Introductory Note

On October 23, 1995 Cable Television of Nevis Limited and Cable Television of Nevis Holdings Limited instituted ICSID arbitration proceedings against the Federation of St. Kitts and Nevis in respect of a dispute related to charges for cable television services in Nevis. The requesting parties, incorporated in Nevis, were controlled by nationals of the United States. The request was registered by the Secretary-General on November 14, 1995.

The parties agreed that the Arbitral Tribunal would be composed of three arbitrators, one arbitrator to be chosen by each party and the President to be appointed by agreement of the parties. Mr. G. Arthur Maynard, a Barbados national, was appointed as arbitrator by the claimant and Mr. Rex Mckay, S.C., a Guyanese national, by the respondent.

The parties agreed on the appointment of Mr. Woodbine Davis, Q.C., a Barbados national, as President of the Tribunal.

Article 25(1) of the ICSID Convention provides that the Centre's jurisdiction extends to any legal dispute arising directly out of an investment, between a Contracting State (or any constituent subdivision or agency of a Contracting State designated to the Centre by that State) and a national of another Contracting State, which the parties to the dispute consent in writing to submit to the Centre.

Article 25(3) provides that consent by a constituent subdivision or agency of a Contracting State shall require the approval of that State unless that State notifies the Centre that no such approval is required.

The Tribunal, having considered that the proper party to the agreement between the parties was Nevis Island Administration (NIA) and not the Federation, and that NIA was a constituent subdivision or agency of the Federation, which had not been designated as such to ICSID under Article 25(1), rendered on January 13, 1997 an award declining jurisdiction over the dispute. The text of the award is reproduced below with the parties' consent.