

**REPORTS OF INTERNATIONAL
ARBITRAL AWARDS**

**RECUEIL DES SENTENCES
ARBITRALES**

The Santa Isabel Claims (Great Britain) v. United Mexican States

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5. As regards schedule D, the majority of the Commission have arrived at the conviction that the damages recorded under numbers 1, 3 and 4 were caused through the suspension of the Company's operations in May 1912. They are equally satisfied that this suspension was a forced one, and a consequence of the revolution then in progress. This results from the contemporary correspondence between the Company and the British Minister and between the British Minister and the Mexican Ministry for Foreign Affairs, and from the fact that, according to expert testimony, the works were in perfect order before the abandonment and the Company had recently given large orders for new machinery. It cannot, therefore, be assumed that operations were voluntarily stopped or because the Company found itself in an unfavourable financial condition.

The amount claimed for these items is 302,771.20 pesos and has been corroborated by outside estimate, but it has not, in the opinion of the Commission, been taken into account that part of the expenditure must have been devoted to the replacement of old and worn out equipment by new.

A deduction would therefore seem to be necessary and the Commission fix the amount of this deduction at 27,771.20 pesos.

6. The damage, alleged under schedule D, No. 2, is sufficiently proved and it has been shown that it was caused by the acts of Maderistas, falling within subdivision 2 of Article 3 of the Convention, with the exception, however, of the burning of the bridge, which was done by Federal troops in a fight against the Maderistas. As the Federal troops were the troops of the Government, this last act must be regarded as lawful, and does not entitle the claimant to compensation.

For this part of the claim, the Commission think that an award of 60,000 pesos is adequate.

7. As regards schedule E the Commission deem it in accordance with the principles of justice and equity that a part of the import duty, paid on the plant and machinery referred to in paragraph 2, be repaid, and they determine this part at 30,000 pesos.

8. The Commission decide that the Government of the United Mexican States is obligated to pay to the British Government on behalf of the Palmarejo and Mexican Gold Fields (Limited) 47,060 plus 275,000 plus 60,000 plus 30,000 = \$412,060 (four hundred and twelve thousand and sixty pesos) Mexican gold or an equivalent amount in gold.

THE SANTA ISABEL CLAIMS (GREAT BRITAIN) *v.* UNITED MEXICAN STATES

(Decision No. 119, January 22, 1932. Pages 353-354.)

PROCEDURE, MOTION TO REOPEN CASE. It is discretionary with the tribunal whether to allow a motion to reopen the case after closing of pleadings. Motion *granted*, limited to the presentation of oral arguments by Agents on a question of evidence raised by the Presiding Commissioner and the relevance thereto of certain testimony desired to be presented by Mexican Agent.

SUBMISSION OF EVIDENCE AFTER CLOSE OF PLEADINGS. Tribunal will not hear new witnesses after close of pleadings but will take cognizance of new documents in which may be protocolized the evidence to be given by such witnesses.

1. The Mexican Agent refers to a question asked by the Chairman of the Commission in the meeting of the 3rd August, 1931, whether in any letters, notes or telegrams exchanged shortly after the events, there was any declaration by the Mexican Government in regard to the authorities at Chihuahua having warned Mr. Watson that it was not advisable that he should enter the region where the attack took place.

The Mexican Agent states that he has not found a declaration to that effect, but, that Messrs. Rafael Calderón, Jr., and Gonzalo N. Santos are able to give evidence on the subject and with respect to other points connected with it, and that they are ready to appear before the Commission.

The Agent requests the Commission to reopen the case, so that the testimony of Messrs. Calderón and Santos may be received.

2. The Commission, considering articles 28, 41 and 43 of the Rules of Procedure, are of opinion that they are not entitled to hear new witnesses after the pleadings were closed on the 3rd August, and that a reopening can only tend to hear again the Agents on any points they, the Commission, may deem necessary.

They have no objection against taking cognizance of a new document produced by the Mexican Agent, and in which may be protocolized the evidence to be given by Messrs. Calderón and Santos before a Mexican authority. Neither will they object to a discussion on this new evidence, as far as it relates to the question asked by the Chairman in the meeting of the 3rd August, 1931.

3. The Commission rule that the case is reopened in order that the Agents may present oral arguments which must be strictly confined to the document described in section 2, and which may not exceed the scope of the question asked by the Chairman in the meeting of the 3rd August, 1931.

VERACRUZ TELEPHONE CONSTRUCTION SYNDICATE (GREAT
BRITAIN) *v.* UNITED MEXICAN STATES

(*Decision No. 120, January 22, 1932. Pages 354-355. See also decision No. 8.*)

PROCEDURE, MOTION TO REOPEN CASE. Motion to reopen case *granted*, limited to presentation of oral arguments by Agents on new evidence submitted to the tribunal.

1. The Mexican Agent has placed at the disposal of the Commission the original record of the proceedings instituted by the claimant Company against the Government of Veracruz, which record the Chairman of the Commission had requested the Agents to file.

The Mexican Agent, wishing to comment upon this evidence, has requested to reopen the case.

2. The Commission rule that the case is reopened in order that the Agents may present oral arguments which must be strictly confined to the new evidence submitted to the Commission.
