

PRESS RELEASE

DISPUTE CONCERNING THE DETENTION OF UKRAINIAN NAVAL VESSELS AND SERVICEMEN (UKRAINE V. THE RUSSIAN FEDERATION)

THE HAGUE, 6 AUGUST 2025

Decision on the Objection to the Constitution of the Arbitral Tribunal

In an arbitration under Annex VII to the 1982 United Nations Convention on the Law of the Sea ("UNCLOS") relating to the dispute concerning the detention of Ukrainian naval vessels and servicemen, the Arbitral Tribunal has issued, on 29 July 2025, a <u>Decision on the Objection to the Constitution of the Arbitral Tribunal</u>. The Permanent Court of Arbitration ("PCA") acts as registry for the proceedings.

The arbitration concerns the interpretation and application of UNCLOS in respect of a dispute that arose from events which took place on 24 to 25 November 2018, involving the arrest and detention by the Russian Federation of three Ukrainian naval vessels (the *Berdyansk*, the *Nikopol* and the *Yani Kapu*) and their crews of twenty-four Ukrainian naval personnel for alleged violations of Russian criminal law.

The Decision addresses the objections to the constitution of the Arbitral Tribunal raised by the Russian Federation, questioning the validity of the appointments of Judge James Kateka and, subsequently, Judge Kathy-Ann Brown as members of the Arbitral Tribunal, as well as the appointment of Judge Gudmundur Eiriksson as President of the Arbitral Tribunal, which appointments were made by the President of the International Tribunal for the Law of the Sea ("ITLOS"), H.E. Judge Tomas Heidar, pursuant to requests made by Ukraine under Article 3 of Annex VII to UNCLOS. The Russian Federation raised two objections: (i) that the procedure set out in Article 3 of Annex VII does not apply to the selection of replacement arbitrators following a successful challenge to any of its members for lack of independence or impartiality; and (ii) that Judge Heidar failed to undertake "consultations" as required by Article 3(e) of Annex VII to UNCLOS.

The Arbitral Tribunal, having carefully reviewed the submissions of the Parties as well as the record of the procedure followed by President Heidar, proceeded to examine the power of the Arbitral Tribunal to rule on its constitution, the interpretation and application of Article 3 of Annex VII to UNCLOS, and compliance with the consultation requirement under Article 3(e) of Annex VII. The Arbitral Tribunal concluded that there were no irregularities in President Heidar having applied Article 3 of Annex VII to the appointment process. The Arbitral Tribunal also concluded that there were no errors in President Heidar's implementation of Article 3 of Annex VII as regards the requirement of "consultations" under Article 3(e) of Annex VII.

Accordingly, the Arbitral Tribunal rejected the objections raised by the Russian Federation by four votes to one, with Judge Gudmundur Eiriksson, Sir Christopher Greenwood, Judge James Kateka and Judge Kathy-Ann Brown voting to reject the objections, and Professor Alexander N. Vylegzhanin voting to uphold them. By the same vote of four votes to one, the Arbitral Tribunal ruled that it is properly constituted in accordance with the provisions of Article 3 of Annex VII to UNCLOS.

Professor Alexander N. Vylegzhanin appended a <u>Dissenting Opinion</u> to the Decision. While agreeing with the decision of the majority that the objections were properly and timely asserted, he did not agree that the President of ITLOS had acted within the terms of Article 3 of Annex VII to UNCLOS and with due diligence in making the appointments.

Background of the Dispute

The arbitral proceedings were instituted on 1 April 2019 when Ukraine served on the Russian Federation a Notification and Statement of Claim¹ under Annex VII to UNCLOS. The Notification and Statement of Claim refers to a dispute concerning the detention of Ukrainian naval vessels and servicemen.

The Members of the Arbitral Tribunal are Judge Gudmundur Eiriksson (Iceland), as President, Sir Christopher Greenwood (United Kingdom), Professor Alexander N. Vylegzhanin (Russian Federation), Judge James L. Kateka (Tanzania) and Judge Kathy-Ann Brown (Jamaica).

Further information about the proceedings is available on the PCA website at https://pca-cpa.org/en/cases/229/. In accordance with the Rules of Procedure, the PCA, after consultation with the Parties, will from time-to-time issue press releases, concerning the status of the proceedings. Moreover, procedural orders and decisions of the Arbitral Tribunal will be made publicly available on the website of the PCA seven days after they have been notified to the Parties. Further, any award of the Arbitral Tribunal will be made public unless both Parties agree otherwise.

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Background on the Permanent Court of Arbitration

The Permanent Court of Arbitration is an intergovernmental organization established by the 1899 Hague Convention on the Pacific Settlement of International Disputes. The PCA has 125 Contracting Parties. Headquartered at the Peace Palace in The Hague, the Netherlands, the PCA facilitates arbitration, conciliation, fact-finding, and other dispute resolution proceedings among various combinations of States, State entities, intergovernmental organizations, and private parties. The PCA's International Bureau is currently administering seven inter-state arbitrations, one other inter-state proceeding, 90 arbitrations arising under bilateral or multilateral investment treaties or national investment laws, 93 arbitrations arising under contracts involving a State or other public entity, and 2 other proceedings. More information about the PCA can be found at www.pca-cpa.org.

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The full title of the document is "Notification under Article 287 and Annex VII, Article 1 of the United Nations Convention on the Law of the Sea and Statement of the Claim and Grounds on which it is Based".