

I C S I D

# 2002 ANNUAL REPORT



International Centre for  
Settlement of Investment Disputes

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International Centre for Settlement of  
Investment Disputes

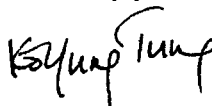
September 6, 2002

Dear Mr. Chairman,

Pursuant to Administrative and Financial Regulation 5(4), I am pleased to submit to the Administrative Council for its approval the Annual Report on the Operation of the International Centre for Settlement of Investment Disputes required by Article 6(1)(g) of the Convention on the Settlement of Investment Disputes between States and Nationals of Other States. This Annual Report covers the fiscal year July 1, 2001 to June 30, 2002.

The Report includes the audited financial statements of the Centre, presented pursuant to Administrative and Financial Regulation 19.

Sincerely yours,



Ko-Yung Tung  
Secretary-General

Mr. James D. Wolfensohn  
Chairman  
Administrative Council  
International Centre for Settlement of Investment Disputes

## Introduction by the Secretary-General

During the year under review, Malta and the St. Vincent and the Grenadines took their initial step towards ICSID membership by signing the ICSID Convention. With these two signatures, the number of the States signatories to the ICSID Convention now stands at 150. Of these, 134 States have also ratified the Convention to become ICSID Contracting States.

Fiscal year 2002 saw unparalleled use of the dispute settlement facilities offered by the Centre. The total number of the ICSID cases surpassed 100. Forty-nine of these cases, more than at any other time in the history of ICSID, were pending or were concluded during the year. A record number of 17 ICSID proceedings were registered. Sixteen of them were new ICSID arbitration proceedings; one was a proceeding initiated for the supplementing and rectification of an award. Except for one new Additional Facility Rules proceeding brought under the Investment Chapter of the North American Free Trade Agreement (NAFTA), all of the new cases registered during the fiscal year were ICSID Convention arbitration proceedings.

The already widespread use of ICSID clauses in investment treaties continued to expand. For the consent to ICSID arbitration of the State parties involved, in thirteen out of the sixteen new arbitration proceedings, investors relied on general consents, or "offers," to such arbitration expressed in bilateral investment treaties of those States. In one of the cases, such consent was supplied by a multilateral investment treaty. In the remaining two cases, the investors concerned invoked a provision of a national investment law and an ICSID arbitration

clause of an investment contract. Most of the investment promotion and protection treaties in existence today provide for ICSID arbitration as the only, or an alternative, forum for the settlement of investment disputes under the treaty. This would seem to imply that even greater use of these instruments might be made in bringing ICSID cases in future years.

Twelve proceedings were concluded in the course of the year. Two of these involved applications, registered in the previous fiscal year, by parties seeking annulment under Article 52 of the ICSID Convention of the respective awards. One of the annulment proceedings was unsuccessful for the requesting party, and the other was discontinued by the *ad hoc* Committee for lack of payment of the required advances. A third concluded proceeding involved a post-award request for supplementary decisions and rectification of an award. Nine regular arbitration proceedings were also concluded in the period. At the request of one or both of the parties involved, three of these nine proceedings were discontinued before the rendering of awards. One arbitration proceeding was also discontinued for lack of payment of advances. Awards were rendered in five proceedings. One of these awards declined jurisdiction, two awards dismissed the claims on their merits, and two further awards allowed all or part of the claims. During the fiscal year, ICSID also administered, at the request of the parties involved, two NAFTA Investment Chapter cases being conducted under the UNCITRAL Arbitration Rules.

Apart from its increased caseload, ICSID further strengthened its publishing activities.

During the fiscal year, the ICSID staff edited two issues of *ICSID Review – Foreign Investment Law Journal*. The Centre's collections of *Investment Laws of the World* and *Investment Treaties* were expanded by the addition of three new releases. ICSID staff continued to participate as panelists or speakers in international conferences and training events. During the year, the Centre also co-sponsored, together with the American Arbitration Association and the ICC International Court of Arbitration, the eighteenth of their series of annual colloquia on international arbitration, which was held in Paris in November 2001.

In summary, 2002 was another successful year for ICSID. Developments during the year demonstrated in many ways that the interest in ICSID's services is increasing, and that there are bound to be challenges ahead. With its experience and its capacity to effectively respond to the changing needs, ICSID will continue to play a leading role in the field of international investment dispute settlement.

**Ko-Yung Tung**  
**Secretary-General**

## Membership

In the past fiscal year, Malta and St. Vincent and the Grenadines signed the Convention. At June 30, 2002, there were 150 signatory States of the Convention; of these, 134 had also ratified the Convention. A complete list of Contracting States and Other Signatories of the Convention as of June 30, 2002 appears in Annex 1.

## Disputes before the Centre

During the year, there were 49 cases before the Centre. Developments in these cases are summarized below:

- (1) *Compañía de Aguas del Aconquija S.A. and Vivendi Universal v. Argentine Republic (Case No. ARB/97/3)*—*Annulment Proceeding*

August 20, 2001—The Applicants file their memorial on annulment.

October 5, 2001—The *ad hoc* Committee issues a decision rejecting a proposal for the disqualification of one of its members.

November 12, 2001—The Respondent files its counter-memorial on annulment.

December 10, 2001—The Applicants file their reply on annulment.

January 8, 2002—The Respondent files its rejoinder on annulment.

January 31 and February 1, 2002—The *ad hoc* Committee holds a hearing in Washington, D.C.

- (2) *Ceskoslovenska obchodni banka, a.s. v. Slovak Republic (Case No. ARB/97/4)*

August 31, 2001—The Claimant files its reply on the merits.

October 5, 2001—The proceeding is suspended following the resignation of Thomas Buergenthal.

December 11, 2001—The Tribunal is reconstituted following the resignation of Thomas Buergenthal. Its members are: Hans van Houtte (Belgian), President; Piero Bernardini (Italian); and Andreas Bucher (Swiss).

February 27, 2002—The Respondent files its rejoinder.

- (3) *Houston Industries Energy, Inc. and others v. Argentine Republic (Case No. ARB/98/1)*

August 24, 2001—The Tribunal renders its award; attached to the award is an individual opinion by one of the arbitrators.

- (4) *Victor Pey Casado and President Allende Foundation v. Republic of Chile (Case No. ARB/98/2)*

September 26, 2001—The Tribunal issues its decision on provisional measures.

October 29–30, 2001—The Tribunal holds a hearing on jurisdiction in Washington, D.C.

November 8, 2001—The parties file their summaries of oral arguments.

May 10, 2002—The Tribunal issues a decision joining the objections to jurisdiction to the merits.

- (5) *International Trust Company of Liberia v. Republic of Liberia (Case No. ARB/98/3)*

October 19, 2001—The parties are informed that the Tribunal has decided to stay the proceeding for lack of payment of advances for costs.

June 27, 2002 —The Centre notifies the parties that, pursuant to Administrative and Financial Regulation 14(3)(d), the Secretary-General will move that the Tribunal discontinue the proceeding.

- (6) *Wena Hotels Limited v. Arab Republic of Egypt (Case No. ARB/98/4)—Annulment Proceeding*

August 28, 2001—The Respondent files its counter-memorial on annulment.

September 10, 2001—The Applicant files its reply on annulment.

September 26, 2001—The Respondent files its rejoinder on annulment.

October 22–23, 2001—The *ad hoc* Committee holds a hearing with the parties in Paris.

February 5, 2002—The *ad hoc* Committee renders its decision. The decision rejects the application for annulment.

- (7) *Eudoro A. Olguín v. Republic of Paraguay (Case No. ARB/98/5)*

July 26, 2001—The Tribunal renders its award.

- (8) *The Loewen Group, Inc. and Raymond L. Loewen v. United States of America (Case No. ARB(AF)/98/3)*

August 27, 2001—The Respondent files its rejoinder on the merits.

September 10, 2001—The proceeding is suspended following the resignation of L. Yves Fortier.

September 20, 2001—The Tribunal is reconstituted following the resignation of L. Yves Fortier. Its members are: Anthony Mason (Australian), President; Abner J. Mikva (U.S.); and Michael Mustill (British).

October 15–19, 2001—The Tribunal holds a hearing on the merits in Washington, D.C.

January 25, 2002—The Respondent files an additional objection to jurisdiction.

March 1, 2002—The Respondent files its memorial on the additional objection to jurisdiction.

March 31, 2002—The Loewen Group, Inc. files its counter-memorial on the additional objection to jurisdiction.

April 26, 2002—The Respondent files its reply on the additional objection to jurisdiction.

May 24, 2002—The Loewen Group, Inc. files its rejoinder on the additional objection to jurisdiction.

June 6, 2002—The Tribunal holds a hearing on the additional objection to jurisdiction in Washington, D.C.

- (9) *Tanzania Electric Supply Company Limited v. Independent Power Tanzania Limited (Case No. ARB/98/8)*

July 12, 2001—The Tribunal renders its award.

- (10) *Alex Genin and others v. Republic of Estonia (Case No. ARB/99/2)—Supplementary Decision and Rectification Proceeding*

August 1, 2001—The Secretary-General registers an application submitted by the Claimants for supplementary decisions and rectification of the award.

October 12, 2001—The Respondent files a response to the request for supplementary decisions and rectification, at the direction of the Tribunal.

November 9, 2001—The Claimants file their memorial on supplementary decisions and rectification.

December 14, 2001—The Respondent files its counter-memorial on supplementary decisions and rectification.



April 4, 2002—The Tribunal renders its decision on the Claimants' request for supplementary decisions and rectification.

- (11) *Philippe Gruslin v. Malaysia (Case No. ARB/99/3)*—Annulment Proceeding

March 5, 2002—The Secretary-General moves that the *ad hoc* Committee discontinue the proceeding for lack of payment of advances pursuant to Administrative and Financial Regulation 14(3)(d).

April 2, 2002—The *ad hoc* Committee issues an order for the discontinuance of the proceeding for lack of payment of advances pursuant to Administrative and Financial Regulation 14(3)(d).

- (12) *Marvin Roy Feldman Karpa v. United Mexican States (Case No. ARB(AF)/99/1)*

July 9–13, 2001—The Tribunal holds a hearing on the merits in Washington D.C.

December 17, 2001—The Respondent submits additional documentation.

April 12, 2002—The Claimant submits additional documentation.

April 17, 2002—The Tribunal seeks additional observations from the parties.

May 8, 2002—The parties submit their additional observations.

- (13) *Mondev International Ltd. v. United States of America (Case No. ARB(AF)/99/2)*

July 9, 2001—Canada files a submission under Article 1128 of the NAFTA.

August 1, 2001—The Claimant submits its reply on competence and liability.

October 1, 2001—The Respondent submits its rejoinder on competence and liability.

May 20–24, 2002—The Tribunal holds a hearing on competence and liability with the parties in Washington, D.C.

- (14) *Middle East Cement Shipping and Handling Co. S.A. v. Arab Republic of Egypt (Case No. ARB/99/6)*

July 17–18, 2001—The Tribunal holds a hearing on the merits with the parties in Paris.

October 1–2, 2001—The Respondent and the Claimant file their post-hearing briefs.

February 14, 2002—The Tribunal informs the parties that it has declared the proceeding closed.

April 12, 2002—The Tribunal renders its award.

- (15) *Patrick Mitchell v. Democratic Republic of the Congo (Case No. ARB/99/7)*

September 17, 2001—The Respondent files its counter-memorial on the merits and raises an objection to jurisdiction.

October 24, 2001—The Tribunal suspends the proceeding on the merits pursuant to Article 41 of the ICSID Convention, and fixes a deadline for the Claimant to file his counter-memorial on jurisdiction.

January 29, 2002—The Secretary of the Tribunal informs the parties of the passing away of Mr. Willard Z. Estey. The proceeding is suspended and the Claimant is invited to appoint a new arbitrator.

February 7, 2002—The Claimant files his counter-memorial on jurisdiction.

February 8, 2002—The Claimant appoints Marc Lalonde as the new arbitrator.

February 13, 2002—The Secretary of the Tribunal informs the parties that Marc Lalonde has accepted his appointment. The Tribunal is reconstituted and the proceeding is resumed.

March 4, 2002—The Tribunal fixes time limits for the filing of the reply and the rejoinder on jurisdiction.

April 19, 2002—The Respondent files its reply on jurisdiction.

May 29, 2002—The Claimant files his rejoinder on jurisdiction.

(16) *Zhinvali Development Ltd. v. Republic of Georgia (Case No. ARB/00/1)*

August 6, 2001—The Respondent submits its counter-memorial.

August 31, 2001—The Claimant files its reply.

December 17, 2001—The Claimant files a request for provisional measures.

February 11–15, 2002—The Tribunal holds a hearing on the merits in Washington, D.C.

March 26, 2002—The parties file their post-hearing reply submissions.

(17) *Mihaly International Corporation v. Democratic Socialist Republic of Sri Lanka (Case No. ARB/00/2)*

March 15, 2002—The Tribunal renders its award.

(18) *GRAD Associates, P.A. v. Bolivarian Republic of Venezuela (Case No. ARB/00/3)*

January 17, 2002—The Centre notifies the parties that, pursuant to Administrative and Financial Regulation 14(3)(d), the Secretary-General will move that the Tribunal discontinue the proceeding.

February 5, 2002—The Tribunal issues an order for the discontinuance of the proceeding for lack of payment of advances pursuant to Administrative and Financial Regulation 14(3)(d).

- (19) *Salini Costruttori S.p.A. and Italstrade S.p.A. v. Kingdom of Morocco* (Case No. ARB/00/4)

July 23, 2001—The Tribunal issues its decision on jurisdiction.

October 18, 2001—The Tribunal holds a session in Paris for the organization of the proceeding on the merits.

January 31, 2002—The Claimants file their memorial on the merits.

May 6, 2002—The Respondent files its counter-memorial on the merits.

- (20) *Autopista Concesionada de Venezuela, C.A. v. Bolivarian Republic of Venezuela* (Case No. ARB/00/5)

September 28, 2001—The Tribunal issues its decision on jurisdiction.

October 26, 2001—The Tribunal issues a procedural order in connection with the merits.

December 21, 2001—The Claimant files its memorial on the merits.

May 31, 2002—The Respondent files its counter-memorial on the merits.

- (21) *Consortium R.F.C.C. v. Kingdom of Morocco* (Case No. ARB/00/6)

July 23, 2001—The Tribunal issues its decision on jurisdiction.

October 18, 2001—The Tribunal holds a session in Paris for the organization of the proceeding on the merits.

February 22, 2002—The Claimant files its memorial on the merits.

June 18, 2002—The Respondent files its counter-memorial on the merits.

- (22) *World Duty Free Company Limited v. Republic of Kenya* (Case No. ARB/00/7)

October 31, 2001—The Respondent files its preliminary objections.

January 17, 2002—The Claimant files its response to the preliminary objections of the Respondent.

- (23) *Ridgepointe Overseas Developments, Ltd. v. Democratic Republic of the Congo and Générale des Carrières et des Mines* (Case No. ARB/00/8)

September 7, 2001—The Claimant files its memorial.

February 22, 2002—The Respondents file their counter-memorials.

April 22, 2002—The proceeding is suspended at the request of the parties.

(24) *ADF Group Inc. v. United States of America (Case No. ARB(AF)/00/1)*

August 2, 2001—The Claimant files its memorial on competence and liability.

November 30, 2001—The Respondent files its counter-memorial on competence and liability.

January 18, 2002—Canada and Mexico file submissions pursuant to NAFTA Article 1128.

January 28, 2002—The Claimant files its reply on competence and liability.

March 29, 2002—The Respondent files its rejoinder on competence and liability.

April 15–18, 2002—The Tribunal holds a hearing on competence and liability in Washington, D.C.

(25) *Técnicas Medioambientales Tecmed, S.A. v. United Mexican States (Case No. ARB(AF)/00/2)*

September 4, 2001—The Claimant files its memorial on the merits.

November 16, 2001—The proceeding is suspended following the resignation of Guillermo Aguilar Alvarez.

December 17, 2001—The Tribunal is reconstituted following the resignation of Guillermo Aguilar Alvarez. Its members are: Horacio A. Grigera Naón (Argentine), President; José Carlos Fernández Rozas (Spanish); and Carlos Bernal Vereá (Mexican).

February 12, 2002—The Respondent files its counter-memorial on the merits.

May 20–24, 2002—The Tribunal holds a hearing on the marshalling of evidence in Washington, D.C.

(26) *Waste Management, Inc. v. United Mexican States (Case No. ARB(AF)/00/3)*

August 6, 2001—The Tribunal informs the parties of certain issues regarding the question of venue and invites them to make observations on these issues.

August 9, 2001—The Respondent files its memorial on jurisdiction.

August 27, 2001—The Claimant and the Respondent each file their further observations on the question of venue.

September 18, 2001—The Tribunal fixes time limits for submission under Article 1128 of the NAFTA and for comments from the parties on the NAFTA Parties' submissions.

October 3, 2001—The Tribunal issues a decision on venue of the arbitration.

October 9, 2001—The Claimant files its counter-memorial on jurisdiction.

November 16, 2001—The proceeding is suspended following the resignation of Guillermo Aguilar Alvarez.

December 14, 2001—The Tribunal is reconstituted following the resignation of Guillermo Aguilar Alvarez. Its members are: James Crawford (Australian), President; Benjamin R. Civiletti (U.S.); and Eduardo Magallón Gómez (Mexican).

February 2, 2002—The Tribunal holds a hearing on jurisdiction in Washington, D.C.

February 19, 2002—The parties file submissions in connection with further information requested by the Tribunal.

June 28, 2002—The Tribunal renders its Decision on Mexico's Preliminary Objection Concerning the Previous Proceeding.

(27) *Generation Ukraine Inc. v. Ukraine* (Case No. ARB/00/9)

July 5, 2001—The proceeding is resumed following the rejection of the challenge of an arbitrator made by the Claimant.

September 26, 2001—The Tribunal holds its first session with the parties in London.

March 1, 2002—The Respondent files its counter-memorial on competence and liability.

May 6, 2002—The Claimant submits its reply on competence and liability.

(28) *Impregilo, S.p.A and Rizzani De Eccher S.p.A. v. United Arab Emirates* (Case No. ARB/01/1)

August 7, 2001—The Secretary-General issues an order taking note of the discontinuance of the proceeding pursuant to Arbitration Rule 44.

(29) *Antoine Goetz & others v. Republic of Burundi* (Case No. ARB/01/2)

June 25, 2002—The Tribunal is constituted. Its members are: Prosper Weil (French), President; Jean-Denis Bredin (French); and Ahmed S. El-Kosheri (Egyptian).

(30) *Enron Corporation and Ponderosa Assets, L.P. v. Argentine Republic* (Case No. ARB/01/3)

November 1, 2001—The Tribunal is constituted. Its members are: Francisco Orrego Vicuña (Chilean), President; Héctor Gros Espiell (Uruguayan); and Pierre-Yves Tschanz (Swiss).

December 5, 2001—The Tribunal holds its first session with the parties in Washington, D.C.

- (31) *AES Summit Generation Limited v. Republic of Hungary (Case No. ARB/01/4)*

September 6, 2001—The Tribunal is constituted. Its members are: Allan Philip (Danish), President; Francisco Orrego Vicuña (Chilean); and Prosper Weil (French).

October 24, 2001—The Tribunal holds its first session with the parties in Paris.

January 3, 2002—Following a settlement agreed by the parties, the Tribunal issues an order taking note of the discontinuance of the proceeding pursuant to Arbitration Rule 43(1).

- (32) *Société d'Exploitation des Mines d'Or de Sadiola S.A. v. Republic of Mali (Case No. ARB/01/5)*

September 21, 2001—The Tribunal is constituted. Its members are: Bernardo Cremades (Spanish), President; Robert S.M. Dossou (Beninese); and Ibrahim Fadlallah (Lebanese).

October 17, 2001—The Tribunal holds its first session with the parties in Paris.

December 14, 2001—The Claimant files its memorial.

February 15, 2002—The Respondent files its counter-memorial.

March 14, 2002—The Claimant files its reply.

April 16, 2002—The Respondent files its rejoinder.

- (33) *AIG Capital Partners, Inc. and CJSC Tema Real Estate Company v. Republic of Kazakhstan (Case No. ARB/01/6)*

October 5, 2001—The Tribunal is constituted. Its members are: Fali S. Nariman (Indian), President; Piero Bernardini (Italian); and Branko Vukmir (Croatian).

November 15, 2001—The Tribunal holds its first session in London.

February 15, 2002—The Claimants file their memorial on the merits.

June 2, 2002—The Tribunal holds its second session in Paris.

- (34) *MTD Equity Sdn. Bhd. and MTD Chile S.A. v. Chile (Case No. ARB/01/7)*

August 6, 2001—The Secretary-General registers a request for institution of arbitration proceedings.

March 5, 2002—The Tribunal is constituted. Its members are: Guillermo Aguilar Alvarez (Mexican), President; James H. Carter (U.S.); and W. Michael Reisman (U.S.).

May 29, 2002—The Tribunal holds its first session with the parties in New York.

- (35) *CMS Gas Transmission Company v. Argentine Republic* (Case No. ARB/01/18)

August 24, 2001—The Secretary-General registers a request for institution of arbitration proceedings.

January 11, 2002—The Tribunal is constituted. Its members are: Francisco Orrego Vicuña (Chilean), President; Marc Lalonde (Canadian); and Francisco Rezek (Brazilian).

February 4, 2002—The Tribunal holds its first session with the parties in Washington, D.C.

- (36) *Booker plc v. Co-operative Republic of Guyana* (Case No. ARB/01/19)

September 18, 2001—The Secretary-General registers a request for institution of arbitration proceedings.

February 19, 2002—The parties appoint Brigitte Stern as Sole Arbitrator.

May 2, 2002—The Sole Arbitrator holds the first session with the parties in London.

- (37) *Repsol YPF Ecuador S.A. v. Empresa Estatal Petroleos del Ecuador* (Petroecuador) (Case No. ARB/01/10)

October 5, 2001—The Secretary-General registers a request for institution of arbitration proceedings.

May 22, 2002—The Tribunal is constituted. Its members are: Rodrigo Oreamuno (Costa Rican), President; Bernardo Tobar Carrión (Ecuadorian); and Alberto Wray Espinosa (Ecuadorian).

- (38) *Noble Ventures, Inc. v. Republic of Romania* (Case No. ARB/01/11)

October 17, 2001—The Secretary-General registers a request for institution of arbitration proceedings.

- (39) *Azurix Corp. v. Argentine Republic* (Case No. ARB/01/12)

October 23, 2001—The Secretary-General registers a request for institution of arbitration proceedings:

April 8, 2002—The Tribunal is constituted. Its members are: Andres Rigo Sureda (Spanish), President; Elihu Lauterpacht (British); and Daniel H. Martins (Uruguayan).

May 16, 2002—The Tribunal holds its first session with the parties in Washington, D.C.

- (40) *SGS Société Générale de Surveillance S.A. v. Islamic Republic of Pakistan* (Case No. ARB/01/13)

November 21, 2001—The Secretary-General registers a request for institution of arbitration proceedings.

April 25, 2002—The Tribunal is constituted. Its members are: Florentino P. Feliciano (Philippines), President; André J.E. Faurès (Belgian); and Toby Landau (British).

May 7, 2002—The Claimant files a request for provisional measures.

- (41) *F-W Oil Interests, Inc. v. Republic of Trinidad & Tobago* (Case No. ARB/01/14)

November 29, 2001—The Secretary-General registers a request for institution of arbitration proceedings.

June 19, 2002—The Tribunal is constituted. Its members are: Fali S. Nariman (Indian), President; Franklin Berman (British); and Michael Mustill (British).

- (42) *Fireman's Fund Insurance Company v. United Mexican States* (Case No. ARB(AF)/02/1)

January 15, 2002—The Secretary-General registers a request for institution of arbitration proceedings.

May 17, 2002—The Tribunal is constituted. Its members are: Albert Jan van den Berg (Dutch), President; Andreas F. Lowenfeld (U.S.); and Francisco Carrillo Gamboa (Mexican).

- (43) *LG&E Energy Corp., LG&E Capital Corp. and LG&E International Inc. v. Argentine Republic* (Case No. ARB/02/1)

January 31, 2002—The Secretary-General registers a request for institution of arbitration proceedings.

- (44) *Impregilo S.p.A. v. Islamic Republic of Pakistan* (Case No. ARB/02/2)

February 12, 2002—The Secretary-General registers a request for institution of arbitration proceedings.

June 11, 2002—Following a request of the Claimant for the discontinuance of the proceeding, the Secretary-General issues an order taking note of the discontinuance pursuant to Arbitration Rule 44.

- (45) *Aguas del Tunari S.A. v. Republic of Bolivia* (Case No. ARB/02/3)

February 25, 2002—The Secretary-General registers a request for institution of arbitration proceedings.

- (46) *Lafarge v. Republic of Cameroon* (Case No. ARB/02/4)

April 22, 2002—The Secretary-General registers a request for institution of arbitration proceedings.

- (47) *PSEG Global Inc., The North American Coal Corporation, and Konya Ilgin Elektrik Üretim ve Ticaret Limited Sirketi v. Republic of Turkey* (Case No. ARB/02/5)

May 2, 2002—The Secretary-General registers a request for institution of arbitration proceedings.



- (48) *SGS Société Générale de Surveillance S.A. v. Republic of the Philippines* (Case No. ARB/02/6)

June 6, 2002—The Secretary-General registers a request for institution of arbitration proceedings.

- (49) *Hussein Nuaman Soufraki v. United Arab Emirates* (Case No. ARB/02/7)

June 18, 2002—The Secretary-General registers a request for institution of arbitration proceedings.

# Panels of Conciliators and of Arbitrators

Pursuant to Article 3 of the ICSID Convention, the Centre maintains a Panel of Conciliators and a Panel of Arbitrators. Each Contracting State may designate to each Panel up to four persons, and the Chairman of the Administrative Council may designate up to ten persons to each Panel.

In the course of the fiscal year, 32 designations were made to the Panels. These are listed below. With these designations, the Panels comprise 465 names.

## **BULGARIA**

*Panels of Conciliators and of Arbitrators—* Designation effective November 21, 2001: Stanimir A. Alexandrov.

## **GEORGIA**

*Panel of Arbitrators—*Designations effective August 9, 2001: Lado Chanturia and Rolf Knieper.

## **GERMANY**

*Panel of Conciliators—*Designations effective December 11, 2001: Ernest G. Broeder (re-appointment), Martin Kramer (re-appointment) and Jürgen Voss. Designation effective August 23, 2001: U.R. Siebel (re-appointment).

*Panel of Arbitrators—*Designations effective August 23, 2001: Rolf Herber (re-appointment), Jens Bredow, Karl-Heinz Böckstiegel (re-appointment), and Günther Jaenicke (re-appointment).

## **HONDURAS**

*Panels of Conciliators and of Arbitrators—* Designations effective February 13, 2002:

Policarpo Callejas Bonilla and Carlos López Contreras.

## **LUXEMBOURG**

*Panels of Conciliators and of Arbitrators—* Designations effective January 15, 2002: Philippe Dupont, Steve Jacoby, Alex Schmitt and Marc Seimetz.

## **PANAMA**

*Panels of Conciliators and of Arbitrators—* Designations effective September 13, 2001: Ramon R. Benedetti, Clara Enilda Díaz de Sotelo, María Alejandra Eisenmann and Juan Cristobal Zuñiga.

## **ROMANIA**

*Panels of Conciliators and of Arbitrators—* Designations effective October 3, 2001: Victor Babiuc, Viorel Mihai Ciobanu, Dinu C. Ianculescu and Victor Tanasescu.

## **SAUDI ARABIA**

*Panels of Conciliators and of Arbitrators—* Designation effective May 6, 2002: Sherif Omar Hassan.

## **VENEZUELA**

*Panel of Conciliators—*Designations effective December 20, 2001: José Antonio Castillo, Elizabeth Maria Gallardo Thomas and Carlos Alberto Peña Díaz.

*Panel of Arbitrators—*Designation effective December 20, 2001: José Rafael Tinoco-Smith. Designation effective March 7, 2002: Gustavo Alvarez Arias. Designation effective April 25, 2002: Jesús Eduardo Cabrera Romero.

# Publication Activities

## News from ICSID

This newsletter provides information on activities of the Centre and on disputes pending before ICSID, as well as articles on topics of current interest. During the fiscal year, two issues of *News from ICSID* were published: Volume 18, No. 2 (Fall 2001) and Volume 19, No. 1 (Spring 2002). The Fall 2001 issue contained an article exploring features of the modern international alternative resolution system with particular reference to the role of arbitration. A second article discussed current and emerging issues in ICSID arbitration proceedings brought under investment treaties. The Spring 2002 issue contained an article which reviewed a number of aspects of recent ICSID arbitral awards in cases under investment treaties.

## ICSID Review—Foreign Investment Law Journal

Appearing twice yearly, the *ICSID Review* publishes materials on domestic and international law relating to foreign investment and investment dispute settlement. The thirty-first (Fall 2001) and the thirty-second (Spring 2002) issues of the *ICSID Review* were completed during the fiscal year. The Fall 2001 issue included articles by Patrick G. Foy and Robert J.C. Deane on recent developments in cases under Chapter Eleven of the NAFTA; by John P. Bowman on dispute resolution planning for the oil and gas industry; and by Markham Ball on assessing damages in claims by foreign investors against host States. An article by Maurizio Ragazzi on signing and ratifying international financial agreements was also published in the

issue. Appearing as annexes to that article were the texts, in English translations, of the Kyrgyz and Romanian laws on treaties. In addition, the issue reproduced the full texts of the award rendered in an ICSID case, the jurisdictional decision in another case, and the decision on provisional measures in a third case. The decisions in the latter two cases were reproduced in each of the two procedural languages of the proceedings.

The Spring 2002 issue of the journal featured articles by Natalie G. Lichtenstein on the relationship between legal and economic policy reform in China's recent economic development; by J.C. Thomas reflecting on the standards of treatment referred to in Article 1105 of the NAFTA; and by Jennifer Corrin Care on levying provincial business license fees in the Solomon Islands. The issue also contained the texts of the Tribunal's award, and the individual concurring opinion of one of the arbitrators, rendered in a recently concluded ICSID arbitration case, and the text both in English and Spanish of a decision on the challenge to the President of the *ad hoc* Committee in an ICSID annulment proceeding. Two book reviews were also published. Vaughan Lowe provided a review of Christoph H. Schreuer's *The ICSID Convention: A Commentary*, which was issued as an ICSID publication by Cambridge University Press in 2001. The issue also contains a review by Timothy J. Feighery of the book by K.V.S.K. Nathan, *The ICSID Convention: The Law of the International Centre for Settlement of Investment Disputes*. Cumulative indices of Volumes 1 through 16 (1986–2001) of the *ICSID Review* were also published in the issue.

## Investment Laws of the World

During the year, ICSID issued release 2002-1 for its ten-volume collection of *Investment Laws of the World*. This release contained the text of new foreign investment legislation enacted in recent years by Lithuania, Mauritius, the Federal States of Micronesia, Moldova, Nepal and Nicaragua. With these new additions, the collection currently includes texts of basic investment legislation of over 130 countries from all major regions of the world. In addition, the collection continued to provide practical information such as the names and contact details of the main governmental agencies in charge of the promotion of foreign investment.

## Investment Treaties

Two new releases (2001-2 and 2002-1) for the Centre's seven-volume collection of *Investment Treaties* were published in the course of the year. They contained the texts of 40 bilateral investment treaties concluded by 44 countries in the period 1992-2001. The total number of texts bilateral investment treaties published in the collection now stands at 858. These treaties have been concluded by some 154 countries.

## Other ICSID Publications

During the year, ICSID continued to maintain current its website ([www.worldbank.org/icsid](http://www.worldbank.org/icsid)) with information about the Centre and its activities. Texts of documents, decisions and awards in many instances appeared first on ICSID's website long before being published in any other source. During the year, ICSID provided prompt access to texts of recent decisions and awards on the website, with the permission of the parties concerned.

In addition, the staff of the Secretariat contributed articles and comments, as well as papers for seminars and colloquia, which were published in various law reviews and professional journals. References to these contributions appear in the *News from ICSID*, and are provided also in the *ICSID Bibliography* section on the website of the Centre.

## Conferences

The Centre co-sponsored with the American Arbitration Association (AAA) and the International Court of Arbitration of the International Chamber of Commerce (ICC) the eighteenth of their joint colloquia on international arbitration. The colloquium was hosted by the ICC International Court of Arbitration in Paris on November 16, 2001. The colloquium addressed current topics in the field of international arbitration, including the relationship between arbitration and other modern forms for alternative dispute resolution; defining a "party" to an international arbitration; and recent court developments related to international arbitration. At the colloquium, ICSID presented a paper on third-party participation in arbitration proceedings instituted under investment treaties.

ICSID also co-sponsored with the Asian-African Legal Consultative Committee's Regional Centre for International Commercial Arbitration in Cairo and the Ministry of Petroleum of Egypt the fourth of the series of international conferences on international energy agreements and settlement of relevant disputes. At the conference, which was held in Shram El-Sheikh, Egypt on March 9–10, 2002, the Secretariat made a presentation on the drafting of arbitration clauses.

During the year, ICSID staff took part in five further arbitration conferences organized by different arbitration institutions and associations. These included a conference on investment treaties and arbitration, sponsored by the Swiss Arbitration Association (held in Geneva on January 25, 2002); a symposium on advocacy and cultural conflict in international arbi-

tration, organized by the London Court of International Arbitration (LCIA) (held in London on April 12, 2002); a conference organized jointly by the American Arbitration Association (AAA) and the Canadian Bar Association on international dispute resolution (held in Montreal, Canada on April 26–27, 2002); a conference organized by the Conciliation and Arbitration Center of the Chamber of Commerce of Panama (held in Panama City on May 28–30, 2002); the LCIA's Tynney Hall Symposium (held in London on May 10–12, 2002); and a conference organized by the CPR Institute for Dispute Resolution (held in Seattle on June 26, 2002).

The Secretariat also contributed presentations at arbitration events of professional organizations and academic institutions. These included a panel on globalization and alternative dispute resolution in the framework of the 2001 Annual Meeting of the American Bar Association (held in Chicago, August 4, 2001); the fifth International Bar Association International Arbitration Day on arbitration of corporate disputes (held in Brussels on March 15, 2002); the 2002 Annual Conference of the American-Turkish Council (held in Washington, D.C. on March 18, 2002); a conference on Public International Law in Commercial Disputes, sponsored by the British Institute of International and Comparative Law (held in London on June 7, 2002); and a seminar on Resolving Foreign Investment Disputes, sponsored by the International Dispute Resolution Committee of the International Law Section of the D.C. Bar Association (held on June 24, 2002). In addition, ICSID staff contributed lectures related to ICSID and international investment dispute settlement at the University of Turin; the American University, Washington Col-

## **Thirty-fifth Annual Meeting of the Administrative Council**

lege of Law; the Centre for Commercial Law Studies of Queen Mary College, University of London; the New York University School of Law; and Yale University.

During the year, the Centre took part in a program of the U.N. Conference on Trade and Development, designed for training of government officials involved in negotiation of investment treaties. This year the program was hosted by Senghor University, Alexandria, Egypt. Staff of the Centre presented a lecture on investor-State dispute settlement provisions in bilateral investment treaties and their implications in the current international arbitration practice. ICSID speakers also participated in an institution-wide seminar on legal aspects of investment services, which was organized by the World Bank, and held on June 6, 2002.

The Thirty-fifth Annual Meeting of the Administrative Council took place on December 4, 2001, in Washington, D.C., on the occasion of the Annual Meeting of the Board of Governors of the World Bank.

At the meeting, the Council considered a report by the Secretary-General on recent developments in ICSID, approved the Centre's 2001 Annual Report and its Budget for fiscal year 2002. The Resolutions adopted at the Meeting are set forth in Annex 2.

## Finance

The Financial Statements of ICSID for fiscal year 2002 are set forth in Annex 3.

The administrative expenditures of ICSID were, again, entirely covered by the World Bank pursuant to the Memorandum of Administrative Arrangements concluded between the World Bank and ICSID in February 1967, and by income from the sale of publications.

It was therefore not necessary to assess any excess expenditures on Contracting States pursuant to Article 17 of the Convention.

ICSID expenditures relating to pending arbitration proceedings are borne by the parties in accordance with ICSID's Administrative and Financial Regulations.

## **Annexes**

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- 25 List of Contracting States and Other Signatories of the Convention
- 28 Resolutions of the Administrative Council
- 29 Report and Financial Statements
- 33 Publications of ICSID



**Annex I****Contracting States and Other Signatories of the Convention**

(as of June 30, 2002)

The 150 States listed below have signed the Convention on the Settlement of Investment Disputes Between States and Nationals of Other States on the dates indicated. The names of the 134<sup>1</sup> States that have deposited their instruments of ratification are in bold, and the dates of such deposit and of the attainment of the status of Contracting State by the entry into force of the Convention for each of them are also indicated.

State	Signature	Deposit of Ratification	Entry into Force of Convention
<b>Afghanistan</b>	Sep. 30, 1966	June 25, 1968	July 25, 1968
<b>Albania</b>	Oct. 15, 1991	Oct. 15, 1991	Nov. 14, 1991
<b>Algeria</b>	Apr. 17, 1995	Feb. 21, 1996	Mar. 22, 1996
<b>Argentina</b>	May 21, 1991	Oct. 19, 1994	Nov. 18, 1994
<b>Armenia</b>	Sep. 16, 1992	Sep. 16, 1992	Oct. 16, 1992
<b>Australia</b>	Mar. 24, 1975	May 2, 1991	June 1, 1991
<b>Austria</b>	May 17, 1966	May 25, 1971	June 24, 1971
<b>Azerbaijan</b>	Sep. 18, 1992	Sep. 18, 1992	Oct. 18, 1992
<b>Bahamas</b>	Oct. 19, 1995	Oct. 19, 1995	Nov. 18, 1995
<b>Bahrain</b>	Sep. 22, 1995	Feb. 14, 1996	Mar. 15, 1996
<b>Bangladesh</b>	Nov. 20, 1979	Mar. 27, 1980	Apr. 26, 1980
<b>Barbados</b>	May 13, 1981	Nov. 1, 1983	Dec. 1, 1983
<b>Belarus</b>	July 10, 1992	July 10, 1992	Aug. 9, 1992
<b>Belgium</b>	Dec. 15, 1965	Aug. 27, 1970	Sep. 26, 1970
Belize	Dec. 19, 1986		
<b>Benin</b>	Sep. 10, 1965	Sep. 6, 1966	Oct. 14, 1966
<b>Bolivia</b>	May 3, 1991	June 23, 1995	July 23, 1995
<b>Bosnia and Herzegovina</b>	Apr. 25, 1997	May 14, 1997	June 13, 1997
<b>Botswana</b>	Jan. 15, 1970	Jan. 15, 1970	Feb. 14, 1970
<b>Bulgaria</b>	Mar. 21, 2000	Apr. 13, 2001	May 13, 2001
<b>Burkina Faso</b>	Sep. 16, 1965	Aug. 29, 1966	Oct. 14, 1966
<b>Burundi</b>	Feb. 17, 1967	Nov. 5, 1969	Dec. 5, 1969
Cambodia	Nov. 5, 1993		
<b>Cameroon</b>	Sep. 23, 1965	Jan. 3, 1967	Feb. 2, 1967
<b>Central African Republic</b>	Aug. 26, 1965	Feb. 23, 1966	Oct. 14, 1966
<b>Chad</b>	May 12, 1966	Aug. 29, 1966	Oct. 14, 1966
<b>Chile</b>	Jan. 25, 1991	Sep. 24, 1991	Oct. 24, 1991
<b>China</b>	Feb. 9, 1990	Jan. 7, 1993	Feb. 6, 1993
<b>Colombia</b>	May 18, 1993	July 15, 1997	Aug. 14, 1997
<b>Comoros</b>	Sep. 26, 1978	Nov. 7, 1978	Dec. 7, 1978
<b>Congo</b>	Dec. 27, 1965	June 23, 1966	Oct. 14, 1966
<b>Congo, Democratic Republic of</b>	Oct. 29, 1968	Apr. 29, 1970	May 29, 1970
<b>Costa Rica</b>	Sep. 29, 1981	Apr. 27, 1993	May 27, 1993
<b>Côte d'Ivoire</b>	June 30, 1965	Feb. 16, 1966	Oct. 14, 1966
<b>Croatia</b>	June 16, 1997	Sep. 22, 1998	Oct. 22, 1998
<b>Cyprus</b>	Mar. 9, 1966	Nov. 25, 1966	Dec. 25, 1966
<b>Czech Republic</b>	Mar. 23, 1993	Mar. 23, 1993	Apr. 22, 1993
<b>Denmark</b>	Oct. 11, 1965	Apr. 24, 1968	May 24, 1968
Dominican Republic	Mar. 20, 2000		
<b>Ecuador</b>	Jan. 15, 1986	Jan. 15, 1986	Feb. 14, 1986
<b>Egypt, Arab Rep. of</b>	Feb. 11, 1972	May 3, 1972	June 2, 1972
<b>El Salvador</b>	June 9, 1982	Mar. 6, 1984	Apr. 5, 1984
<b>Estonia</b>	June 23, 1992	June 23, 1992	Jul. 23, 1992
Ethiopia	Sep. 21, 1965		
<b>Fiji</b>	July 1, 1977	Aug. 11, 1977	Sep. 10, 1977
<b>Finland</b>	July 14, 1967	Jan. 9, 1969	Feb. 8, 1969
<b>France</b>	Dec. 22, 1965	Aug. 21, 1967	Sep. 20, 1967
<b>Gabon</b>	Sep. 21, 1965	Apr. 4, 1966	Oct. 14, 1966
<b>Gambia, The</b>	Oct. 1, 1974	Dec. 27, 1974	Jan. 26, 1975
<b>Georgia</b>	Aug. 7, 1992	Aug. 7, 1992	Sep. 6, 1992
<b>Germany</b>	Jan. 27, 1966	Apr. 18, 1969	May 18, 1969
<b>Ghana</b>	Nov. 26, 1965	July 13, 1966	Oct. 14, 1966

State	Signature	Deposit of Ratification	Entry into Force of Convention
<b>Greece</b>	Mar. 16, 1966	Apr. 21, 1969	May 21, 1969
<b>Grenada</b>	May 24, 1991	May 24, 1991	June 23, 1991
Guatemala	Nov. 9, 1995		
<b>Guinea</b>	Aug. 27, 1968	Nov. 4, 1968	Dec. 4, 1968
Guinea-Bissau	Sep. 4, 1991		
<b>Guyana</b>	July 3, 1969	July 11, 1969	Aug. 10, 1969
Haiti	Jan. 30, 1985		
<b>Honduras</b>	May 28, 1986	Feb. 14, 1989	Mar. 16, 1989
<b>Hungary</b>	Oct. 1, 1986	Feb. 4, 1987	Mar. 6, 1987
<b>Iceland</b>	July 25, 1966	July 25, 1966	Oct. 14, 1966
<b>Indonesia</b>	Feb. 16, 1968	Sep. 28, 1968	Oct. 28, 1968
<b>Ireland</b>	Aug. 30, 1966	Apr. 7, 1981	May 7, 1981
<b>Israel</b>	June 16, 1980	June 22, 1983	July 22, 1983
<b>Italy</b>	Nov. 18, 1965	Mar. 29, 1971	Apr. 28, 1971
<b>Jamaica</b>	June 23, 1965	Sep. 9, 1966	Oct. 14, 1966
<b>Japan</b>	Sep. 23, 1965	Aug. 17, 1967	Sep. 16, 1967
<b>Jordan</b>	July 14, 1972	Oct. 30, 1972	Nov. 29, 1972
<b>Kazakhstan</b>	July 23, 1992	Sep. 21, 2000	Oct. 21, 2000
<b>Kenya</b>	May 24, 1966	Jan. 3, 1967	Feb. 2, 1967
<b>Korea, Rep. of</b>	Apr. 18, 1966	Feb. 21, 1967	Mar. 23, 1967
<b>Kuwait</b>	Feb. 9, 1978	Feb. 2, 1979	Mar. 4, 1979
Kyrgyz, Rep. of	June 9, 1995		
<b>Latvia</b>	Aug. 8, 1997	Aug. 8, 1997	Sep. 7, 1997
<b>Lesotho</b>	Sep. 19, 1968	July 8, 1969	Aug. 7, 1969
<b>Liberia</b>	Sep. 3, 1965	June 16, 1970	July 16, 1970
<b>Lithuania</b>	July 6, 1992	July 6, 1992	Aug. 5, 1992
<b>Luxembourg</b>	Sep. 28, 1965	July 30, 1970	Aug. 29, 1970
<b>Macedonia,</b> <b>former Yugoslav Rep. of</b>	Sep. 16, 1998	Oct. 27, 1998	Nov. 26, 1998
<b>Madagascar</b>	June 1, 1966	Sep. 6, 1966	Oct. 14, 1966
<b>Malawi</b>	June 9, 1966	Aug. 23, 1966	Oct. 14, 1966
<b>Malaysia</b>	Oct. 22, 1965	Aug. 8, 1966	Oct. 14, 1966
<b>Mali</b>	Apr. 9, 1976	Jan. 3, 1978	Feb. 2, 1978
Malta	Apr. 24, 2002		
<b>Mauritania</b>	July 30, 1965	Jan. 11, 1966	Oct. 14, 1966
<b>Mauritius</b>	June 2, 1969	June 2, 1969	July 2, 1969
<b>Micronesia</b>	June 24, 1993	June 24, 1993	July 24, 1993
Moldova	Aug. 12, 1992		
<b>Mongolia</b>	June 14, 1991	June 14, 1991	July 14, 1991
<b>Morocco</b>	Oct. 11, 1965	May 11, 1967	June 10, 1967
<b>Mozambique</b>	Apr. 4, 1995	June 7, 1995	July 7, 1995
Namibia	Oct. 26, 1998		
<b>Nepal</b>	Sep. 28, 1965	Jan. 7, 1969	Feb. 6, 1969
<b>Netherlands</b>	May 25, 1966	Sep. 14, 1966	Oct. 14, 1966
<b>New Zealand</b>	Sep. 2, 1970	Apr. 2, 1980	May 2, 1980
<b>Nicaragua</b>	Feb. 4, 1994	Mar. 20, 1995	Apr. 19, 1995
<b>Niger</b>	Aug. 23, 1965	Nov. 14, 1966	Dec. 14, 1966
<b>Nigeria</b>	July 13, 1965	Aug. 23, 1965	Oct. 14, 1966
<b>Norway</b>	June 24, 1966	Aug. 16, 1967	Sep. 15, 1967
<b>Oman</b>	May 5, 1995	July 24, 1995	Aug. 23, 1995
<b>Pakistan</b>	July 6, 1965	Sep. 15, 1966	Oct. 15, 1966
<b>Panama</b>	Nov. 22, 1995	Apr. 8, 1996	May 6, 1996
<b>Papua New Guinea</b>	Oct. 20, 1978	Oct. 20, 1978	Nov. 19, 1978
<b>Paraguay</b>	July 27, 1981	Jan. 7, 1983	Feb. 6, 1983
<b>Peru</b>	Sep. 4, 1991	Aug. 9, 1993	Sep. 8, 1993
<b>Philippines</b>	Sep. 26, 1978	Nov. 17, 1978	Dec. 17, 1978
<b>Portugal</b>	Aug. 4, 1983	July 2, 1984	Aug. 1, 1984
<b>Romania</b>	Sep. 6, 1974	Sep. 12, 1975	Oct. 12, 1975
Russian Federation	June 16, 1992		
<b>Rwanda</b>	Apr. 21, 1978	Oct. 15, 1979	Nov. 14, 1979

State	Signature	Deposit of Ratification	Entry into Force of Convention
Saint Vincent and the Grenadines	Aug. 7, 2001		
<b>Samoa</b>	Feb. 3, 1978	Apr. 25, 1978	May 25, 1978
Sao Tome and Principe	Oct. 1, 1999		
<b>Saudi Arabia</b>	Sep. 28, 1979	May 8, 1980	June 7, 1980
<b>Senegal</b>	Sep. 26, 1966	Apr. 21, 1967	May 21, 1967
<b>Seychelles</b>	Feb. 16, 1978	Mar. 20, 1978	Apr. 19, 1978
<b>Sierra Leone</b>	Sep. 27, 1965	Aug. 2, 1966	Oct. 14, 1966
<b>Singapore</b>	Feb. 2, 1968	Oct. 14, 1968	Nov. 13, 1968
<b>Slovak Republic</b>	Sep. 27, 1993	May 27, 1994	June 26, 1994
<b>Slovenia</b>	Mar. 7, 1994	Mar. 7, 1994	Apr. 6, 1994
<b>Solomon Islands</b>	Nov. 12, 1979	Sep. 8, 1981	Oct. 8, 1981
<b>Somalia</b>	Sep. 27, 1965	Feb. 29, 1968	Mar. 30, 1968
<b>Spain</b>	Mar. 21, 1994	Aug. 18, 1994	Sept. 17, 1994
<b>Sri Lanka</b>	Aug. 30, 1967	Oct. 12, 1967	Nov. 11, 1967
<b>St. Kitts &amp; Nevis</b>	Oct. 14, 1994	Aug. 4, 1995	Sep. 3, 1995
<b>St. Lucia</b>	June 4, 1984	June 4, 1984	July 4, 1984
<b>Sudan</b>	Mar. 15, 1967	Apr. 9, 1973	May 9, 1973
<b>Swaziland</b>	Nov. 3, 1970	June 14, 1971	July 14, 1971
<b>Sweden</b>	Sep. 25, 1965	Dec. 29, 1966	Jan. 28, 1967
<b>Switzerland</b>	Sep. 22, 1967	May 15, 1968	June 14, 1968
<b>Tanzania</b>	Jan. 10, 1992	May 18, 1992	June 17, 1992
Thailand	Dec. 6, 1985		
<b>Togo</b>	Jan. 24, 1966	Aug. 11, 1967	Sep. 10, 1967
<b>Tonga</b>	May 1, 1989	Mar. 21, 1990	Apr. 20, 1990
<b>Trinidad and Tobago</b>	Oct. 5, 1966	Jan. 3, 1967	Feb. 2, 1967
<b>Tunisia</b>	May 5, 1965	June 22, 1966	Oct. 14, 1966
<b>Turkey</b>	June 24, 1987	Mar. 3, 1989	Apr. 2, 1989
<b>Turkmenistan</b>	Sep. 26, 1992	Sep. 26, 1992	Oct. 26, 1992
<b>Uganda</b>	June 7, 1966	June 7, 1966	Oct. 14, 1966
<b>Ukraine</b>	May 28, 1998	June 7, 2000	July 7, 2000
<b>United Arab Emirates</b>	Dec. 23, 1981	Dec. 23, 1981	Jan. 22, 1982
<b>United Kingdom of Great Britain and Northern Ireland</b>	May 26, 1965	Dec. 19, 1966	Jan. 18, 1967
<b>United States of America</b>	Aug. 27, 1965	June 10, 1966	Oct. 14, 1966
<b>Uruguay</b>	May 28, 1992	Aug. 9, 2000	Sep. 8, 2000
<b>Uzbekistan</b>	Mar. 17, 1994	July 26, 1995	Aug. 25, 1995
<b>Venezuela</b>	Aug. 18, 1993	May 2, 1995	June 1, 1995
Yemen, Republic of	Oct. 28, 1997		
<b>Zambia</b>	June 17, 1970	June 17, 1970	July 17, 1970
<b>Zimbabwe</b>	Mar. 25, 1991	May 20, 1994	June 19, 1994

<sup>1</sup> In addition, the Socialist Federal Republic of Yugoslavia signed the Convention on March 21, 1967 and deposited its instrument of ratification on the same date.

## **Resolutions of the Administrative Council**

The following resolutions were adopted by the Administrative Council at its Thirty-fifth Annual Meeting on December 4, 2001.

### **AC(35)/RES/95—Approval of the Annual Report**

The Administrative Council

RESOLVES

To approve the 2001 Annual Report on the Operation of the Centre.

### **AC(35)/RES/96—Adoption of Budget for Fiscal Year 2002**

The Administrative Council

RESOLVES

To adopt, for the period July 1, 2001 to June 30, 2002, the budget set forth in paragraph 2 of ICSID Document No. 2.

## Annex 3

**Report and Financial Statements**

Expressed in United States dollars

**Statement of Financial Position**

	June 30, 2002	June 30, 2001
<b>ASSETS</b>		
Cash and cash equivalents .....	\$ 3,121,366	\$2,662,334
Total assets .....	<u>\$ 3,121,366</u>	<u>\$2,662,334</u>
<b>LIABILITIES AND NET ASSETS</b>		
Funds available for arbitration proceedings:		
Advances from parties to arbitration proceedings .....	\$ 2,053,284	\$2,253,031
Unpaid expenses related to arbitration proceedings .....	733,972	131,365
Investment income due to parties to arbitration proceedings .....	334,110	277,938
Total liabilities .....	3,121,366	2,662,334
Total net assets .....	<u>—</u>	<u>—</u>
Total liabilities and net assets .....	<u>\$ 3,121,366</u>	<u>\$2,662,334</u>

**Statement of Activities**

	<i>For the year ended June 30,</i> 2002	<i>2001</i>
Support and revenue:		
In-kind contributions (Notes 2 and 3) .....	\$ 1,847,018	\$1,526,539
Sale of publications, registration fees and administrative fees .....	148,873	149,673
Revenues from parties to arbitration proceedings (Note 2) .....	3,811,742	2,238,788
Total support and revenue .....	5,807,633	3,915,000
Expenses:		
Value of services provided by the Bank (Notes 2 and 3) .....	1,995,891	1,676,212
Expenses related to arbitration proceedings .....	3,811,742	2,238,788
Total expenses .....	5,807,633	3,915,000
Change in net assets .....	<u>\$ —</u>	<u>\$ —</u>

**Statement of Cash Flows**

	<i>For the year ended June 30,</i> 2002	<i>2001</i>
Cash flows from operating activities:		
Change in net assets .....	\$ —	\$ —
(Decrease)/Increase in advances from parties to arbitration proceedings .....	(199,747)	680,219
Increase/(Decrease) in unpaid expenses related to arbitration proceedings .....	602,607	(23,568)
Increase in investment income due to parties to arbitration proceedings .....	56,172	144,598
Net cash provided by operating activities .....	459,032	801,249
Cash and cash equivalents at beginning of fiscal year .....	2,662,334	1,861,085
Cash and cash equivalents at end of fiscal year .....	<u>\$ 3,121,366</u>	<u>\$2,662,334</u>

The accompanying notes are an integral part of these financial statements.

(continued)

**Annex 3** (continued)**Notes to Financial Statements**

June 30, 2002 and June 30, 2001

**Note 1-Organization**

The International Centre for Settlement of Investment Disputes (the Centre) was established on October 14, 1966 to provide facilities for the conciliation and arbitration of investment disputes between States and nationals of other States. On February 13, 1967, the International Bank for Reconstruction and Development (the Bank) and the Centre entered into Administrative Arrangements which were effective as of the date of the establishment of the Centre. The Memorandum of Administrative Arrangements (the Memorandum) provides that, except to the extent that the Centre may be reimbursed by the parties to proceedings for fees and expenses of members of Conciliation Commissions, Arbitral Tribunals or *ad hoc* Committees, the Bank shall provide facilities and services to the Centre, as described in Notes 2 and 3.

**Note 2-Summary of Significant Accounting Policies**

*Basis of Accounting and Financial Statement Presentation:* The financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and with International Accounting Standards. Such financial statements are presented in accordance with Statement of Financial Accounting Standard No. 117, "*Financial Statements of Not-For-Profit-Organizations*" (SFAS No. 117). SFAS No. 117 requires that net assets are classified in accordance with donor restrictions; however, there are no net assets as of June 30, 2002 and 2001.

*Use of Estimates:* The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenues and expenses during the reporting period. Actual results could differ from these estimates.

*Cash Equivalents:* The Centre considers all highly liquid debt investments purchased with an original maturity of three months or less to be cash equivalents.

*Value of Services Provided by the Bank and In-kind Contributions:* In accordance with Statement of Financial Accounting Standard No. 116, "*Accounting for Contributions Received and Contributions Made*", the value of services provided by the Bank is determined by the estimated fair value of these services and is recorded by the Centre as in-kind contributions and also as expenses of the Centre (see Note 3).

The Bank provides support services and facilities to the Centre including the following:

**Annex 3** (continued)

- (1) the services of staff members and consultants; and
- (2) other administrative services and facilities, such as travel, communications, office accommodations, furniture, equipment, supplies and printing.

*Revenue Recognition from Arbitration Proceedings:* The Centre does not have resources of its own. The Centre's direct expenses attributable to arbitration proceedings are borne by the parties in accordance with the Centre's Administrative and Financial Regulations (Regulations). In accordance with these Regulations, the Secretary-General calls on the parties to make advance deposits with the Centre from time to time to defray these anticipated expenses. Accordingly, the Centre recognizes revenues from these exchange transactions during the period of and to the extent of expenses incurred related to arbitration proceedings. If, after the completion of an arbitration proceeding, it is determined that there is a cash surplus, such surplus shall be refunded to the parties in proportion to the amounts advanced by each party to the Centre.

**Note 3 - Value of Services Provided by the Bank and In-kind Contributions**

The recorded value of services provided by the Bank, less sale of publications and registration fees by the Centre, are shown below :

	For the year ended June 30	
	2002	2001
Staff services (including benefits) .....	\$ 1,431,119	\$1,125,096
Administrative services and facilities:		
Travel .....	102,746	58,152
Contractual services .....	65,385	132,858
Office accommodations .....	155,212	123,988
Other .....	<u>241,429</u>	<u>236,118</u>
Total recorded value of services provided by the Bank .....	1,995,891	1,676,212
Less: Sale of publications and various fees .....	<u>148,873</u>	<u>149,673</u>
Total in-kind contributions .....	<u>\$ 1,847,018</u>	<u>\$1,526,539</u>

Revenue earned by the Centre from the sale of publications and registration fees is remitted to the Bank as partial reimbursement for the services provided by the Bank. In the fiscal year ended June 30, 2001, the Centre started the practice of charging an administrative fee equivalent to 8% of the total amounts disbursed in cases where the parties involved in a dispute that does not fall under the ICSID Convention request the Centre to undertake the arrangements in connection with the proceeding. In the fiscal year ended June 30, 2002, the Centre started to charge an administrative fee of \$2,000 for each case registered after January 1, 2001. Such amounts are netted against in-kind contributions in the accompanying statement of activities.

**Annex 3** (continued)**Independent Auditor's Report**

To: International Centre for Settlement  
of Investment Disputes

We have audited the accompanying statements of financial position of the International Centre for Settlement of Investment Disputes (the Centre) as of June 30, 2002 and 2001, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the management of the International Bank for Reconstruction and Development and of the Centre. Our responsibility is to express an opinion on the financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and with the International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the International Centre for Settlement of Investment Disputes as of June 30, 2002 and 2001, and the changes in its net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America and with International Accounting Standards.

*Deloitte Touche Tohmatsu (International Firm)*

Washington, D.C.  
July 18, 2002



**Annex 4****Publications of ICSID**

**(Publications available from the Centre free of charge unless otherwise indicated)**

*Convention on the Settlement of Investment Disputes between States and Nationals of Other States, and Accompanying Report of the Executive Directors of the International Bank for Reconstruction and Development*, Doc. ICSID/2 (English, French and Spanish)

*List of Contracting States and Other Signatories of the Convention*, Doc. ICSID/3 (periodic updates) (English, French and Spanish)

*ICSID Regulations and Rules*, Doc. ICSID/4/Rev.1 (May 1975) (contains the texts of the Centre's Regulations and Rules in effect from January 1, 1968 to September 26, 1984) (English, French and Spanish)

*ICSID Model Clauses*, Doc. ICSID/5/Rev.1 (February 1, 1993) (English, French and Spanish)

*Members of the Panels of Conciliators and of Arbitrators*, Doc. ICSID/10 (periodic updates) (English)

*ICSID Additional Facility for the Administration of Conciliation, Arbitration and Fact-Finding Proceedings*, Doc. ICSID/11 (June 1979) (English, French and Spanish)

*ICSID Bibliography*, Doc. ICSID/13/Rev.4 (April 15, 1997) (English)

*ICSID Basic Documents*, Doc. ICSID/15 (January 1985) (contains the texts of the Centre's Regulations and Rules in effect from September 26, 1984 and the text of the ICSID Convention) (English, French and Spanish)

*Bilateral Investment Treaties 1959-1996: Chronological Country Data and Bibliography*, Doc. ICSID/17 (May 30, 1997) (English)

*ICSID Annual Report* (1967—) (English, French and Spanish)

*News from ICSID* (semi-annual) (English)

*Documents Concerning the Origin and Formulation of the Convention on the Settlement of Investment Disputes between States and Nationals of Other States* (1967) (English, French and Spanish) (available from the Centre at US\$ 250)

*Investment Laws of the World* (ten looseleaf volumes) and *Investment Treaties* (seven looseleaf volumes) (available from Oceana Publications, Inc., 75 Main Street, Dobbs Ferry, N.Y. 10522, U.S.A. at US\$ 1,500 for both sets of volumes, US\$ 950 for the ten *Investment Laws of the World* volumes only and US\$ 550 for the seven *Investment Treaties* volumes only)

*ICSID Review—Foreign Investment Law Journal* (semi-annual) (available on a subscription basis, at US\$ 70 per year for those with a mailing address in an OECD country and US\$ 35 for others, plus postal charges, from Journals Publishing Division, The Johns Hopkins University Press, 2715 North Charles Street, Baltimore, Maryland 21218-4363, U.S.A.)

*Bilateral Investment Treaties* by Rudolf Dolzer and Margrete Stevens (Martinus Nijhoff Publishers, 1995) (US\$ 124)

*The ICSID Convention: A Commentary* by Christoph H. Schreuer (Cambridge University Press, 2001) (US\$ 225)

ICSID's website: [www.worldbank.org/icsid](http://www.worldbank.org/icsid)

Most of the above publications are now also available on ICSID's website.

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