



## PRESS RELEASE

### ARBITRATION BETWEEN AEROPORT BELBEK LLC AND MR. IGOR VALERIEVICH KOLOMOISKY AS CLAIMANTS AND THE RUSSIAN FEDERATION

THE HAGUE, 22 NOVEMBER 2019

#### **Respondent Appears in the Arbitration; Tribunal Fixes Calendar for Written Submissions on Compensation**

As reported previously (Press Release dated 15 February 2019), on 4 February 2019 the Tribunal issued a Partial Award addressing the Respondent's liability in respect of the Claimants' claims under the Ukraine-Russia BIT, as well as all outstanding issues of jurisdiction and admissibility. The issue of compensation was deferred to a subsequent phase of the proceedings.

On 7 June 2019, the Respondent, which had not previously participated in the proceedings, expressed "its willingness to appear in this Arbitration." By letters of 7 June, 3 July and 9 July 2019, the Respondent requested the Tribunal to (i) allow the Respondent to make written and oral submissions on jurisdiction; (ii) in the alternative, stay the proceedings pending the outcome of set aside proceedings initiated by the Respondent on 3 June 2019 before the Court of Appeal in The Hague against the Tribunal's Interim Award dated 24 February 2017 and its Partial Award dated 4 February 2019; and (iii) if the Tribunal's jurisdiction is confirmed, give the Respondent an opportunity to raise objections in relation to the claim on the merits and quantum, including by way of an evidentiary hearing (the "Respondent's Applications").

By letters dated 21 June and 8 July 2019, the Claimants objected to the Respondent's Applications, save for its request to submit a written defense on issues of quantum.

On 21 August 2019, the Tribunal issued a procedural order denying the Respondent's Applications except insofar as the Respondent sought to make written submissions on the issue of compensation, noting that the Respondent "will have the opportunity to make all of its jurisdictional arguments before the Hague Court of Appeal in the Set Aside Proceedings."

On 12 September 2019, after consulting the Parties, the Tribunal fixed the following calendar for the Parties' written submissions on compensation:

21 February 2020	Respondent's Submission on Compensation
21 May 2020	Claimants' Reply on Compensation
21 July 2020	Respondent's Rejoinder on Compensation

On 21 October 2019, the Respondent paid its share of deposits requested by the Tribunal.

#### **Background on the Arbitration**

The above-referenced arbitration was commenced by the Claimants against the Russian Federation pursuant to the Ukraine-Russia BIT and in accordance with the UNCITRAL Arbitration Rules 1976 on 13 January 2015. The Claimants contended that the Russian Federation had breached its obligations under the Ukraine-Russia BIT by taking measures that deprived the Claimants of their property,

contractual and other rights to operate a passenger terminal for commercial flights at the Belbek Airport in Crimea.

The Tribunal was constituted on 14 April 2015. It is comprised of Professor Pierre-Marie Dupuy (Presiding Arbitrator), Sir Daniel Bethlehem, QC (appointed by the Claimants), and Dr. Václav Mikulka (appointed by the appointing authority, H.E. Judge Bruno Simma, on behalf of the Respondent).

Under the instructions of the Tribunal, the PCA will from time to time issue press releases containing information on the procedural steps taken by the Tribunal. Basic information about the proceedings is available on the PCA website at <https://pca-cpa.org/en/cases/123/>.

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### **Background on the Permanent Court of Arbitration**

The Permanent Court of Arbitration is an intergovernmental organization established by the 1899 Hague Convention on the Pacific Settlement of International Disputes. The PCA has 122 Contracting Parties. Headquartered at the Peace Palace in The Hague, the Netherlands, the PCA facilitates arbitration, conciliation, fact-finding, and other dispute resolution proceedings among various combinations of States, State entities, intergovernmental organizations, and private parties. The PCA's International Bureau is currently administering 4 interstate arbitrations, 104 investor-State arbitrations, 53 cases arising under contracts involving a State or other public entity, and 2 other disputes. More information about the PCA can be found at [www.pca-cpa.org](http://www.pca-cpa.org).

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