Presentation on ICSID Review Article

Conciliation and Mediation in ISDS Provisions: A Quantitative and Qualitative Analysis

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Conciliation and Mediation IIA Provisions

- 1. What's in the treaties?
- 2. Are they being used?
- 3. Why are they not being used?
- 4. How can this be changed?









ARE THEY BEING USED?



WHY ARE THEY NOT BEING USED?



HOW CAN THIS BE CHANGED?

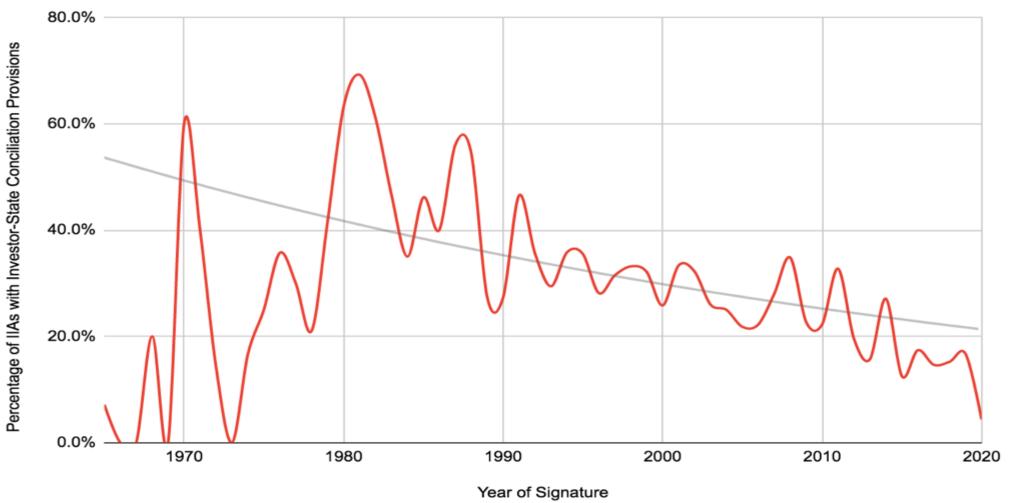


Key Findings on Conciliation and Mediation in ISDS

- 1. We conducted keyword searches of 3815 international investment agreements (IIAs) for "conciliation" and "mediation"
- 2. 2674 IIAs (or 70%) did not refer to "conciliation" or "mediation" in ISDS provisions
- 3. Total of 1141 IIAs referred to conciliation and/or mediation in ISDS provisions
 - 1125 IIAs (or 30%) referred to "conciliation" in ISDS provisions
 - 53 IIAs (or 1.4%) referred to "mediation" in ISDS provisions

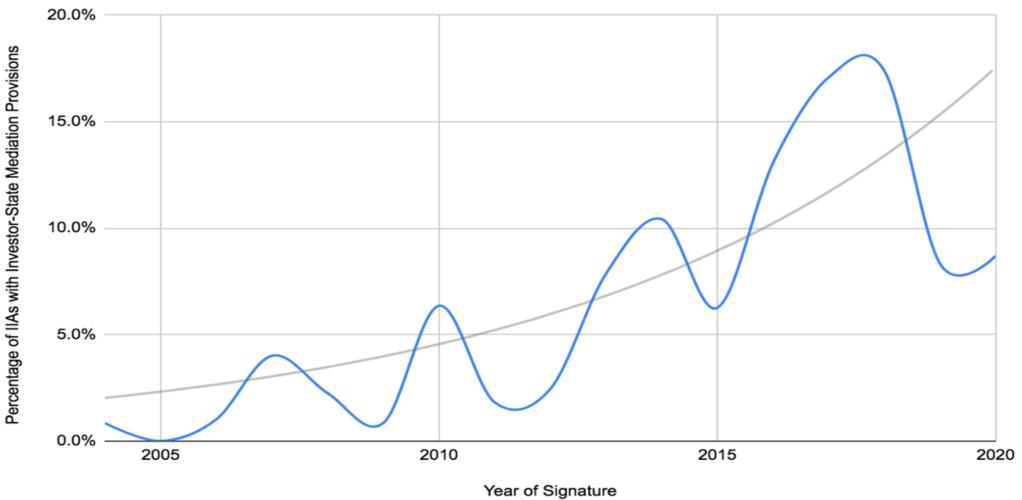


Percentage of IIAs with Investor-State Conciliation Provisions by Year of Signature



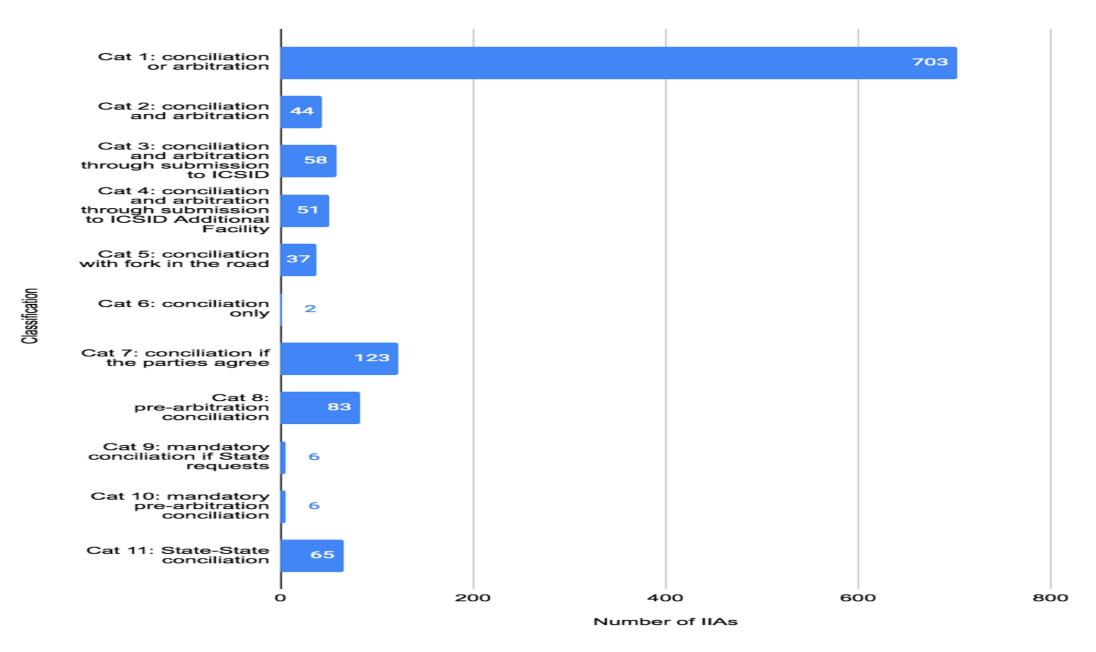


Percentage of IIAs with Investor-State Mediation Provisions by Year of Signature

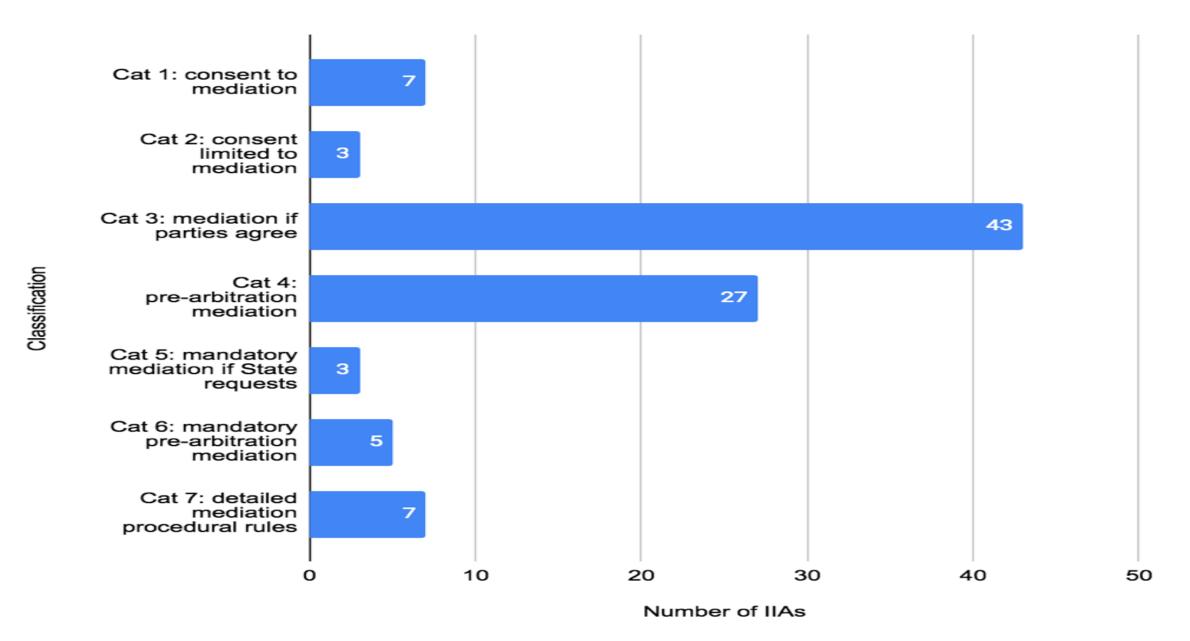




Types of Conciliation Provisions



Types of Mediation Provisions









ARE THEY BEING USED?



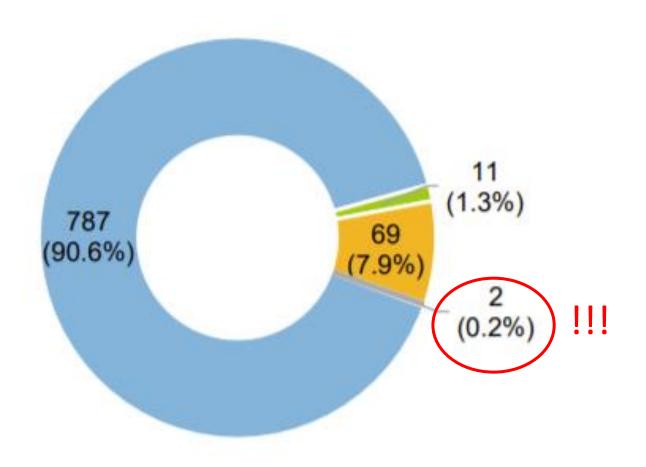
WHY ARE THEY NOT BEING USED?



HOW CAN THIS BE CHANGED?



Very rarely!



- ICSID Convention Arbitration Cases
- ICSID Convention Conciliation Cases
- ICSID Additional Facility Arbitration Cases
- ICSID Additional Facility Conciliation Cases

Source: ICSID Caseload Statistics 2022









ARE THEY BEING USED?



WHY ARE THEY NOT BEING USED?



HOW CAN THIS BE CHANGED?



Reasons for non-use

- 1. 70 % of IIAs do not refer to conciliation or mediation
- 2. The "fork" fear (in "conciliation or arbitration")
- 3. Lack of familiarity by government officials or local obstacles









ARE THEY BEING USED?



WHY ARE THEY NOT BEING USED?



HOW CAN THIS BE CHANGED?



Implementing Change

- 1. Increase quantity of provisions
- 2. Improve quality of provisions



Improve Quality

- 1. Provide advance consent to conciliation and/or mediation
- 2. Clarify that the choice of conciliation/mediation or arbitration does not trigger a "fork-in-the-road"
- 3. Encourage conciliation or mediation during the prearbitration consultation phase
 - shorten cooling off period if parties attempt conciliation/mediation (Prof Dorcas Quek proposal)



Improve Quality

- 4. Provide more detailed guidance on how meditation will function, stating the efficiencies to be gained
- 5. Consider making conciliation or mediation a mandatory pre-condition to arbitration
 - Only 7 treaties require this at present (e.g. Costa Rica-UAE BIT (2017))
- Empower tribunal to propose to the parties (in a nonbinding manner) that certain issues may benefit from a separate conciliation or mediation procedure
 - Risk: prejudgment of issues by tribunal



The Future?

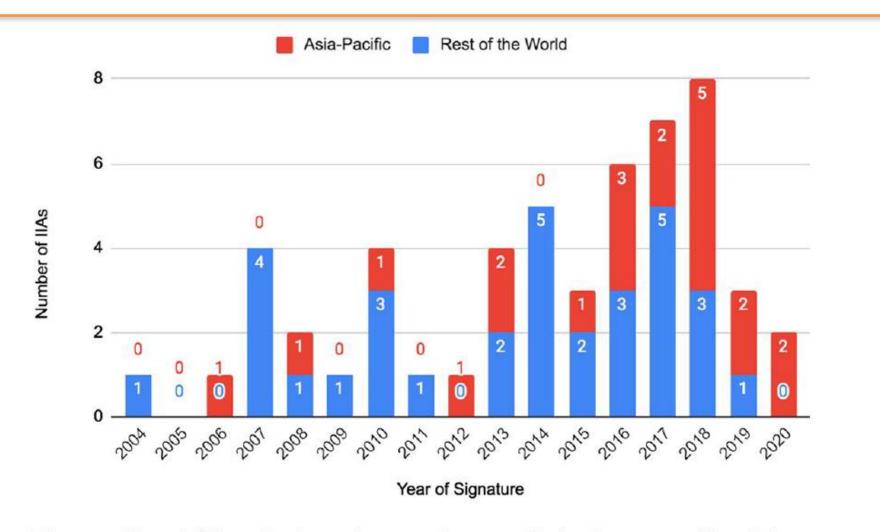


Figure 9. Signed IIAs referring to investor-State mediation by geographic origin



Thank you.

