



PRESS RELEASE

PCA CASE NO. 2022-13

KN-HOLDING LLC & SEVERGROUP LLC v. THE FRENCH REPUBLIC

THE HAGUE, 13 MARCH 2025

Request for Bifurcation

In accordance with the procedural calendar set out in Annex 1 to Procedural Order No. 2 dated 15 April 2024 (hereinafter, the “**Procedural Order No. 2**”), as amended on 21 August 2024, the French Republic (the “**Respondent**”) submitted on 7 October 2024 a request for bifurcation between the preliminary objections and liability phase and the quantum phase (the “**Request for Bifurcation**”).

On 5 November 2024, the companies KN-Holding LLC and Severgroup LLC (the “**Claimants**”) provided the Tribunal with their Response to the Respondent’s Request for Bifurcation, requesting that it be dismissed.

Decision on Bifurcation

On 3 December 2024, and on the basis of its powers under Article 15(1) of the UNCITRAL Arbitration Rules, the Tribunal granted the Request in its Decision on the Respondent’s Request for Bifurcation. Accordingly, the Respondent will provide its Statement of Defence on Liability (and Preliminary Objections, if any) to the Tribunal on 28 April 2025.

Amicus Curiae Submissions

The Parties to the dispute have agreed, as mentioned in Paragraph 11.5 of Procedural Order No. 2 dated 15 April 2024, that the Tribunal may receive *amicus curiae* submissions.

The Tribunal invites applications for leave to file *amicus curiae* submissions to be submitted by e-mail to bureau@pca-cpa.org no later than **Thursday, 10 April 2025**. These filings shall be written in at least one of the two languages of the arbitration (English or French).

Background of the Arbitration

The arbitration was initiated by the Claimants on 8 June 2021, in accordance with the France-Russia BIT of 1989 and under the UNCITRAL Arbitration Rules 1976. The Claimants allege that the French Republic breached Articles 2, 3(1), 3(2), 3(4), 4(1), 4(3) and 8 of the France-Russia BIT in relation to the Claimants’ rights to exploit gold and other resources in the Montagne d’Or area in French Guiana.

The Tribunal is composed of Professor Dr. Klaus Sachs (Presiding Arbitrator), Ms. Anne K. Hoffmann (appointed by the Claimants), and Professor Brigitte Stern (appointed by the Respondent).

After consulting the Parties, on 6 April 2022, the Tribunal issued its Procedural Order No. 1, appointing the Permanent Court of Arbitration (“PCA”) as registry. The proceedings were subsequently suspended by agreement of the Parties at the request of the Claimants until the developments recounted in the press release dated 25 July 2024. The Claimants filed their Statement of Claim on 9 August 2024.

Pursuant to Procedural Order No. 2, the Tribunal will instruct the PCA to publish a press release at each stage of the proceedings, summarizing the background of the case and procedural developments. Basic information about the proceedings is available on the PCA [website](#).

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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 124 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 7 inter-state arbitrations, 1 other inter-state proceeding, 93 arbitrations arising under bilateral or multilateral investment treaties or national investment laws, 96 cases arising under contracts involving a State or other public entity, and 3 other proceedings.

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