

March 2023

# ELITE PARS

Law Firm

Legal Update Prepared for  
Elite Pars Clients



## Introduction

Established in 2019, Elite Pars is a boutique law firm with professional lawyers and legal minds as its core team. Lawyers at Elite Pars render legal advice on a wide range of matters in parallel to dealing with various local, regional and international arbitration and litigation cases.

Elite Pars draws strength from its diversity. We recruit from a wide variety of backgrounds, seeking out the best and those with the highest potential and we invest in their development. Our profound knowledge of assorted legal areas, enables us to efficiently guide our clients through the most complex matters they are facing. Furthermore, our practical experience provides us with insights that help us assist our clients in achieving their legal goals.

In case you have any queries regarding this document or would like to inquire as to how we could serve you best, please feel free to contact our partners Dr. Navid Sato and/or Dr. Nima Nasrollahi via [n.sato@elitepars.com](mailto:n.sato@elitepars.com) and/or [n.nasrollahi@elitepars.com](mailto:n.nasrollahi@elitepars.com).

## LEGAL UPDATE: MARCH 2023

### ICJ RULING ON FREEZING OF IRANIAN ASSETS BY UNITED STATES

On March 30<sup>th</sup>, International Court of Justice (“ICJ”) rendered its ruling on confiscation of certain assets of Iranian companies by United States of America. This case was initiated by Islamic Republic of Iran on June 14<sup>th</sup> 2016 with regard to a dispute concerning alleged violations by the United States of the Treaty of Amity, Economic Relations, and Consular Rights, signed between Iran and USA on August 15<sup>th</sup> 1955 and entered into force on 16 June 1957.

According to Article 3 of the Treaty, “companies constituted under the applicable laws and regulations of either High Contracting Party shall have their juridical status recognized within the territories of the other High Contracting Party.”

The court examined whether Central Bank of Iran (“CBI”) is a company under the aforementioned Treaty and concludes that CBI cannot be characterized as a “company” as its operations do not qualify as the activities of a commercial character. As a result, in its ruling, the ICJ failed to find jurisdiction over CBI assets which have been frozen by American authorities.

As well as that, an objection to admissibility of the case due to exhaustion of local remedies was raised by United States. The Court mentioned that the Iranian companies in question had no possibility of successfully asserting their rights in the United States court proceedings and rejected United States

objection to the admissibility of claims based on exhaustion of local remedies.

With regard to merits of the case, the Court rejected some of the alleged violations by the United States of its obligations under the Treaty of Amity while accepting a number of violations. For instance, ICJ ruled that measures of the USA disregarded the Iranian companies’ legal personality and has violated its obligations under Article III, para. 1. The Court also found that Article IV, para. 2 was violated by USA with regard to taking of properties without a public purpose and paying just compensations. It is worth mentioning that the ICJ rejected Iran’s request with regard to cessation of internationally wrongful acts due to the fact that the Treaty is not in force anymore. As the United States of America denounced the Treaty by giving notification on 3 October 2018.

Turning to the question of compensation for the injury suffered, the Court concludes that Iran is entitled to compensation for the injury caused by violation by USA as ascertained by the Court. The amount of such compensation is yet to be assessed by the Court in a subsequent phase of the proceedings.

This judgement is final and binding on both parties and cannot be appealed.

### THE COMMENCEMENT OF MOBILE ELECTRONIC JUDICIAL SERVICES

On March 11<sup>th</sup>, a conference was held by the Electronic Judicial Service Center in Tehran, in which Mr. Hassan Ruhaninia, the managing director of the Center outlined the



commencement of providing mobile electronic judicial services. Mr. Ruhaninia mentioned the importance of providing such mobile facilities as a means of supporting the weaker segments of society and the administration of public rights.

People who need to receive Judicial services but cannot be present in the judicial electronic service offices for any reason may use this type of mobile service, and receive the requested service at their home or office. According to the Judiciary, the tariff for mobile electronic judicial services is three times the non-mobile tariff, and the cost of traffic is also added to the tariff amount. However, these services are completely free of charge for handicapped and disabled people holding a card related to their supporting organizations and those under the support of the State Welfare Organization of Iran and the Imam Khomeini Relief Foundation.

In this regard, it should be noted that the Electronic Judicial Service Center has been implementing the “Movasat Project” for two years. According to this project, electronic judicial services are provided to the people covered by the aforementioned organizations out of charge. Now with the provision of mobile facilities, the Movasat Project is developed and such people are provided better assistance.

As the first stage of implementing electronic judicial services, currently, the experts receive the requests of applicants made by dialing number 1470. They are available every day

(except Fridays) from 7:00 am to 7:00 pm and provide electronic judicial services (except Sana registration) to the general public according to the related instruction of the Electronic Judicial Service Center.

#### **IRAN – BELARUS COMPREHENSIVE CO-OPERATION ROADMAP**

On 15 March 2023, Belarus parliamentary delegation visited Iran and signed the comprehensive cooperation roadmap and seven different memorandums of understanding in different fields, namely, industry, mining, trade, agriculture, transportation and other various fields with Iranian officials.

As Belarus is a major country in the Eurasian Economic Union, Iran will benefit significantly from mutual communication and relations. Also, with the complete accession of Iran to the Eurasian Economic Union, 80% of tariffs between the two countries will be lifted. If fully implemented, the trade volume between the two countries could reach \$100 million. According to President Raisi, the volume of trade between the two countries has tripled in 2022 compared to 2021.

The President of Belarus, Alexander Lukashenko, expressed his hope that the implementation of a comprehensive roadmap for cooperation will contribute to the further development of relations between the two countries. Lukashenko, who heads the high-level delegation visiting Iran, had his previous trip to Tehran in 2006.



## **Dr. Navid Rahbar Sato**

### **Managing Partner**

Dr. Navid Rahbar Sato is a founding partner and the managing director of Elite Pars Law Firm. He is a qualified international and domestic lawyer in the Iranian market with a primary focus on cross border transactions and oil and gas law. With several years of experience, he has extensive comprehension of the national, regional and international commercial legal systems. He also handles litigation and arbitration cases where he sets out the legal strategies and heads the team in the process. He particularly advises clients on energy law, foreign direct investment, incorporation, mergers and acquisitions as well as import and export regulations in the region including sanctions' compliance matters.

Navid holds an SJD from Washington College of Law and is a Vanderbilt LL. M. graduate of NYU School of Law and an International Trade Law LLM graduate of the American University of Washington D.C. He is an assistant professor at Shahid Beheshti University of Tehran. Navid speaks fluent Farsi and English, as well as basic French and Japanese.  
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## **Dr. Nima Nasrollahi Shahri**

### **Partner**

Dr. Nima Nasrollahi Shahri is a founding partner at Elite Pars Law Firm and heads the energy, investment law and arbitration practices of the firm. He is a seasoned lawyer in the field of oil and gas and renewable energies and has advised major international oil companies with respect to their participation in Iranian oil and gas projects. He holds a PhD in International Investment Law and has completed the LL. M. program of University of Dundee in Petroleum Law and Policy. He has a long list of Persian and English publications and is currently the director of oil and gas law LL. M. program at the University of Science and Culture in Tehran where he is now supervising several dissertation theses, mostly related to the same field as well as commercial arbitration. Nima regularly does pro bono educational activities. He speaks Farsi, fluent English and intermediate French and Arabic.

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