

Kazakhstan ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States in 2000.

Kazakhstan acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 1995.

STRENGTHS

The Government is working to improve judicial processes. On 29 June 2020, the President of Kazakhstan signed the new Administrative Procedures Code no. 350-VI LRK/2020, which entered into force on 1 July 2021. The new Code intends to facilitate negotiations between business entities and the State before and during the court hearings. Moreover, in 2021, the Government plans to establish 21 new administrative courts, of which 17 will be in the regional centres. These courts will hear appeals against actions and omissions of public authorities. Meanwhile, the AIFC is taking steps to become a key regional institution for administering national and international commercial disputes. As of 31 March 2021, the AIFC International Arbitration Centre processed around 400 arbitration and mediation cases.

The Land Code of the Republic of Kazakhstan states that immovable property may be expropriated for public needs only in exceptional cases and with the owner's consent or based on a domestic court's decision. The Entrepreneurial Code states that if the Government nationalises an investor's private property, it must pay the investor a fair compensation. Kazakhstan is a member of WTO since 2015, and it is a contracting party of the World Intellectual Property Organization since 1991. In 2021, Kazakhstan adopted Law no. 407-VI LRK/2021 "On amendments and additions to certain legislative acts of the Republic of Kazakhstan on customs regulation and entrepreneurship" to simplify the procedure for including IP rights in the Customs Intellectual Property Register. Following this legislative amendment, IP owners are not required to furnish a document confirming the infringement of IP rights in the movement of goods across the customs border of the EAEU. Kazakhstan has signed BITs with 47 countries, of which 42 are in force and eleven treaties with investment protection provision, of which ten are in effect.

AREAS FOR IMPROVEMENT

The Government should update national legislation to include well-defined grounds for the expropriation of private property, with a detailed description of the process for determining the compensation amount.

Kyrgyzstan

Population[1]	6,322,800
Area (km^2)[1]	199,950
GDP per capita (USD)[1]	1,308.14
TES (Mtoe)[2]	4.56
Energy intensity (toe/10^3 2015 USD)[2]	0.60
CO_2 emissions - energy ($MtCO_2$)[3]	10.5

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Electric power generation, transmission and distribution	1 new project	Czech Republic: 1 RE project of 72.7 mEUR
Extraction of natural gas and crude petroleum	1 acquisition deal	Bermuda: 1 deal of 20.4 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Kyrgyzstan is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

Kyrgyzstan's overall risk level against the assessed areas is **low**.

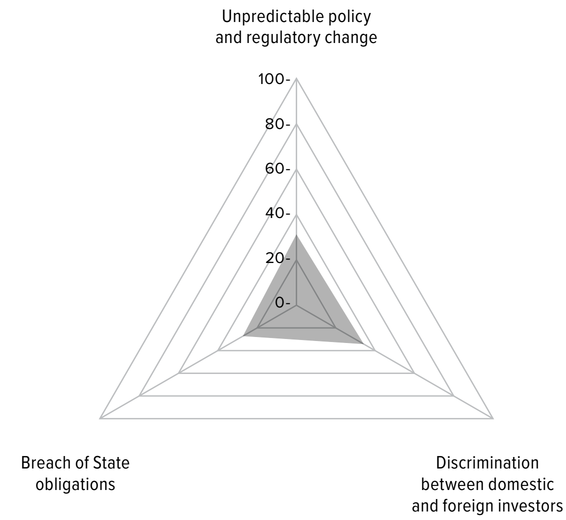
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *unpredictable policy and regulatory change* and *discrimination between domestic and foreign investors*.

Kyrgyzstan's performance is good on three indicators, and it is moderate on one indicator. It has a score of 73 on the indicator *rule of law* and 72 on *management of decision-making processes*. Its performance on *foresight of policy and regulatory change* has improved by five points and stands at 63. Its score on *regulatory environment and investment conditions* is the same as in EIRA 2020 (54).

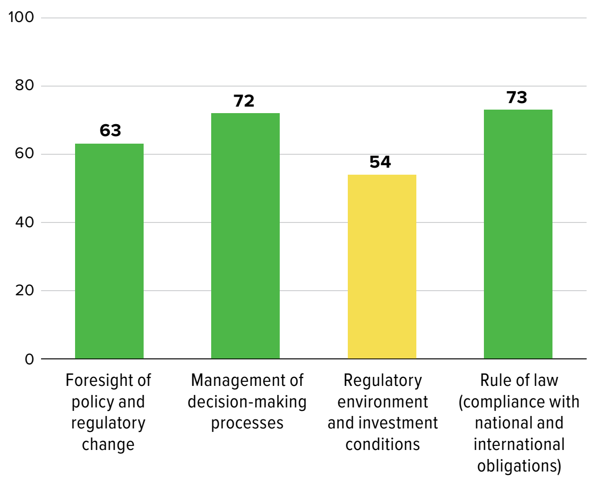
On a more detailed level, Kyrgyzstan's overall sub-indicator performance is good. The highest-scoring sub-indicator is *management and settlement of investor-State disputes* with a score of 95. It is followed by *transparency* at 81 and *communication of vision and policies* at 76. Its score is 70 on *restrictions on FDI* and 63 on *institutional governance*. On the sub-indicators *robustness of policy goals and commitments* and *respect for property rights*, it has a score of 50. *Regulatory effectiveness* is the lowest-scoring sub-indicator at 39.

While Kyrgyzstan has the relevant policies and measures in place, there is potential for improvement. Attention should be given to enhancing the country's regulatory effectiveness.

RISK LEVEL



INDICATOR PERFORMANCE

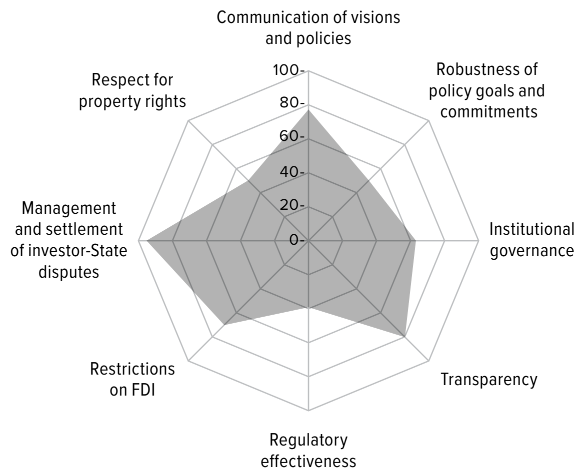


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	41	38	32	31
Discrimination between domestic and foreign investors	35	34	34	34
Breach of State obligations	32	27	27	27

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	38	40	58	63
Management of decision-making processes	72	72	72	72
Regulatory environment and investment conditions	54	54	54	54
Rule of law	68	73	73	73

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE **63**

Foresight of policy and regulatory change

QUICK FACTS

The National Energy Programme of the Kyrgyz Republic (2008-2010), the Development Strategy of Fuel and Energy Sectors until 2025, the National Development Strategy (2018-2040), and the Concept Note of the Green Economy (2019-2023) are the country's main strategic documents on the energy sector.

Kyrgyzstan ratified the Paris Agreement in 2020 and submitted its first INDC.

STRENGTHS

The Government's Plan (2019-2023) to Implement its Activity Programme sets actions to strengthen energy security. By 2023, the Government plans to expand power generation capacities to 4.3 GW by constructing new facilities and modernising the existing ones. During the same timeframe, it also aims to increase the country's natural gas distribution network coverage by 8%, reduce technical losses in the power distribution network by 0.6%, raise the energy efficiency of State-owned enterprises by 3%, and increase the share of renewable energy in the power generation mix by 1.5%. The Government is also making efforts to implement the Central Asia-South Asia (CASA)-1000 project. On 15 March 2021, it announced readiness to construct the Kyrgyz portion of the 500 kV high-voltage transmission line. Additionally, Kyrgyzstan has committed to reducing GHG emissions between 11.49% and 13.75% by 2030 and between 12.67% and 15.69% by 2050 in its recent INDC.

The Government submits annual reports to the Parliament of Kyrgyzstan (Jogorku Kenesh) on the implementation of the Government Programme and the completed activities. The relevant Parliamentary Committees highlight their concerns and indicate necessary actions to improve the situation. On 13 May 2020, the Jogorku Kenesh approved the Government's annual report on the activities conducted during the previous year. It also adopted the Government's plans for 2020 presented by the Prime Minister. On 5 March 2021, the Government approved Resolution no. 80/2021 establishing the Ministry of Energy and Industry (MoEI) of the Kyrgyz Republic. The MoEI, in collaboration with other State institutions, monitors the performance indicators set by the Government for the industry, fuel and energy, and subsoil use sectors.

AREAS FOR IMPROVEMENT

The Government should adopt a comprehensive national energy programme with a long-term vision for the energy sector, particularly on developing renewable energy capacities and utilising the country's energy efficiency and energy saving potential.

The policy monitoring and evaluation process will improve significantly if the Government publishes annual reports on the progress made towards achieving the energy sector objectives and targets.

INDICATOR 2

SCORE **72**

Management of decision-making processes

QUICK FACTS

In 2021, the MoEI was established to replace the State Committee on Industry, Energy and Subsoil Use. The MoEI is responsible for developing and implementing energy, industry, geological, and subsoil use policies.

The Ministry of Economy and Finance frames and implements the national investment policies.

STRENGTHS

Following a referendum on 11 April 2021, Kyrgyzstan adopted a new version of the Constitution, replacing its semi-presidential form of governance with a presidential one. To give the constitutional reform process an impetus, on 5 May 2021, the President of Kyrgyzstan signed Law no. 59/2021 "On the Constitution of the Kyrgyz Republic" that establishes a consultative and coordinating institute, the People's Kurultay. The President has also initiated reforms to strengthen and optimise the Government's structure. Presidential Decree no. PD 114/2021 "On the Cabinet of Ministers of the Kyrgyz Republic" was recently adopted to reduce the number of ministries from 22 to 16 and establish an executive council called the Cabinet of Ministers. Moreover, the Statute of the newly established MoEI empowers it to develop and implement the State policy on the fuel and energy complex, industry, geology, subsoil use, energy and industrial security and subsoil protection. The MoEI's goals are to improve the efficiency of the State regulations, create conditions for the further development of the fuel and energy complex, and secure uninterrupted energy supply for consumers.

In 2020 and 2021, State institutions made efforts to improve transparency and accountability in their functions and activities. For instance, the MoEI published the list of all large energy projects in the country, the project timelines, names of the donor organisations funding these projects, the financing received and the expected results. On 25 September 2020, the President of Kyrgyzstan signed Decree no. PD 180/2020 "On the State Strategy for Combating Corruption and Eliminating its Causes for 2021-2024". The Strategy emphasises the need for securing dedicated anti-corruption plans for State agencies, introducing measures to ensure openness and transparency in Government decisions and ensuring broader involvement of civil society in policy-making. It also highlights the digitalisation of the State and municipal services as one of the most effective measures to eradicate corruption from the public sector. On 14 October 2020, the President of Kyrgyzstan adopted Decree no. PD 199/2020 "On Several Measures for Implementing the State Strategy for Combating Corruption and Eliminating its Cases for 2021-2024".

AREAS FOR IMPROVEMENT

The Government may consider establishing a one-stop shop under the newly formed MoEI to approve small and medium-size projects on renewable power generation.

INDICATOR 3

SCORE 54

Regulatory environment and investment conditions

QUICK FACTS

The State Regulatory Agency for Fuel and Energy Complex (State Agency) regulates the electricity, heating and natural gas industries.

The PPP Centre was established in 2019 to support the State agencies in identifying, initiating, preparing, implementing and monitoring PPP projects.

STRENGTHS

The Government of Kyrgyzstan continues to improve the market conditions for renewable power generation projects. On 30 October 2020, it adopted Resolution no. 525/2020 "On Approval of the Regulation on Conditions and the Procedure for Implementation of Activities for the Generation and Supply of Electricity Produced from Renewable Energy Sources". This Resolution defines the requirements for obtaining licences and permissions to supply renewable electricity and establishes the rules on setting tariffs for such electricity. It also regulates renewable energy production within and outside of quotas and for self-consumption and requires the Government to create a State registry on renewable energy facilities. In addition, the Government has started gradually adjusting power and heating tariffs to make these cost-reflective. In April 2021, the draft Government Resolutions on approval of mid-term electricity and heating tariff policy for 2021-2025 were circulated for a public discussion. The adjustment of tariffs will help reduce the debt of the energy companies and start the financial rehabilitation process of the entire energy system.

Law no. 12/2020 ''On Amendments to Several Legal Acts of the Kyrgyz Republic in the Area of Investment Support'' entered into force on 20 January 2021. Among other things, this Law simplifies the process of transferring land ownership and modifies the PPP legal framework. It categorises PPP projects by size and empowers the PPP Centre to negotiate and conclude agreements, simplify PPP procedures, modify Request For Qualifications and draft PPP agreements based on comments received from the concerned parties. The Government has also adopted Resolution no. 146/2021 "On Amendments to Several Decisions of the Government of the Kyrgyz Republic in the Area of Provision of Land Plots for the Development of Energy Facilities Using Renewable Energy Sources" clarifies the procedure for allocation of land plots, forest funds, or State-owned grazing areas. It aims to streamline and simplify the process for allocating land plots to install renewable energy facilities.

AREAS FOR IMPROVEMENT

The Government should ensure the financial rehabilitation of the energy sector through the inflow of private investments and the implementation of PPP projects. In parallel, it should consider developing and implementing a national investment programme for the critical energy infrastructure.

INDICATOR 4

SCORE 73

Rule of law

QUICK FACTS

Kyrgyzstan ratified the Energy Charter Treaty in 1997.

Kyrgyzstan is a member of the WTO since 1998.

Kyrgyzstan acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 1996.

STRENGTHS

Law no. 135/2002 "On Arbitration Courts in the Kyrgyz Republic", Law no. 66/2003 "On Investment in the Kyrgyz Republic" and Law no. 161/2017 "On Mediation" establish the legal framework for resolving disputes between investors and the State. Alternative dispute resolution is gaining prominence in the country. The National Sustainable Development Strategy of the Kyrgyz Republic 2018-2040 encourages arbitration and mediation, contributing to the diversification of dispute resolution mechanisms and reducing local courts' workload. Several independent dispute resolution centres, such as the International Arbitration Court at the Chamber of Commerce and Industry, have been established in Kyrgyzstan in recent years. The Office of Business Ombudsman, established in 2018, is a fully functioning institution that processes investors' complaints against actions of the State agencies. The Government of the Kyrgyz Republic, international development partners and business associations delegate one representative each for the Steering Committee of the institution. In 2020, the Office of Business Ombudsman received 68 complaints, of which it accepted 44. It reviewed 20 complaints out of those accepted, considered ten as justified, and resolved four.

Law no. 66/2003 "On Investment in the Kyrgyz Republic" prohibits the expropriation of foreign investments and assets except in cases of public interest and on a non-discriminatory basis. The law also guarantees fair and timely compensation, which should include lost profits. On 15 October 2020, Kyrgyzstan ratified the Protocol on the Protection of Industrial Designs to the Eurasian Patent Convention. The Protocol entered into force three months after depositing the country's instrument of ratification. This is a significant development because the design patents issued by a patent bureau of any Member State of the Eurasian Patent Organization (EAPO) will be valid for five years in the entire EAPO area. Kyrgyzstan has signed BITs with 34 countries, of which 24 are in force, and nine treaties with investment protection provisions, of which eight are in force.

AREAS FOR IMPROVEMENT

While Law no. 66/2003 "On Investment in the Kyrgyz Republic" includes provisions on compensation in the event of expropriation, it can be amended to include other relevant details. The legal framework of Kyrgyzstan should be updated to define the term "public interest", and it should introduce detailed provisions to determine compensation in the event of expropriation.

Mali

Population[1]	19,077,690
Area (km^2)[1]	1,240,190
GDP per capita (USD)[1]	894.80
TES (Mtoe)[2]	5.29
Energy intensity (toe/10^3 2015 USD)[2]	0.35
CO_2 emissions - energy ($MtCO_2$)[3]	5.6

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	**Number of projects and deals**	**Project CapEx and deal value (million EUR) by source country**
Electric power generation, transmission and distribution	3 new projects	United Kingdom and France: 1 RE project of 213.2 mEUR Norway: 1 RE project of 52 mEUR Germany: 1 RE project of 15.8 mEUR
Support activities for other mining and quarrying	1 acquisition deal	United Arab Emirates: 1 deal of 5.8 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Mali is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

Mali's overall risk level against the assessed areas is **moderate**.

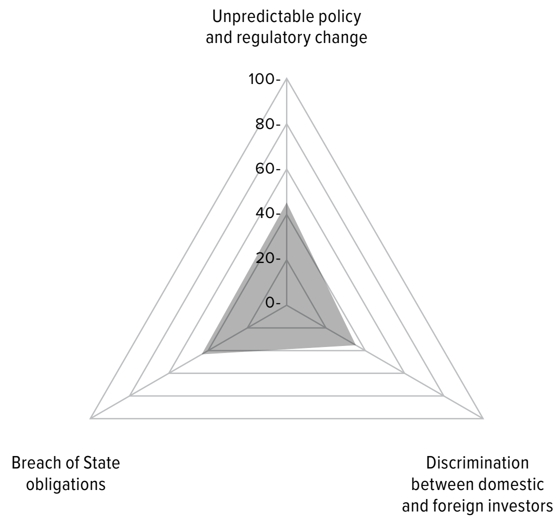
Of the three risks assessed in EIRA, *discrimination between domestic and foreign investors* is lower compared to *breach of State obligations* and *unpredictable policy and regulatory change*.

Mali's performance is good on one indicator, and it is moderate on three indicators. *Regulatory environment and investment conditions* is the highest-scoring indicator with a score of 79, followed by *management of decision-making processes* at 59. Its score on *rule of law* is 57, while on *foresight of policy and regulatory change* it is 55.

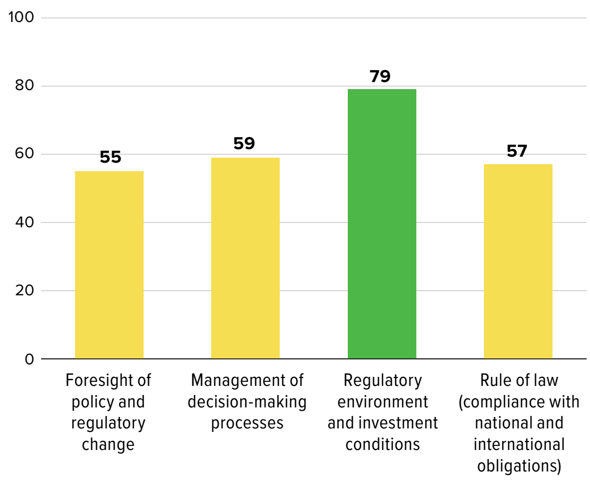
On a more detailed level, Mali's overall sub-indicator performance is moderate. The highest-scoring sub-indicator is *restrictions on FDI* at 80, followed by *regulatory effectiveness* at 78. Its score on the sub-indicator *institutional governance* is 75. On the sub-indicators *respect for property rights* and *robustness of policy goals and commitments*, it has received scores of 58 and 56, respectively. On *management and settlement of investor-State disputes*, its score stands at 55, while on *communication of vision and policies* it is 53. The lowest-scoring sub-indicator is *transparency* at 43.

While there are some policies and measures in place, more concrete steps must be taken to strengthen Mali's performance across all indicators and underlying sub-indicators. Particular attention must be given to enhancing transparency in the country.

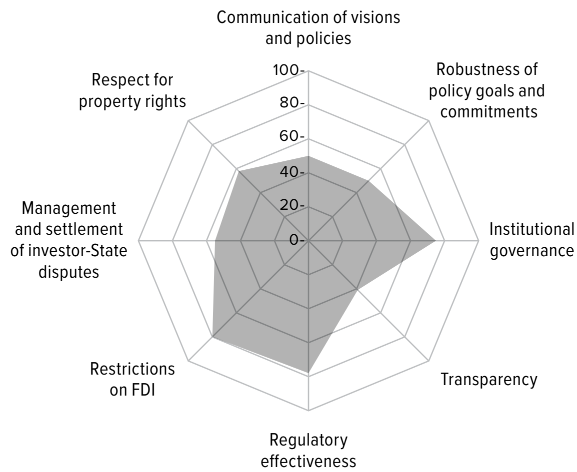
RISK LEVEL



INDICATOR PERFORMANCE



SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE **55**

Foresight of policy and regulatory change

QUICK FACTS

The National Energy Policy (PEN) of 2006 sets the path for Mali's sustainable development through affordable and reliable energy services. In 2009, the National Energy Sector Policy Letter was adopted to support the PEN.

Mali signed the Paris Agreement in 2016 and submitted its NDC.

STRENGTHS

The PEN's key objective is to meet the country's energy needs at an adequate quality, quantity, and cost. Its ultimate ambition is to reduce poverty and boost the national economy. To achieve these objectives, the Government has adopted measures such as tariff reforms, development of additional hydro, solar, wind, biomass and thermal capacity, reinforcement of the power system infrastructure, and strengthening interconnections with neighbouring countries. Additionally, the National Renewable Energy Action Plan of 2015 outlines the targets and measures to increase on-grid and off-grid renewable power generation and expand the use of efficient cookstoves. The Government is undertaking various initiatives, with technical and financial support from bilateral and multilateral organisations, to scale up the deployment of renewables. For instance, the West African Economic and Monetary Union (WAEMU) has subsidised the implementation of a photovoltaic electrification programme and the construction of hybrid (solar/diesel) power stations supplying mini-grids to 13 rural communities.

The Ministry of Mines, Energy and Water (MMEE) is in charge of policy formulation, monitoring and evaluation. The Malian Agency for Domestic Energy and Rural Electrification (AMADER) and the Agency for Renewable Energies (AER) hold distinct policy implementation roles. AMADER leads the rural electrification schemes under 250 kW and is the regulator for rural electrification. Currently, it is working on the Rural Electrification Hybrid System Project to expand access to modern energy services in several areas. On the other hand, AER has initiated partnerships with international actors to assess the country's readiness to develop the renewables sub-sector.

AREAS FOR IMPROVEMENT

The Government should develop a power sector policy that captures the entire spectrum of renewable solutions (hydro- and non-hydro) and is well-coordinated with other sectorial strategies. This policy should be based on a country-wide and in-depth assessment of the country's abundant bioenergy resources.

The development of a sound renewable energy policy presupposes reliable and up-to-date data to assess critical energy sector indicators. The Government should secure funding to reinforce the statistical capacity-building activities on energy data collection, processing and dissemination.

INDICATOR 2

SCORE **59**

Management of decision-making processes

QUICK FACTS

The National Direction for Energy in the MMEE is responsible for policy formulation and coordination in the energy sector.

The Agency of Environment and Sustainable Development of the Ministry of Environment, Sanitation and Sustainable Development focuses on biodiversity preservation and climate change.

STRENGTHS

In 2019, the Government released its Strategy Framework for Economic Recovery and Sustainable Development for 2019-2023 to strengthen economic growth, institutional development, and governance. The Agency for the Promotion of Investment (API) has considerably facilitated business functioning as a one-stop shop and single window for prospective investors. With the support of the United Nations Development Programme, the Government is revising its NDC targets in the agriculture, energy, and land use, land-use change and forestry (LULUCF) sectors. It is committed to conducting extensive consultation at the national and sub-national level to ensure the NDC is gender-sensitive and aligned with the country's sustainable development priorities.

In 2019, the Government held a public consultation on proposed amendments to the Mining Code. Ministries and State agencies, including the Water and Electricity Regulatory Commission (CREE), maintain functional websites where they publish all the relevant legal and regulatory texts, as well as reports on their activities. The independent General Auditor conducts an annual review of public spending, while the Directorate-General inspects public procurement contracts. At the same time, the Regulatory Authority for Public Transactions (ARMDS) is tasked with ensuring transparency and efficiency in public procurement projects.

AREAS FOR IMPROVEMENT

The Government should enact an overarching law on access to information to improve accountability, transparency and efficiency at the administrative levels. The law must define the scope of application, a narrow list of exceptions and the procedure to obtain information.

Mali must adopt a law that makes regular public consultation on draft legislation and regulations mandatory. The law should prescribe definitive timeframes to receive feedback from the public. The length of stakeholder consultations should be proportionate to the nature of issues raised and the number of people likely to be affected.

INDICATOR 3

SCORE 79

Regulatory environment and investment conditions

QUICK FACTS

CREE was established through Order No. 00-021/PRM of 15 March 2000 to regulate electricity and water services in urban areas.

Law No. 2012-016 dated 27 February 2012 introducing the Investment Code encourages direct investment and guarantees equal treatment (2012 Investment Code).

STRENGTHS

CREE is an independent legal entity endowed with functional and financial independence. Its members are selected on non-discriminatory qualification criteria following an open competition, and their mandate is time-bound. CREE's finances are scrutinised by two State auditors appointed by the Prime Minister of Mali and certified by external auditing firms. The annual audit report is submitted to the President of the Accounts Section of the Supreme Court and, consequently, published on CREE's website.

The 2012 Investment Code guarantees equal treatment to private firms and State-owned enterprises in terms of financing, land access, and taxation. Domestic and foreign investors enjoy a number of tax and customs incentives depending on the licensing scheme they fall under (A/B/Free zone). Imports of solar energy materials benefit from special tax treatment. Except for the mining and media sectors, foreign investors are entitled to full ownership of any business and equity holding in State companies. The power sector has been liberalised since 2000, and guidelines regarding general pricing, tendering processes and grid connection fees are in place. As a member of the Economic Community of West African States, OHADA and the WAEMU, Mali receives benefits such as lower trade barriers and harmonised monetary, bankruptcy, and accounting principles. Capital, profits, and payments are freely transferable outside the country.

AREAS FOR IMPROVEMENT

In light of the growing need for investment in clean and cost-effective energy production, the Government should consider adopting additional incentives and measures to offset risks taken by renewable energy investors. Priority areas should include financing and guarantee mechanisms, certification and normalisation, and developing a standardised Power Purchase Agreement to improve the bankability of new projects.

INDICATOR 4

SCORE 57

Rule of law

QUICK FACTS

Mali ratified the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States in 1978.

Mali acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 1994.

Mali is a member of OHADA since 1995 and has ratified the 1993 Treaty creating the Joint Arbitration Court.

STRENGTHS

The 2012 Investment Code states that investors may submit disputes, among other forums, to the local competent court, ICSID arbitration, or the procedural rules available under the OHADA Uniform Act on Arbitration. Commercial courts have been established in key locations to handle cases involving foreign investors, including IP disputes. Magistrates, assisted by the Chamber of Commerce members and industry representatives, conduct hearings on commercial disputes. The ARMDS hears complaints regarding transparency in public procurement projects. Since January 2021, the ARMDS has already heard more than ten cases challenging the outcomes of public tenders.

National law offers guarantees against illegal expropriation. Deprivation of private property is allowed only in large-scale projects of national interest, in the case of bankruptcy or upon an investor's non-compliance with contractual terms. Any expropriation must always be upon the payment of due compensation. Mali is a member of the African Organisation of Intellectual Property and, hence, bound by the Bangui Agreement. Domestically, the Office of the Rights of the Author and the Centre for the Promotion of Intellectual Property are responsible for promoting and protecting IP rights.

AREAS FOR IMPROVEMENT

The Government should extensively reform the judicial system by ensuring the independent selection and proper training of magistrates and introducing timeframes to examine cases and deliver judgements.

The Government may also consider establishing an investment ombudsperson to mediate between investors and State authorities. Such a body will help investors overcome bureaucratic obstacles and address issues arising during investment activities.

Mauritania

Population[1]	4,403,319
Area (km^2)[1]	1,030,700
GDP per capita (USD)[1]	1,600.87
TES (Mtoe)[2]	N/A
Energy intensity (toe/10^3 2015 USD)[2]	N/A
CO_2 emissions - energy ($MtCO_2$)[3]	4.0

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Extraction of natural gas and crude petroleum	1 new project	United States of America: 1 project of 4 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Mauritania is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

Mauritania's overall risk level against the assessed areas is **moderate**.

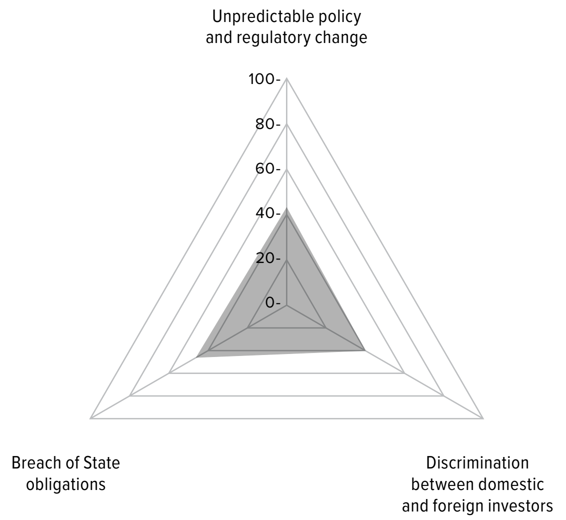
Of the three risks assessed in EIRA, *discrimination between domestic and foreign investors* is lower compared to *unpredictable policy and regulatory change* and *breach of State obligations*.

Mauritania's performance is good on two of the EIRA indicators, and it is moderate on two indicators. *Regulatory environment and investment conditions* is the highest-scoring indicator at 63, followed closely by *management of decision-making processes* at 62. The country's score on the indicator *foresight of policy and regulatory change* is 55, while on *rule of law* it is 54.

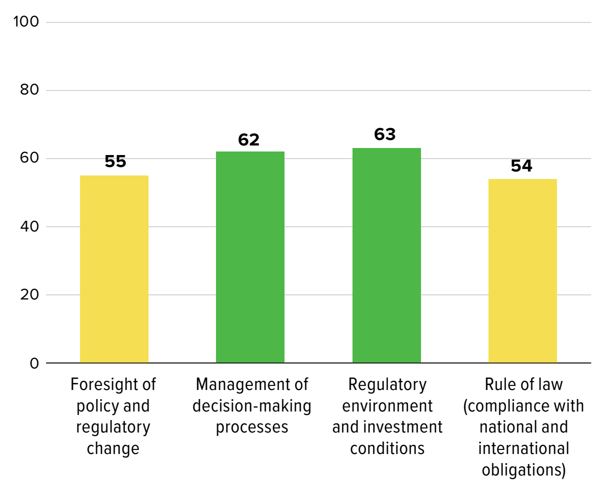
On a more detailed level, Mauritania's overall sub-indicator performance is moderate. The highest-scoring sub-indicator is *management and settlement of investor-State disputes* at 75, followed by *robustness of policy goals and commitment* and *institutional governance*, both at 69. On *restrictions on FDI* and *regulatory effectiveness*, it has a score of 65 and 61, respectively. Its score is 56 on *transparency* and 42 on *communication of vision and policies*. The lowest-scoring sub-indicator is *respect for property rights* at 33.

While there are some policies and measures in place, more concrete steps must be taken to strengthen Mauritania's performance across all indicators and underlying sub-indicators. Particular attention must be given to reinforcing the respect for property rights.

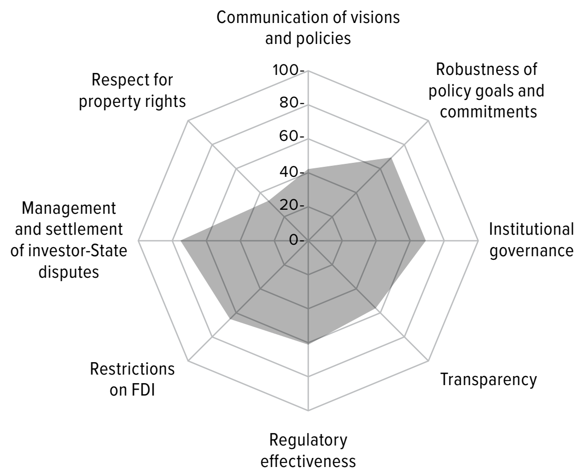
RISK LEVEL



INDICATOR PERFORMANCE



SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 55

Foresight of policy and regulatory change

QUICK FACTS

The Accelerated Growth and Shared Prosperity Strategy (SCAPP) for 2016-2030 describes the Government's vision for socio-economic development.

Mauritania signed the Paris Agreement in 2016 and submitted its NDC.

STRENGTHS

The SCAPP sets a roadmap to achieve the country's aspiration of becoming a modern and market-driven economy. Its implementation is intended through a series of five-year action plans (2016-2020, 2021-2025, and 2026-2030). Mauritania seeks to exploit its natural resources fully to secure universal energy access for its population and reduce its dependence on imported oil. In 2014, the Government launched the Banda Gas to Power project to limit electricity generation from heavy fuel oil and improve the financial condition of the national electricity company, Société Mauritanienne d'Electricité (SOMELEC), by lowering the power generation costs. A dual power plant (fuel/gas) of 180 MW and the infrastructure needed to export electricity to Senegal and Mali have already been constructed. Moreover, a pre-feasibility study for a 250 MW combined cycle gas plant in the Ndiago area has been launched. The country's largest photovoltaic power plant is located in Toujounine, with a capacity of 50 MW, while the construction of a 100 MW wind farm in Boulenouar was recently completed.

The Inter-ministerial Steering Committee (CIP-SCAPP) is in charge of the policy monitoring process. It reports on the SCAPP action plan's implementation using a list of indicators that provide decision-makers with relevant data to make the necessary adjustments and rectify any deviations. The annual reports on the progress achieved are disseminated to officials, citizens and other stakeholders.

AREAS FOR IMPROVEMENT

The Government is trying to transition from its current extractive industry-dominated growth model to a more diversified and sustainable one. Therefore, this is an appropriate moment to develop a national renewable energy policy that defines the country's goals in this area and identifies the means to achieve these. Such a policy would ensure the continuity and sustainability of actions while giving certainty to participants in the renewable energy market. Moreover, the Government may consider creating a national fund dedicated to promoting renewable energy and implementing stable and transparent legislation to reduce financial risks and lower the cost of renewable energy projects.

The development of a renewable energy strategy should be accompanied by energy efficiency measures, including quantifiable targets, mandatory audits and penalties for large energy users, savings incentives for commercial users and the public sector, and financing mechanisms for energy efficiency activities.

INDICATOR 2

SCORE 62

Management of decision-making processes

QUICK FACTS

The Ministry of Petroleum, Mines and Energy (MPME) frames and implements the national policy in the petroleum, energy and mining sub-sectors.

The Ministry for Environment and Sustainable Development is responsible for developing and implementing the National Sustainable Development Plan.

Law no. 2017-006 was enacted in 2017 (last amended in 2021) to regulate PPP projects (Law on PPP).

STRENGTHS

In recent years, the Government has paid closer attention to its PPP regime. Following the promulgation of the Law on PPP, the Government set up an inter-ministerial committee to coordinate governmental action and approve public infrastructure to be funded through the PPP model. It also created a technical support committee to prepare an annual action plan for future PPP projects and ensure its execution. The Government has developed a network of sectoral focal points within ministerial departments to improve the implementation of the National Sustainable Development Plan and to introduce climate change mitigation and adaptation measures systematically into all sectoral activities. The Office of Promotion of the Private Sector was created under the 2012 Investment Code to promote investment and review proposals submitted by prospective investors.

In its first year of office, the Government has prioritised strengthening transparency in public finances and fighting corruption. The Ministry of Economy and Finance is trying to establish a modern system to manage the State's income and expenditure by networking with other institutions, training key actors, and through digital exchange of information. According to the third EITI validation of October 2020, Mauritania has made meaningful progress on a number of deliverables, such as developing a mining cadastre map portal for the Mining Directorate that provides up-to-date information on mining licences, production, and exports. The Public Procurement Regulatory Authority informs the public through its annual reports about the efficiency and reliability of the national procurement system and the controls it exercises over public contracts. Additionally, it provides the Government with its binding opinion on draft laws and regulations falling within its competence and work areas.

AREAS FOR IMPROVEMENT

The Government may consider including in its transparency agenda the creation of a legal framework on public accountability and access to information. This framework should consolidate the requirement that all public authorities make legal and regulatory information available in a holistic and timely fashion. Moreover, it should guarantee the engagement of interested parties during the initial stages of the policy-making process.

INDICATOR 3

SCORE 63

Regulatory environment and investment conditions

QUICK FACTS

The MPME promotes and regulates the production, import and export, transport, storage, and commercialisation of hydrocarbons.

The Multi-sectoral Regulatory Authority (ARM) was established under Law no. 2001-18. Its functions and obligations are stipulated in this Law and Law no. 2001-19 Introducing the Electricity Code.

Last updated in 2012, the Investment Code encourages foreign direct investment by guaranteeing equal treatment and facilitating administrative procedures.

STRENGTHS

The ARM is a legal entity with administrative and financial autonomy. It has the right to set the management rules for its staff. The members of its National Regulatory Council (NRC) are appointed for a fixed mandate. Independent auditors monitor the ARM's accounts. The ARM submits its audit report at the end of every financial year to the President of Mauritania, the Prime Minister of the Government and the Court of Audit's President.

In 2021, the Government completed its sixth and final review under the International Monetary Fund's (IMF) Extended Credit Facility from 2017 to 2021. According to the IMF Executive Board, Mauritania's performance has been strong on indicators such as growth, fiscal balances, debt, and foreign exchange reserves. The 2012 Investment Code offers incentives such as free land and preferential taxation to three categories: small and medium enterprises, free export zones/clusters of development, and targeted industries, including renewable energy. Tax exemptions are also included in the Hydrocarbons Law as amended in 2015. Interested companies must enter into a Production Sharing Contract (PSC) with the State to undertake oil and gas exploration and production activities. A model PSC developed by the Government serves as the basis for negotiations. Depending upon the agreed contractual terms, the State may grant the investor an exclusive exploration right and an exclusive production right in case of a discovery. The MPME may enter into a PSC only after deliberation of the Council of Ministers and the contract's publication in the Official Gazette.

AREAS FOR IMPROVEMENT

The ARM should be granted greater functional independence. Currently, its role is primarily of a consultative nature since crucial regulatory tasks, such as tariff setting, are exercised by the MPME. Moreover, the Government's involvement in appointing the members of the ARM's NRC may be reduced because such practices unnecessarily compromise the latter's decision-making powers.

INDICATOR 4

SCORE 54

Rule of law

QUICK FACTS

Mauritania ratified the Washington Convention on the Settlement of Investment Disputes Between States and Nationals of Other States in 1966.

Mauritania acceded to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 1997.

Law no. 2000-06 of 18 January 2000 Introducing the Arbitration Code applies to domestic and international arbitration and is based on the UNCITRAL Model Law.

STRENGTHS

The Justice Reform Support Programme is an integral part of the SCAPP. The Programme's immediate objective is to improve access to justice by establishing a transparent, effective and credible judicial system. In 2020, the Government introduced a simplified procedure for small claims, setting a time frame for judicial proceedings and limiting adjournments. Moreover, Law no. 2019-020 Amending and Supplementing Certain Provisions of the Code of Civil, Commercial and Administrative Procedures regulates mediation in commercial disputes. The International Centre of Mediation and Arbitration of Mauritania (CIMAM), envisaged in the 2012 Investment Code, became operational in 2020. It enjoys a legal personality as well as financial and administrative independence. One of its main tasks is to promote alternative means of dispute resolution through mediation, raising awareness, and training.

The national laws guarantee property rights against expropriation. Over the past years, the Government has undertaken commendable efforts to set up a digital land registration system. The Land Registry Agency provides information regarding property titles, mortgages and tax-related matters. It also performs due diligence before making a final title transfer. Mauritania is a member of the African Organisation of Intellectual Property. In joining the latter, it has agreed to establish uniform implementation procedures for a number of international agreements, including the Paris Convention for the Protection of Industrial Property, the Washington Treaty on Patents, and the Vienna Treaty on the Registration of Trade Names.

AREAS FOR IMPROVEMENT

Since Mauritania gained its independence, there has only been a single case involving the expropriation of foreign investment. However, legal protection of private property will be reinforced if the relevant domestic legislation defines the term "public interest" as grounds for expropriation and outlines a time-bound procedure for paying compensation in such cases.

Mongolia

Population[1]	3,170,208
Area (km^2)[1]	1,564,116
GDP per capita (USD)[1]	4,134.98
TES (Mtoe)[2]	5.75
Energy intensity (toe/10^3 2015 USD)[2]	0.43
CO_2 emissions - energy ($MtCO_2$)[3]	21.1

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Electric power generation, transmission and distribution	1 acquisition deal	Hong Kong SAR, China: 1 RE deal of 1.2 mEUR
Mining of hard coal and lignite	1 co-location project	United Kingdom: 1 project of 100 mEUR
Support activities for other mining and quarrying	2 acquisition deals	Australia: 1 deal of 42.8 mEUR Singapore: 1 deal of 24.8 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Mongolia is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

Mongolia's overall risk level against the assessed areas is **low**.

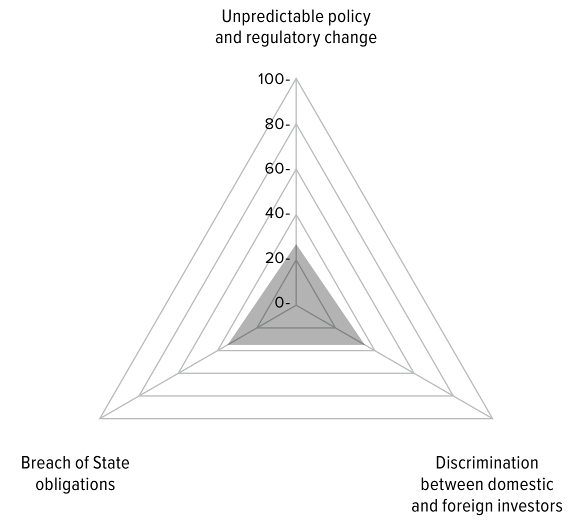
Of the three risks assessed in EIRA, *unpredictable policy and regulatory change* is lower compared to *discrimination between domestic and foreign investors* and *breach of State obligations*.

Mongolia's performance is good on three indicators, and it is moderate on one. It has the highest score on the indicators *foresight of policy and regulatory change* and *management of decision-making processes* (77). On the indicator *rule of law*, it has a score of 65. Its score on *regulatory environment and investment conditions* is 53.

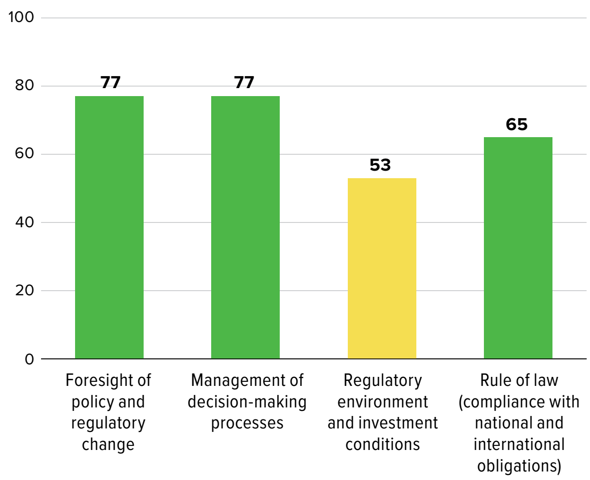
On a more detailed level, Mongolia's overall sub-indicator performance is good. The highest-scoring sub-indicators are *institutional governance* and *management and settlement of investor-State disputes*, at 88 and 80. Its score on *communication of vision and policies* is 79, while on *robustness of policy goals and commitments,* it has a score of 75. On *transparency*, the country's score has improved by nine points and now stands at 67. It has maintained a moderate score of 56 on *regulatory effectiveness*. *Restrictions on FDI* and *respect for property rights* are the lowest-scoring sub-indicators, both at 50.

While Mongolia has the relevant policies and measures in place, there is potential for improvement. Attention should be given to easing the current restrictions on FDI and enhancing the respect for property rights.

RISK LEVEL



INDICATOR PERFORMANCE

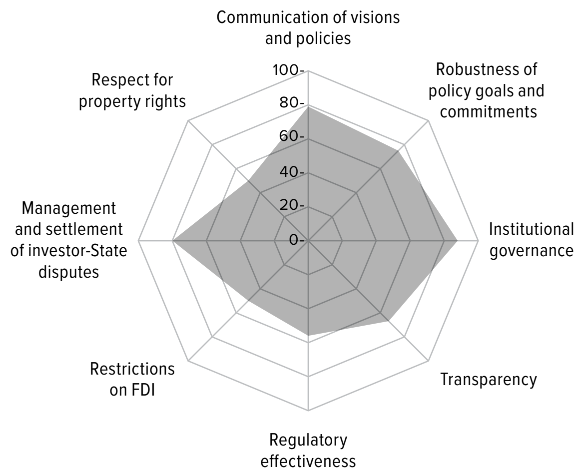


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	29	29	-	27
Discrimination between domestic and foreign investors	36	36	-	35
Breach of State obligations	35	35	-	35

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	75	75	-	77
Management of decision-making processes	73	73	-	77
Regulatory environment and investment conditions	53	53	-	53
Rule of law	65	65	-	65

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 77

Foresight of policy and regulatory change

QUICK FACTS

The main strategic documents on Mongolia's energy sector are the State Policy on Energy 2015-2030 and the Mid-term National Programme for Implementation of the State Energy Policy (2018-2023).

On 13 May 2020, the Parliament of Mongolia (State Great Khural) adopted the "Vision 2050" Long-term Development Policy of Mongolia (Vision 2050) and the Action Plan on Implementation of Vision 2050 in 2021-2030.

The Government of Mongolia approved the country's updated NDC through Decree no. 407/2019.

STRENGTHS

Vision 2050 outlines the activities to be implemented by the Government for Mongolia's social and economic development. To ensure energy self-sufficiency, it mandates the Government to construct new energy infrastructure and expand the existing one between 2021 and 2030. From 2031 to 2040, it aims to increase the share of new energy sources in the total energy mix and make Mongolia an energy-exporting country. The final leg of Vision 2050, from 2041 to 2050, focuses on minimising GHG emissions, developing an independent and integrated energy system, transitioning to a smart system, increasing green energy production and ensuring sustainable energy supply. To achieve Vision 2050, the State Great Khural of Mongolia has adopted the cross-sectoral Action Plan of the Government of Mongolia from 2020-2024. The Action Plan contains energy-specific deliverables, such as constructing high-voltage transmission lines, installing new wind and solar power stations, introducing a smart grid, completing a feasibility study for a pipeline transporting natural gas from Russia to China, and increasing citizens' access to the centralised heating system.

The Government has created an online reporting platform, Glass Account, which publishes data on budgetary approvals, executions and programmes of State agencies. In addition, it records the reasons for savings and overspending by agencies and organisations funded through the State budget. It also disseminates data on capital expenditures, investment projects, and purchased goods and services over 5 million Mongolian Tugriks and information on agreements, procurement audits, bonds, loans, and guarantees. Moreover, the National Development Agency (NDA) has started publishing its monthly bulletin, from February 2021 onwards, with statistics on FDI and information on the Government's decisions related to FDI.

AREAS FOR IMPROVEMENT

The National Energy Efficiency and Renewable Energy Programmes covered the period until 2020. The Government should approve new programmes, setting the priorities and targets for 2021-2030.

INDICATOR 2

SCORE 77

Management of decision-making processes

QUICK FACTS

The Ministry of Energy defines and implements the energy policies of the country.

The NDA is the central authority responsible for the investment policy formulation process.

STRENGTHS

In 2020, the State Great Khural adopted the Five-Year Development Guidelines for 2021-2025 to optimise the separation of power between the branches of the Government. One of the key objectives of these Guidelines is to foster good governance by setting up a smart public administration structure with clearly defined functions, power limits and distinctions. In March 2021, the Prime Minister of Mongolia announced plans to establish an FDI promotion council under his Office to support initiatives for attracting investment, strengthening investor protection, and providing them with aftercare services. State agencies are also proactively facilitating public services for investors. For instance, since 2019, the Invest in Mongolia Centre has provided over 54,000 services to potential and current investors on taxation, incentives and registration procedures. On 1 October 2020, the Government launched the "E-Mongolia" platform which provides various services related to doing business, real estate, corporate income tax and registration of legal entities. The Government plans to integrate 492 additional services into the online platform by the end of 2021.

The Government of Mongolia is improving the accessibility and transparency of public services and increasing stakeholder engagement in the policy-making process. The revised Law "On Policy and Planning and its Management" 2020 requires the Government to engage with various stakeholders, such as public organisations, academia, the business community, professional associations, civil society and citizens, in drafting national development policies and plans. In June 2021, the Mongolian Independent Authority Against Corruption released the outcomes of a corruption risk assessment of 49 public institutions, conducted over the last three years in collaboration with civil society organisations. The study assessed the Government's efforts to reduce corruption risks in human resources, budget allocations and finance, procurement processes, services covered by State funds, integrity, and willingness to fight corruption. In addition, Mongolia released its 14th EITI Reconciliation Report in December 2020.

AREAS FOR IMPROVEMENT

The Government may consider implementing mechanisms to institutionalise and intensify stakeholder engagement in the policy- and law-making processes. For instance, it should give the public advance notice of debates on draft legislation, grant sufficient time to review the drafts, create online and offline mechanisms to collect opinions, and conduct physical consultations in rural areas to ensure inclusion.

INDICATOR 3

SCORE 53

Regulatory environment and investment conditions

QUICK FACTS

The Energy Regulatory Commission (ERC) issues licences for electricity and heat generation, transmission and distribution.

The Law "On Investment" 2013 protects investors' legal rights and interests while operating in the country.

STRENGTHS

Mongolia is making efforts to increase private investment in renewable energy sources and integrate higher shares of renewable energy in power generation. With support from the Asian Development Bank (ADB), the Ministry of Energy is implementing a project to install a 125 MW advanced battery energy storage system (BESS). The project also foresees the development of regulations in ancillary services for the sustainable operation and maintenance of the BESS system and future scaling up of renewable energy. Furthermore, the ERC makes information on electricity sector services and activities available to the public. For example, its website lists differentiated electricity tariffs by categories of users, consumption volumes and regional grids. It also runs an e-licence platform for electricity generators to submit compliance reports and apply for the issuance and renewal of licences.

In March 2020, the NDA released information on FDI inflow for the last 30 years, according to which 70% of investment (USD 20.2 billion) was in the mining and petroleum exploration sector. The country's energy sector continues to attract financing from various sources. The Government is determined to realise the USD 66 million Uliastai Array initiative, which is part of the ADB-supported Upscaling Renewable Energy Sector Project involving the installation of 40.5 MW of solar and wind power generators. Moreover, in 2021, Desert Solar Power LLC, owned by the UK-based United Green and the German Tucher Group GmbH, installed a 30 MW solar power plant in the Gobi desert.

AREAS FOR IMPROVEMENT

Mongolia should implement measures to ensure open, transparent and non-discriminatory network access. It should also give the ERC the mandate to develop a roadmap for a competitive electricity market. In addition, it should consider policy options for gradual adjustment of the current electricity tariffs based on a realistic assessment of production costs.

Mongolia's announced targets for renewable energy in total installed capacity are 20% and 30% by 2023 and 2030, respectively. To reach these targets, the Government of Mongolia should develop a comprehensive renewable energy investment plan with measures to mobilise private and mixed financing.

INDICATOR 4

SCORE 65

Rule of law

QUICK FACTS

Mongolia ratified the ECT in 1999.

Mongolia is a contracting party to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States since 1991.

Mongolia is a member of the World Intellectual Property Organization since 1979.

STRENGTHS

Mongolia is currently undertaking reforms to strengthen the judicial system's independence. On 15 January 2020, the State Great Khural of Mongolia adopted the revised Law "On Courts" 2021 to ensure the justice system's effectiveness and the accountability of judges. With support from GIZ, the Ministry of Justice and Internal Affairs is implementing reforms to increase the judiciary's human resources and technical capacity by training intermediate judiciary level clerks and introducing digital judicial services. The Investment Protection Council (IPC), established in 2016, acts as an investment ombudsman and is the leading institution for protecting investors' legitimate rights and interests. In July 2020, the IPC and the International Finance Corporation launched the Systemic Investor Response Mechanism (SIRM), an investor grievance registration and monitoring platform that aims to streamline conflict resolution processes for investors and public authorities.

The Action Plan on Implementation of Vision 2050 in 2021-2030 reaffirms the Government's commitment to upholding equality, justice, economic security, and sustainable development. The Action Plan implements smart and citizen-centred land governance and management systems. It contains measures to strengthen the legal basis of land rights and urban development and strengthen the policies and regulations protecting property rights. There is a legal and institutional framework in place to protect the IP rights of investors. The new Law "On Intellectual Property" which entered into force on 1 December 2020, establishes a dispute resolution centre to handle complaints against the Intellectual Property Office's decisions. Mongolia has signed 42 BITs, of which 35 are in force, and ratified four treaties with investment protection provisions.

AREAS FOR IMPROVEMENT

The Government may consider amending the Law "On Land" 2002 to define the powers and competencies of local, regional and national authorities in issuing land-use permits to avoid duplication or contradiction in decisions. It may also establish a central registry office that records land-use rights and identifies cases of conflicts.

Montenegro

Population[1]	622,227
Area (km^2)[1]	13,810
GDP per capita (USD)[1]	8,846.05
TES (Mtoe)[2]	1.06
Energy intensity (toe/10^3 2015 USD)[2]	0.23
CO_2 emissions - energy ($MtCO_2$)[3]	2.5

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Electric power generation, transmission and distribution	1 minority stake deal	Serbia: 1 TD deal of 13.8 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Montenegro is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

TD: Transmission and distribution of electricity

Montenegro's overall risk level against the assessed areas is **low**.

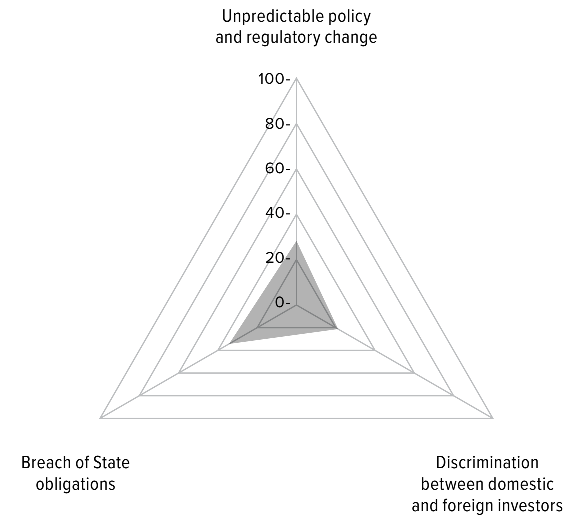
Of the three risks assessed in EIRA, *discrimination between domestic and foreign investors* is lower compared to *unpredictable policy and regulatory change* and *breach of State obligations*.

Montenegro's performance is very good on two indicators, and it is good on two indicators. For the fourth consecutive year, it has maintained a very good score on *regulatory environment and investment conditions* (90) and *management of decision-making processes* (86). On the indicators *rule of law* and *foresight of policy and regulatory change* it has a score of 66.

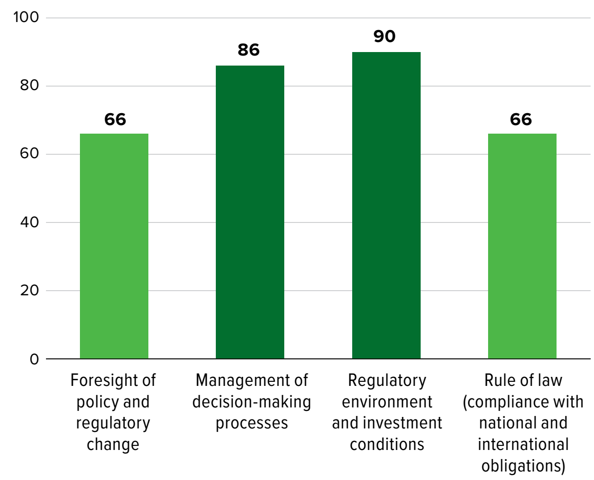
On a more detailed level, Montenegro's overall sub-indicator performance is good. The highest-scoring sub-indicator is *regulatory effectiveness* (100), followed by *institutional governance* (94). Its score is 80 on *restrictions on FDI* and 79 on *transparency*. On *robustness of policy goals and commitments* it has scored 75. Compared to EIRA 2020, there have been no changes to its scores on *respect for property rights* (67) and *management and settlement of investor-State disputes* (65). *Communication of vision and policies* is the lowest-scoring sub-indicator at 56.

While Montenegro has the relevant policies and measures in place, there is potential for improvement. Attention should be given to better communicating the country's vision and policies.

RISK LEVEL



INDICATOR PERFORMANCE

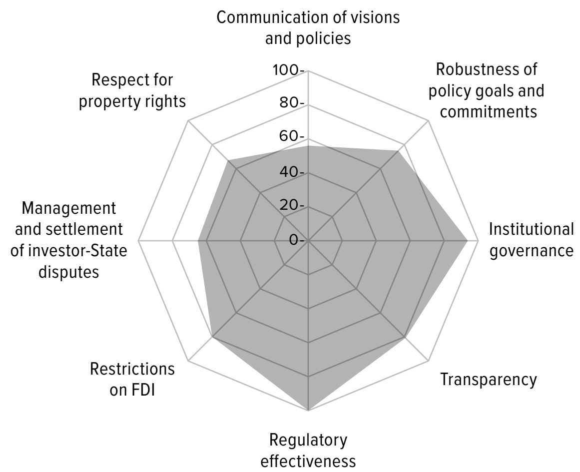


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	28	28	27	27
Discrimination between domestic and foreign investors	20	19	19	19
Breach of State obligations	34	34	34	34

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	66	64	66	66
Management of decision-making processes	83	87	87	86
Regulatory environment and investment conditions	90	90	90	90
Rule of law	66	66	66	66

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE **66**

Foresight of policy and regulatory change

QUICK FACTS

The Energy Policy 2030 (adopted in 2011) outlines the objectives for Montenegro's energy sector.

An amended version of the Law on Energy (OGM 005/16, 051/17, 082/20) entered into force in August 2020.

Montenegro ratified the Paris Agreement in 2017 and submitted its first NDC which covers the energy sector.

STRENGTHS

Montenegro has exceeded its overall 2020 renewables target (33%) as well as the sectorial targets for heating and cooling and electricity. The principal objective of the 2020 Law on Energy is to further enable the expansion of renewable power generation. To this end, it simplifies the procedure for connecting structures to the grid, introduces only one surcharge to be calculated according to the connection capacity and encourages prosumers. With international support, the Government is also drafting a new National Energy and Climate Plan (NECP) to replace the existing Energy Development Strategy until 2030. Between 2020 and 2021, interconnections with Serbia, BiH and Italy continued to progress. In terms of energy efficiency, the Government has pledged to allocate EUR 2 million in energy efficiency subsidies to the private sector. Moreover, by June 2020, ten new energy labelling and eco-design rulebooks were adopted.

The Eco Fund for Environmental Protection, a State-owned entity established through the National Energy Efficiency Action Plan 2019-2021, became operational in 2020. It is financed under the polluter pays principle, and its resources are to be utilised for environmental remediation and pollution prevention. Furthermore, the Law on Protection against Negative Impacts of Climate Change of 2020 envisages a national system for the monitoring, reporting and verification of GHG emissions. Electricity prices charged to industrial end-users and households and annual energy balances are collected by the Statistical Office of Montenegro and subsequently published by EUROSTAT.

AREAS FOR IMPROVEMENT

The adoption of the 2020 amendments to the Law on Energy aligns Montenegrin laws with the EU's acquis. However, the Government should take further measures in this respect, including the transposition and implementation of important regulations (e.g. Transparency, REMIT, CACM) and the enactment of missing legislation. The Parliament should enact the draft Law on Security of Supply of Oil Products, pending since 2016, the draft Law on Infrastructure, and the draft Law on Cross-Border Energy Infrastructural Projects.

The Government should establish the policy evaluation mechanisms and institutions prescribed in the law, such as the body responsible for monitoring the sustainability criteria of biofuels and bioliquids and the national authority for energy infrastructure.

INDICATOR 2

SCORE **86**

Management of decision-making processes

QUICK FACTS

Following the 2020 election, the Ministry of Capital Investments is responsible for the energy portfolio and developing investment projects in the fields of energy and mining.

Since 2020, the Ministry of Ecology, Spatial Planning and Urbanism oversees environmental protection and climate change issues.

The Law on Free Access to Information, adopted in 2012, regulates the manner and procedure for exercising the right of free access to information. Currently, the process of revising the law is on hold due to the COVID-19 pandemic.

STRENGTHS

During the EIRA assessment period, reforms advanced under the Public Optimisation Plan 2018-2020. The implementation of the Law On Civil Servants and Public Employees of 2017, the adoption of the Law on Electronic Governance in 2020 and amendments to the Law on Electronic Identification and Signatures, aim to provide citizen-oriented administrative services. In October 2020, the Government submitted its Third National Communication on Climate Change that updates the GHG emissions inventory for the 2016-2017 period in line with the 2019 Refinement to the 2006 IPCC Guidelines for National GHG Inventories. The country is currently working on its third Biennial Update Report on Climate Change. The 2020 amendments to the Law on Energy require the digitalisation of several registers and records, including the licence and energy permits register, the register of guarantees of origin and privileged producers, as well as the distribution operator's records.

The latest amendments of the Law on Non-Governmental Organisations (NGO) in 2017 recognise the role of these organisations in implementing and monitoring public policies and clarify the rules on State funding of NGOs' activities. In April 2020, the Ministry of Public Administration launched a public consultation to assess the impact of this law and establish a working group with the participation of NGO representatives. Further steps taken to improve dialogue include the drafting of a new NGO Strategy for 2021-2023.

AREAS FOR IMPROVEMENT

The Government is making continual efforts to improve the administrative services and intensify cooperation with the public. To further its endeavours, the Government should finalise the draft Law on Free Access to Information that will guarantee proactive disclosure, timely exchange of information held by authorities, and users' access to data contained in registers. Also, the Government should sufficiently ensure in practice the genuine and systematic inclusion of relevant stakeholders.

INDICATOR 3

SCORE **90**

Regulatory environment and investment conditions

QUICK FACTS

The 2020 amendments to the Law on Energy allow the Energy Regulatory Agency's (REGAGEN) management to decide on its internal organisation without governmental approval.

The 2019 legislation on PPP and public procurement are broadly aligned with the EU principles of transparency, equal treatment and non-discrimination.

STRENGTHS

The 2020 amendments to the Law on Energy have unbundled the transmission system operator. The distribution system operator is also unbundled in line with the EU acquis. The transposition of the EU Electricity Network Codes is a significant step towards ensuring transparent and non-discriminatory network access. Moreover, the amended law provides a legal basis for organising the day-ahead market and designating the market operator. It also aims to expand renewable electricity production further. To this end, it clarifies the provisions on electronic register and contents of guarantees of origin and self-generation of renewable electricity. Although the country is not yet connected to natural gas systems, the amended Law on Energy has created a favourable regulatory framework for small liquefied natural gas infrastructure. Since February 2021, REGAGEN has been working with the Ministry of Capital Investments to adopt regulations on renewable energy production and the calculation methods of shares for different renewables in the total energy production.

The Government continues to support investments in wind and solar power. In 2020, it successfully concluded auctions for one wind and one solar power project and signed the associated Power Purchase Agreements. The Brajići wind farm, for which the land lease agreement was signed in August 2020, is expected to generate around 220 GWh per year. Moreover, the State-owned power utility, Elektroprivreda Crne Gore (EPCG), along with other State-owned and private energy companies, recently presented an ambitious investment portfolio of EUR 1 billion, which includes the construction of the Gvozd wind farm, the Briska Gora solar power plant and the Komarnica hydropower plant. EPCG also intends to support electricity production by individuals and assist them in installing solar panels on private land.

AREAS FOR IMPROVEMENT

Given the relevance of the labour regime both as an investment condition and as a piece of legislation to be aligned with the EU acquis, the Government should consider eliminating the existing annual quotas on the number of foreign workers and the restrictions imposed by the Law on Foreigners of 2019 on intra-corporate transfers.

INDICATOR 4

SCORE **66**

Rule of law

QUICK FACTS

Montenegro ratified the ECT in 2015.

Montenegro ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States in 2013.

Montenegro is a party to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards since 2006.

STRENGTHS

The Government is currently working to achieve the standards reflected in Chapter 23 and 24 of the EU accession negotiations. Amongst the key requirements therein is the need to strengthen the independence, accountability and efficiency of the judiciary. To this end, the Government has adopted the Strategy for the Reform of the Judiciary (2019-2022) and its accompanying Action Plan, and the Judiciary ICT Development Programme (2021-2023). Judicial and prosecutorial councils regularly assess the performance of judges and public prosecutors, while the Judicial Training Centre conducts professional training. Since 2019, a positive trend in alternative dispute resolution has been established with a number of cases being referred to the Mediation Centre and the Agency for Peaceful Settlement of Labour Disputes.

The Law on Foreign Investment as amended in 2014, guarantees protection from expropriation. The assets of foreign investors may not be subject to expropriation, except when a compelling "public interest" is determined based on law, in which case compensation at fair market value is due to the investor. The relevant procedure, including the determination of compensation, is administered by a designated body. Legislative alignment with the EU acquis continues on patents, trademarks and trade secrets and preparation of the new national IP strategy is ongoing. Furthermore, the IP rights coordination team meets regularly with the World Intellectual Property Organization officials. Together, they have organised joint actions to raise awareness and strengthen cooperation among IP authorities and rights holders.

AREAS FOR IMPROVEMENT

The Government should introduce timeframes for concluding judicial proceedings and the delivery of judgements to reduce case backlogs and congestion.

To further improve the efficiency of the judicial system, the Government should consider establishing an investment ombudsperson to process private parties' complaints against public administration. Also, the possibility of mediating disputes with State authorities should be extended to investors.

The definition of "public purpose" as grounds for alienation of private property should be stipulated in law.

Nigeria

Population[1]	195,874,740
Area (km^2)[1]	923,770
GDP per capita (USD)[1]	2,027.77
TES (Mtoe)[2]	159.88
Energy intensity (toe/10^3 2015 USD)[2]	0.32
CO_2 emissions - energy ($MtCO_2$)[3]	104.3

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Electric power generation, transmission and distribution	1 new project 1 joint venture deal	United Arab Emirates: 1 RE project of 90.9 mEUR Value of 1 RE deal (Germany) is N/A
Extraction of natural gas and crude petroleum	2 new projects 1 minority stake deal	United States of America: 1 project of 1,000 mEUR United Kingdom: 1 deal of 127mEUR The Netherlands: 1 project of 4 mEUR
Manufacture of refined petroleum products	2 acquisition deals	Singapore: 1 deal of 3.8 mEUR Value of 1 deal (United Arab Emirates) is N/A
Transport by pipeline	1 minority stake deal	South Africa: 1 deal of 49 mEUR
Support activities for petroleum and natural gas extraction	1 joint venture deal	Value of 1 deal (United Arab Emirates) is N/A

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Nigeria is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

Nigeria's overall risk level against the assessed areas is **moderate**.

Of the three risks assessed in EIRA, *discrimination between domestic and foreign investors* and *breach of State obligations* are lower compared to *unpredictable policy and regulatory change*.

Nigeria's performance is good on one indicator, and it is moderate on three indicators. Its score on *management of decision-making processes* has improved by two points, from 59 to 61. On the *rule of law* indicator, it has received a score of 58. Compared to EIRA 2020, its score on *regulatory environment and investment conditions* has increased by a point, from 53 to 54. At the same time, its score on *foresight of policy and regulatory change* has decreased by three points and stands at 53.

On a more detailed level, Nigeria's overall sub-indicator performance is moderate. The highest-scoring sub-indicator is *management and settlement of investor-State disputes* at 75. Following this is the *transparency* sub-indicator, where its score has gone up from 63 to 65. Its score on *communication of vision and policies* has gone down by five points and now stands at 61. On *regulatory effectiveness* (57), *institutional governance* (56), *restrictions on FDI* (50) and *robustness of policy goals and commitments* (46) it has maintained the scores from EIRA 2020. Its lowest-scoring sub-indicator is *respect for property rights* with a score of 42.

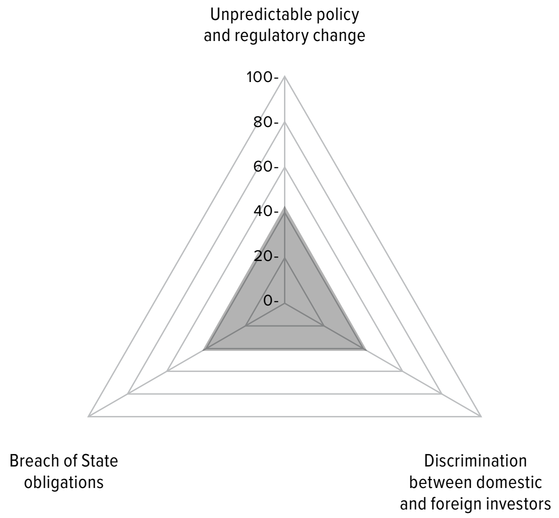
While there are some improvements in Nigeria's performance compared to EIRA 2020, further steps must be taken to build on the work done. Particular attention should be given to strengthening the respect for property rights in the country.

YEAR-ON-YEAR COMPARISON

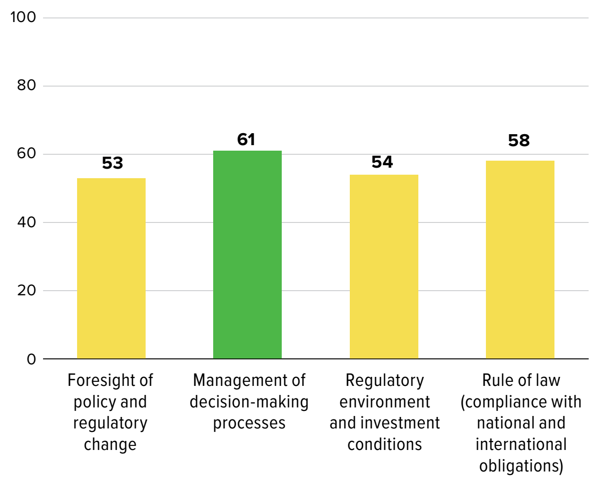
RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	43	43	42	43
Discrimination between domestic and foreign investors	44	44	43	42
Breach of State obligations	43	43	42	42

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	54	55	56	53
Management of decision-making processes	59	59	59	61
Regulatory environment and investment conditions	51	52	53	54
Rule of law	58	58	58	58

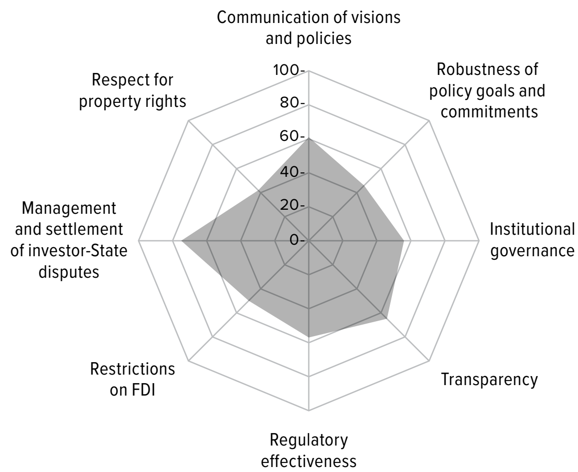
RISK LEVEL



INDICATOR PERFORMANCE



SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 53

Foresight of policy and regulatory change

QUICK FACTS

The Federal Government is currently developing the long-term perspective plan, Nigeria Agenda 2050, and the Medium-Term National Development Plan (MTNDP) 2021-2025 to replace the Nigeria Vision 20:2020 and the Economic Recovery and Growth Plan that expired in December 2020.

The Federal Executive Council approved the Nigeria Economic Sustainability Plan (NESP) in response to challenges posed by the COVID-19 pandemic.

STRENGTHS

In the last year, the Federal Government focused on further expanding the country's crude oil production and developing its domestic clean energy resources. The Nigeria LNG Ltd (NLNG) awarded an engineering, procurement and construction contract to a Saipem-led consortium for the seventh LNG Train, which will boost NLNG's current plant capacity by 35%. The National Gas Transportation Network Code 2020 was recently published to pave the way for expanding gas-to-power, gas-to-industry and gas-to-manufacturing, and addressing gas flaring challenges. The Government also launched the National Gas Expansion Programme and the National Autogas Roll-out Initiative following the recent deregulation of downstream activities. The NESP's Solar Home Systems Project aims to ensure off-grid solar energy to at least 5 million households currently not connected to the national grid. It also intends to transition 30 million homes from kerosene, charcoal and diesel, to liquefied petroleum gas.

The Budget Office of the Federation published the Second Quarter and Half-Year Budget Implementation Report for 2020, which provides information on the Executive Budget's performance during the period. The Budget Office also made publicly available the Medium Term Expenditure Framework and the Fiscal Paper Strategy 2021-2023. Among other things, the Fiscal Strategy Paper reviews the 2019 Executive Budget performance and the 2020 budget implementation. The National Bureau of Statistics has published the Nigerian GDP Report (Expenditure and Income Approach) for the first and second quarter of 2020.

AREAS FOR IMPROVEMENT

The Federal Government must adopt the Nigeria Agenda 2050 and the MTNDP 2021-2025 in 2021. It should also revise the National Renewable Energy Action Plans 2015-2030 and the National Energy Efficiency Action Plans 2015-2030 that contained targets for 2020, such as increasing the share of renewable energy in the electricity mix by 38% and reducing electricity losses by 10% compared to the 2013 level.

The Federal Government should conduct a stock-taking exercise to identify the policy targets missed by 2020. It should undertake an ex-post cost-benefit analysis of the unachieved targets to set more realistic future targets.

INDICATOR 2

SCORE 61

Management of decision-making processes

QUICK FACTS

The Energy Commission of Nigeria sets the institutional framework for the planning and coordination of national energy policies.

Nigeria enacted the Freedom of Information Act in 2011 to make public records and information available.

STRENGTHS

In 2020, the Federal Government of Nigeria inaugurated a National Steering Committee (NSC) to develop the Nigeria Agenda 2050 and the MTNDP 2021-2025. The NSC will supervise the work through a governance structure comprising a central working group and 26 technical working groups. The Federal Government also established the Economic Sustainability Committee (ESC) to draft the NESP in 2020. The ESC comprised several Cabinet Ministers, the Group Managing Director of the Nigerian National Petroleum Corporation (NNPC) and the Governor of the Central Bank of Nigeria. In preparing the NESP, the ESC consulted the Presidential Economic Advisory Council members and discussed with them specific implementation-related matters.

MDAs made information on their activities publicly available in 2020 and 2021. The Nigerian Investment Promotion Commission (NIPC) uploaded its Freedom of Information Annual Report for 2020. It also published a summary of all the queries it received in 2020, under the Freedom of Information Act, and the responses it provided. In February 2021, the Department of Petroleum Resources launched the Downstream Remote Monitoring System (DRMS) to track petroleum product levels across retail outlets and depots. The DRMS aims to digitalise the Nigerian oil and gas industry by providing real-time data for investment purposes and business decisions. The Nigerian Energy Regulatory Commission's (NERC) performance on transparency and public accountability was particularly noteworthy. It held extensive public hearings before introducing the revised Multi-Year Tariff Order of 2020 and released for public comments a Consultation Paper setting out the rates proposed by the distribution licensees. It has democratised the newly implemented service-based tariff (SB Tariff) structure to ensure that distribution companies (DisCos) will only be able to review tariff rates after consultations with the affected customers.

AREAS FOR IMPROVEMENT

Currently, there are multiple bodies engaged in framing and implementing energy policies. This multi-layered system can give rise to contradictory strategies and overlapping actions. It can also stall legislation, such as the Petroleum Industry Governance Bill, that is critical for attracting investment in the energy sector.

The Federal Government should make efforts to intensify stakeholder consultation at different stages of the policy-making process. The methods and timelines of public participation should be decided at an early stage and made publicly known.

INDICATOR 3

SCORE **54**

Regulatory environment and investment conditions

QUICK FACTS

NERC regulates the generation, transmission, distribution and trading of electricity.

Protection of foreign investment is provided for in the NIPC Act 1995.

STRENGTHS

The Federal Government took the progressive decision of eliminating fuel subsidies and fully deregulating the downstream oil sector. The Petroleum Products Pricing Regulatory Agency, which had previously set a monthly price band for gasoline, is now limited to a supervisory role. The Federal Government also made progress on its electricity sector reforms. In September 2020, NERC introduced an SB Tariff regime through which DisCos can review electricity tariffs of metered customers only after consulting them and assuring them of a guaranteed level of electricity service based on hours of supply. Unmetered customers and those on lifeline tariffs will remain unaffected by the change. Following this measure, in October 2020, the Federal Government approved the National Mass Metering Programme (NMMP) to bridge the country's metering gap and minimise the impact of the SB Tariff on electricity consumers. The Central Bank of Nigeria issued the framework for financing the NMMP, defining the operational guidelines for granting financial support to DisCos and local meter manufacturers.

On 7 August 2020, the Companies and Allied Matters Act (CAMA) 2020 was signed into law. The CAMA is supported by the Companies Regulations 2021, which lay down the procedures involved in registering a private limited company from January 2021 onwards. CAMA 2020 has over 15 new provisions to promote the ease of doing business and reduce regulatory barriers. It introduces, for the first time, the LLP and LP business structures so that investors can benefit from a limited liability structure with the tax status and flexibility of a partnership.

AREAS FOR IMPROVEMENT

The Federal Government is working in the right direction by introducing service-reflective tariffs. It is encouraged to continue with reforms that will help achieve fully cost-reflective tariffs and ensure the timely implementation of the NMMP. The Government should also create public awareness about energy-saving technologies that can reduce consumption.

The Federal Government may consider offering more lucrative conditions to foreign investors in the upstream oil and gas sector. For instance, introducing an additional price-based royalty and increasing water depth-based royalties on top of the other taxes, fees and levies may reduce the sector's competitiveness. This suggestion is particularly relevant now when the country's oil production and revenue have received a setback due to the COVID-19 pandemic.

INDICATOR 4

SCORE **58**

Rule of law

QUICK FACTS

Nigeria ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States in 1965.

Nigeria is a party to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

STRENGTHS

The Federal Government of Nigeria continues to modernise and promote the use of alternative dispute resolution mechanisms. The Arbitration and Conciliation Act (Repeal and Enactment) Bill is currently undergoing discussion in the Nigerian National Assembly. Moreover, the Local Content Development and Enforcement Bill 2020 proposes a mandatory requirement that any dispute, arising from a contract governed by this Bill, should be resolved by an arbitral panel that comprises at least three judges of the Federal High Court. NERC is also encouraging the energy market players to utilise its 12-member Dispute Resolution Panel, which was reappointed on 7 May 2020, to resolve conflicts. The functions of the Panel include the arbitration and settlement of disputes between market participants such as the system operator, the market operator, and other licensees engaged in electricity trading.

The Federal Government of Nigeria did not make any legal or regulatory modifications that adversely affected the property rights of investors. The NIPC Act grants robust protection to foreign investors from the nationalisation or expropriation of private property. Any person that owns, either wholly or in part, capital of any enterprise cannot be compelled by law to surrender his interest to any other person. The law requires the payment of fair and adequate compensation in the case of any compulsory acquisition.

AREAS FOR IMPROVEMENT

The Federal Government of Nigeria is encouraged to continue with the reform of the Arbitration and Conciliation Act (Repeal and Re-Enactment) Bill. As mentioned last year, it needs to establish greater clarity on new practices that will apply after this Bill's enactment. For instance, the implicit reference to Third Party Funding (TPF) is dilute and unlikely to prevail over the conflicting common law rules against champerty and maintenance. TPF agreements must be given explicit legitimacy so that their scope and application is clear. There should be defined rules regulating the enforcement of such contracts, and a more flexible approach taken in the use of historical common law concepts.

In domestic laws, expropriation refers only to physical property. National legislation may contain provisions protecting intangible property, such as equity, shares, and IP rights, from expropriation or compulsory acquisition.

Palestine

Population[1]	N/A
Area (km^2)[1]	N/A
GDP per capita (USD)[1]	N/A
TES (Mtoe)[2]	1.71
Energy intensity (toe/10^3 2015 USD)[2]	0.11
CO_2 emissions - energy ($MtCO_2$)[3]	3.0

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Electric power generation, transmission and distribution	1 new project	Turkey: 1 RE project of 0.13 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Palestine is the destination of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

Palestine's overall risk level against the assessed areas is **moderate**.

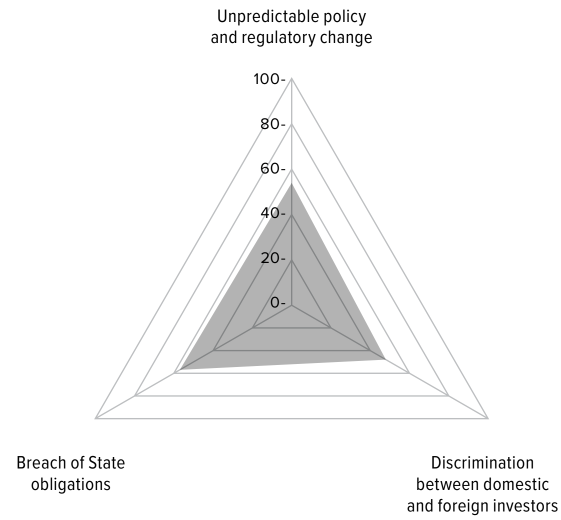
Of the three risks assessed in EIRA, *discrimination between domestic and foreign investors* is lower compared to *unpredictable policy and regulatory change* and *breach of State obligations*.

Palestine's performance against EIRA's four indicators is moderate. Its score is 57 on the indicators *regulatory environment and investment conditions* and *management of decision-making processes*. On *rule of law*, its score is 43. Its score on the indicator *foresight of policy and regulatory change* has improved by seven points and stands at 41.

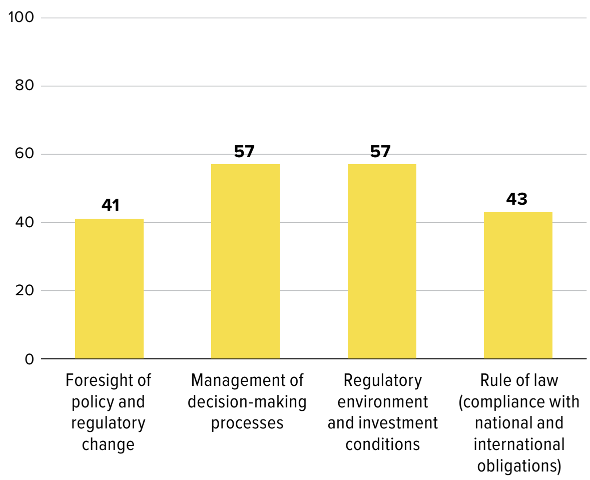
On a more detailed level, Palestine's overall sub-indicator performance is moderate. The highest-scoring sub-indicator is *restrictions on FDI* with a good score of 70. It has maintained the scores from last year on *institutional governance* (69) and *management and settlement of investor-State disputes* (60). The score on *robustness of policy goals and commitments* has improved by 12 points and now stands at 50. Its score is 44 on the sub-indicators *regulatory effectiveness* and *transparency*. On *communication of vision and policies*, it has the same scores as in EIRA 2020 (31). *Respect for property rights* is the lowest-scoring sub-indicator at 25.

While there are some improvements observed in Palestine's performance compared to EIRA 2020, further steps must be taken to build on the work done. Particular attention should be given to reinforcing the respect for property rights.

RISK LEVEL



INDICATOR PERFORMANCE

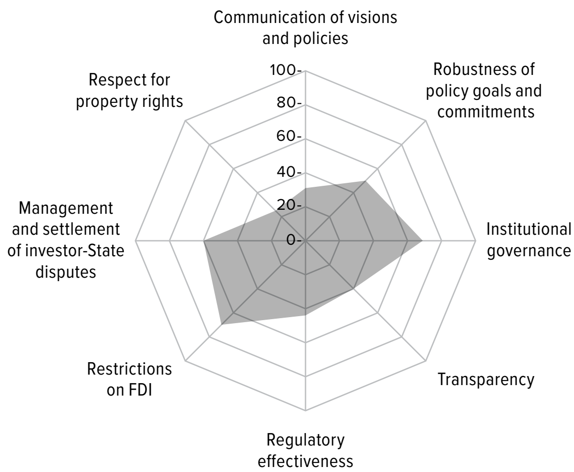


YEAR-ON-YEAR COMPARISON

RISK AREAS	2019	2020	2021
Unpredictable policy and regulatory change	58	56	53
Discrimination between domestic and foreign investors	48	48	48
Breach of State obligations	58	57	57

INDICATORS	2019	2020	2021
Foresight of policy and regulatory change	28	34	41
Management of decision-making processes	55	56	57
Regulatory environment and investment conditions	57	57	57
Rule of law	43	43	43

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE **41**

Foresight of policy and regulatory change

QUICK FACTS

The Comprehensive National Strategy for the Energy Sector in Palestine (2017-2022) sets the national priorities for the energy sector.

The first Work Plan for the 18th Government (Work Plan) was approved through Cabinet Session Decision no. 6 on 25 May 2019.

STRENGTHS

To lower its electricity import and increase reliance on local energy sources, Palestine plans to generate 300-500 MW of power from domestic renewable sources by 2030. To this end, the Palestine Investment Fund recently inaugurated the Noor Jenin PV Solar Plant at an operating capacity of 5 MW. This power plant is part of the Noor Palestine Solar Energy Programme, which targets power generation of 200 MW exclusively from solar energy. The programme includes other critical projects, such as the Noor Jericho PV solar power plant. Moreover, in September 2020, the Palestinian Council of Ministers (CoM) issued its Decision no. 76 approving the Infrastructure Permanent Ministerial Committee's recommendations to prioritise the projects listed in the 2020 Palestinian Energy and Natural Resources Authority (PENRA) budget, especially those in marginalised areas.

In October 2020, the General Secretariat of the CoM published the performance report on the 18th Government's first year of work, from 15 April 2019 to 15 April 2020. It also made 890 assignment letters for different Government committees to take the necessary actions envisaged in the Work Plan. In February 2021, the Palestinian Central Bureau of Statistics (PCBS) published the statistics for 2019 on the energy balance online. It also uploaded data on the total energy supply by year and resource type from 2009-2019, the final energy consumption by sector and resource type from 2009-2019, and the population percentage with electricity access by year, region and locality from 2007-2019. In April 2020, the PCBS also launched the Sustainable Development Goals Statistical Report, and in May 2020, it published a report on the performance of the Palestinian economy during 2019.

AREAS FOR IMPROVEMENT

There should be evidence-based targets and performance indicators set to benchmark the progress made towards achieving the energy objectives. Regular data collection, follow-up, and evaluation should be strengthened in the ministries and public institutions.

Palestine needs a robust policy framework to underpin its efforts in scaling up renewable electricity production and consumption. As a starting point, it should revise the General Strategy for Renewable Energy to reflect the current needs, priorities, and realities of Palestine and provide for adequate procedures to ensure the revised strategy's implementation.

INDICATOR 2

SCORE **57**

Management of decision-making processes

QUICK FACTS

PENRA is the main policy-making body for the electricity sub-sector.

The Ministry of National Economy is the central authority responsible for formulating energy policies.

STRENGTHS

In 2019/2020, the CoM issued 285 recommendations on critical issues and took decisions on 147 of these recommendations. For instance, in December 2020, it approved the cancellation, merger and annexation of 30 non-ministerial Government institutions to enhance the quality of public services, improve coordination, remove duplication of roles and functions and rationalise Government expenditures. The General Secretariat of the CoM supported the different ministerial committees in carrying out their tasks and coordinated 364 meetings. It made recommendations for the CoM on decisions regarding these committees' work. In the energy sector, PENRA collaborated with the governorates to organise awareness programmes on solar technology. There are plans to conduct further trainings for qualified cadres on installing renewable energy systems and actions to reduce energy consumption costs.

In May 2020, the Palestinian Anti-Corruption Commission published the Cross-Sectoral National Strategy for Enhancing Integrity and Combating Corruption 2020-2022. The Commission also published, in September 2020, its annual report for 2019. Apart from this, monthly activity reports are available on its website for the first six months of 2020. The PCBS and the Palestine Monetary Authority published the preliminary results of the Foreign Investment Survey of Resident Enterprises in Palestine as of 2019. This survey is the main tool for collecting and analysing information on Palestine's international investment position.

AREAS FOR IMPROVEMENT

The draft law on access to information should be enacted as soon as possible. It should define the scope of application, the procedure to obtain information and the obligation of public authorities to facilitate the flow of information. There should also be definitive timelines set for receiving suggestions, comments and feedback from the public. The timeframe of the consultation should depend on the issues raised and the number of affected people.

A recent amendment to the Law on Anti-Corruption requires the Palestinian President to appoint the Head of the Anti-Corruption Commission based upon the recommendation of the CoM. However, the appointment does not need the approval of the Palestinian Legislative Council's absolute majority. The reduced role of the legislature may undermine the Commission's independence, though it will prevent the office from falling vacant if the Legislative Council is not in session.

INDICATOR 3

SCORE 57

Regulatory environment and investment conditions

QUICK FACTS

The Palestinian Electricity Regulatory Council (PERC) regulates the electricity, renewable and energy efficiency sub-sectors.

Law no. 1 of 1998 "On the Encouragement of Investment in Palestine" (Investment Law), as amended, provides the legal framework for investment activities.

STRENGTHS

In 2020, PENRA's leadership met with local authorities to discuss electricity access in the governorates. PENRA apprised them of the energy projects it intends to undertake to improve the electricity services. It is also preparing a study to measure the electricity needs of all population groups in the next 15 years. The study will outline the projects that will be implemented to address the electricity deficit and meet the demand volume. PERC recently published the solar energy purchase prices for 2020. It also amended the net metering instructions and set the calculation mechanism for the 2020 net metering system.

By the end of the third quarter of 2020, the total foreign investment stock in resident Palestinian enterprises was USD 5,395 million. Of this, FDI contributed to 51%, while portfolio investments accounted for 12%. Decree-Law no. 33 of 2020 amends the Investment Law to state that electricity generated from fossil fuel will no longer be eligible for tax incentives. PENRA is looking to increase investment in renewable electricity. In November 2020, it publicised investment opportunities for generating and distributing solar electricity in some Gaza Strip governorates. Moreover, in December 2020, it announced an investment programme to promote renewable electricity production and self-consumption by small and medium enterprises. To support this work, on 2 February 2021, the CoM approved recommendations on leasing, authorisation and investment of Government land for developing solar energy projects, among others.

AREAS FOR IMPROVEMENT

Since reinvestment and newly registered investment continue to be primarily by local investors, more efforts are needed to increase the share of foreign investment. To this end, a unified legal framework should be created on the establishment and registration of companies, bankruptcy, competition and IP rights.

Improving power reliability and access will require considerable structural changes to regulatory procedures. Palestinian authorities must develop unified photovoltaic system installation standards and codes to harmonise operators' practices. Moreover, before obtaining new licences, photovoltaic system operators must prepare and submit grid impact studies to assure that any additional capacities will not damage the grid. These studies should be evaluated and assessed by professional and experienced parties before approving any project.

INDICATOR 4

SCORE 43

Rule of law

QUICK FACTS

Palestine acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards on 2 February 2015.

Conditions for the expropriation of land are envisaged in Law no. 2 of 1953 "On Land Acquisition" as amended.

STRENGTHS

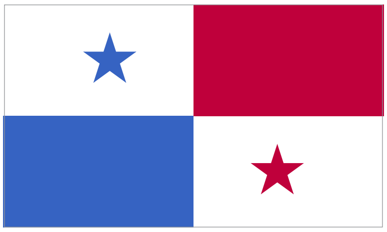
The Palestinian judiciary is making efforts to improve its case management mechanisms and implement judicial reforms. In February 2021, the Supreme Judicial Council approved its organisational structure that has remained unchanged since 2006. The proposed structure aims to streamline the Council's administrative work and allow for its horizontal expansion. It is also planning to link its electronic case management system, "Al-Mizan" with the Government data carrier managed by the Ministry of Telecommunications and Information Technology. The merger of the electronic systems will allow litigating parties to make electronic payments. The courts will also benefit from the postal coding system that can facilitate access to any third parties required for a legal case, thus shortening the proceedings' length. In May 2020, the Court of Cassation authorities adjudicated on a record 241 civil appeals and five requests, whereas it received 40 civil appeals and seven requests during the same period.

The Basic Law continues to uphold the property rights of investors. The Law on Land Acquisition states that if the expropriating authority and the landowner are not in agreement regarding the compensation amount, the matter must be settled by a domestic court. It also lists conditions that the court must bear in mind while making its decision. The landowner should be compensated only based on a registration officer's certificate, indicating that the land is not subject to debt insurance. If a debt secures the land, the amount will be deposited in the treasury fund. Plans are currently underway to place new criteria for the purchase of real estate by non-Palestinian nationals.

AREAS FOR IMPROVEMENT

The establishment of specialised commercial courts will foster trust and build investors' confidence in the legal system's efficiency. An ombudsperson may also be established to deal with conflicts arising between investors and public authorities during projects.

Efforts towards creating a comprehensive land registry should be expedited. The process of issuing land registrations should also be simplified. The Law on Acquisition should be updated to reflect best practices and grant investors more protection. It should stipulate which authority will decide whether a case for expropriation exists. A timeline for paying compensation to the affected investor and an explanation for the intended use of the acquired property can also be included in this law.



Panama

Population[1]	4,176,873
Area (km^2)[1]	75,320
GDP per capita (USD)[1]	15,592.57
TES (Mtoe)[2]	4.3
Energy intensity (toe/10^3 2015 USD)[2]	0.07
CO_2 emissions - energy ($MtCO_2$)[3]	9.3

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Electric power generation, transmission and distribution	2 new projects 2 acquisition deals	Netherlands: 1 RE project of 895 mEUR United States of America: 1 RE deal of 500.3 mEUR United Kingdom: 1 FF deal of 31.5 mEUR Bermuda: 1 RE project of 15.8 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Panama is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

FF: Electricity generation from fossil fuels

Panama's overall risk level against the assessed areas is **low**.

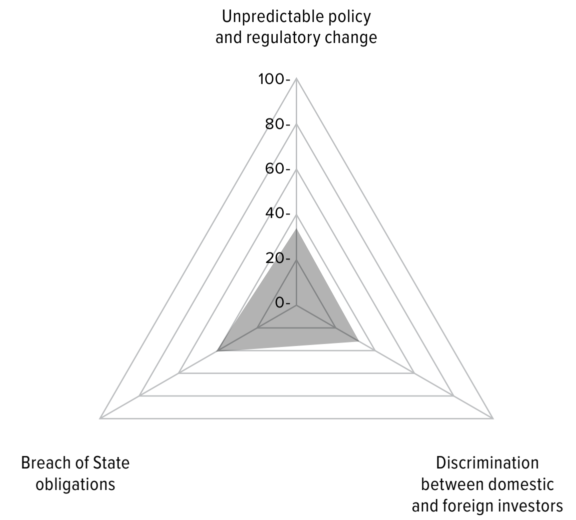
Of the three risks assessed in EIRA, *discrimination between domestic and foreign investors* is lower compared to *unpredictable policy and regulatory change* and *breach of State obligations*.

Panama's performance is good on three indicators, and it is moderate on one indicator. It has a score of 77 on *management of decision-making processes* and 67 on *regulatory environment and investment conditions*. Its score on *foresight of policy and regulatory change* has increased and now stands at 61. On *rule of law*, it has a score of 59.

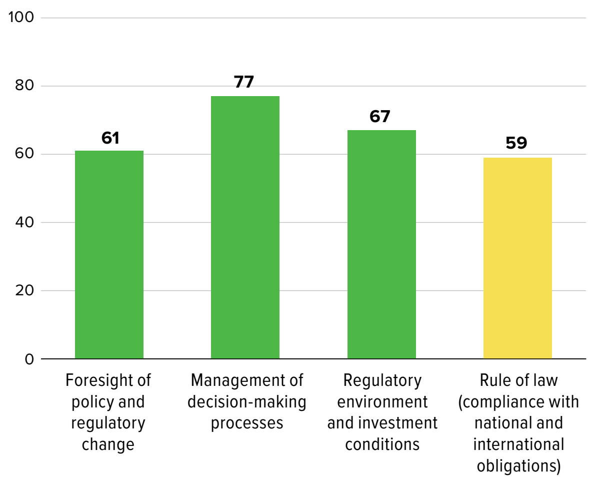
On a more detailed level, Panama's sub-indicator performance is good. The highest- scoring sub-indicator is *transparency* at 92, followed by *robustness of policy goals and commitments* at 83 and *restrictions on FDI* at 70. The sub-indicators *regulatory effectiveness* and *institutional governance* stand at 64 and 63, respectively. Its performance on the indicators *management and settlement of investor-State disputes* (60) and *respect for property rights* (58) is moderate. The score on *communication of vision and policies* has increased from 29 to 39.

While Panama has the relevant policies and measures in place, there is potential for improvement. Attention should be given to better communicating the country's vision and policies.

RISK LEVEL



INDICATOR PERFORMANCE

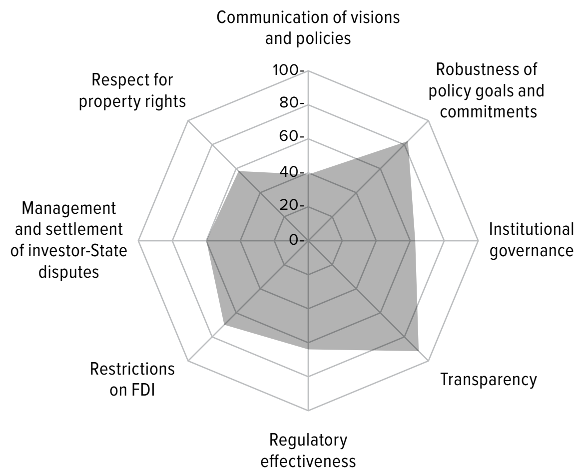


YEAR-ON-YEAR COMPARISON

RISK AREAS	2019	2020	2021
Unpredictable policy and regulatory change	37	37	34
Discrimination between domestic and foreign investors	32	32	32
Breach of State obligations	41	41	41

INDICATORS	2019	2020	2021
Foresight of policy and regulatory change	52	52	61
Management of decision-making processes	77	77	77
Regulatory environment and investment conditions	67	67	67
Rule of law	59	59	59

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE **61**

Foresight of policy and regulatory change

QUICK FACTS

The National Energy Plan 2015-2050 sets the path to developing Panama's energy sector. In November 2020, the Strategic Guidelines for Panama's Energy Transition Agenda (Energy Transition Agenda) was published in the Official Gazette.

In December 2020, Panama submitted its updated NDC.

STRENGTHS

Panama has pledged to become carbon-neutral by 2050 in its updated NDC, which sets a higher target than its predecessor. Under the Business-as-Usual scenario, it aims to cut energy sector emissions by at least 11.5% by 2030 and about a quarter by 2050. It has also reaffirmed its commitment to have by 2050 30% of the installed capacity from non-conventional renewable energy sources. The "4D" concept drives the 2020 Energy Transition Agenda: Decarbonisation, Decentralisation, Democratisation and Digitalisation. Based on this concept, the Agenda identifies universal access, efficient use of energy, electric mobility, innovation of the National Interconnected System (SIN), and distributed generation as the five priorities of the electricity sector. Apart from this, it also outlines strategies for the hydrocarbon sector's sustainable development. Following the Panama Canal expansion, the Government aims to turn the country into an energy hub for LNG. To do so, it intends to develop a national hydrocarbons policy, with support from external organisations and stakeholders and adopt legislation to provide the LNG business with free infrastructure access. The Agenda also foresees the establishment of a Hydrocarbons Sector Committee that will review existing laws and decrees and analyse the country's legal and regulatory framework against international standards and practices.

The Energy Transition Agenda establishes the National Energy Transition Council (NECT) to support the National Secretariat of Energy (SNE) and the National Authority of Public Services (ASEP) in policy monitoring and evaluation. The NECT will comprise Government officials and external parties and monitor the implementation of the targets outlined in the Agenda. In 2021, the Ministry of the Environment and the SNE will launch, with support from the Partnership for Market Readiness of the World Bank, a monitoring, reporting and verification mechanism to automate the quantification and periodic analysis of GHG emission reductions. SNE's website has exhaustive information on the energy market and a list of implemented and potential projects.

AREAS FOR IMPROVEMENT

The Energy Transition Agenda establishes goals for the country's energy development. The Government is encouraged to continue preparing action plans that will guide the set of goals. The achievement of these goals within the foreseen timeframe will largely depend on public authorities' ability to establish a regulatory framework to support the implementation of the policy measures.

INDICATOR 2

SCORE **77**

Management of decision-making processes

QUICK FACTS

The SNE is responsible for developing the country's energy policy.

Panama enacted Law no. 6 on Transparency in Public Management and the Establishment of the Habeas Data Action (Law on Transparency) in 2002. A revised version is currently under consultation.

STRENGTHS

The Energy Transition Agenda is the result of the joint efforts of multiple ministries and public entities. Its chapter 2 identifies actions to reinforce the institutional capacity of public entities, such as energy planning and digitisation of SNE processes. An Energy Cabinet has been established to ensure coordination and foster dialogue among all actors involved in implementing the Energy Transition Agenda. In 2020, the Government introduced significant changes in the national fiscal framework. For instance, it created a Fiscal Council (FC) comprising three independent public finance and macroeconomics experts. The FC is expected to evaluate the macro-fiscal policy in collaboration with the Ministry of Economy and Finance and issue a non-binding report on fiscal plans and performance.

The National Transparency and Access to Information Authority (ANTAI) seeks to advance the transparency and open data agenda. The 2020 Open Government Partnership's independent report on Panama's implementation of the 2017-2019 Action Plan emphasises the role of the civil society and ANTAI in the assessment process. Furthermore, ASEP is following through on its commitment to increase citizens' participation by conducting stakeholder consultation on the public distribution and marketing services tariff regime. In a similar vein, the Ministry of Commerce and Industries, in coordination with the SNE, has launched consultations on various projects, including the technical specifications for the commercialisation of inverter-type air conditioners and the specifications for quantifying and reporting GHG emissions. The SNE has also organised seminars with municipalities on energy efficiency in public buildings and energy production in small-scale plants near the point of consumption.

AREAS FOR IMPROVEMENT

The Government should increase its efforts to create a one-stop shop and a single window to relieve private investors of the administrative burden related to multiple and lengthy registrations, licence procurement, and permit applications.

INDICATOR 3

SCORE 67

Regulatory environment and investment conditions

QUICK FACTS

ASEP is responsible for the control and supervision of public services, including the national electricity market.

The hydrocarbons sub-sector is regulated by SNE, which is organised under the Ministry of the Presidency.

Law no. 54/1998 on Investment Stability was enacted to ensure equality of treatment between national and foreign investors.

STRENGTHS

ASEP continues to perform its functions effectively. In 2020, it conducted some 180 inspections to ensure that distribution companies comply with quality standards. In September 2020, ASEP presented its budget proposal amounting to 25.1 million Panamanian Balboa before the designated Committee of the National Assembly. Following ASEP's approval, in 2020, the Empresa de Transmisión Eléctrica (ETESA) prepared a plan to expand the SIN. It also organised two auctions to construct new transmission lines that will transport energy from various parts of the country to the new Panama III substation in the Panama City area. Moreover, in 2021, ETESA will invest more than USD 5 million in installing a new transformer (T1) of 100 MVA, which will allow greater power delivery to the distribution company.

The Government has expanded its fiscal incentive regime to promote investment. Law no. 159/2020 was enacted in 2020 to provide tax benefits to multinational companies operating in Panama and providing manufacturing services, such as quality control and stability testing. Fiscal, migratory and labour incentives are already in place for gas and renewable (wind, solar, biomass) power generation. Three natural gas projects have been granted licences, and one is already in operation. Moreover, a 66 MW wind power plant in the Province of Cocle is under construction, and 25 MW of solar photovoltaics in the Central Region of Panama will be operational by 2021. Furthermore, 46.1 MW of installed solar energy capacity for distributed generation (self-consumption modality) is in place and showing exponential growth.

AREAS FOR IMPROVEMENT

The Government should lower barriers in hiring skilled and technical foreign personnel that can help achieve some short-term objectives, such as promoting the local workforce, but are perceived as restrictive by foreign investors.

INDICATOR 4

SCORE 59

Rule of law

QUICK FACTS

Panama ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States in 1996.

Panama acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 1984.

Arbitration in Panama is governed by Law no. 131/2013 on Domestic and International Commercial Arbitration.

STRENGTHS

Starting with the adoption of Law no. 15/2008 On Digital Transformation of Judicial Proceedings, Panama has introduced reforms to improve access to justice and modernise legal processes. These reforms concern the digitalisation of the judicial management system, thus allowing the updating of judicial services and electronic filing. Case hearings can now be conducted by videoconference or through other forms of technology-aided communication. Foreign awards are enforced subject to the limited grounds for challenge exhaustively listed in national law and international treaties. This approach aims to prevent local courts from reviewing the merits of the dispute. The country also has a favourable legal structure for the enforcement of foreign judgements. The exequatur procedure requires a foreign judgement to comply with public policy, as established in Article 156 of the Code of International Private Law and Article 1421 of the Judicial Code of Panama.

National laws are sufficiently robust to prevent arbitrary expropriation of foreign investments, including IP rights. Recently, an ICSID tribunal ruled in favour of the State of Panama in a case concerning trademarks as a protected form of investment under the US–Panama Trade Promotion Agreement. The Intellectual Property Law no. 35/1996, as amended by Law no. 61/2012 and regulated by the Executive Decree no. 85/2017, fulfils the TRIPS requirements. The General Offices of Copyright and the Industrial Property Registry (DIGERPI) at the Ministry of Commerce and Industries are responsible for ensuring compliance with the IP regime.

AREAS FOR IMPROVEMENT

The Government may consider establishing an investment ombudsperson to deal with grievances of foreign investors against the public authorities. It can seek guidance from the Energy Charter Model Instrument on Management of Investment Disputes that aims to assist States in handling investment disputes while keeping in mind their own particular needs and circumstances.

The existing legislation should be updated to include a definition of "public interest" as grounds for expropriation of private property and set a timeframe for paying compensation to the affected parties.

Republic of Moldova

Population[1]	2,708,214
Area (km^2)[1]	33,850
GDP per capita (USD)[1]	4,230.35
TES (Mtoe)[2]	4.07
Energy intensity (toe/10^3 2015 USD)[2]	0.47
CO_2 emissions - energy ($MtCO_2$)[3]	8.0

There is no data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021

Sources:
1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.

Moldova's overall risk level against the assessed areas is **very low**.

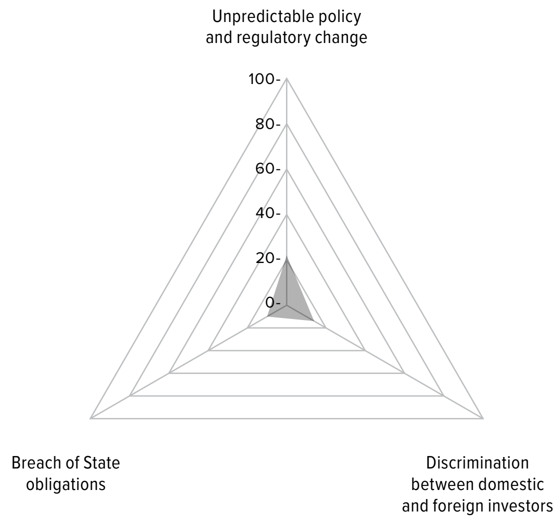
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *discrimination between domestic and foreign investors* and *unpredictable policy and regulatory change*.

Moldova's performance is very good on three indicators, and it is good on one indicator. It has very good scores on the indicators *rule of law* (90), *regulatory environment and investment conditions* (85), and *management of decision-making processes* (83). Its score on *foresight of policy and regulatory change* has decreased this year and stands at 61.

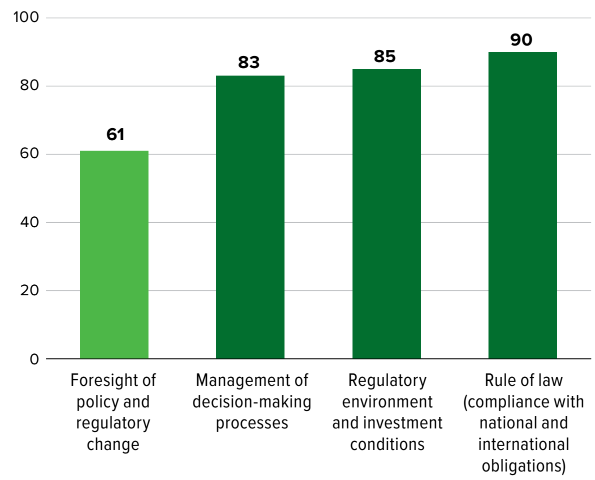
On a more detailed level, Moldova's overall sub-indicator performance is very good. The highest-scoring sub-indicators are *regulatory effectiveness* and *respect for property rights* (100). Compared to EIRA 2020, there have been no changes to its scores on *transparency* (85), *institutional governance* (81), *management and settlement of investor-State disputes* (80), *restrictions on FDI* (70), and *robustness of policy goals and commitments* (63). On *communication of vision and policies* its score has decreased from 63 to 61.

Moldova provides attractive conditions to investors and is working in the right direction. Attention should again be given to better communicating the country's vision and policies.

RISK LEVEL



INDICATOR PERFORMANCE

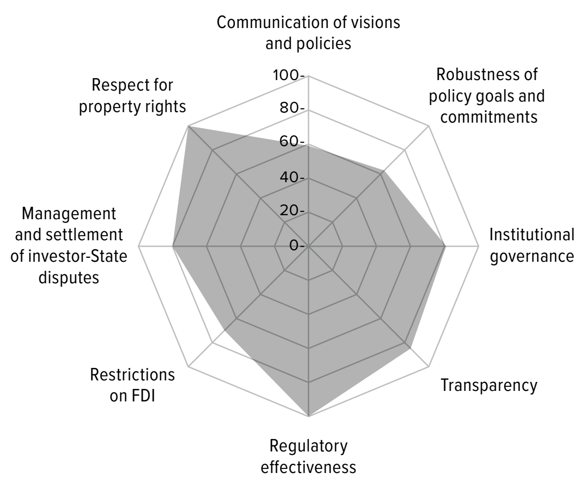


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	21	21	21	22
Discrimination between domestic and foreign investors	14	14	14	14
Breach of State obligations	10	10	10	10

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	64	63	63	61
Management of decision-making processes	83	83	83	83
Regulatory environment and investment conditions	85	85	85	85
Rule of law	90	90	90	90

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 61

Foresight of policy and regulatory change

QUICK FACTS

The main policy document guiding Moldova's energy sector is the Energy Strategy of the Republic of Moldova until 2030. A revised version of the Energy Strategy 2030 is under consultation with stakeholders.

In 2020, Moldova became the fourth country to submit its updated Paris Agreement NDC.

STRENGTHS

Energy security and the diversification of electricity and gas supply remain the highest priorities for Moldova's energy sector. The long-awaited 120 km gas pipeline from Ungheni to Chisinau is now operational. It will allow for up to 1.5 Bcm/year of gas to flow from Romania to the main demand centres in Moldova. The Government has made good progress in the field of climate policy. The country's updated NDC reflects its commitment to reduce the net GHG emissions under the unconditional scenario, from 43.4 Mt in 1990 to 12.8 Mt in 2030, which is 3.4 times less during a 40-year timeframe. Additionally, the country's new economy-wide unconditional target is to reduce its GHG emissions by 70-88% below its 1990 level in 2030, instead of the 64-67% previously committed.

The Ministry of Economy and Infrastructure, the National Energy Regulatory Agency (ANRE), and the Energy Efficiency Agency are the entities responsible for implementing the national energy goals. The National Bureau of Statistics collects and processes energy statistics. The 2020 version of the NDC outlines associated interventions, responsible agencies and estimated financial resources. Reporting is conducted regularly. In the second half of 2020, Moldova submitted to the Energy Community Secretariat its fourth Annual Report under the Energy Efficiency Directive as well as its 2019 Security of Supply statement.

AREAS FOR IMPROVEMENT

The Government is revising a number of strategic documents, including the Energy Strategy 2030, the National Energy Efficiency Action Plan, and the National Renewable Energy Action Plan. The timely adoption of these documents, outlining priorities and desired outcomes, is essential because it will provide clear guidance to investors on the Government's vision and objectives for the energy sector.

The Government plans to diversify its energy mix by increasing the share of renewables beyond the 2020 target. Thus, in addition to setting a new renewable energy target for 2030, it should establish an enabling regulatory framework to attract investment through competitive procurement, support schemes, and simplified administrative procedures.

A clear demarcation of monitoring and implementation functions performed by public institutions will ensure independence and objectivity in the policy monitoring and evaluation process.

INDICATOR 2

SCORE 83

Management of decision-making processes

QUICK FACTS

The Ministry of Economy and Infrastructure formulates the national energy and investment policies.

The Invest Moldova Agency acts as an investment promotion centre and a single window.

STRENGTHS

Following the Public Administration Reform Strategy for 2016-2020, the Moldovan public authorities are modernising civil service legislation and administrative processes in line with the Association Agreement with the EU. Key activities in this respect include piloting local one-stop shops for public service delivery, introducing government-wide IT management standards and procedures, and increasing awareness of citizens on the availability of e-services. The establishment of the Environmental Project Implementation Unit in 2018 and of the National Commission on Climate Change (NCCC) in 2020 demonstrates the Government's intention to set clear lines of communication within individual institutions and agencies and improve cross-sectoral coordination of information and strategies. The inter-sectoral Climate Change Coordination Mechanism, led by the NCCC, is a strategic initiative dedicated to addressing climate change.

Law no. 100 of 2017 On Normative Acts provides for an e-legislation system and the publication of all versions of the legislative drafts and additional materials at different stages. The Government's Action Plan (GAP) for 2020-2023 describes the steps to ensure civil society's involvement in developing public policies. To strengthen the impact of reforms, the Government, with the assistance of international donors, supports monitoring of transparency and accountability in public spending. To this end, the Ministry of Finance has partnered with the European Bank for Reconstruction and Development and civil society to implement the pilot of a new electronic procurement system, MTender, which comprises online bidding and real-time publication of open data on public procurement.

AREAS FOR IMPROVEMENT

The Moldova Structural Reform Programme, launched in collaboration with USAID, aims to assist the Government in undertaking business-enabling reforms and bringing public authorities closer to citizens. Therefore, the Government should fully avail of USAID's resources and expertise and establish a one-stop shop at the national level.

The Government must implement transparency rules by ensuring the functioning, accessibility and regular update of e-legislation platforms, and by publishing all draft regulatory acts for public consultation. Moreover, before draft laws are passed, public institutions must publish the summary of comments compiled after the public consultations ended, either on their website or on the Government's designated platform (www.particip.gov.md).

INDICATOR 3

SCORE **85**

Regulatory environment and investment conditions

QUICK FACTS

Law no. 174 of 2017 On Energy and the Regulation On Organisation and Functioning of ANRE (approved by Parliament Decision no. 238 of 2012) consolidate the independence, authority and transparency of ANRE.

The Competition Council oversees compliance with antitrust and State-aid provisions under Law no. 183 of 2012 On Competition and Law no. 139 of 2012.

Equal treatment to domestic and foreign investors is guaranteed under Law no. 81 of 2004 On Investment in Entrepreneurial Activity.

STRENGTHS

In the last year, ANRE demonstrated functional independence and technical expertise in its activities. In August 2020, ANRE adopted electricity market rules to implement Law no. 107 of 2016 On Electricity. These rules require non-discriminatory grid connections for renewable energy producers, priority dispatch and an obligation for the central electricity supplier (Energocom) to purchase the electricity and cover imbalances for eligible producers. Also, it adopted the wholesale market rules transposing the EU Transparency Regulation.

Moldova has undertaken significant reforms embedded within the EU's Third Energy Package and Energy Community acquis. As part of the reforms, it has already restructured and partially privatised the electricity distribution network. The Government also plans to privatise the remaining State-owned electric distribution companies and the electric power supply company while continuing with the unbundling of Moldovagaz, the vertically integrated natural gas monopoly. At the same time, international financial institutions have been financing a significant portion of infrastructure necessary for the synchronous connection of Moldova to the European Network of Transmission System Operators for Electricity (ENTSO-E).

AREAS FOR IMPROVEMENT

Moldova must continue to reform its wholesale market consistent with the requirements of the EU's Third Energy Package. Competition between suppliers will reduce the wholesale cost of electricity, incentivise investment in new power plants, and accelerate technology transfer. Most importantly, it will help the country progress towards its energy self-sufficiency goal.

INDICATOR 4

SCORE **90**

Rule of law

QUICK FACTS

Moldova ratified the ECT in 1996.

Moldova ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States in 2011.

Moldova acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 1998.

STRENGTHS

The GAP for 2020-2023 outlines measures to ensure the independence of the judiciary and prosecution service and the improvement of court administration. To this end, the Government enacted Law no. 76 of 2016 On the Reorganisation of Courts to merge district courts both in terms of administration as well as location. In the same vein, the Government has recently tabled a draft law that introduces an Ombudsman for entrepreneurs' rights to ensure observance of the legitimate rights and interests of entrepreneurs by public authorities. It is anticipated that the Parliament will vote on the draft law within 2021.

According to Law no. 81 of 2004 On Investment in Entrepreneurial Activity investments cannot be subject to expropriation or measures with equivalent effect unless it is for public utility purposes, is not discriminatory, and is accompanied by just compensation. Additional conditions for lawful takings in energy-related projects are provided in the 2018 amendments of Law no. 108 of 2016 On Natural Gas and the Law On Electricity. Local courts recognise and enforce foreign arbitral awards against the Government. In general, there are no restrictions on the transfer of technology.

AREAS FOR IMPROVEMENT

It is essential that the Government follows through with its judicial reform agenda without delay to warrant the independence and effectiveness of the judiciary institutions. In doing so, the Government may rely on international precedents and good practices and consult with civil society and other interested actors.

Rwanda

Population[1]	12,301,939
Area (km^2)[1]	26,340
GDP per capita (USD)[1]	783.28
TES (Mtoe)[2]	N/A
Energy intensity (toe/10^3 2015 USD)[2]	N/A
CO_2 emissions - energy ($MtCO_2$)[3]	N/A

There is no data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.

Rwanda's overall risk level against the assessed areas is **very low**.

Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *discrimination between domestic and foreign investors* and *unpredictable policy and regulatory change*.

Rwanda has a very good performance on two indicators and a good performance on two indicators. It once again has a score of 91 on the indicator *rule of law*. On *management of decision-making processes*, its score has gone up by seven points and stands at 81. Its score on *regulatory environment and investment conditions* has improved from 79 to 80. The score on *foresight of policy and regulatory change* has increased from 67 to 69.

On a more detailed level, Rwanda's sub-indicator performance is very good. *Respect for property rights* continues to be the highest-scoring sub-indicator at 92. On *management and settlement of investor-State disputes* (90), the score remains the same as in EIRA 2020. Rwanda's score on *communication of vision and policies* has gone up from 85 to 88. Its performance on the sub-indicators *restrictions on FDI* (85) and *transparency* (83) remains the same as in EIRA 2020. The score on *institutional governance* has increased by 12 points, from 66 to 78, and on *regulatory effectiveness* it has gone up from 72 to 76. *Robustness of policy goals and commitments* is again the lowest-scoring sub-indicator with a score of 50.

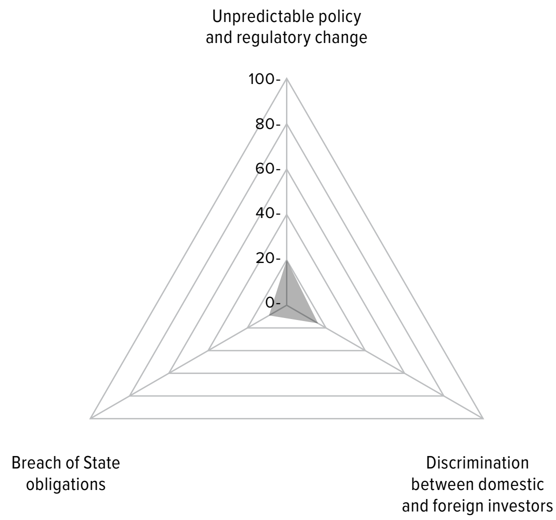
Rwanda provides attractive conditions to investors and is working in the right direction. Attention should be given to strengthening the robustness of its policy goals and commitments.

YEAR-ON-YEAR COMPARISON

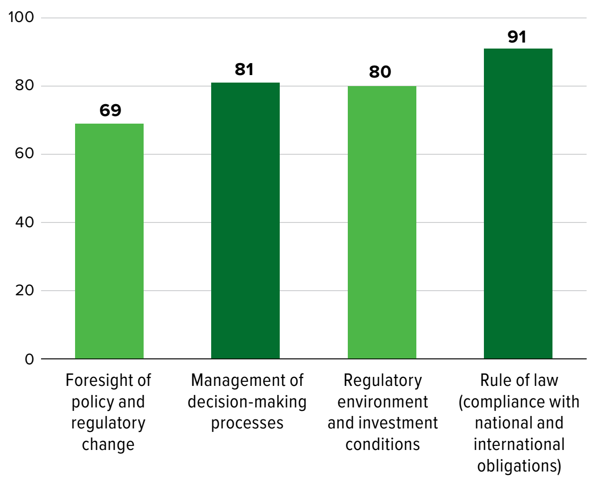
RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	24	24	22	20
Discrimination between domestic and foreign investors	20	20	19	16
Breach of State obligations	9	9	9	9

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	64	66	67	69
Management of decision-making processes	73	73	74	81
Regulatory environment and investment conditions	77	77	79	80
Rule of law	91	91	91	91

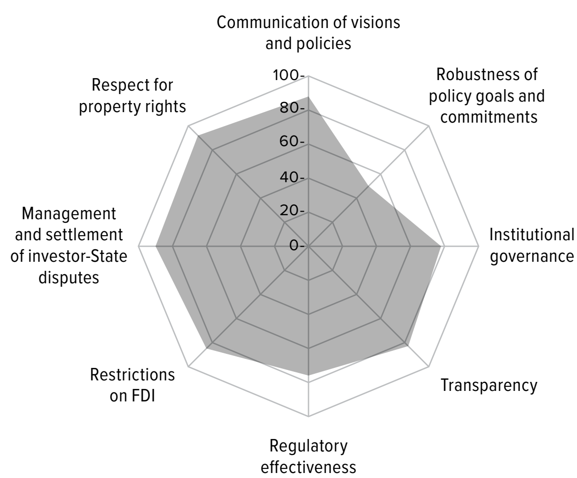
RISK LEVEL



INDICATOR PERFORMANCE



SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE
69

Foresight of policy and regulatory change

QUICK FACTS

In 2018, the Government launched the Energy Sector Strategic Plan for 2018/19-2023/24 (ESSP 2018-2024).

In 2020, the Government of Rwanda updated its NDC for the period to 2030.

STRENGTHS

The Government is making significant efforts to ensure universal energy access by 2024. In the Financial Year 2020-2021, 65% of the population had access to electricity. 47.2% of households were connected to the national grid, and 17.8% had access through off-grid systems. The peak demand increased from 140.61 MW to 151.02 MW in February 2020 due to new electricity connections (an increase of 7.4% compared to the previous year). The installed capacity increased from 226.1 MW to 228.4 MW in June 2020 due to the commissioning of the Nyirantaruko, Mukungu and Kigasa HPPs and the rehabilitation of the Agatobwe plant. Domestic and regional shared power plants contributed 96.5% of the annual generation to the grid, of which independent power producers contributed 55.6%. Grid reliability also improved as the number of power outages reduced from 2,687 to 2,460, and their duration shortened from 1,632 to 1,488 hours per year. Total network losses reduced from 19.39% to 19.10% against a target of 19%. Renewable sources contributed 54.3% to on-grid electricity production. Of this, the share of hydropower was 52.3%, and the remaining 2% was solar. In June 2020, the Rwandan Parliament approved the agreement with the Russian State-owned company, Rosatom, to set up the Centre for Nuclear Science and Technology by 2024 that will support Rwanda's efforts to develop nuclear solutions for different economic sectors.

In the last year, MDAs reported on their annual activities and budget execution. The Ministry of Finance published the General Government Budget Execution Report July-December 2020. In October 2020, the Ministry of Infrastructure (MININFRA) published its Energy Backward Looking Joint Sector Review Report 2019-2020, highlighting the progress made against the sector performance indicators and their corresponding policy actions. Imihigo (public service performance contracts) continues to be a valuable mechanism to assess the performance of the central and local governments. The National Institute of Statistics published the Imihigo 2019/2020 Evaluation Executive Report. The evaluation components used in the report are audits, field visits and verification, evaluation of annual action plans, focus group discussions and interviews. Citizens' participation and satisfaction are also important components of the assessment.

AREAS FOR IMPROVEMENT

The Government should undertake institutional reforms to make the existing monitoring mechanisms independent. Bodies responsible for implementing the energy strategy should be separate from the authority evaluating their work progress.

INDICATOR 2

SCORE
81

Management of decision-making processes

QUICK FACTS

MININFRA is responsible for developing and implementing energy policies.

Law no. 04/2013 Relating to Access to Information enables public access to information of Government agencies and certain private bodies.

STRENGTHS

The President of Rwanda, local governments, and the line ministries have signed Imihigo for the Financial Year 2020/2021. Of all the 2019/2020 Joint Imihigo (where targets were set and implemented by more than two public institutions), the highest performance was in the Energy Joint Imihigo, with an implementation rate of 86.08%. On average, the implementation rate of the Imihigos by districts was 68.44%. Vision 2050 sets a target that public services rendered online should increase from 40% in 2020 to 100% in 2035. In 2020, the Government of Rwanda updated its NDC for the period up to 2030. Per the updated NDC, an Environment and Climate Change Thematic Working Group (E&CC TWG) will host a technical working committee to implement Rwanda's NDC. The E&CC TWG will act as the national coordinator for all public authorities that implement sector-specific mitigation, adaptation, financial and capacity-building measures.

In May 2020, the Rwanda Law Reform Commission published its second compendium of laws that integrates the various modifications, insertions and repeals introduced to the original text of the laws. With this compendium, users no longer need to locate amendments to laws in different Official Gazettes of the Republic of Rwanda. In June 2020, MININFRA released the Stakeholder Engagement Plan (SEP) for the multi-donor Rwanda Energy Access and Quality Improvement Project. The SEP will help define a process to effectively engage with local and affected communities in the project's development, outputs, and results. On 14 December 2020, Rwanda replaced its transfer pricing rules from 2007 with a new version in line with the OECD guidelines and anti-base erosion and profit shifting recommendations. Among others, the new rules apply to a transaction between non-resident related persons if the transaction concerns a permanent establishment of one of those persons in Rwanda.

AREAS FOR IMPROVEMENT

In line with the EIRA recommendations, Rwanda's updated NDC outlines a clear procedural and institutional framework for its implementation. The Government is encouraged to continue its work on filling any gaps in the production and collection of timely, reliable, accurate environment and climate change data. In particular, it should focus on establishing mechanisms to monitor green investments and the implementation of environment and climate change-related commitments on a regional, continental, and global level.

INDICATOR 3

SCORE **80**

Regulatory environment and investment conditions

QUICK FACTS

The Rwanda Utilities and Regulatory Authority (RURA) is a multi-sectoral body regulating electricity, renewables, gas and downstream petroleum.

Law no. 006/2021 on Investment Promotion and Facilitation (New Investment Code) became effective from 8 February 2021.

STRENGTHS

In 2019-2020 RURA increased its revenue collection by 10.37% compared to the previous year. It also improved regulatory compliance by conducting site visits to nine projects under construction and operational power plants, mini-grids, and captive power systems. The number of licensed electrical installation practitioners with valid permits increased from 75 to 90 due to stringent enforcement of the regulation on electrical installations. In 2020, RURA also started registering captive power systems as a first step towards developing a regulatory framework to govern such activities. The Government is also developing a regulatory and legal framework for nuclear energy. It established the Rwanda Atomic Energy Board (RAEB) in 2020 to promote the peaceful use of atomic energy for sustainable socio-economic development.

Investment in the energy sector is increasing steadily. By the end of June 2020, the total number of generation licences issued by RURA rose from 31 to 34. The three newly licensed plants have a combined installed capacity of 2.5 MW and are for 25 years each. RURA has also approved two Power Purchase Agreements for Kore (1.352 MW) and Rucanzogera (1.9 MW) HPPs. The New Investment Code lists 12 priority economic sectors, including energy generation, transmission and distribution. It introduces a category of strategic investment projects for which the Cabinet of Ministers can approve special additional incentives. A new 15% preferential corporate income tax rate is now available to an investor involved in electric mobility, provided it fulfils the necessary legal criteria.

AREAS FOR IMPROVEMENT

The New Investment Code could be revised to specify that investors have the right to (1) engage in economic activities of their choice, (2) recruit or dismiss employees, (3) market goods and services, (4) freely establish business management methods, and (5) choose sources of supplies. Such a provision will ensure parity with the treatment offered by Article 4 of the previous Investment Code. Moreover, the New Investment Code introduces a five-year limit on an investment certificate's validity. Such a limit may not be feasible for capital intensive energy projects where initial investment goes beyond five years. Therefore, the Rwanda Development Board (RDB) should take a case-by-case and flexible approach in granting renewals for such energy projects.

A time limit should be set on the number of tenure renewals of the RAEB's Board of Directors to strengthen its institutional and functional independence.

INDICATOR 4

SCORE **91**

Rule of law

QUICK FACTS

Access to arbitration is provided in Law no. 005/2008 on Arbitration and Conciliation in Commercial Matters.

Provisions against expropriation are incorporated in Law no. 32/2015 relating to Expropriation in the Public Interest.

STRENGTHS

The Government is promoting the use of alternative dispute settlement mechanisms to resolve problems with investors. The Kigali International Arbitration Centre received 33 cases from July 2019 to June 2020. Overall, 67% of the new cases were domestic, while 33% were international. The cases registered in 2019-2020 came from eight countries, including India, Singapore, Egypt, China, Kenya and France. There has been an increase in international cases over the last year, which demonstrates the progress of Rwanda towards becoming a major player in international arbitration. The previous Investment Code only referred to "arbitration" as the mechanism for resolving disputes under a written agreement. However, the New Investment Code allows the parties to refer a dispute to an agreed arbitration institution or any other dispute settlement procedure mentioned in the underlying contract.

The New Investment Code states that an investor has the right to own private property, whether individually or collectively. Public authorities can expropriate an investor's property only in the public interest and after the investor is given fair compensation following relevant laws. Article 11 stipulates that the investor's IP rights and legitimate rights related to technology transfer are protected under the national laws. Domestic laws and the international investment agreements signed by Rwanda promote the transfer of technology. Of its four BITs in force, the US-Rwanda BIT prohibits restrictions on Performance Rights in the form of transfer of technology. The Republic of Korea-Rwanda BIT prohibits unreasonable or discriminatory measures concerning the transfer of technology. The BITs with the Belgium-Luxembourg Economic Union and Germany are silent on the subject.

AREAS FOR IMPROVEMENT

An ombudsperson can significantly contribute to addressing the grievances of foreign investors and provide them with advisory services. Alternatively, the RDB's mandate can be expanded to include representation of foreign investors before the Government. The Government may seek guidance from the Energy Charter Model Instrument on Management of Investment Disputes that aims to assist States in handling investment disputes while keeping in mind their needs.

Compensation for expropriating private property should be paid without delay and within the timeframe stipulated in domestic law. The Government should consider imposing penalties for non-compliance by amending the Law relating to Expropriation in the Public Interest.

Senegal

Population[1]	15,854,360
Area (km^2)[1]	196,710
GDP per capita (USD)[1]	1,465.59
TES (Mtoe)[2]	4.57
Energy intensity (toe/10^3 2015 USD)[2]	0.21
CO_2 emissions - energy ($MtCO_2$)[3]	8.1

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	**Number of projects and deals**	**Project CapEx and deal value (million EUR) by source country**
Electric power generation, transmission and distribution	2 new projects	France: 2 RE projects of 57 mEUR
Manufacture of refined petroleum products	1 new project	Canada: 1 project of 1.7 mEUR
Mining of uranium and thorium ores	1 new project	Egypt: 1 project of 4 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Senegal is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

Senegal's overall risk level against the assessed areas is **low**.

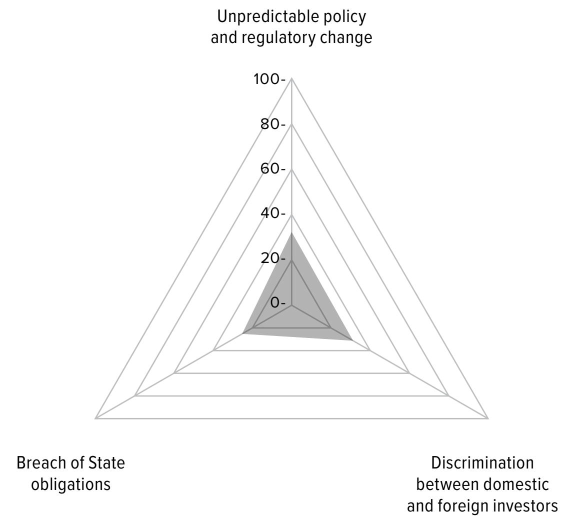
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *discrimination between domestic and foreign investors* and *unpredictable policy and regulatory change*.

Senegal's performance is good on two indicators, and it is moderate on the two remaining indicators. *Rule of law* is the highest-scoring indicator at 75, followed by *management of decision-making processes* at 72. It score is 60 on the indicator *regulatory environment and investment conditions*. On *foresight of policy and regulatory change*, its score has improved by three points and is now 56.

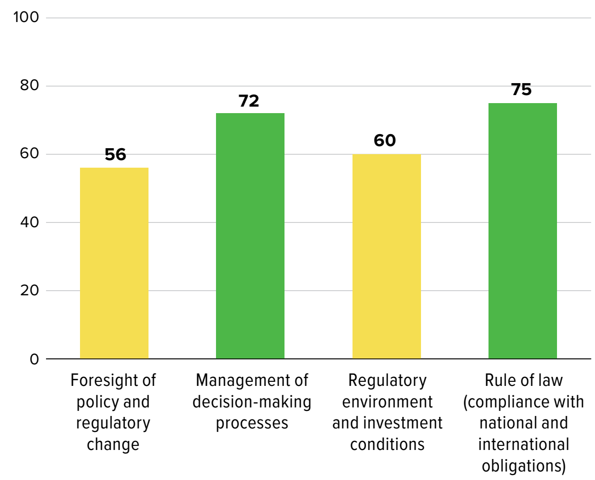
On a more detailed level, Senegal's overall sub-indicator performance is good. The highest-scoring sub-indicator is *institutional governance* at 94. Its score on *management and settlement of investor-State disputes* and *respect for property rights* is 75. On *restrictions on FDI* and *communication of vision and policies* it has scored 70 and 56, respectively. Senegal has improved its score on the sub-indicator *robustness of policy goals and commitments*, which now stands at 55. *Transparency* and *regulatory effectiveness* are the lowest-scoring sub-indicators, both at 50.

While Senegal has the relevant policies and measures in place, there is potential for improvement. Attention should be given to enhancing transparency and regulatory effectiveness in the country.

RISK LEVEL



INDICATOR PERFORMANCE

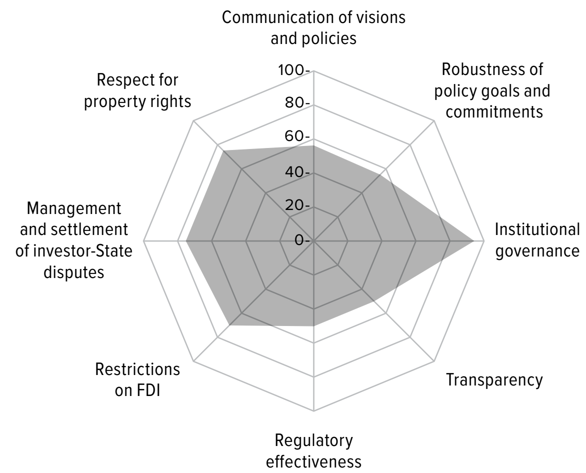


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	33	35	34	32
Discrimination between domestic and foreign investors	30	33	32	31
Breach of State obligations	23	25	25	25

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	53	52	53	56
Management of decision-making processes	70	70	70	72
Regulatory environment and investment conditions	63	58	60	60
Rule of law	78	75	75	75

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 56

Foresight of policy and regulatory change

QUICK FACTS

The Emerging Senegal Plan (PSE) 2014-2035 sets the country's economic and social development strategy.

The Letter of Energy Sector Development Policy was adopted in 2012 and updated in 2019. It is fully integrated within the PSE.

Senegal ratified the Paris Agreement in 2016 and submitted its NDC.

STRENGTHS

Ensuring universal access to clean, modern, and low-carbon energy by 2025 is a critical pillar of the PSE phase II (2019-2023). In line with this ambition, in May 2020, the Government of Senegal secured funding from the Green Climate Fund and the West African Development Bank to deploy 100% solar mini-grids in a thousand isolated villages across Senegal. Moreover, in April 2021, the World Bank announced a USD 300 million pledge to two electrification projects. A third of this financing will enable the electrification of 24% of households currently without access to electricity. Commissioned in 2019, Taiba N'Diaye, the first utility-scale wind farm, already pumps 55 MW of renewable energy into the national grid. When fully completed by 2021, the wind farm will provide a total of 158 MW. In addition, the project developer plans to invest up to USD 20 million in community development efforts over the wind farm's 20-year lifespan.

The Senegalese Rural Electrification Agency (ASER), under delegation by the Ministry of Petroleum and Energy (MPE), is responsible for channelling concessional funding, easing grid connectivity for beneficiaries of the concessional funding, and facilitating access to productive users of energy. ASER's rural electrification programme is registered under the United Nations Framework Convention on Climate Change Clean Development Mechanism. The latter offers a recognised monitoring, reporting and verification framework that enables international donors to track the GHG impact of invested funds over time and subsequently integrate them into Senegal's NDC accounting and reporting. In parallel, ASER participates in various regional initiatives such as the Regional Off-Grid Electricity Access Project overseen by the Economic Community of West African States Centre for Renewable Energy and Energy Efficiency.

AREAS FOR IMPROVEMENT

To replicate the success story of the Taiba N'Diaye wind farm, the Government should design and implement renewable energy auctions that can rapidly scale clean energy at low prices and advance national economic and clean energy goals. Auctions can facilitate an open and transparent procurement process, thereby increasing competition and improving efficiency. Additional investment incentives should include financial instruments and innovative de-risking packages for tendered projects.

INDICATOR 2

SCORE 72

Management of decision-making processes

QUICK FACTS

The Ministry of Petroleum and Energy formulates the energy sector policies.

The Ministry of Investment Promotion, Partnerships and the Development of the State Teleservices is responsible for the national investment planning.

The National Agency for the Promotion of Investment (APIX) provides information on investment procedures and assist investors in obtaining permits and approvals.

Law no. 2021-23 of 2021 On Public-Private Partnership Contracts (PPP Law), was recently adopted by the National Assembly of Senegal.

STRENGTHS

The new PPP Law, adopted after intense collaboration between 20 MDAs, international organisations and members of civil society, introduces a four-tiered institutional framework on public procurement. The overall supervisory control is vested in the Direction Centrale des Marchés Publics. The Comité National d'Appui aux Partenariats Public-Privé acts as an advisory body that gives its opinion to the contracting authorities on whether or not to conclude PPP contracts. The Autorité de Régulation des Marchés Publics and the Inter-ministerial Council have been assigned complementary regulatory functions. The latter takes over the Prime Minister's role in authorising requests to initiate a PPP contracts award procedure. A support fund will also be established to finance the preparation, awarding and execution of the relevant projects.

The PPP Law 2021 introduces innovations to ensure greater transparency, such as establishing a body responsible for the a priori control of public procurement and a regulatory entity to carry out a periodic audit of PPP contracts. The new PPP Law guarantees equity in the treatment of candidates bidding for the project and requires economic operators to respect human rights. The monitoring and evaluation mechanism of the PSE Priority Action Plan (2019-2023) provides for the centralisation of information and other statistical data and their dissemination to both decision-makers and interested stakeholders.

AREAS FOR IMPROVEMENT

The Government should develop an overarching legal framework to integrate transparency in the policy- and law-making process. It should include a defined scope of application, a narrow list of exceptions, and a procedure for obtaining information.

The adoption of the PPP Law 2021 is a commendable effort to modernise the legal regime for PPP projects. The Government should now develop secondary legislation to implement the PPP Law, such as the decrees specifying the nature and prerogatives of the PPP support fund and the relevant regulatory body.

INDICATOR 3

SCORE 60

Regulatory environment and investment conditions

QUICK FACTS

The Electricity Sector Regulatory Commission (CRSE) was constituted under Law no. 98-29 of 1998 On the Electricity Sector, as amended in 2002 and Decree no. 98-333 of 1998 On the Organisation and Functions of the Electricity Sector Regulatory Commission. The CRSE oversees licensing, operation, and sales of electricity and holds a competition mandate in the sub-sector.

In June 2021, the National Assembly adopted a new Electricity Code and an amended Law On the Creation, Organisation and Powers of the CRSE.

The Ministry of Petroleum and Energy regulates the oil and gas sub-sectors.

STRENGTHS

Over the last two years, the Government has embarked on a tariff harmonisation process that brings all electricity tariffs in line with those charged by the national utility, Société nationale d'électricité du Sénégal (Senelec). Operators are compensated for the difference between their cost-reflective and harmonised tariffs through the Special Fund for Energy Sector Support. The CRSE determines the exact levels of the subsidy and the process for obtaining it. Moreover, the CRSE is currently collaborating with stakeholders to develop a Grid Code.

On 1 January 2021, trade commenced under the African Continental Free Trade Agreement (AfCFTA) of which Senegal is a member. The AfCFTA eliminates tariffs on 90% of goods produced on the continent, tackles non-tariff barriers to trade and guarantees the free movement of persons. Starting in January 2020, the Government has focused its attention on the Economic and Social Resilience Programme, seeking to encourage PPPs, lend macroeconomic and financial assistance and support private sector recovery. Locally manufactured goods used to produce renewable energy and companies producing such energy can deduct 30% of their taxable profits when calculating corporate income tax. Similarly, Law no. 2019-03 of 2019 On Petroleum Code offers a range of advantages, including foreign exchange guarantees to oil companies and sub-contractors. It also grants them the right to transfer funds for the contractual amortisation of debts related to their operations in Senegal.

AREAS FOR IMPROVEMENT

The CRSE can become more independent, particularly with regard to recruiting its Commissioners. The selection criteria and process should be competitive and publicly announced.

The PPP Law 2021 substantially modernises the institutional framework for PPP projects and brings greater transparency and simplicity to the award procedure. The Government should consider extending its application to sectors that play an essential role in the national economy but are currently excluded, such as energy and mining.

INDICATOR 4

SCORE 75

Rule of law

QUICK FACTS

Senegal ratified the Convention on the Settlement of Investment Disputes between States and Nationals of other States in 1967.

Senegal acceded to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 1994.

Senegal is a Member State of the OHADA, which has designed and enforced a substantial body of commercial laws among its Member States.

STRENGTHS

The PPP Law 2021 aims to introduce a streamlined and speedy dispute resolution process. It distinguishes between the various stages of a PPP contract to determine the appropriate dispute resolution mechanism. More concretely, any grievances arising from the procurement process are heard by the contracting authority before the parties can initiate any court proceedings. On the other hand, complaints regarding the execution or termination of a PPP contract are heard by the dispute resolution committee of the PPP regulatory body. Should this amicable settlement fail, the parties can refer the dispute to national or international arbitration. Moreover, the PPP Law explicitly states that contracts signed before its entry into force remain valid until the expiry of their term.

BITs, regional investment agreements, and the national laws of Senegal protect private property against expropriation. They also specify that international legal standards apply to any case of expropriation and the payment of compensation. For instance, Senegal's BIT with the Netherlands allows for a prompt review of a decision to expropriate private property, the valuation of the investment, and compensation payment. Senegal is a member of the African Intellectual Property Organization (OAPI), which has established a common system to obtain and maintain patents, trademarks and industrial designs and ensure these are adequately protected. Such protection can be obtained through a single filing either with the OAPI IP office or through the relevant Senegalese agency and is automatically effective in all its Member States.

AREAS FOR IMPROVEMENT

The establishment of commercial courts and the promotion of alternative dispute resolution mechanisms reflect the Government's intention to improve investor-State dispute settlement mechanisms. In light of this goal, the judiciary may consider digitalising commercial court procedures and setting binding deadlines to conclude trials and deliver final judgements.

Sierra Leone

Population[1]	7,650,154
Area (km^2)[1]	72,300
GDP per capita (USD)[1]	533.99
TES (Mtoe)[2]	N/A
Energy intensity (toe/10^3 2015 USD)[2]	N/A
CO_2 emissions - energy ($MtCO_2$)[3]	1.0

There is no data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021

Sources:
1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.

Sierra Leone's overall risk level against the assessed areas is **moderate**.

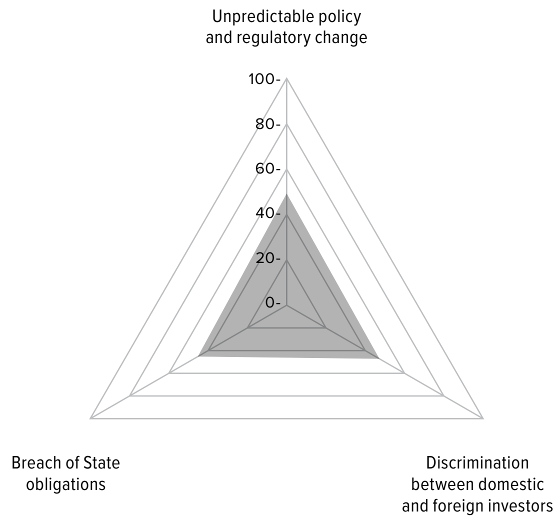
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *discrimination between domestic and foreign investors* and *unpredictable policy and regulatory change*.

Sierra Leone has a moderate performance on all the EIRA indicators. The highest-scoring indicator is *regulatory environment and investment conditions* at 56. Compared to EIRA 2020, its score on the indicator *rule of law* has improved by two points, from 53 to 55. Its score on *foresight of policy and regulatory change* has also increased from 44 to 50. On *management of decision-making processes*, its score is the same as in EIRA 2020 (48).

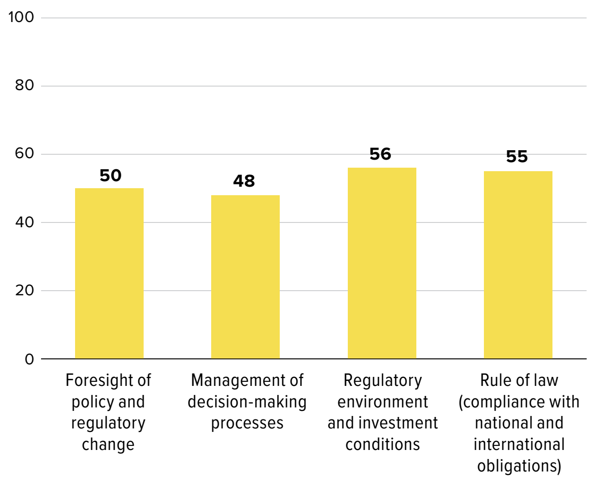
On a more detailed level, Sierra Leone's overall sub-indicator performance is moderate. The highest-scoring sub-indicators are *restrictions on FDI* and *management and settlement of investor-State disputes* at 60. Following these is *regulatory effectiveness* at 52. Its score on the sub-indicator *robustness of policy goals and commitments* has improved by 11 points to reach 50, the same as *communication of vision and policies*, *institutional governance*, and *respect for property rights*. This year *transparency* is the lowest-scoring sub-indicator with a moderate score of 46.

While there are some improvements in Sierra Leone's performance compared to EIRA 2020, further steps must be taken to build on the work done. Particular attention should be given to improving transparency within the country.

RISK LEVEL



INDICATOR PERFORMANCE

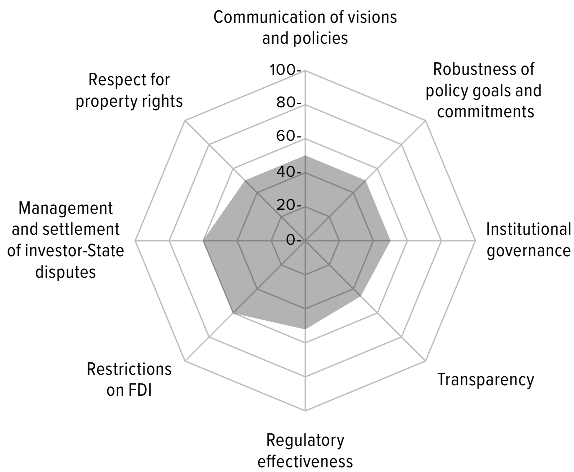


YEAR-ON-YEAR COMPARISON

RISK AREAS	2020	2021
Unpredictable policy and regulatory change	52	49
Discrimination between domestic and foreign investors	48	47
Breach of State obligations	48	45

INDICATORS	2020	2021
Foresight of policy and regulatory change	44	50
Management of decision-making processes	48	48
Regulatory environment and investment conditions	56	56
Rule of law	53	55

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 50

Foresight of policy and regulatory change

QUICK FACTS

The main strategy document of Sierra Leone is the Medium-term National Development Plan (2019-2023).

Sierra Leone is a party to the Paris Agreement since 2016, and it has submitted its first NDC.

STRENGTHS

By the end of 2020, the energy access rate in Sierra Leone improved from 22% in 2019 to 22.9%. The Ministry of Energy plans to increase this further to 28% in 2021. It also aims to expand in 2021 the power generation capacity from 260 MW to 360 MW and the transmission and distribution infrastructure from 450 km to 700 km. To implement these targets, the Electricity Distribution and Supply Authority (EDSA), with support from international agencies, is currently rehabilitating and expanding the 33kV Bo – Kenema distribution network and constructing two substations in the cities. Additionally, the landmark 1,300 km cross-border transmission line that connects Cote d'Ivoire, Liberia, Sierra Leone and Guinea (CLSG) to the West Africa Power Pool regional energy network is expected to commence operations in 2021. The double high voltage 225kV transmission line, traversing seven districts of Sierra Leone. Additionally, a 40 MVA sub-station at Kenema and an 80 MVA sub-station at Bumbuna/Yeiben has been constructed as part of the CLGS project. The Government has also successfully procured a USD 78 million loan to develop the 225 kV Bumbuna/Yeiben-Waterloo transmission network.

In 2021, the Ministry of Energy prepared its performance tracking plan, which lists the outputs expected from 2021 to 2023, the planned activities to achieve these outputs, the lead agency, the funding source and the budget description. Moreover, in December 2020, the Audit Service Sierra Leone (ASSL) submitted to the Parliament the country's accounts for the preceding financial year. The report summarises the financial and compliance audit of local councils and audits the annual financial statements of State-owned enterprises and commissions, donor-funded projects and MDAs. The energy-related MDAs audited in the report are EDSA, the Electricity Generation and Transmission Company (EGTC) and the Ministry of Energy.

AREAS FOR IMPROVEMENT

The Government should adopt a dedicated renewable energy strategy, which describes the actions and activities required to achieve 70% renewable power generation by 2023. In particular, the strategy should set the policy framework for developing, de-risking, and financing mini-grid electrification.

The Ministry of Energy should ensure that gaps highlighted in the ASSL's report, especially the lack of proper documentation relating to the procurement of goods and services and their payment, should be addressed to improve accountability.

INDICATOR 2

SCORE 48

Management of decision-making processes

QUICK FACTS

Sierra Leone has a local governance system comprising five city councils, one municipal council and 13 district councils.

The Ministry of Energy of Sierra Leone formulates and implements energy policies, projects and programmes.

STRENGTHS

The central and local government institutions work closely in various areas, including energy, investment and environment. In July 2020, the PPP Unit in the Vice President's Office conducted training workshops for the Western Area Rural District Council and other stakeholders on the Unit's mandate, scope, and functions. It also trained the Council on how to develop infrastructure projects in the districts using the PPP approach. In June 2020, the Government published the country's Climate Change Communications Strategy under the National Adaptation Plan (NAP) drafted through the collaborative efforts of various MDAs and international agencies. The NAP aims to create awareness, influence behaviour change and facilitate the exchange of information within MDAs, the private sector, citizens and communities on measures to address climate change.

Following the adoption of the Anti-Corruption (Amendment Act) 2019, the Anti-Corruption Commission (ACC) is liaising intensively with MDAs to ensure its implementation. In May 2021, it distributed to over 33 MDAs the new Compliance Sanctions Management and Enforcement Procedure Handbook that guides public institutions on ensuring integrity and accountability in their activities and provides best practices to reduce incidents of corruption. Furthermore, the MDAs are regularly organising public consultations on policy and regulatory matters. For example, in May 2021, the Ministry of Planning and Economic Development consulted the National Assembly, civil society organisations, and the ACC on the country's third Voluntary National Review Report on SDG implementation. The Environmental Protection Agency also concluded consultations on the guidelines to develop small renewable and mini-grid projects. In addition, the Electricity and Water Regulatory Commission (EWRC) held public consultations in January 2021 on the proposed tariff calculations for eight locations. In 2020, it published, for the first time since its inception in 2011, its annual report for 2019.

AREAS FOR IMPROVEMENT

Foreign investors may find themselves engaging with a single ministry in the initial stages of an energy project but face delays and challenges in conducting proper due diligence when other public authorities and ministries become involved. The Government could provide, through the Sierra Leone Investment & Export Promotion Agency (SLIEPA), guidance to energy investors on all the relevant State authorities involved in energy activities and set mechanisms to approach them in a coordinated manner. SLIEPA can also be instrumental in providing investor aftercare to established investments.

INDICATOR 3

SCORE 56

Regulatory environment and investment conditions

QUICK FACTS

The EWRC regulates electricity and water services.

The Petroleum Directorate (PD) monitors upstream petroleum operations.

STRENGTHS

The EWRC is improving the energy sector's regulatory framework and service delivery. It has provided the Ministry of Justice with 13 electricity regulations that will subsequently be submitted to the Parliament for ratification. Moreover, in October 2020, it conducted public consultations on regulations concerning electricity licencing and service provider reporting, complaint handling procedures, tariff rules and uniform accounting system, and captive electricity generation permits. It is also drafting an Interim Electricity Grid Code, which defines rules on network planning, power system operations and demand forecasting, metering and dispute resolution. Discussions are ongoing on the technical requirements to ensure the safety and reliability of network operations and the reciprocal obligations of participants on planning, operation and maintenance of the distribution network. It is anticipated that the Grid Code will also include measures to integrate higher shares of variable renewable energy into the grid.

Over the last years, Sierra Leone has successfully attracted international investors in its solar and oil and gas resources. After concluding the Fourth Offshore Petroleum Licensing Round in February 2020, the PD provisionally allocated 15 offshore blocks to the UK-headquartered Cluff Energy Africa. In April 2021, the Parliament ratified the petroleum licence granting Nigerian-based Innoson Oil & Gas Ltd. exploration and production rights to nine offshore blocks. On 19 April 2021, the UK-based Netoil Oil and Gas Trading Company commenced discussions with the PD to acquire offshore petroleum exploration rights via direct negotiation modalities. Moreover, in January 2021, the off-grid utility provider Winch Energy (jointly owned by Total Eren, Itochu Corporation, Al Gihaz Holdings and Winch Partners) closed funding for solar mini-grid projects in 49 villages across Uganda and Sierra Leone. Apart from Winch Energy, the investment comes from NEoT Offgrid Africa, a platform established by Meridiam, EDF and Mitsubishi Corporation.

AREAS FOR IMPROVEMENT

The criteria and process of selecting the EWRC's board members should be competitive and publicly announced. In addition, the Government's role in appointing board members should be limited, and that of the Parliament increased.

The EWRC should re-consider the electricity tariff subsidies it offers and introduce cost-reflective tariffs to increase investment in the sector. Moreover, it should reduce reliance on thermal power and direct investment and donor assistance into transmission and distribution infrastructure.

INDICATOR 4

SCORE 55

Rule of law

QUICK FACTS

Sierra Leone has a two-tiered legal system based on English common law.

Sierra Leone ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States in 1966.

The Investment Promotion Act 2014 protects domestic and foreign private investment from unlawful expropriation, whether direct or indirect.

STRENGTHS

The Government is taking proactive measures to improve investor-State dispute resolution mechanisms available to foreign investors operating in the country. In line with the EIRA 2020 recommendation, Sierra Leone acceded to the Convention for the Recognition and Enforcement of Foreign Arbitral Awards on 28 October 2020. The Convention became effective for the country on 26 January 2021 and will apply to all arbitration agreements and awards delivered from this date. Accession to the Convention is a positive development that signals the State's commitment to promoting dispute resolution through international arbitration and its support to the enforcement and recognition of foreign awards within its territory.

The Investment Code stipulates that no private investment, whether domestic or foreign, can be expropriated directly or indirectly, except in reasons outlined in the Constitution and upon the payment of prompt and adequate compensation. The domestic laws, such as the Petroleum (Exploration and Production) Act 2011, promote the transfer of advanced technological know-how and skills from foreign companies to the local workforce and operations. Land reform is high on the Government's agenda, and albeit at a slow pace, it is working to finalise the Land Commission Bill. In December 2020, the Ministry of Lands, Housing and Country Planning along with international organisations and donor agencies, conducted a two-day roundtable discussion with Members of Parliament, civil society organisations and other stakeholders on various issues, including gaps in land management, democratic decision-making in land administration, responsible investment in land and conflict resolution procedures.

AREAS FOR IMPROVEMENT

The Law Reform Commission of Sierra Leone should finalise as soon as possible the Arbitration Bill to implement the obligations of the Convention for the Recognition and Enforcement of Foreign Arbitral Awards in domestic law. The Bill's adoption by the Parliament will also strengthen the legal basis for commercial arbitration in the country and promote its utilisation by investors.

South Sudan

Population[1]	10,975,920
Area (km^2)[1]	633,906
GDP per capita (USD)[1]	N/A
TES (Mtoe)[2]	0.62
Energy intensity (toe/10^3 2015 USD)[2]	0.06
CO_2 emissions - energy ($MtCO_2$)[3]	1.4

There is no data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021

Sources:
1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.

South Sudan's overall risk level against the assessed areas is **moderate**.

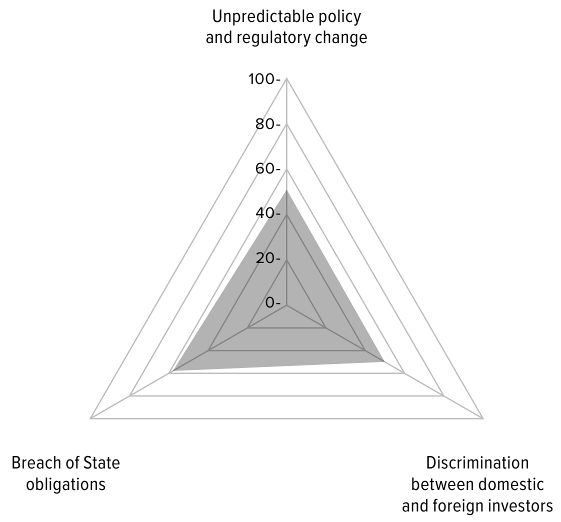
Of the three risks assessed in EIRA, *discrimination between domestic and foreign investors* is lower compared to *unpredictable policy and regulatory change* and *breach of State obligations*.

South Sudan has a good performance on one indicator, a moderate performance on two indicators, and a low performance on one. It has the highest score on the indicator *management of decision-making processes* (65). On the indicators *regulatory environment and investment conditions* and *rule of law*, it has received a score of 42 each. Its score on *foresight of policy and regulatory change* stands at 40.

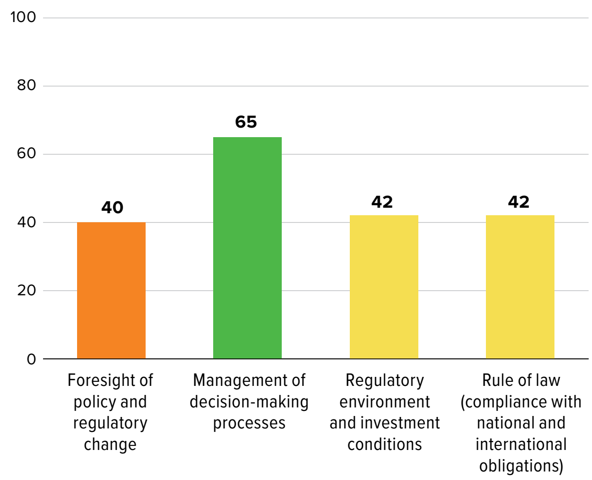
On a more detailed level, South Sudan's overall sub-indicator performance is moderate. The highest-scoring sub-indicator is *institutional governance* at 69. On the sub-indicator *transparency* it has scored 61, followed by *restrictions on FDI* and *management and settlement of investor-State disputes*, both at 50. It has a score of 43 on the sub-indicator *communication of vision and policies*. Its score is 38 on *robustness of policy goals and commitments*. The lowest-scoring sub-indicators are *regulatory effectiveness* and *respect for property rights*, both at 33.

While there are some policies and measures in place, more concrete steps must be taken to strengthen South Sudan's performance across all indicators and underlying sub-indicators. Particular attention should be given to improving regulatory effectiveness and reinforcing the respect for property rights.

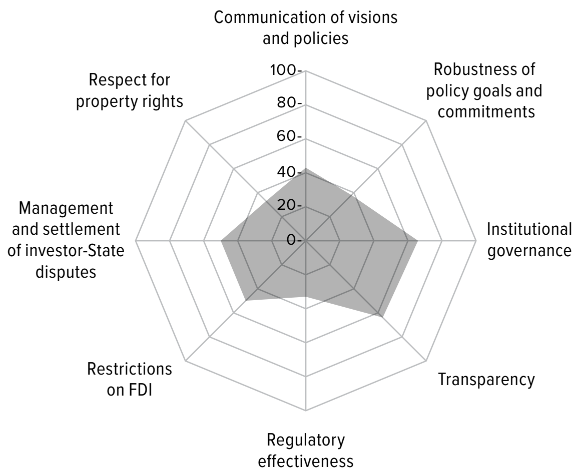
RISK LEVEL



INDICATOR PERFORMANCE



SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 40

Foresight of policy and regulatory change

QUICK FACTS

The main strategy documents of South Sudan are the National Development Strategy 2018-2021 (NDS) and the National Environment Policy 2015-2025 (NEP 2015-2025).

The South Sudan Electricity Corporation (SSEC) estimates the country's current electricity needs to be 300 MW and foresees that it will grow to 1450 MW by 2040.

South Sudan is a party to the Paris Agreement and submitted its first NDC in 2016.

STRENGTHS

One of South Sudan's key priorities is to ensure grid-based electricity access for 75% of urban households by 2025. To this end, the Government is constructing large and medium-sized power plants, such as the 890 MW Grand Fula HPP and 100 MW Ezra thermal power plant. Another significant project is the construction of a 382 km (400 kV) Uganda-South Sudan transmission line that will allow the country's further integration in the regional power exchange schemes through the East Africa Power Pool. Moreover, the NEP 2015-2025 underlines the importance of expanding renewable and alternative energy sources and promoting energy-efficient and sustainable technologies in all production sectors.

The NDS 2018-2021 contains a results and implementation framework with quantifiable outcomes, SDG-related indicators, baselines, three-year targets and means of verification. The NDS Secretariat, hosted by the Ministry of Finance and Planning, coordinates the implementation of the NDS 2018-2021. It is composed of various stakeholders, including the NDS cluster and working group chairpersons, the Undersecretary of the Ministry of Finance and Planning, the Office of the President, the Ministry of Cabinet Affairs, the NGO forum, the South Sudan Business Forum and academia. The NDS Secretariat collects updated implementation plans and quarterly implementation reports from the State institutions. It then evaluates the progress, prepares summary reports highlighting delays or impediments in implementation and submits these to the NDS Steering Committee.

AREAS FOR IMPROVEMENT

The Government should adopt a comprehensive energy sector rehabilitation strategy that outlines the country's short- and long-term national energy priorities in the post-conflict period. This strategy should set quantifiable targets and implementation measures to expand the energy infrastructure, increase electricity access, reduce energy poverty, improve power reliability, and reduce electricity network losses. A legal and regulatory framework should complement the strategy to incentivise private sector participation in these activities. The policy should focus on the petroleum industry to balance the interests of communities and investors, maximise Government benefits and meet the national needs by rational utilisation of revenues.

INDICATOR 2

SCORE 65

Management of decision-making processes

QUICK FACTS

South Sudan has a presidential system of Government. It has a bicameral legislative body consisting of the National Legislative Assembly and the Council of States.

The Ministry of Energy and Dams develops and implements electricity policies, projects and programmes.

The Ministry of Investment frames the national investment strategies, policies, and programmes.

STRENGTHS

Following the end of a six-year civil war, in February 2020, the political elites of South Sudan established a coalition and formed a Revitalised Transitional Government of National Unity. The new Government of South Sudan, comprising 34 ministries, has initiated reforms in the public governance sector to stabilise the post-war situation in the country. In March 2020, the Ministry of Investment was established as part of the new Government structure. It integrates the former South Sudan Investment Authority and currently acts as a one-stop shop that offers guidance on investment procedures, delivers pre-investment advisory services, and processes applications for investment certificates and permits.

The NDS (2018-2021) aims to eliminate corruption by establishing strategic sectoral partnerships and promoting citizen engagement and participation. The National Budget Plan for the fiscal year 2020/2021 also reflects these objectives. It outlines some critical actions in this respect, such as promoting ethical conduct in public service, building the capacity of the Anti-corruption Commission, and conducting education and awareness campaigns on corruption prevention among Government officials, private sector, civil society, and citizens. The Investment Protection Act of 2009 grants investors access to investment-related information held by public authorities, including legal information and decisions of domestic courts. The Ministry of Petroleum provides key data on oil and gas production blocks on its website and publishes its annual report containing financial data and other relevant statistics.

AREAS FOR IMPROVEMENT

The citizens and business community will benefit if the State-owned funds and enterprises publish annual reports that summarise the activities completed in the previous years and contain information on financial flows and revenues. In particular, the Sovereign Wealth Fund, established in 2013 to allocate percentages of oil revenues to the Oil Revenue Stabilisation Account and the Future Generations Fund, should make financial disclosures to improve public accountability. Similarly, the State-owned company Nile Petroleum Corporation, involved in the oil production and the distribution of oil refinery products, should make all the relevant financial disclosures.

INDICATOR 3

SCORE 42

Regulatory environment and investment conditions

QUICK FACTS

The Ministry of Energy and Dams regulates the power sector and issues licences for electricity activities.

The Ministry of Petroleum manages the country's petroleum resources.

STRENGTHS

The Government is making efforts to improve the oil and gas sector's regulation and attract investments to increase oil production. While previously the Government directly awarded concessions for operating petroleum projects, it has recently changed its approach and will introduce a competitive bidding process to increase transparency. The Government also announced its plans to split the existing concessions into smaller blocks to boost the interest of a diverse group of investors. In 2021, the Ministry of Petroleum announced plans to launch the licensing round for 14 new oil production blocks. This expansion will allow the Government to increase oil production to 300,000 barrels per day by 2023, which will exceed the post-independence peak for daily oil production of 270,000 barrels.

The Investment Protection Act of 2009 protects foreign investors from discrimination based on their country of origin or nationality. To promote the local workforce and goods, South Sudan implements a local content policy requiring the investors operating on community lands to hire a certain number of local employees and invest in the development of the community. The Government is making efforts to increase donor funding in the energy sector, attract foreign investment and expand the pool of PPP projects. For instance, after receiving a USD 25 million grant from the African Development Bank Group, the Juba Power Distribution System Rehabilitation and Expansion Project was launched in 2017. The project, which is expected to be completed by the end of 2022, will enhance the capital city's distribution networks and increase power reliability. To boost private sector participation in the energy sector, the Ethiopian-based Ezra Power invested USD 289 million to install a 100 MW thermal power plant on a Build-Own-Operate-Transfer basis. In 2020, the SSEC also finalised the technical evaluation of a combined project to install a 20 MW solar power plant and a 35 MWh battery storage system near Juba.

AREAS FOR IMPROVEMENT

Building on the successful implementation of energy projects based on the PPP principle, such as the 17 MW Juba thermal power plant, the Government may benefit from a legal framework to implement more PPP projects. The relevant legislation could set procedures for selecting PPP-based projects, define the types and nature of the State support, and regulate relations between the State and private investors, such as the rights, responsibilities, liabilities, and risks for the parties.

INDICATOR 4

SCORE 42

Rule of law

QUICK FACTS

The legal system of South Sudan is a combination of statutory and customary laws.

South Sudan ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States in 2012.

STRENGTHS

Investors can choose between different fora and mechanisms to address a dispute with the State, such as national courts, domestic arbitration or international arbitration based on the ICSID rules and procedures or based on applicable provisions of bilateral or multilateral agreements on investment protection. The exhaustion of local remedies before recourse to international arbitration is not compulsory. As a party to the Treaty for the Establishment of the East African Community, South Sudan falls within the jurisdiction of the East African Court of Justice that also covers investment matters. This provides the investors from East African Community Partner States with more predictability and confidence in the State regarding the protection of their rights.

The Investment Promotion Act of 2009 specifies that the property and assets of investors can be expropriated only in the national interest, for a public purpose, on a non-discriminatory basis, and accompanied by fair and adequate compensation. The Act guarantees access to courts to determine the investor's rights or the compensation amount. While land ownership is restricted for foreigners by the Land Act of 2009, both citizens and foreigners can lease land for investment purposes. The Land Act stipulates that if the compensation payment for expropriation is not paid within 60 days, the affected person must receive interest until the compensation is paid in full.

AREAS FOR IMPROVEMENT

South Sudan's ratification of the Convention on the Recognition and Enforcement of Foreign Arbitral Awards will send a strong signal to foreign investors that it is committed to promoting dispute resolution through international arbitration and that it will support the enforcement and recognition of foreign awards within its territory.

Tajikistan

Population[1]	9,100,837
Area (km^2)[1]	141,380
GDP per capita (USD)[1]	826.62
TES (Mtoe)[2]	3.51
Energy intensity (toe/10^3 2015 USD)[2]	0.36
CO_2 emissions - energy ($MtCO_2$)[3]	6.8

There is no data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021

Sources:
1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.

Tajikistan's overall risk level against the assessed areas is **moderate**.

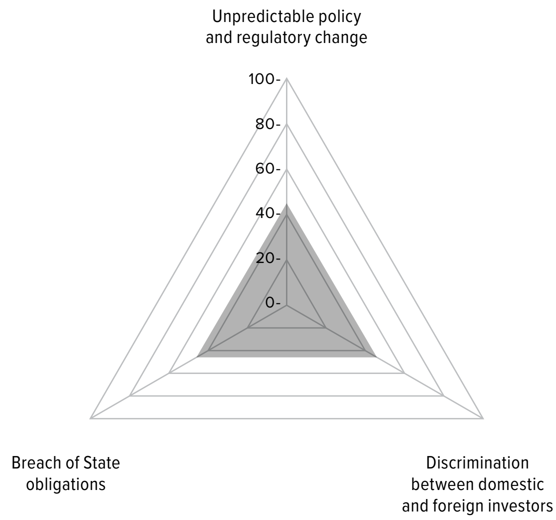
Of the three risks assessed in EIRA, *unpredictable policy and regulatory change* is lower compared to *discrimination between domestic and foreign investors* and *breach of State obligations*.

Tajikistan's performance is good on one indicator, and it is moderate on three indicators. The highest-scoring indicator is *management of decision-making processes* at 61. On *rule of law*, it has received a score of 54, followed by *foresight of policy and regulatory change* at 50. The score on *regulatory environment and investment conditions* is the same as in EIRA 2020, at 47.

On a more detailed level, Tajikistan's overall sub-indicator performance is moderate. The highest-scoring sub-indicator continues to be *institutional governance* at 75. Its score on the sub-indicator *communication of vision and policies* has improved by seven points and is now 63. It has maintained its scores from EIRA 2020 on *respect for property rights* (58), *management and settlement of investor-State disputes* (50), and *restrictions on FDI* (50). Its score is 47 on *transparency* and 44 on *regulatory effectiveness*. *Robustness of policy goals and commitments* continues to be the lowest-scoring sub-indicator at 38.

While there are some improvements in Tajikistan's performance compared to EIRA 2020, further steps must be taken to build on the work done. Particular attention should be given to strengthening the robustness of its policy goals and commitments.

RISK LEVEL



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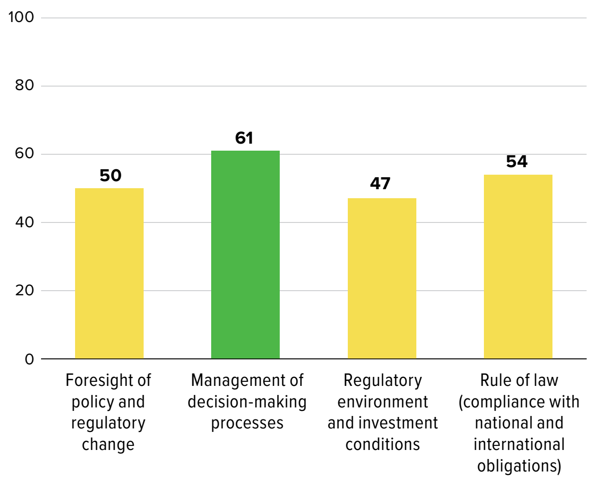
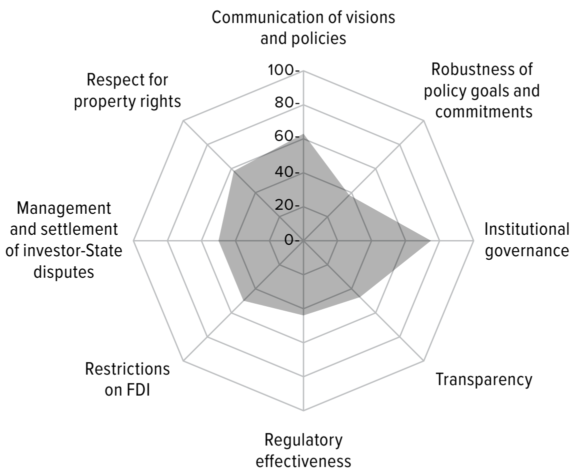


YEAR-ON-YEAR COMPARISON

RISK AREAS	2020	2021
Unpredictable policy and regulatory change	46	45
Discrimination between domestic and foreign investors	46	46
Breach of State obligations	46	46

INDICATORS	2020	2021
Foresight of policy and regulatory change	47	50
Management of decision-making processes	61	61
Regulatory environment and investment conditions	47	47
Rule of law	54	54

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 50

Foresight of policy and regulatory change

QUICK FACTS

Tajikistan's principal strategy documents are the National Development Strategy 2030 (NDS) and the Concept for Transition to Sustainable Development 2030 (Concept).

Tajikistan ratified the Paris Agreement in 2017 and submitted its first INDC.

STRENGTHS

Tajikistan's main energy priorities are strengthening energy security, power reliability, and access to electricity. To this end, since 2020, the Ministry of Energy and Water Resources (MEWR), and the Ministry of Finance (MoF), are implementing the World Bank-financed Tajikistan Rural Electrification Project in the Southern Tajikistan region. Moreover, the Government anticipates that the country's largest energy project, the 3600 MW Roghun HPP, will become operational by 2033. Efforts are also underway to improve the power infrastructure's resilience. To implement Tajikistan's part of the Central Asia-South Asia (CASA)-1000, the Government announced, in March 2021, that it has allocated USD 111 million to construct 500 kV transmission lines and a converter substation in Sangtuda. Also, in the same month, the MEWR commissioned a new 110/32/10 kV substation in Dushanbe to stabilise the power supply for over 18,000 residents.

The Government is trying to increase fiscal accountability by making information on the State budget's utilisation publicly accessible. The MoF has published the country's Medium-term Public Expenditure Programme for 2021-2023, setting guidelines for the State budget's planning, revenues, sectoral expenditures' projections, and macroeconomic forecasts. Moreover, international financial institutions independently evaluate the energy projects funded by them, such as the Energy Loss Reduction Project financed by the European Bank for Reconstruction and Development (EBRD) and the Reconnection to the Central Asian Power System Project funded by the Asian Development Bank (ADB). The interim and final implementation reports for these projects assess the completion status of different components and their social and environmental impact. On 13 January 2021, the Statistical Agency of Tajikistan published its report on the country's socio-economic situation in 2020.

AREAS FOR IMPROVEMENT

The Government should prepare an integrated energy strategy for the next 10-20 years. An action plan with implementation measures and deadlines, mechanisms to mobilise funding, and contemporary monitoring and evaluation processes should accompany the strategy.

Since the National Programme for the Development of Renewable Energy and Construction of Small Hydropower Plants for 2016-2020 expired in December 2020, the Government should prepare and approve a new programme that sets priorities and target in this area for the medium term (2025) and long term (2050 and beyond).

INDICATOR 2

SCORE 61

Management of decision-making processes

QUICK FACTS

The MEWR frames and implements the national electricity policies and programmes.

The State Committee on Investments and State Property Management (State Committee) formulates investment, entrepreneurship, State property management, and privatisation policies.

STRENGTHS

Tajikistan is making efforts to improve its investment and business climate. The Consultative Council on the Improvement of the Investment Climate (CCIIC), chaired by the President of Tajikistan, coordinates activities in this area. In 2020, the CCIIC established a task force to improve the investment climate in the industrial sector. On 25 February 2021, this task force submitted to the CCIIC a report making recommendations to create better investment conditions. Moreover, to increase the efficiency of public services, in early 2021, the Government circulated a draft action plan with short-term, medium-term, and long-term targets for introducing e-government services. The draft action plan aims to establish new single-window services that will considerably simplify administrative processes for potential and existing entrepreneurs. On 1 September 2020, the Ministry of Economic Development and Trade launched a single-window service to register export, import and transit operations.

In 2020 and 2021, Tajikistan made legal information accessible to investors and the public. It recently adopted Law no. 1783/2021 "On Access to Information on the Work of Courts" that guarantees all citizens access to information held by national courts. It regulates the rights and responsibilities of parties providing and receiving such information, the methods for accessing information, and the operations of courts' websites. In addition, Tajikistan enhanced its legal framework on fighting corruption. On 7 August 2020, the Parliament adopted Law no. 1714/2020 "On Anti-Corruption", which defines legitimacy, objectivity, transparency, publicity and equality before the law as the main principles to combat corruption. It underlines the need for cooperation between State authorities and civil society institutions in achieving its objectives. Tajikistan has also advanced with its goal to ensure an open and fair public procurement process. The website of the Agency on Public Procurement of Goods, Works and Services contains a database of the relevant legal acts and information on the public procurement procedures. It also runs a portal with data on all public tenders awarded since 2020.

AREAS FOR IMPROVEMENT

The Government is encouraged to set up e-government services for all State authorities and ensure the full digitalisation of public services provided to citizens and businesses. Moreover, all Government websites should be regularly updated to provide relevant and comprehensive information.

INDICATOR 3

SCORE **47**

Regulatory environment and investment conditions

QUICK FACTS

The Anti-Monopoly Service under the Government of Tajikistan regulates the electricity market.

The Law no. 357/2016 "On Investment" protects private investments in the country.

STRENGTHS

The Government is implementing various reforms in the energy sector with support from international financial institutions. In December 2020, it launched the Power Sector Development Programme financed by the ADB. The USD 105 million Programme contains a policy component that foresees the unbundling of the State-owned power utility, Barki Tojik. It also aims to establish an independent energy regulator, develop a new electricity tariff methodology, restructure the utility's debt, and establish a centralised cash control unit to address priority payments and commercial liabilities. Apart from this Programme, on 22 June 2021, the MoF signed a USD 25 million loan agreement with the EBRD to implement the Dushanbe Energy Loss Project by the OJSC "Electricity Distribution Network". The project aims to reduce Dushanbe's power distribution network losses and enhance its financial efficiency by replacing outdated infrastructure, installing contemporary billing and metering systems, and improving revenue collection.

Tajikistan continues to attract financing from various sources for its energy projects. According to the Statistical Agency, between 2007 and 2020, the country's total financial inflow from investment and loans reached USD 10.294 billion, of which USD 596.8 million was in the energy sector. Currently, US-based GE Renewable Energy and Cobra Group, a subsidiary of the Spanish-based ACS Group, are refurbishing the 126 MW Qairokkum HPP. The project foresees the upgrade of six turbines and generators and a 35% increase in the HPP's capacity, reaching 174 MW by 2023. The project cost of USD 71 million is provided to Barki Tojik from loans and grants financed by the EBRD and the Pilot Programme for Climate Resilience. In November 2020, the MEWR commissioned a 220 kW solar power plant and a hybrid energy storage plant in a remote community of Murghab. The facility will be an additional source of electricity for 6,000 residents.

AREAS FOR IMPROVEMENT

To enhance Barki Tojik's revenue collection rate and ensure sufficient funding is directed to the rehabilitation of the energy system, the Government should revise the current electricity tariffs of State-owned enterprises and ensure these are cost-reflective to the greatest extent possible.

There should be more clarity on the economic sectors open to PPP projects, the potential benefits private partners can avail from entering into PPPs, the criteria for pre-feasibility and feasibility studies, and the list of State institutions involved in the selection committees.

INDICATOR 4

SCORE **54**

Rule of law

QUICK FACTS

Tajikistan ratified the ECT in 1997.

Tajikistan is a Contracting State of the Convention on Recognition and Enforcement of Foreign Arbitral Awards since 2012.

STRENGTHS

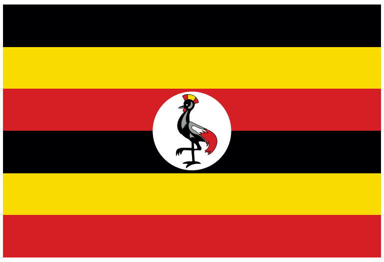
Law no. 1753/2015 "On International Commercial Arbitration" ensures access to arbitration by investors. It states that arbitration proceedings should ensure the equal rights of parties, the freedom to select the arbitration panel, priority to commonly accepted principles of international law, and the independence and impartiality of the arbitrators. It also establishes the International Arbitration Court at the Chamber of Commerce and Industry (CCI) of Tajikistan. In April 2020, the CCI inaugurated the Mediation and Negotiation Centre to institutionalise mediation as a form of alternative dispute resolution in the country and train the local mediators. Since May 2020, the CCI website publishes the registry of mediators. Moreover, the Government is determined to undertake reforms that will strengthen the judicial system. The State Judicial Reforms Programme for 2019-2021 focuses on improving the enforcement of judgements and updating legislation on enforcement proceedings, access to information, and the Civil and Criminal Codes.

Law no. 357/2016 "On Investment" includes ownership of IP rights in the definition of "investment". Expropriation for reasons of ''interest of the State or society'' is only possible upon the payment of timely, adequate and effective compensation. This law also grants foreign investors the right to purchase or lease land for undertaking projects. The local legislation does not contain provisions restricting the transfer of technology in the energy sector. Tajikistan has been a member of the WTO since 2013. It is a contracting party of the Convention on Establishment of the World Intellectual Property Organization since 1991. Tajikistan has signed and ratified BITs with 35 countries, of which 24 are in force, and seven treaties with investment protection provisions, of which six are in effect.

AREAS FOR IMPROVEMENT

Law no. 357/2016 "On Investment" requires the State to pay timely and adequate compensation, but it does not provide details on the compensation valuation process. Tajikistan should consider amending the national laws to define the criteria for "State interest" and "public interest" as grounds for expropriation, introduce a process for determining compensation, and set a timeframe to make the payment.

The Government may establish an investment ombudsperson to resolve conflicts between investors and public authorities early on. It may utilise the Energy Charter Model Instrument on Management of Investment Disputes that aims to assist States in handling investment disputes in keeping with their particular needs.



Uganda

Population[1]	42,723,139
Area (km^2)[1]	241,550
GDP per capita (USD)[1]	770.45
TES (Mtoe)[2]	21.95
Energy intensity (toe/10^3 2015 USD)[2]	0.70
CO_2 emissions - energy ($MtCO_2$)[3]	5.2

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	**Number of projects and deals**	**Project CapEx and deal value (million EUR) by source country**
Electric power generation, transmission and distribution	1 minority stake deal	Kenya: 1 RE deal of 35.2 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Uganda is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

Uganda's overall risk level against the assessed areas is **moderate**.

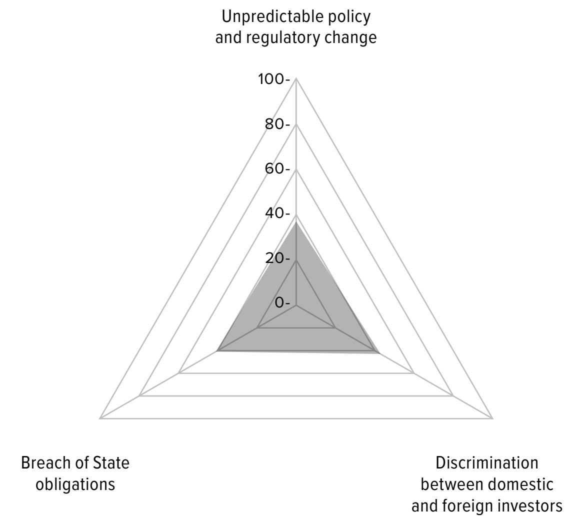
Of the three risks assessed in EIRA, *unpredictable policy and regulatory change* is lower compared to *breach of State obligations* and *discrimination between domestic and foreign investors*.

Uganda's performance is good on one indicator and it is moderate on three indicators. Its score on *management of decision-making processes* has improved from 67 to 71. On *rule of law* it has the same score as in EIRA 2020 (59). Its score on *foresight of policy and regulatory change* has improved from 57 to 58 while on *regulatory environment and investment conditions*, it has again scored 42.

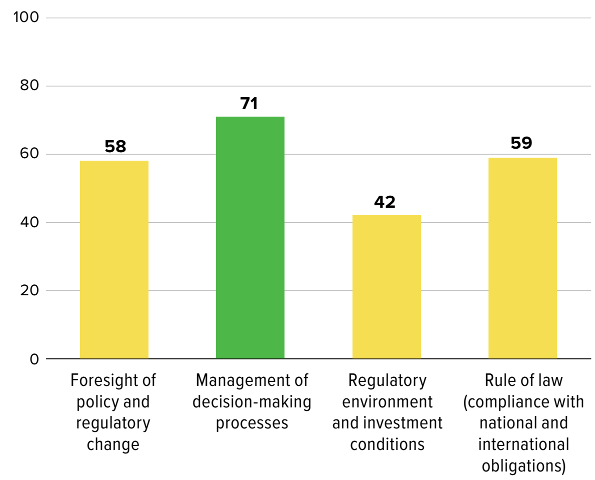
On a more detailed level, Uganda's overall sub-indicator performance is moderate. *Institutional governance* continues to be the highest-scoring sub-indicator at 75. It is followed by *transparency*, on which the score has increased from 58 to 67. Its score on *management and settlement of investor-State disputes* stands at 60, the same as *robustness of policy goals and commitments*. On *respect for property rights* it has the same score as in EIRA 2020 (58) whereas on *communication of vision and policies*, its score has improved from 55 to 57. The sub-indicator *regulatory effectiveness* stands at 44. Its performance on *restrictions on FDI* continues to be the lowest at 40.

While there are some improvements in Uganda's performance compared to EIRA 2020, further steps must be taken to build on the work done. Particular attention should be given to lowering the restrictions on FDI that are currently in effect.

RISK LEVEL



INDICATOR PERFORMANCE

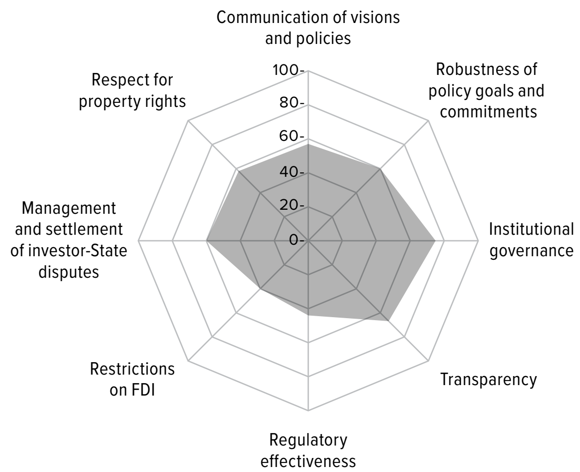


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	42	41	39	37
Discrimination between domestic and foreign investors	46	44	44	43
Breach of State obligations	41	41	41	41

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	49	52	57	58
Management of decision-making processes	67	67	67	71
Regulatory environment and investment conditions	37	42	42	42
Rule of law	59	59	59	59

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE **58**

Foresight of policy and regulatory change

QUICK FACTS

In January 2020, the Parliament approved the Third National Development Plan (NDP III) 2020/21-2024/25.

The Energy Policy for Uganda 2002 will be replaced by the Revised Draft National Energy Policy 2021.

STRENGTHS

The Government is fast-tracking rural electrification in all 570 sub-counties to ensure at least 60% of the population has electricity access by 2025, a key target under NDP III. In line with the EIRA 2020 recommendation, the Government is increasing investment in the power infrastructure. The country's transmission network grew by 13% to the current footprint of 2,989 km by April 2020. There has been some progress in power generation as well. In 2020, the Government commissioned the HPPs Sindila, Siti 2, Kyambura and Ndugutu under the GET FiT Uganda Programme. These projects added an estimated annual generation of 162 GWh to the national grid. Three more projects will be operational by the end of 2021. The overall progress of the Karuma HPP (600 MW) stands at 97.8%, with all units to be commissioned in 2021. The Government is also investing in 700 km of oil roads (approx. USD 900 million). Four hundred sixty-five km of the roads are under construction, and completion is expected by early 2022. The Ministry of Energy and Mineral Development (MEMD) has developed the Draft Biofuel General Regulations to give effect to the Biofuels Act 2018.

The MEMD published its Sector Performance Report of 2020, which incorporates a National Standard Indicator framework to monitor the performance of Government sectors against indicators derived from the NDP. The report describes the implementation activities and their completion status as of 2020 for the power, biomass resource management, oil and gas and mineral sub-sectors. It also reports on the budget implementation of the energy sector entities. In 2020, the Uganda National Oil Company's (UNOC) budget absorption rate was 100% (29.403 billion Ugandan shillings), while the Petroleum Authority of Uganda's (PAU) expenditure rate was 97.9% (42.687 billion Ugandan shillings). The MEMD's budget expenditure was 979.012 billion Ugandan shillings (79.3%) and the Rural Electrification Agency, 443.809 billion Ugandan shillings (67.4%).

AREAS FOR IMPROVEMENT

Low power reliability in rural households has adversely affected demand and encouraged the use of unappealing alternative energy sources such as firewood, charcoal and crop residues. Modernising and expanding the transmission and distribution infrastructure will improve reliability and ensure that generated power is evacuated from the grid and reaches consumers. Therefore, the Government is encouraged to further invest in the transmission and distribution infrastructure and attract private sector investment in this area.

INDICATOR 2

SCORE **71**

Management of decision-making processes

QUICK FACTS

The MEMD is responsible for developing and implementing energy policies.

The Access to Information Act 2005 establishes the procedure to obtain information from public authorities.

STRENGTHS

In 2020, the MEMD made progress on some draft policies and legislation concerning energy issues. It submitted to the Cabinet Secretary the Energy Efficiency and Conservation Bill's final draft for approval. It also completed a Regulatory Impact Assessment (RIA) on the draft Geothermal Policy of Uganda, which is now ready for submission to the Cabinet Secretary for approval. The Government is also taking measures to facilitate the ease of doing business for the private sector. In July 2021, it will open the Uganda Business Facilitation Centre (UBFC), which will house key business-related public authorities, including the Uganda Registration Services Bureau, the Uganda Investment Authority, and the Capital Markets Authority. The new building of the UBFC will also have a One-Stop Centre with over 15 service points to improve service delivery and reduce the time for registering and starting a business.

Uganda became an EITI implementing country as of 12 August 2020. The Government has produced the Uganda EITI Multi-Stakeholder Group Workplan for 2020-2022. It has also prepared a budget allocation plan for each activity under the Workplan. The Government is already implementing some of the activities listed under the Workplan, such as preparing two fact sheets on contract and licence allocations for petroleum and mining. It will also engage different public authorities to develop a contract and licence disclosure plan. Work has commenced on setting up a dedicated UG-EITI website. Moreover, the MDAs and investors are complying with stakeholder and community engagement requirements under critical energy projects. For instance, the MEMD, the National Environment Management Authority (NEMA), and Total Midstream BV organised ten consultation meetings for the Environment and Social Impact Assessment (ESIA) of the East African Crude Oil Pipeline (EACOP) in each of the affected districts and three public hearings in Kakumiro, Mubende and Rakai Districts. Following these meetings, in December 2020, NEMA approved the ESIA study for the EACOP project in Uganda.

AREAS FOR IMPROVEMENT

By joining the EITI, the Government of Uganda has taken a commendable step towards improving transparency in its oil and gas industry. It is now a timely moment to implement the commitments undertaken and make public the extractive sector contract and licence-related disclosures at the earliest. Moreover, public engagement in the law-making process should be institutionalised and made a legal requirement to foster greater accountability.

INDICATOR 3

SCORE 42

Regulatory environment and investment conditions

QUICK FACTS

The Electricity Regulatory Authority (ERA) regulates the generation, transmission, distribution, sale, export, and import of electrical energy.

The PAU regulates and monitors the petroleum sub-sector.

The Investment Code Act 2019 lays down the conditions for local and foreign investments in the country.

STRENGTHS

During 2019-2020, the PAU issued 120 petroleum operating licences, 149 construction permits and 80 construction completion certificates. The Petroleum (Refining, Conversion, Transmission and Midstream Storage) (Amendment) Regulations 2020 were gazetted under the consent judgement entered between the Government of Uganda and Total Midstream BV to facilitate the execution of the EACOP's early project activities. The MEMD is also making efforts to develop a legal and regulatory framework for utilising nuclear energy. As a precursor to a Nuclear Energy Act, in 2020, it completed an RIA for nuclear energy in Uganda, paving the way for stakeholder consultations on the proposed Bill.

Uganda's main upstream and midstream projects are the Tilenga project (approx. USD 4 billion), the Kingfisher project (approx. USD 1.5 billion), and the EACOP project (approx. USD 3.6 billion). Total E&P has taken over Tullow (U) Ltd's production licences following the farm down of the latter's operations in Uganda. On 11 April 2021, the Host Government Agreement between the Government of Uganda and the project company, EACOP Co., was signed to pave the way for the Final Investment Decision. On the same day, the Shareholders Agreement defining the rights and responsibilities of the shareholders in the EACOP Co. was signed by the UNOC (15% share), the Joint Venture Partners (Total Holdings International BV with a 62% share and CNOOC Uganda Limited with 8%) and the Tanzania Petroleum Development Corporation (with a shareholding of up to 15%). On the downstream side, the Uganda Oil Refinery's development is on course. Its lead investor, the Albert Graben Refinery Consortium (comprising Yaatra Africa LLC, Lion Works Group, Nuovo Pignone International SRL, and Saipem SPA), has completed 75% of the Front-End Engineering Design and the project's ESIA started in March 2020.

AREAS FOR IMPROVEMENT

While ERA and the PAU enjoy certain functional and financial independence, measures may be taken to enhance this. Currently, the ERA's autonomy is subject to any policy of the Government that declares otherwise. Moreover, salaries of the PAU's board members need to be approved by the Government. Such stipulations may compromise the decision-making powers of these authorities.

The Government should expedite the adoption of the Competition Bill pending since 2004.

INDICATOR 4

SCORE 59

Rule of law

QUICK FACTS

Uganda ratified the Convention on the Settlement of Investment Disputes between States and Nationals of Other States in 1996.

The Constitution of Uganda 1995 grants protection from deprivation of property.

STRENGTHS

The Ministry of Justice and Constitutional Affairs has made some progress with its judicial reforms. It plans to roll out in 2021 the Uganda Electronic Court Case Management Information System (ECMIS) that will automate and track all the steps in a case's life cycle, from initial filing to disposition and appeal. The ECMIS will replace the existing Court Case Administration System, a back-end tool available only to the court staff and not the public. It will introduce online processes for case filing and payments, hearing reminders, and free online access to summons and judgement filing documents. The ECMIS will be launched in 18 courts, including the Supreme Court, the Court of Appeal, all High Court Divisions and selected Magistrate Courts.

The Investment Code Act 2019 protects foreign investors against expropriation and provides for prior payment of compensation. The Land Acquisition Act 1965, read with Article 26 (2) of the Constitution of Uganda, also mandates payment of adequate compensation before the Government compulsorily acquires land. Per the Act, the compensation payable in case of compulsory land acquisition should be determined by the Chief Government Valuer. Discussions are ongoing on the Land Acquisition Bill 2019 that will repeal the Land Acquisition Act 1965. Although the proposed Bill allows the Government to acquire land for infrastructure and investment projects compulsorily, it also establishes a tribunal where parties dissatisfied with the compensation amount may raise disputes.

AREAS FOR IMPROVEMENT

Since the Land Acquisition Bill 2019 is currently under debate in the Parliament, it is an opportune moment for the Government to clarify key provisions on the expropriation of property. The Bill should be updated to include the list of activities for which compulsory acquisition can take place. It should also outline the procedure to ascertain whether an acquisition is for a public purpose or not and who will be the key decision-makers in this process.

An investment ombudsperson may be established to mediate conflicts between public authorities and investors on licencing procedures. The Government may seek guidance from the Energy Charter Model Instrument on Management of Investment Disputes that aims to assist States in handling investment disputes as per their needs and circumstances.

Ukraine

Population[1]	44,622,518
Area (km^2)[1]	603,550
GDP per capita (USD)[1]	3,096.81
TES (Mtoe)[2]	93.49
Energy intensity ($toe/10^3$ 2015 USD)[2]	0.95
CO_2 emissions - energy ($MtCO_2$)[3]	181.8

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Electric power generation, transmission and distribution	5 new projects 10 minority stake deals 13 acquisition deals	Cyprus: 9 FF deals of 149 mEUR 3 TD deals of 67 mEUR Norway: 2 RE deals of 137 mEUR Sweden: 1 RE project of 106 mEUR Turkey: 1 RE project of 55 mEUR Canada: 2 RE projects of 22 mEUR Latvia: 1 RE project of 3 mEUR Undisclosed: 1 FF deal of 2 mEUR Values of 5 deals (Netherlands), 2 deals (Singapore), and 1 deal (Belize) are N/A
Extraction of natural gas and crude petroleum	3 acquisition deals 2 minority stake deals	Netherlands: 4 deals of 163 mEUR Value of 1 deal (Canada) is N/A
Manufacture of refined petroleum products	3 acquisition deals	Values of 3 deals (Cyprus and Netherlands) is N/A
Transport by pipeline	1 minority stake deal	Value of 1 deal (British Virgin Islands) are N/A
Support activities for petroleum and natural gas extraction	3 acquisition deals	Liechtenstein: 2 deals of 0.01 mEUR Value of 1 deal (Cyprus) is N/A
Mining of hard coal and lignite	1 acquisition deal	Value of 1 deal (Cyprus) is N/A

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Ukraine is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

FF: Electricity generation from fossil fuels

TD: Transmission and distribution of electricity

Ukraine's overall risk level against the assessed areas is **low**.

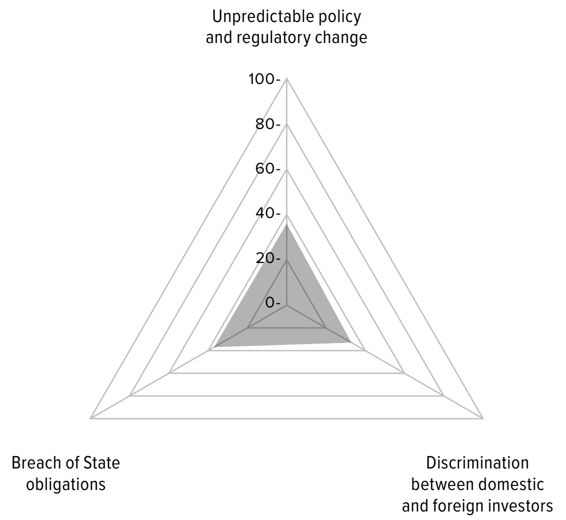
Of the three risks assessed in EIRA, *discrimination between domestic and foreign investors* is lower compared to *unpredictable policy and regulatory change* and *breach of State obligations*.

Ukraine's performance is good on all the EIRA indicators. It has maintained a score of 71 on the indicator *regulatory environment and investment conditions*. On the indicators *management of decision-making processes* (68), *rule of law* (63), and *foresight of policy and regulatory change* (61), it has the same score as in EIRA 2020.

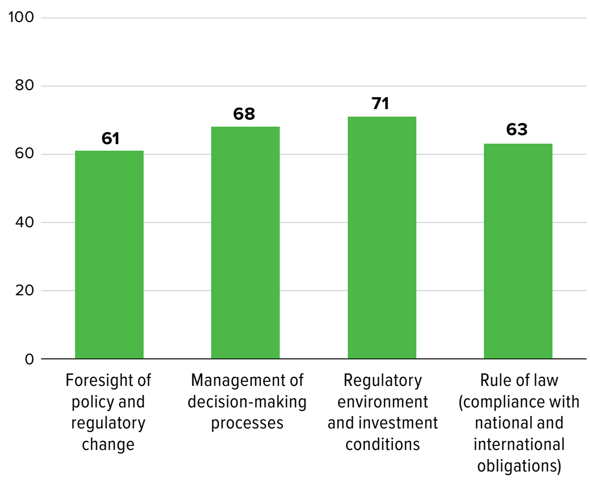
On a more detailed level, Ukraine's overall sub-indicator performance is good. Its highest-scoring sub-indicator is *transparency* at 83, followed by *management and settlement of the investor-State disputes* at 75. On *communication of vision and policies*, its score has increased by a point and stands at 73. On *regulatory effectiveness* (72), *restrictions on FDI* (70), and *institutional governance* (53), it has the same score as in EIRA 2020. *Robustness of policy goals and commitments* and *respect for property rights* are the lowest-scoring sub-indicators, both at 50.

While Ukraine has the relevant policies and measures in place, there is potential for improvement. Attention should be given to strengthening the robustness of its policy goals and commitments and reinforcing the respect for property rights.

RISK LEVEL



INDICATOR PERFORMANCE

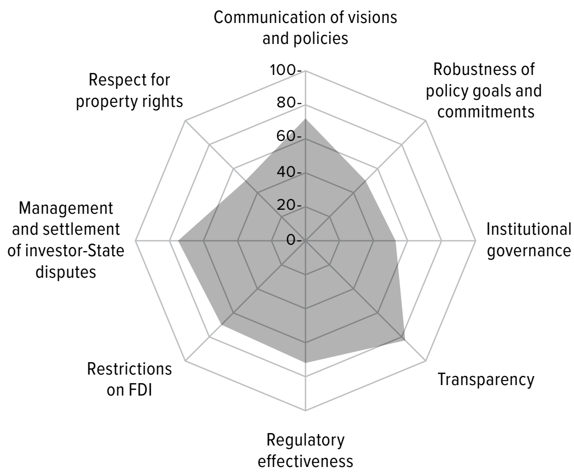


YEAR-ON-YEAR COMPARISON

RISK AREAS	2018	2019	2020	2021
Unpredictable policy and regulatory change	40	39	36	36
Discrimination between domestic and foreign investors	37	36	33	33
Breach of State obligations	38	38	37	37

INDICATORS	2018	2019	2020	2021
Foresight of policy and regulatory change	57	59	61	61
Management of decision-making processes	59	62	68	68
Regulatory environment and investment conditions	67	67	71	71
Rule of law	63	63	63	63

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 61

Foresight of policy and regulatory change

QUICK FACTS

The Energy Strategy of Ukraine through 2035: Security, Energy Efficiency, Competitiveness was adopted in 2017.

Ukraine ratified the Paris Agreement in 2016 and submitted its first NDC.

STRENGTHS

Ukraine remains committed to strengthening its energy security. On 30 March 2021, the Ministry of Energy (MoE) approved the Programme Ensuring the Reliability of Electricity Networks to complement the country's energy security dimension. Moreover, the Government expects electricity production to increase by 4.9% from 2020 to 2021, due to more power generation from the existing nuclear power plants (from 76.2 billion kWh in 2020 to 81.3 billion kWh in 2021) and HPPs (from 6.0 billion kWh in 2020 to 7.4 billion kWh in 2021). The Government is also improving the policy framework on renewable energy and energy efficiency. In 2020, it submitted to the Energy Community Secretariat the National Renewable Energy Action Plan for after 2020. In March 2021, the Parliament adopted in the first reading Law No. 4507, "On Energy Efficiency" and the accompanying energy efficiency targets, to comply with the EU Energy Efficiency Directive. The Government is currently finalising the draft National Energy Efficiency Action Plan for after 2020.

The MoE and the National Security and Defense Council of Ukraine monitor the implementation of the national energy priorities. In 2020, the MoE published the annual financial statements of State-owned enterprises and produced a monitoring report on the National Plan to Reduce Emissions from Large Combustion Plants. In July 2020, the State Audit Service released an audit report on the execution of the budget by the MoE in its programmes. In 2020 and 2021, the State Agency on Energy Efficiency and Energy Savings of Ukraine submitted its fourth and fifth annual reports under the EU Energy Efficiency Directive to the Energy Community Secretariat. The reports track the progress achieved towards the national energy efficiency targets and provide key statistical indicators. It has also submitted to the Energy Community Secretariat its Fourth Progress Report on promoting and using energy from renewable sources.

AREAS FOR IMPROVEMENT

The Government should intensify its efforts to finalise and adopt its National Energy Climate Plan (NECP) as soon as possible. The NECP can streamline energy policies for the short- and long-term and establish new targets on key issues such as climate change adaptation and mitigation and energy security.

While the Government regularly evaluates the implementation of the national energy targets, it should take steps to make the monitoring authorities institutionally independent, self-funded, and equipped with sufficient technical skills and human resources.

INDICATOR 2

SCORE 68

Management of decision-making processes

QUICK FACTS

By the Cabinet of Ministers (CoM) Resolution No. 425 dated 27 May 2020 "On Some Issues of Optimising the System of Central Executive Bodies", the erstwhile Ministry of Energy and Environmental Protection of Ukraine is divided into the Ministry of Energy of Ukraine and the Ministry of Ecology and Natural Resources of Ukraine.

Law No. 2939 "On Access to the Public Information" determines the procedure for securing access to information from Government agencies.

STRENGTHS

The Government is improving coordination between the central-level institutions in the policy-making process. It is currently implementing the Strategy for Public Administration Reform until 2025 to define the competencies and functions of the central executive bodies. Additionally, in the context of its decentralisation reform, the country is increasing the financial autonomy of local governments by granting them absolute decision-making powers on budgetary issues. To this end, in September 2020, the Parliament amended Law No. 907-IX "On the Budget Code of Ukraine" aligning the State budget legislation with the administrative and territorial reform process. The amendments separate the revenue and expenditure sources of the municipalities from the districts. Moreover, they make the districts' budgets independent of the State and eliminate the subsidies granted to them by the State.

In 2020, the MoE published its Indicative Plan for Public Consultations. It also reported, in July 2020, on the access to information requests it received during the second quarter of the year and the results of these requests. During 2020, the MoE announced public consultations on 36 draft laws, resolutions and orders concerning the energy sector. Among these, it organised public hearings on the draft Order "On Amending the Methodology for Calculating the Fee of the Electricity Flow" and amendments to the Regulation "Imposing Special Obligations on the Natural Gas Market Entities to Ensure Public Interests in the Process of the Natural Gas Market Functioning". Moreover, in 2020, the National Energy and Utilities Regulatory Commission (NEURC) published the annual tariffs for the gas distribution activity. Per the NEURC Resolution No. 459 of 2018, the electricity Transmission System Operator, NPC Ukrenergo, published the electricity transmission data on the Transparency Platform of the European Network Transmission System Operators of Electricity (ENTSO-E).

AREAS FOR IMPROVEMENT

The Parliament of Ukraine may consider adopting a law that establishes a methodology for drafting strategic planning documents and mechanisms to decentralise policy planning and decision-making. This law can also streamline the Government's action plans with those of other central and local institutions such as ministries, State agencies, regional administration and local municipalities.

INDICATOR 3

SCORE 71

Regulatory environment and investment conditions

QUICK FACTS

The NEURC is a permanent central executive authority with the special status for regulating the energy and utilities sectors.

Law No. 264-IX "On Amendments to Certain Laws due to Unbundling of Natural Gas Transmission Activity" (Unbundling Law), came into force on 17 November 2019.

STRENGTHS

The Government is trying to increase regulatory certainty for renewable energy investors and ensure the liquidity of the Guaranteed Buyer (GB). On 31 July 2020, the President of Ukraine signed Law No. 810-IX, which requires the CoM to include in the State budget expenditures partial financial support to the GB (at least 20% of the forecasted revenues of renewable energy producers). Moreover, Law No. 1006-IX foresees State guarantees to NPC Ukrenergo so it can repay its debts to the GB. In November 2020, the NEURC also hiked the electricity transmission tariffs chargeable by NPC Ukrenergo to increase payment levels. Another positive development is that the GB can now sell renewable energy under bilateral arrangements at auctions. The first such auction was held on the Ukrainian Energy Exchange in October 2020.

According to the National Bank of Ukraine, FDI in the electricity, gas and steam supply sector amounted to USD 409.1 million. In January 2021, the MoE signed a Production Sharing Agreement with the Ukrainian subsidiary of US-based Aspect Holdings LLC. Moreover, in November 2020, the Chinese Power China company signed a EUR 860 million contract with the Ukrainian developer Windfarm to construct an 800 MW wind power plant. The Government is trying to strengthen investors' confidence in renewable energy. Law No. 810-IX guarantees that the State will neither cancel nor revise the Feed-in Tariff mechanism between 1 July 2020 and 31 December 2029, except for defence, national security, civil order, or environmental protection reasons. In December 2020, the MoE announced its view on renewable energy source auctions and set indicative quotas for 2022-2025. It is expected that the total capacity to be auctioned in 2021 from all renewable energy types will be 365 MW.

AREAS FOR IMPROVEMENT

The Government is encouraged to bring in legislation that makes the NEURC compliant with the EU Third Energy Package. In particular, the NEURC should be an independent authority that is not subordinate to the CoM.

The Government is working in the right direction to stabilise the renewable energy market. To reduce the GB's financial burden, it should adopt regulations and operational rules on corporate Power Purchase Agreements, particularly allowing renewable energy producers to exit the GB's balancing group and sell electricity in other market segments. It should also adopt a strategy with timelines for switching to the feed-in-premium support scheme.

INDICATOR 4

SCORE 63

Rule of law

QUICK FACTS

Law No. 193-IX "On Amending of the Law of Ukraine on the Judiciary and Status of Judges" was adopted in 2019.

In 2009, the Parliament adopted the Law of Ukraine "On the Alienation of Privately Owned Land Plots and Real Estate Located on Them for Public Needs and for Social Necessity".

STRENGTHS

Over the last year, private energy investors proactively utilised the Business Ombudsman Council (BOC) to resolve conflicts with public sector entities. As of February 2021, the BOC accepted 77 complaints from energy and utility companies. Of these complaints, 74 were investigated through the BOC's direct intervention. The Government is committed to increasing the role of dispute resolution alternatives and legislating the mediation option. In July 2020, the CoM signed the resolution on adopting draft Law No. 3504-P dated 2 July 2020 "On Mediation" as an alternative settlement mechanism that will contribute to decreasing the number of cases pending in the domestic courts. In April 2021, the Parliament adopted Law No. 1416-IX "On Amendments to Certain Legislative Acts of Ukraine Ensuring Gradual Implementation of the Unified Judicial Information and Telecommunication System", allowing courts to hear cases electronically.

Ukraine is working to strengthen the property-related rights of investors. In June 2020, the CoM adopted Resolution No. 683-IX to establish a Temporary Special Commission on the Protection of Investors Rights. The Commission is required to prepare and submit to the Parliament of Ukraine legislative initiatives that protect investors' rights and ensure equal protection of the rights, interests, and property of investments entities. In 2020, the National Information Systems, in cooperation with the State Judicial Administration of Ukraine, introduced an online information exchange portal that enables registrars and public notaries to access and verify court decisions online. In October 2020, Ukraine and the United Kingdom signed the Political, Free Trade and Strategic Partnership Agreement (PFTSPA). The PFTSPA is a treaty with investment provisions applicable to the energy sector, and it acknowledges the need for energy cooperation and ongoing implementation of the ECT.

AREAS FOR IMPROVEMENT

The Government may consider revising the national laws to give a more detailed definition of the term "public purpose" in expropriation. While the right of countries to determine what constitutes "public purpose" is foremost, it is also important that a definition that is not overly broad or vague is stipulated in the law.

Uzbekistan

Population[1]	32,956,100
Area (km^2)[1]	448,924
GDP per capita (USD)[1]	1,529.08
TES (Mtoe)[2]	46.39
Energy intensity (toe/10^3 2015 USD)[2]	0.49
CO_2 emissions - energy ($MtCO_2$)[3]	108.0

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	Number of projects and deals	Project CapEx and deal value (million EUR) by source country
Extraction of natural gas and crude petroleum	2 co-location projects	Russian Federation: 2 projects of 2,000 mEUR
Support activities for petroleum and natural gas extraction	1 joint venture deal	Value of 1 deal (Russian Federation) is N/A
Transport via pipeline	1 co-location project	Russian Federation: 1 project of 40 mEUR

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Uzbekistan is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

Uzbekistan's overall risk level against the assessed areas is **low**.

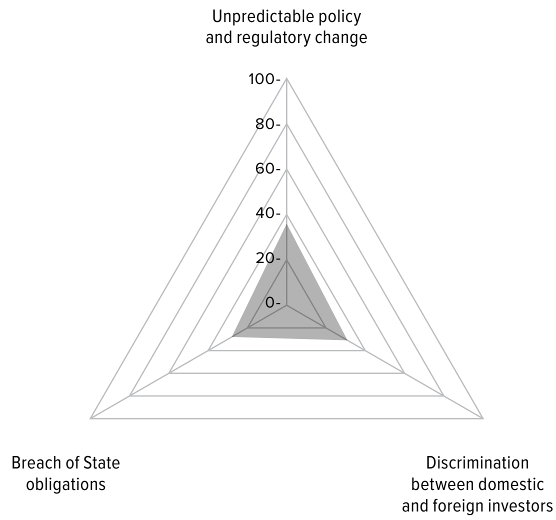
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *discrimination between domestic and foreign investors* and *unpredictable policy and regulatory change*.

Uzbekistan's performance is good on three indicators, and it is moderate on one indicator. It has a score of 72 on the indicator *rule of law*, 71 on the indicator *management of decision-making processes*, and 63 on the indicator *regulatory environment and investment conditions*. Its score on the indicator *foresight of policy and regulatory change* has gone up by three points, from 46 to 49.

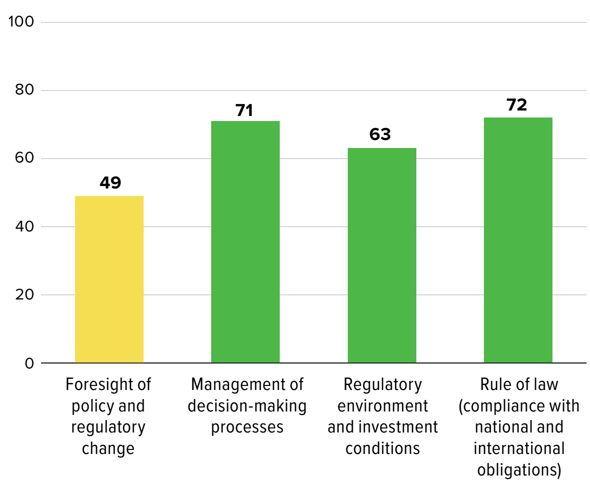
On a more detailed level, Uzbekistan's overall sub-indicator performance is good. Its highest-scoring sub-indicator is *management and settlement of investor-State disputes* with a score of 85, followed by *transparency* at 74. Its score on the sub-indicator *communication of vision and policies* has improved by six points and stands at 73. On *restrictions on FDI* (70), *institutional governance* (69), *respect for property rights* (58), and *regulatory effectiveness* (56) it has received the same scores as in EIRA 2020. The lowest-scoring sub-indicator is *robustness of policy goals and commitments* at 25.

While Uzbekistan has the relevant policies and measures in place, there is potential for improvement. Attention should be given to strengthening the robustness of policy goals and commitments.

RISK LEVEL



INDICATOR PERFORMANCE

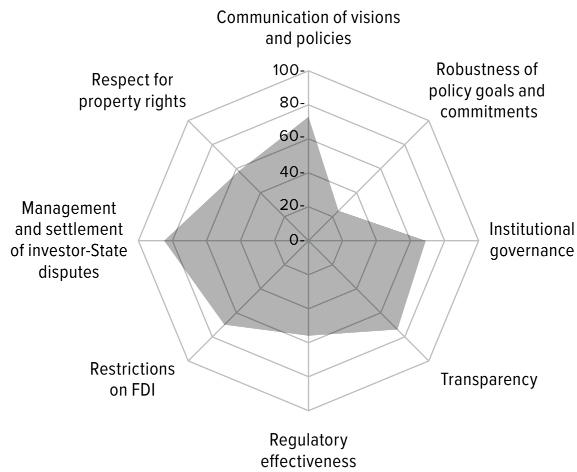


YEAR-ON-YEAR COMPARISON

RISK AREAS	2019	2020	2021
Unpredictable policy and regulatory change	45	37	36
Discrimination between domestic and foreign investors	34	32	31
Breach of State obligations	28	28	28

INDICATORS	2019	2020	2021
Foresight of policy and regulatory change	30	46	49
Management of decision-making processes	65	71	71
Regulatory environment and investment conditions	63	63	63
Rule of law	72	72	72

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 49

Foresight of policy and regulatory change

QUICK FACTS

The Concept Note for Ensuring Electricity Supply in Uzbekistan in 2020-2030 (Concept Note), the Strategy for the Transition of the Republic of Uzbekistan to a Green Economy in the period of 2019-2030, and the Strategy for Further Development and Reform of the Electric Power Industry of the Republic of Uzbekistan are the main policy documents on the energy sector.

Uzbekistan ratified the Paris Agreement in 2018 and submitted its first NDC.

STRENGTHS

On 30 January 2021, the Ministry of Energy (MoE) published the Roadmap for the Transition to Low-Carbon Energy for Electrical Power of Uzbekistan. The Roadmap envisions a transition to carbon-neutral electricity generation by 2050 in three phases. It aims to modernise gas-fired generation capacity between 2021 to 2030, scale-up renewable energy from 2031 to 2040, and reach carbon neutrality between 2041 and 2050. In parallel, the Government is creating a regulatory framework on energy efficiency. In July 2020, the President of Uzbekistan promulgated Decree no. PD-4779/2020 "On additional measures to reduce the dependence of economic sectors on fuel and energy products by improving energy efficiency of the economy and using existing resources". The Decree sets fuel and energy savings goals for 2020-2022 and aims to reduce the consumption of electricity by 3.3 billion kWh, 2.6 billion m^3 of natural gas and 16.5 tonnes of petroleum products. It also approves a roadmap to improve energy efficiency in large energy-intensive enterprises and a schedule of mandatory energy audits.

Presidential Decree no. PD-4938/2020 "On measures to ensure the implementation of the Law of the Republic of Uzbekistan 'On the State budget of the Republic of Uzbekistan 2021'" requires the Accounting Chamber of the Republic of Uzbekistan and the Ministry of Finance to control and monitor public expenditures. In 2020, Uzbekistan published the first Voluntary National Review Report on the county's SDG implementation. The report highlights the Government's recent achievements in various areas, including improvement in the business climate and investor rights' protection, increased transparency in the State budget, the ongoing restructuring of State-owned energy companies and promotion of innovation.

AREAS FOR IMPROVEMENT

Monitoring and evaluation of energy policies and projects should be conducted by an independent authority. This approach will guarantee the assessment's objectivity. The Government is also encouraged to conduct progress evaluation more consistently, and make the evaluation results publicly available.

INDICATOR 2

SCORE 71

Management of decision-making processes

QUICK FACTS

The MoE leads the policy-making process for the energy sector.

The Ministry of Investments and Foreign Trade (MIFT) implements the country's investment policy.

STRENGTHS

Law no. LRU-628/2020 "On amendments and addendums to Law on Rational Use of Energy" empowers the MoE to implement a unified State policy on energy savings, use of energy-efficient technologies and development of renewable energy. It also requires the participation of local governments in implementing the State policy and developing State programmes and projects for rational use of energy. Additionally, Presidential Decree no. PD-4937/2020 "On measures to implement the Investment Programme of the Republic of Uzbekistan for 2021-2023" ensures the timely execution of investment projects. It establishes a procedure for post-investment monitoring and analysis and the submission of monthly progress reports with suggestions to overcome challenges. In addition, it streamlines public administration services by setting criteria to assess how effectively the State is supporting investment programmes and providing assistance in project implementation.

During 2020, State authorities conducted stakeholder engagement on various draft legislation. For instance, in October 2020, the State Tax Committee published its plan on cooperation with stakeholders as a part of the Tax Administration Reform Project in Uzbekistan. The Government is also digitalising public services. Law no. LRU-684/2021 "On Public Procurement" sets out the main principles for the public procurement process, including openness and transparency, competition and objectivity, proportionality, and intolerance to corruption. The Ministerial Orders no. 3015-2/2020 and no. 3016-3/2020 establish an electronic system for public procurement and tenders. Among other things, the system publishes all the relevant legislation, regulatory acts and procedures, recent legal and regulatory amendments, upcoming and current tenders and competitions. Presidential Decree no. PD-4779/2020 creates a unified automated information system for the MoE to publish data on electricity production and consumption volumes. The Government is also taking steps to eliminate corruption. In 2020, the new Anti-corruption Agency was established to develop and implement the State policy on preventing and combatting corruption and ensuring collaboration between State agencies, mass media and non-public organisations.

AREAS FOR IMPROVEMENT

The Government invites citizens and other stakeholders to comment on laws and regulations through the unified electronic system of drafting regulations and agreements (project.gov.uz). In addition to this website, the Government may consider defining in law the modalities and timeframe of public participation.

INDICATOR 3

SCORE 63

Regulatory environment and investment conditions

QUICK FACTS

The MoE is responsible for regulating the energy sector. The Interagency Tariff Commission under the Cabinet of Ministers regulates the tariffs for electricity, heating and gas.

Resolution of the Cabinet of Ministers no. 310/2019 sets the main directions for the electricity tariff policy until 2030.

STRENGTHS

The Government continues to implement the power sector reforms. On 15 June 2021, the MoE finalised a draft concept note for transitioning to a competitive wholesale electricity market between 2021 and 2025. In September 2020, the Ministry of Finance started implementing the Power Sector Reform Programme to improve the management of power sector utilities, ensure 99% revenue collection by 2023, and increase the participation of private power producers. To promote renewable power generation, Presidential Decree no. PD-4779/2020 secures a guaranteed FiT for electricity produced from newly commissioned renewable power plants (solar, wind, biogas, micro and small hydro) with an installed capacity of less than 1 MW, including any surplus power produced for self-consumption. The tariff amount, which is effective from 1 August 2020, is at the level of tariff group II (non-household consumers paying for power at a flat-rate tariff). Apart from this, the Decree also establishes a protected trade platform to conduct online renewable auctions.

The MIFT reported USD 6.6 billion of FDI inflow in 2020. In May 2021, the Tutly Solar LLC secured a EUR 87.4 million loan to develop a 100 MW solar power plant near Samarkand. On 30 April 2020, the Cabinet of Ministers adopted Resolution no. 264/2020 to strengthen protection for investments exceeding USD 10 million. In particular, the Resolution sets out the conditions for an investor to approach the designated State bodies and request for "change in law" protection if its investment conditions have worsened due to legislative amendments. The Resolution also sets new procedures for the conclusion, amendment, termination and implementation of investment agreements for projects initiated after 30 April 2020. It contains a new model agreement between an investor and the Government that clearly outlines the rights, responsibilities and liabilities of parties and any additional guarantees provided to the investor.

AREAS FOR IMPROVEMENT

The Government is encouraged to continue its efforts towards enacting updated laws on electric energy and establishing an independent energy regulator. It must conduct technical studies to set the subsidiary rules on market operations and the licensing of market participants, the models of the wholesale electricity market, and the electricity balancing model. The approval of the relevant rules will give investors more certainty on the market operations for the coming period.

INDICATOR 4

SCORE 72

Rule of law

QUICK FACTS

Uzbekistan became a Contracting Party to the ECT in 1995.

Uzbekistan acceded to the Convention on Recognition and Enforcement of Foreign Arbitral Awards in 1996.

STRENGTHS

On 16 February 2021, the President of Uzbekistan signed Law no. LRU-674/2021 "On International Commercial Arbitration", which is based on the UNCITRAL Model Law and entered into force on 16 August 2021. It determines the procedures and basis for recognising and enforcing foreign arbitral awards and identifies the grounds to refuse enforcement. Moreover, it outlines the composition of arbitral tribunals, the procedure to select and appoint arbitrators, and provisions on the application, amendment, suspension, and cancellation of interim measures during arbitration proceedings. It also establishes a legal framework for disputing parties to request interim measures awarded through arbitration before local economic courts. The Cabinet of Ministers Resolution no. 264/2020 lists the institutions eligible to resolve disputes between investors and the State if the investment exceeds USD 10 million. This list includes courts of the Republic of Uzbekistan, foreign courts, and international commercial arbitration bodies located in Uzbekistan or in a foreign country.

The Civil Code of the Republic of Uzbekistan and Law no. LRU-598/2019 "On Investment and Investment Activities" guarantee compensations in the case of expropriation of investment and other assets. Law no. LRU-598/2019 defines "investment" to include intellectual ownership. The country's legislation does not contain provisions restricting the transfer of technology in the energy sector. Uzbekistan is a contracting party of the Convention on Establishment of the World Intellectual Property Organization and the Paris Convention for the Protection of Industrial Property since 1991. It has signed and ratified BITs with 49 countries, of which 45 are in force, and five treaties with investment protection provisions, of which four are in effect.

AREAS FOR IMPROVEMENT

Law no. LRU-598/2019 "On Investment and Investment Activities" addresses critical issues on the expropriation of investments and other assets. However, it is not the domestic laws but Power Purchase Agreements that stipulate the conditions for determining the compensation amount and the time of payment. While this approach gives the parties negotiation flexibility, the Government may still consider updating the Investment Law to outline a time-bound structure for paying the compensation or identify payment stages for this purpose. This addition to the national law will give investors more certainty on the rules governing expropriation and strengthen the credibility of the Government's commitments.

Viet Nam

Population[1]	95,540,395
Area (km^2)[1]	331,230
GDP per capita (USD)[1]	2,566.59
TES (Mtoe)[2]	83.46
Energy intensity (toe/10^3 2015 USD)[2]	0.36
CO_2 emissions - energy ($MtCO_2$)[2]	226.5

Data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021[4]

Target industry	**Number of projects and deals**	**Project CapEx and deal value (million EUR) by source country**
Electric power generation, transmission and distribution	11 new projects 1 co-location project 4 acquisition deals 2 minority stake deals	Republic of Korea: 3 RE projects of 1,205.8 mEUR 1 FF deal of 7 mEUR Japan: 3 RE projects of 499 mEUR Taiwan: 1 RE project of 444.7 mEUR Thailand: 2 RE projects of 102 mEUR 1 RE deal of 33.5 mEUR Philippines: 2 RE projects of 90 mEUR Saudi Arabia: 1 RE project of 51.4 mEUR Singapore: 1 FF deal of 43.3 mEUR 2 RE deals of 1.25 mEUR Malaysia: 1 RE deal of 0.13 mEUR
Support activities for petroleum and natural gas extraction	1 new project	Denmark: 1 project of 4 mEUR
Transport via pipeline	1 joint venture deal	Value of 1 deal (United Arab Emirates) is N/A

Sources:

1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.
4. Orbis Crossborder Investment (2021), Bureau Van Dijk. Viet Nam is the destination country of the investment. Data represents the period 1 April 2015 - 1 April 2021 (accessed on 1 July 2021). For more information see Annex II of this report.

RE: Electricity generation from renewable resources

FF: Electricity generation from fossil fuels

Viet Nam's overall risk level against the assessed areas is **low**.

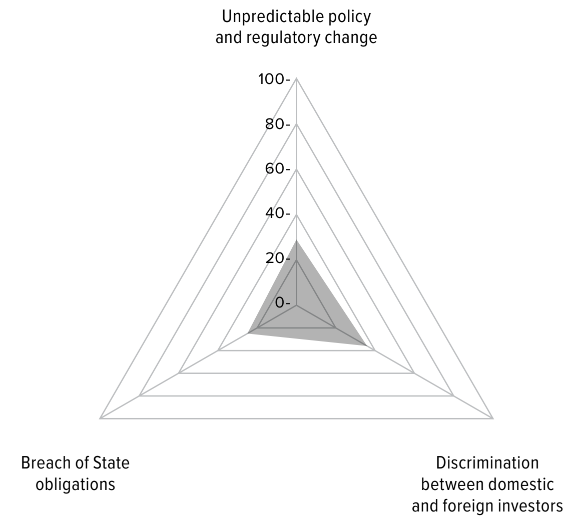
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *unpredictable policy and regulatory change* and *discrimination between domestic and foreign investors*.

Viet Nam's performance is good on three indicators, and it is moderate on one indicator. *Rule of law* and *management of decision-making processes* are the highest-scoring indicators at 75 and 73, respectively. It has a good score of 66 on *foresight of policy and regulatory change*, while *regulatory environment and investment conditions* stands at 45.

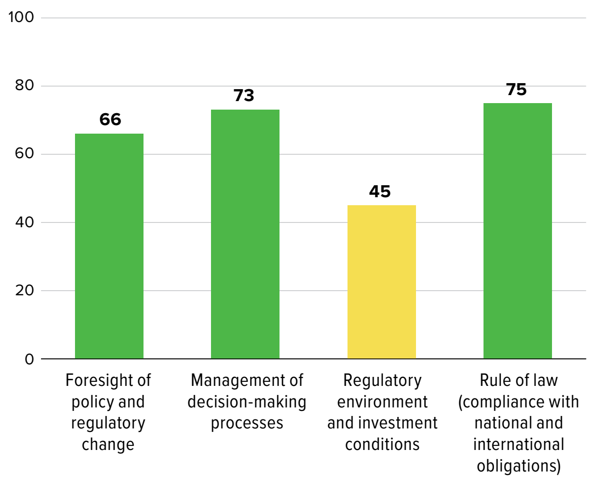
On a more detailed level, Viet Nam's overall sub-indicator performance is good. The highest-scoring sub-indicator is *communication and vision of policies* at 77, followed by *transparency* at 76. Its score on *management and settlement of investor-State disputes* and *respect for property rights* stands at 75. On *institutional governance* and *robustness of policy goals and commitments* it has a score of 69 and 56, respectively. Its score on *regulatory effectiveness* has improved and is now 50. The lowest-scoring sub-indicator is again *restrictions on FDI* at 40.

While Viet Nam has the relevant policies and measures in place, there is potential for improvement. Attention should be given to lowering the restrictions on FDI that are currently in effect.

RISK LEVEL



INDICATOR PERFORMANCE

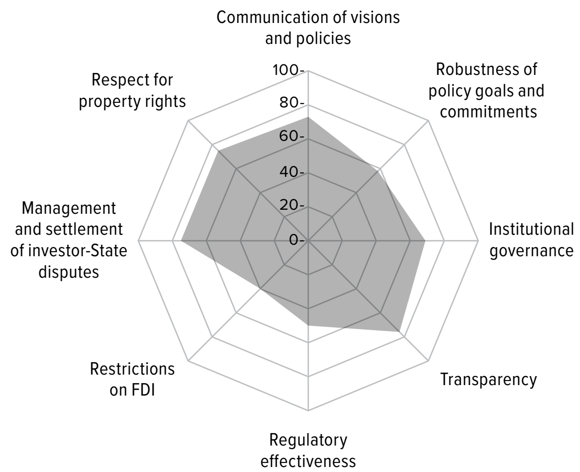


YEAR-ON-YEAR COMPARISON

RISK AREAS	2019	2020	2021
Unpredictable policy and regulatory change	29	-	29
Discrimination between domestic and foreign investors	38	-	36
Breach of State obligations	25	-	25

INDICATORS	2019	2020	2021
Foresight of policy and regulatory change	67	-	66
Management of decision-making processes	70	-	73
Regulatory environment and investment conditions	42	-	45
Rule of law	75	-	75

SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE **66**

Foresight of policy and regulatory change

QUICK FACTS

In February 2020, Politburo Resolution No. 55- NQ/TW On the orientation of the National Energy Development Strategy of Viet Nam to 2030 with a vision to 2045, was issued (Resolution 55). Resolution No. 140/NQ-CP1 (Resolution 140) promulgating the Government's Action Programme to implement Resolution No. 55 was also issued in February 2020.

In March 2021, the Government published for stakeholder comments the draft National Power Development Master Plan (PDP) VIII for the period of 2021-2030.

Viet Nam submitted its updated NDC in 2020.

STRENGTHS

Resolution 55 sets the Government's priorities in the energy sector, including resource diversification and the creation of a synchronised, competitive and transparent energy market. The efficient exploitation and use of renewables remain a key priority. The Government anticipates that with the implementation of PDP VIII, the proportion of renewables, excluding hydropower, in the energy mix will be nearly 30% in 2030. Wind power's capacity is expected to increase threefold compared to the figure in the adjusted PDP VII. The Ministry of Planning and Investment has invited investors to bid for developing the BIM Group wind farm project with a designed capacity of 88 MW. This project is listed in the PDP Planning and has received the Prime Minister's approval. Other projects, with a total capacity of 5 GW, will also become operational by November 2021.

The Government updates the national strategy documents in a regular and timely manner. In addition to the draft PDP VIII, the Ministry of Industry and Trade (MOIT) is now collecting opinions for the draft report on Strategic Environmental Assessment of the National Energy Master Plan for 2021-2030 with a vision to 2050. According to the draft report, the proportion of coal-fired power sources will gradually decrease, while gas-fired and renewable power will increase. Similarly, an updated version of the National Strategy on Green Growth is being developed, taking stock of the lessons learnt between 2012 and 2020.

AREAS FOR IMPROVEMENT

Since 2018, the solar industry's development has exceeded expectations due to its high profitability and easy deployment. To guarantee the continuous growth of the solar power generation industry in Viet Nam, the Government should update the Feed-in Tariff (FiT) scheme before it expires for the investors currently availing it. Moreover, to ensure balanced growth of renewable sources and achieve the targeted capacity for the wind sector (nearly 12,000 MW), the Government should consider increasing the rate and timeframe of the incentives offered to the relevant investors (mainly FiT) and ensure power network connectivity for these investors.

INDICATOR 2

SCORE **73**

Management of decision-making processes

QUICK FACTS

The MOIT is responsible for the overall energy planning and policy development. Its General Directorate of Energy advises the Minister in drafting laws and decrees for the sector and assists in preparing development strategies and national master plans for the power, coal, gas and petroleum sub-sectors.

Consultation on draft laws and public interest issues is regulated by Law No. 80/2015/QH13 On the Promulgation of Legal Documents.

STRENGTHS

In September 2020, the Government issued an action plan to implement the National Industrial Policy until 2030 with a vision towards 2045. Under this Policy, Viet Nam aspires to be in the top 50 of the UN e-Government Development Index (EGDI) by 2030. To this end, the Government plans to improve institutional and policy-making capacity further and introduce e-governance through a digital platform. Moreover, it seeks to develop infrastructure facilities and establish smart cities in key economic regions. The National Single Window (NSW) is fully operational with 200 administrative procedures of 13 ministries and sectors connected to it by 2020, with an increase of 12 procedures compared to 2019. The ASEAN Single Window now connects Viet Nam to nine ASEAN countries, rendering clearance and release of importation, exportation and transit of goods and conveyances more efficient.

The National Reporting System (NRS) and the Government Operations Center (GOC), launched in 2020, further transparency and the fight against corruption in public administration. The GOC is linked to the NRS as well as to other public authorities' databases. It allows the Prime Minister and other officials to interact directly with ministries and local governments' representatives. The ongoing public dialogue on the draft Personal Data Protection Decree manifests the Government's commitment to openness and inclusiveness in public administration. This draft Decree is coordinated by three ministries and supported by the EU within the "EU Justice and Legal Empowerment Programme in Viet Nam" framework. Also, it reflects the insights collected from telecommunications and internet companies, as well as the opinions from data experts and citizens.

AREAS FOR IMPROVEMENT

The establishment of one-stop shops has been an integral part of the Government's public administration reform programme. Currently, one-stop shops operate at various levels and have complementary responsibilities. From a foreign investor's perspective, further streamlining of the service delivery process and coordination with the NSW is recommended to improve the quality of public services.

INDICATOR 3

SCORE **45**

Regulatory environment and investment conditions

QUICK FACTS

The MOIT regulates energy sector activities and energy use. The Electricity Regulatory Authority of Viet Nam (ERAV) was established under the MOIT to promote a competitive power market.

Law No. 61/2020/QH14 On Investment, Law No. 59/2020/QH14 On Enterprises, and Law No. 64/2020/QH14 On PPP Investment took effect on 1 January 2021.

STRENGTHS

Since 2019, the MOIT adopted regulations to develop renewable energy projects. For instance, Decree No. 17/2020/ND-CP and Circulars No. 36/2018/TT-BCT and No. 15/2019/TT-BCT amend provisions on electricity activities and power operation licenses. Circular No. 18/2020/TT-BCT outlines the project development requirements and sample electricity purchase contracts for solar power projects. Due to the preferential pricing mechanism (FiT2), the total installed solar power production peaked at 16,500 MW or 25% of the total installed capacity. Foreign investment is increasing in the electricity market, mainly through Build-Operate-Transfer projects. The Government intends to hold tenders for up to 400 MW of floating solar projects as part of its plan to transition from FiT to competitive auctions.

In 2020, FDI in Viet Nam grew at a consistent pace. The ratification of the Progressive Agreement for Trans-Pacific Partnership and the EU-Viet Nam FTA (EVFTA) shows the Government's willingness to provide additional opportunities to foreign investors. The 2020 Law On Investment introduces new incentives in clean energy technologies, such as rapid depreciation, increasing deductible expenses when calculating taxable income and access to credit for investment. The 2020 Law On Enterprises simplifies online enterprise registration by allowing companies to submit soft-copy dossiers only. Finally, the 2020 Law On PPP Investment consolidates the existing legal framework in the area and gives investors clarity on the laws applicable to infrastructure projects.

AREAS FOR IMPROVEMENT

To make good on its commitment to liberalise the energy sector, the Government should reinforce ERAV's institutional independence and create a similar regulatory authority for the oil and gas sub-sectors. Moreover, it should accelerate equitisation and privatisation of the State-owned Viet Nam Electricity Corporation (EVN) and PetroVietnam to ensure healthy competition in electricity transmission and distribution and the oil and gas industry.

The 2020 Law On Investment cites "national defence and security" as condition for market entry as well as grounds for termination or suspension of investment activities. Yet, this term is not well-defined, leaving public authorities substantial interpretative freedom. To eliminate legal uncertainty, the Government should define its content and provide a list of examples that constitute "national defence and security" reasons.

INDICATOR 4

SCORE **75**

Rule of law

QUICK FACTS

Viet Nam became a signatory to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards in 1995.

The 1992 Constitution of Viet Nam protects the right to lawfully acquired property against nationalisation.

STRENGTHS

International arbitration continues to gain momentum in Viet Nam. Of the 31 arbitration institutions currently active in the country, the Viet Nam International Arbitration Center (VIAC) is the most widely used by investors. Over the past two years, the number of cases resolved by the VIAC has grown progressively because its awards are directly enforceable. The Supreme People's Court and the Supreme People's Procuracy are developing a resolution to guide national courts on the procedural and documentary requirements concerning the recognition of foreign arbitral awards. Moreover, the Supreme People's Procuracy has issued Notice No. 97/TB-VKSTC inviting prosecutors representing the Government in all court proceedings to adopt a uniform approach in considering petitions to recognise and enforce foreign arbitral awards. The EVFTA envisages a permanent dispute resolution system, which excludes domestic courts, to handle disputes concerning investment protection provisions. Decision No. 14/2020/QD-TTg of 2020 On Regulating the Coordination between the Vietnamese State bodies in International Investment Dispute Settlement has extended the scope of the "lead agency for international investment agreement claims" to any governmental agency whose acts give rise to a dispute.

The 2020 Law On Investment reaffirms that investors' capital, property and assets will not be expropriated except for reasons of national defence, security and national interest, and upon the payment of compensation. As part of the EVFTA, the Government is expected to meet higher IP protection standards, such as the presumption of authorship or ownership, the introduction of internet service providers and their liability in IP infringement, and provision of a preliminary injunction precluding infringements. Moreover, the Intellectual Property Strategy 2030 aims to develop a comprehensive IP system that provides protection and fosters innovation and competitiveness.

AREAS FOR IMPROVEMENT

The term "public interest" as grounds for legitimate expropriation should be defined in the domestic law to offer investors more legal certainty.

The Government has taken positive measures to address challenges related to domestic courts' enforcement of foreign arbitral awards. Future initiatives should aim to reduce the number of procedural steps required for recognition and enforcement. The Government may also consider becoming a member of ICSID.

Yemen

Population[1]	28,498,687
Area (km^2)[1]	527,970
GDP per capita (USD)[1]	824.11
TES (Mtoe)[2]	3.30
Energy intensity (toe/10^3 2015 USD)[2]	0.10
CO_2 emissions - energy ($MtCO_2$)[2]	8.0

There is no data by Orbis Crossborder Investment on completed energy projects and deals from 2015-2021

Sources:
1. The World Bank 2018
2. ©IEA (2021), World Energy Balances (https://www.iea.org/data-and-statistics). All rights reserved.
3. ©IEA (2021), CO_2 Emissions from Fuel Combustion (https://www.iea.org/data-and-statistics). All rights reserved.

Yemen's overall risk level against the assessed areas is **moderate**.

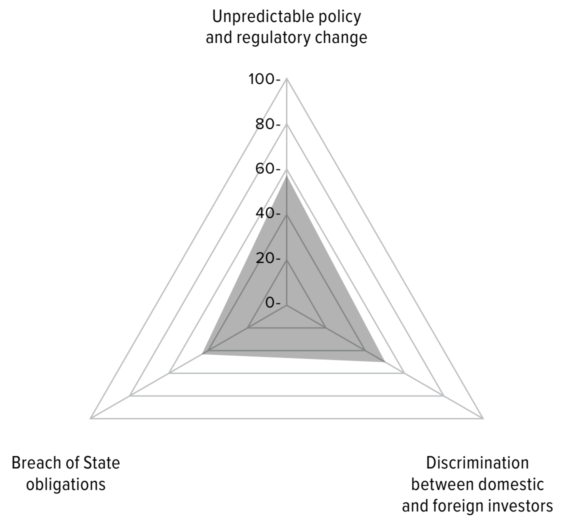
Of the three risks assessed in EIRA, *breach of State obligations* is lower compared to *discrimination between domestic and foreign investors* and *unpredictable policy and regulatory change*.

Yemen's performance is moderate on three indicators, and it is low on one indicator. It has a score of 57 on the indicator *rule of law*, 47 on *regulatory environment and investment conditions* and 46 on *management of decision-making processes*. Its score on *foresight of policy and regulatory change* is 25.

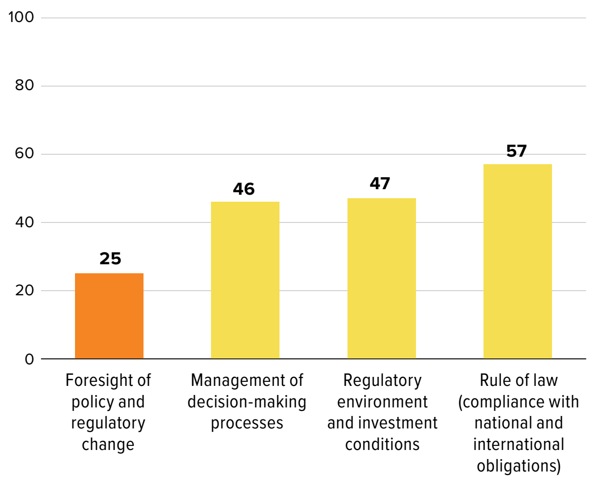
On a more detailed level, Yemen's overall sub-indicator performance is moderate. The highest-scoring sub-indicator is *respect for property rights* at 58, followed by *management and settlement of investor-State disputes* at 55. The sub-indicators *institutional governance* and *restrictions on FDI* are both at 50. Its score is 44 on *regulatory effectiveness*, 42 on *transparency* and 26 on *robustness of policy goals and commitments*. The lowest-scoring sub-indicator is *communication of vision and policies* at 24.

While some policies and measures are in place, more concrete steps must be taken to strengthen Yemen's performance across all indicators and underlying sub-indicators. Particular attention should be given to communicating the country's national vision and energy policies better.

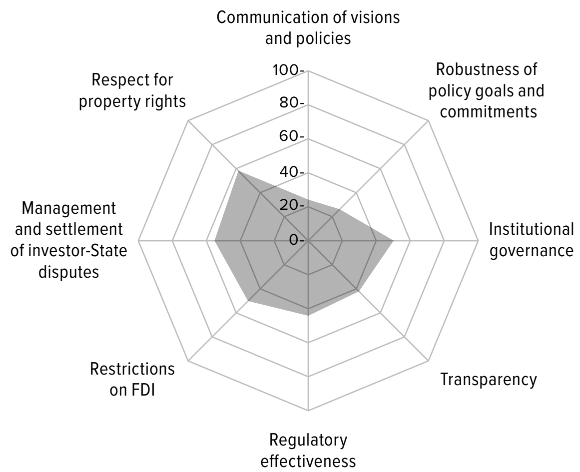
RISK LEVEL



INDICATOR PERFORMANCE



SUB-INDICATOR PERFORMANCE



INDICATOR 1

SCORE 25

Foresight of policy and regulatory change

QUICK FACTS

The Government of Yemen adopted the National Strategy for Renewable Energy and Energy Efficiency in 2009.

Yemen signed the Paris Agreement on 23 September 2016 but has not ratified it yet.

STRENGTHS

The Government of Yemen is trying to revitalise the power sector and resolve the energy crisis resulting from the war. In April 2021, it launched a 40 MW power plant at the Shihr port city to improve energy access. Attempts to boost investment and power infrastructure resilience are also being made at local level. In 2021, the Hadhramaut local authority signed a contract with the Jordanian-based Consolidated Consulting Group to construct power line towers and substations for the first phase of a 132 kV power supply line project. The local authorities in the Marib governorate also launched an ambitious campaign in November 2020 to install over 4,400 electricity meters for consumers in its capital and on the outskirts. The project aims to improve the delivery of electricity services, promote energy conservation and increase the governorate's revenue collection.

Yemen's Supreme Energy Council (SEC) monitors the progress made in overcoming the country's key energy challenges. The Prime Minister of Yemen chairs the SEC, which includes the Minister of Electricity and Energy (MoEE), the Minister of Oil and Minerals (MOM), the Minister of Finance and the Minister of Planning and International Cooperation (MPIC). The main tasks of this SEC are to review and draw up national energy strategies, develop action plans and remedies for any gaps in policy implementation, follow up on urgent energy issues, and eliminate barriers that hinder the sector's growth.

AREAS FOR IMPROVEMENT

With assistance from donor agencies, the Government must develop an energy sector rehabilitation strategy with revised national energy objectives and scenarios for their achievement. This strategy must be accompanied by a matrix that sets performance indicators for the high-level objectives, targets and date of achievement (taken from a baseline year) and lists the implementing entities.

Restoring the on-grid power supply in public services and rehabilitating the grid infrastructure damaged from the war should be the Government's foremost priority. At the same time, it should channel funds into off-grid solar power generation, given Yemen's sunlight abundance, the scalability of photovoltaic systems, and the potential of distributed systems to increase energy access in remote areas. With support from development partners, the Government must draft a renewable energy investment plan to mobilise private investment in distributed power generation. It must also conduct technical studies to determine wind energy potential along the coastal strip and offshore areas.

INDICATOR 2

SCORE 46

Management of decision-making processes

QUICK FACTS

The MoEE develops strategies, policies and plans to implement electricity activities in the country. The MOM supervises the oil and natural gas sub-sectors.

The MPIC defines the private sector development and investment policies.

Law No. (13) of 2012 on the Right of Access to Information promotes citizens' right to access information.

STRENGTHS

In February 2021, the Council of Ministers of Yemen approved its annual Action Plan to address some key issues, such as implementing financial reforms to increase the Government's revenues, exercising control over public expenditures and eliminating corruption. During its first meeting, the Council of Ministers discussed, in a collaborative manner, the main requirements, objectives and actions for Yemen's economic recovery. It mandated the Minister of Finance to prepare monthly expenditure plans for the first half of the year, January to June 2021, in cooperation with the Ministers of Civil Service and Insurances, Planning and International Cooperation and Local Administration. In 2021, the Government also reactivated the SEC to identify sustainable solutions for improving electricity services in Yemen. The SEC held its first meeting in March 2021 to address some urgent topics, such as reducing fuel supply shortages and opening investment in the energy sector.

Yemen has a legal framework on the right to information access and anti-corruption. The Law on the Right of Access to Information lists a limited set of circumstances under which citizens can be denied information held by public authorities. It requires public authorities to publish annual reports on the actions taken to achieve the national objectives, the relevant projects and programmes, and the financial accounts. The public authorities must inform the citizens and other stakeholders of how and where they can get this information and request official documents. The Anti-corruption Law No. (39) of 2006 establishes the Supreme National Anti-Corruption Commission with competencies to prevent and investigate corruption cases, raise awareness of corruption, and educate the public on corruption-related issues.

AREAS FOR IMPROVEMENT

The central Government and international agencies should make efforts to strengthen self-governance in the governorates. Since the ongoing war may make it difficult to amend Law No. (4) of 2000 on the Local Authority, the central Government should establish a regulatory framework that allows the governorates to exploit resources, provide services at local level and utilise the revenues collected for their development. To ensure citizen inclusion on the ground, the approach of the Marib and Hadhramaut governorates, where the community's role in decision-making has increased compared to the pre-war era, can serve as a model.

INDICATOR 3

SCORE 47

Regulatory environment and investment conditions

QUICK FACTS

Per Law No. (1) of 2009 on Electricity, the MoEE regulates energy and electricity-related activities.

Law No. (15) of 2010 on Investment states that foreign and local investors shall be treated equally without discrimination to their rights and liabilities.

STRENGTHS

The MoEE is working with the governorates to improve service delivery and implement planned projects. In February 2021, it inaugurated, with the Al-Mahrah Governorate, the construction of a model LPG station. In April 2021, it also signed an agreement under which Saudi Arabia will supply fuel to 80 power stations in different governorates. The total amount of fuel approved under the arrangement is 1,260,895 metric tons, including 909,591 tons of diesel and 351,304 tons of mazut, and the deal's value is USD 422 million. Law No. (19) of 1999 On Competition Promotion, Monopoly, and Commercial Deception Prevention establishes the Anti-Monopoly and Competition Protection Authority that defines the policies to promote market competition and prevent monopolistic practices.

Despite the security challenges, foreign investors present in the country are committed to ongoing projects – and to resume the ones suspended – bearing in mind the safety of personnel and operations. On 20 July 2018, the Yemeni company PetroMasila entered into a Memorandum of Understanding with General Electric to construct a 264 MW power plant in Aden. The project is now in its final stages, and it is expected to commence in 2021. In early 2021, representatives from the MOM and TotalEnergies met to explore options to restart the Yemen LNG project. In January 2021, the Government signed an agreement for the construction of a 40 MW power plant in the district of al-Boreiqa. The total cost of the project is an estimated USD 3 million.

AREAS FOR IMPROVEMENT

Guarantees under the Investment Law of 2010 are not available to investors engaged in exploring and exploiting oil and gas. Therefore, it is recommended that the Government should draft an oil and gas law that grants adequate legal protection to domestic and foreign companies engaged in upstream oil and gas activities.

The Government should intensify its efforts to promote and implement PPP projects that can give the country access to private capital, modern technology and skilled human resources. Although the Parliament resumed discussions on the draft PPP law in 2018, its progress stalled due to the war. For the time being, the Government should create a regulatory framework to support the implementation of PPP projects in key infrastructure sectors. It should also collaborate with international agencies and donors to design PPP programmes for financing and developing renewable power generation projects.

INDICATOR 4

SCORE 57

Rule of law

QUICK FACTS

The ECT entered into force for Yemen on 29 January 2019.

Yemen ratified the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States on 21 October 2004.

The Constitution of the Republic of Yemen with amendments through 2015 grants protection against the expropriation of private property.

STRENGTHS

The Investment Law of 2010 allows the investor and the State to settle investment disputes amicably, and failing this through arbitration. The parties have the flexibility to undertake arbitration either under the rules and procedures of a nationally or regionally approved arbitration centre or those of UNCITRAL. The Presidential Decree No. (22) of 1992 Issuing the Arbitration Act (as amended in 1997) also permits national and international arbitration in commercial disputes. Mediation (sulh) is another alternative to court litigation that is available under the Arbitration Act. In 1998, an independent and non-profit body, the Yemeni Centre of Conciliation and Arbitration (YCCA), was established in affiliation with the Chamber of Commerce and Industry to promote arbitration. The YCCA has settled disputes in several areas, including trade, finance, construction and industry.

The Constitution of the Republic of Yemen establishes that the State cannot confiscate private property unless it is for a public interest purpose, upon payment of fair consideration and following due process. The Investment Law of 2010 contains more detailed provisions on conditions the State must fulfil before expropriating investors' property. It states that the expropriation of investment projects must be non-discriminatory. The amount of compensation must be mutually agreed upon between the Government and the investor or set by the competent commercial court. It must reflect the market price of the project assets until the day before the expropriation declaration. The compensation must be paid within 180 days from the date the project expropriation is declared. If the payment is delayed, the investor can request a re-evaluation by the competent commercial court.

AREAS FOR IMPROVEMENT

Along with international stakeholders, the Government must mobilise technical and financial resources to increase the judiciary's institutional capacity, support infrastructure development and undertake programmes to improve judicial integrity and effectiveness. The Government and development agencies must organise capacity-building programmes and initiatives to link the informal justice providers with the formal judicial system at local level.

ANNEX I: IMPLEMENTATION STATUS

Afghanistan

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Set evidence-based measurable targets for the energy sector.	**Pending**
2018	Adopt a national action plan to implement the energy targets.	**Pending**
2018	Publish the performance evaluation reports of the Afghan Energy Authority and the Ministry of Mines and Petroleum (MoMP).	**Work ongoing.** The MoMP published its quarterly and annual financial reports for 2020.
2020	Update the renewable energy targets that expired in 2020.	**Pending**
2020	Regularly update the energy and power system data on the Afghanistan Energy Information Center's website.	**Pending**
Indicator 2		
2018	Set up a one-stop shop for all business-related services in the energy sector.	**Work ongoing.** The MoMP is currently implementing an electronic Mining Cadastre Administration System to register and administer mining licence allocations.
2018	Publish official translations of laws and regulations in foreign languages.	**Pending**
2018	Adopt legal provisions guaranteeing public consultation on draft legislation, policies, and regulations.	**Work ongoing and partially implemented.** The Law on Access to Information was enacted in 2018, and a new Oversight Commission on Access to Information was appointed under this law.
2019	Reinforce Afghanistan's international commitments under global transparency initiatives.	**Fully Implemented.** On 28 October 2020, Afghanistan received its second EITI membership validation.
2020	Update the e-governance strategy (approved in 2012) to encourage the digitalisation of business services.	**Pending**
2020	Operationalise the Anti-Corruption Commission and equip it with an adequate budget and technical facilities.	**Work ongoing.** As of April 2021, one-third positions in the Anti-Corruption Commission have been filled.
2021	The Supreme State Audit should produce audit reports on the extractive sector State-owned enterprises, including the Afghan Gas Enterprise and and the North Coal Enterprise, for 2021 and beyond.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 3		
2018	Establish an independent electricity regulator that will facilitate transparency in licensing, return on investments, and tariffs.	**Work ongoing.** Presidential Decree No. 36 of 9 February 2020 dissolves the Ministry of Energy and Water. The energy sector is now regulated by the Energy Services Regulatory Authority and the water sector is regulated by the National Water Affairs Regulation Authority. These two authorities function as independent budgetary units.
2018	Develop a clear criteria for the Government's right to restrict investment in natural resources and energy infrastructure.	**Pending**
2020	Make the Afghanistan Oil and Gas Regulatory Authority fully operational.	**Pending**
2021	Develop a national investment strategy to attract foreign investments and adopt an action plan that specifies the measures and timelines to achieve the targets outlined in the strategy.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2018	Establish a foreign investment ombudsperson to settle conflicts arising in the course of energy projects.	**Pending**
2018	Set a legally binding process to determine the compensation for the expropriation of private property and a payment timeframe.	**Fully implemented.** The updated Law on Expropriation 2017 (effective since late 2018) establishes a compensation valuation committee and clarifies the rules for determining the amount of compensation.
2020	Update the domestic laws to increase the scope of protection granted to the intangible property rights of foreign investors against expropriation.	**Pending**

Albania

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Set quantifiable and long-term policy targets to facilitate the clean energy transition.	**Fully implemented.** In 2018, the Albanian Council of Ministers approved the National Energy Strategy 2018-2030.
	Strengthen the policy monitoring and evaluation mechanisms.	**Pending**
2019	Adopt the National Energy and Climate (NECP) in 2021.	**Work ongoing.** The Ministry of Infrastructure and Energy expects to finalise and adopt the NECP before the end of 2021.
2020	Adopt a new energy efficiency action plan because the Second and Third National Energy Efficiency Action Plan 2017-2020 expired in December 2020.	**Pending**
	Operationalise and fully staff the Energy Efficiency Agency that was set up in 2016.	**Fully implemented.** The Energy Efficiency Agency is fully functional and staffed as of 2020.
	Establish the Energy Efficency Fund to finance projects per Law no. 124/2015 “On Energy Efficiency”.	**Pending**
2021	Adopt a new national action plan to adequately develop and deploy renewable energy sources.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2018	Enhance the accessibility and interface of the online Official Gazette to facilitate the use of legal information.	**Fully implemented.** In 2019, the website of the Official Gazette was fully updated to provide information on legislative amendments and repeals. It features an advanced search tool, and is accessible in English. Administrative decisions, including the announcement of public procurements, are also published on the website.
	Publish statutes in common foreign languages.	**Pending**
2020	Develop and promote stronger coordination mechanisms among ministries, public authorities and State agencies to guarantee policy consistency.	**Pending**
2021	Establish a specialised renewable energy agency as envisaged in Law no. 7/2017 “On Renewable Resources”.	**Improvement suggested in 2021.** Status will be updated in 2022.
	Draft secondary legislation and regulations to implement Law no. 155/2020 “On Climate Change”. Develop a national climate change adaptation and mitigation plan that is consistent with the EU requirements.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 3		
2018	Lower restrictions on the acquisition of property by foreigners, and on the employment of non-Albanian unskilled personnel.	**Work ongoing.** Albania is working on the first registration of property titles in all its territory.
2020	Unbundle the distribution and supply activities, which has been postponed until December 2020 by a decision of the Energy Regulatory Authority.	**Fully Implemented.** In January 2020, the sole electricity distributor and supplier, OSHEE sh.a, was made a holding company with three subsidiaries: the Electricity Distribution System Operator (OSSH sh.a), the Universal Service Supplier (FSHU sh.a), and the Free Market Supplier (FTL sh.a).
	Remove legal and contractual obstacles that impede regional market integration.	**Pending**
2021	Ensure the functional unbundling of the State-owned distributor and supplier OSHEE sh.a, and abolish the legal obstacles preventing customers from choosing their electricity supplier.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2018	Adopt the law on arbitration which is pending since 2013.	**Work ongoing.** Albania is working on a draft law governing arbitration.
	Establish a foreign investment ombudsperson to settle conflicts on licensing procedures arising in the course of energy projects.	**Pending**
2020	Set a legally binding cap on the timeframe to pay compensation in the case of expropriation.	**Pending**

Armenia

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Ensure that the authorities implementing the national energy policy are independent.	**Work ongoing.** Data collection on GHG emissions, energy efficiency, and renewable energy projects is partially implemented by independent international agencies.
2019	Review the energy policies and laws to evaluate their relevance and eliminate any potential duplication or contradictions.	**Work ongoing.** On 14 January 2021, the Armenian Government adopted the Strategic Programme for Development of the Energy Sector until 2040 (Strategic Programme on Energy) to phase out and replace several regulatory acts on energy security, power reliability, and electricity market liberalisation.
2020	Prepare and approve a new programme on energy savings and renewable energy that sets the priorities and targets for 2021–2030.	**Work ongoing.** The Action Plan on Ensuring the Implementation of the Strategic Programme on Energy mandates the development of a new programme on energy savings and renewable energy for 2021–2030.
2021	Amend the Strategic Programme on Energy to include ultimate outcomes for 2040.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2018	Publish official translations of the energy strategy documents, legislation, and regulations.	**Work ongoing.** The Translation Centre of the Ministry of Justice makes some laws available in foreign languages.
	Provide pre- and post-investment services through Business Armenia.	**Work ongoing.** The Investment Support Center (ISC) was set up in 2020 to serve as a single window that responds to the queries of potential investors and provides information on investments. However, the ISC does not provide post-investment services.
2020	Expand the role of the Investment Support Center so it can serve as a one-stop shop for energy investors.	**Pending**
2021	Intensify consultations and dialogue with professional and specialised organisations in drafting legal and regulatory acts.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 3		
2018	Strengthen the financial autonomy of the Public Services Regulatory Commission (PSRC).	**Pending**
	Create the necessary pre-conditions to implement the ongoing energy sector reform.	**Work ongoing.** The Action Plan on Ensuring the Implementation of the Strategic Programme on Energy contains actions to implement the energy reforms, such as amending the laws on energy and introducing competitive trading for renewable electricity.
2019	Reduce the time needed to liaise with State authorities on licensing procedures, identify and eliminate redundant licences and permissions, and clarify contradictory regulations, especially on investment in renewable energy and energy-efficient technologies.	**Partially implemented.** PSRC Decision no. 516-N/2019, effective from February 2021, sets new wholesale electricity market rules.
2020	Adopt a national investment promotion strategy with special measures to increase FDI in the energy sector.	**Pending**
Indicator 4		
2018	Establish a foreign investment ombudsperson to resolve conflicts arising between energy companies and public authorities in the course of investment activities.	**Pending**
	Update the domestic law to define the term “public purpose or in the public interest” in the context of expropriation. Develop clear guidelines to determine the amount of compensation and the timeframe for its payment.	**Pending**
2020	Offer investors an arbitration pledge to make the State’s participation in investor-State dispute settlement binding.	**Pending**

Bangladesh

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Make the policy impact assessment reports publicly available. Ensure that the authorities implementing the national energy policy are different from those evaluating its progress.	**Work ongoing.** The Ministry of Power, Energy and Mineral Resources (MPEMR) published its performance reports for 2020 and its consolidated Annual Performance Agreement (APA). The Ministry of Environment, Forests and Climate Change published the APA implementation report for 2020 and the first quarter of 2021.
2020	Conduct technical studies to assess the accuracy of future demand forecasts and the methodology for estimating electricity demand.	**Pending**
	Review the Integrated Power Development Plan and update it to incorporate renewable energy sources in the power generation mix.	**Work ongoing.** The National Solar Energy Action Plan 2021-2041 of the Sustainable and Renewable Energy Development Authority sets targets for renewable electricity.
	Set future NDC targets that are ambitious enough to offset the planned increase in fossil-based power generation.	**Work ongoing.** Bangladesh is currently drafting its second NDC.
	Create greater awareness among citizens on Demand Side Management measures to shift the peak load time from night to day and develop policy options to address the low efficiency of existing thermal power plants.	**Pending**
2021	Develop a policy framework on large-scale storage systems.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2018	Create a legislative framework for a one-stop investment centre and make it operational.	**Fully implemented.** Bangladesh adopted the One Stop Service Act in 2018. The Online One Stop Service became operational in 2019.
	Introduce legal provisions for regular and mandatory public consultation on draft laws and regulations.	**Partially implemented.** In 2020, the Bangladesh Energy Regulatory Commission (BERC) consulted the public on the LPG pricing policy and on its draft dispute resolution regulations.
2021	Develop an open data policy to improve transparency in the extractives industry.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 3		
2018	Increase the share of operating revenue in the BERC fund and reduce reliance on government resources and loans.	**Work ongoing and partially implemented.** There has been a consistent fall in government funding to BERC. Between 2003-2004 to 2016-2017, Government grants constituted 1.4% of BERC's total funds.
	Lower restrictions on the repatriation of dividends, interests, royalties and proceeds of capital.	**Pending**
2020	Enact the BERC (Amendment) Bill into law as soon as possible.	**Fully implemented.** The BERC (Amendment) Bill of 2020 was passed in Parliament. It empowers BERC to revise the electricity tariff more than once per fiscal year.
	Encourage regular filing of tariff submissions by power utilities.	**Pending**
2021	Establish competitive pricing policies to incentivise large-scale solar projects.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2018	Set deadlines for various stages of a hearing, such as the first date of hearing, the completion of appeals and the final delivery of judgements.	**Pending**
	Consider establishing a foreign investment ombudsperson to settle conflicts arising during energy projects.	**Work ongoing.** The Government has set up Case Coordination Committees that catalogue disputes and forward these to the appropriate venues to minimise case congestion in the domestic courts.
	Define the term "public purpose or in the public interest" in the Acquisition and Requisition of Immovable Property Act of 2017.	**Pending**

Belarus

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Develop a long-term investment plan for the energy sector.	**Work ongoing.** The 2017-2030 National Infrastructure Strategy (NIS), approved in 2017, serves as a guidance document for the business community. In 2020 and 2021, several State Programmes covering the period of 2021-2025 were adopted. The Programmes "On Increasing Electricity Use for Heating, Hot Water and Food Preparation", "On Complex Modernisation of Gas Sector Production" and "On Comfortable Housing and Favourable Environment" contain plans to increase investment in the energy sector.
	Define long-term targets to reduce carbon emissions in the energy sector.	**Pending**
	Implement institutional reforms to make the policy monitoring authorities independent of the policy-making bodies.	**Pending**
2019	Adopt the new Law on Electricity.	**Pending**
2020	Cooperate with prospective buyers, within the EAEU and beyond, to ensure the successful implementation of the country's energy export plans.	**Work ongoing.** The Belarusian national energy company, Belenergo, is working on various electricity export options.
	Develop a well-designed system to monitor the implementation of the national energy priorities.	**Pending**
Indicator 2		
2018	Institutionalise and make it legally mandatory for State authorities to consult stakeholders on legal and regulatory decisions.	**Work ongoing.** According to Law no. 130-Z "On Normative Legal Acts", draft legal acts can be submitted for consultation via the Legal Forum of Belarus website, as well as through Parliamentary hearings. Mandatory public discussion on draft legal acts are required during consultative (expert) meetings. The Ministry of Energy publishes information on its Public-Consultative (Expert) Council, including the list of members, the meeting minutes and copies of the draft laws and regulations discussed. The Council holds two to three meetings per year.
	Enhance the role of the National Agency of Investment and Privatization as a one-stop shop.	**Pending**
2021	Increase the timeframe of citizen engagement and consider allowing third parties (those not directly involved in a matter) to give their feedback on important draft laws.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 3		
2018	Establish an independent energy regulator responsible for setting tariffs, protecting consumers' rights, regulating natural monopolies, and creating competitive conditions in the energy market.	**Pending**
	Clarify the eligibility criteria for availing benefits and incentives under international investment agreements.	**Pending**
2019	Develop step-by-step guidelines to support foreign companies investing in the energy sector.	**Pending**
2020	Complement the Draft Strategy on Attraction of Direct Foreign Investments until 2025 with an action plan and revitalise the discussions with the final aim to approve the document.	**Pending**
Indicator 4		
2018	Consider establishing an investment ombudsperson to resolve conflicts between investors and State agencies.	**Pending**
	Amend the domestic laws to include well-defined grounds to expropriate private property, clauses explaining the process to determine the compensation and a timeframe for its payment.	**Work ongoing.** In 2019, Belarus signed BITs with Uzbekistan and Hungary that define the process to determine compensation in the event of expropriation or nationalisation.
2020	Make efforts to expedite the country's accession to the WTO.	**Pending**

Benin

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2019	Introduce market-based incentive instruments to promote the deployment of domestic renewable energy resources.	**Work ongoing.** The 2020 Electricity Code boosts private investment in renewable energy. During 2020-2021 some solar projects were commenced, including the DEFISOL solar power plant, funded by the EU and France. The DEFISOL plant will supply the country with 35 GWh of electricity a year and reduce annual GHG emissions by 23,000 tonnes of CO_2 a year over a 25-year period.
	Define the responsibilities of the bodies conducting policy monitoring tasks and those implementing the national energy policy.	**Work ongoing.** The 2020 Electricity Code provides for a clearer demarcation of roles and responsibilities between various authorities involved in the monitoring and implementation of the national energy policy.
	Introduce a policy review process that allows for periodic assessments.	**Work ongoing.** The 2020 Electricity Code provides for periodic revision of the renewables and energy efficiency policy.
2021	Review the national energy strategy in a timely fashion and introduce in it measurable policy targets (GAP 2016-2021).	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2019	Adopt an overarching legal framework that requires the Government to undertake public consultations before adopting new laws and regulations.	**Work ongoing.** Benin adopted its Electricity Code in 2020, requiring the energy regulator to publish all tariff-related information and ensure public participation in framing electricity sector regulations.
Indicator 3		
2019	Reinforce the functional and institutional autonomy of the Electricity Regulatory Authority (ARE).	**Work ongoing.** The 2020 Electricity Code reinforces the ARE's independence and liberalises generation, transmission and distribution of electricity.
	Integrate local content requirements in the country's overall development strategy and set up an agency for its transparent and efficient administration.	**Fully implemented.** The 2020 Investment Code links the granting of investment incentives to the training and education of local employees.
	Designate a competent authority to regulate competition in the energy sector.	**Fully implemented.** Under the new Electricity Code, the ARE must ensure healthy and legal competition in the sector and protect the interests of consumers and the State.
Indicator 4		
2019	Introduce frameworks to examine cases and the delivery of judgements.	**Work ongoing.** Law No. 2020-08 on Modernisation of Justice in Benin was adopted with the aim to improve transparency and increase the speed of court proceedings.

Bosnia and Herzegovina

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Adopt the Framework Energy Strategy of Bosnia and Herzegovina (BiH) until 2035 at State level.	**Fully implemented.** The Framework Energy Strategy of BiH until 2035 was adopted in late 2018.
2018	Finalise and adopt the draft legislation for the electricity and gas sub-sectors at State-level.	**Work ongoing.** The Draft Law on the Regulator of Electricity and Natural Gas, Transmission and Electricity Market in BiH is ready. The sections related to electricity are consistent with the EU's Third Energy Package, while those on gas are currently in the harmonisation process.
2019	Draft and adopt an updated action plan for energy efficiency since the last one expired in 2018.	**Work ongoing.** The process of developing a new National Energy Efficiency Action Plan, in line with requirements of the Energy Efficiency Directive, has commenced at State-level.
2020	Adopt State- and entity-level legislation on renewable energy and energy efficiency transposing the EU energy efficiency acquis and the renewable energy directive.	**Work ongoing.** In December 2020, the Federation of BiH (FBiH) adopted the revised National Energy Efficiency Action Plan 2019-2021. The Ministry of Industry, Energy and Mining of Republika Srpska aims to adopt in 2021 a new Law on Renewable Energy Sources that will introduce a competitive auction system for renewable power generation.
2020	Develop a legislative framework for energy efficiency and renewable energy in the Brčko District.	**Pending**
2020	Draft and adopt an updated action plan for renewable energy since the existing one is for the period covering 2016-2020.	**Work ongoing.** The Ministry of Foreign Trade and Economic Relations of BiH, in cooperation with the relevant entity-level ministries and GIZ, is preparing the Action Plan on Renewable Energy Sources 2021-2030.
2020	Develop a system to collect and process data on national GHG emissions and exercise quality assurance and control over the data.	**Pending**
2020	Harmonise policy monitoring and evaluation mechanisms at State- and entity-level.	**Pending**
Indicator 2		
2018	Publish the enacted and draft laws, regulations, and policies in foreign languages and make the translations available free of cost.	**Pending**
2018	Set up one-stop investment shops in the entities and the FBiH cantons.	**Pending**
2021	Ensure the independent electricity transmission system operator, NOSBiH, publishes data about congestion management and electricity month-ahead forecasted capacities on the European Network Transmission System Operators transparency platform.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 3		
2018	Harmonise licensing procedures for energy projects across entities and in the Brčko District.	**Pending**
2021	Strengthen transparency in the activities of the Regulatory Commission for Energy of Republika Srpska by regularly publishing its decisions on gas and electricity tariffs prices and listing the electricity supply and distribution prices for 2020 on its website.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2018	Consider establishing a foreign investment ombudsperson to settle conflicts arising in the course of energy projects.	**Pending**
2018	Update the expropriation laws of the entities and the Brčko District to define "public purpose or in the public interest".	**Pending**
2020	Update the Alternative Dispute Resolution Strategy that was drafted in 2008.	**Pending**

Colombia

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2020	Set a long-term perspective with quantifiable measures to gradually phase out of coal production, consumption and export and redeuce revenue dependence on this resource.	**Work ongoing.** To reduce Colombia's revenue dependence on coal, the Government aims to diversify its mineral matrix, doubling the production of gold by 2030 and increasing sevenfold the production of copper by 2030. Coal production peaked in 2017 and the Government does not anticipate surpassing this level of production.
	Identify alternative economic activities and mobilise the financial resources to transition from coal to cleaner resources. Equip the communities reliant on the coal industry with skills necessary for migrating to alternative activities.	**Work ongoing.** Although a clear national-level action plan is missing, a number of recent private and public sector developments have taken place in this respect. In particular, there are plans to ramp up renewable power generation in regions with the highest coal production, such as La Guajira and Cesar. It is expected that in La Guajira there will be 16 wind farms and two transmission lines operational, which will represent investments of more than USD 10 billion and create approximately 11,000 jobs. Also, Colombia is developing its National Hydrogen Strategy that will identify opportunities for this resource in the coal producing regions. Progress has been made in the private sector as well. In November 2020, the coal mine Cerrejon (owned jointly by Anglo American, BHP, and Glencore) reached a preliminary agreement with the traditional owners to comply with environmental and health requirements in its operations, build a community health centre, rehabilitate the environment and carry out other measures ordered by the Colombian Constitutional Court. Moreover, in February 2021, Glencore's Colombian subsidiary, Prodeco, commenced the process of handing its mining contracts back to the Agencia Nacional de Minería. Prodeco will engage with its employees, contractors and host communities on the impact of relinquishing the titles. It has recommenced the voluntary redundancy programme.
	Conduct a regular impact assessment and cost-benefit analysis of the national energy and investment policies. Periodically evaluate the implementation of the policy measures.	**Work ongoing.** The Mining and Energy Planning Unit published its 2021 Action Plan with details on each activity, sub-activity, the deliverable product under each sub-activity and the related monitoring indicators. The Internal Control Office of the Ministry of Mines and Energy reported on the monitoring and evaluation of the Annual Action Plan (PA) as of 30 June 2020. It developed 39 programmes and executed these from 12 to 30 June 2020 to comply with the PA's indicators. In the first quarter, four programmes were completed with 100% progress. For the second quarter, five programmes were planned, but eight were executed with 160% progress.
Indicator 2		
2020	Set up a one-stop shop for all energy sector-related business services.	**Pending**
Indicator 3		
2020	Subject the Commission for Energy and Gas Regulation (CREG) budget approval only to the Parliament and not the MME.	**Pending**
	Restructure the CREG's composition to limit the role of ministers and public office holder. Fix the reappointment of the CREG's experts to only one additional term.	**Work ongoing and partially implemented.** Legislative Bill no. 365 of 2020 titled "The Energy Transition Law Project" proposes, among other things, to fix the re-appointment of the CREG's experts to only one additional term and to guarantee an interdisciplinary composition in the CREG. Although the cut-off date for EIRA this year is 1 April 2021, readers should note that on 10 July 2021, Bill no. 365 was enacted into Law 2099 of 2021
Indicator 4		
2020	Define the procedure to determine whether a compulsory acquisition of private property by the State has been undertaken for "public utility or social interest". Specify the timeframe, legal effects, and bodies responsible for making this decision, as well as outline measures to ensure the procedure is well-coordinated at the national and sub-national level.	**Work ongoing.** Article 56 of the Law 142 of 1994 (law about domiciliary utilities) states that all those works carried out for the development and execution of works to supply public services are of public interest. Also, Law 143 of 1994 and Law 388 of 1997 declare the activities of electricity generation, transmission and distribution to be of public interest.
2021	Implement robust transparency and accountability measures, such as a monitoring system in the land restitution process to balance and protect the interests of businesses and local landowners.	**Improvement suggested in 2021.** Status will be updated in 2022.

Croatia

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Finalise and adopt a long-term energy strategy that sets the overarching framework for future actions and ensure a seamless transition to the new strategy.	**Fully implemented.** In February 2020, the Croatian Parliament adopted the new Energy Sector Development Strategy until 2030 with a view to 2050 (Energy Strategy). The newly adopted Energy Strategy contains a wide range of initiatives to enhance energy security, gradually reduce energy losses and increase energy efficiency, and reduce dependence on fossil fuels.
	Develop action plans that set indicative targets, milestones, measurable progress indicators, and monitoring mechanisms to implement the energy priorities.	**Fully implemented.** In 2020, Croatia approved its final Integrated National Energy and Climate Plan (NECP) 2021-2030, which describes actions to implement a number of national energy priorities. In 2020, the Croatian Parliament adopted the new Energy Strategy and the Climate Change Adaptation Strategy (Climate Strategy) for the period until 2040 with a view to 2070. The Government is also developing the draft Low Carbon Development Strategy until 2030 with a view to 2050.
2021	Enhance the legal regime on biofuels and conclude the adoption procedure of the Law on Biofuels for Transport as soon as possible. Increase the primary and final energy consumption targets set in the NECP to reach the EU's 2030 targets set in the Energy Efficiency Directive 2018/2002/EU.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2018	Identify and repeal overlapping or contradictory provisions in energy sector legislation, sub-laws, and rules.	**Pending**
	Publish all the strategic documents and laws in foreign languages.	**Work ongoing.** Some documents, such as the NECP, the Energy Strategy and the Climate Strategy, are available in foreign languages. Most of the policies and laws are available in Croatian, which is one of the official languages of the EU.
2020	Develop consolidated versions of legal acts that integrate all the successive amendments.	**Fully implemented.** The Croatian Parliament's e-Doc platform publishes enacted and draft laws, amended and approved legislative bills, and opinions of parliamentary committees.
	Establish a one-stop shop to assist investors in obtaining permits and licences for energy projects.	**Pending**
Indicator 3		
2018	Reduce the role of the Government in declaring a project strategic and include detailed information on the evaluation parameters.	**Pending**
Indicator 4		
2018	Set systemised and effective dispute management measures. State the timelines for domestic courts to render decisions in the law and follow these through.	**Work ongoing.** The Government successfully negotiated with the International Bank for Reconstruction and Development a loan of EUR 100 million for the Justice for Business project that aims to strengthen the country's economic climate. The primary measures under this project include strengthening electronic communication within the administration, expanding the use of electronic services in the judiciary, reducing the number of old court cases, and creating better infrastructure.
	Streamline and reduce fragmentation of the legal framework on expropriation.	**Pending**
2020	Simplify property registration procedures and expedite the consolidation of the cadastre and land registry.	**Fully implemented.** The Joint Land Registry and Cadastre Information System (JIS) serves as a single register of cadastre and land books and exchanges data related to real estate. It streamlines both the cadastre and land registry systems and simplifies business processes. The service is implemented online through the One-Stop Shop of the Joint Land Registry and Cadastre Information System (ZIS OSS).

Eswatini

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Adopt an independent power production policy and detailed action plans for other energy priorities, such as energy efficiency. Revise the rural electrification plan paying closer attention to off-grid solutions such as mini-grids, microgrids and rooftop photovoltaic.	**Work ongoing.** In 2019, the Government launched the Network Reinforcement and Access Project to strengthen the transmission and distribution network in the least developed region in the country. Additional targets and actions in terms of energy security are set in the Petroleum Act of 2020.
	Create robust monitoring and evaluation mechanisms to track the progress made on planned actions and evaluate it against the national energy objectives.	**Work ongoing.** The Network Reinforcement and Access Project contains a monitoring and evaluation mechanism that is being replicated in other strategic documents.
Indicator 2		
2018	Adopt a legislative framework on the freedom of information, create an online version of the Official Gazette, and solicit feedback from stakeholders on legal and regulatory decisions.	**Work ongoing.** The Government has consolidated and fully updated its official portal where electronic copies of national legislation are now available. Moreover, the Eswatini Energy Regulatory Authority (ESERA) made a public request for consultancy proposals to develop its three year (2023-2026) strategic plan. Similarly, in March 2021, the Auditor General issued a report on the consolidated Government accounts. Finally, the 2020 Petroleum Act requires the publication of any decision related to licensing, pricing, and sanctions in the Official Gazette as well as in the Petroleum Register.
Indicator 3		
2018	Reinforce the functional and financial independence of ESERA.	**Work ongoing.** ESERA is now responsible for the licensing of downstream petroleum activities and is funded from the National Petroleum Fund.
	Relax restrictions on land tenure.	**Pending**
2021	Reduce the role of the State in regulating the mining and petroleum sectors.	**Improvement suggested in 2021.** Status will be updated in 2022.
	Local content requirements in the Public Procurement Act 2011 and the Petroleum Act 2020 should be accompanied by collaborative partnerships among State authorities and the industry to strengthen the competitiveness of local companies.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2018	Modernise the legal framework for IP rights and investment arbitration.	**Work ogoing.** The Government has enacted laws to reinforce protection of IP rights, such as the Copyright and Neighboring Rights Act 2014, the Intellectual Property Tribunal Act 2015, and the Trademarks (Amendment) Act 2015.
	Update the national law to define the term “public purpose” in the context of expropriation.	**Pending**

Gambia (The)

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Prepare and adopt, at the earliest, a new energy strategy that sets the overarching framework for actions after 2020.	**Work ongoing.** The Ministry of Petroleum and Energy (MoPE) recently published its Strategic Plan 2021- 2025 (Strategic Plan). One of the targets under the Strategic Plan is to adopt an updated national energy policy in 2021.
	Create ex-ante and ex-post policy evaluation and review mechanisms.	**Work ongoing.** The MoPE's Strategic Plan contains a results-based monitoring and evaluation framework to track its implementation.
2021	Integrate ultimate outcomes and a long-term vision (2050) in the upcoming national energy policy and update the national renewable energy and energy efficiency action plans.	**Improvement suggested in 2021.** Status will be updated in 2022.
	Grant public access to the performance evaluation reports and budget execution reports of MDAs.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2018	Draft and adopt a law facilitating public access to information held by State authorities.	**Work ongoing.** In December 2020, the Government presented the Access to Information Bill to the Parliament of The Gambia for consideration and enactment during its second reading.
	Establish the Competitiveness Improvement Forum as required in the Gambia Investment and Export Promotion Agency Act of 2015.	**Pending**
2020	Give public access to the extractive industry contracts and consider joining the EITI.	**Work ongoing.** The MoPE's Strategic Plan aims to ensure the rate of adherence to the standards of EITI must increase from 0% in 2020 (baseline) to 50% by 2021, 80% by 2023 and 100% by 2025.
2021	Develop institutional tools to coordinate decisions on fuelwood monitoring and regulation between the MoPE and the Ministry of Environment, Climate Change and Natural Resources.	**Improvement suggested in 2021.** Status will be updated in 2022.
	Adopt the Anti-Corruption Bill and set up an independent Anti-Corruption Commission that has sufficient financial and human resources.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 3		
2018	Increase the Public Utilities Regulatory Authority's institutional capacity and streamline its operations so that it may effectively perform its functions.	**Pending**
	Ease access to land and provide certainty on land titles by creating registry mechanisms and comprehensive records.	**Pending**
	Limit the Government's right to own some, or the majority, of shares in strategic industries, such as mining, and petroleum exploration and refining activities.	**Pending**
2020	Liberalise the energy market and limit the State's involvement in the National Water and Electricity Company.	**Pending**
2021	Establish without delay the legal and regulatory framework for private investment in transmission and distribution.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2018	Set definitive timelines for domestic courts to deliver judgements in commercial disputes.	**Work ongoing.** Constitutional, institutional, and legal reforms are underway in line with the National Development Plan 2018-2021.
	Adopt dispute prevention policies and institutional setups, such as an early-warning mechanism and an investment ombudsperson, to assist investors in addressing potential grievances against public authorities.	**Pending**
	Enact a law protecting investors against the expropriation of property. The law may define the conditions of "public interest" that can prompt an act of expropriation, the procedure to determine the compensation, and the timeframe for its payment.	**Work ongoing.** In March 2021, the MoPE published Resettlement Action Plans (RAPs) for two sub-projects under The Gambia Electricity Restoration and Modernisation Project. Each RAP also sets up a project-level grievance mechanism to address complaints and concerns raised during the RAP's implementation.

Guyana

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2020	Adopt a new national energy policy that sets quantifiable short-term, medium-term and long-term targets for the sector's development.	**Pending**
2021	Conduct an independent study on the policy implementation process and mechanisms to increase public administration efficiency.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2020	Consider establishing a one-stop shop or assign this function to the Guyana Office for Investment.	**Pending**
2021	Create a standing council comprising State institutions, international organisations, development partners, foreign investors, business associations and academia to improve the country's investment climate.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 3		
2020	Establish, at the earliest, a legal and regulatory framework to support the implementation of the Local Content Policy.	**Work ongoing and partially implemented.** On 27 August 2020, the President of Guyana appointed members to the newly established Panel on Local Content. Following their appointment, the Panel members reviewed the existing and draft local content policies in the petroleum sector. They also prepared guidelines to develop an updated local content policy and legislation based on consultations with various stakeholders. The Panel submitted its final report on this issue to the Ministry of Natural Resources of Guyana in November 2020.
2021	Consider adopting a PPP legislation to increase the interest of private players in large energy infrastructure projects.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2020	Consider establishing an investment ombudsperson to resolve conflicts between investors and public authorities.	**Pending**
	Step-up efforts to improve the efficiency of the judiciary and reduce court delays.	**Pending**
2021	Consider amending the State Lands Act no. 32/1903 to identify "public interest" in the case of expropriation and define the timeframe for providing compensation in such cases.	**Improvement suggested in 2021.** Status will be updated in 2022.
	Establish new arbitration and mediation centres.	**Improvement suggested in 2021.** Status will be updated in 2022.

Jordan

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Adopt the national energy strategy for 2020-2030 at the earliest.	**Fully implemented.** In July 2020, the Ministry of Energy and Mineral Resources (MEMR) adopted the Energy Strategy 2020-2030.
	Periodically evaluate the energy sector's incentive framework to ensure it evolves predictably and progressively.	**Work ongoing.** The MEMR is conducting a technical study on the capacity of the national grid to absorb more variable renewable energy.
	Ensure that the policy implementation authorities differ from those evaluating the progress made towards achieving the policy.	**Pending**
2020	Update the National Energy Efficiency Plan 2017-2020 since the last one expired in December 2020.	**Pending**
2021	Set disaggregated renewable energy targets for the industry, agriculture, heating/cooling, and transport sectors.	**Improvement suggested in 2021.** Status will be updated in 2022.
	Develop a renewable peak load strategy and a least-cost strategy.	**Improvement suggested in 2021.** Status will be updated in 2022.
	Develop disaggregated energy-efficiency targets for end-use sectors.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2018	Introduce institutionalised stakeholder engagement mechanisms for consultation on draft laws and regulations.	**Partially implemented.** The new Energy Strategy 2020-2030 and the Green Growth National Action Plan 2021-2025 were widely discussed. However, consultations on changes to tariffs and tariff methodology need to be institutionalised.
	Establish a unit within the Legislative and Opinion Bureau to prepare official translations of laws and policies in foreign languages.	**Partially implemented.** The Legislative and Opinion Bureau has launched an updated user-friendly website but the translations of draft and enacted laws are unofficial.
2020	Continue to support the decentralisation and electoral reform.	**Work ongoing.** A draft local administration law was tabled at the Jordanian Parliament in early 2020. It proposes the merger of the 2015 Decentralisation and Municipalities Laws.
	Adopt, after public consultation, amendments to the Access to Information Law no. 47 of 2007.	**Pending**
2021	Develop an e-mobility strategy for the MEMR and the Ministry of Transport. Ensure coordinated action by the MEMR, NEPCO and the distribution companies to optimise network management.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 3		
2018	Appoint an independent auditor to perform controls over the Energy and Mineral Regulatory Commission's (EMRC) annual accounts.	**Pending**
	Relax/fast-track investment screening procedures of the Companies Control Department (CCD) at the Ministry of Industry, Trade and Supply.	**Partially implemented.** In 2020, the CCD launched an electronic portal through which investors can submit a company's registration request and data, allowing the CCD to perform an automatic audit of the request.
2020	Implement a new tariff adjustment mechanism that is symmetrical. Conduct technical studies on how to protect low income and vulnerable households from the removal of cross-subsidies.	**Work ongoing.** The Government is developing an action plan to gradually phase-out electricity cross-subsidies granted to households.
	Remove the suspension on new applications for renewable energy projects with capacity exceeding 1 MW.	**Pending**
Indicator 4		
2018	Establish a foreign investment ombudsman authority or similar institution to settle issues arising in the course of projects.	**Fully implemented.** In 2019, the Jordan Investment Commission set up a Grievance Committee. On 23 January 2020, it published the Grievance Hearing Instructions that set the procedures to deal with investor grievances.
	Amend the domestic laws to include a timeline for paying compensation upon expropriation, and to mention explicitly that an act of expropriation will be non-discriminatory.	**Pending**

Kazakhstan

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Improve coherence and alignment in the objectives identified under the different strategy documents, and revise the national energy policies and plans in a timely manner.	**Work ongoing.** The draft Concept on Low-carbon Development has been circulated by the Government for stakeholder consultations. On 29 July 2020, the Government adopted a new Action Plan (2021-2031) to Implement the Concept for the Transition of the Republic of Kazakhstan to Green Economy.
	Enhance the independence of policy monitoring and evaluation bodies.	**Pending**
	Establish tracking mechanisms and incentive schemes, and conduct environmental impact assessments, to implement the country's NDC successfully.	**Work ongoing.** The new Ecological Code introduced mechanisms to conduct environmental impact assessments for large infrastructure projects. The Code streamlines procedures on setting and imposing environmental fines, and regulates market mechanisms to manage and reduce GHG emissions.
2021	Intensify discussions with stakeholders on the draft Concept on Low-carbon Development. Develop an action plan with quantifiable targets and timelines to support the Concept's implementation.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2018	Streamline the division of responsibilities among different State entities.	**Work ongoing.** The responsibility of implementing investment policies and attracting investments falls on the Ministry of Foreign Affairs. The newly established Agency for Protection and Development of Competition is responsible for implementing public policies on competition protection and restriction of monopolistic activities and monitoring the enforcement of the relevant legislation.
	Promote public consultation in decision-making.	**Work ongoing.** A Governmental website (http://egov.kz) operates electronic public services and gives the public open access to legal acts, budgetary documents and reports, and the financial and performance evaluations of State agencies.
Indicator 3		
2018	Phase out local content requirements in the energy sector.	**Work ongoing.** In 2019, the new Subsoil and Subsoil Use Code was amended to state that the minimum level of local content cannot exceed 50%.
	Reduce State control in different energy activities.	**Pending**
2021	Gradually introduce cost-reflective electricity and heating tariffs and phase out cross-subsidies.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2018	Adopt alternative dispute resolution mechanisms such as mediation and a foreign investment ombudsperson.	**Work ongoing.** On 7 August 2019, Kazakhstan became a party of the United Nations Convention on International Settlement Agreements Resulting from Mediation.
	Update the national legislation to include well defined grounds for the expropriation of property, with a detailed description of the process for determining the compensation amount.	**Pending**

Kyrgyzstan

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Update the National Energy Programme of the Kyrgyz Republic (2008-2010) with short-term and long-term targets for developing the energy sector.	**Work ongoing.** The Action Government Plan (2019-2023) to Implement the Activity Programme sets actions to strengthen energy security. Moreover, the Concept Note of the Green Economy (2019-2023) contains a matrix of targets and an action plan for its implementation.
	Set independent policy monitoring mechanisms to track the progress made on the country's energy targets.	**Pending**
	Ratify the Paris Agreement as soon as possible.	**Fully implemented.** On 18 February 2020, Kyrgyzstan ratified the Paris Agreement and submitted its NDC.
2020	Develop a comprehensive mid-term strategy on energy efficiency.	**Pending**
Indicator 2		
2018	Prepare a climate change mitigation plan.	**Work ongoing.** In June 2020, the Green Climate Fund allocated USD 2.6 million to develop a national climate change adaptation plan.
	Publish regular reports and statistics on the past and future actions of the State Committee for Industry, Energy and Subsoil Use.	**Work ongoing.** Resolution no. N141/2019 requires State agencies to submit monthly updates on their activities to the Ministry of Economy and Finance.
	Develop minimum consultation standards for public discussions on draft legislation.	**Work ongoing.** Law no. 241/2009 was amended in 2019 and 2020 to describe the procedure and the timeline of public consultations on draft regulatory acts.
2020	Regularly update the website of the Ministry of Energy and Industry (MoEI) and improve the performance of Taza Koom's digital platform.	**Pending**
	Mandate the Investment Promotion and Protection Agency to prepare step-by-step guidelines for investing in different sectors.	**Pending**
2021	Establish a one-stop shop to improve small and medium-size renewable power generation projects.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 3		
2018	Establish an independent board for the State Regulatory Agency for Fuel and Energy Complex (the State Agency) with a fixed-term appointment and limited renewal possibility. Make the State Agency accountable only to the Parliament.	**Pending**
	Limit the Government's preferential right to obtain strategic objects and remove the requirement of Government consent for mergers or acquisitions in strategically important projects.	**Pending**
	Administer the quota system for foreign workers in a consistent and transparent manner.	**Pending**
2020	Support the financial rehabilitation of the power transmisison and distribution system.	**Work ongoing.** In April 2021, the Government initiated the public discussions on mid-term 2021-2025 tariff policy for electricity and heating.
2021	Develop and implement a national investment programme for the critical energy infrastructure.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2018	Finalise the ratification process of the Convention on the Settlement of Investment Disputes between States and Nationals of Other States.	**Pending**
	Update the national laws to define "public interest" as a criteria for the expropriation of investment.	**Pending**
	Update the national laws to define a valuation method for calculating damages and interest in the case of expropriation, and introduce a reasonable timeframe for paying compensation.	**Pending**

Mongolia

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Ensure the policy implementation agencies are independent of the policy monitoring and evaluation authorities.	**Pending**
2019	Create incentives to ensure energy efficiency measures are implemented and renewable energy sources are made competitive.	**Pending**
2021	Expedite the preparation and approval of new energy efficiency and renewable energy programmes that will set the priorities and targets for 2021-2030 and contain realistic implementation measures, timelines, and policy monitoring and evaluation mechanisms.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2018	Create standing committees to increase coordination on cross-sectoral issues.	**Pending**
	Develop official translations of laws, policies, and regulations in foreign languages.	**Work ongoing.** Recently, several laws and resolutions of the Parliament of Mongolia have been translated into English and are available online.
2019	Codify the steps and timeframes for informing, consulting, and collaborating with stakeholders on proposed laws and policies.	**Work ongoing.** On 7 May 2020, the revised version of the Law "On Policy and Planning and its Management" was adopted. It requires the Government to engage with all categories of stakeholders in drafting the national development policies and plans.
2021	Give the public advance notice of debates on draft legislation, granting sufficient time to review the drafts, creating online and offline mechanisms to collect opinions, and conducting physical consultations in rural areas to ensure inclusion.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 3		
2018	Reduce State intervention in certain energy sub-sectors, by 1) removing the requirement of approval from the National Development Agency before investing in the mining sector, 2) limiting the Government's right to take an equity interest of up to 50% in "strategic mineral deposits" or to impose a special royalty in lieu of such interest and 3) relaxing discretionary legal provisions that do not allow investors to reclaim Value-Added Tax on certain capital equipment and some categories of exploration works and pre-mining activities.	**Pending**
2021	Implement measures to ensure open, transparent, and non-discriminatory network access and review electrcity tariffs to make these cost-reflective.	**Improvement suggested in 2021.** Status will be updated in 2022.
	Develop a comprehensive investment plan to attract funding for renewable energy projects.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2018	Set a timeframe for national courts to deliver final judgements in disputes.	**Fully implemented.** The Civil Procedure Code and the Law "On Procedure of Administrative Court" 2016 sets a timeframe for courts to deliver a decision within 60 days from the receipt of the matter.
2021	Consider amending the Law "On Land" 2002 to define the powers and competencies of local, regional and national authorities in issuing land-use permits. Establish a central registry office that records land-use rights and identifies cases of conflicts.	**Improvement suggested in 2021.** Status will be updated in 2022.

Montenegro

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Adopt national action plans that set long-term and outcome-oriented targets for the energy priorities.	**Work ongoing.** The 4th National Energy Efficiency Action Plan was adopted in 2019.
	Enhance the independence of the monitoring bodies and increase the capacities of certain agencies such as the Inspectorate for Energy Efficiency and the Eco Fund for Environmental Protection.	**Work ongoing.** The Eco Fund for Environmental Protection became fully operational in 2020. It is financed under the polluter pays principle, and its resources are to be utilised for environmental remediation and pollution prevention. Furthermore, the Law on Protection against Negative Impacts of Climate Change of 2020 envisages the establishment of the national system for the monitoring, reporting and verification of GHG emissions.
2020	Revise and adopt documents, such as the Action Plan on Compulsory Strategic Reserves of Oil and Petroleum Products, the draft Law on Security of Supply of Oil Products and the draft Infrastructure Law that will bring the country's legal framework in conformity with the EU acquis.	**Work ongoing.** In 2020, the Government amended the Law on Energy.
Indicator 2		
2018	Reinforce stakeholder engagement and ensure the practical implementation of laws on transparency in decision-making.	**Work ongoing.** In 2020, the Government invited comments on proposed amendments to the Law on Energy. Moreover, the Government is finalising the draft Law on Free Access to Information that will guarantee proactive disclosure and timely exchange of information held by public authorities.
Indicator 3		
2018	Relax annual quotas on the number of foreign workers that can be employed in the country.	**Pending**
Indicator 4		
2018	Set definitive timelines for the delivery of judgements on all levels (first instance and appeal) and by all courts (civil, administrative, and penal).	**Pending**
	Adopt alternative dispute resolution mechanisms such as mediation and establish a foreign investment ombudsperson authority.	**Work ongoing.** Since 2019, a positive trend in alternative dispute resolution has been established with a number of cases being referred to the Mediation Centre and the Agency for Peaceful Settlement of Labour Disputes.
	Establish criteria to determine which activities constitute "public purpose" in the context of expropriation.	**Pending**

Nigeria

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Carry out a rigorous impact assessment of the existing laws and policies.	**Pending**
	Set key performance indicators for the energy sector.	**Pending**
2020	Regularly publish the policy monitoring and evaluation reports.	**Work ongoing.** In 2018, the Government established an inter-ministerial Committee to harmonise data collection and evaluation of the country's objectives.
	Revise the policy targets that expired in 2020, such as for increasing oil production, expanding the power sector infrastructure, boosting local refining, and becoming a net exporter of petroleum products.	**Work ongoing.** The Federal Government established a National Steering Committee to develop the long-term perspective plan, Nigeria Agenda 2050, and the Medium-Term National Development Plan (MTNDP) 2021-2025 to replace the Nigeria Vision 20:2020 and the Economic Recovery and Growth Plan that expired in December 2020. However, working on revising the expired energy sector action plans and targets is pending.
Indicator 2		
2018	Conduct regular public consultations and introduce legal provisions that require public consultation by MDAs on draft laws and regulations.	**Work ongoing.** The Nigerian Energy Regulatory Commission (NERC) held public hearings before introducing the revised Multi-Year Tariff Order of 2020 and released for public comments a Consultation Paper setting out the rates proposed by the distribution licensees. It has democratised the newly implemented service-based tariff structure to ensure that distribution companies will only be able to review tariff rates after consultations with the affected customers.
	Promote better coordination among MDAs on the implementation of the national energy policies and plans.	**Work ongoing.** The second National Energy Summit was held in April 2021 as a step towards bringing together the relevant stakeholders and fostering constructive discussions.
Indicator 3		
2018	Define the roles and responsibilities of the different regulatory authorities.	**Work ongoing and partially implemented.** The Federal Government has fully deregulated the downstream oil sector. The Petroleum Products Pricing Regulatory Agency, which had previously set a monthly price band for gasoline, is now limited to a supervisory role.
	Create a comprehensive legal framework on local content across sectors. Ensure that content targets are based on a realistic estimation of available domestic human resources and technical expertise.	**Work ongoing.** The Local Content Development and Enforcement Bill 2020 recently passed its second reading in the House of Representatives. The Bill seeks to broaden the existing local content requirements for the oil and gas sector and it implements a similar regime for the ICT, power, solid minerals and construction sectors.
2020	Apply cost-reflective electricity tariffs at the earliest. Take collaborative and proactive measures to ensure metering of all electricity customers.	**Work ongoing and partially implemented.** In September 2020, NERC introduced a service-based tariff regime. Now, distribution companies can review electricity tariffs of metered customers only after consulting them and assuring them of a guaranteed level of electricity service based on hours of supply.
	Reconsider the newly introduced additional price-based royalty and increased water depth-based royalties.	**Pending**
Indicator 4		
2018	Establish a foreign investment ombudsperson to settle conflicts arising in the course of energy projects.	**Pending**
	Grant broader protection against expropriation to intangible property such as equity, shares, and IP rights.	**Pending**
2020	Define clear rules to regulate the use and enforcement of Third Party Funding agreements.	**Pending**

Palestine

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2019	Set evidence-based targets and performance indicators to benchmark the progress made towards achieving the energy objectives.	**Work ongoing.** The Palestinian Energy and Natural Resources Authority (PENRA) is developing a comprehensive energy sector plan for 2019-2035 and the National Renewable Energy Plan in Palestine 2021-2030. The latter will include objectives and annual targets for different types of renewable energy, performance indicators, and monitoring methods.
	Define the roles and tasks of the policy implementation agencies and the monitoring authorities.	**Work ongoing.** The first Work Plan for the 18th Government, approved in 2019, lists the ministries and public institutions that are responsible for its implementation.
2020	Train the public sector administrative staff on data collection, maintenance of public records, and understanding statistical indicators.	**Work ongoing.** On 25 January 2021, the Palestinian Central Bureau of Statistics inaugurated the Rehabilitation of Data Center to facilitate information dissemination through new interactive web applications. PENRA launched the EPECSOLAR project in February 2021 to create a database on (1) the existing renewable energy investors and (2) the location of solar systems installed so far in the governorates.
2021	Revise the General Strategy for Renewable Energy with policy targets and implementation mechanisms.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2019	Enact the draft law on access to information.	**Pending**
	Introduce legal provisions making consultation on draft laws and regulations mandatory.	**Work ongoing.** Per official records, in 2019, more than 150 meetings were held with the governorates and 150 with civil society institutions and universities.
	Establish a translation unit within the Office of the Advisory and Legislation Bureau of Palestine.	**Work ongoing.** The Ministry of Justice's Translation Unit is accrediting competent persons to translate documents from Arabic to foreign language and vice versa.
2020	Reinstate the original language of Article 3 in the Anti-Corruption Law of 2005, which requires Parliamentary approval in the appointment of the Anti-Corruption Commission's Head.	**Pending**
Indicator 3		
2019	Unify and update the legal framework on the establishment and registration of companies and IP rights.	**Pending**
2020	Unify and update the legal framework for regulating the issues of bankruptcy and competition.	**Pending**
	Develop a legal framework to underpin the growth of the renewables sub-sector, the incentive schemes, and the tariff methodology.	**Work ongoing.** The Palestinian Electricity Regulatory Council published solar energy purchase prices for 2020. It also amended the net metering instructions and set the calculation mechanism for 2020.
	PENRA and distribution companies should give the necessary technical training to their staff and make electricity metering available to promote renewable energy consumption.	**Work ongoing.** In 2020, PENRA's staff made field visits to targeted small and medium enterprises to create awareness on the installation of solar energy systems.
2021	Develop unified photovoltaic system installation standards and codes to harmonise operators' practices.	**Improvement suggested in 2021.** Status will be updated in 2022.
	Make it mandatory for photovoltaic system owners to provide grid impact studies to assure that any additional capacities will not damage the grid.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2019	Establish specialised commercial courts and a foreign investment ombudsperson to settle conflicts arising in the course of projects.	**Pending**
	Define "public purpose" in Law no. 2 of 1953 "On Land Acquisition" and set a timeline for paying compensation to the affected investor in the case of expropriation.	**Pending**
2020	Create a comprehensive land registry and simplfy the process of issuing land registrations.	**Pending**

Panama

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2019	Set quantifiable, time-bound, and realistic energy sector targets for the short-term, medium-term and the long-term.	**Work ongoing.** The Government adopted the Energy Transition Agenda in 2020.
2021	Develop action plans which will guide the country's energy goals, including those in the Energy Transition Agenda 2020, and support the implementation of its energy sector policy.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2019	Set up a single window to give companies information on energy projects and investment facilitation.	**Work ongoing.** The office of Panama's Vice Minister of International Trade, within the Ministry of Commerce and Industry, is the principal entity responsible for promoting and facilitating foreign investment and exports.
	Establish a one-stop shop for documenting and approving all licences, registrations, permits, and procedures related to energy projects.	**Work ongoing.** Information on registering domestic and foreign businesses is available on the Ministry of Commerce and Industry's website (https://www.panamaemprende.gob.pa/). The website allows foreign companies to register their businesses online, create a branch for a registered business, or register as individual traders from any part of the world.
Indicator 3		
2019	Lower the restrictions imposed on investors regarding the employment conditions of skilled and technical personnel.	**Work ongoing.** The Labour legislation establishes that companies in Panama can hire a maximum of 15% of foreign technical or specialised personnel. However, companies can hire more foreign personnel if they prove there are no Panamanians with the same skills and qualifications available. The National Energy Secretariat published Resolution 4480 on 31 October 2019, allowing energy companies to apply for an additional 15% foreign technical or specialised personnel.
Indicator 4		
2019	Establish an investment ombudsperson to deal with grievances of foreign investors against public authorities.	**Pending**
	Enact a law that defines "public interest" in the context of expropriation, and addresses issues regarding the valuation of the compensation and the timeframe for its payment.	**Pending**

Republic of Moldova

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Adopt a revised version of the Energy Strategy 2030.	**Work ongoing.** An updated version of the Energy Strategy 2030 is undergoing consultation with stakeholders.
2018	Adopt secondary legislation and action plans to implement primary laws, such as Law no. 10 of 2016 On the Promotion of the Use of Energy from Renewable Sources.	**Work ongoing.** Following the adoption of Law no. 10 of 2016 On the Promotion of the Use of Energy from Renewable Sources in 2018, the regulation on renewable energy tendering was approved. It provides an initial framework for organising auctions that grant "eligible producer" status to large investors. In August 2020, the National Energy Regulatory Agency (ANRE) adopted electricity market rules to implement Law no. 10 of 2016 On the Promotion of the Use of Energy from Renewable Sources.
2018	Ensure that the authorities implementing the national energy policy are different from those evaluating the progress made towards achieving the policy.	**Work ongoing.** The Energy Efficiency Agency was restructured in 2018 and made responsible, among others things, for providing financial support to relevant projects through the State budget, and from regional and international financial markets. Following a change of government in June 2019, the Moldovan authorities have engaged in significant structural reforms, as specified in the EU-Moldova Association Agreement.
2021	Adopt revised action plans outlining the priorities and desired outcomes to promote energy efficiency and renewable energy resources.	**Improvement suggested in 2021.** Status will be updated in 2022.
2021	Create an enabling regulatory framework to attract investment in renewables through competitive procurement, support schemes, and simplified administrative procedures.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2018	Establish a one-stop shop for documenting and approving all licences, registrations, permits, and procedures related to energy projects.	**Work ongoing.** The Moldova Structural Reform Programme, launched in collaboration with USAID, aims to assist the Government in undertaking business-enabling reforms and bringing public authorities closer to citizens. Local one-stop shops for public service delivery have been established under the Public Administration Reform Strategy for 2016-2020.
2018	Ensure that all the State authorities regularly publish their documents, public expenditure and other relevant reports, and properly maintain their respective websites.	**Work ongoing.** The Court of Accounts is taking action to make its audits more effective and ensure better oversight of the budget implementation. In 2019, the Government made the State Registry of Legal Acts the only source of updated information on Moldovan legislation. The Government's Action Plan for 2020-2023 describes steps to ensure civil society's involvement in developing public policies.
Indicator 3		
2018	Reinforce the independence of ANRE and ensure the actual implementation of the relevant rules.	**Pending**
2018	Promote market liberalisation in the gas sub-sector.	**Work ongoing.** In February 2020, ANRE approved and published rules for the natural gas market. In 2020, the Government progressed with the unbundling of Moldovagaz, the vertically integrated natural gas monopoly.
Indicator 4		
2018	Introduce timeframes for national courts to examine cases and deliver judgements.	**Pending**

Rwanda

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Allow all the interested individuals and organisations to review the Government's performance and provide feedback on how to improve policy implementation.	**Partially implemented.** Unlike its predecessor, the Energy Sector Strategic Plan for 2018/19-2023/24 does not state that its full assessment should be carried out by an independent evaluation consultancy. However, the Monitoring & Evaluation Unit in the Ministry of Infrastructure (MININFRA) receives external expertise and support in internal evaluation projects. Imihigo and Joint Sector Review Reports are publicly available.
Indicator 2		
2018	Establish the Technical Coordinating Committee and the Centre for Climate Knowledge for Development.	**Work ongoing.** In 2020, the Government of Rwanda updated its NDC for the period up to 2030. According to the updated NDC, an Environment and Climate Change Thematic Working Group (E&CC TWG) will be created to host a technical working committee that will implement Rwanda's NDC. The E&CC TWG will act as the national coordinator for all public authorities that implement sector-specific climate change mitigation, adaptation, financial and capacity-building measures.
2020	Produce and collect timely, reliable, and accurate data on green investment monitoring mechanisms, and on the implementation of Rwanda's Paris Agreement targets.	**Work ongoing.** Rwanda is currently preparing its first Biennial Update Report and an updated GHG inventory. It is also developing the NDC monitoring, reporting, and verification system to report on the progress made towards the targets defined in Rwanda's updated NDC and to track the implementation of climate change mitigation and adaptation actions. The system will also capture the non-GHG environmental, social and economic impacts of the NDC actions that will eventually support its national sustainable development goals.
Indicator 3		
2018	Define the roles of the Rwanda Energy Group, the Rwanda Utilities and Regulatory Authority, the MININFRA, and the Rwanda Mining and Petroleum and Gas Board in the petroleum sub-sector.	**Work ongoing.** The Government has listed this task as Institutional Priority 1 under the MININFRA Capacity Development Strategy 2019-2024.
2020	Define the role of the Rwanda Energy Group in a legal instrument.	**Pending**
2021	Revise the New Investment Code to specify that investors have the right to (1) engage in economic activities of their choice, (2) recruit or dismiss employees, (3) market goods and services, (4) freely establish business management methods, and (5) choose sources of supplies. Such a provision will ensure parity with the treatment offered by Article 4 of the previous Investment Code.	**Improvement suggested in 2021.** Status will be updated in 2022.
	Take a case-by-case and flexible approach in granting renewals for long-term and capital intensive energy projects. This is in light of the five-year limit on an investment certificate's validity introduced by the New Investment Code.	**Improvement suggested in 2021.** Status will be updated in 2022.
	Set a time limit on the number of tenure renewals for the Board Members of the newly established Rwanda Atomic Energy Board to strengthen its institutional and functional independence.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2018	Establish a foreign investment ombudsperson or expand the mandate of the Ombudsman Office to include representation of foreign investors before the Government.	**Pending**
2020	Consider imposing penalties in cases where timelines set for paying compensation in the case of expropriation are not respected.	**Pending**

Senegal

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Adopt a revised version of the Petroleum Code 1998 and the Priority Action Plan (PAP) for the period beyond 2018.	**Fully implemented.** The Government adopted the revised Petroleum Code in 2019. It has also adopted the PAP 2019-2023 and the Energy Sector Development Policy Letter 2019-2023.
	Establish a robust policy review process that can measure the progress made towards achieving the national targets.	**Work ongoing.** The Government has completed the evaluation of the PAP, which has now entered its second implementation phase (2019-2023).
2020	Establish a transparent and simplified procurement process as well as financial instruments and innovative de-risking packages for tendered projects.	**Work ongoing.** In 2020, the Government secured funding from the Green Climate Fund and the West African Development Bank to deploy 100% solar mini-grids in a thousand isolated villages across Senegal.
2021	Design and implement auctions that can rapidly scale clean energy at low prices.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2018	Institutionalise inter-ministerial policy coordination mechanisms.	**Work ongoing.** Collaboration has increased in the context of the PAP 2019-2023 and the Digital Senegal Strategy 2025. Moreover, the PPP Law 2021 was adopted after collaboration between MDAs, international organisations and civil society.
	Improve transparency by adopting a law guaranteeing the right to access information.	**Work ongoing.** The Government is yet to adopt a law on access to information. However, transparency requirements have been included in the Petroleum Code 2019. The PPP Law 2021 introduces further innovations, such as a body responsible for the a priori control of public procurement and a regulatory entity to carry out a periodic audit of PPP contracts.
	Promote stakeholder engagement in the decision-making process by disseminating draft laws and regulations, setting timeframes for soliciting public comments, and regularly updating electronic legal databases.	**Work ongoing.** Discussions with private stakeholders and international organisations have taken place in the context of the PAP 2019-2023, the Digital Senegal Strategy 2025, and the PPP Law 2021.
2021	Develop secondary legislation to support the PPP Law's implementation, including the decrees specifying the nature and prerogatives of the PPP support fund and the relevant regulatory body.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 3		
2018	Reinforce the Electricity Sector Regulatory Commission's (CRSE) independence by promoting merit-based selection of its commissioners and by making them accountable only to the National Assembly of Senegal.	**Pending**
2019	Adopt secondary legislation to implement the Law On Local Content in the Hydrocarbons Sector 2019.	**Work ongoing.** Details regarding the implementation of local content requirements are provided, inter alia, in the Petroleum Code 2019, the PPP Law 2021, and the Decree no. 2020-2047 of 2020 On the Organisation and Functioning of the National Committee for Monitoring Local Content in the Hydrocarbons Sector.
2021	Extend the application of the PPP Law 2021 to sectors that play an essential role in the national economy but are currently excluded, such as energy and mining.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2018	Speed up civil and commercial adjudication and set deadlines for the conclusion of judicial proceedings.	**Work ongoing and partially implemented.** The commercial court has thus far ruled on more than 10,000 cases, thereby speeding up the resolution of disputes. However, there are no strict deadlines set in law to render final judgements in court proceedings. Moreover, the PPP Law 2021 aims to introduce a streamlined and speedy dispute resolution process by determining the appropriate dispute resolution mechanism according to the stage of the contract.
2019	Limit the retroactive application of laws, particularly the Petroleum Code 2019 and the Law On Local Content in the Hydrocarbons Sector 2019.	**Work ongoing.** The Government has so far refrained from renegotiating existing contracts under the Petroleum Code 2019 and the Law On Local Content in the Hydrocarbons Sector 2019. Moreover, the PPP Law 2021 states that PPP contracts signed before its entry into force remain valid until the expiry of their term.

Sierra Leone

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2020	Develop a dedicated renewable energy strategy that describes the actions and activities required to meet the target of 70% renewable power generation by 2023.	**Work ongoing.** The Ministry of Energy has developed the Renewable Energy Policy of 2016 and the Energy Efficiency Policy of 2016. However, these need to be revised in line with the Medium-term National Development Plan (2019-2023).
	Frame adequate demand response schemes that can contribute to reducing the overall energy consumption and shifting peak demand.	**Pending**
2021	Create a policy and regulatory framework for developing, de-risking, and financing mini-grid electrification.	**Improvement suggested in 2021.** Status will be updated in 2022.
	Address the gaps highlighted in the Audit Service Sierra Leone's report, particularly on maintaining proper documents related to the procurement and payment of goods and services.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2020	Help investors gather information on all the State authorities involved in energy activities and support them in approaching these authorities in a coordinated manner.	**Pending**
	Set clear guidelines for investors to consult and engage with local communities on large-scale energy projects.	**Pending**
Indicator 3		
2020	Set a competitive criteria and process to select the Electricity and Water Regulatory Commission's (EWRC) board members and publicly announce the information.	**Pending**
	Increase the Parliament's role in appointing the EWRC's board members and reduce the Government's role in this respect.	**Pending**
	Introduce cost-reflective electricity tariffs and phase out subsidies to improve cost recovery for private investors.	**Pending**
	Reduce reliance on expensive thermal generation and direct investment and donor assistance into transmission and distribution infrastructure to minimise electricity losses.	**Work ongoing.** The Electricity Distribution and Supply Authority is currently rehabilitating and expanding the 33 kV Bo-Kenema distribution network and constructing two substations in the cities. Additionally, the landmark 1,300 km cross-border transmission line that connects Cote d'Ivoire, Liberia, Sierra Leone and Guinea (CLSG) to the West Africa Power Pool regional energy network is expected to commence operations in 2021. Sierra Leone has almost completed the construction of a 40 MVA substation at Kenema and an 80 MVA substation at Bumbuna/Yeiben as part of the CLGS project. The Government has also succeeded in procuring a USD 78 million loan to develop the 225 kV Bumbuna/Yeiben-Waterloo transmission network.
Indicator 4		
2020	Deposit Sierra Leone's accession instrument to the Convention on Recognition and Enforcement of Foreign Arbitral Awards as soon as possible.	**Fully implemented.** Sierra Leone acceded to the Convention on Recognition and Enforcement of Foreign Arbitral Awards on 28 October 2020. The Convention became effective for the country on 26 January 2021 and will apply to all arbitration agreements and awards delivered from this date.
	Adopt and enact as soon as possible the Arbitration Bill to implement the obligations of the Convention on Recognition and Enforcement of Foreign Arbitral Awards.	**Pending**

Tajikistan

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2020	Prepare an integrated national energy strategy, and an accompanying action plan, for the next ten to twenty years. The strategy should outline the energy sector priorities, and be compatible with the National Development Strategy 2030, the Concept for Transition to Sustainable Development 2030, and the Central Asia Regional Economic Cooperation Energy Strategy 2030.	**Pending**
	Develop an up-to-date policy monitoring and evaluation system. Regularly publish all the relevant energy data, and provide updates on the progress made towards meeting the national energy targets.	**Pending**
2021	Prepare and approve a new programme that sets priorities and targets for the medium-term (2025) and long-term (2050 and beyond) towards developing renewable energy and constructing small HPPs.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2020	Digitalise public services and encourage State agencies to use electronic communication and public administration tools in their daily work. Regularly update the official websites of the State agencies.	**Work ongoing.** The Government circulated a draft action plan with short-term, medium-term, and long-term targets towards introducing e-government services. The draft action plan envisages new single-window services that will considerably simplify administrative processes for potential and existing entrepreneurs. On 1 September 2020, the Ministry of Economic Development and Trade launched a single-window service to register export, import, and transit operations.
	Consider expanding the scope of Tajinvest to provide one-stop shop services and launch an investment portal, similar to the trade portal run by the Ministry of Economic Development and Trade.	**Pending**
Indicator 3		
2020	Establish an independent regulatory agency that will ensure a competitive and fair energy market. Reconsider the electricity subsidies currently given to State-owned entities, such as the Tajik Aluminium Company (TALCO) which consumes almost 50% of the total electricity produced in Tajikistan.	**Work ongoing.** In December 2020, the Government launched the Power Sector Development Programme financed by the Asian Development Bank. The USD 105 million Programme contains a policy component that foresees the unbundling of the State-owned vertically integrated power utility, Barki Tojik. It also aims to establish an independent energy regulator, develop a new electricity tariff methodology, restructure the utility's debt, and establish a centralised cash control unit to address priority payments and commercial liabilities.
	Publicise the economic sectors open to PPP projects, the potential benefits for private partners, the criteria for pre-feasibility and feasibility studies, and the list of State institutions involved in the selection committees.	**Pending**
Indicator 4		
2020	Consider amending the national laws to set the criteria for "State interest" and "public interest" as grounds for expropriation. Provide a clear description of the process for determining compensation in the event of expropriation.	**Pending**
	Establish an investment ombudsperson to resolve disputes between investors and public authorities early on. Utilise the Energy Charter Model Instrument on Management of Investment Disputes to enhance the management of investment disputes, while keeping in mind the country's particular needs.	**Pending**
2021	Define in the law a timeframe for providing compensation in the event of expropriation.	**Improvement suggested in 2021.** Status will be updated in 2022.

Uganda

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
	Update the 2002 Energy Policy for Uganda.	**Partially implemented.** The Energy Policy for Uganda 2021 has been finalised and is currently awaiting approval by the Cabinet of Ministers.
	Update the Mineral Policy 2001.	**Work ongoing.** The Minerals and Mining Legislation 2018 has been laid before the First Parliamentary Counsel.
	Update the Renewable Energy Policy 2007.	**Work ongoing.** The Energy Policy of Uganda 2021 will cover issues concerning renewable energy and replace the Renewable Energy Policy 2007.
2018	Design energy delivery systems that are compatible with the local conditions.	**Work ongoing and partially implemented.** To improve efficiency in service delivery, the Ministry of Energy and Mineral Development submitted the Final Draft Energy Efficiency and Conservation Bill to the Cabinet Secretary for approval. It conducted a Regulatory Impact Assessment on the Final Draft Geothermal Policy of Uganda, which is now ready for submission to the Cabinet Secretary for approval. The Petroleum (Refining, Conversion, Transmission and Midstream Storage) (Amendment) Regulations 2020 were gazetted as per the consent judgement entered between the Government and Total Midstream BV to facilitate the execution of East African Crude Oil Pipeline's early project activities.
2019	Implement the Electricity Connections Policy 2018-2027.	**Work ongoing.** In 2019-2020, 152,482 households got electricity access under the Electricity Connections Policy.
2020	Increase investment in the transmission and distribution infrastructure to balance grid supply and demand at least cost.	**Work ongoing.** The country's transmission network grew by 13% to the current footprint of 2,989 km by April 2020. The increment is from the commissioning of the Kawanda-Kapeeka 132 kV 52 km transmission line and energising of the Opuyo-Lira section of the Tororo-Lira transmission line. This is a representation of 1,008 km of 220 kV rating and 1,946 km of 132 kV rating.
Indicator 2		
2018	Consider publishing the extractive industry contracts in line with international best practices.	**Work ongoing.** The Government has produced the Uganda EITI Multi-Stakeholder Group Workplan for 2020-2022 and it is already implementing some activities listed under the Workplan, such as preparing two fact sheets on contract and licence allocations for petroleum and mining. It will also engage different public authorities to develop a contract and licence disclosure plan.
2020	Make it legally mandatory for public authorities to consult the public on draft laws and regulatory decisions.	**Pending**
Indicator 3		
	Limit the Government's role in the Electricity Regulatory Authority's decision-making process.	**Pending**
	Remove the requirement of Government approval in setting the salaries of the Petroleum Authority of Uganda's board members.	**Pending**
2018	Adopt the Competition Bill pending since 2004.	**Pending**
	Set the same eligibility requirements for registering and issuing investment licenses to domestic and foreign companies. Streamline the land tenure system to ensure the realisation of planned projects.	**Work ongoing and partially implemented.** The Investment Code 2019 imposes the minimum investment capital requirement on both domestic and foreign investors to qualify for the registration and issuance of an investment licence.
Indicator 4		
	Consider establishing a foreign investment ombudsperson to settle conflicts arising in the course of projects.	**Pending**
2018	Identify (1) the procedure to ascertain whether an acquisition is for a "public purpose" and (2) the key decision-makers in this process.	**Work ongoing.** The Land Acquisition Bill 2019 has been drafted to streamline provisions on compulsory acquisition of property by the Government.

Ukraine

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2018	Develop an action plan to implement the Energy Strategy of Ukraine through 2035 beyond the first phase (2020).	**Work ongoing.** The Cabinet of Ministers (CoM) are currently developing the draft action plan on the implementation of the second stage of the Energy Strategy "Optimisation and Innovative Development of Energy Infrastructure (until 2025)". The draft action plan for the third stage (until 2035) will be submitted to the CoM of Ukraine by 1 December 2025.
	Make the body responsible for monitoring the energy policies independent of the Government of Ukraine.	**Pending**
2021	Intensify efforts to finalise and adopt Ukraine's National Energy Climate Plan as soon as possible.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2018	Set up a one-stop shop for all energy-sector related business services.	**Work ongoing.** The Law "On Preparation and Implementation of Investment Projects under 'One-Stop' Principle" is in effect since 2012 but the CoM of Ukraine is yet to approve the subordinated legislation to make it operational.
	Appoint a unit/ministry to lead the implementation of the country's NDC.	**Fully implemented.** In May 2020, the Ministry of Ecology and Natural Resources was established to ensure compliance, among other things, with the Paris Agreement commitments.
2021	Adopt a law that establishes a methodology for drafting policy planning documents in a decentralised manner.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 3		
2018	Comply with the EU's Third Energy Package by making the National Energy and Utilities Regulatory Commission (NEURC) independent of the Government of Ukraine.	**Work ongoing.** Following the Constitutional Court of Ukraine's decision of 13 June 2019, the NEURC Law was amended on 19 December 2019 to state that the NEURC is a permanent central executive authority with special status, created by the CoM.
	Increase the scope of land ownership for foreign companies.	**Work ongoing.** Starting from 1 July 2021, foreigners and legal entities whose founders or ultimate beneficiaries are foreigners (except entities controlled by citizens of an aggressor State or by persons or organisations registered in any of the FATF list States) will be able to buy agricultural land subject to approval by a national referendum. However, it is still prohibited to enter into transactions through which foreigners or foreign legal entities can obtain agricultural land within 50 km from the State border.
	Lower currency controls and restrictions on capital transfer applicable to foreign investment.	**Fully implemented.** From 10 July 2019, the National Bank of Ukraine has removed the EUR 12 million monthly cap on the repatriation of dividends from foreign investments. On 9 September 2019, the National Bank also cancelled the monthly limit of EUR 5 million on payments to foreign investors for the sale of securities, corporate rights, and also on payments of funds received as a result of decrease of share capital of legal entities and withdrawal from a company.
	Remove local content requirements under the Law "On Production Sharing Agreements" 1999 as amended in 2017.	**Pending**
2020	Avoid the application of the recently introduced reduction in Feed-in Tariff support for solar and wind power plants to existing investments.	**Work ongoing.** On 31 July 2020, the President of Ukraine signed Law no. 810-IX to meet the terms of the Memorandum of Understanding between the Government of Ukraine and two renewable energy associations.
2021	Adopt operational rules on corporate Power Purchase Agreements and adopt a strategy with timelines for switching to the feed-in-premium scheme.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2018	Adopt legal provisions on mediation and conciliation in investor-State disputes.	**Work ongoing.** On 15 July 2020, the draft law "On Mediation" was adopted in the first reading. The draft law is being prepared for a second reading.
	Amend the domestic laws to define the term "public purpose" in the case of expropriation.	**Pending**

Uzbekistan

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2019	Adopt a national energy strategy that will set the overarching framework for future actions.	**Fully implemented.** On 30 January 2021, the Ministry of Energy published the Roadmap for the Transition to Low-Carbon Energy for Electrical Power of Uzbekistan. The Roadmap envisions a transition to carbon-neutral electricity generation by 2050 in three phases: modernising gas-fired generation capacity between 2021 to 2030, scaling up renewable energy from 2031 to 2040, and reaching carbon neutrality between 2041 and 2050.
	Ensure that the authorities implementing the national energy policy are different from those evaluating the progress made towards achieving the policy.	**Pending**
Indicator 2		
2019	Develop institutional mechanisms and a legal framework to integrate stakeholders in regulatory decision-making.	**Work ongoing.** In October 2020, the State Tax Committee published its plan on cooperation with stakeholders as part of the Tax Administration Reform Project in Uzbekistan.
Indicator 3		
2019	Establish an independent energy regulator that has institutional, functional, and financial autonomy.	**Work ongoing.** The Concept Note for Ensuring Electricity Supply in Uzbekistan in 2020-2030 envisions the establishment of an independent energy regulator.
2020	Enact new versions of the laws on electric energy and the establishment of an independent energy regulator.	**Work ongoing.** The recently adopted Concept Note for Ensuring Electricity Supply in Uzbekistan in 2020-2030 envisions the establishment of an independent energy regulator.
	Approve the subsidiary rules on market operations and licensing of its participants, models of the wholesale electricity market, and the electricity balancing model.	**Work ongoing.** In June 2021, the Ministry of Energy concluded the process of drafting a concept note on a three-stage transition to a competitive wholesale electricity market from 2021 to 2025.
Indicator 4		
2019	Consider setting a legally binding timeframe to pay compensation in the case of expropriation.	**Pending**

Viet Nam

PROPOSED IN	EIRA AREAS FOR IMPROVEMENT	IMPLEMENTATION STATUS AS OF 1 APRIL 2021
Indicator 1		
2019	Adopt a long-term strategy for renewable energy and update the relevant incentive schemes (FiT).	**Work ongoing.** Since 2019, the Government has issued FiT2 and FiT3, which should be revised soon. Also, in March 2021, it published for stakeholder comments the draft National Power Development Master Plan (PDP) VIII for the period of 2021-2030.
2019	Ensure the policy implementation authorities are different from those evaluating the progress made towards achieving the policy.	**Pending**
2021	Ensure the balanced growth of solar and wind power generation by providing incentives to investors in the wind sector.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 2		
2019	Introduce a one-stop shop at national level and streamline administrative procedures.	**Partially implemented.** One-stop shops already operate at regional level. The National Single Window is fully operational with 200 administrative procedures of 13 ministries and sectors connected to it by the end of 2020. Moreover, the country is now connected to nine ASEAN countries through the ASEAN Single Window.
Indicator 3		
2019	Reinforce the Electricity Regulatory Authority of Viet Nam's institutional independence and create a similar regulatory authority for the oil and gas industry.	**Pending**
2019	Accelerate the equitisation and privatisation of the State-owned enterprises, Viet Nam Electricity Corporation (EVN) and PetroVietnam (PVN).	**Work ongoing.** The recently adopted Politburo Resolution No. 55- NQ/TW On the orientation of the National Energy Development Strategy of Vietnam to 2030 with a vision to 2045 promotes a competitive and transparent energy market. Moreover, PVN recently announced plans to divest from some of its subsidiaries between 2021 and 2025.
2021	Define the term "national defence and security" used in Law No. 61/2020/QH14 On Investment as an additional market condition and grounds for termination or suspension of investment activities.	**Improvement suggested in 2021.** Status will be updated in 2022.
Indicator 4		
2019	Define the term "public interest" in relation to forceful purchase or requisition of private property.	**Pending**
2021	Introduce measures to expedite the recognition of foreign arbitral awards and ensure their enforcement.	**Improvement suggested in 2021.** Status will be updated in 2022.
2021	Consider becoming a member of the ICSID.	**Improvement suggested in 2021.** Status will be updated in 2022.

ANNEX II: ORBIS CROSSBORDER INVESTMENT GLOSSARY AND INDUSTRY CLASSIFICATION

Terms used in EIRA 2021 from Orbis Crossborder Investment*

Acquisition deal	A deal in which the acquiror ends up with a stake of 50% or more in the target's equity. Even deals involving the purchase of a very small stake will be defined as an acquisition if the final stake held by the acquiror is 50% or above.
Co-location project**	The same company (investor) investing into the same location (city) in a different business activity (for example, XYZ company could be setting up a regional distribution center as well as a manufacturing plant). Sometimes companies will create a new warehouse to complement an existing manufacturing plant.
Completed project status	If a company has opened a facility or a location is deemed to be operational, the project will be deemed to have been completed.
Completed deal status	This is the date when the deal has officially completed.
Institutional buyout (IBO) deal	A deal in which a private equity firm has purchased a stake of 50% or more in a company. As with acquisitions, even deals involving the purchase of a very small stake will be defined as an IBO if the final stake held by the acquiror is 50% or above. The only difference between a standard acquisition and an IBO is that the acquiror in an IBO is a private equity firm.
Joint venture deal	A deal in which two or more companies create a new, jointly-owned entity. The two or more companies that have established the new entity continue to exist.
Minority stake deal	A deal in which the acquiror has purchased a number of shares in the target and the resulting final stake is less than 50%. A deal involving the purchase of a 2% stake could be defined as an acquisition if the acquiror's overall final stake is 50% or more, such as if a buyer increases its stake from 49% to 51%.
New project	A new operation, whether it is a manufacturing plant, regional headquarters, sales office, and so on.

*The value of some deals and the CapEx of some projects may be unofficial or modelled by Orbis Crossborder Investment. For more information on the Orbis Crossborder Investment methodology, data collection and definitions please visit https://www.bvdinfo.com/orbis (data accessed on 1 July 2021).

Industry Classification used in EIRA 2020 from Orbis Crossborder Investment

The data for EIRA 2020 is compiled using the following NACE Rev. 2 classes. **

Electrical energy

35.11	**Production of electricity**	This class includes the operation of generation facilities that produce electric energy; including thermal, nuclear, hydroelectric, gas turbine, diesel and renewable.
35.12	**Transmission of electricity**	This class includes operation of transmission systems that convey the electricity from the generation facility to the distribution system.
35.13	**Distribution of electricity**	This class includes operation of distribution systems (i.e., consisting of lines, poles, meters, and wiring) that convey electric power received from the generation facility or the transmission system to the final consumer.
35.14	**Trade of electricity**	This class includes the sale of electricity to the user; activities of electric power brokers or agents that arrange the sale of electricity via power distribution systems operated by others; operation of electricity and transmission capacity exchanges for electric power.

Petroleum and gas

06.10	**Extraction of crude petroleum**	This class includes extraction of crude petroleum oils; extraction of bituminous or oil shale and tar sand; production of crude petroleum from bituminous shale and sand; processes to obtain crude oils: decantation, desalting, dehydration, stabilisation etc.
06.20	**Extraction of natural gas**	This class includes production of crude gaseous hydrocarbon (natural gas); extraction of condensates; draining and separation of liquid hydrocarbon fractions; gas desulphurization; mining of hydrocarbon liquids, obtained through liquefaction or pyrolysis.
09.10	**Support activities for petroleum and natural gas extraction**	This class includes oil and gas extraction service activities provided on a fee or contract basis: • In exploration services in connection with petroleum or gas extraction, e.g. traditional prospecting methods, such as making geological observations at prospective sites • In directional drilling and redrilling; “spudding in”; derrick erection in situ, repairing and dismantling; cementing oil and gas well casings; pumping of wells; plugging and abandoning wells etc. • In liquefaction and regasification of natural gas for purpose of transport, done at the mine site • In draining and pumping services, on a fee or contract basis • In test drilling in connection with petroleum or gas extraction
19.20	**Manufacture of refined petroleum products**	This class includes production of motor fuel: gasoline, kerosene etc.; production of fuel: light, medium and heavy fuel oil, refinery gases such as ethane, propane, butane etc.; manufacture of oil-based lubricating oils or greases, including from waste oil; manufacture of petroleum briquettes; blending of biofuels, i.e. blending of alcohols with petroleum (e.g. gasohol); manufacture of peat briquettes; manufacture of hard-coal and lignite fuel briquettes.
49.50	**Transport via pipeline**	This class includes transport of gases via pipelines. It also includes the operation of pump stations.

Coal		
05.10	**Mining of hard coal**	This class includes the mining of hard coal: underground or surface mining, including mining through liquefaction methods; cleaning, sizing, grading, pulverising, compressing etc. of coal to classify, improve quality or facilitate transport or storage; recovery of hard coal from culm banks.
05.20	**Mining of lignite**	This class includes mining of lignite (brown coal): underground or surface mining, including mining through liquefaction methods; washing, dehydrating, pulverising, compressing of lignite to improve quality or facilitate transport or storage.
08.92	**Extraction of peat**	This class includes peat digging; preparation of peat to improve quality or facilitate transport or storage.
09.90	**Support activities for other mining and quarrying**	This class includes support services on a fee or contract basis, required for mining of coal and lignite, among other: • In exploration services, e.g. traditional prospecting methods, such as taking core samples and making geological observations at prospective sites • In draining and pumping services, on a fee or contract basis • In test drilling and test hole boring.

Nuclear energy		
24.46	**Processing of nuclear fuel**	This class includes the production of uranium metal from pitchblende or other ores; smelting and refining of uranium.
07.21	**Mining of uranium and thorium ores**	This class includes mining of ores chiefly valued for uranium and thorium content: pitchblende etc.; concentration of such ores; manufacture of yellowcake.

** For more information on the NACE Rev. 2 statistical classification of economic activities please visit https://ec.europa.eu/eurostat/web/nace-rev2.

Electrical energy, petroleum, gas, coal and nuclear energy are covered by Annex EM I “Energy Materials and Products” of the ECT (as amended).

ANNEX III: SCORING GUIDE

The score for each indicator is the average of its component sub-indicators. The score of each sub-indicator is the average of its underlying questions. The scoring rules for different types of questions are as follows:

1. Questions with proportionate scores

This category is scored based on the number of energy policy goals set by the country. In the example given below, the first sub-indicator of Indicator 1 allows the respondents to list the energy priorities of the country. Under the first question, there are nine identified options for respondents to select. Additionally, they are given the opportunity to specify other priorities considered relevant to their respective energy sectors. The response to the first question sets the premise on which the following questions will be answered and scored. For example, a country has set 5 goals. As a result, 20 points are attributed to each of the selected goals for the scoring of the next questions. Subsequently, the respondent identifies an energy strategy document for three out of the five selected goals, and the country receives 60 points on that question. The scores for the third and the fourth questions are calculated likewise. The final score of this sub-indicator is the average scores of its component questions, which in this case is 66.7.

Sample Question Type 1

INDICATOR 1: FORESIGHT OF POLICY AND REGULATORY CHANGE	SCORING	RESPONSE	SCORE
Sub-indicator 1: Communication of vision and policies			**66.7**
1. What are the key priorities or goals of the energy sector policy? **a. Energy security [Y/N]** **b. Power reliability [Y/N]** **c. Affordability – energy poverty [Y/N]** **d. Access to energy [Y/N]** **e. Investment in the energy sector [Y/N]** **f. CO_2 reduction [Y/N]** **g. Renewable energy [Y/N]** **h. Energy efficiency [Y/N]** **i. Innovation [Y/N]** **j. Others issues related to the energy sector (like air quality, water quality job creation etc). Please specify.**	Not Scored	5 goals selected: Energy security; power reliability; access to energy; CO_2 reduction; and Innovation (100/5=20 for each goal in the related questions)	–
2. Does the country have an energy strategy document for the key priority areas selected above (e.g. a Vision document/ Roadmap etc.)? [Y/N]	Based on the number of goals selected in the previous question proportionate scores are allocated	Energy strategy document for 3 goals: Energy security; CO_2 reduction; and innovation	3x20=60

2. Binary questions

These questions can be answered with a simple "yes" or "no". In the example below, the respondent must answer "yes" to all three questions to obtain the highest score. However, the respondent gives two positive answers and a negative one. As a result, the score for the sub-indicator is 66.7.

Sample Question Type 2a

INDICATOR 3: REGULATORY ENVIRONMENT AND INVESTMENT CONDITIONS	SCORING	RESPONSE	SCORE
Sub-indicator 1: Regulatory effectiveness			**66.7**
1. Does the energy regulator derive its authority from a law? [Y/N]	Yes-100 No-0	Yes	100
2. Are the functions and obligations of the energy regulator stated in a law? [Y/N]	Yes-100 No-0	No	0
3. Does the energy regulator have a budget that is separate from the government's budget? [Y/N]	Yes-100 No-0	Yes	100

In some cases, a negative response may yield a high score while a positive answer may be scored 0. In the following example, the respondent must answer "no" to all the questions to obtain the highest score. However, the respondent gives one negative and one positive answer. As a result, the score for the sub-indicator is 50.

Sample Question Type 2b

INDICATOR 3: REGULATORY ENVIRONMENT AND INVESTMENT CONDITIONS	SCORING	RESPONSE	SCORE
Sub-indicator 2: Restrictions on FDI			**50**
1. Are foreign investors required by law to partner with State/ State-owned enterprises or local enterprises before undertaking projects in the energy sector? [Y/N]	Yes-0 No-100	No	100
2. Are foreign investors required to purchase a certain percentage/ value/quantity of products or services from local suppliers? [Y/N]	Yes-0 No-100	Yes	0

3. Questions with alternative responses and granulated scores

In some cases, the respondent is asked to select an answer from a group of alternatives. The answer reflecting best practice is scored 100, whereas the score for the rest of the options is granulated. In the table below, the respondent states that only some legal and regulatory information is made available. This alternative is not considered optimal and, thus, yields only 50 points. In the following question, the respondent states that laws and regulations are accessible both electronically and in print. This is considered best practice and gets a score of 100. Similarly, the respondent answers that the energy regulator makes available all its decision to the public, which again is considered best practice and gets 100. The overall score for this sub-indicator is 83.3.

Sample Question Type 3

INDICATOR 2: MANAGEMENT OF DECISION-MAKING PROCESSES	SCORING	RESPONSE	SCORE
Sub-indicator 1: Transparency			**83.3**
1. Does the country make available legal and regulatory information to the public?		1-b	50
a. Yes, all information is made available	100		
b. Only some information is available	50		
c. No information is available	0		
2. How are laws and regulations made accessible to public?		2-a	100
a. Both electronically and in print	100		
b. Only electronically	66.7		
c. Only in print	33.3		
d. Available only upon request/or payment of fee	0		
3. Does the energy regulator make available its decisions (on tariffs, tariff methodology, market access etc.) to the public?		3-a	100
a. Yes, all decisions are made available	100		
b. Only some decisions are made available	50		
c. No decisions are made available	0		

4. Questions with alternative sub-questions

This type of question provides alternatives to the respondents, in case a negative answer to the main question is compensated by other measures. In the example provided below, the respondent claims that investors need authorisation before investing in the energy sector. Since this imposes a restriction on investors, the answer to the main question gets a 0. Where the prior authorisation requirement results in restrictiveness but is not discriminatory in nature, 50 points are 'recovered' by answering "yes" to question 1a.

Sample Question Type 4

INDICATOR 3: REGULATORY ENVIRONMENT AND INVESTMENT CONDITIONS	SCORING	RESPONSE	SCORE
Sub-indicator 2: Restrictions on FDI			**50**
1. Is there a pre-screening or prior-authorization requirement for investing in the energy sector? [Y/N]	Yes-0 No-100	Yes	0
If yes: **1a. Is pre-screening applicable to both domestic and foreign investors? [Y/N]**	Yes-50 No-0	Yes	50

5. Divided questions

For some sub-indicators the main question is bifurcated into sub-questions, which are awarded identical scores since they are equally important. The sub-questions develop a joint perfect score of 100, when answered positively. In the example below, the country scores 50 because it is a Contracting Party only to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States.

Sample Question Type 5

INDICATOR 4: RULE OF LAW (COMPLIANCE WITH NATIONAL AND INTERNATIONAL OBLIGATIONS)	SCORING	RESPONSE	SCORE
Sub-indicator 1: Management and settlement of investor-State disputes			**50**
1. Is the country a Contracting Party to:			
1a. The Convention on the Settlement of Investment Disputes Between States and Nationals of Other States? [Y/N]	Yes-50 No-0	Yes	50
1b. The Convention on the Recognition and Enforcement of Foreign Arbitral Awards? [Y/N]	Yes-50 No-0	No	0

ANNEX IV: EIRA QUESTIONNAIRE

Indicator 1: Foresight of policy and regulatory change

QUESTIONS	CLARIFICATIONS TO QUESTIONS	SCORING
Sub-indicator 1.1: Communication of vision and policies		
1.1.1 What are the key priorities or goals of the energy sector policy? a. Energy security [Y/N] b. Power reliability [Y/N] c. Affordability – energy poverty [Y/N] d. Access to energy [Y/N] e. Investment in the energy sector [Y/N] f. CO_2 reduction [Y/N] g. Renewable energy [Y/N] h. Energy efficiency [Y/N] i. Innovation [Y/N] j. Others issues related to the energy sector (like air quality, water quality job creation etc). Please specify.	This is not an exhaustive list and countries are only expected to tick the boxes relevant to them. Countries may add priorities or goals not listed.	Not scored
1.1.2 Does the country have an energy strategy document for the key priority areas selected above (e.g. a Vision document/ Roadmap)? [Y/N]	Kindly provide details of the energy strategy (such as date when the document was endorsed). Please also provide a link to the document or send the pdf version.	Based on the number of goals selected
1.1.3 Has the country set any short-, medium- term targets for the priority areas selected above? [Y/N]	This may include any specific short-, medium-term outcomes/targets for the energy sub-sectors.	Based on the number of goals selected
1.1.4 Has the country set any ultimate/final outcomes for the priority areas selected above? [Y/N]	This may include any specific final outcomes or end game for the energy sub-sectors.	Based on the number of goals selected
1.1.5 Is there a timeframe for achieving the ultimate/final outcomes for the priority areas selected above? [Y/N]		Based on the number of goals selected
1.1.6 Is there a binding national action plan in place for implementing the priorities selected above? [Y/N]		Based on the number of goals selected
1.1.7a Is the country a party to the United Nations Paris Climate Agreement? [Y/N] **1.1.7b If yes, does the country's NDC contain details on energy sector CO_2 contribution? [Y/N]**		Yes-50 No-0 Yes-50 No-0
Sub-indicator 1.2: Robustness of policy goals and commitments		
1.2.1 Is there a body responsible for monitoring the implementation of each energy priority? [Y/N]		Based on the number of goals selected
1.2.2 Is the monitoring body independent of the authority/ministry responsible for implementing the energy priorities selected above? [Y/N]	For instance a technical/statistics body.	Based on the number of monitoring bodies
1.2.3 Is the monitoring body required to provide feedback to the authority/ministry responsible for implementing the energy priorities selected above? [Y/N]		Based on the number of monitoring bodies
1.2.4 Is there a legal provision that allows the government to review the energy priorities selected above, and sets out the process in which the review should be performed? [Y/N]	Please provide relevant legal acts/provisions.	Yes-100 No-0

Additional remarks:
Are there any regulatory measures/legal changes that you anticipate in the coming year? *Please describe.*

Indicator 2: Management of decision-making processes

QUESTIONS	CLARIFICATIONS TO QUESTIONS	SCORING
Sub-indicator 2.1: Institutional governance		
2.1.1 Indicate the levels of government involved in framing energy legislation: a. Central government [Y/N] b. Provincial [Y/N] c. Municipal [Y/N] d. More than 3 [Y/N] e. How many levels are involved in total?		For one level 100 For two levels 50 For three levels 25 For more than three levels 0
2.1.2 Is there a central authority responsible for the overall energy policy formulation process? [Y/N]	Please provide the name of the institution and its website.	Yes-100 No-0
2.1.3 Is there a central authority responsible for the overall investment policy formulation process? [Y/N]	Please provide the name of the institution and its website.	Yes 100 No-0
2.1.4 Do the energy and investment authorities consult each other while formulating polices related to their respective sectors? [Y/N]	This includes consultation within working groups, etc.	Yes-100 No-0
2.1.5 Is there an authority responsible for the overall implementation and monitoring of the country's NDC? [Y/N]	Please provide the name of the institution and its website.	Yes-100 No-0
2.1.6 Is there a process that requires the government to periodically review the implementation of its NDC? [Y/N]		Yes-100 No-0
2.1.7a Has the country established a one-stop shop investment approval authority? [Y/N] **2.1.7b If yes, does it also give approval for the energy sector? [Y/N]**	Please provide the name of the institution and its website.	Yes-50 No-0 Yes-50 No-0
2.1.8a Is there a single window for all enquiries concerning investment policies and applications? [Y/N] **2.1.8b If yes, does it also give information for the energy sector? [Y/N]**	Please provide the name of the institution and its website.	Yes-50 No-0 Yes-50 No-0
Sub-indicator 2.2: Transparency		
2.2.1 Does the country have a law on transparency? [Y/N]		Yes-100 No-0
2.2.2a Do exceptions to transparency rules exist? [Y/N] **2.2.2b If yes, are these exceptions clearly defined in law or regulation? [Y/N]**	Such exceptions can include national security, public interest, law and order etc.	Yes-0 No-100 Yes-100 No-0
2.2.3 Does the country make available legal and regulatory information to the public? a. Yes, all the information is made available b. Only some of information is made available c. No information is made available	Legal and regulatory information includes enacted laws, draft laws, regulations, draft regulations. If the information is limited, please state reasons for this answer.	100 50 0
2.2.4 How is law and regulation made accessible to the public? [Y/N] a. Both electronically and in print b. Only Electronically c. Only in print d. Available only upon request or payment of fee	On request means investors can approach public authorities for hard copies.	100 66.7 33.3 0
2.2.5 Does the energy regulator make available its decisions (on tariffs, tariff methodology, market access etc.) to the public? a. Yes, all the decisions are made available b. Only some decisions are made available c. No decisions are made available		100 50 0

QUESTIONS	CLARIFICATIONS TO QUESTIONS	SCORING
2.2.6 Are energy strategy documents and national plans available in any of the UN languages? [Y/N]	The UN languages are Arabic, Chinese, English, French, Russian and Spanish. For the purpose of this question, unofficial translations are not relevant.	Yes-100 No-0
2.2.7 Are enacted laws available in any of the UN languages? [Y/N]	The UN languages are Arabic, Chinese, English, French, Russian and Spanish. For the purpose of this question, unofficial translations are not relevant.	Yes-100 No-0
2.2.8 Do the bodies responsible for monitoring and implementing energy priorities/objectives publish their data? [Y/N]	This question refers to monitoring bodies mentioned in question 1.2.1.	Yes-100 No-0
2.2.9 Is legal information centralised? a. In an electronic centralised registry of laws and regulations b. Centralised registry/official gazette in print c. No centralisation of laws and regulations		 100 50 0
2.2.10 Is consultation between the government and the stakeholders required under any law/regulation/rule? [Y/N]	Stakeholders may include affected public and private investors, energy agencies, local government administration, non-governmental organisations, and wider community.	Yes-100 No-0
2.2.11 Is consultation between the energy regulator and the stakeholders required under any law/regulation/rule? [Y/N]		Yes-100 No-0
2.2.12 Are stakeholders notified and consulted in advance when new laws and regulations are enacted? [Y/N] a. Notified and consulted in advance b. Notified but not consulted c. Not notified or consulted		 100 0 0

Additional remarks:
Are there any concerns regarding the transparency in the country or its decision making that you wish to highlight? *Please describe.*

Indicator 3: Regulatory environment and investment conditions

QUESTIONS	CLARIFICATIONS TO QUESTIONS	SCORING
Sub-indicator 3.1: Regulatory effectiveness		
3.1.1 Which institution is responsible for regulating the energy sector? a. A separate energy regulatory body b. An agency under the control of the Ministry c. A Ministry d. Multiple ministries/agencies regulating sub-sectors separately	Hereafter referred to as 'the energy regulator'.	Not scored
3.1.2* Does the energy regulator derive its authority from a law? [Y/N]	Please provide the name of the legal act which establishes the energy regulator.	Yes-100 No-0
3.1.3* Are the functions and obligations of the energy regulator stated in a law? [Y/N]	Please provide the name of the legal act which specifies the obligations of the energy regulator.	Yes 100 No-0
3.1.4* Is the energy regulator subject to the public control conducted by other institutions? a. Supreme Audit Office which is independent from the central government and/or Parliament b. Governmental institution c. None of the above		 100 0 0
3.1.5* Does the energy regulator have a budget that is separate from the government's budget? [Y/N]	This means the budget is not determined by the government.	Yes-100 No-0
3.1.6* Does the energy regulator have a dedicated budget for itself? [Y/N]	Dedicated budget means that the energy regulator is not required to transfer or share its funds with any other governmental entities.	Yes-100 No-0
3.1.7* Does the energy regulator have the right to allocate its budget? a. Yes, it has full right to do so b. Yes, but it needs approval from the governmental/ministry c. No, it cannot allocate the budget on its own		 100 50 0
3.1.8a* Is there a fixed term appointment for the board of the energy regulator? [Y/N] **3.1.8b* If so, is the term renewable more than once? [Y/N]**		Yes-50 No-0 Yes-0 No-50
3.1.9* Is the selection procedure of the board and its finalisation publicly announced? [Y/N]		Yes-100 No-0
3.1.10a Does the energy regulator deal with competition issues? [Y/N] **3.1.10b If no, is there a separate governmental body dealing with competition issues, including the energy sector? [Y/N]**		Yes-100 No-0 Yes-100 No-0
Sub-indicator 3.2: Restrictions on FDI		
3.2.1a Does the country give equal treatment to domestic and foreign investors? [Y/N] **3.2.1b If yes, is this equal treatment established in law? [Y/N]**	Please provide legal acts which grant equal treatment to domestic and foreign investors.	Yes-50 No-0 Yes-50 No-0
3.2.2a Are investors in the energy sector allowed to invest in all zones or regions within the country? [Y/N] **3.2.2b If no, is this applicable to domestic and foreign investors alike? [Y/N]**	This can include restrictions on undertaking activities in the Exclusive Economic Zones, special economic zones, free trade zones.	Yes-100 No-0 Yes-50 No-0

* For electricity and hydrocarbon regulators

QUESTIONS	CLARIFICATIONS TO QUESTIONS	SCORING
3.2.3a Is there a pre-screening or prior-authorization requirement for foreign investors in the energy sector? [Y/N] **3.2.3b If yes, is it only a notification requirement? [Y/N]**	Screening mechanisms include requiring the foreign investors to show that the project is in the national interest of the Host State. However, in some cases, they are automatic and amount to a simple pre-notification requirement for investors.	Yes-0 No-100 Yes-50 No-0
3.2.4 Are foreign companies legally allowed to hold a majority stake in energy projects? [Y/N]		Yes-100 No-0
3.2.5 Are foreign investors required by law to partner with the State/State-owned enterprises or local enterprises before undertaking projects in the energy sector? [Y/N]		Yes-0 No-100
3.2.6 Are there limitations on the employment of foreign personnel? a. There are no limitations [Y/N] b. Limitation by percentage [Y/N] c. Limitation on the number of times work permit/visa can be renewed [Y/N]		 100 0 0
3.2.7 Are foreign investors required to employ specific percentages of local work force? a. There are no such requirements [Y/N] b. Yes, for the managerial level (board of directors etc.) [Y/N] c. Yes, for the unskilled labour and non-technical/administrative staff [Y/N]		 100 0 0
3.2.8 Are foreign investors required to purchase a certain percentage/value/quantity of products or services from local suppliers? [Y/N]	Local content provisions require foreign investors to purchase a minimum threshold of goods (e.g. raw materials) and services (e.g. human resources) locally.	Yes-0 No-100
3.2.9a Are there any currency restrictions and/or foreign exchange controls applied to foreign investors under a law or regulation? [Y/N] **3.2.9b If yes, do these exchange controls include:** a. Banning use of foreign currency? [Y/N] b. Limiting currency exchange to government approved exchangers? [Y/N] c. Fixed exchange rates? [Y/N]		Yes-0 No-100
3.2.10a Do restrictions on the transfer of investment related capital, payments and profits exist? **3.2.10b If yes, do they apply equally on domestic and foreign investor?**	e.g. profits, dividends, interest and royalty receipts, original capital, capital appreciation, proceeds from liquidation, payments received as compensation for property expropriation, settlement of disputes etc., and earnings of personnel engaged from abroad in connection with an investment.	Yes-0 No-100 Yes-50 No-0

Additional remarks:
Are there any measures by the regulator or restrictions on investment you wish to highlight? *Please describe.*

Indicator 4: Rule of Law (compliance with national and international obligations)

QUESTIONS	CLARIFICATIONS TO QUESTIONS	SCORING
Sub-indicator 4.1: Management and settlement of investor-State disputes		
4.1.1 Is the jurisdiction for hearing contractual disputes with foreign investors defined in the domestic law? [Y/N]		Yes-100 No-0
4.1.2 Is there a separate mechanism for appealing against regulatory decisions? a. Yes, appeals can be heard by the regulator in the first instance b. Appeals can only be heard by general courts c. There is no appeal process		 100 50 0
4.1.3 Are national courts and administrative tribunals required by law to deliver decisions within a defined time limit? [Y/N]		Yes 100 No-0
4.1.4 Is arbitration included in: a. An investment law b. A separate arbitration law c. As a chapter/section in the code of civil procedure d. There is no law that refers to arbitration		 100 100 100 0
4.1.5 Is voluntary mediation, conciliation or both included in: a. An investment law b. Arbitration and mediation law c. As a chapter/section in the code of civil procedure d. There is no law that refers to mediation and/or conciliation		 100 100 100 0
4.1.6 Is there an investment ombudsman to whom foreign investors can refer disputes with the government? [Y/N]	Please provide the name of the institution and its website.	Yes-100 No-0
4.1.7a Do national laws allow the recognition and enforcement of foreign judgements? [Y/N] **4.1.7b If yes, then are these laws equally applicable to different jurisdictions? [Y/N]**		Yes-50 No-0 Yes-50 No-0
4.1.8 Do national laws and/or International Investment Agreements require exhaustion of local remedies (e.g. domestic courts) before recourse to international arbitration? [Y/N]	Foreign investors are required to go through the administrative and judicial system of the State before initiating international proceedings directly against the State.	Yes-0 No-100
4.1.9 Has the country made retroactive changes to its laws in the past 5 years? [Y/N]		Yes-0 No-100
4.1.10 Is the country a Contracting Party to: a. The Convention on the Settlement of Investment Disputes Between States and Nationals of Other States? [Y/N] b. The Convention on the Recognition and Enforcement of Foreign Arbitral Awards? [Y/N]		 Yes-50 No-0 Yes-50 No-0
Sub-indicator 4.2: Respect for property rights		
4.2.1 Are the criteria for 'public interest' as grounds for expropriation clearly stated? [Y/N]	Please provide the legal act that specifies these criteria.	Yes-100 No-0
4.2.2 Does the State provide in its laws and/or its International Investment Agreements a process for determining compensation in the event of expropriation in the energy sector? [Y/N]	e.g., determination of compensation by independent auditors.	Yes-100 No-0
4.2.3 Does the State provide in its laws and/or its International Investment Agreements a time frame within which compensation needs to be paid? [Y/N]	Please provide the law which states this time frame.	Yes-100 No-0

QUESTIONS	CLARIFICATIONS TO QUESTIONS	SCORING
4.2.4a Does the State include in its laws and/or International Investment Agreements protection against the expropriation of intellectual property rights? [Y/N]		Yes-50 No-0
4.2.4b Is the country a Member State of the World Intellectual Property Organization? [Y/N]		Yes-50 No-0
4.2.5 Does the State have in its laws and/or International Investment Agreements any provisions restricting the transfer of technology in the energy sector? [Y/N]	Please provide the law which states this restriction.	Yes-0 No-100
4.2.6 Is the country a Member State/Contracting Party to: a. The World Trade Organization? [Y/N] b. The Energy Charter Treaty? [Y/N]		 Yes-50 No-0 Yes-50 No-0

Additional remarks:
Are there any risks related to investor state disputes in the energy sector which you anticipate? *Please describe.*

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MAURITANIA

MINISTRY OF PETROLEUM, ENERGY AND MINES

MULTI-SECTORAL REGULATORY AUTHORITY

MONGOLIA

MINISTRY OF ENERGY

MONTENEGRO

MINISTRY OF CAPITAL INVESTMENTS

MINISTRY OF ECOLOGY, SPATIAL PLANNING AND URBANISM

MINISTRY OF FINANCE AND SOCIAL WELFARE

ENERGY REGULATORY AGENCY

Eco Fund for Environmental Protection

NIGERIA

ENERGY COMMISSION OF NIGERIA

FEDERAL MINISTRY OF SCIENCE AND TECHNOLOGY

FEDERAL MINISTRY OF ENVIRONMENT

FEDERAL MINISTRY OF INDUSTRY, TRADE AND INVESTMENT

FEDERAL MINISTRY OF JUSTICE

FEDERAL MINISTRY OF FINANCE, BUDGET AND NATIONAL PLANNING

FEDERAL MINISTRY OF MINES AND STEEL DEVELOPMENT

MINISTRY OF FOREIGN AFFAIRS

MINISTRY OF PETROLEUM RESOURCES

MINISTRY OF POWER

TRANSMISSION COMPANY OF NIGERIA

NIGERIAN BULK ELECTRICITY TRADING

NIGERIA INVESTMENT PROMOTION COMMISSION

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DEPARTMENT OF PETROLEUM RESOURCES

DEPARTMENT OF CLIMATE CHANGE

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PALESTINIAN ENERGY AND NATURAL RESOURCES AUTHORITY

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NATIONAL SECRETARIAT OF ENERGY OF THE REPUBLIC OF PANAMA

REPUBLIC OF MOLDOVA

MINISTRY OF ECONOMY AND INFRASTRUCTURE

RWANDA

MINISTRY OF INFRASTRUCTURE

MINISTRY OF JUSTICE

RWANDA UTILITIES REGULATORY AUTHORITY

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MINISTRY OF PETROLEUM

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as of 1 August 2021

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Sig	Rat	EEC	IEC	Country
	2013	2006	2015	Afghanistan
1994	1997	1991	2015	Albania
1994	1997	1991	2015	Armenia
1994		1991		Australia
1994	1997	1991	2015	Austria
1994	1997	1991	2018	Azerbaijan
1994		1991	2015	Belarus
1994	1998	1991	2015	Belgium
1995	2001	1995	2016	Bosnia and Herzegovina
1994	1996	1991	2015	Bulgaria
1994	1997	1993	2015	Croatia
1994	1998	1991	2015	Cyprus
1995	1996	1993	2015	Czech Republic
1994	1997	1991	2015	Denmark
1994	1998	1992	2015	Estonia
1994	1998	1991	2015	European Union
1994	1998	1991	2015	EURATOM
1994	1997	1991	2015	Finland
1994	1999	1991	2015	France
1994	1995	1991	2015	Georgia
1994	1997	1991	2015	Germany
1994	1997	1991	2015	Greece
1995	1998	1991	2015	Hungary
1994	2015	1991		Iceland
1994	1999	1991	2015	Ireland
1995	2002	1991	2015	Japan
	2018	2007	2015	Jordan
1994	1995	1991	2015	Kazakhstan
1994	1997	1992	2015	Kyrgyzstan
1994	1995	1991	2015	Latvia
1994	1997	1991	2015	Liechtenstein
1995	1998	1992	2015	Lithuania
1994	1997	1991	2015	Luxemburg
1994	2001	1991	2015	Malta
1994	1996	1992	2015	Moldova
	1999	1997	2015	Mongolia
	2015	2012	2015	Montenegro
1994	1997	1991	2015	Netherlands
	1998	1996	2015	North Macedonia
1995		1991	2015	Norway
1994	2000	1991	2015	Poland
1994	1997	1991	2015	Portugal
1994	1996	1991	2015	Romania
1994		1991		Russian Federation
1994	1995	1993	2015	Slovakia
1994	1997	1992	2015	Slovenia
1994	1997	1991	2015	Spain
1994	1997	1991	2015	Sweden
1994	1996	1991	2015	Switzerland
1994	1997	1991		Tajikistan
1994	2001	1991	2015	Turkey
1994	1997	1994	2015	Turkmenistan
1994	1998	1991	2015	Ukraine
1994	1996	1991	2015	United Kingdom
1995	1995	1991	2015	Uzbekistan
	2018	2014	2015	Yemen

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Country	EEC	IEC
Bangladesh		2015
Benin		2015
Burkina Faso		2017
Burundi	2015	2015
Cambodia		2015
Canada	1991	
Chad	2015	2015
Chile		2015
China		2015
Colombia		2015
EAC		2016
ECCAS		2016
ECOWAS		2015
Eswatini		2015
G5 Sahel		2016
Gambia		2017
Guatemala		2016
Guyana		2018
Indonesia	2009	
Iran		2016
Iraq		2016
Italy	1991	2015
Kenya		2017
Mali		2017
Mauritania	2014	2015
Morocco	2012	2015
Niger	2015	2015
Nigeria		2017
Pakistan	2005	2015
Palestine	2014	2015
Panama		2017
Rwanda		2016
Senegal		2016
Serbia	2001	2015
Sierra Leone		2018
South Korea		2015
South Sudan		2021
Syria	2010	
Tanzania		2015
UAE		2017
Uganda	2019	2015
USA	1991	2015
Vietnam		2018

INTERNATIONAL ORGANISATIONS WITH OBSERVER STATUS (by decision of the Energy Charter Conference):

- Association of Southeast Asian Nations
- Baltic Sea Region Energy Cooperation
- Black Sea Economic Cooperation
- CIS Electric Power Council
- Economic Cooperation Organization
- European Bank for Reconstruction and Development
- International Atomic Energy Agency
- International Energy Agency
- International Renewable Energy Agency
- Organisation for Economic Co-operation and Development
- United Nations Economic Commission for Europe
- The World Bank
- World Trade Organisation

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