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*Sergei Voitovich*

*“Settlement v. Unfavorable Award”*

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- **Settlement of a dispute by an agreement is something that in many cases remains behind the curtain.**
- **It is axiomatic that if you have weak chances to obtain a favorable award, you need to think of a settlement.**
- **About 30-40 % of the concluded ICSID cases have been discontinued by means of an agreed settlement.**

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## Advantages of settlement:

- ***Predictability*** of the outcome
- ***Confidentiality*** which is especially important when the terms of settlement are not very favorable for one of the parties
- ***Saving costs*** of the arbitration for the parties if discontinuance takes place at an early stage
- An agreed settlement is preferable, compared to an award, ***for a continued cooperation of the parties***

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## Concerns about settlement:

- A typical guess about a settlement amount and an amount of award
- Risk of leakage of the confidential terms of a failed settlement
- Responsibility for payment of the settled amount without an award

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**Shall arbitrators assist the parties in their  
settlement efforts?**

My personal sympathy is with those arbitrators, who  
do not refrain from the attempts to assist the parties  
in settlement of a pending dispute.