IN-DEPTH

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In-Depth: Energy Mergers & Acquisitions (formerly The Energy Mergers & Acquisitions Review) is an incisive overview of the legal and practical issues that arise in M&A transactions in the energy sector across major jurisdictions worldwide. With a focus on recent developments, it covers the key features of the relevant legal and regulatory frameworks; due diligence; financing; documentation; competition law issues; dispute resolution; and much more.

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Cyprus

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Summary

Introduction

The economics of energy at any given territory are first shaped by geography and then by politics. Cyprus is no exception to this rule. An island located in the Easter Mediterranean in the crossroads of Europe, Asia and Africa, it is near to, yet currently isolated from, major energy corridors and significant hydrocarbon resources. It is a country divided as a result of the Turkish invasion of 1974 between the internationally recognised Republic of Cyprus, an EU Member State, and a breakaway northern part that is recognised only by Turkey. This chapter will only refer to the Cyprus that is internationally recognised and part of the European Union.

During the past decade, the discovery of significant natural gas reserves in Cyprus, following the licensing for exploration granted by the government of Cyprus to various American and European oil and gas majors, has led to an ongoing discussion as to the more appropriate model of monetisation of these resources in general and as to how the natural gas may be specifically used as a transitional fuel in order to provide cheaper energy during the transition[2] to Green Energy.

Energy policy in Cyprus is coordinated by the Ministry of Energy, Commerce and Industry and more specifically, the Energy Service[3] and the Hydrocarbon Service.[4] These two services are responsible for promulgating the government's policy in the energy sector, which in turn transposes EU policy and legislation into local law. Its strategic goals are the creation of a sustainable and competitive energy market, the exploitation of the national energy savings potential and the promotion of domestic renewable energy sources, as well as the optimal and sustainable development of the hydrocarbon resources of Cyprus. Specifically, the Ministry is working on the development of the necessary energy infrastructure, the integration of the internal energy market, the supervision of the internal energy market, the implementation of the National Energy Efficiency Action Plan and the implementation of the National Action Plan for Renewable Energy Sources (RES)[5] (the NAP).

The energy sector in Cyprus is currently dominated by the Electricity Authority of Cyprus (EAC), a state-owned former monopoly that is the primary producer of electricity, using mainly diesel powered turbines in its Vasiliko and Dekelia plants. Furthermore, in the recent years, due to the liberalisation of the market, there has been an expansion of renewable energy production[6] (currently at 13 per cent of the total energy), in accordance with the obligations of Cyprus under the NAP. Various private companies have also started operation plants to produce electricity with traditional hydrocarbon and bio-fuel methods. Notably, the great expansion of photovoltaic (PV) systems both as commercial operations and as those on the roofs of houses, enabling the consumer to become a producer of green energy and the continued attempts by the government to promote these schemes through subsidiaries.[7] EAC has had to unbundle the grid from production, effectively remaining a natural monopolist in supply and transmission, while remaining a main player in production. In this regard, EAC has been partially pushed back by CERA in its efforts to become a major player in RES so as to allow other players to enter the market on an even playing field.

Year in review

The past year has been quite eventful in implementing steps towards the green transformation of the energy market, as expressed by the NAP (to avoid the penalties imposed by the European Union if the targets set for Cyprus are not met). It is evident that the country is much more successful in its electricity production[8] segment rather than dealing with the motor vehicle, shipping and aviation emissions where more work needs to be carried out.[9] Foreign investors are increasingly investing or considering an investment in PV parks in the island as part of their 'go green' strategies.

The NAP basically revolves around four axes: the production of RES, storage, interconnectivity and smart systems. With the introduction of PV systems, production on several instances has had to be curtailed as the current system cannot absorb the load produced. In effect, a lot of green energy is lost, while in the dark and in winter, energy is not available for use and fossil-produced energy is required. Hence, the Ministry of Energy has announced its General policy framework for energy storage systems.

Under the terms of NAP it was stated that 'the government will be deploying centralised energy storage systems' but, at the same time, the Ministry has launched a public consultation into how best to direct funding to support renewable energy sources that can be combined, or hybridised, with energy storage system (ESS) technology.

MECI has mentioned that the network of central energy storage systems will be installed 'by the state', and that these systems will be owned by EAC through its business unit for networks. The systems will be administered by the Cyprus Transmission System Operator (TSO), which as the name implies, is the national transmission system manager.[10]

It is not known whether the plan, which further enhances the state monopoly, will receive EU approval or whether the government will have to open the process to private investors, including cross-border investors.

Another important point is that EAC has announced that the long anticipated installation of smart meters has commenced but is expected to take at least two and a half years to complete, in the wake of reports that protracted tendering issues putting the task on hold has finally been resolved. Actual installations are not expected to start until June 2024, following a one-year survey period, including a brief pilot programme.[11]

Legal and regulatory framework

The Electricity Authority of Cyprus was established in 1952[12] and is a state-owned enterprise run as a vertical and horizontal monopoly covering everything from the import of hydrocarbons to the end consumer.[13]

It is under this Authority that the market developed throughout the 20th century. It is only with the accession of Cyprus in the European Union and the requirement to implement all the relevant European legislation that the state began to (slowly) take actions to open up the market and allow private investment in some, but not all, of the component parts of the energy chain. The implementation of the European legislation has had to naturally take into account the fact that Cyprus was and remains isolated from any other European distribution system due to its geography.

Under the provisions of the Regulation of the Electricity Market Law[14] and the Creation and Operation of the Cyprus Energy Regulatory Authority (CERA) Law,[15] the legal framework has been harmonised with that of the European Union.[16] As a result, CERA and the TSO have been created. As Cyprus was considered to be a developing market in electricity, CERA decided[17] to allow for a transition period until the full implementation of the liberalised market in the electricity sector.

The main objective of CERA is to ensure the smooth operation of the market in Cyprus and in effect regulate the electricity market. CERA has a very long list of objectives, powers and responsibilities that generally cover all the aspects of regulation of the electricity market in Cyprus. Effectively, CERA is the body that grants the relevant licences for both the production and the transmission or distribution of electricity in Cyprus, and is the dispute resolution authority in respect of the above.

In addition to the above, CERA is responsible for the regulation and the development of the natural gas market in Cyprus. The current set of regulations that govern the electricity market is the Electricity Market Regulation 2.2 (2017).

Up to this point, any investment in the energy sector, cross-border or otherwise, had to be approved by CERA,[18] and any contract to sell energy to the grid had to be approved by the TSO. Other than that, the transactions involving the energy sector were previously not regulated by the government.

However, the government has recently introduced a Bill Regulating Foreign Direct Investment (the FDI Bill), which is expected to be presented before parliament for approval. Under the FDI Bill, any person who is a foreign investor, in other words controlled by more than 20 per cent by a foreign investor,[19] in order to make an investment in a Cypriot enterprise of strategic importance would have to report their intention to make an investment that would surpass the 20 per cent threshold in such an enterprise to a commission to be set up for approval purposes. The commission may prohibit or order the divestiture of such investment if it deems the same to be contrary to the security or public order of Cyprus. Under clause (a) of the Annex to the FDI Bill, investments in the energy section are classified within the 'strategic importance' category.

Cross-border transactions and foreign investment

Most recently, the largest petroleum company in Greece, HELLENiQ ENERGY Holdings S.A, announced the execution of a binding agreement for the acquisition of a PV portfolio (six PV parks) with a total capacity of 26MW, in Cyprus. This will bring that group's total RES capacity to more than 40MW in Cyprus.[20]

As far as interconnectivity is concerned, there have been developments in the EuroAsia Interconnector venture, which aims to connect the grids of Israel, Cyprus and Greece, ending the islands isolation and creating an energy corridor between Israel and Europe. The EuroAsia Interconnector has been characterised as a European Project of Common Interest (PCI) and an Electricity Highway, necessary for the implementation of priority corridors and energy infrastructure according to the Regulation (EU) No. 347/2013.

Most recently, EuroAsia Interconnector Limited and the Independent Power Transmission Operator (IPTO) of Greece have announced that they have reached an agreement for the designation of IPTO as Project Promoter of the Electricity Interconnection between Greece, Cyprus and Israel.[21] It appears that this will allow the project to now move forward, as previously there were issues about the Cypriot state providing guarantees for its viability. The Cypriot company involved has completely removed itself from the project, passing it to IPTO and a minority Chinese investor.[22]

Notably, Chevron has submitted its revised plan for the monetisation of the Aphrodite Field, which has been rejected by the government. The reason for this rejection was key adjustments that concern reduced production wells and the abolition of a planned floating production unit (FPU) that would significantly reduce the development plan's capital expenditure, which Nicosia believes will result in lower revenues and the fact that the control of the project would be transferred to Egypt where the proposed pipelines would be directed.[23] The talks between the parties are ongoing at the time of writing.

In addition, ENI, which is a licensee under the natural gas licensing round, is now intending to commence an additional drill so as to have a clearer idea of the extent of the Cronos field.[24] Finally, differences between Chevron and an Israeli company, holding the licence for a field in the Israeli EEZ, adjacent to Aphrodite are nearing the end and, if a settlement is not found, the governments of Israel and Cyprus are willing to resolve the matter between them.[25]

Financing

Financing energy projects and acquisitions is achieved through equity or debt financing, either from transnational or governmental institutions (i.e., EU funding for EuroAsia Interconnector), traditional sources such as financial institutions and from alternative sources such as several private equity funds. In the early years of development of the RES industry, much of this financing was backed by subsidies that the government had made available to start the RES industry. These subsidies have now more or less ceased; however, those producers that have been granted subsidies will continue to enjoy a good profit for the rest of the term of the agreements with the Renewable Energy Sources and Energy Conservation Fund.[26]

Energy finance is mostly achieved by weighing the risks and opportunities of the project, as a form of project financing rather than having undue consideration to the financial situation of the project's sponsor. However, even in project finance, the borrower may be asked to provide securities or corporate guarantees that are not related to the actual project.

Therefore, in financing in the renewable energy market, lenders seek to focus on the viability of the project, as repayment of the loan will mainly depend on the cash flow of the project. They will generally seek to get security on almost every asset or revenue stream connected with the project, such as a mortgage on the project land (whether a freehold or a long lease), assignment of receivables from power purchase agreements with third parties such as EAC or other energy suppliers, insurances, account charges connected to the earnings from the project, fixed and floating charges on the project company's property, and a pledge over the shares of the project company, which serves as a security granted by the shareholders. The latter is considered to be a strong security as it provides for the possibility of an out of court enforcement in the event of a default under the loan documentation. Although the loan agreement itself is sometimes governed by foreign law (usually English law) when the lender is not a local financial institution, the security documentation is governed by Cyprus law.

Due diligence

In energy M&A transactions, a full due diligence is expected to be carried out by the advisers of the purchaser. More specifically, the purchaser will seek to obtain legal, technical (engineering and environmental), financial, business and real estate due diligences, although these work streams often overlap and require interaction between the various advisers and of the relevant in-house personnel of the purchaser.

The legal due diligence in particular usually focuses on the following main areas:

1. corporate law, which aims to confirm the ownership structure of the relevant project company;
2. regulatory and licensing matters;
3. real estate matters, which include reviewing of the relevant title deeds of the project land or reviewing of the land leases if the project land is leased and not owned by the owner of the project;
4. technical ability to connect to and use the transmission grid;
5. material agreements with third parties, which include the review of the power purchase agreements, EPC contracts and services agreements such as the operations and management agreements (O&M);
6. employment matters; and
7. financing arrangements.

As the current model of transitional electricity market in Cyprus allows the producers to sell the generated electricity power on the exclusive basis of bilateral agreements executed with suppliers, the power purchase agreements (PPA) executed by the target company are of primary importance for the purchaser to assess the anticipated revenues of the former. In the event that the target power plant is under construction, the execution of a PPA is a condition precedent for connection of the power plant with the grid. Therefore, the purchaser should seek to assess whether a PPA has been executed and, if not, include the execution as a condition precedent in the acquisition agreement or even participate in the negotiations of the terms of the PPA. The form of PPA is not regulated by the applicable legislation, and therefore it is important for the purchaser to review and be comfortable with its terms and contractual obligations.

Regarding the material agreements with third parties, emphasis is placed on any change of control prohibitions, which should be resolved by waivers from the third parties prior to the acquisition taking place, or onerous long-term obligations of the project company against third parties, which may be important for the purchase price calculation.

Purchase agreements and documentation

Specific findings from the due diligence process are vital in the negotiations of the purchase agreements between the seller and the purchaser. Certain negative findings may result in the decrease of the purchase price or the parties may agree that the seller will rectify the situation and these obligations can become conditions precedent to closing.

Typically, the conditions precedent to closing include the waivers or repayment of financing arrangements with respect the project and the project company, depending on the structure of the transaction, approval of the competition authorities in the Republic of Cyprus and approval of CERA due to change of ownership of the project company.

The most complicated and substantially negotiated part of the purchase agreements in energy transactions as is the case with most of M&A transactions relate to the representations and warranties as well as to certain indemnities, limitations on the representations and disclosure qualifications. A breach of a warranty can result in an action for damages, whereas if a representation turns out to be incorrect, the purchaser may be able not only to claim damages but also to claim misrepresentation and have the contract rescinded or declared void.

Typical representations and warranties include:

1. ownership of the shares;
2. authority to enter into the transaction;
3. ownership of assets;
4. the financial standing of the target company;
5. title or other rights to the site;
6. pending or threatened litigation;
7. environmental licences, compliance with the terms of such licences and authorisations and with applicable environmental laws and other issues;
8. taxes;
9. compliance with laws and regulations; and
10. rights to connect to and use the transmission and distribution grid.

The purchaser will often have the right to terminate a purchase agreement in the event that a material adverse change or effect (MAC) that may negatively influence the outcome of an agreement allows a party to walk away from the transaction.

Key regulatory issues

i Competition

A proposed M&A transaction in any field, including the energy field, will fall within the ambit of the Control of Concentrations Between Undertakings Law[27] and be notifiable before the Commission for the Protection of Competition (CPC) if it meets the jurisdictional thresholds and is therefore considered to be of major importance. A notification before the CPC is mandatory, subject to fulfilling all three criteria provided by the relevant law, namely that at least:

1. two of the undertakings concerned have a global turnover of at least €3.5 million each;
2. two of the undertakings concerned generate a turnover in Cyprus; and
3. €3.5 million of the aggregate turnover of all undertakings concerned is generated in Cyprus.

A concentration of major importance must be notified and cleared by the CPC prior to its implementation. The applicable law prohibits the partial or full implementation of a concentration prior to clearance by the CPC, infringement of which prohibition entails administrative sanctions (i.e., gun-jumping scenarios). An administrative fine of up to 10 per cent of the aggregate turnover achieved by the notifying undertaking during the immediately preceding financial year can be imposed on the notifying undertaking for this infringement, which may be followed by additional administrative fines of €8,000 for each day that the infringement persists. The CPC also has the power to order the partial or complete dissolution of a concentration that has been implemented before obtaining clearance by the CPC (to our knowledge, the CPC has not exercised this power to date).

ii Environmental protection

Energy and environment are two interconnected fields; hence, a due diligence exercise in the context of an energy M&A transaction can never be complete unless it also covers:

1. compliance of the project company with environmental laws;
2. issuance of all required environmental licences (where applicable), including:
    - a licence to store and keep petroleum;[28]
    - industrial emissions licence;[29]
    - air emission licence;[30]
    - waste discharge licence;[31] and
    - extractive waste licence;[32]
3. the granting of authorisation by the Department of Environment (DOE) falling under the Ministry of Agriculture, Rural Development and Environment for the development of the project and compliance with its terms; and
4. possible pending or threatened proceedings for breach of any term imposed by the competent authority or of any obligation set out by the applicable legislation.

Under the Assessment of the Effects on the Environment of Certain Projects Law,[33] which has been enacted by the Republic of Cyprus as a Member State of the European Union to comply with the Directive 2014/52/EU[34] and Directive 2011/92/EU,[35] public or private projects likely to have significant effects on the environment by virtue, inter alia, of their nature, size or location are made subject to preparing an environmental impact assessment (EIA) and obtaining an authorisation by the DOE subject to any terms or conditions deemed necessary. The granting of such an authorisation is a pre-requisite for the issuance of a planning permit in respect of the project, or where a planning permit is not required under the applicable planning legislation, for the commencement of the construction works. All authorisations granted by the DOE are published via its website and are accessible for inspection together with their accompanying EIAs.

Special attention should be drawn where the target project is located in a special protection zone or a proposed site of community importance, where enhanced environmental protection is provided[36] and stricter obligations are imposed upon the target project company.

iii Employment

The majority of energy M&A transactions in Cyprus concern the sale of shares in a project company operating a renewable energy plant and not the operation of the plant as an undertaking. Hence, the completion of the transaction and the change of control of the project company do not equal to a change of employer, and the laws and regulations governing the transfer of undertakings and the continuity of employment do not apply.

Notably, however, as a rule, renewable energy plants in Cyprus do not engage personnel for the purposes of operation of their business but retain third-party providers to provide services concerning the operation and maintenance of the plant.

Regardless of the engagement of any employees or external services, the project company is obliged under the applicable health and safety regulations to prepare a written evaluation of all occupational risks and take preventive measures, so as to ensure the safety and health of its employees (if any) and of any persons whose health and safety could be endangered by the conduct of its operations.[37]

iv Tax

There are no tax laws or regulations that apply specifically in energy M&A transactions. In general, Cyprus tax applies on the capital gain resulting from direct and indirect transfers of shares of companies that own immovable property at the rate of 20 per cent on the profit earned from the sale of the immovable property or the sale of the shares of the relevant company. Furthermore, there is a corporation tax of 12.5 per cent on the profits of a Cypriot company.

v Real estate

Prior to entering into an energy M&A transaction, it is imperative to perform a very thorough due diligence exercise on the ownership and nature of the land upon which the project has been or will be constructed.

More specifically, if the land is not owned by the target company, then special attention should be drawn to the terms of the respective lease agreement. Items of consideration are, inter alia, the proper execution of the lease agreement under the requirements of the Cyprus Contract Law,[38] the payment of the requisite stamp duty[39] and any decommissioning obligations at the expiry or earlier termination of the lease.

Contractual clauses regulating change of control of the lessee or assignability of the agreement are particularly important as completion of the energy M&A transaction and transfer of the shares in the target company or of the leasehold interest in the name of the purchaser could lead to a breach of the respective terms and subsequent termination of the lease agreement by the landlord.

The common practice in Cyprus, when leasing a land for the purposes of constructing and operating a power plant, is the execution of a long-term lease agreement to ensure the continuous long-term occupation and enjoyment of the land. Under the applicable regime,-[40] when the term of a lease agreement exceeds a period of 15 years, then the lease agreement may be registered with the competent Land Registry Office and the lessee acquires a right in rem over the leased property, enforceable against any party, which may be transferred, subleased, charged, encumbered or sold by forced sale. The acquisition of such a right in rem provides enhanced protection and rights to the lessee, in contrast to the mere contractual rights arising out of the lease agreement. Hence, in the context of an energy M&A transaction, it is expected (and prudent) for the purchaser to demand the registration of such lease agreements with the Land Registry Office as a condition precedent to closing.

In the event that the purchaser is a foreign[41] individual or entity and intends to acquire the land or the shares in the company owning the land or a leasehold interest for a duration exceeding 33 years, it is mandatory to obtain a permit from the Council of Ministers prior to the completion of the acquisition and registration of interest.[42]

Finally, the construction of any building or development (including power facilities or plants) is regulated under the law. Therefore, it should be examined whether all necessary consents and permits have been obtained under any laws relating to planning or land use,[43] including the execution of a planning agreement,[44] for the existing use of the land, any works or development, or a combination of all of these, carried out at the land and that such consents and permits have been complied with.

vi Anti-money laundering and anti-corruption

Under the applicable anti-money laundering legislation,[45] it is mandatory for legal advisers[46] to conduct a diligent customer identity verification and due diligence check in relation to the legitimacy of source of funds to be injected in the transaction, prior to entering into any binding agreement.

If the FDI Bill[47] is passed into law, then it will apply to energy M&A transactions in conjunction with the above-mentioned anti-money laundering legislation.

vii Energy regulations

The general legal and regulatory framework of the energy sector is explained in Section III.

CERA grants the relevant licences for the construction of a power plant, production and the transmission and distribution of electricity.[48] When entering into an energy M&A transaction, the purchaser should confirm whether the seller holds the relevant licence and the terms thereof. The standard terms of these licences[49] include obligations on the part of the licensee to inform CERA of any intended transaction that could lead to change in the ownership control regime of the licensee or disposal of assets of value exceeding approximately €1.7 million and obtain CERA's prior written approval in both events. Failure of compliance with the above regulatory requirements could lead to revocation of the respective licence.

Under the applicable rules,[50] a licensee may also transfer their licence to another person, subject to following a certain procedure and obtaining CERA'S prior approval.

Attention should also be drawn to the terms of the grid connection agreement executed between the seller, as a user of the grid, and the TSO. Although the applicable Transmission Rules[51] do not provide any respective limitations, the grid connection agreement, which allows the seller to connect with the grid, will, as a rule, prohibit any assignment or transfer of any right or obligation that arises from the agreement to any other person, save as the strict exceptions stated therein. At the same time, it should be underlined that these limitations do not extend to change of control of the ownership regime of the contracting party.

Insurance

Although not very common in Cyprus, parties sometimes obtain R&W insurance, also known as warranty and indemnity (W&I) insurance, in order to cover unknown and unintended breaches of representations and warranties made in M&A agreements. Such insurances are more customary in high-value transactions where sophisticated parties are involved and are familiar to this type of insurance.

Another important aspect of the transaction in terms of insurance is the plant and machinery insurance obtained by the energy operator to cover for 'all risks' property damage, machinery breakdown and business interruption. The receivables of this insurance policy are assigned by way of security in favour of the lenders financing energy projects and acquisitions. Furthermore, insurance may be taken out to insure any disruption of production due to natural disasters.

Dispute resolution

Athough disputes between end consumers and energy businesses may be submitted to CERA for an out-of-court settlement,[52] there is no equivalent provision in the law for disputes arising out of energy M&A transactions. The contracting parties are at liberty to choose the dispute resolution mechanism, more suitable to the characteristics and any complexities of the transaction, including the nature of the project and its stage of completion and operation or even the place of business of the purchaser.

Although there are still some parties who choose Cyprus courts to resolve their disputes, arbitration is the preferred choice for most contracting parties due to the benefits entailed, including faster proceedings and a selection of arbitrators who have expertise in the specific sector and an understanding of the complex commercial, regulatory and environmental issues at stake.

Deal terms that could address and mitigate any litigation risks are full and comprehensive disclosure, conditions regulating remedial actions to be taken by (usually) the seller pre- and post-closing, price-adjustment mechanisms upon the occurrence (or non-occurrence) of certain events, indemnification clauses (usually having floors and caps on liability, save as tax liabilities that remain unlimited) and a material adverse change clause, enabling the purchaser to withdraw from the transaction when there has been a change materially, significantly and adversely affecting the target project, to such an extent that it would not be reasonably expected for the purchaser to complete the transaction.

Outlook and conclusions

The landscape of the Cypriot energy market is every changing and there are numerous dynamics that are pushing its development from an insular and mono-dimensional hydrocarbon based market to an interconnected regional hub that is moving slowly, but steadily, towards the goal of a sustainable energy policy.

The key to this is the threefold attempt to create as much capacity to create RES infrastructure while at the same time build all the required storage capacity in order to be able to optimise the energy creation and demand equation and have as little curtailment as possible. Furthermore, it is evident that the future will see more developments regarding the interconnectivity issue with the EuroAsia Interconnector being built, following the recent developments analysed above. Moreover, we cannot discount the potential of the natural gas field developments, bearing in mind that gas is still a bridge fuel between the present reliance on oil and a sustainable green energy future. With all the above in mind, we believe that the energy future in Cyprus looks as bright as the abundant Mediterranean sun.

Endnotes

1 Demosthenes Mavrellis and Chrysses Demetriades are partners and Maria Socratous is a senior associate at Chrysses Demetriades & Co LLC. ^ Back to section

2 https://www.cyprusprofile.com/sectors/energy-and-environment. ^ Back to section

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9 Cyprus' National Energy and Climate Plan has a key objective of making renewable energy at least 22.9 per cent of final energy consumption across all sectors, including electricity, heat and cooling, and transport by 2030. ^ Back to section

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16 Directive EU 2019/944. ^ Back to section

17 Regulatory Decisions 04/2017. ^ Back to section

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19 As defined in Reg. EU 2019/452. ^ Back to section

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26 https://resecfund.org.cy/en/tameio. ^ Back to section

27 Control of Concentrations Between Undertakings Law, 83(I) of 2014. ^ Back to section

28 Petroleum Law, Cap.272, as amended. ^ Back to section

29 Industrial Emissions (Integrated Pollution Prevention and Control) Law, 184(I)/2013, as amended. ^ Back to section

30 Air Pollution Control Law, 187(I)/2002, as amended. ^ Back to section

31 Control of Water Pollution Law, 106(I)/2002, as amended. ^ Back to section

32 Waste Management of Extractive Industries Law of 2009, 82(I)/2009, as amended. ^ Back to section

33 Assessment of the Effects on the Environment of Certain Projects Law of 2018 (127(I)/2018), as amended by amending Law No. 23(I)/2021. ^ Back to section

34 Directive 2014/52/EU of the European Parliament and of the Council of 16 April 2014 amending Directive 2011/92/EU on the assessment of the effects of certain public and private projects on the environment. ^ Back to section

35 Directive 2011/92/EU of the European Parliament and of the Council of 13 December 2011 on the assessment of the effects of certain public and private projects on the environment. ^ Back to section

36 See the Law on Protection and Management of Wild Birds and Game Law of 2003, (152(I)/2003), as amended, and the Law on Protection and Management of Nature and Wild Life of 2003, (153(I)/2003), as amended. ^ Back to section

37 Safety and Health at Work Law of 1996, (89(I)/1996), as amended. ^ Back to section

38 See Section 77 of Contracts Law, Cap.149. ^ Back to section

39 Stamp Duty Law, No. 19/1963, as amended. ^ Back to section

40 See Section 65B of the Law of Immovable Property (Possession, Registration and Valuation), Cap. 224. ^ Back to section

41 Pursuant to the interpretative Section 2 of the Immovable Property Acquisition (Aliens) Law, Cap. 109, as amended, the term 'foreign' does not include any individuals holding EU citizenship or citizenship of a European Economic Area (EEA) contracting party and any entities incorporated and having their registered office, central administration or principal place of business in an EU Member State or EEA contracting party. ^ Back to section

42 Immovable Property Acquisition (Aliens) Law, Cap. 109, as amended. ^ Back to section

43 See Town and Country Planning Law, 90/1972, as amended, and Streets and Buildings Regulation Law, Cap.96, as amended. ^ Back to section

44 Where this may be required under a planning permit issued in respect of the project, pursuant to section 43(1) of the Town and Country Planning Law, 90/1972. ^ Back to section

45 Prevention and Suppression of Money Laundering Activities Law, 188(I)/2007, as amended. ^ Back to section

46 Among other 'obliged' persons, under the scope of Law 188(I)/2007. ^ Back to section

47 See Section III. ^ Back to section

48 See Section 26 of the Electricity Market Regulation Law, No. 130/2021. ^ Back to section

49 Regulation of Electricity Market (Issuance of Licenses) Regulations, 538/2004. ^ Back to section

50 See Rule 18 of the Regulation of Electricity Market (Issuance of Licences) Regulations, 538/2004. ^ Back to section

51 Transmission Rules, Version 1.0.0 (2023). ^ Back to section

52 See Section 128 of the Electricity Market Regulation Law, No. 130/2021. ^ Back to section

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