

GREEN TECHNOLOGY DISPUTES IN STOCKHOLM

More green technology companies are resorting to arbitration at the Arbitration Institute of the Stockholm Chamber of Commerce (SCC) to resolve their disputes, as shown by a study published in 2019.

In line with the transformation to a low-carbon economy required by the Paris Agreement, green technology will continue to expand. As a result, disputes involving green business could also be expected to increase.

What is green technology?

Any process, product or service that reduces negative environmental impacts in support of the Paris Agreement on climate change.

GREEN COMMERCIAL DISPUTES 2014-2018



TOP 3 GREEN TECHNOLOGY PARTIES

Renewable energy: > 60%
Organic waste management
Green property



TOP 3 NATIONALITY OF PARTIES

Swedish
German
Norwegian



LENGTH OF DISPUTE

Average: 16 months.
The shortest dispute length that resulted in an award was 6 months.



AMOUNT IN DISPUTE

Between EUR 72,000 to nearly EUR 200 million.
On average:
nearly EUR 14 million.

EXAMPLE CASE RELATED TO CLIMATE CONVENTION

Case 121/2014 concerned a project that aimed to implement the Joint Implementation mechanism under the Kyoto Protocol. The dispute arose from a lack of government approval for the project. The claimant argued that, due to this situation, the project could not be implemented.

EXAMPLE CASE UNDER COMMERCIAL CONTRACT

Case 064/2018 arose from a construction agreement to build a biogas facility. The claimant alleged that the work performed by the respondent suffered errors so significant that the biogas facility could not be used. The award was rendered within six months from registration of the case.

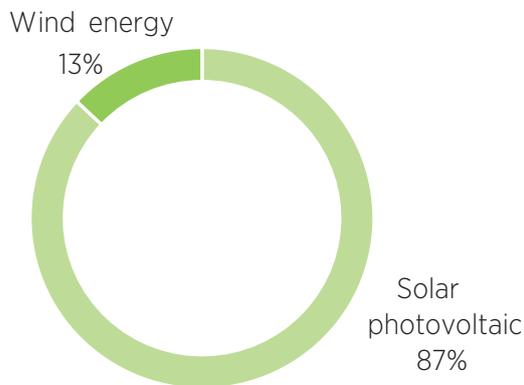
GREEN INVESTMENT DISPUTES 2012-2018

The SCC has always been a global player in the resolution of investment treaty disputes. Investment treaty disputes at the SCC have covered a wide range of investment types, from energy and infrastructure to banking and finance. Starting from 2012, green technology investors began to resort to the SCC to resolve their investment treaty disputes.

28%

of investment treaty disputes registered at the SCC between 2012-2018 involved green investments. All these disputes arose from the Energy Charter Treaty and concerned legal changes of renewable energy incentives.

TYPES OF GREEN INVESTMENT



ARBITRATION RULES



AMOUNT IN DISPUTE

Claims range from EUR 6,070,000 and EUR 830,300,000
Average amount in dispute: EUR 88,132,578.



LENGTH OF DISPUTE

Average: 37.5 months
The shortest dispute that resulted in an award was 33 months.

EXAMPLE OF GREEN INVESTMENT DISPUTES

Case 062/2012 was brought by investors in solar photovoltaic. They argued that the State made unlawful changes to the regulations on solar photovoltaic, among others, the introduction of a time limit for incentive payments. According to the claimant, the changes deprived them of substantial value of their investments and violated the Energy Charter Treaty.