Walnort's ICSID arbitration memorial proves Armenia is liable for losses of over USD 1.5 billion

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On 25 September 2025, Walnort Finance Ltd. (*Walnort*) filed its Memorial on the merits in ICSID Case No. ARB/24/20. In a powerful and compelling submission, Walnort has exposed the Armenian Government's unlawful interference in Zangezur Copper Molybdenum Combine Closed Joint Stock Company's (*ZCMC*) internal corporate affairs.

In particular, Walnort has provided irrefutable evidence of Armenia's orchestration of a covert and coercive campaign to seize control of ZCMC, in violation of the State's obligations under the Cyprus-Armenia BIT. Notably, Walnort has shown that PM Pashinyan's 2021 public declarations to "*return ZCMC to the people*", promising to do so "*with a hammer*" were followed by a secret sale of 60% of ZCMC to Industrial Company, controlled by U.S.-sanctioned Russian national Roman Trotsenko, who quickly "donated" 15% to the Armenian Government.

This takeover was enabled by a pattern of judicial manipulation, including illegal injunctions, late-night court decisions, and regulatory fast-tracking.

Furthermore, Walnort's remaining interests in ZCMC were later frozen under dubious bankruptcy and criminal proceedings, effectively stripping Walnort of value, dividends, and control. Armenia's goal was clear: to take full control of ZCMC while sidestepping legal protections owed to foreign investors.

Walnort has described in full detail how Armenia's actions violated its obligations under the Cyprus-Armenia BIT. Armenia has failed to accord Walnort's investment fair and equitable treatment through its orchestrated campaign to take ZCMC, its harassment and intimidation of ZCMC, its shareholders and its employees, its abuse of its regulatory authority, and its pressure on the courts, which has resulted in a denial of due process to Walnort's Armenian subsidiaries.

As a result of this wrongful conduct, Walnort has been deprived of its right to acquire 75% of ZCMC's shares, which would have given it control of the company and entitled it to substantial dividends. Walnort has also been deprived of the economic enjoyment of its original 12.5% shareholding, which has effectively been taken from it through baseless, indefinite freezing orders, in violation of the Cyprus-Armenia BIT's prohibition on unlawful expropriation.

Walnort is seeking compensation in an amount which shall be ultimately determined during the course of the arbitration but which shall be no less than USD 1.5 billion.

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