As we enter our last quarter as Co-Chairs of this Committee, we wish to thank our membership for the fabulous support we have received this year and take the time to highlight past and upcoming events. Over the past 9 months we have encouraged Committee involvement of our membership to participate on the Committee’s monthly calls, in publications like the Year in Review and this newsletter, and in Section events – from making a proposal for a program at the Spring or Fall Meeting, to organizing our off-site dinner or simply by attending the Fall or Spring Meeting, a Regional Forum or Boot Camps and reporting on them.

We started the 2015 - 2016 year with a fantastic Fall Meeting in Montreal, Canada. Not only was our Committee’s program, “Balancing Aboriginal Rights with the Regulatory State: Are We Closer to Never Land or Just Confusing Everybody?”, well received, but also interest in our Committee peaked during the breakfast and lunch tables and the offsite dinner at Le Serpent.

By the start of the second quarter, we realized our goals for the Year-In-Review with 9 contributing authors and updates covering 14 countries - Angola, Argentina, Bolivia, Brazil, Canada, Cape Verde, Democratic Republic of the Congo, Ecuador, Gabon, Germany, Kazakhstan, Mozambique, Russia and Ukraine. Our thanks to the following authors for their effort and contributions: Kristin Drecktrah (editor), Ricardo Silva, Sara Frazão, Mauricio Becerra de la Roca Donoso, João Otávio Pinheiro Olivério, Jehmal T. Hudson, Leonardo Sempertegui, Mariana Ardizzone and Ariel Cohen.

2016 started early and on a high note with our Committee’s first “Hot Topics” program, “The Impact of New Emergency Arbitrator Powers on Provisional Protective Measures for Disputes Involving International Natural Resources and Energy Projects” presented by Mark Kantor and facilitated by Edna Sussman. As a result, the Committee had one of its best attended monthly calls.

During the third quarter of our ABA year, the Committee continued to realize support from its membership through its volunteer minute takers and active discussions during the monthly calls, which touched on legal topics trending in oil, gas, renewables, minerals, and other natural resources developments. The Committee was represented at the Americas Regional Forum in Miami in February and then gathered in larger numbers at the Section’s Spring Meeting in New York City. The Committee’s panel at the Spring Meeting addressed “BOOM or BUST: How it is Shaping the Future of the Petroleum Industry in the Americas”. This panel program also served as an introduction to the Committee’s Hydraulic Fracturing Subcommittee’s questionnaire, which will be circulated during this quarter to the Committee’s membership, and is intended to address strategic questions facing the petroleum industry regarding hydraulic fracturing. Your timely response to the questionnaire will be most appreciated.

In anticipation of the 2016-2017 ABA year, we plan to dust off our kimonos for the Fall Meeting in Tokyo, where the Committee’s panel will address “Opportunity or Barrier: The Effects of Trans-Pacific Partnership on Energy Trading and Investment in the Pacific Rim” as part of an entire track of programs at the Meeting dedicated to the Trans-Pacific Partnership. Not to be outdone by the Tokyo location, the Committee is looking forward to Regional Forums in 2016 – 2017 in Bogota and possibly Cape Town.
If you are interested in shaping the topics, activities, and direction of the Committee, then we hope to have you join our monthly calls, which are usually held on the second Thursday of each month at 11 AM EDT (NYC). The Co-Chairs of the Committee for 2016 – 2017, Mariana Ardizzone and Kristin Drecktrah welcome your comments, ideas and assistance for the year ahead, so if you are unable to participate during the monthly calls, then please remember that they are only a click away by email.

Finally, thank you to the many people who contributed to the wide range of Committee activities in 2015 - 2016, some mentioned above and others dearly remembered which exemplify the team work and networking opportunity that make this Committee strong and a worthwhile endeavor.

We look forward to hearing from you and to working with you in the year ahead.

Belle Toren and Mariana Ardizzone
Co-Chairs
International Energy & Natural Resources Committee

Committee News

Section of International Law Spring Meeting 2016 in New York

Members of the Committee had a very productive and enjoyable time at the Section’s annual Spring Meeting in New York. Mariana and Ben Kirchner chaired IENRC’s primary program on the future of the petroleum industry in the Americas. Joining them was Carlos de Maria y Campos Segura, an expert on energy and infrastructure issues from Mexico City. The Committee also co-sponsored a number of other interesting panels throughout the conference.

Beyond the CLE programs, we also had a networking lunch on Wednesday, our semi-annual Committee Dinner Wednesday evening and an extremely useful breakfast meeting on Thursday morning (see pictures below). This was very well-attended by Jeff Barnes, Melina Juarez Segura, Professor Kati Kovacs, Brian Zuercher, Javier Etchevery Boneo, Gustavo Cedrone and Mariana Ardizzone. Besides enabling us to plan our projects for the remainder of the ABA year, this was a great way to put faces with the names of some of our IENRC colleagues.

When the workday is done, the Section also always provides great venues for general networking with our fellow members from around the world and this year was no exception. We welcomed old and new friends alike at Wednesday’s reception, which was held at Gotham Hall, a beautiful historical landmark near Herald Square. Then Thursday evening, the socializing continued as everyone convened to wander the galleries of the Morgan Library and Museum. The Museum is the former private library of financier Pierpont Morgan and houses an impressive collection of artwork and artifacts, including early manuscripts from the Renaissance to Dickens, paintings from such masters as Rembrandt and Rubens, and three copies of the Gutenberg Bible. For those of you who have not attended a Section spring or fall meeting previously, it is certainly well worth the effort in terms of useful and timely educational programming, unique reception venues and the continual opportunities to meet and network with old and new friends alike.
Americas Forum 2016 in Miami

Before New York, many IENRC members also enjoyed a brief spring break in Miami at the Americas Forum. IENRC member Lelia Mooney co-chaired and moderated a panel on “Energy, Natural Resources, Development and Sustainability: Irreconcilable Differences?”, which addressed how the social, human rights and environmental needs of local communities may be affected by efforts in many Latin American nations to expand foreign investors and private sector activity in areas rich with natural resources.

Section Leadership Retreat in Half Moon Bay and ABA Annual Meeting in San Francisco

The first of three remaining chances to network with your fellow Committee members this year will come from August 3-9, 2016, at the Section’s Leadership Retreat (August 3-5) at the spectacular Ritz Carlton Half Moon Bay Resort south of San Francisco and then at the ABA’s 2016 Annual Meeting (August 4-9) at the Marriott Marquis in San Francisco. The Leadership Retreat is open to all Section members and is an intimate way to gather with Section leadership and learn more about exactly how our Committees can work better and more efficiently. If you want to learn how you can maximize your membership and take on a leadership position of your own in the future, this is the perfect venue. In order to participate, early sign-up is critical, especially this year as the destination and hotel are very popular and the room block is being filled. Afterwards, Section members can travel up the road for the large meeting of the entire ABA, which will be held this year in always enchanting San Francisco. Additional information and registration links can be found at http://www.americanbar.org/calendar/annual.html?sc_cid=ANN2016-A2.

Section of International Law Fall Meeting 2016 in Tokyo

Excitement is also building for the Section’s Fall meeting October 18-22, 2016, at the Tokyo Hilton Hotel. This conference will be an exciting change of pace and provide an opportunity for new contacts with our colleagues in Asia. IENRC’s primary program for the Tokyo meeting will be “Opportunity or Barrier: The Effects of Trans-Pacific Partnership (TPP) on Energy Trading and Investment”, co-chaired by Jeffrey Read and Greg Tereposky of Borden Ladner Gervais LLP.

If finalized, the TPP is expected to impact the energy sector in many ways, including the elimination of tariffs, the opening up of new countries for investment and the implementation of transparent environmental regulations. Our speakers from Australia, Canada, Japan, Mexico and the United States will analyze the various ways in which different countries may be affected and whether non-participating countries, such as South Korea and China, might ultimately join the “club”. They will also address specific provisions of the TPP that facilitate or inhibit trade and investment in energy products and sector-related services, including exploration, extraction, engineering, power generation, environmental management and training. Our program will be simply one component of an entire track at the Tokyo meeting to be devoted to the TPP. For Tokyo registration information, please visit http://shop.americanbar.org/ebus/ABAEVENTSCalendar/EventDetails.aspx?productId=239900551.

Americas Regional Forum in Bogota, Colombia

There will be a second Americas Regional Forum in 2016, this one to take place in Bogota, Colombia on November 14. IENRC is a primary co-sponsor of a program proposal chaired by Fabian Pal of Holland &
Knight, entitled “Ride the Energy Wave: An Overview of Key Legal Issues in M&A and JV Transactions in the Latin American Energy Sector”. This panel will explore the issues facing companies acquiring other entities or entering into joint venture agreements in Latin America, as well as the many regulatory pitfalls that must be taken into consideration. Speakers will address local regulatory, environmental customs, security and labor issues as well as prior public consultation of the native populations. Other committees co-sponsoring this program include the Latin America and Caribbean Committee and the Young Lawyers Interest Network Committee.

**Africa Regional Forum in 2017**

Planning is also underway for a proposed regional forum to be held in Africa at some point in 2017, possibly in Cape Town, South Africa. The coordinators of this forum have asked our Committee to be actively involved with program ideas and other general planning. Please let Belle (belle@belletoren.com), Melina Juarez-Segura (melina.juarez@sotorisolve.com) or Markus Zwicky (m.zwicky@zwlawyers.com) know if you have ideas and/or would like to help.

**Monthly Conference Calls and Hot Topics Series**

In between our Section meetings and forums, the Committee also holds regular monthly conference calls, which are open to everyone. Look for invite messages with an agenda of topics and dial-in information, to be sent via the IENRC Listserv a few days before each call date. If you are not on the Listserv (or think you are but have not been receiving these messages lately), please check your profile on the ABA website and confirm that you are officially shown as a member of IENRC, or go to the Committee website and join (or rejoin) its Listserv so that you can be sure to receive the latest information. In 2016, in addition to the usual Committee business, we also plan to offer special presentations of “Hot Topics” during which IENRC members or invited guests will educate us with brief 10-15 minute presentations on current developments of interest, with opportunities for interactive discussion afterwards.

Our second Hot Topics program of 2016, “Energizing Policy Efforts of the Energy Committee”, was held during our June 9 conference call. This presentation was conducted by David Schwartz, the Section’s Policy Officer, and by Committee Member Linda Lowson, an internationally recognized attorney specializing in global ESG financial regulations. David gave an excellent overview on the purposes and procedures for implementing Section policy initiatives and how committees such as IENRC can help create new policy proposals that further the ABA’s mission. He then described the different methods of promoting these initiatives within the Section and the larger ABA. A common type of policy initiative involves providing input to help shape pending regulations in foreign jurisdictions. David suggested that IENRC might be particularly helpful in pushing initiatives involving international energy or environmental law, water or wildlife. Next, Linda provided background and history on her task force proposal, dealing with guidance and recommendations for sustainability-related financial disclosures. Linda explained the problem that needed to be addressed and how the ABA policy initiative mechanism was being used to achieve positive impact in this area among global capital market participants.

If you have an idea for a policy initiative or want more information on how to get a proposal adopted by the ABA, please contact David Schwartz at DASchwartz@wlrk.com. Also, if you have ideas for future Hot Topics that would be of interest to our Committee, please contact Eddie J Varon Levy (eddiemxlaw@aol.com) with your thoughts.
Subcommittee on Hydraulic Fracturing

IENRC Members interested in hydraulic fracturing are invited to join a newly formed Subcommittee on Hydraulic Fracturing. The goal of the Subcommittee is to serve as a resource for the exchange of information on fracking and to collaborate on creating a webinar or short publication. The group may collaborate with other ABA entities on this project. As referenced earlier, please look for a questionnaire about this project that will be circulated soon to the Listserv. In the interim, please let Ben Kirchner (benedict.kirchner@steptoe-johnson.com) know if you would like to be involved.

Year In Review

It is time again to begin planning the Committee’s chapter for the Section’s annual Year In Review publication. Please contact our new Year In Review Editor, Petra Stewart (petra.stewart@gmail.com) submitting a segment for 2016. As Marianna and Belle mentioned in their opening message, we had an impressive list of countries represented in last year’s Year In Review and it would be great to even exceed that total this year.

Featured Articles

China’s New National Cap and Trade System

By Nick Kowalski

I. Introduction

In 2008, the world tuned in to watch the Olympic games in Beijing. Aside from the elite competition, it also witnessed the intense air pollution plaguing the city. The air quality index has been known to reach as high as 755 in cities like Beijing, even though air quality over 300 is considered so hazardous that it would trigger a health warning of emergency conditions, and the maximum reading on the AGI scale is only intended to go up to 500.

China accounts for 30% of global carbon dioxide (CO2) emissions. It has reached this level by consuming over half of the coal in the world and producing over twice as much carbon as the United States each year. However, the country has started moving away from fossil fuels. As a signatory to the Paris Agreement, China has agreed to curb its greenhouse gas emissions and engage in carbon abatement programs in a broader effort to prevent the average global temperature from eclipsing 2°C.

To this end, China has begun implementing a national Emission Trading Scheme (ETS) that will go into effect in 2017. It is part of the 13th Five Year Plan (2016-2020) to transform the economy from a “growth at all costs” model to one that is more sustainable and environmentally conscious. The country has pledged to reduce its carbon intensity by 60% to 65% of its 2005 level and also to have 20% of its energy produced by non-fossil fuels by 2030. The aim is for carbon dioxide production to peak by 2030 or sooner, if possible.

1 Nick Kowalski is an attorney in Cincinnati, Ohio and can be reached at nick@njkowalski-law.com
This article explores China’s path to the ETS. It begins with a brief history of China’s experience with cap and trade and ends an overview of the new scheme.

II. A Brief History

China officially announced the ETS on September 25, 2015 in a joint statement between Presidents Xi Jinping and Barack Obama. Yet China’s journey toward a national cap and trade system actually began in 2006. Since then, the government has taken a number of initiatives focused on emissions reduction and renewable energy development. Initially, it relied on administrative means to achieve these goals. However, in June 2013, China established the first of seven pilot emission trading schemes, five in cities (Beijing, Shanghai, Chongqing, Tianjin, Shenzhen) and two in provinces (Guangdong province and Hubei province). These areas represent roughly 25% of the national gross domestic product (GDP).

The seven pilot schemes covered 1,159 GtCO2, making them collectively the second largest emissions trading scheme in the world. Although the programs were approved by the National Development and Reform Commission (NDRC), China’s central economic planning agency, they were administered by local agencies. The NDRC required that each scheme set:

1) an emissions cap;
2) an allowance allocation and methodology;
3) a monitoring, reporting, and verification (MRV) system;
4) an emissions registry, covering allowances and Chinese Certified Emission Reductions (CCERs); and
5) an emissions trading platform (for allowances and CCERs).

From here, the local agencies were given leeway to design and administer their respective programs. The schemes varied on everything from how they administered the allowances to the emissions covered to the methods of enforcement. The pilot programs officially ran from 2013 to 2015 and formed the basis for the ETS.

III. National Emissions Trading Scheme

When the ETS comes online, it will become the largest cap and trade system in the world. Initially, it will only regulate carbon dioxide emitted in eight sectors and eighteen sub-sectors, including power generation, petroleum, chemicals, building materials, papermaking, aviation, and nonferrous metals. It will only apply to entities that consumed over 10,000 tons of coal equivalent in any given year between 2013 and 2015. Many expect the program to eventually cover over 10,000 entities and between 3,000 and 4,000 GtCO2.

The NDRC continues to be the primary national agency overseeing the program and local authorities will be charged with administration in their respective regions. The NDRC will set a national emissions cap, which will be broken down into provincial caps based on historic emissions. The cap will be intensity-based, whereby emissions per unit of GDP will be reduced. This differs from an absolute cap that aims to reduce the total number of emissions, a system that is commonly used in such places as the European Union and California.

The first allowances will be distributed using free allocation, which will decrease over time to incorporate allowance auctioning. The allowance distribution to any given emitter will be based on
historic emissions data and industrial benchmarks, although some allowances may be grandfathered. To help with the transition, the NDRC will conduct a test phase from 2016 to 2017 so that operators can familiarize themselves with the program.

Any allowances not used for compliance may be traded in the open market on appointed exchange platforms. Covered entities may also offset part of their compliance obligations with CCERs, which are credits produced by certified projects to reduce carbon in the atmosphere. The NDRC will establish regulatory mechanisms to maintain market stability and a national registry of all covered entities and transactions. Covered entities will be required to submit annual emissions reports and be subject to verification procedures. Noncompliance with either the emissions allowances or verification process may incur both financial and political penalties.

IV. Conclusion

In the first quarter of 2016, the NDRC released accounting guidelines, emission reporting forms, and instructions on the verification process. Over the next year, the NDRC is expected to release more specifics regarding the allowances, exchanges, MRV, and penalties for non-compliance. Even before the ETS comes online, China has seen energy consumption and emissions dip as a result of a slowing economy. Between the new ETS, a cooling economy, and previous efforts to reduce emissions and use renewable resources, some are convinced that Chinese CO2 emissions will peak even before 2030.

Future articles in the newsletter will address more specifics regarding the implementation of the program and some of the challenges that China will face in achieving its success.

A New Mining Code for the Republic of Senegal

By Peter Finan

Senegal is on the verge of introducing its new mining code, a work in progress since 2012. The latest draft of the new code, the Mining Code 2015 ("New Code") is currently before Senegal's parliament and, all things going to plan, it is set to become law this year.

The New Code will be the first update to the country's mining regime since the current mining code was introduced in 2003 ("Current Code").

As a qualified geological engineer and having previously held the position as Senegalese Minister for Mines, President Macky Sall knew all too well the unexploited opportunities that the mining sector held. Following his election in 2012, he made mining industry reform a key priority area with a view to increasing foreign investment in the mining sector and, in doing so, to increase its contribution to Senegalese GDP above its current 5%. Indeed the mining sector forms one of the Government's key priorities identified in the 10-year 'Emerging Senegal Plan' which sets out Senegal's development trajectory, providing for some bold actions to raise growth in a sustainable manner.

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2 Peter Finan is a Senior Associate in the Finance & Projects team at DLA Piper. As a fluent English and French speaker, Peter has worked on energy and resource projects internationally and can be contacted through LinkedIn at https://www.linkedin.com/in/peter-finan-29669417?trk=nav
While the framework of the mining regime will remain substantially the same, the New Code proposes the implementation of a number of important changes which will bring Senegal in line with many other jurisdictions in the region that have been reforming their mining regimes in recent years.

**Mining permits**

The New Code will remove the Current Code's confusing distinction between a 'mining permit' and a 'mining concession' so that miners will now simply apply for a mining permit (permit d’exploitation).

The New Code also allows investors to apply for a 'semi-mechanised mining authorisation', designed to cover mining operations on a maximum of 50 hectares, and a 'small mine permit', which will be limited to a daily treatment capacity of 500 tonnes of minerals and a mining area of 500 hectares.

Any companies holding a mining title which was granted prior to the introduction of the New Code will be bound by the mining code in force at the time their mining title was granted.

**Local contribution fund, rehabilitation and transparency obligations**

One of the important changes proposed in the New Code is the introduction of a compulsory contribution, being 0.5% of sales minus 'annual fees', to a local development fund. The fund will be used to support projects in the local community. While several West Africa mining regimes now contain compulsory contributions to local development, Senegal’s New Code contains a proposal that some of the money must be dedicated to women's empowerment projects.

As is the position under the Current Code, the New Code will require mining permit holders to establish a trust account with a Senegalese bank for the rehabilitation of its mine site. However, small mine permit holders, who have no obligations regarding rehabilitation costs under the Current Code, will be required to provide a guarantee as security for rehabilitating the mine site.

Finally, and further to the many anti-corruption measures introduced by the Government since winning office in 2012, the new transparency requirements of the New Code will help Senegal to comply with its obligations under the Extractive Industries Transparency Initiative (EITI). Holders of mining titles can now expect to undergo independent financial audits, have any revenues paid to the state published online, and comply with any additional EITI directives throughout the life of their project.

**Taxes, fees and royalties**

In retaining many of the investor-friendly incentives under the Current Code, one of the key objectives of the New Code is to increase revenues generated by the mining sector. Some of the changes implemented to achieve this objective include (i) increasing the amount of fees and royalties and introducing an annual surface royalty; (ii) introducing carve-outs to the blanket exemption on paying tax during the title holder's construction phase; (iii) entitling the Government to enter into production sharing arrangements with miners; and (iv) introducing deadlines for the start of work to develop deposits.

Furthermore, while the 'mining tax' included in the Current Code will be retained, its application has been revised so that all mining activities will be subject to a "quarterly mining tax" levied on the market value of the commercialised product. The rate of the tax will vary according to the mineral substance being mined, with a reduction in the tax payable for some products if processed within Senegal.
Finally, the tax provisions included in the Current Code will be transferred to the General Tax Code (*Code Général des Impots*), meaning investors will no longer be able to rely on the mining code as the key source of information on the fiscal and customs regime which is applicable to their project.

**Terms for permits**

A 'small mine permit' will be issued for an initial term of five years, increased from the three year term provided under the Current Code. The term may be renewed for three years at a time without limit on the number of renewals. A 'mining permit' will be issued for an initial term of between 5-20 years (depending on the mineral reserves identified and the investment required), renewable as many times as necessary until the resource is exhausted.

**Mining Contracts**

Mining companies will still need to enter into a mining agreement (convention minière) with the State at the same time as the associated mining permit is granted. Under the New Code, a mining agreement must:

- be published on the website for the Ministry of Mines after execution;
- not derogate from the provisions of the New Code but may supplement them; and
- detail the rights and obligations of the parties, which includes the stability of the legal conditions under which the mining title was granted.

The New Code will also allow the State to enter into a Production Sharing Agreement (PSA) with a mining company. Under a PSA, a mining company will have the exclusive right to research, develop and exploit a mine in a particular area. Once the costs of mining are deducted, the profits from the sale of the product will then be split between the State and the mining company. Any product recovered under a PSA will not be subject to the quarterly mining tax outlined above.

**Foreign ownership restrictions**

While the New Code will now permit foreign investors to own 100% of the shares in a Senegalese company, a mining title will still need to be held by a locally registered Senegalese company.

**Conclusion**

Many of the changes to be introduced by the New Code will bring Senegal into line with other countries in the region and will help Senegal to comply with its obligations under the EITI. It remains to be seen whether the changes, particularly those aimed at increasing revenue, will assist the Government in its ambition to raise the mining sector's contribution to GDP whilst maintaining a high level of foreign investment in Senegal.

Subject to a favourable vote at the Senegalese Parliament, the New Code will be enacted as a law once it is signed by the President and published in the Official Journal.
Argentina Aims at Greener Energy Sources: Open Season Launched

By Mariana Ardizzone

When compared with its other Latin American peers, the development of renewables in Argentina as of today appears stunted. The 0.8 GW of installed renewable generation capacity and 1.8% of the overall domestic power supply seems modest compared to Argentina’s world class renewable energy resources: record winds with a capacity factor of 40% in southern Patagonia; high solar radiation in the northwest Andes; and plentiful watercourses capable of power generation on its eastern river basins.

A greatly ambitious renewable energy plan named GENREN organized in 2012 by the previous administration failed after merely 153MW of renewable generation facilities were actually commissioned despite receipt of bids to install 1436.5 MW. Severe foreign exchange restrictions implemented in 2011 and other macroeconomic policies hurt the ability of green energy developers to raise financing for their projects despite the high energy prices tendered.

On September 23, 2015, the Argentine National Congress enacted Law 27,191, which amended Argentina’s previous renewable portfolio standards and tax incentives for renewable energy generation provided under Law 26,190. Law 27,191 postponed the existing target of 8% of power generation from renewable energy sources until December 31, 2017, and set progressive cumulative targets of 4% every 2 years until a 20% renewable power supply is reached by December 31, 2015. Law 27,191 provided for the creation of a Renewable Energy Fiduciary Fund (Fondo para el Desarrollo de Energías Renovables or FODER). The FODER will be chartered as a financial and administration trust to grant loans and capital contributions, and to provide other forms of financing to power generation projects from renewable energy resources. Notably, power consumers demanding capacity higher than 300 KW must meet the new renewable portfolio targets in respect of their own power demand through one of the following alternatives: (i) self-generation or co-generation; (ii) entering into Power Purchase Agreements with renewable energy generators, distribution companies or trading companies; or (iii) adhering to the joint power purchase system to be implemented by the grid dispatch center (CAMMESA). The power price under any such power purchase agreements and/or joint purchase system shall be capped at US$ 113/MWh, although this cap may be amended following the second year from the effective date of the law.

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3 Mariana Ardizzone is an attorney in Buenos Aires with extensive experience in South American oil and gas law. She can be reached at Mariana@ardizzone.com.ar.
5 See Antonio Rossi, Green Energy: Enarsa’s plan failed and new bids will be tendered. Only 24% renewable energy initiatives were completed (December 8, 2013) available at http://www.clarin.com/politica/Energia-fracaso-Enarsa-nuevas-licitaciones_0_1043895670.html
7 See id., §7.
8 See id., §7.
9 See id., §9.
Finally, after the 2015 presidential election and months of intense discussion with stakeholders, Law 27,191 was regulated on March 30, 2016 through National Decree 531/2016\textsuperscript{10}. The highlights of Decree 531/2016 include:

a) Consumers shall have the right to opt out of the default joint power purchase system to be implemented by CAMMESA by informing the Ministry of Energy that they wish to source their renewable energy targets through self-generation, co-generation or individual PPAs.

b) The Ministry of Energy shall evaluate, approve and rank eligible renewable energy projects as per their domestic components share. Those with higher rates of domestic components shall be given priority for tax incentives and public financing.

c) Beginning on December 31, 2018, the Ministry of Energy shall monitor consumers’ annual consumption for compliance with the new renewable portfolio standards. Those consumers failing to meet the applicable renewable portfolio targets shall pay as a penalty the variable cost of thermal power generation burning imported gasoil in proportion to their failure to meet the target. A 10\% tolerance limit shall be allowed.

d) Those consumers who fail to indicate an option to the Minister of Energy and Mining should discuss alternatives.

e) Those renewable energy generators enjoying other promotional tax benefits under earlier laws and regulations shall surrender them to become eligible to enjoy the incentives provided under the Law.

f) The FODER resources to be allocated throughout 2016 shall amount to AR$12,000,000,000.

g) The FODER may issue guarantees to the renewable power developers on behalf of the offtakers and consumers.

Finally, on May 18, 2016, the RenovAR Program Round 1 Open Season\textsuperscript{11} was launched and the bidding package\textsuperscript{12} and the draft PPA\textsuperscript{13} were made available for consultation by interested parties for a term of 20 days.

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\item[\textsuperscript{12}] http://portalweb.cammesa.com/Documentos%20compartidos/Noticias/Prepliego%20RenovAr%20Ronda%201.pdf
\item[\textsuperscript{13}] http://portalweb.cammesa.com/Documentos%20compartidos/Noticias/Modelo%20de%20Contrato%20Abastecimiento%20RenovAr%20Ronda1.pdf
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Upcoming Events

**AIPN International Model Contracts Workshop (Banff, Canada)**
June 28-July 1, 2016

**Section of International Law Leadership Retreat (Half Moon Bay, California)**
August 3-5, 2016

**ABA Annual Meeting (San Francisco, California)**
August 4-9, 2016

**Section of International Law Fall Meeting (Tokyo, Japan)**
October 18-22, 2016

**Americas Regional Forum (Bogota, Colombia)**
November 14, 2016

**Section of International Law Spring Meeting (Washington, D.C.)**
April 25-28, 2017

**XVI World Water Congress (Cancun, Mexico)**
May 29 - June 2, 2017

**Proposed Africa Regional Forum**
2017

Listserv and LinkedIn

Listserv
Joining the Committee listserv is free for any member of the Section of International Law. To join, visit the IENRC webpage and click on “join.” [https://apps.americanbar.org/dch/committee.cfm?com=IC742000](https://apps.americanbar.org/dch/committee.cfm?com=IC742000)

LinkedIn
IENRC has its own subgroup of the ABA Section of International Law II LinkedIn group. Be sure to join if you are a LinkedIn participant, and then use the subgroup to discuss substantive issues of interest in our subject area. You can find the Committee on LinkedIn at: [http://www.linkedin.com/groups?gid=5174728](http://www.linkedin.com/groups?gid=5174728)

How to Contribute Newsletter Articles and Announcements

We are dedicated to making this Newsletter a useful and productive benefit of your ABA membership. To do that, we need your feedback, suggestions and, especially, your contributions. We want to try to make this publication an informal and practical way in which to keep up with what is going on around the world in the area of energy and natural resources. As you can see from the content in this issue, articles and submissions cover a wide range of topics and can be short and to the point. Please send your ideas and submissions to the Co-Chairs and the Editor, Mark Gould, at mark.gould@agg.com. We look forward to hearing from you in the near future!

We also would like to begin using this space to highlight both professional and personal news about the members of the Committee. It is a good way for everyone to get to know each other better and to learn more about the diversity of practice areas and geographical membership in IENRC. So, please send Mark any career changes, awards, weddings, births or simply other items of business or personal interest that you would to share with your colleagues.
About the Newsletter

The International Energy & Natural Resources Committee Newsletter of the ABA Section of International Law serves as a forum for the exchange of information concerning issues affecting the international practice of law in the energy and natural resources sectors. The content of this Newsletter is for informational purposes only and is not the practice of law by any author, contributor or editorial board member. Accordingly, readers should consult an attorney licensed in the appropriate jurisdiction for advice concerning any specific matter that requires a legal opinion.

New Committee Leadership (2016-17)

Please welcome IENRC’s newly appointed leadership slate for the 2016-17 ABA year. The positions below are effective as of August 10, 2016 (immediately following the next Annual Meeting). If you can take a moment, please congratulate your colleagues and let them know if you would like to help out with Committee projects during the next 12 months. Also, of course, we owe many thanks to outgoing co-chair Belle Toren for her outstanding leadership and innovative ideas during her two year term as co-chair.

Co-Chairs:

Mariana Paula Ardizzone
Kristin Drecktrah Paz

Vice-Chairs:

Wojciech Wiktor Baginski (Publications)
Carrie Ciliberto (Policy)
John Regis Coogan (Rule of Law)
Melina Juarez-Segura (Programs)
Sacha Ahmad Kathuria (Programs)
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