

I C S I D

# **1996 ANNUAL REPORT**



International Centre for  
Settlement of Investment Disputes

**I C S I D**

# **1996 ANNUAL REPORT**



**International Centre for  
Settlement of Investment Disputes**

## Table of Contents

### *Page*

<b>3</b>	Letter of Transmittal
<b>4</b>	Introduction by the Secretary-General
<b>6</b>	Membership
<b>6</b>	Disputes before the Centre
<b>8</b>	Panels of Conciliators and of Arbitrators
<b>9</b>	Publications and Advisory Activities
<b>10</b>	Conferences
<b>11</b>	Twenty-Ninth Annual Meeting of the Administrative Council
<b>12</b>	Finance

---

International Centre for Settlement of  
Investment Disputes

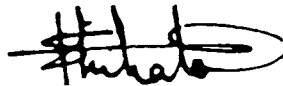
September 6, 1996

Dear Mr. Chairman:

Pursuant to Administrative and Financial Regulation 5(4), I hereby 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, 1995 to June 30, 1996.

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

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Shihata', with a large, stylized flourish extending from the end of the name.

Ibrahim F.I. Shihata  
Secretary-General

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

## Introduction by the Secretary-General

During fiscal year 1996, there was further growth in ICSID's membership. Three Arab countries—Algeria, Bahrain and Oman—joined the Centre, bringing to 13 the number of Arab members of ICSID. The Bahamas, Panama and St. Kitts & Nevis also became ICSID members during the year. They brought to 20 the number of Western Hemisphere members. In addition, Guatemala began the process of joining ICSID by signing the ICSID Convention while Uzbekistan completed that process by ratifying the Convention. Altogether, there were, at the close of the fiscal year, 139 signatory States of the Convention and 126 member countries of ICSID.

Investment treaties continued to proliferate during the year. There are now over one thousand treaties of this kind. Most of these treaties provide for the settlement by ICSID arbitration of disputes arising out of investments covered by the treaties. Several recent investment laws contain similar references to ICSID arbitration. Some of the laws and treaties also provide for the possibility of submitting such disputes to ad hoc arbitration under the Arbitration Rules of the United Nations Commission on International Trade Law, with the ICSID Secretary-General as the designated appointing authority of arbitrators. During the year, the members of the Organisation for Economic Co-operation and Development also continued to work towards the conclusion, in 1997, of a Multilateral Agreement on Investment which is expected to contain dispute-settlement provisions referring to, among other mechanisms, ICSID arbitration.

These trends were reflected in the Centre's caseload during 1996. The number of cases brought under the ICSID Convention has, in just five years, increased by one-third. About one-half of the new cases have been brought to the Centre on the basis of provisions in investment laws and treaties such as those mentioned above. Another interesting aspect of the current caseload of the Centre is that it includes the first ICSID arbitration proceedings involving Latin American countries. During the year, one Latin American country also deposited with the Centre a unilateral consent to submit to ICSID arbitration a series of expropriation claims. In addition, the Centre received several requests for me to act under arbitration arrangements designating the ICSID Secretary-General as the appointing authority of ad hoc arbitrators. In one case, the request was followed by an amicable settlement of the dispute, suggesting that under this type of arrangement, as under agreements providing for recourse to ICSID's regular conciliation and arbitration facilities, the Centre can play a role in promoting amicable settlements.

As in past years, the Centre also carried out research, publications and advisory work in the fields of arbitration and investment law. The staff commenced a major study of contemporary approaches to the legal treatment of foreign investment. Two issues of the *ICSID Review—Foreign Investment Law Journal* were published, including the twentieth issue of this now well-established and highly respected periodical. Staff efforts in the collection of investment laws and treaties were reflected in the publication of three new releases for the

Centre's multivolume *Investment Laws of the World* and *Investment Treaties*. Advisory work included advice to countries upon their request on five draft investment laws and advice to governments and foreign investors on draft arbitration provisions of a dozen international investment contracts. Another noteworthy activity was ICSID's participation in meetings of an Expert Group convened by the OECD to help develop the dispute-settlement provisions of the projected Multilateral Agreement on Investment.

In sum, 1996 was another fruitful year for the Centre in which it continued to play a significant role in legal matters relating to international investment.

**Ibrahim F.I. Shihata**  
**Secretary-General**

---

## Membership

In the past fiscal year, the Convention was signed by the Bahamas, Bahrain, Guatemala and Panama. Instruments of ratification were deposited by Algeria, the Bahamas, Bahrain, Oman, Panama, St. Kitts and Nevis, and Uzbekistan. As of June 30, 1996, there were 139 signatory States of the Convention; of these, 126 had also ratified the Convention. A complete list of Contracting States and Other Signatories of the Convention as of June 30, 1996 appears in Annex 1.

## Disputes before the Centre

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

- (1) *American Manufacturing & Trading, Inc. v. Republic of Zaire* (Case ARB/93/1)

November 24, 1995—The Tribunal meets in Geneva.

- (2) *Philippe Gruslin v. Government of Malaysia* (Case ARB/94/1)

February 8, 1996—The parties inform the Sole Arbitrator that they have settled the dispute and request the Sole Arbitrator to issue an order taking note of the discontinuance of the proceeding under Arbitration Rule 43(1).

April 24, 1996—The Order of the Sole Arbitrator taking note of the discontinuance of the proceeding is notified to the parties.

- (3) *SEDITEX Engineering Beratungsgesellschaft für die Textilindustrie m.b.H. v. Government of Madagascar* (Case CONC/94/1)

August 22, 1995—SEDITEX files its observations on the Republic of Madagascar's proposals.

September 19, 1995—The Conciliation Commission meets with the parties in Paris.

December 21, 1995 and February 14, 1996—The Conciliation Commission meets in Brussels.

May 20, 1996—The Conciliation Commission meets with the parties in Paris.

- (4) *Tradex Hellas S.A. v. Republic of Albania* (Case ARB/94/2)

January 3, 1996—The Tribunal is constituted. Its members are: Professor Karl-Heinz Böckstiegel (German), President, Mr. Fred F. Fielding (U.S.) and Professor Andrea Giardina (Italian).

April 10, 1996—The Tribunal holds its first session with the parties in Frankfurt.

April 19, 1996—The Respondent files its Objections to Jurisdiction.

June 10, 1996—The parties file their Observations on the Objections to Jurisdiction.

- (5) *Leaf Tobacco A. Michaelides S.A. and Greek Albanian Leaf Tobacco & Co. S.A. v. Republic of Albania* (Case ARB/95/1)

June 10, 1996—The Claimants inform the Centre that they choose the formula provided for in Article 37(2)(b) of the Convention for the Constitution of an Arbitral Tribunal, that is, one arbitrator appointed by each party and a third, presiding, arbitrator appointed by agreement of the parties.

- (6) *Cable Television of Nevis, Ltd. and Cable Television of Nevis Holdings, Ltd. v. Federation of St. Kitts and Nevis* (Case ARB/95/2)

November 14, 1995—The Secretary-General registers a request for the institution of arbitration proceedings.

February 16, 1996—The Tribunal is constituted. Its members are: Mr. Woodbine A. Davis (Barbadian), President, Mr. Arthur Maynard (Barbadian) and Mr. Rex McKay (Guyanese).

March 12, 1996—The Tribunal holds its first session with the parties in Barbados.

The Respondent files its Objections to Jurisdiction.

April 2, 1996—The Claimants file their Response to the Objections to Jurisdiction.

April 23, 1996—The Respondent files its Observations on the Claimants' Response to the Objections to Jurisdiction.

- (7) *Antoine Goetz and others v. Republic of Burundi* (Case ARB/95/3)

December 18, 1995—The Secretary-General registers a request for the institution of arbitration proceedings.

June 26, 1996—The Tribunal is constituted. Its members are: Professor Prosper Weil (French), President, Judge Mohammed Bedjaoui (Algerian) and Professor Jean-Denis Bredin (French).



## Panels of Conciliators and of Arbitrators

- (8) *Compañía del Desarrollo de Santa Elena S.A. v. Government of Costa Rica (Case ARB/96/1)*

March 22, 1996—The Secretary-General registers a request for the institution of arbitration proceedings.

- (9) *Misima Mines Pty. Ltd. v. Independent State of Papua New Guinea (Case ARB/96/2)*

April 29, 1996—The Secretary-General registers a request for the institution of arbitration proceedings.

- (10) *Fedax N.V. v. Republic of Venezuela (Case ARB/96/3)*

June 26, 1996—The Secretary-General registers a request for the institution of arbitration proceedings.

Pursuant to Article 3 of the 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, 23 designations were made to the Panels. These are listed below. With these designations, the Panels comprise 379 names.

### CHAIRMAN'S LIST

*Panels of Conciliators and of Arbitrators*—Designation effective as of March 22, 1996: Professor Philippe Fouchard (University of Paris).

### BARBADOS

*Panels of Conciliators and of Arbitrators*—Designations effective as of February 27, 1996: Messrs. Woodbine A. Davis, Trevor Carmichael, Ken Hewitt (re-appointments) and Mr. Edward Bushell.

### CYPRUS

*Panels of Conciliators and of Arbitrators*—Designations effective as of January 3, 1996: H.E. Ambassador Andreas Jacovides (re-appointment), Messrs. Alecos Markides, Georgios Pikis and Theofilos Theofilou.

### EGYPT

*Panel of Conciliators*—Designations effective as of April 23, 1996: Dr. Ahmed Sadek El Kosheri and Dr. Mahmoud Samir El-Sharkawy (re-appointments).

# Publications and Advisory Activities

*Panel of Arbitrators*—Designations effective as of April 23, 1996: Mr. Mahmoud Fahmy and Dr. Ahmed Esmat Abdel Meguid (re-appointments).

*Panels of Conciliators and of Arbitrators*—Designations effective as of April 23, 1996: Dr. Mohie El Din Ali Ashmawi and Dr. Moufid Shehab.

## INDONESIA

*Panels of Conciliators and of Arbitrators*—Designations effective as of October 27, 1995: Mr. Mardjono Reksodiputro, Dr. Albert Hasibuan and Professor Sudargo Gautama.

## MALAYSIA

*Panels of Conciliators and of Arbitrators*—Designations effective as of February 14, 1996: Hon. Justice Dato' Faiza bin Tamby Chik, Hon. Justice Ian H.C. Chin and Hon. Justice Thiagrajah Selventhiranathan (re-appointment)

## 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: Vol. 12, No. 2 (Summer 1995) and Vol. 13, No. 1 (Winter 1996). The Summer 1995 issue included articles on foreign direct investment and the Asia Pacific region and on multilateral approaches to the settlement of investment disputes. The Winter 1996 issue included a paper on the rights and duties of ICSID arbitrators.

## ICSID Review—Foreign Investment Law Journal

Appearing twice yearly, the *ICSID Review* publishes materials on domestic and international law relating to foreign investments. The twentieth (Fall 1995) and twenty-first (Spring 1996) issues of the *Review* were completed during the year. The Fall 1995 issue featured articles on the development of a new international agreement on foreign direct investment, on the *lex mercatoria* and on arbitration under investment laws and treaties. The Spring 1996 issue included articles on German bilateral investment treaties, on *ex aequo et bono* decision-making under the ICSID Convention and on the jurisdiction of ICSID.

## Conferences

### Investment Laws of the World

During the year, ICSID issued a new release (95-5) of its ten-volume collection of *Investment Laws of the World*. This release contained the texts of the basic investment legislation of Chile, Costa Rica, Haiti, the Federated States of Micronesia and Peru, and supplements related to such legislation of Ecuador, Thailand and Tunisia. The collection now contains the text of the basic investment laws of some 95 countries.

### Investment Treaties

In the course of the year, two new releases (Releases 95-4 and 96-2) of the Centre's collection of *Investment Treaties* were published. These releases contained the texts of 46 bilateral investment treaties concluded by 37 countries in the period 1993-1995. The collection now contains some 600 bilateral investment treaties entered into by over 100 countries.

### Advisory Activities

The Secretariat continued in 1996 to provide advice on arbitration and investment law. Such advisory activities included reviewing and commenting on draft investment laws and draft arbitration provisions of investment contracts, at the request of governments and foreign investors. During FY96, ICSID Secretariat staff provided such advice in respect of five draft investment laws and on the draft arbitration provisions of twelve investment contracts.

The Centre co-sponsored three arbitration conferences in fiscal year 1996. These included the twelfth joint ICSID/American Arbitration Association/International Chamber of Commerce Court of Arbitration colloquium on international arbitration. This colloquium was held in Paris on November 17, 1995. At the colloquium, which was devoted to the topic of the status of the arbitrator, the ICSID Secretariat presented a paper on the rights and duties of ICSID arbitrators.

ICSID also co-sponsored, with the Asian-African Legal Consultative Committee's Regional Centre for Commercial Arbitration in Cairo, a conference on the Settlement of Energy, Petroleum and Gas Disputes. At the conference, which was held in Cairo on November 16-17, 1995, the Secretariat made presentations on arbitrating disputes under oil and gas agreements and on ICSID and the drafting of ICSID arbitration clauses. The third conference co-sponsored by ICSID in the fiscal year was a Conference on Dispute Resolution in the Americas organized by the Inter-American Commercial Arbitration Commission and the Center for Conciliation and Arbitration of St. Mary's University School of Law in San Antonio, Texas. Held in San Antonio on September 20-22, 1995, the Conference included a session on foreign investment arbitration at which the ICSID Secretariat presented a paper on ICSID and the Americas.

During the year, the Centre also took part in an Investment Symposium in Bangkok organized by the Asia Pacific Economic Cooperation forum. The symposium took place on

---

## **Twenty-Ninth Annual Meeting of the Administrative Council**

October 2–3, 1995 and included a session at which the ICSID Secretariat contributed a paper on multilateral approaches to the settlement of investment disputes.

The Twenty-Ninth Annual Meeting of the Administrative Council took place on October 10–12, 1995, 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 re-elected Mr. Ibrahim F.I. Shihata to the post of Secretary-General for a full term of six years. The Council also considered a report by the Secretary-General on recent developments in ICSID and approved the Centre's 1995 Annual Report and its Budget for fiscal year 1996. The Resolutions adopted at the Meeting are set forth in Annex 2.

---

## Finance

The Financial Statements of ICSID for fiscal year 1996 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**

*Page*

<b>14</b>	1. List of Contracting States and Other Signatories of the Convention
<b>17</b>	2. Resolutions of the Administrative Council
<b>18</b>	3. Report and Financial Statements
<b>22</b>	4. Publications of ICSID

---

## Annex 1

### Contracting States and Other Signatories of the Convention

(As of June 30, 1996)

The 139 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 126 States that have deposited instruments of ratification are in bold face, 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>Botswana</b>	Jan. 15, 1970	Jan. 15, 1970	Feb. 14, 1970
<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
Colombia	May 18, 1993		
<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>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>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
<b>Ecuador</b>	Jan. 15, 1986	Jan. 15, 1986	Feb. 14, 1986
<b>Egypt, Arab Republic 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	July 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	Jul. 13, 1966	Oct. 14, 1966
<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

State	Signature	Deposit of Ratification	Entry into Force of Convention
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
Kazakhstan	July 23, 1992		
<b>Kenya</b>	May 24, 1966	Jan. 3, 1967	Feb. 2, 1967
<b>Korea, Republic of</b>	Apr. 18, 1966	Feb. 21, 1967	Mar. 23, 1967
<b>Kuwait</b>	Feb. 9, 1978	Feb. 2, 1979	Mar. 4, 1979
Kyrgyz Republic	June 9, 1995		
<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>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
<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
<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 8, 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
<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



State	Signature			Deposit of Ratification		Entry into Force of Convention			
<b>St. Kitts and 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>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
Uruguay	May	28,	1992						
<b>Uzbekistan</b>	Mar.	17,	1994	July	26,	1995	Aug.	25,	1995
<b>Venezuela</b>	Aug.	18,	1993	May	2,	1995	June	1,	1995
<b>Western Samoa</b>	Feb.	3,	1978	Apr.	25,	1978	May	25,	1978
<b>[Yugoslavia, Socialist Federal Republic of]</b>	Mar.	21,	1967	Mar.	21,	1967	Apr.	20,	1967]
<b>Zaire</b>	Oct.	29,	1968	Apr.	29,	1970	May	29,	1970
<b>Zambia</b>	June	17,	1970	June	17,	1970	July	17,	1970
<b>Zimbabwe</b>	Mar.	25,	1991	May	20,	1994	June	19,	1994

---

**Annex 2**

## **Resolutions of the Administrative Council**

The following resolutions were adopted by the Administrative Council at its Twenty-Ninth Annual Meeting on October 10–12, 1995:

### **AC(29)/RES/81—Approval of the Annual Report**

The Administrative Council  
RESOLVES

To approve the 1995 Annual Report on the Operation of the Centre as set forth in the attachment to Document AC/95/3.

### **AC(29)/RES/82—Adoption of Budget for Fiscal Year 1996**

The Administrative Council  
RESOLVES

To adopt, for the period July 1, 1995 to June 30, 1996, the budget set forth in paragraph 2 of Document AC/95/2.

### **AC(29)/RES/83—Election of the Secretary-General**

The Administrative Council  
RESOLVES

(a) that Mr. Ibrahim F.I. Shihata be re-elected to the post of Secretary-General for a full term of six years, that is, until the close of the 2001 Annual Meeting of the Administrative Council of the Centre;

(b) that he be permitted to continue his employment by the World Bank Group; and

(c) that while so employed he receive no remuneration from the Centre.

---

**Annex 3****Report and Financial Statements**

Expressed in United States dollars

**Statement of Net Assets for ICSID Proceedings**

	<i>June 30, 1996</i>	<i>June 30, 1995</i>
Cash and investments .....	\$ 139,444	\$ 114,777
Funds available for arbitration proceedings:		
Advances from parties to arbitration proceedings .....	\$ 119,926	\$ 102,675
Investment income due to parties to arbitration proceedings .....	19,518	12,102
Total funds available for arbitration proceedings .....	139,444	114,777
Net assets .....	<u>\$ —</u>	<u>\$ —</u>

**Statement of Changes in Cash and Investments for ICSID Proceedings**

	<i>For the year ended June 30 1996</i>	<i>1995</i>
Cash and investments at beginning of fiscal year .....	\$ 114,777	\$ 48,003
Advances to Centre from parties to arbitration proceedings .....	335,000	162,000
Investment income earned .....	7,416	5,926
Disbursements by Centre for fees and expenses for arbitration proceedings .....	(313,655)	(98,907)
Advances and related investment income refunded to parties upon completion of arbitration proceedings .....	(4,094)	(2,245)
Cash and investments at end of fiscal year .....	<u>\$ 139,444</u>	<u>\$ 114,777</u>

The accompanying note is an integral part of these financial statements.

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

June 30, 1996 and June 30, 1995

The accompanying statements have been prepared in accordance with generally accepted accounting principles in the United States and with International Accounting Standards and in accordance with the Memorandum of Administrative Arrangements (the Memorandum) between the International Centre for Settlement of Investment Disputes (the Centre) and the International Bank for Reconstruction and Development (the Bank) which became effective as of October 14, 1966. 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 the following facilities and services to the Centre:

- (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.

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

	<i>For the year ended June 30</i>	
	<i>1996</i>	<i>1995</i>
Staff services (including benefits) .....	\$ 599,877	\$ 541,862
Administrative services and facilities:		
Travel .....	23,748	24,217
Contractual services .....	105,236	113,620
Office accommodations .....	91,770	66,255
Other .....	56,882	35,236
Less: Sale of publications and registration fees .....	10,179	23,000
Total .....	<u>\$ 867,334</u>	<u>\$ 758,190</u>

The financial statements do not reflect the value of these services.



**Annex 3** (continued)

These expenditures represent only the amounts identified by the Bank as being directly related to the Centre.

The Centre does not have resources of its own. The Centre's expenses which are attributable to arbitration proceedings are borne by the parties in accordance with the Centre's Administrative and Financial 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 expenses. 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 to the Centre.

---

---

**Annex 3** (continued)**Report of Independent Accountants**

1301 K Street, N.W.  
Washington, D.C. 20005

July 26, 1996

To International Centre for Settlement  
of Investment Disputes

In our opinion, the accompanying statement of net assets for ICSID proceedings and the related statement of changes in cash and investments for ICSID proceedings present fairly, in all material respects, the financial position of the International Centre for Settlement of Investment Disputes at June 30, 1996 and June 30, 1995, and changes in its cash and investments for the years ended June 30, 1996 and June 30, 1995, in conformity with generally accepted accounting principles in the United States and with International Accounting Standards, and in accordance with the Administrative Arrangements between the International Bank for Reconstruction and Development (the Bank) and the International Centre for Settlement of Investment Disputes (the Centre). These financial statements are the responsibility of the Bank's and the Centre's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with generally accepted auditing standards, including International Standards on Auditing, which 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, assessing the accounting principles used and the significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for the opinion expressed above.

*Price Waterhouse*  
*(International Firm)*

Price Waterhouse  
(International Firm)  
Washington, D.C.

---

**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. 2 (February 1, 1993) (English, French, and Spanish)

Contracting States and Measures Taken by Them for the Purpose of the Convention, Doc. ICSID/8 (periodic updates) (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. 3 (July 15, 1994) (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)

ICSID Cases, Doc. ICSID/16/Rev. 4 (July 31, 1995) (English)

ICSID Annual Report (1967– ) (English, French and Spanish)

News from ICSID (semi-annual) (English)

Towards A Greater Depoliticization of Investment Disputes: The Roles of ICSID and MIGA by Ibrahim F.I. Shihata (January 1992) (English and Spanish)

---

**Annex 4** (continued)

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\$40)

Investment Laws of the World (ten looseleaf volumes) and Investment Treaties (six 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 Investments Laws of the World volumes only and US\$595 for the six Investment Treaties volumes only)

ICSID Review—Foreign Investment Law Journal (semi-annual) (available on a subscription basis, at US\$50 per year for those with a mailing address in an OECD country and US\$25 for others, plus postal charges, from Journals Publishing Division, The Johns Hopkins University Press, 2715 North Charles Street, Baltimore, Maryland 21218-4319, U.S.A.)

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

---





# **ICSID**

1818 H Street, N.W.  
Washington, D.C. 20433, U.S.A.

Telephone: (202) 477-1234  
Fax: (202) 522-2615