

**Question for written answer E-000042/2022
to the Commission**

Rule 138

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Subject: Potential for private companies to take legal action against EU countries on grounds of environmental policy

In 2017 Rockhopper lodged a complaint against the Italian Government under the Energy Charter Treaty (TCE). The verdict is expected soon. Rockhopper is seeking significant financial compensation under the terms of this treaty by which companies can claim compensation. Indeed, through the TCE, companies can claim compensation not only for the investment lost as a result of environmental policy changes, but also for the loss of potential future profits. In this case, Rockhopper is demanding over USD 300 million in damages.

For the few EU countries that have decided to phase out fossil fuels to achieve their climate objectives, this ruling marks a significant step forward. However, for the majority of other countries, especially in southern and eastern Europe, this decision opens the door to costly prosecution by private investors.

My question is twofold:

1. Is the Commission aware of the legal uncertainty that Member States face vis-à-vis private companies in this regard?
2. Has it considered how to protect Member States' sovereignty against such potential legal action, particularly on environmental grounds?