

INTERNATIONAL COURT OF JUSTICE

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Press Release
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Certain Iranian Assets (Islamic Republic of Iran v. United States of America)

The Court delivers its Judgment on the merits of the case

THE HAGUE, 30 March 2023. The International Court of Justice (ICJ), the principal judicial organ of the United Nations, has today delivered its Judgment in the case concerning *Certain Iranian Assets (Islamic Republic of Iran* v. *United States of America)*.

In its Judgment, which is final, without appeal and binding on the Parties, the Court:

(1) By ten votes to five,

Upholds the objection to jurisdiction raised by the United States of America relating to the claims of the Islamic Republic of Iran under Articles III, IV and V of the 1955 Treaty of Amity, Economic Relations, and Consular Rights, to the extent that they relate to treatment accorded to Bank Markazi and, accordingly, *finds* that it has no jurisdiction to consider those claims;

IN FAVOUR: Vice-President Gevorgian, Acting President; Judges Tomka, Abraham, Xue, Sebutinde, Bhandari, Iwasawa, Nolte, Charlesworth; Judge ad hoc Barkett;

AGAINST: Judges Bennouna, Yusuf, Robinson, Salam; Judge ad hoc Momtaz;

(2) By thirteen votes to two,

Rejects the objection to admissibility raised by the United States of America relating to the failure by Iranian companies to exhaust local remedies;

IN FAVOUR: Vice-President Gevorgian, Acting President; Judges Tomka, Abraham, Bennouna, Yusuf, Xue, Bhandari, Robinson, Salam, Iwasawa, Nolte, Charlesworth; Judge ad hoc Momtaz;

AGAINST: Judge Sebutinde; Judge ad hoc Barkett;

(3) By eight votes to seven,

Finds that the United States of America has violated its obligation under Article III, paragraph 1, of the 1955 Treaty of Amity, Economic Relations, and Consular Rights;

IN FAVOUR: Vice-President Gevorgian, Acting President; Judges Bennouna, Yusuf, Xue, Robinson, Salam, Charlesworth; Judge ad hoc Momtaz;

AGAINST: Judges Tomka, Abraham, Sebutinde, Bhandari, Iwasawa, Nolte; Judge ad hoc Barkett:

(4) By twelve votes to three,

Finds that the United States of America has violated its obligations under Article IV, paragraph 1, of the 1955 Treaty of Amity, Economic Relations, and Consular Rights;

IN FAVOUR: Vice-President Gevorgian, Acting President; Judges Tomka, Abraham, Bennouna, Yusuf, Xue, Robinson, Salam, Iwasawa, Nolte, Charlesworth; Judge ad hoc Momtaz;

AGAINST: Judges Sebutinde, Bhandari; Judge ad hoc Barkett;

(5) By eleven votes to four,

Finds that the United States of America has violated its obligation under Article IV, paragraph 2, of the 1955 Treaty of Amity, Economic Relations, and Consular Rights, namely that the property of nationals and companies of the Contracting Parties "shall not be taken except for a public purpose, nor shall it be taken without the prompt payment of just compensation";

IN FAVOUR: Vice-President Gevorgian, Acting President; Judges Tomka, Abraham, Bennouna, Yusuf, Xue, Robinson, Salam, Iwasawa, Nolte; Judge ad hoc Momtaz;

AGAINST: Judges Sebutinde, Bhandari, Charlesworth; Judge ad hoc Barkett;

(6) By ten votes to five,

Finds that the United States of America has violated its obligations under Article X, paragraph 1, of the 1955 Treaty of Amity, Economic Relations, and Consular Rights;

IN FAVOUR: Vice-President Gevorgian, Acting President; Judges Abraham, Bennouna, Yusuf, Xue, Robinson, Salam, Iwasawa, Nolte; Judge ad hoc Momtaz;

AGAINST: Judges Tomka, Sebutinde, Bhandari, Charlesworth; Judge ad hoc Barkett;

(7) By thirteen votes to two,

Finds that the United States of America is under obligation to compensate the Islamic Republic of Iran for the injurious consequences of the violations of international obligations referred to in subparagraphs (3) to (6) above;

IN FAVOUR: Vice-President Gevorgian, Acting President; Judges Tomka, Abraham, Bennouna, Yusuf, Xue, Bhandari, Robinson, Salam, Iwasawa, Nolte, Charlesworth; Judge ad hoc Momtaz;

AGAINST: Judge Sebutinde; Judge ad hoc Barkett;

(8) By fourteen votes to one,

Decides that, failing agreement between the Parties on the question of compensation due to the Islamic Republic of Iran within 24 months from the date of the present Judgment, this matter will, at the request of either Party, be settled by the Court, and *reserves* for this purpose the subsequent procedure in the case;

IN FAVOUR: Vice-President Gevorgian, Acting President; Judges Tomka, Abraham, Bennouna, Yusuf, Xue, Bhandari, Robinson, Salam, Iwasawa, Nolte, Charlesworth; Judges ad hoc Barkett, Momtaz;

AGAINST: *Judge* Sebutinde;

(9) Unanimously,

Rejects all other submissions made by the Parties.

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Judge TOMKA appends a separate opinion to the Judgment of the Court; Judge ABRAHAM appends a declaration to the Judgment of the Court; Judges BENNOUNA and YUSUF append separate opinions to the Judgment of the Court; Judge SEBUTINDE appends a dissenting opinion to the Judgment of the Court; Judge BHANDARI appends a declaration to the Judgment of the Court; Judge ROBINSON appends a separate opinion, partly concurring and partly dissenting, to the Judgment of the Court; Judges IWASAWA, NOLTE and CHARLESWORTH append separate opinions to the Judgment of the Court; Judge *ad hoc* BARKETT appends a separate opinion, partly concurring and partly dissenting, to the Judgment of the Court; Judge *ad hoc* MOMTAZ appends a separate opinion to the Judgment of the Court.

History of the proceedings

On 14 June 2016, the Islamic Republic of Iran filed an Application instituting proceedings against the United States of America with regard to a dispute concerning

"the adoption by the USA of a series of measures that, in violation of the Treaty of Amity, Economic Relations, and Consular Rights signed at Tehran on 15 August 1955 (the "Treaty of Amity"), . . . have had, and/or are having a serious adverse impact upon the ability of Iran and of Iranian companies (including Iranian State-owned companies) to exercise their rights to control and enjoy their property, including property located outside the territory of Iran/within the territory of the USA".

In particular, the Islamic Republic of Iran requested the Court to adjudge, order and declare that the United States of America had breached certain obligations under the Treaty of Amity and that it was under an obligation to make full reparation for the damage thus caused to the Islamic Republic of Iran. As basis for the jurisdiction of the Court, the Applicant invoked Article XXI, paragraph 2, of the Treaty of Amity.

On 1 May 2017, the United States of America raised preliminary objections to the jurisdiction of the Court and the admissibility of the Application.

On 13 February 2019, the Court rendered its Judgment on the preliminary objections raised by the United States of America. It found that it had jurisdiction to rule on part of the Application filed by the Islamic Republic of Iran, and that the Application was admissible. In particular, it concluded that the Treaty of Amity did not confer jurisdiction on the Court to consider the Islamic Republic of Iran's claims in respect of the alleged violation of the rules of international law on sovereign immunities. The Court also found that the third preliminary objection, relating to "all claims of purported violations . . . that are predicated on treatment accorded to the Government of Iran or Bank Markazi", did not possess, in the circumstances of the case, an exclusively preliminary character.

The Judgment rendered by the Court today concerns the merits of the case.

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The full text of the Treaty of Amity appears in <u>Appendix 1</u> to Iran's Application instituting proceedings.

Earlier press releases relating to this case are available on the Court's website.

A summary of the Judgment appears in the document entitled "Summary 2023/3", to which summaries of opinions and declarations are annexed. This press release, the summary and the full text of the Judgment are available on the Court's website under the heading <u>Cases</u>.

Note: The Court's press releases are prepared by its Registry for information purposes only and do not constitute official documents.

The International Court of Justice (ICJ) is the principal judicial organ of the United Nations. It was established by the United Nations Charter in June 1945 and began its activities in April 1946. The Court is composed of 15 judges elected for a nine-year term by the General Assembly and the Security Council of the United Nations. The seat of the Court is at the Peace Palace in The Hague (Netherlands). The Court has a twofold role: first, to settle, in accordance with international law, through judgments which have binding force and are without appeal for the parties concerned, legal disputes submitted to it by States; and, second, to give advisory opinions on legal questions referred to it by duly authorized United Nations organs and agencies of the system.

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