On 14 February 2011 the Chairman of the Arbitral Tribunal held a Preliminary Procedural Consultation with the Parties in Geneva, Switzerland, followed by the Joint First Session of the two Tribunals attended by the Parties and the all Tribunal Members, the two co-arbitrators attending via video-conference. Having heard the Parties at these occasions, the Arbitral Tribunal adopted the present Procedural Calendar for both proceedings.

At the Preliminary Procedural Consultation and the First Session it was clarified that the Claimant’s claims in the two arbitrations essentially consist of (i) a claim for the payment for gas deliveries under the GSPA (the Payment Claim) and (b) a claim for a declaration that it has no liability for any damage that may have arisen from the two well blow-outs which occurred on the Chattak wells and that it owes no compensation for such damage (the Compensation Declaration).

In these circumstances, and following consultations with the parties, the Tribunal now directs the proceedings on jurisdiction in the following

Procedural Order No. 1
(PROCEDURAL CALENDAR 1 – JURISDICTION)

1. The Claimant shall submit by Friday 1 April 2011 its Memorial on Jurisdiction for the Payment Claim (Claimant’s First Memorial on Jurisdiction). This Memorial must present fully the Claimant’s position in fact and in law with respect to jurisdiction over the Payment Claim. If the Claimant wishes to rely on the testimony of any witnesses, it must identify the witnesses and describe briefly the facts on which they are expected to testify. Documents on which the Claimant relies must be submitted together with the Memorial, unless they have been submitted previously. If the Claimant wishes to rely on documents in the possession of the Respondents, the Claimant must identify these documents in the Memorial, indicating why they are relevant for the Tribunal’s decision on jurisdiction and why they are not otherwise available.

2. The Respondents shall submit their Counter-Memorial on Jurisdiction for the Payment Claim (the Respondents’ First Counter-Memorial on Jurisdiction) by Monday 16 May 2011. They shall produce any documents requested by the Claimant which they accept to produce and explain why they do not produce the others, if any. In all other respects the rules defined for the Claimant’s First Memorial on Jurisdiction apply mutatis mutandis, including the request for production of documents. If the Respondents wish to oppose the Payment Claim
on the grounds of a claim for the compensation of the damage from the well blow-outs (Compensation Claim), they must raise this claim with their First Counter-Memorial on Jurisdiction. For this purpose it is sufficient for the Respondents to describe briefly the substance of the claim, identify the parties making it and provide a preliminary indication of the amount claimed. The presentation of argument and evidence in support of this claim may be reserved for a subsequent stage of the arbitration, if any, at the direction of the Arbitral Tribunal.

3. The Claimant may respond to the Respondents’ First Counter-Memorial on Jurisdiction by Thursday 30 June 2011 (Claimant’s Second Memorial on Jurisdiction). It shall produce any documents requested by the Respondents which it accepts to produce and explain why it does not produce the others, if any. In this Second Memorial on Jurisdiction the Claimant shall specify if it continues to seek the Compensation Declaration; it shall also state if and, in the affirmative, to what extent it maintains the arbitration registered under ICSID Case No. ARB/10/11. If the Respondents have not asserted a Compensation Claim in their First Counter-Memorial on Jurisdiction, the Claimant may include in this Second Memorial on Jurisdiction the presentation of its position with respect to the request for the Compensation Declaration; in that event, the rules defined above for the Claimant’s First Memorial on Jurisdiction, including those concerning the document request, shall also apply to this presentation.

4. By Monday 1 August 2011 the Respondents shall produce any documents requested by the Claimant in its Second Memorial on Jurisdiction which they accept to produce and explain why they do not produce the others.

5. By Tuesday 30 August 2011 the Respondents shall produce their Second Counter-Memorial on Jurisdiction, following the rules applicable to their First Counter-Memorial on Jurisdiction.

6. On 15 September 2011 a pre-hearing procedural consultation shall take place by telephone conference. The exact time is to be determined by the Tribunal in consultation with the parties.

7. A Hearing on Jurisdictional Issues is scheduled for the time 13-15 October 2011 (three days) in London. Following this Hearing the Tribunal intends to close the record on jurisdiction and decide the then pending jurisdictional issues.

8. The proceedings on the merits, if any, shall be determined following the Tribunal’s decision on jurisdiction.

Geneva, 14 February 2011

For the Arbitral Tribunal

[ Signed ]

Michael E. Schneider
Chairman of the Arbitral Tribunal