

No. 8359

**AFGHANISTAN, AUSTRIA, BELGIUM,
CAMEROON, CENTRAL AFRICAN REPUBLIC, etc.**

**Convention on the settlement of investment disputes
between States and nationals of other States. Opened
for signature at Washington, on 18 March 1965**

Official texts: English, French and Spanish.

*Registered by the International Bank for Reconstruction and Development on
17 October 1966.*

**AFGHANISTAN, AUTRICHE, BELGIQUE,
CAMEROUN, RÉPUBLIQUE CENTRAFRICAINE, etc.**

**Convention pour le règlement des différends relatifs aux
investissements entre États et ressortissants d'autres
États. Ouverte à la signature à Washington, le
18 mars 1965**

Textes officiels anglais, français et espagnol.

*Enregistrée par la Banque internationale pour la reconstruction et le dévelop-
pement le 17 octobre 1966.*

No. 8359. CONVENTION¹ ON THE SETTLEMENT OF INVESTMENT DISPUTES BETWEEN STATES AND NATIONALS OF OTHER STATES. OPENED FOR SIGNATURE AT WASHINGTON, ON 18 MARCH 1965

PREAMBLE

The Contracting States

Considering the need for international cooperation for economic development, and the role of private international investment therein ;

Bearing in mind the possibility that from time to time disputes may arise in connection with such investment between Contracting States and nationals of other Contracting States ;

Recognizing that while such disputes would usually be subject to national legal processes, international methods of settlement may be appropriate in certain cases ;

Attaching particular importance to the availability of facilities for international conciliation or arbitration to which Contracting States and nationals of other Contracting States may submit such disputes if they so desire ;

Desiring to establish such facilities under the auspices of the International Bank for Reconstruction and Development ;

¹ In accordance with article 68 (2), the Convention came into force on 14 October 1966, thirty days after the date of deposit of the twentieth instrument of ratification, in respect of the following States on behalf of which the instruments of ratification were deposited with the International Bank for Reconstruction and Development on the dates indicated :

<i>State</i>	<i>Date of deposit</i>	<i>State</i>	<i>Date of deposit</i>
Nigeria	23 August 1965	Iceland	25 July 1966
Mauritania	11 January 1966	Sierra Leone	2 August 1966
Ivory Coast	16 February 1966	Malaysia	8 August 1966
Central African Republic	23 February 1966	Malawi	23 August 1966
Gabon	4 April 1966	Chad	29 August 1966
Uganda	7 June 1966	Upper Volta	29 August 1966
United States of America	10 June 1966	Malagasy Republic	6 September 1966
Tunisia	22 June 1966	Dahomey	6 September 1966
Congo (Brazzaville)	23 June 1966	Jamaica	9 September 1966
Ghana	13 July 1966	Netherlands (for the Kingdom in Europe)	14 September 1966

The Convention came into force for Pakistan on 15 October 1966, thirty days after the deposit, on 15 September 1966, of its instrument of ratification.

Recognizing that mutual consent by the parties to submit such disputes to conciliation or to arbitration through such facilities constitutes a binding agreement which requires in particular that due consideration be given to any recommendation of conciliators, and that any arbitral award be complied with ; and

Declaring that no Contracting State shall by the mere fact of its ratification, acceptance or approval of this Convention and without its consent be deemed to be under any obligation to submit any particular dispute to conciliation or arbitration,

Have agreed as follows :

CHAPTER I

INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES

Section 1

ESTABLISHMENT AND ORGANIZATION

Article 1

(1) There is hereby established the International Centre for Settlement of Investment Disputes (hereinafter called the Centre).

(2) The purpose of the Centre shall be to provide facilities for conciliation and arbitration of investment disputes between Contracting States and nationals of other Contracting States in accordance with the provisions of this Convention.

Article 2

The seat of the Centre shall be at the principal office of the International Bank for Reconstruction and Development (hereinafter called the Bank). The seat may be moved to another place by decision of the Administrative Council adopted by a majority of two-thirds of its members.

Article 3

The Centre shall have an Administrative Council and a Secretariat and shall maintain a Panel of Conciliators and a Panel of Arbitrators.

Section 2

THE ADMINISTRATIVE COUNCIL

Article 4

(1) The Administrative Council shall be composed of one representative of each Contracting State. An alternate may act as representative in case of his principal's absence from a meeting or inability to act.

(2) In the absence of a contrary designation, each governor and alternate governor of the Bank appointed by a Contracting State shall be *ex officio* its representative and its alternate respectively.

Article 5

The President of the Bank shall be *ex officio* Chairman of the Administrative Council (hereinafter called the Chairman) but shall have no vote. During his absence or inability to act and during any vacancy in the office of President of the Bank, the person for the time being acting as President shall act as Chairman of the Administrative Council.

Article 6

(1) Without prejudice to the powers and functions vested in it by other provisions of this Convention, the Administrative Council shall

- (a) adopt the administrative and financial regulations of the Centre ;
- (b) adopt the rules of procedure for the institution of conciliation and arbitration proceedings ;
- (c) adopt the rules of procedure for conciliation and arbitration proceedings (hereinafter called the Conciliation Rules and the Arbitration Rules) ;
- (d) approve arrangements with the Bank for the use of the Bank's administrative facilities and services ;
- (e) determine the conditions of service of the Secretary-General and of any Deputy Secretary-General ;
- (f) adopt the annual budget of revenues and expenditures of the Centre ;
- (g) approve the annual report on the operation of the Centre.

The decisions referred to in sub-paragraphs (a), (b), (c) and (f) above shall be adopted by a majority of two-thirds of the members of the Administrative Council.

(2) The Administrative Council may appoint such committees as it considers necessary.

(3) The Administrative Council shall also exercise such other powers and perform such other functions as it shall determine to be necessary for the implementation of the provisions of this Convention.

Article 7

(1) The Administrative Council shall hold an annual meeting and such other meetings as may be determined by the Council, or convened by the Chairman, or convened by the Secretary-General at the request of not less than five members of the Council.

(2) Each member of the Administrative Council shall have one vote and, except as otherwise herein provided, all matters before the Council shall be decided by a majority of the votes cast.

(3) A quorum for any meeting of the Administrative Council shall be a majority of its members.

(4) The Administrative Council may establish, by a majority of two-thirds of its members, a procedure whereby the Chairman may seek a vote of the Council without convening a meeting of the Council. The vote shall be considered valid only if the majority of the members of the Council cast their votes within the time limit fixed by the said procedure.

Article 8

Members of the Administrative Council and the Chairman shall serve without remuneration from the Centre.

Section 3

THE SECRETARIAT

Article 9

The Secretariat shall consist of a Secretary-General, one or more Deputy Secretaries-General and staff.

Article 10

(1) The Secretary-General and any Deputy Secretary-General shall be elected by the Administrative Council by a majority of two-thirds of its members upon the nomination of the Chairman for a term of service not exceeding six years and shall be eligible for re-election. After consulting the members of the Administrative Council, the Chairman shall propose one or more candidates for each such office.