

Commercial Dispute Resolution Magazine Quotes Partner Philip D. Robben on Venezuela's Threatened Exit from ICSID

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The *Commercial Dispute Resolution* (March 2012) article, "Venezuela Ditches ICSID" discussed the effects of Hugo Chavez's denouncement of the Washington Convention, and withdrawal from the World Bank's international arbitration court, ICSID. According to the ICSID Convention, the denunciation will take effect on July 25, 2012, six months after the receipt of Venezuela's notice. The article extensively quoted partner **Philip D. Robben**, who has years of arbitration experience with Latin American countries.

"Philip Robben, an international arbitration partner at Kelley Drye in New York, said of the withdrawal statement: 'Venezuela may be taking the position that not only were they denouncing the Treaty, but that the prior regime that entered into the Treaty was acting outside its scope and purview.'

The article noted Mr. Robben is currently representing two claimants before ICSID and believed Venezuela may be previewing an argument that they were never bound by the Treaty. However, he said such strategy would be very risky. If the proceeding went ahead without Venezuela, there would be an award entered, likely to averse to the country if it had not participated.

"Robben said that if Venezuela's record of nationalising business hadn't convinced foreign investors to stay away, 'perhaps this latest move will, and they'll come to the conclusion that the country isn't willing to abide by its prior promises.'"