



**Statement by Mr. Mohammad Ghorbanpour
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the UN**

**Before The Special Committee on the Charter of the United Nations and on
the Strengthening of the Role of the Organization”**

**On “Exchange of information on State practices regarding the use of
arbitration”**

New York, 17 February 2021

Thank you, Mr. Chairman,

My delegation welcomes the consideration of the annual thematic debate of this year’s Charter Committee on the “Exchange of information on State practices regarding the use of arbitration” under the agenda item of peaceful settlement of disputes on the means for the settlement of disputes.

I would also like to take this opportunity and share some general information with the Committee regarding the Iran-United States Claims Tribunal as an outstanding arbitration tribunal as well as an international tribunal in nature which functions under international law and has extensively contributed to the progressive development of international law. For example, among others, the International Law Commission has consistently referred to this tribunal’s numerous verdicts in the commentaries of its several draft articles as a testament to its newly drafted articles.

The Iran-United States Claims Tribunal came into existence as one of the measures taken to resolve the crisis that emanated between the two countries after the Revolution in Iran in 1979.



Thanks to the extraordinary efforts of the Government of the People's Democratic Republic of Algeria, which served as an intermediary in the search for a mutually amicable solution, and having consulted extensively with the two Governments as to the commitments each was willing to undertake in order to resolve the crisis, the Government of Algeria recorded those commitments in two Declarations made on 19 January 1981. The "General Declaration" and the "Claims Settlement Declaration", collectively the "Algiers Declarations", were then adhered to by the I.R. of Iran and the United States.

On 1 July 1981, the Tribunal held its first meeting in the Peace Palace in The Hague, the Netherlands, and, as of today, continues to work while it should deliver its judgements on a number of pending inter-states cases.

The Tribunal consists of *nine Members*, three appointed by each Government and three (third-country) Members appointed by the six Government-appointed Members.

In accordance with the Algiers Declarations, it is within the jurisdiction of the Tribunal to come to a decision regarding the claims of United States nationals against Iran and of Iranian nationals against the United States, which arise out of debts, contracts, expropriations or other measures affecting property rights; certain "official claims" between the two Governments relating to the purchase and sale of goods and services; disputes between the two Governments concerning the interpretation or performance of the Algiers Declarations; and certain claims between the United States and Iranian banking institutions.

Claims had to be filed with the Tribunal by 19 January 1982, and their number is therefore finite. Approximately 1,000 claims were filed for amounts of \$250,000 or more and approximately 2,800 claims for amounts of less than \$250,000. The time limit does not apply to disputes between the two Governments concerning the interpretation of the Algiers Declarations.



Claims are also decided by one of the three Chambers of the Tribunal or by the Full Tribunal. Cases are distributed to Chambers by lot, and the Full Tribunal decides all disputes between the two Governments as well as important questions referred to it by the Chambers.

The Tribunal conducts its business in accordance with the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL), as modified by the Governments and the Tribunal.

The General Declaration records the central commitments of the parties. Among others, the United States would restore the financial position of Iran, in so far as possible, to that which existed prior to 14 November 1979 - the date of the United States freezes order of Iranian assets in this Country, an obligation that was not met by the US. Even those policies were exacerbated against my Country following the US' withdrawal from the Joint Comprehensive Plan of Action in 2018, contrary to UNSC resolution 2231 which led the Islamic Republic of Iran to file a new case before the International Court of Justice against the United States in 2018 concerning the "Alleged Violations of the 1955 Treaty of Amity, Economic Relations, and Consular Rights" that is under consideration in the Court now.

Because the restoration of the financial position of Iran involved the transfer of assets, and because such transfer required, in addition to the lifting of the freeze order, that judicial attachments be nullified and court proceedings be brought to an end, it also became necessary to provide alternative means for the adjudication of pending commercial claims by United States nationals against Iran and its State enterprises. Accordingly, in the General Declaration, the United States agreed, *inter alia*, "to terminate all legal proceedings in United States courts involving claims of United States persons and institutions against Iran and its State enterprises, to nullify all attachments and judgments obtained therein, to prohibit all further litigation based on such claims, and to bring about the termination of such claims through binding arbitration".



In addition, the Claims Settlement Declaration established the Iran-United States Claims Tribunal as the mechanism for bringing about such binding third-party arbitration. It provides: "Claims referred to the arbitration Tribunal shall, as of the date of filing of such claims with the Tribunal, be considered excluded from the jurisdiction of the courts of Iran, or of the United States, or of any other court."

Finally, **Mr. Chairman**, we believe this Tribunal is a good example for the peaceful settlement of disputes while there exist no bilateral political relations between the concerned parties, provided that there exist genuine will from relevant parties of a dispute to reach an amicable and fair solution. Consideration of the third parties' role, in this case the Government of Algeria, and the conditions that led to this agreement and establishment of this Tribunal, although they are purely political in nature, are of paramount importance in the future peaceful settlement of disputes as well as strengthening multilateralism and a rule-based international system.

I thank you for your attention.