

Egyptian property attached in the Netherlands

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Cosmo Sanderson



The former Egyptian embassy (Credit: Wikimedia Commons)

A former residence of the Egyptian ambassador in The Hague has been attached at the request of a Finnish businessman seeking to enforce a US\$115 million investment treaty award.

The attachment over the property at Surinamestraat 20 in The Hague took effect on 24 April, pursuant to an exequatur order issued by the Hague District Court earlier this year in favour of Mohamed Abdel Raouf Bahgat.

Bahgat, who will turn 80 in May, is seeking to enforce an UNCITRAL award he won in December, where a tribunal chaired by German academic **Rüdiger Wolfrum** and including **W Michael Reisman** of the US and Swiss-Brazilian arbitrator **Laurent Lévy** held Egypt liable for the loss of his iron and steel business and his imprisonment.

The arbitration was seated in The Hague and administered by the Permanent Court of Arbitration.

While Bahgat has begun enforcement proceedings, Egypt applied last month to set the award aside.

Both the award and set aside proceedings were [covered](#) by GAR last week.

Egypt has owned the property at Surinamestraat 20 since the late 1920s and it has been used as a residence for the Egyptian ambassador to the Netherlands for many years.

However, the building – which is also the former home of renowned nineteenth century Dutch novelist and poet Louis Couperus – has been unoccupied for over a decade and has reportedly fallen into disrepair, with several squatters [evicted](#) from the property in recent years.

In the Dutch proceedings, Bahgat is using Van Doorne and London-based public international law boutique Fietta as co-ordinating counsel. Fietta was lead counsel in the arbitration.

Fietta principal **Stephen Fietta QC** says the attachment of the “landmark building” is the first step of a “multijurisdictional enforcement strategy,” with proceedings and other measures either planned or underway across several continents.

“As an elderly gentleman who was wrongly incarcerated and then left financially crippled by Egypt's misconduct, and whose arbitration claim was deliberately delayed for years while Egypt insisted that the Finnish Supreme Court [confirm his nationality](#),” Fietta says Bahgat will now do “everything legally possible to enforce his award quickly and in full.”

With interest on the award accruing at US\$400,000 a month, he says Egypt is “paying for that effort.”

Van Doorne partner **Rogier Schellaars** says the building Bahgat has attached is “as far as we know” not being used for public purposes by Egypt. Therefore the state should “either pay up, offer to put up a bank guarantee or face an executionary sale of its property.”

As in the arbitration, Bahgat is receiving funding from Vannin Capital.

Egypt is using De Brauw Blackstone Westbroek in the Dutch proceedings. The firm did not respond to a request for comment. In the arbitration, Egypt used Bredin Prat and its State Lawsuits Authority.

Mohamed Abdel Raouf Bahgat v Egypt

In the Dutch proceedings

Counsel to Bahgat

- Van Doorne

Partner **Rogier Schellaars** and lawyers **Judith van der Linden** and **Fleur Potter** in Amsterdam

- Fietta (as coordinating counsel)

Partners **Stephen Fietta QC** and **Jiries Saadeh**, senior associates **Oonagh Sands** and **Laura Rees-Evans** and associates **Fanny Sarnel** and **Miglena Angelova** in London

Counsel to Egypt

- De Brauw Blackstone Westbroek

Partners **Martje Verhoeven-de Vries Lentsch** and **Bommel van der Bend** and associates **Mick Gerrits**, **Mira Smulders**, **Annette Scholten** and **Varvara Aryutina** in Amsterdam

In the UNCITRAL arbitration (PCA Case No. 2012-07)

Tribunal

- **Rüdiger Wolfrum** (Germany) (president)
- **W Michael Reisman** (US) (appointed by Bahgat)
- **Laurent Lévy*** (Switzerland/Brazil) (appointed by Egypt)

*replaced **Francisco Orrego Vicuña** in 2018

Counsel to Bahgat

- Fietta (from late 2016)

Partners **Stephen Fietta QC** and **Jiries Saadeh**, senior associates **Oonagh Sands** and **Laura Rees-Evans** and associates **Zsófia Young** and **Fanny Sarnel** in London

- **Samuel Wordsworth QC** and **Peter Webster** of Essex Court Chambers
- **Andrew Newcombe** of University of Victoria

Counsel to Egypt

- Bredin Prat

Partners **Tim Portwood** and **Louis Christophe Delanoy** and associates **Veronika Korom***, **Laura Fadlallah**, **Suhaib Al Ali** and **Khrystyna Kostiuszko** in Paris

*no longer with the firm

- Egyptian State Lawsuits Authority

Experts to Bahgat

- FTI Consulting (on quantum)

Noel Matthews and **Leona Josifidis** in London

Experts to Egypt

- BDO (on quantum)

Gervase MacGregor, **Andrew Maclay*** and **Andrew Fingerett*** in London

*have since left BDO

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