



Andrew Stafford KC on Collecting Investor-State Awards in ICLG

November 16, 2021

Publication: ***International Comparative Legal Guides***

Bilateral investment treaties (BITs) have facilitated global investment, but their value hinges on the ability to collect on a BIT award if anything goes wrong – and when the award debtor is a sovereign state, investors face unique challenges. Kobre & Kim’s Andrew Stafford KC, who has deep experience in international judgment enforcement against sovereign debtors, walk through how creditors can navigate the complexities in a chapter for *International Comparative Legal Guides*’ “Investor-State Arbitration 2022.”

Debtor-states have financial as well as political incentives to resist paying an award, and unlike commercial debtors, they have access to legal tools and sovereign powers to frustrate collection. Creditors need to consider the challenges of targeting a state-owned enterprise, which are legally separate from the state; pursuing assets outside of the state’s own courts in more creditor-friendly jurisdictions; mapping a state’s assets through the international banks they use and maneuvering around state immunity; and preparing for a state to use their domestic and international treaty-based powers to pursue creditors on accusations of fraud.

Creditors should therefore prepare their collection strategies as early as possible, before an award is rendered, to ensure a BIT’s promise of recourse can be realized.

[Click here to read the full article.](#)