

ICSID Arbitration and Turkey in Terms of Subject and Party

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The International Centre for Settlement of Investment Disputes (ICSID) is an autonomous international institution established under the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (the ICSID or the Washington Convention) with over one hundred and fifty five member States. Turkey signed and ratified ICSID Convention. The primary purpose of ICSID is to provide facilities for conciliation and arbitration of international investment disputes.

ICSID has become the leading arbitration institution for the resolution of investor-state disputes. This arbitration system is different from the other arbitration. First of all, ICSID was established by the Convention as an impartial international forum providing facilities for the resolution of legal disputes between eligible parties, through arbitration procedures. Second, The Convention sought to remove major impediments to the free international flows of private investment posed by non-commercial risks and the absence of specialized international methods for investment dispute settlement. Third, recourse to the ICSID facilities is always subject to the parties' consent. Fourth, as evidenced by its large membership, considerable caseload, and by the numerous references to its arbitration facilities in investment treaties and laws, ICSID plays an important role in the field of international investment and economic development.

Today, companies considering an investment in a foreign country, must be aware of ICSID and the other treaties providing access to ICSID. For example, Bilateral Investment Treaties (BIT's) Energy Charter Treaty (ECT) and Multilateral Treaties (MIT's). Turkey has signed numerous BIT's with different countries. Furthermore, Turkey ratified the Energy Charter Treaty (ECT) that includes a provision regarding ICSID arbitration. Due to the steps taken by Turkey to create a more appropriate legal climate for investments during 90's, foreign investors have brought eight arbitration cases before the ICSID against Turkey since 2002.

In this study, firstly, ICSID arbitration system and arbitration cases against Turkey will be taken hand. Then Turkish investor's cases against host state will be indicate. Finally general assesment will be made for Turkey and the other parties of ICSID Convention.

Keywords: Arbitartion, Investment, ICSID, Turkey.