

An international arbitration has been initiated against Latvia regarding an alleged investment in renewable energy

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[State Chancellery](#)



A company registered in Switzerland RSE Holding AG has initiated an international arbitration proceeding against Latvia claiming that certain changes effected to the regulatory framework applicable to electricity produced in high-efficiency cogeneration are in breach of Article 10(1) of the ECT. RSE Holding AG is requesting compensation in the amount of 11 million euros. Latvia denies these allegations and emphasizes that changes in question have been made in full compliance with all international obligations incumbent upon Latvia.

The Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL) adopted in 1976 apply to this arbitration. The parties have agreed that the arbitration will be administered by the Permanent Court of Arbitration – PCA Case. 2022-41. The Tribunal is composed of three arbitrators: Ms. Sabina Sacco (nominated by Latvia), Dr. Richard Happ (nominated by RSE Holding AG), and Ms. Erica Stein (President of the Tribunal, appointed by the co-arbitrators). The co-arbitrator initially nominated by RSE Holdings AG, Ms. Amy Frey, was successfully challenged by the Republic of Latvia. In this arbitration, Latvia is represented by the State Chancellery and the international law firm Squire Patton Boggs.

 [Decision on the Challenge to Ms. Amy Frey](#) 

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