



Welcome to **Edition 45** of **P₂N₀** covering the drive to avoid, reduce and remove greenhouse gas (GHG) emissions to progress to net-zero GHG emissions (NZE).

P₂N₀ covers significant news items globally, reporting on them in short form, focusing on policy settings and legal and regulatory matters, and project developments and trends. **P₂N₀** does not cover news items about M&A activity or that are negative.

This **Edition 45** covers significant news items from **June 1, 2026**, to **July 5, 2026**.

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Content	
Key news headlines from June 1 to July 5, 2026 (pages 1 to 13)	
News from Around the World	
1. Americas (p. 14 and 15)	2. Africa (p. 15)
3. Europe and the UK (p. 15 to 17)	4. Middle East, Central Asia, & South Asia (p. 17 and 18)
5. APAC (p. 18 and 19)	Baker Botts Team (p. 20)

KEY ITEMS ARISING FROM JUNE 1, 2026, TO JULY 5, 2026

- **Iran War:**

On **June 17, 2026**, a memorandum of understanding (MOU) was agreed between **Iran** and the **US**. The **MOU** provides a framework for discussions between Iran and the United States over a 60-day period. Discussions have commenced and are on-going. On **July 1, 2026**, **Al Jazeera** reported that **Iran** is to establish a “communication channel” with the **US** to report breaches of the **MOU**.

We have included in the [schedule](#) to this **P₂N₀** a summary of the **MOU** and a [link](#) to the **MOU**.

As the **Strait of Hormuz** opens, many have reflected on the impact, in particular the time that it will take to return to the pre-February 28, 2026, status quo.

In the context of **LNG**, on **June 30, 2026**, the good folk at Reuters reported on the thinking of Shell (contained in its [LNG Outlook 2026](#)); in short, it will take three months to return to the pre-February 2028 status quo, with the result that the **LNG** trade will be flat for 2026, with a growth to return in 2027. The **LNG Outlook 2026** states the long-term view of Shell – global **LNG** trade will increase from around 425 million metric tonnes to 700 million metric tonnes by 2050.

In the context of oil, a considerable number of perspectives have been shared. On **July 2, 2026**, the good folk at **Al Jazeera** reported that traffic through the **Strait of Hormuz** has increased faster than expected since to the signature of the **MOU**. A consequence of this is that oil supply has increased impacting the price of oil. At the moment, there are 90 cargoes on the water without a destination. The near-term impact of the return of supply will be cleared as these cargoes find a home.

As a mark of optimism for demand in the near-term, on **July 3, 2026**, it was reported that **TotalEnergies** was seeking to hire **very large crude carriers (VLCC)** to enable the carriage and delivery of millions of barrels of crude oil loaded from **Basrah, Iraq**.

- [Energy Institute Statistical Review of World Energy](#): On **June 30, 2026**, the **Energy Institute**, “working in partnership with Ember and in collaboration with Kearney and KPMG” published the 75th edition of the **Statistical Review of World Energy**. The publication provides an overview of energy supply and demand.

The key findings are:

- **Record energy demand – total energy supply (TES)** increased by 1.7%, with all major energy sources rising to all-time highs for the second consecutive year.
- **Low-carbon breakthrough** – renewable energy development and deployment – was the largest source of TES growth for the first time outside of a recession, with solar power accounting for 71% of the increase in renewable energy capacity.
- **US emissions rise faster than China** – US energy-related **GHG emissions** grew 3.2%, driven by a 13% surge in coal-fired power – in absolute terms, four times the growth of China.
- **Solar and storage surge** – solar generation expanded by 30% worldwide, while battery capacity grew at 66%, reinforcing their role as the fastest-scaling clean technologies.
- **Energy security pressures intensify** – a 4.8% growth in oil production in the Americas, which has helped lessen the impacts of the **Iran War**.
- **52nd G7 Summit**: From **June 15** through **June 17, 2026**, the 52nd [G7 Leaders’ Summit](#) took place in **Évians-les-Bains**, France. The **G7 leaders** welcomed the announcement of the **MOU** and expressed support for, and readiness to contribute to, its implementation.

In a joint statement, the **G7 leaders** framed the **MOU** as an opportunity to address the causes of the **Iran War**. The joint statement from the **G7** may be regarded as an expression of support rather than as a basis for implementation of the subject matter of the **MOU**, including in respect of the cessation of sanctions. A [link](#) to the joint statement is included.

Among other agenda items, the **G7 leaders** continued to discuss critical mineral supply through the [Critical Minerals Production Alliance](#) established under the [Critical Minerals Action Plan](#). In this context, the **G7 leaders** emphasised the need to increase the development of a diversity of supply chains for critical minerals and rare earth elements. The **G7 leaders** have expressed intent to achieve diversity. A link to the [G7 Leaders’ declaration on securing supply chains for critical minerals](#) is included. Australia, a partner country of the **G7** is stated to support the declaration. The **International Energy Agency (IEA)** is reported to have contributed to discussions at the **G7** meeting. The **IEA** announced that it is looking “forward to working closely with G7 members” through its [Critical Minerals Security Programme](#).

- **TotalEnergies required to address climate risks arising from its products**: On **June 25, 2026**, the **Paris Judicial Court**, in a [press release](#) (in French), found that the [Duty of Vigilance Law](#) applied to corporations in respect of climate change. As reported, and as understood, the finding makes it clear that corporations must articulate the climate change risks arising from the use of products produced by any corporation.

The consequence of the finding is that **TotalEnergies** is to publish a revision to its vigilance plan, with the **Paris Judicial Court** to review the revised vigilance plan on **January 21, 2027**. The finding of the **Paris**

Judicial Court arose from an action brought by the City of Paris, Notre Affaire à Tous, Sherpa and France Nature Environnement.

By way of contrast: Edition 44 of P₂N₀ reported that “**Shell faces action seeking end to investments in natural gas and oil projects**”. The **TotalEnergies case** is different from the action brought against Shell: the **TotalEnergies** case determined whether or not a duty to disclose climate risks arising from the use of products produced by it under the **Duty of Vigilance Law**, not whether **TotalEnergies** should reduce or cease production, whereas the action brought against **Shell** seeks to determine whether **Shell** has a duty to cease investing in new hydrocarbon projects, resulting, over time, in the cessation of production.

Edition 44 of P₂N₀ reported that: “On **April 21, 2026**, it was reported widely that [Friends of the Earth Netherlands had filed an action against Shell](#).”

[Edition 20](#) of P₂N₀ reported on the outcome of an earlier case brought against **Shell** as follows:

“**Shell wins appeal**: On **November 12, 2024**, the **Court of Appeal in The Hague** ruled in favour of **Royal Dutch Shell (Shell)** in the appeal against the decision in **Milieudefensie at al v. Royal Dutch Shell**. As noted in [Edition 12](#) of P₂N₀, **Shell** appealed against the decision of the **District Court of The Hague**: the decision required **Shell** to reduce the net CO₂ emissions of the Shell by at least 45% by 2030, compared to 2019 levels.”

The findings of the **Paris Judicial Court** have drawn attention to **Scope 3 emissions**, and the reporting of them: corporations producing products from fossil fuels are reporting **Scope 3 emissions**, i.e., being the **GHG emissions** that arise from the use of fossil fuels. As reported, around 90% of the total **GHG emissions** arising directly and indirectly from the activities of **TotalEnergies** and the use of its products are **Scope 3 emissions**.

Edition 43 of P₂N₀ reported on the publication by **Shell plc** of its [LNG Portfolio – Strategic Spotlight / March 2026](#)¹: it is not unusual for the **Scope 3 Emissions** corporations producing hydrocarbons to exceed 80% of their total **Scope 1, 2 and 3 Emissions**.

Scope 1, 2 and 3 Emissions (as defined by World Resources Institute)		
Scope 1: Direct Emissions Emissions that arise from sources owned or controlled by the corporation or other organization whose GHG emissions are being measured	Scope 2: Indirect Emissions Emissions being emissions that arise from the generation of electrical energy used by the corporation or other organizations	Scope 3: Other Indirect Emissions (Value Chain) Emissions that arise as a consequence of the activities of the corporation or other organizations along that entire value chain.

¹ As reported, Shell plc [reported](#) 1.1 billion metric tonnes of CO₂-e emissions during 2025, with **Scope 3 emissions** (including from the combustion of fuels produced by Shell). The net carbon intensity is 71 grams of CO₂-e per megajoule of energy production on combustion of fuels.

While the Court of Appeal found that corporations have a duty under the law of the Netherlands to mitigate climate change through a reduction in **GHG emissions**, the obligation of **Shell** is not an absolute obligation to reduce its **GHG emissions** globally by 45% by 2030, compared to 2019 levels.

As noted by the author at the time of the decision at first instance, it is for the legislature to set and to implement policy settings in respect of GHG reductions rather than the courts. While it is not usual for the author to provide editorial comment, the decision of the Court of Appeal represents a clear basis for orderly regulation of GHG emissions.

Attached is a [link](#) to the decision of the Court of Appeal.”

- **London Climate Action Week (LCAW) – June 20 to June 28, 2026:** The eighth **London Climate Action Week** took place in London, United Kingdom (**LCAW 2026**). The theme for **LCAW 2026** was **Change Happens Locally** with high profile involvement of the **C40 Cities**. It is clear that the impact of climate change was apparent to those in attendance, with temperatures in London exceeding **36°C** during **LCAW 2026**. As reported, over 750 events took place under the banner of **LCAW 2026**, with approximately 75,000 people in attendance.

A central theme of **LCAW 2026** was **climate adaptation and resilience**. While there has been considerable coverage of **LCAW 2026**, the **Institutional Investors Group on Climate Change (IIGCC) Summit** (held under the banner of **LCAW 2026**) seemed to strike at the core of what is needed: to turn policy settings and targets into outcomes. While mitigation outcomes have long been the focus of policy settings, there is now a clear and present realization that while mitigation outcomes are critical, addressing the impact of climate change, through resilience and adaptation policy settings and implementation is as important as achieving mitigation outcomes. The [IIGCC Insights](#) publication provides a description of the “sense of immediacy” that “carried through the week’s discussions”.

In this context, [resilience finance](#) came to fore as a major priority. [The London Climate Resilience Finance Summit](#) brought together folk to discuss how to realise timely and sufficient investment in initiatives (including infrastructure development) to achieve resilience and adaptation. The UN Secretary-General, António Guterres, emphasised the need for investment, public and private.

During **LCAW 2026**, there was consideration of the impact of data centres and **artificial intelligence (AI)**. The consideration of this impact appears likely to be an ongoing theme as development of data centres and deployment of AI continues.

During **LCAW 2026**, the **UK Government** announced that around [£100 billion](#) in clean-energy investment had been committed since July 2024, including grid upgrades, nuclear, offshore and onshore wind, and storage and other renewable initiatives.

- **Global Energy Transition and Electrification Summit:** On **June 23 and 24, 2026**, the first [Global Energy Transition and Electrification Summit \(GETES\)](#) was held in London. It was marked by the establishment of **Electrify Now**.

Electrify Now recognizes the need to increase electrification globally to address climate change and to provide energy security. The **EC**, the **UK**, **Türkiye (COP31 hosts)**, **Australia (COP31 Negotiations President)**, **Ethiopia (COP32 host)**, **South Korea**, and **the Philippines**, **IEA** and **IRENA**. **IRENA’s latest analysis** has highlighted electrification and grid enhancement as key drivers of a secure, affordable

and resilient energy transition. These countries and organizations have been named **first-mover coalition** by the EC.

As might be expected, the stated objectives of **Electrify Now** include reducing and ultimately avoiding fuel market price volatility, reducing, and ultimately avoiding, **GHG emissions**, assuring and strengthening resilient supply chains, and helping countries build cleaner and more secure electrical energy systems.

The initiative is also linked to the proposed **“35% by 2035” electrification target**, under which the share of final energy demand met by electricity would increase from just over **20% today** to **35% by 2035**. This target was announced by the incoming [COP31 Presidency of Türkiye](#) during the **Bonn June Climate Change Meetings** covered in the next piece below.

The analyses of IRENA have long championed the need for ever increasing electrification. In its [roadmap on transitioning away from fossil fuels](#), IRENA identifies **renewable electricity, grid enhancement, energy efficiency and electrification** as central elements for transitioning away from fossil fuel use in end-use sectors such as buildings, industry and transport. In addition, IRENA states that electrification, using electrical energy from renewable sources and combined with efficiency improvements, will reduce significantly **GHG emissions** and improve security and system efficiency.

- [Bonn June Climate Change Meetings](#) – June 8 to June 18, 2026: The sixty-fourth sessions of the **Subsidiary Body for Scientific and Technological Advice and the Subsidiary Body for Implementation (SB 64)** of the **United Nations Framework Convention on Climate Change (UNFCCC)** took place in **Bonn, Germany**. The next stop is **COP31**.

In summary, **SB 64** may be regarded as having made some progress, albeit limited procedural and technical progress. All key sensitive issues remain to be progressed. The key sensitive issues tend to arise between developed and developing countries, critically on mitigation ambition and outcomes, resilience and adaptation including finance (and climate finance generally), the form of words to address transition away from fossil fuels, trade measures (for example, the **Carbon Border Adjustment Mechanism** commonly referred to as **CBAM**) and support.

SB 64 was the first session after the deadline for revised nationally determined contributions (**NDCs**) for the purposes of the **Global Stocktake**. In this context, energy efficiency, renewable energy development and deployment, transition away from fossil fuels and the implementation of **NDCs**.

Consistent with the themes at the **LCAW 2026** and **GETES**, during **SB 64**, **electrification** emerged as the core practical means to address climate change, including clean power, grids, buildings, industry and transport, energy security and affordability.

The theme of electrification was underlined by progress under the **Just Transition Work Programme**, providing for technology development and transfer, capacity-building and **Action for Climate Empowerment**.

In the [closing statement](#), of the **Executive Secretary** of the **UNFCCC**, **Simon Stiell**, it was acknowledged that while progress had been made on some issues it was emphasized that significant issues remain and that further work is needed before **COP31** to allow the best chance for progress on those issues at **COP31**.

- **Mitigation** has been reported as being one of the most difficult areas of discussion. Negotiations under the **Mitigation Work Programme** remained to be completed, particularly on whether the programme should remain a dialogue-based process or become more operational and focused on clear **GHG emissions** reduction targets. In addition, consensus was reached on how the **Mitigation Work Programme** might support the implementation of the **Global Stocktake** and inform the setting of nationally determined contributions in future.

As reported by [Carbon Brief](#), the lack of agreement at **SB 64** in Bonn means that key decisions on closing the **GHG emissions gap** (i.e., the difference between current **NDCs** under the **Global Stocktake** and the required level of **GHG emissions** reductions to achieve the objectives of the Paris Agreement) and strengthening future climate ambition will have to be revisited at **COP31** unless progress is made before then.

- As with **Mitigation**, progress stalled on the issue of **Adaptation**. Discussion of issues arising from the **Global Goal on Adaptation** and the **Belém adaptation indicators** remains sensitive. As reported, at **SB 64** there was discussion about how to measure progress on adaptation, what indicators should be used, and whether finance and implementation support should be reflected in the technical adaptation texts.

Developing countries argued that adaptation indicators would be effective only when tied to funding assistance, while, as a general statement, developed countries preferred technical indicators not tied to funding. As a result, progress on adaptation finance has been described as deadlocked. Relevant official documents are available through the [UNFCCC documents portal](#), including the [SBSTA 64](#) and [SBI 64](#) session pages.

- **Climate finance** is a cross-cutting issue relevant to all discussions. As reported, at **SB 64** discussions were informed by the **USD 300 billion** annual finance goal and the broader roadmap toward **USD 1.3 trillion** in financing. Developing countries continued to raise concerns about access to finance, including the concessional terms of it and its availability and the need for greater certainty.

The transition of the **Adaptation Fund** for the purposes of the **Paris Agreement** remained unresolved, including questions on governance, funding sources and the role of **Article 6.4** proceeds.

- **Loss and damage** is a core issue. As reported, **SB 64** discussions did not progress meaningfully. To some extent, discussions on loss and damage were subordinate to discussions on climate finance and resilience finance. For climate-vulnerable countries, progress on loss and damage remains central to fairness and confidence in the multilateral climate process.
- **Article 6** discussions on operationalization continued.
 - **Article 6.2**, discussions continued, with discussions about carbon-market infrastructure, registries for mitigation outcomes, reporting systems and funding gaps.
 - **Article 6.8** discussions continued to develop non-market approaches and the use of a web-based platform to allow the non-market approaches to develop.

While the matters discussed may be regarded as technical, their development is critical to ensure confidence in the mitigation outcomes which **Articles 6.2** and **6.8** are intended to promote; trust in the integrity of the mitigation outcomes is essential, and agreement on these technical matters will promote trust and confidence.

In summary, SB 64 has provided a clear agenda for **COP31** but left the most difficult political questions unresolved. The strongest areas of progress were just transition, technology, capacity-building and public engagement. The hardest unresolved issues were mitigation ambition, adaptation finance, climate finance implementation, fossil-fuel transition language, trade-related climate measures, response measures and transparency support.

- During **June 2026** the **International Energy Agency (IEA)** published six key publications as follows:
 - [Scaling Up Demand Flexibility – From peak management to efficient system operation](#) (published on June 26, 2026), in which the **IEA** considers the importance of demand flexibility across electrical energy systems as demand for electrical energy increases (including to match increased demand for electrical energy from data centres). Increased demand is being matched by the installation of renewable energy capacity and, increasingly, in the context of increased demand for electrical energy from data centres the installation of gas-fired generation. Both renewable and gas-fired electrical energy generation give rise to power system management issues.

The publication touches on the following in the executive summary:

- As power systems undergo structural change, there will be ever increasing value in flexibility across those systems;
- Demand flexibility delivers value and is already doing so, including through the ability to manage power systems at times of peak demand to provide system integrity and stability;
- To the mid-2030s demand flexibility “could become a core tool for efficient power systems”, with demand flexibility supporting increased electrification of activities continues and increased installation and uptake of renewable electrical energy;
- Different means of achieving demand flexibility will have different values to different power systems;
- The greatest flexibility across power systems is likely to arise in respect of specific demand side management rather than with off-takers with the highest load, i.e., by identifying which off-takers have greatest flexibility in load management. The example given is that electric vehicle charging offers considerable flexibility;
- The realisation of demand flexibility across power systems will depend on participation levels and digitalisation to allow flexibility in a responsive way. This will require policy settings to signal appropriate power system design and operation, and to place appropriate value on demand side management; and
- As will be apparent from the previous bullet point, the achievement of flexibility depends on policy settings, power system design (including redesign) and market design (and redesign) to ensure investment to achieve the greatest level of power system flexibility.

The publication is excellent, keeping the author enthralled on a flight back to Singapore. What makes the publication helpful is the case studies of power system management activities across the **Republics of Ireland and South Africa** and the **Kingdom of Thailand**.

The record high temperatures across Europe in the final two weeks of **June 2026** illustrate the need for power system management: as temperatures increase power generation becomes less efficient (including fossil fuel generation² and solar panels³) and as high pressure areas are established the velocity of winds reduces, resulting in a need for increased generation to match load.

- [Multiple Benefits of Energy Efficiency for Business](#) (published on June 26, 2026), builds on work previously undertaken by the **IEA**. The publication reminds us that energy efficiency is the “first fuel”, offering businesses economic benefits through lower energy costs.

For the purposes of the publication, energy efficiency measures are defined as measures to reduce the amount of energy required to fuel and grow our economies.

The publication provides helpful summaries of each of the identified benefits of energy efficiency for businesses as follows: energy savings (and as such reduced cost); affordability; competitiveness; grid investments; energy security; emission reductions; jobs; asset values; health and asset values.

The publication is well-worth a read.

- [Tracking SDG7: The Energy Progress Report 2026](#) (published on June 24, 2026) working with the **International Renewable Energy Agency (IRENA)**, the **United Nations Department of Economic and Social Affairs**, the **World Bank** and the **World Health Organization**, outlines the progress towards the achievement of [Sustainable Development Goal 7](#) (SDG 7) of the [UN 2030 Agenda for Sustainable Development](#).

Access to electrical energy and clean cooking, the use of renewable energy and infrastructure development, improving energy efficiency and ensuring adequate finance are key pillars to achieve **SDG 7**.

The key finding of the publication is as follows:

“Despite substantial progress since 2015—including significant increases in the share of renewable energy in the global energy mix and improvements in the global rate of energy efficiency—the achievement of the 2030 target of universal access to affordable, reliable, and modern energy services *remains off track and uneven*, particularly with respect to the huge remaining energy access gap in Sub-Saharan Africa”.

The publication provides summaries of progress in respect of each **SDG 7 indicator**: (i) access to electrical energy; (ii) access to clean fuels and technologies for cooking; (iii) renewable energy as

² As temperatures increase so does the air temperature, and with increased air temperature gas-fired power stations take in less natural gas.

³ For each one-degree temperature increase above 25°C the efficiency of solar panels reduces by between 0.3% to 0.5%.

a share of energy consumption; (iv) energy efficiency; and (v) international financial flows in support of clean and renewable energy.

The publication is well-worth a read.

- [Global Hydrogen Review 2026](#) (published on June 18, 2026), provides an update on hydrogen supply and demand, identifying the latest developments in respect of policy, investment, innovation, infrastructure, and trade.

The publication addresses each of the following matters in the executive summary:

- The **Iran War** has disrupted low-emission hydrogen production projects and trade in hydrogen and hydrogen-based fuels, noting however that it is not all slower progress, with the NEOM Green Hydrogen Company plant having achieved commissioning and production of green ammonia;
- Low emission Hydrogen continues to offer diversity in the fuel sector, “but their impact will not be immediate”;
- Low emission hydrogen projects progressed during 2025, “but persistent barriers are preventing sustainable growth”;
- Low emission hydrogen growth rates are uncertain, with considerable difference across regions;
- The development of demand for low emission hydrogen remains “the crucial missing piece for the sector to take off”; and
- Low emission hydrogen production and use offer opportunities for Africa, “but significant challenges lay ahead”.

In addition, and recognising the challenges, the publication provides recommendations as follows:

- Review 2030 targets and develop long-term ambitions based on market development and emerging drivers;
- Accelerate policy implementation to create demand for low-emissions hydrogen and hydrogen-based fuels in key sectors;
- Maintain support for production, targeting “shovel-ready” projects that can scale;
- Expedite deployment of hydrogen infrastructure by removing barriers and leveraging early opportunities; and
- Support emerging economies to move up the value chain for low-emission hydrogen-based products.

The publication provides an excellent review of the state of play in the low emission hydrogen and hydrogen-based fuel sector. As will be apparent from the conclusions in the executive summary, while in some regions progress is being made, there remain “key butts”.

For anyone active in the low emission hydrogen sector the “slow-down” in the sector is apparent. One of the more telling dynamics noted in the publication that as of mid-June 2026, 13 of the 27

Member States had transposed the **Renewable Energy Directive (RED III)** for the transport sector. Despite the deadline for transposition having been May 21, 2025.

There has been progress, and yet the **Member States** of the **EU** have yet to progress in line with earlier policy settings. This rate of progress informs the conclusion that:

“The development of demand for low emission hydrogen remains “the crucial missing piece for the sector to take off”.”

- [Southeast Asia Energy Outlook 2026](#) (published on June 18, 2026) is the seventh edition of this key publication covering the dynamics across the 11 Members of the **Association of Southeast Asian Nations (ASEAN)**: Brunei Darussalam, Cambodia, Indonesia, Lao People’s Democratic Republic (Lao PDR), Malaysia, Myanmar, the Philippines, Singapore, Thailand, Timor-Leste, and Vietnam.

In summary, the publication outlines the trajectory across **ASEAN** before the **Iran War** and considers the possible implications of the disruption to the energy markets and the implications for energy security, including policy setting priorities and investment strategies across **ASEAN**.

The key findings in the executive summary are as follows:

- While **Southeast Asia** is a dynamic region that is set to be a major driver of global energy demand growth, the **Iran War** has provided a wake-up call for the entire region. The **Iran War** and the resulting disruption to the energy markets has prompted the recognition that energy security is now the primary priority and that this has resulted in a reassessment of investment priorities.

The publication includes scenarios reflecting the **pre-Iran War policy** settings. Unsurprisingly, these scenarios do not address adequately the risks that are now faced.

- For the moment, governments are focused on managing the near-term impacts of the disruption. Measures include demand-restraint (such as promoting public transport and remote working), market interventions including price controls and subsidies, and efforts to secure alternative fuel supplies.

Looking further ahead, the cost of imports could rise sharply from over USD 80 billion in 2024 to around USD 245 billion by 2035. The challenge is to manage the near-term impacts, while seeking to accelerate the structural changes to reduce exposure to future shocks in the medium term.

- The impacts of the disruption have been felt most acutely in refining, petrochemicals, power generation and cooking fuels. The disruptions have impacted the supply of key products, including naphtha and liquefied petroleum gas. Many refineries in **Southeast Asia** are configured to process medium and heavy crudes from the Middle East, and the loss of these crudes has reduced operational flexibility, lowering utilisation rates and, in some cases, output.

The reliance on imported refined products and inflexible refining configurations is stated to be “a structural weakness in the region’s energy system and is already affecting downstream”.

- A stronger and more co-ordinated response is needed to address these challenges, including enhanced cooperation across **Southeast Asia** to improve resilience, reduce costs and deliver

shared benefits. In this context it is noted that the development of the **ASEAN Power Grid** will help.

- Diversification is a key priority for **Southeast Asia**, with clean energy, electrification and efficiency as key levers to reduce import exposure and strengthen resilience.
- Nuclear power provides a longer-term diversification option in **Southeast Asia**. The role of nuclear power will depend on accelerating deployment and overcoming long lead times.
- Coal remains available widely across **Southeast Asia** and continues to play an important role in the energy system.
- Alongside supply-side measures, energy efficiency is a cost-effective way to strengthen resilience in response to the crisis and in the longer term.
- Electrical energy is becoming ever more important to the energy future of **Southeast Asia** – electrical energy demand is already growing twice as fast as overall energy use.
- New uses of electrical energy are expanding and the shift to electric mobility, as well as bioenergy and low-emission transport fuels, could accelerate further in response to the disruption resulting from the **Iran War**.
- The outlook for electrical energy supply and emissions is increasingly shaped by the pace at which renewables and other sources of low-emissions power can be scaled up.
- Delivering transition depends on an efficient build-out and use of enabling infrastructure, including grids and storage. Transmission and distribution networks need to more than doubled in capacity to keep pace with rising demand and to cope with rising variability of supply and demand. Battery storage, demand response and other sources of flexibility, including existing thermal capacity, are essential for maintaining system reliability.
- Investment in grids and storage needs to ramp up, from USD 13 billion in 2025 to USD 50 billion in 2050 to meet announced pledges. To 2040, this includes an estimated USD 27 billion required to realise the development of the **ASEAN Power Grid**.
- Investment will be a key determinant of future energy security in **Southeast Asia**. Clean energy investment has risen 60% since 2015, driving growth in total energy investment, which reached over USD 100 billion in 2025.
- Financing conditions will be critical in determining whether required investment levels can be achieved. The inflationary impacts of energy disruption resulting from the **Iran War** could result in higher interest rates which would push up financing costs, giving rise to challenges for capital intensive clean energy technologies. In much of **Southeast Asia**, the cost of capital can be around twice as high as in more developed economies. This weakens risk-adjusted returns and slows the pace of deployment of renewables, grids and energy efficiency measures, with implications for import dependence and system resilience.
- Energy transition across **ASEAN** is linked to its role in global industrial and supply chains, particularly for critical minerals and clean energy technologies. **ASEAN** is among the world's fastest-growing hubs for energy-intensive aluminium, iron and steel production, with output

rising by 70% by 2035. Aligning industrial development with energy transition and security goals will be crucial, both to capture the economic opportunities in clean energy manufacturing and to reduce exposure to concentrated supply chains.

- Ensuring that the development of energy systems in **Southeast Asia** is fair and inclusive remains a central challenge. While electricity access is close to universal in most countries, clean cooking access still lags, affecting 120 million people, or almost a fifth of the region's population. Energy affordability pressures are acute, particularly for lower-income households, and the costs of energy policies must be managed carefully.
- The disruption resulting from the **Iran War** is both a stress test for the energy system and a catalyst to accelerate structural change; the disruption has emphasised the vulnerabilities across **ASEAN**.

The publication is excellent, providing considerable “food for thought”.

On **June 19, 2026**, the IEA published [Energy Transition Review for Enhancing Co-operation – The Philippines power sector](#). The publication is well-worth a read.

- [Breakthrough Agenda Report 2026](#) (published on June 9, 2026) provides a state-of-play in respect of cooperation ahead of **COP31**.
 - **The next phase of international collaboration is focused on delivery;**
 - **Many opportunities for collaboration exist, but plans for implementation remain unclear:** At **COP30**, hundreds of such initiatives came together to create **Plans to Accelerate Solutions (PASSs)**. The publication considers around 120 plans, examining how they translate shared objectives into actions, how they incorporate appropriate priorities for international collaboration, and how they can be strengthened to better support near-term implementation across the energy system;
 - **Stronger government engagement is required to translate plans into action:** it is essential that government leads and participates in international initiatives. Government participation and leadership will be required for **PASSs** to realise their potential as effective co-ordination frameworks that materially support implementation.

Government leadership will be critical to ensure that identified actions in this new coordination mechanism translate into concrete policy, investment, and market signals, while working in partnership with the private sector and other non-state actors that play a central role in implementation. To date, government involvement in the development of **PASSs** has been limited and uneven across sectors;

- **Many plans have been primarily shaped by international organisations and other non-government actors.** Effective implementation depends on actors with decision-making authority, particularly governments, that can set policy frameworks, create demand, and mobilise and direct finance;
- **Greater clarity is needed on the respective roles of national and international action:** Given that most policies that advance energy transition are implemented at national and subnational levels, international collaboration adds value only when it is well targeted and focused on

opportunities that cannot be addressed through domestic action alone. These opportunities include the greater efficiency in global markets that can come from harmonised or interoperable standards, stronger investment signals that can be generated by aligned policies on procurement and trade, and greater finance mobilisation supported by international concessional lending;

- **Planned actions must be consistent with intended outcomes:** Many of the plans show a mismatch between the ambition of the intended outcomes stated, and the ability of proposed actions to deliver them.

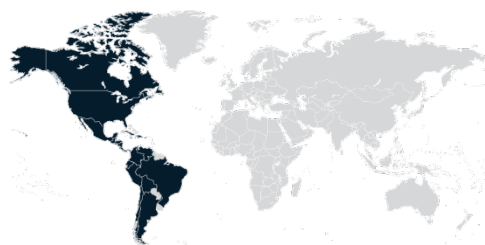
While many **PASSs** articulate outcomes that clearly describe the desired transformation of a sector, the actions associated with those outcomes are often insufficient in scale, scope or authority to produce the implied level of change, particularly within the near-term implementation window; and

- **A foundation to build on:** As a first iteration of this approach, the **PASSs** provide a useful foundation. Their design, governance and role in supporting delivery are likely to evolve as experience grows.

The review in this report highlights a set of recurring design features that could strengthen the role of **PASSs** in facilitating and prioritising international collaboration on sectoral transitions.

In addition to these key reports, during **June 2026**, the IEA published [Renewables in District Energy, Luxembourg – Energy Policy Review](#) and [Best Practices and Insights to Expand Clean Energy Access and Adoption](#). Each of these publications is well-worth a read.

- During **May 2026** the IEA published the following:
 - [World Energy Investment 2026](#), published on **May 28, 2026**, an IEA Flagship Report: the key finding of the **Report** is that **USD 3.4 trillion** is being invested in the energy sector during 2026, with nearly twice as much being invested in the renewable sector as in the non-renewable sector, i.e., **USD 2.2 trillion** versus **USD 1.2 trillion**;
 - [Global EV Outlook 2026](#), published on **May 20, 2026**, another IEA Flagship Report: EV sales increased by 20% year on year, with global EV sales of 20 million in 2025, representing 25% of all vehicles sales;
 - [Battery storage is scaling up and taking on a larger system role](#), published on **May 29, 2026**;
 - [Austria – Energy Policy Review](#), published on **May 12, 2026**;
 - [Portugal 2026 – Energy Policy Review](#), published on **May 8, 2026**;
 - [Demand and Supply Side Measures for the Industry Transition](#), published on **May 7, 2026**; and
 - [Global Methane Tracker 2026](#) and [Responding to Satellite Notification from the Methane Alert and Response System](#) both published on **May 4, 2026**.



Americas

- **New Mexico 3.65 GW wind farm project goes live:** On **June 30, 2026**, it was reported widely that the **3.65 GW SunZia wind farm project** had commenced dispatch. As reported, the **SunZia wind farm project** (developed by **Pattern Energy**) comprises **916 turbines across three counties in New Mexico**. To allow transmission of electrical energy over long-distances (and as such to avoid line-loss), the project has a voltage source converter based **high-voltage direct current (HVDC)**. The HVDC traverses **550 miles** allowing transmission of up to **3 GW** of renewable electrical energy across the south-west of the US.
- **Deep Sky DAC carbon removal credits:** On **June 29, 2026**, **BNN Bloomberg** reported that the **Deep Sky DAC Project** has issued the first carbon removal credits (arising from the direct capture of CO₂ from the climate system) to the **Bank of Canada** and **Microsoft**.
- **Canada and Japan combining thinking in respect of critical minerals:** On **June 26, 2026**, **Reuters** reported that **Canada** and **Japan** were working to develop a range of options for the developing of mining projects jointly. As reported, the options include off-take agreements and stockpiling of arrangements for critical minerals, including **gallium** and **graphite**.
- **REalloys and Titan Mining to developing processing facilities for US Army:** On **June 25, 2026**, it was reported widely that **REalloys** and **Titan Mining** had been preferred by the **US Army** to develop critical mineral processing facilities:
 - **REalloys** to develop heavy rare earth elements (including dysprosium and terbium) processing capacity; and
 - **Empire State Mines** (a subsidiary of **Titan Mining**) to develop graphite processing capacity, with **Empire State Mines** to design, finance, build and operate the facility to be developed on land leased from the **US Army**.
- **CVX and Microsoft scope power supply:** On **June 23, 2026**, **Chevron (CVX)** announced that it had entered into an agreement to supply electrical energy from a gas-fired power station to the data centre campus being developed by **Microsoft**. As reported, the gas-fired power station will have capacity to generate **2.67 GW** of electrical energy. As reported, **CVX** is contemplating the supply of electrical energy to further data centres including on the **Gulf Coast**, the **Midwest** and the **Rockies**.
- **Elementl commits to early works on SMR:** On **June 19, 2026**, **World Nuclear News** reported that **Elementl** has contracted with **GE Vernova Hitachi** to use their **BWRX-300 small modular reactor (SMR)** technology for its proposed nuclear power plant in **Meigs County**, in the **US State of Ohio**. As reported, **Elementl** has agreed to acquire a **700-acre site** on which it is proposed to locate the first **two 300 MW SMR** units as phase 1 of the proposed development.

- **AirPlant One commences production of SAF from CO₂:** On June 10, 2026, Interesting Engineering reported that **AirPlant One** had commenced the production of **sustainable aviation fuel (SAF)** at its **Moses Lake plant**, the **US State of Washington**. As reported the **SAF** is produced using a **power-to-liquid** process, with electrical energy from renewable energy sources combining water and CO₂. The Moses Lake plant also produces **E-Naphtha**⁴.



Africa

- **Kenya and US conclude preliminary agreement on rare earth elements:** On June 19, 2026, **Business Insider Africa** reported that **Kenya** and the **US** had signed a preliminary agreement to develop **niobium deposits** within **Kenya**. As reported, the preliminary agreement requires that all rare earth elements be processed domestically.
- **Nigeria USD 400 million rare earth element project:** On June 19, 2026, **Business Insider Africa** reported that a delegation of the Government of Nigeria had inspected the processing plant in Nasarawa State. As reported, the investment is stated to reflect the broader intention to develop domestic processing capacity.



Europe and the UK

- **Spain's largest photovoltaic solar farm goes live:** On July 2 and 3, 2026, it was reported widely that the **3 GW Solaria Extremadura photovoltaic solar farm complex** had gone live. The complex comprises **7 million bifacial panels** (tracking sunlight from east to west) across **6,000 hectares**.
- **Proposal to invest GBP 35 billion on SMRs across the UK:** On July 2, 2026, **The Guardian** reported that a consortium (**SGE SMR**), led by Michael Solowow, had announced plans to develop **14 small modular reactors (SMRs)**. As reported, each **SMR** will have capacity of **300MW** and cost between **GBP 2.2 billion** and **GBP 2.5 billion**.

⁴ Naphtha is a feedstock for the production of products, petroleum and petrochemical (including plastics).

By way of background: On **March 13, 2026**, the **UK Government** announced that it intended to make the development of nuclear power reactors less difficult providing a “win-win for building infrastructure while protecting nature and the environment”.

- **BP and Iberdrola confirm funding support:** On **June 28, 2026**, **Hydrogen Monitor** reported that the **Government of Spain** had confirmed **€ 211 million** of funding to support the development of the **BP and Iberdrola Castellón green hydrogen production facility**, being developed in a joint venture.
- **UK to develop three pumped storage facilities:** On **June 26, 2026**, the **UK Government** announced plans to develop three pumped storage facilities in the north of Scotland. The pumped storage facilities are to be developed by **Gilkes Energy** (the **Earba Project**), **SSE** (the **Coire Glas Project**) and **Staterra Energy** (the **Loch Kemp Project**). As reported, the three pumped storage facilities are the first of their kind to be developed in the UK since **Dinorwig pumped storage facility** located in **north Wales** (a facility familiar to the author).
- **Swedish Government supports development of nuclear reactors:** On **June 25, 2026**, it was announced that the **Swedish Government** is to take a **60%** equity interest in **Videberg Kraft (VK)** to develop new generation nuclear reactors to generate electrical energy. **VK** is owned currently as to **80%** by **Vattenfall** (a state-owned corporation) and **20%** by industrial corporations. Following the **Swedish Government** taking its **60%** interest in **VK**, the interest of **Vattenfall** in **VK** will reduce to **20%**.

Earlier in **June 2026**, **Vattenfall** entered into an agreement with **Rolls Royce** for the provision of **small modular reactor (SMR)** technology⁵.

The extent of the support is yet to be reported and will require approval (as State Aid) from the **EC**.

By way of reminder: In **May 2025** the **Parliament of Sweden** legislated to allow the development of new generation nuclear reactors. At that time the **Swedish Government** contemplated the development of four new generation reactors, with combined capacity of **5 GW**.

- **Australia and Germany declare intent on GH2:** On **June 22, 2026**, it was reported widely that the **Federal Governments of Australia and Germany** had signed a declaration of intent to undertake auctions under Germany’s **H₂Global** initiative. As reported, the declaration of intent contemplates auctions with a value of up to **€ 400 million**.
- **Belgium and UK sign cross-border storage MOU:** On **June 16, 2026**, it was reported widely that **Belgium** and the **UK** signed a memorandum of understanding (**MOU**) for the purposes of the **London Protocol**. The **MOU** provides a framework to allow for the cross-border transportation of **CO₂**, by pipeline or by shipping as provided for in the **London Protocol**. It is anticipated that the **MOU** will result in the export of **CO₂** captured in **Belgium** for storage in the **UK**.

⁵ By way of reminder: Edition 44 of **P2N0** reported (under **CEZ signs early works contract with Rolls Royce SMR**) that “On **April 27, 2026**, world nuclear news (at **World-Nuclear-News.org**, under **Czech SMR project – early works contract signed**) reported that **Czech** nuclear operator **ČEZ** and **Rolls Royce SMR** had signed an early works contract for the planned development of a small modular reactor at **Temelín**, in **Czechia**. In addition, it is understood that **Rolls Royce SMR** is in discussions with **Sweden** for the development of a small modular reactor.”

- **EU to expand the scope of CBAM:** From **June 12, 2026**, there was considerable coverage of the announcement by the **EC** about the expansion of the scope of **CBAM** to include products produced from that which is already covered by **CBAM**. As announced, it appears likely that more details will be announced during **September 2026**. As reported, up to 400 products using aluminium and iron and steel will become covered by **CBAM**.

By way of background: The **EU** continues to give rise to the highest price on carbon at around € 80 per metric tonne of **CO₂-e** through its **EU ETS**⁶. Most countries impose no price on carbon under a compliance regime. The voluntary carbon market provides for **USD 3 to USD 5** a “carbon credit”.

- **ACCSION Project to proceed:** On **June 9, 2026**, **Aalborg Portland** announced its decision, working with **Air Liquide** (as the carbon capture technology provider) and **Harbour Energy** (as the transportation and storage service provider) to proceed with the development of the **ACCSION Project** which on completion will capture **1.4 million metric tonnes of CO₂ a year**. **Aalborg Portland** will receive funding support from the **Danish Government** under a **15-year contract**.
- **EC approves €23 billion of State Aid by Government of Italy:** On **June 8, 2026**, the **EC** approved the provision of **€23 billion of State Aid** to fund the development of renewable electrical energy generation capacity across Italy. The approval of the **EC** can be found in the attached [link](#).
- **CCS WtE plant commences construction:** On **June 2, 2026**, the **Carbon Herald** reported that a carbon capture facility was under construction at the **Protos Energy Recovery Facility (ERF)**. As reported, this will be the first carbon capture facility installed at a **waste-to-energy facility**. On completion up to **370,000 metric tonnes of CO₂** will be captured annually.
- **UK sets 87% reduction target:** On **June 2, 2026**, it was reported widely that the **UK** had increased its reduction target to **87% of GHG emissions of its 1990 GHG emissions by 2040**.



Middle East, Central Asia, and South Asia

- **ACME signs up to over 400 kts a year of GNH₃:** On **July 2, 2026**, it was reported widely that **ACME Cleantech Solutions Pvt Ltd (ACME)** entered into a green ammonia (**GNH₃**) sale and purchase agreement with **IHI Corporation** (for 405,000 metric tonnes) and a green methanol sale and purchase agreement with **Mitsubishi Gas Chemical Company** (100,000 metric tonnes). As reported, each sale and purchase agreement is for 10 years. The supply of **GNH₃** will benefit from funding support from the **Ministry of Economy, Trade and Industry (METI)** under its **contract for difference (CfD)** regime.

⁶ The UK price is £50 to £60; Canada USD 50 to USD 70; California USD 35 to USD 45; and China USD 12 to USD 15.

- **ACME commits USD 4.2 billion for green hydrogen (GH₂) and GNH₃ project in Duqm SEZ:** On June 17, 2026, it was reported widely that **ACME Group** had signed an investment agreement in respect of the second and third phases of its GH₂ project in **Duqm, Oman**. As reported, each phase is to produce 71,000 metric tonnes of GH₂ and 400,000 metric tonnes of GNH₃. Phase 1 was completed earlier this year.
- **SECI 1.2 GW of renewable energy projects:** On June 11, 2026, **PV-Magazine** reported that the **Solar Energy Corporation of India (SECI)** had invited bids for the development of **1.2 GW** of interstate transmission system connected renewable energy projects and energy storage systems.
- **Alt Carbon and Microsoft align on carbon removal credits:** On June 11, 2026, Microsoft announced that it had signed a carbon removal credit sale and purchase contract with **Alt Carbon**. As announced **Microsoft** will purchase **36,920 carbon removal credits** from **Alt Carbon**. Each carbon removal credit represents one metric tonne of CO₂. The carbon removal credits will arise from the **Alt Carbon Darjeeling Revival Project**.
- **AirTrunk to invest USD 30 billion in India:** On June 5, 2026, it was reported widely that **AirTrunk** intends to invest **USD 30 billion** in the development of **5 GW of data centres capacity** across India.
- **ACWA considering FID on second GH₂ project:** On June 4, 2026, it was reported widely that **ACWA** is considering whether to develop the **4 GW Yanbu facility**.
- **AM Green and VOCPA sign MOU to develop GNH₃ 200,000 metric tonne hub:** On May 28, 2026, **AM Green** and the **VO Chidambaranar Port Authority (VOCPA)** signed a memorandum of understanding (MOU) to develop a **GNH₃ bunkering hub** with initial capacity of **200,000 metric tonnes**, with capacity to increase over time to **500,000 metric tonnes**.
- **Becalmed during the day, at work all night:** During 2026 the author came across coverage of the **Dumat Al Jandal wind farm** in the northwest of **Saudi Arabia**. The **Dumat Al Jandal wind farm** was completed in 2023 (developed by **EDF Renewables** and **Masdar**), comprising 66 turbines, with installed capacity of **400 MW**, the first utility-scale wind farm in **Saudi Arabia**. As reported, the **Dumat Al Jandal wind farm** dispatches electrical energy into the **Saudi Arabian grid** from 6 p.m. to 6 a.m., with a capacity factor of 50%, and reliable overnight capacity.



APAC

- **Vietnam progressing to two nuclear power stations:** On July 3, 2026, it was reported widely that the **Ministry of Industry and Trade** announced that it is seeking to appoint a partner during **Q3** to develop a second nuclear power station, **Ninh Thuan 2**. As reported, **Ninh Thuan 2** is likely to have capacity of **3.2 GW**.

- **FID taken on Hunter Valley Hydrogen Hub (HVHH):** On July 1, 2026, it was reported widely that Orica has taken a **positive final investment decision (FID)** to develop its **50 MW Hunter Valley Hydrogen Hub (HVHH)**. As reported, FID was taken with the benefit of **AUD 547 million** of funding support from the **Commonwealth of Australia**. As reported, Orica will invest up to **AUD 283 million** to develop the HVHH. The HVHH has been contemplated by Orica since 2020, with the plan to reduce use of natural gas by use of green ammonia at Orica's Kooragang Island ammonia nitrate production facility located in the **Port of Newcastle, NSW**.
- **Australia passes 450,000 battery milestone:** On July 1 and 2, 2026, it was reported widely that **450,000** households across Australia had **battery energy storage system (BESS)** capacity. This reporting was accompanied by the implementation of the [Solar Sharer Offer](#).
- **KKR and SK align to develop renewable energy platform:** On July 1, 2026, KKR and SK announced that they are to develop a joint venture into which SK will contribute **SK ecoplant** and **SK eternix**, including onshore and offshore wind and photovoltaic capacity, and fuel cell capacity. On establishment, the joint venture will have around **1.7 GW of renewable electrical energy capacity** with a development plan of up to **10 GW** of renewable electrical energy capacity. As announced, **10 GW** equates to sufficient renewable electrical energy capacity to power 100 100 MW data centres.
- **National Energy Administration (NEA) announces installed capacity of China:** On June 26, 2026, the **China Daily** reported that the **NEA** had announced that at the end of **May 2026** that China had **4,010 GW** of installed electrical energy capacity. As reported, this exceeds the combined capacity of the **European Union, India, Japan, Russia and the US**.
- **Shuangjiangkou Hydropower Station connects to the grid:** On June 26, 2026, **Global Times** (at [globaltimes.cn](#)) reported that **Shuangjiangkou Hydropower Station** had connected to the grid in **Sichuan Province, China**. As reported, the **Shuangjiangkou Hydropower Station** is a **315-meter-high earth-rock dam**. Once fully operational, the hydropower station will have capacity to dispatch up to **2 GW**.

On June 30, 2026, **China Daily News** reported that all units were online at the **1.7 GW Zhejiang Tiantai Pumped-Storage Facility**, located in **Taizhou, Zhejiang Province, China**. As reported, the **Facility** comprises **four 425 MW reversible pump-turbine units**.

- **South Korea to undertake auctions for hydrogen powered power stations:** On June 8, 2026, it was reported that during 2026 South Korea intends to undertake auctions for two hydrogen power stations.
- **Malaysia to undertake 2 GW photovoltaic solar procurement:** In early June, it was [reported](#) that the **Ministry of Energy Transition and Water Transformation** launched a tender for **2 GW** photovoltaic solar tender under the **Large-Scale Solar (LSS)** program. The tender includes **battery energy storage systems (BESS)** and includes a **500 MW capacity cap** specifically for floating solar.

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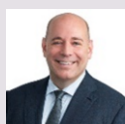
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SCHEDULE

The **MOU** is characterized as an interim framework, not a final settlement. The **MOU** is intended to de-escalate military tensions, to create temporary arrangements on maritime security and sanctions relief, and to establish a pathway to a final agreement dealing with nuclear issues, sanctions, economic reconstruction, and regional security.

- **Article 1** provides a foundation for the framework, providing for a ceasefire. It requires Iran and the US, and their respective allies to cease military operations on all fronts, including Lebanon, and to avoid threats and use of force.
- **Article 2** requires Iran and the US to respect the internal affairs, sovereignty and territory of each other. This gives the arrangement a broader political character beyond a ceasefire, providing a principle of “non-interference”. Given the dynamics within the Middle East, the implementation of the principle of non-interference is uncertain.
- **Article 3** provides a 60-day period to allow negotiation of the final settlement. This period may be extended by agreement. The **MOU** recognizes that there is uncertainty about scheduling meetings for negotiation.
- **Article 4** provides for the removal of the US naval blockade. It provides for the US to commence removal immediately with full removal within 30 days. It also provides for the removal of US forces from proximity to Iran as part of the final settlement.
- **Article 5** provides for the safe passage of shipping through the Strait of Hormuz. It provides for Iran to use best efforts to arrange that safe passage, at no charge, during the 60-day negotiation period, including addressing military obstacles (including demining), and to open dialogue with the states of the Middle East.

The **MOU** recognizes that safe passage is critical because of the importance to the world economy of the transportation of oil and LNG cargoes through the Strait of Hormuz. The safe passage is the first step, with the administration and control of shipping in the Strait of Hormuz going forward, likely to give rise to difficult discussions.

- **Article 6** provides for a reconstruction and economic-development plan for Iran of at least USD 300 billion.
- **Article 7** provides for the cessation of sanctions. It contemplates cessation of UN Security Council sanctions, IAEA Board of Governors measures, and unilateral US primary and secondary sanctions according to an agreed schedule.

The **MOU** recognizes that cessation of all sanctions has yet to be confirmed. In passing, it is noted that temporary OFAC relief relating to Iranian-origin crude oil and petroleum products is significant, but it is not the same as comprehensive sanctions removal.

- **Article 8** addresses nuclear activities. Iran reaffirms that it will not procure or develop nuclear weapons, and the article contemplates a mechanism to deal with enriched material, including down-blending under IAEA supervision as a minimum methodology.

- **Article 9** provides that Iran is expected to maintain the current status quo of its nuclear program, and the US is expected not to impose new sanctions or deploy additional forces in the region pending the final settlement.
- **Article 10** provides for the US Treasury to issue waivers for Iranian crude oil, petroleum products, derivatives, and associated banking, insurance, and transport services. The **MOU** notes that OFAC issued a temporary Iran-related General License authorizing certain Iranian-origin oil and petroleum transactions for a limited period.
- **Article 11** provides that the USD 6 billion of assets and funds currently frozen should be made available on final settlement, on the basis agreed as part of the final settlement.

The **MOU** identifies this as contentious, especially because of the perceived need to regulate and to monitor use of unfrozen assets and funds.

- **Article 12** contemplates an executive mechanism to monitor implementation and compliance. The **MOU** explains that this is important because of the need for stepped implementation.
- **Article 13** links negotiations to implementation: the ceasefire, blockade removal, safe passage through the Hormuz Strait, sanctions, and assets and fund release.
- **Article 14** contemplates that the final settlement should be endorsed by a binding UN Security Council resolution. Endorsement by the UN Security Council may be regarded as likely to give the final settlement stronger international recognition, particularly for sanctions, monitoring, and compliance.