



# ICC tribunal tosses Bahrain waste claim

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Cosmo Sanderson



A waste-to-energy plant (Credit: Shutterstock/Belish)

Bahrain has defeated a €180 million ICC claim brought by a French waste-to-energy company over the termination of a contract to build the state's first recycling plant.

Bahraini news outlet *Akhbar Al Khaleej* today quoted a release from the state's Works Municipalities Affairs and Urban Planning Ministry, which said that the tribunal had dismissed all claims brought by Constructions Industrielles de la Méditerranée (CNIM).

In a 7 January award, tribunal chair **Luca Radicati di Brozolo**, partner at ArbLit in Milan, formed a majority with Egyptian arbitrator and former CRCICA director **Abdel Raouf**. Lebanese-French arbitrator **Ibrahim Fadlallah** is understood to have issued a dissenting opinion on various points.

CNIM was represented by Darrois Villey Maillot Brochier while Bahrain used its regular counsel Three Crowns.

In 2008, CNIM signed a contract to build Bahrain's first recycling plant, which it would operate for 25 years before transferring ownership to the state. The waste-to-energy plant was expected to cost around US\$500 million and was scheduled to be completed in 2014.

The Ministry says in its release that CNIM failed to obtain financing for the project by an agreed deadline, as well as necessary environmental permits. Bahrain later cancelled the contract, arguing it was entitled to do so in the circumstances.

The tribunal rejected claims of over €180 million and awarded Bahrain more than US\$5 million in costs, according to the Ministry.

CNIM is understood to have won an earlier award on jurisdiction, recouping US\$1 million in costs for that phase of the proceeding.

Three Crowns is currently representing the state in two other arbitrations, both at the Permanent Court of Arbitration. The first claim was brought by two Iranian state-owned banks over an investment in a Bahraini bank that Bahrain alleges was set up to [circumvent international sanctions](#). The other claim was [brought by an Iranian insurance provider](#). The firm is also acting for Bahrain in a dispute with Qatar, which is being heard at the ICJ.

In October, Three Crowns [launched an office in Bahrain](#) led by partners **Jan Paulsson** and **Scott Vesel**.

### *Constructions Industrielles de la Méditerranée v Bahrain's Ministry of Works Municipalities Affairs and Urban Planning*

#### Tribunal

- **Luca Radicati di Brozolo** (Italy) (chair)
- **Ibrahim Fadlallah** (Lebanon/France)
- **Abdel Raouf** (Egypt)

#### Counsel to CNIM

- Darrois Villey Maillot Brochier

Partners **Carine Dupeyron**, **Laurent Aynès**, **Cyril Bonan** and **Pierre Casanovain** Paris

#### Counsel to Bahrain

- Three Crowns

Partners **Todd Wetmore** and **Kathryn Khamsi** and associates **Ryan Manton**, **Nastasja Suhadolnik\*** and **Nicola Peart** in Paris

\* Now with Corrs in Melbourne

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