



INTERNATIONAL CENTRE FOR SETTLEMENT OF INVESTMENT DISPUTES

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September 12, 2023

By email

Mr. Jaesung Lee

Mr. Corentin Basle

UNCITRAL Secretariat

Vienna International Centre

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Email: [corentin.basle@un.org](mailto:corentin.basle@un.org)

Dear Jae and Corentin,

Attached is a mark-up of the document “POSSIBLE REFORM OF ISDS – UNCITRAL WG III FINANCING OF A STANDING MECHANISM – AN OUTLINE (SEPT. 2023)” with corrected figures for ICSID.

We have updated the document with [our latest fee structure](#) at para 14.

We have also updated the information to reflect the [latest Annual Report](#) figures at paras 27 and 54.

Regarding para. 54 and the statement of revenues from fees generated by ICSID, we have made some corrections.

You have incorrectly noted the figure for revenues from fees as US\$51.2 million under the category “users fee”. However, total revenues/fees from arbitration category in the financial statement includes drawdowns from advance payments made by the parties. These are for proceeding expenses and are not ICSID revenues. Indeed, they are also declared as expenses on our Statement of Activities in our Annual Report. ICSID does not retain advance payments for its own benefit, and that money is used solely to pay the expenses of the cases and the arbitrators’ fees. Any remaining balance at the conclusion of the case is refunded to the parties.

The relevant figure indicating ICSID’s revenue from fees is the amount net of the expenses related to arbitration/conciliation proceedings in the Statement of Activities, as described in Note 7 of our Financial Statement. These were US\$15,002,246 for 2021 and US\$15,630,354 for 2022 or US\$15,136,570 for 2021 and US\$15,755,892 for 2022, including revenue from publications.

# STATEMENT OF ACTIVITIES

June 30, 2021 and June 30, 2020  
All amounts expressed in U.S. dollars unless otherwise noted

	2021	2020
<b>Support and revenues:</b>		
Revenues/Fees from arbitration/conciliation proceedings (Notes 2 and 7)	\$51,280,009	\$49,995,672
In-kind contributions (Notes 2 and 9)	329,934	661,644
Net investment income (Notes 2, 3 and 10)	184,994	1,286,108
Sales of publications	91,936	72,321
<b>Total support and revenues</b>	<b>\$51,886,873</b>	<b>\$52,015,745</b>
<b>Expenses:</b>		
Expenses related to arbitration/conciliation proceedings (Notes 2 and 8)	\$36,277,763	\$34,921,658
Administrative expenses (Note 9)	14,328,623	14,329,892
Amortization expenses (Notes 2 and 4)	25,096	33,460
Net investment income applied to arbitration/conciliation proceedings (Notes 2, 3 and 10)	142,606	1,008,445
<b>Total expenses</b>	<b>50,774,088</b>	<b>50,293,455</b>
<b>Change in net assets</b>	<b>1,112,785</b>	<b>1,722,290</b>
<b>Net assets, beginning of the year</b>	<b>6,554,208</b>	<b>4,831,918</b>
<b>Net assets, end of the year</b>	<b>\$7,666,993</b>	<b>\$6,554,208</b>

# STATEMENT OF ACTIVITIES

June 30, 2022 and June 30, 2021  
All amounts expressed in U.S. dollars unless otherwise noted

	2022	2021
<b>Support and revenues:</b>		
Revenues/Fees from arbitration/conciliation proceedings (Notes 2 and 7)	\$54,733,930	\$51,280,009
In-kind contributions (Notes 2 and 9)	336,863	329,934
Net investment income (Notes 2, 3 and 10)	294,318	184,994
Sales of publications	54,852	91,936
<b>Total support and revenues</b>	<b>\$55,419,963</b>	<b>\$51,886,873</b>
<b>Expenses:</b>		
Expenses related to arbitration/conciliation proceedings (Notes 2 and 8)	39,103,576	36,277,763
Administrative expenses (Note 9)	15,175,931	14,328,623
Amortization expenses (Notes 2 and 4)	-	25,096
Net investment income applied to arbitration/conciliation proceedings (Notes 2, 3 and 10)	223,632	142,606
<b>Total expenses</b>	<b>54,503,139</b>	<b>50,774,088</b>
<b>Change in net assets</b>	<b>916,824</b>	<b>1,112,785</b>
<b>Net assets, beginning of the year</b>	<b>7,666,993</b>	<b>6,554,208</b>
<b>Net assets, end of the year</b>	<b>\$8,583,817</b>	<b>\$7,666,993</b>

We would be grateful if these corrections could be indicated in the updated paper before it is released publicly. If you have any questions, we would be happy to address them.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Meg Kinnear". The signature is fluid and cursive, with the first name "Meg" being more prominent and the last name "Kinnear" following in a similar style.

Meg Kinnear  
Secretary-General