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MOSCOW. April 20 (Interfax) - Ukraine's Naftogaz is looking at ways to enforce a ruling by a tribunal in The Hague to recover \$5 billion in compensation from Russia for the loss of assets in Crimea; U.S. law firm Covington & Burling LLP has unveiled an enforcement strategy, Ukrainian media reported, quoting Naftogaz CEO Alexei Chernyshov.



Naftogaz said last week that the Arbitration Tribunal at the Permanent Court of Arbitration in The Hague had ruled Russia should pay \$5 billion in compensation to Naftogaz in connection with the loss of assets in Crimea.

"Arbitral awards can be enforced through the enforcement mechanism. Therefore, in the event that Russia refuses to voluntarily abide by the court's decision, in accordance with the New York Convention of 1958, Naftogaz has the right to begin the process of recognition and admission to enforcement of the decision on the territory of those states where Russia's assets are located," it said.

Dmitry Peskov, the Russian president's press spokesman, said Russia would analyze the ruling.

Naftogaz and six other companies of the Naftogaz group in October 2016 initiated arbitration proceedings against Russia on the basis of an agreement between the Cabinet of Ministers of Ukraine and the Russian government on the promotion and mutual protection of investments. Naftogaz asked the arbitration tribunal to oblige Russia to pay compensation for violation of the investment protection agreement, including for "expropriation of strategically important energy investments."

Oral hearings on issues of jurisdiction and liability were held in May 2018. In February 2019, the tribunal ruled in favor of Naftogaz. The Tribunal confirmed its jurisdiction to hear the case and decided that Russia violated its obligations under the investment protection agreement. Accordingly, the current (second) stage of arbitration proceedings concerned the determination of the amount of compensation for the losses to Naftogaz.

The Russian Ministry of Justice earlier stated that Moscow does not recognize the decision by the court in The Hague to recognize Russia's guilt. "The Russian Federation did not participate in the relevant proceedings and does not recognize the partial decision due to the lack of jurisdiction for arbitration to consider the claim of Naftogaz and others against the Russian Federation," the ministry's press service said in a statement.

The Hague Arbitration Court is considering a number of similar cases against Russia.

Naftogaz hired Covington & Burling LLP in 2016 to protect its interests in a lawsuit over lost Crimean assets. In 2020, the contract with this law firm was extended until December 31, 2022, at a cost of \$22 million.



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