# Walnort files a Request for Arbitration for USD 1.2 billion against the Republic of Armenia before ICSID (World Bank)

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On 21 June 2024, the Secretary General of the World Bank's International Centre for Settlement of Investment Disputes (*ICSID*) registered Walnort Finance Ltd.'s (*Walnort*) Request for Arbitration against the Republic of Armenia, as filed on 3 June 2024 and transmitted to the offices of the Prime Minister, the Ministry of Foreign Affairs, the Ministry of Finance, and the Representative of the Republic of Armenia on International Legal Matters.

Walnort's Request for Arbitration follows a Notice of Dispute presented to the Government of Armenia and addressed to Prime Minister Nikol Pashinyan on 16 October 2023. The Government was put on notice of serious breaches of its obligations under the 1998 Agreement between the Republic of Armenia and the Republic of Cyprus for the Promotion and Reciprocal Protection of Investments.

Walnort's investment in Armenia's largest mining company, Zangezur Copper Molybdenum Combine Closed Joint Stock Company (*ZCMC*) has been undermined by the Government's politically motivated campaign to obtain a significant shareholding in ZCMC. In particular, the Government prevented Walnort from exercising legitimate shareholder rights in ZCMC which have resulted in damages of at least USD 1.2 billion (subject to quantification expected to be significantly higher).

Despite Walnort's good faith efforts to negotiate an amicable resolution of these issues since the Notice of Dispute, the Government of Armenia chose not to engage with Walnort at all. On the contrary, the Government has aggravated the dispute by espousing attacks on Walnort's Armenian subsidiaries (Moon Metals CJSC and Zangezur Mining LLC).

Walnort's management, together with its shareholders and group companies, is prioritizing focus on this dispute to uphold the company's rights and preserve value. Walnort is represented in the ICSID proceedings by top-tier litigators and has assembled a world-class team of advisors and experts dedicated to the case. While it is disappointing that the Government of Armenia has chosen an unnecessarily litigious path, Walnort is prepared to pursue its claims to their fullest extent, before ICSID and beyond.

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