

PCA CASE No. 2009-23

IN THE MATTER OF AN ARBITRATION BEFORE A TRIBUNAL CONSTITUTED
IN ACCORDANCE WITH THE TREATY BETWEEN THE UNITED STATES OF
AMERICA AND THE REPUBLIC OF ECUADOR CONCERNING THE
ENCOURAGEMENT AND RECIPROCAL PROTECTION OF INVESTMENTS,
SIGNED 27 AUGUST 1993 (THE “TREATY”) AND THE UNCITRAL ARBITRATION
RULES 1976 (THE “UNCITRAL ARBITRATION RULES”)

BETWEEN:

1. CHEVRON CORPORATION (U.S.A.)
2. TEXACO PETROLEUM COMPANY (U.S.A.)

The Claimants

- and -

THE REPUBLIC OF ECUADOR

The Respondent

DECISION ON THE RESPONDENT’S REQUEST FOR CORRECTION AND
INTERPRETATION OF THE FOURTH PARTIAL AWARD ON TRACK III UNDER
ARTICLES 35 AND 36 OF THE UNCITRAL ARBITRATION RULES

The Arbitration Tribunal:

Dr Horacio A. Grigera Naón
Professor Vaughan Lowe KC
Professor Albert Jan van den Berg (President)

Secretary to the Tribunal: Martin Doe
Assistant Secretary to the Tribunal: José Luis Aragón Cardiel

I. PROCEDURAL HISTORY

1. On 17 November 2025, the Tribunal issued the Fourth Partial Award on Track III (the “**Track III Award**”) along with Dr Horacio A. Grigera Naón’s accompanying Note of Partial Dissent.
2. On 17 December 2025, the Respondent requested a correction of the Track III Award under Article 36 and, alternatively and to the extent appropriate, an interpretation pursuant to Article 35 of the UNCITRAL Arbitration Rules¹ (the “**Respondent’s Request**”).
3. On 18 December 2025, the Tribunal confirmed receipt of the Respondent’s Request and invited the Claimants to file any comments thereon by 9 January 2026.
4. On 22 December 2025, the Claimants requested an extension of time to respond to the Respondent’s Request until 16 January 2026.
5. On 23 December 2025, the Tribunal granted the Claimants’ extension request.
6. On 16 January 2026, the Claimants submitted their response to the Respondent’s Request (the “**Claimants’ Response**”).
7. On 22 January 2026, the Respondent requested leave to file a reply to the Claimants’ Response. On the same day, the Tribunal granted leave to the Respondent to file a reply to the Claimants’ Response and also invited the Claimants to provide any final comments on the Respondent’s reply thereafter.
8. On 24 January 2026, the Respondent filed its reply to the Claimants’ Response (the “**Respondent’s Reply**”).
9. On 27 January 2026, the Claimants filed their final comments on the Respondent’s Reply (the “**Claimants’ Rejoinder**”).

¹ Unless otherwise stated, any defined terms shall have the meanings given to them in the Track III Award.

10. Also on 27 January 2026, the Tribunal invited the Parties to agree to a four-day extension of the deadline under Article 35(2) of the UNCITRAL Arbitration Rules, that is, until 6 February 2026. The Respondent confirmed its agreement with the Tribunal's proposal on the same date, followed by the Claimants on 28 January 2026.

II. THE PARTIES' POSITIONS ON THE RESPONDENT'S REQUEST

A. THE RESPONDENT'S POSITION

11. By its Request, the Respondent seeks "a limited correction" of the Track III Award "to correct the Tribunal's computation of damages as derived from Respondent's Damages Model from a total principal amount of USD 180,402,691.431 to USD 175,750,372.31, with corresponding adjustments for pre-award interest".² The total principal amount calculated by the Respondent is the result of an attempt to "replicate the Tribunal's computations, implementing the methodology set forth in the Award, including in particular in paragraphs 2245-2297, and using Respondent's Damages Model".³ The Respondent has provided a "step-by-step explanation of how it implemented the conclusions in the Award" as Annex A to its Request, and "as Annex B Respondent's Damages Model as submitted to the Tribunal on 15 October 2025, implementing the corresponding inputs".⁴ In this connection, the Respondent asserts that the "Claimants' attempt to characterize Respondent's replication efforts as merely 'instructing' the Tribunal misunderstands the corrective process" and notes that the Claimants themselves could not replicate the amount of the Track III Award using the Tribunal's methodology.⁵
12. The Respondent asserts that Article 36(1) of the UNCITRAL Arbitration Rules permits the correction of "errors in computation", including "mistakes in the calculation of a certain amount".⁶ Accordingly, the Respondent seeks a correction "in light of an

² Respondent's Request, pp. 1-2.

³ Respondent's Request p. 2.

⁴ Respondent's Request p. 3.

⁵ Respondent's Reply, p. 2.

⁶ Respondent's Request p. 2; **RLA-1050**, Luiz Olavo Baptista, *Correction and Clarification of Arbitral Awards*, in *ARBITRATION ADVOCACY IN CHANGING TIMES* (International Council for Commercial Arbitration Congress Vol. 15) 275 (2011), pp. 280-281; **RLA-1052**, *Elliott Associates L.P. v. Korea*, PCA Case No. 2018-51, Decision on Requests for Correction and Interpretation of the Award, 1 September 2023, paras. 45-46.

ostensible discrepancy so that the dispositive amount of damages reflects the Tribunal's stated methodology".⁷ In the Respondent's view, the fact that the Tribunal held that it was only required to exercise reasonable precision in assessing damages "relates to the Tribunal's approach to the evidentiary assessment of damages in the face of complex and voluminous evidence" and "does not immunize computational errors from correction".⁸ Similarly, the Respondent rejects the Claimants' assertion that the Tribunal's 15% overall margin-of-error reduction has already captured any error: in its submission, such argument "would effectively render Article 36 inapplicable whenever a tribunal applies any margin-of-error reduction, regardless of other computational issues".⁹

13. In the alternative, if "the Tribunal were to conclude that Ecuador has misunderstood any aspect of the Award's computational guidance", the Respondent requests that the Tribunal provide an interpretation pursuant to Article 35 of the UNCITRAL Arbitration Rules identifying where the Tribunal's and the Respondent's calculations diverge.¹⁰ The Respondent clarifies that the Claimants' "speculation" that the discrepancy between the Tribunal's calculations and its own "almost certainly results from 'workarounds' adopted by the Tribunal" is precisely why it has requested, in the alternative, an interpretation under Article 35 – a request which, in its submission, "demonstrates Respondent's good faith and respect for the Tribunal's computation of damages."¹¹

B. THE CLAIMANTS' POSITION

14. The Claimants request that the Tribunal deny the Respondent's Request.¹²
15. First, the Claimants assert that Article 36 of the UNCITRAL Arbitration Rules does not permit the requested "correction".¹³ They contend that Article 36 permits corrections of

⁷ Respondent's Request p. 2.

⁸ Respondent's Reply, pp. 2-3.

⁹ Respondent's Reply, p. 3.

¹⁰ Respondent's Request p. 3.

¹¹ Respondent's Reply, p. 4.

¹² Claimants' Response, p. 1.

¹³ Claimants' Response, p. 1.

“errors in computation”, but that the Respondent has not identified any such error.¹⁴ Rather, the Claimants consider that the Respondent seeks the adoption of its own instructions on how to adjust its Damages Model due to a discrepancy “almost certainly” resulting from the Tribunal’s adopted “workarounds”, its reliance on which does not constitute an “error[] in computation”.¹⁵ The Claimants submit that Article 36(1) allows only “the correction of unintentional errors of a technical nature”, “self-evident” errors, or “miscalculations and other obvious errors capable of simple rectification”, such as the use of incorrect data in calculations, and that the Tribunal’s workarounds do not constitute such errors.¹⁶

16. Second, the Claimants submit that the Tribunal has already accounted for the correction sought by the Respondent by incorporating a margin of error when applying a 15% global reduction to the Claimants’ compensation, in the exercise of the reasonable precision required of it in assessing damages.¹⁷ In the Claimants’ view, the Track III Award makes clear that (i) the Tribunal’s computation of damages is subject to the “reasonable precision” standard;¹⁸ and (ii) the 15% global reduction was intended to account “for computational difficulties, not only evidentiary issues.”¹⁹
17. Third, the Claimants contend that the Tribunal only requested the Parties’ Damages Models to “assist[]” it as a “tool”, but is not bound to rely on them, in particular as it was required to apply “workarounds” due to the existing limitations in the Parties’ Damages Models.²⁰

¹⁴ Claimants’ Response, pp. 1-2; Claimants’ Rejoinder, pp. 1-2.

¹⁵ Claimants’ Response, pp. 1-2; Claimants’ Rejoinder, pp. 1-2.

¹⁶ Claimants’ Response, p. 2; Claimants’ Rejoinder, p. 2; **CLA-962**, *British Caribbean Bank Ltd. v. Belize*, PCA Case No. 2010-18, Decision on the Respondent Motion pursuant to the UNCITRAL Arbitration Rules Articles 36 and 37, 21 January 2015, p. 4, para. T; **CLA-963**, Maxi Scherer, *Chapter 22: Awards and Correction of Awards*, in Maxi Scherer, Lisa Richman, et al., *ARBITRATING UNDER THE 2020 LCIA RULES: A USER'S GUIDE*, pp. 420-421; **CLA-964**, John Savage and Simon Dunbar, *SIAC Arbitration Rules, Rule 29: Correction of Awards and Additional Awards*, in Loukas A. Mistelis (ed), *CONCISE INTERNATIONAL ARBITRATION* (2nd ed, 2015), p. 816 (emphasis removed).

¹⁷ Claimants’ Response, pp. 2-4; Track III Award, paras. 545-548, fn 851, 2236-2237.

¹⁸ Claimants’ Rejoinder, p. 2; Track III Award, para. 2262.

¹⁹ Claimants’ Rejoinder, pp. 2-3.

²⁰ Claimants’ Response, p. 4; Track III Hearing Transcript, Day 14 (6 September 2022), p. 3354 (President van den Berg); Track III Award, paras. 551, 2237, 2241-2243, 2270, 2292.

18. Fourth, the Claimants submit that the Respondent’s instructions found in Annex A to its Request cannot provide the basis for the purported “correction” because the instructions do not accurately reflect the Tribunal’s reasoning and “lead to nonsensical results.”²¹ In the Claimants’ view, the difference between the Respondent’s and the Tribunal’s calculations “is almost certainly explained” by the Tribunal’s use of workarounds and the “Respondent’s inaccurate attempts to recreate them”.²²
19. Lastly, the Claimants “oppose Respondent’s alternative request for interpretation under Article 35 as duplicative and unnecessary.”²³ In the Claimants’ view, the Tribunal “has already addressed Respondent’s purported concerns in the Track III Award, in which it explained that its damages assessment was subject to a ‘reasonable precision’ standard, that it had already applied a 15% overall reduction to account for computational issues, and that it had been forced to use ‘workarounds’ given the limitations in the damages models.”²⁴

III. REQUESTS FOR RELIEF

20. The Respondent requests that the Tribunal, “solely to align the Award’s dispositive amounts with its stated computational method”:
- a) Determine, pursuant to Article 36(1) of the 1976 UNCITRAL Rules, that the divergence identified is an error in computation or of a similar nature; and
 - b) Issue a written correction to the Award reflecting the corrected amount of USD 175,750,372.31 for the total principal amount awarded to the Claimants, consistent with the methodology adopted by the Tribunal, with corresponding correction to the amount of pre-award interest.
 - c) In the alternative and to the extent appropriate, provide an interpretation under Article 35 of the 1976 UNCITRAL Rules clarifying, with reference to paragraphs 2245–2297 of the Track III Award, the intended sequencing of the Tribunal’s step-by-step reductions and any other mechanical conventions necessary to reconcile the Award’s methodology with the principal amounts awarded by the Tribunal.

²¹ Claimants’ Response, p. 4.

²² Claimants’ Response, p. 6.

²³ Claimants’ Rejoinder, p. 4.

²⁴ Claimants’ Rejoinder, p. 4.

In light of the detailed nature of the Award and the complexity of Respondent's Damages Model, in addition to seeking the relief requested herein, Respondent is open to other potential options in an effort to resolve the issue raised herein with respect to the computation of the Award.²⁵

21. The Claimants submit that “the Tribunal should deny Respondent’s request and affirm that Claimants are entitled to US\$ 180,402,691.43 in pre-interest damages”.²⁶

IV. ANALYSIS

22. This Decision is issued by a majority of the Tribunal composed of Professor Albert Jan van den Berg and Professor Vaughan Lowe KC. The Decision is subject to dissent by Arbitrator Dr. Horacio A. Grigera Naón.

23. The Respondent’s Request is premised, in the first instance, on Article 36 of the UNCITRAL Arbitration Rules (Correction of the Award) and, in the alternative, on Article 35 (Interpretation of the Award).

24. Article 36 of the UNCITRAL Arbitration Rules reads as follows:

1. Within thirty days after the receipt of the award, either party, with notice to the other party, may request the arbitral tribunal to correct in the award any errors in computation, any clerical or typographical errors, or any errors of similar nature. The arbitral tribunal may within thirty days after the communication of the award make such corrections on its own initiative.

2. Such corrections shall be in writing, and the provisions of article 32, paragraphs 2 to 7, shall apply.

25. As the Parties correctly note, Article 36 of the UNCITRAL Arbitration Rules provides the Tribunal with limited powers of correction. Under this provision, the Tribunal is permitted to correct only “errors in computation” or “any errors of a similar nature”, such as “unintentional errors of a technical nature”,²⁷ or “miscalculations or uses [of] wrong data in calculations”.²⁸

²⁵ Respondent’s Request p. 4; Respondent’s Reply, p. 4.

²⁶ Claimants’ Response, p. 1; Claimants’ Rejoinder, p. 4.

²⁷ **CLA-962**, *British Caribbean Bank Ltd. v. Belize*, PCA Case No. 2010-18, Decision on the Respondent Motion pursuant to the UNCITRAL Arbitration Rules Articles 36 and 37, 21 January 2015, p. 4, para. T.

²⁸ **CLA-963**, Maxi Scherer, *Chapter 22: Awards and Correction of Awards*, in Maxi Scherer, Lisa Richman, et al., *ARBITRATING UNDER THE 2020 LCIA RULES: A USER'S GUIDE*, pp. 420. *See also RLA-1052 Elliott Associates L.P. v. Korea*, PCA Case No. 2018-51, Decision on Requests for Correction and Interpretation of the Award, 1 September 2023, paras. 45-46.

26. The Respondent's Request concerns purported errors in the Tribunal's computation of damages in the Track III Award. The Tribunal recalls in this connection that in Section VIII.O of the Track III Award, which is entitled "Global Conclusions on the Claimants' Damages Claims Concerning Legal Fees and Expenses", it converted "its earlier substantive determinations on the 13 damages categories concerning legal fees and expenses, as well as on cross-cutting elements impacting multiple categories, into a quantitative result, representing the principal amount of compensation due to Chevron in respect of those damages categories."²⁹ In particular:

- (i) In Section VIII.O.1, the Tribunal restated for ease of reference "its determinations for each of the 13 damages categories and cross-cutting elements addressed in Sections VIII.A-VIII.N".³⁰
- (ii) In Section VIII.O.2, the Tribunal incorporated "each of these determinations into the Damages Models in order to calculate Chevron's damages."³¹
- (iii) In Section VIII.O.3, the Tribunal "summarize[d] its calculations, address[ed] the existing discrepancies between the methodology and output of the Damages Models, and determine[d] the final amount of compensation due in connection with the Claimants' damages claims concerning legal fees and expenses."³² It there decided to rely only upon the Respondent's Damages Model to determine the principal amount of compensation due to Chevron, as it had "greater confidence in the capacity of the Respondent's Damages Model to implement the Tribunal's decisions regarding damages".³³ However, the Tribunal noted that it had "also performed, and taken into account, all necessary calculations in the Claimants' Damages Model to offer a measure against which to check the accuracy of the output derived from the Respondent's Damages Model."³⁴

²⁹ Track III Award, para. 2240.

³⁰ Track III Award, para. 2243.

³¹ Track III Award, para. 2243.

³² Track III Award, para. 2243.

³³ Track III Award, para. 2296.

³⁴ Track III Award, para. 2296.

27. The Respondent has not identified the specific computational errors in the Tribunal’s aforementioned analysis. Instead, the Respondent and its experts “attempted carefully to replicate the Tribunal’s computations, implementing the methodology set forth in the Award, including in particular in paragraphs 2245-2297 [corresponding to Section VIII.O], and using Respondent’s Damages Model”.³⁵ The Respondent has also provided a “step-by-step explanation of how it implemented the conclusions in the Award” (Annex A to the Request), as well as a version of the Respondent’s Damages Model “implementing the corresponding inputs” (Annex B to the Request).³⁶ In pursuing this exercise, the Respondent “was unable to reconcile the Tribunal’s awarded principal amounts with the results generated by the method as explained by the Tribunal” in Section VIII.O of the Track III Award.³⁷ The Respondent requests, accordingly, that the Tribunal “[d]etermine, pursuant to Article 36(1) of the [UNCITRAL Arbitration Rules], that the divergence identified is an error in computation or of a similar nature” and issue a corresponding written correction to the Track III Award “reflecting the corrected amount of USD 175,750,372.31”.³⁸
28. As a threshold issue, the Tribunal accepts that, given the complexity of the damages calculations performed in the Track III Award – which is acknowledged multiple times in the Tribunal’s analysis³⁹ – the identification of possible computational errors may be unusually challenging, even with the benefit of the Tribunal’s detailed account of how it incorporated its substantive determinations into the Parties’ Damages Models. However, this should not preclude the Tribunal from correcting an error within the scope of Article 36(1) of the UNCITRAL Arbitration Rules when called upon to do so. In these special circumstances, the Tribunal considers that it was acceptable for the Respondent to set out its own understanding of how the Tribunal’s conclusions should be incorporated into its Damages Model, so as to allow the Tribunal to identify any divergences between

³⁵ Respondent’s Request p. 2.

³⁶ Respondent’s Request p. 3.

³⁷ Respondent’s Request p. 3.

³⁸ Respondent’s Request p. 4.

³⁹ *See, e.g.*, Track III Award, paras. 2237(v), 2262.

its own analysis and that of the Respondent and to assess whether such divergences result from a computational error or from a similar issue in the Tribunal's calculations.

29. The Claimants are correct that the Tribunal need only achieve reasonable precision in the assessment of damages⁴⁰ and that the Track III Award already applied a 15% global reduction to the Claimants' compensation as a margin of error "in light of the complexity of the evaluations undertaken . . . and the practical difficulties involved in calculating the final amount of compensation for incidental damages using the Parties' Damages Models".⁴¹ Nevertheless, these considerations do not extinguish or exhaust the correction mechanism in Article 36(1) of the UNCITRAL Arbitration Rules. The Tribunal may implement any correction requested by the Parties, so long as such correction amounts to an "error[] in computation . . . or any error[] of a similar nature" within the meaning of Article 36(1). In the Tribunal's view, any failure by the Tribunal to specify an amount of damages that did not properly reflect its reasoning and intended conclusions expressly set out in the Track III Award, for instance, as a result of an inadvertent failure by the Tribunal to activate a switch in the Respondent's Damages Model, would constitute an error of such nature and may be corrected at this juncture.
30. Having compared Annexes A and B to the Respondent's Request with its own calculations and the Track III Award, the Tribunal has identified two instances in which it did not properly implement into the Respondent's Damages Model substantive determinations as expressed in the Track III Award.
31. First, the Tribunal determined in paragraph 2085 of the Track III Award that
- when inserting a cut-off date in the Parties' Damages Models for the compensation of a particular category or component of damages, the Tribunal shall instead set a date 30 days subsequent to the actual cut-off date to account for the delay between the rendering of a service and the date on which the corresponding invoice was issued.
32. In turn, in paragraphs 1833(iii) and 2252 of the Track III Award, the Tribunal
- [e]xclude[d] from compensation 100% of the legal fees and expenses incurred by the Claimants in connection with the Affirmative 1782s, except for those they incurred in connection with (1) the Banco Pichincha 1782 between 14 February 2011 and 31 July 2013; (2) the Berlinger 1782 after 14 February 2011; (3) the Bonifaz 1782 between 14 February 2011 and 31 May 2011; (4) the

⁴⁰ See Track III Award, paras. 548, 2229, 2262.

⁴¹ Track III Award, para. 2237(v).

Donziger 1782 between 14 February 2011 and 31 July 2013; (5) the E-Tech/Powers 1782 between 14 February 2011 and 30 April 2012; (6) the Page 1782 between 14 February 2011 and 28 February 2016; (7) the Rourke 1782 between 14 February 2011 and 31 December 2011; (8) the Stratus 1782 between 14 February 2011 and 31 January 2013; (9) the UBR 1782 after 14 February 2011; (10) the Weinberg 1782 between 14 February 2011 and 31 October 2012; and (11) the Wray 1782 between 14 February 2011 and 31 August 2013

33. When incorporating the date range restrictions fixed in paragraphs 1833(iii) and 2252 into the “Category Reductions” tab of the Respondent’s Damages Model, the Tribunal erred in entering for each of the aforementioned Affirmative 1782s the “End Date” provided in paragraphs 1833(iii) and 2252 without applying the 30-day adjustment required under paragraph 2085 of the Track III Award. For the reasons set out above, the Tribunal’s oversight to apply such adjustment constitutes an error within the scope of Article 36(1) of the UNCITRAL Arbitration Rules and may be corrected at this juncture. The Tribunal shall therefore correct its damages calculations in the Respondent’s Damages Model by implementing the adjustment required under paragraph 2085 of the Track III Award to the date range restrictions set out in paragraphs 1833(iii) and 2252.⁴²
34. Second, in paragraphs 2238(vi) and 2258 of the Track III Award, the Tribunal “[e]xclude[d] from compensation all legal fees and expenses [corresponding] to components and other matters identified in paragraph 2225 above”. Paragraph 2225 reads in full:

Before turning to such analysis, the Tribunal must recall that when addressing each of the 13 damages categories and corresponding components comprising legal fees and expenses earlier in this Award, it deferred its determination of multiple questions to this Section. The Tribunal’s determinations in the preceding Section have disposed of several of those questions. In particular, the Tribunal has determined that all legal fees and expenses relating to “Activities relating to Media and Public Relations”, “Government Relations (including but not limited to USTR)”, and “Nondefense-Related Activities” must be excluded from compensation. Accordingly, all components and other sets of legal fees and expenses corresponding to those activities still pending determination must also be excluded from compensation.⁴³

35. In sum, in paragraphs 2238(vi) and 2258 the Tribunal determined that all legal fees and expenses relating to “Activities relating to Media and Public Relations”, “Government

⁴² This adjustment is detailed in Respondent’s Request, Annex A, paragraphs 14.c (Stratus), 14.f (Donziger), 14.k (Wray), 14.n (Pichincha), 14.q (Bonifaz), 14.t (E-Tech/Powers), 14.w (Page), 14.z (Rourke), 14.dd (Weinberg). *See also* Respondent’s Request Annex B, Tab “Category Reductions, cells H180 (Stratus), H189 (Donziger), H206 (Wray), H215 (Pichincha), H218 (Bonifaz), H221 (E-Tech/Powers), H224 (Page), H227 (Rourke), H231 (Weinberg).

⁴³ Track III Award, para. 2225. *See also* Track III Award, fn 3640, which identifies all components and other sets of legal fees and expenses whose exclusion from compensation is required under paragraph 2225 of the Track III Award.

Relations (including but not limited to USTR)”, and “Nondefense-Related Activities” would be excluded from compensation. However, the Tribunal failed to implement these determinations into the Respondent’s Damages Model. This omission likewise constitutes an error falling under the scope of Article 36(1) of the UNCITRAL Arbitration Rules and may be corrected at this juncture. The Tribunal shall therefore correct its damages calculations in the Respondent’s Damages Model by applying a 100% reduction to each of the three aforementioned elements in the “Element Reductions” tab in the Respondent’s Damages Model.⁴⁴

36. Aside from these corrections, the Tribunal has identified three other divergences between its damages calculations in the Track III Award and Annexes A and B to the Respondent’s Request which do not reflect an error in the Tribunal’s computations and therefore do not warrant a correction:

(i) In connection with the Gibraltar Proceedings, the Tribunal “[e]xclude[d] from compensation the costs effectively collected by Chevron in connection with the *DeLeon* and *Amazonia* Actions (*i.e.*, USD 27,395)”.⁴⁵ In paragraph 2292(iv) of the Track III Award, the Tribunal explained that due to the manner in which the Respondent’s Damages Model applies reductions at the category level, the Tribunal did not implement this nominal reduction in the “Category Reductions” tab, but instead, as a workaround, excluded this amount “from Attias & Levy Barristers and Solicitors’ legal fees and expenses claimed in connection with that category”.⁴⁶ By contrast, in Annexes A and B to its Request, the Respondent applies the same nominal reduction in both the “Category Reductions” tab and the “Vendor Reductions” tab, thus mistakenly duplicating the same reduction.⁴⁷

(ii) In connection with the RICO Litigation, the Tribunal “[e]xclude[d] from compensation all fees and expenses incurred by the Claimants in connection with

⁴⁴ This adjustment is detailed in Respondent’s Request, Annex A, paragraph 16(a)-16(c). *See also* Respondent’s Request, Annex B, Tab “Element Reductions”, cells J22, J23, J24.

⁴⁵ Track III Award, paras. 1936(vi), 2253(vi).

⁴⁶ Track III Award, para. 2292(iv).

⁴⁷ Respondent’s Request Annex B, Tab “Category Reductions”, cell J141; Tab “Vendor Reductions, cell I29. *See also* Annex A, paras. 11(d) (citing Track III Award, para. 2253(vi)), 15(g) (citing Track III Award, paras. 2253(vi), 2292(iv)).

the RICO Litigation corresponding to services provided by the firm[] . . . Asesorias Bofill Escobar”.⁴⁸ Annexes A and B to the Respondent’s Request fail to apply this exclusion.⁴⁹

(iii) As regards the Lago Agrio Litigation, the Tribunal “[e]xclude[d] from compensation 50% of the legal fees and expenses charged by all relevant experts and vendors after 14 February 2011 ([including] Jan Paulsson (billed through Freshfields) . . .)”.⁵⁰ Annexes A and B to the Respondent’s Request fail to apply this exclusion.⁵¹

37. Annexes A and B to the Respondent’s Request otherwise accurately reflect the Tribunal’s calculations based on the Respondent’s Damages Model. Accordingly, no further corrections are required in respect of those calculations.

38. In reaching this conclusion, the Tribunal has considered the Claimants’ position that the Respondent’s instructions in Annex A to the Request “may not be the basis of a purported ‘correction’ because they do not accurately reflect the Tribunal’s reasoning as set forth in the Track III Award and lead to nonsensical results”.⁵² In particular, the Claimants point to the following example:

To highlight one example, the Tribunal explained that because both Parties’ models automatically applied reductions to the sums allocated to each vendor in a specific category when applying nominal reductions at the category level, certain adjustments related to the but-for scenario were applied as a “Global Reduction.” To make these adjustments, the Tribunal incorporated certain vendor reductions into a separate version of the Respondent’s damages model, and then deducted the resulting reduction (US\$ 22.8 million) in the Flores Model’s “Global Reduction” tab.

The most significant component of this “Global Reduction” was a deduction of 60% of the total fees and expenses charged by the “Ecuador Legal Team” after 14 February 2011 (US\$ 26.2 million). Based on the Flores Model, this 60% deduction would amount to approximately US\$ 15.7 million out of the US\$ 22.8 million total “Global Reduction.”

Separately, the Tribunal indicated that due to its uncertainty as to the reasonableness of the costs incurred by the Ecuador Legal Team in the form of Cash Calls (due to the record evidence), it

⁴⁸ Track III Award, paras. 1523(ix), 2251.

⁴⁹ Respondent’s Request Annex B, Tab “Vendor Reductions”, cell I192. *See also* Respondent’s Request Annex A, para. 15.

⁵⁰ Track III Award, paras. 739(iv), 2245.

⁵¹ Respondent’s Request Annex B, Tab “Vendor Reductions”, cell I209. *See also* Respondent’s Request Annex A, para. 15.

⁵² Claimants’ Response, p. 4.

excluded 50% of such costs (the “Cash Calls Adjustment”). Mr. Flores interpreted this as a US\$ 13.1 million reduction.

The combined result of these deductions, under Mr. Flores’s methodology, would be a reduction to the Ecuador Legal Team costs by 110%: 60% via the “Global Reduction” and 50% via the Cash Calls Adjustment in the vendor tab. In dollar terms, the Flores Model would reduce the nominal damages for the Ecuador Legal Team by US\$ 28.8 million (15.7 million + 13.1 million). This cannot be the outcome the Tribunal intended, because Claimants claimed only US\$ 26.2 million in total for this category. Mr. Flores effectively calculates an award of negative US\$ 2.6 million in fees and costs for the Ecuador Legal Team, which cannot be reconciled with the Tribunal’s reasoning or methodology in the Track III Award.⁵³

39. The Claimants’ foregoing understanding of the Tribunal’s calculations in the Track III Award is incorrect and does not alter the conclusions reached earlier in this Decision. As rightly noted by the Respondent,⁵⁴ the Claimants conflate two separate, unrelated issues: (i) the legal fees and expenses charged by the Ecuador Legal Team in the real world; and (ii) the required deduction to the global amount of compensation obtained by the Claimants to account for the legal fees and expenses they would have incurred in any event in a Treaty-compliant but-for scenario.
40. First, in assessing the reasonableness of the Ecuador Legal Team’s fees and expenses for which the Claimants sought compensation, the Tribunal “[e]xcluded from compensation . . . 50% of the legal fees and expenses corresponding to services rendered by the Ecuador Legal Team after 14 February 2011”.⁵⁵ The Tribunal explained its reasoning for this determination as follows:

In view of the uncertainty surrounding the reasonableness of the amounts spent by the Claimants on the Ecuador Legal Team as a way of mitigating the injury flowing from the recognition and enforcement of the Lago Agrio Judgment, and in the light of the methodological problem addressed in the following paragraphs, the Tribunal assesses that 50% of the legal fees and expenses claimed by the Claimants in connection with the Ecuador Legal Team by way of the Cash Calls after 14 February 2011 should be excluded from compensation.⁵⁶

41. As becomes apparent from above, this reduction was applied to the amount of compensation due in respect of the legal fees and expenses charged by the Ecuador Legal Team in the real world, insofar as they failed to meet the requirement of reasonableness for the compensation of incidental damages under international law.

⁵³ Claimants’ Response, pp. 4-5. *See also* Claimants’ Rejoinder, pp. 3-4.

⁵⁴ Respondent’s Reply, pp. 3-4.

⁵⁵ Track III Award, paras. 2238, 2258.

⁵⁶ Track III Award, para. 2146.

42. By contrast, the adjustments applied by the Tribunal in connection with the but-for scenario do not concern the legal fees and expenses charged by the Ecuador Legal Team in the real world. The Tribunal recalls that, when considering the applicable but-for scenario, the Tribunal was asked to “determine the legal costs and expenses that the Claimants would have incurred *in hypothetical Treaty-compliant proceedings* and reduce the Claimants’ damages to that extent.”⁵⁷ The Tribunal concluded that “the Claimants’ damages claim must be reduced by a portion of the amount of legal fees and expenses generated by local Ecuadorian counsel and international counsel in the real-world Lago Agrio Litigation to re-establish the situation which would, in all probability, have existed if the Respondent’s Treaty breaches had not been committed.”⁵⁸ This deduction to the global amount of compensation⁵⁹ sought to ensure that the Claimants would not be left in a better position than they would have been absent the Treaty breaches.⁶⁰ The fact that the Tribunal selected the “legal fees and expenses generated by local Ecuadorian counsel ... in the real-world Lago Agrio Litigation”⁶¹ as one of the variables on the basis of which it calculated this hypothetical but-for amount does not entail the conclusion that the Tribunal reduced the Ecuador Legal Team costs by 110%, as the Claimants submit.
43. Lastly, the Tribunal notes that the Respondent’s Request does not require the Tribunal to correct the parallel calculations set out in paragraph 2296 of the Track III Award on the basis of the Claimants’ Damages Model. As already noted, those calculations were performed solely as a “sense-check” of the accuracy of the Tribunal’s calculations based on the Respondent’s Damages Model, on the basis of which the final amount of compensation was established.⁶² The Tribunal emphasizes, however, that if the corrections applied in this Decision to the Tribunal’s calculations based on the Respondent’s Damages Model were also applied to the calculations based on the Claimants’ Damages Model, the latter calculations would be affected as well. That would require significant further work disproportionate to the nature of the instant request, and

⁵⁷ Track III Award, para. 380 (emphasis added).

⁵⁸ Track III Award, para. 395.

⁵⁹ Track III Award, paras. 2291(ii), 2292(iii).

⁶⁰ See Track III Award, para. 380.

⁶¹ Track III Award, para. 395.

⁶² See para. 26(iii) above; Track III Award, para. 2296.

would not affect the final amount of compensation. Accordingly, the Tribunal has decided to issue only this Decision on Correction, and not to issue a corrected version of the Track III Award reflecting only the corrections ruled upon in this Decision, unless the Parties should expressly request the Tribunal to undertake the further work to be able to apply the necessary corrections to the calculations based on the Claimants' Damages Model.

V. CORRECTIONS TO THE TRACK III AWARD UNDER ARTICLE 36 OF THE UNCITRAL ARBITRATION RULES

44. For the reasons set out above, the Tribunal applies the following corrections to the Track III Award pursuant to Article 36 of the UNCITRAL Arbitration Rules:

- (i) On page iii, replaces “USD 180,402,691.43” with “175,720,152.45”, and “USD 40,404,250.51” with “39,353,091.98”.
- (ii) In the table in paragraph 2296, replaces the struck-through numbers with the underlined numbers indicated below them:⁶³

§	Category	Amount Claimed (USD)	Claimants' Damages Model (USD)	Respondent's Damages Model (USD)
A.	Lago Agrio Litigation	161,525,161.89	41,721,175.36	41,587,664.54 <u>40,962,228.28</u>
B.	Ecuador Enforcement Proceedings	3,582,889.44	1,262,368.32	1,261,521.19 <u>1,252,504.73</u>
C.	Argentina Enforcement Proceedings	25,695,438.12	10,767,920.82	10,469,299.38 <u>10,318,427.66</u>
D.	Brazil Recognition Proceedings	20,668,398.44	14,145,756.33	14,136,263.73 <u>13,147,825.16</u>
E.	Canada Enforcement Proceedings	39,798,158.90	30,067,303.99	30,047,127.12 <u>29,710,791.40</u>
F.	Costs of Planning Against Potential Enforcement in Other Jurisdictions	26,166,897.09	14,292,500.89	14,282,909.81 <u>13,286,862.46</u>
G.	RICO Litigation	323,180,099.51	33,347,889.14	33,322,257.24 <u>32,905,075.75</u>
H.	Section 1782 Proceedings	62,363,592.93	8,741,893.08	8,728,717.69 <u>8,672,598.75</u>

⁶³ See para. 43 above in respect of the Tribunal's computations based on the Claimants' Damages Model in this table.

§	Category	Amount Claimed (USD)	Claimants' Damages Model (USD)	Respondent's Damages Model (USD)
I.	Gibraltar Proceedings	38,421,547.26	26,584,770.64	26,566,930.75 <u>25,463,838.26</u>
J.	General Defence	47,213,917.33	0.00	0.00
K.	Criminal Proceedings	6,933,905.69	0.00	0.00
L.	Dutch Set-Aside Proceedings	3,676,711.53	0.00	0.00
M.	Treaty Arbitration Costs Incurred by Non-Counsel of Record	34,653,249.61	0.00	0.00
Grand Total		793,879,967.74	180,931,578.58	180,402,691.43 <u>175,720,152.45</u>

- (iii)* In paragraph 2297, replaces “USD 180,402,691.43” with “USD 175,720,152.45”.
- (iv)* In paragraph 2688, replaces “USD 40,404,250.51” with “USD 39,353,091.98”.
- (v)* In paragraph 2762, replaces “USD 41,587,664.54” with “USD 40,962,228.28”.
- (vi)* In paragraph 2764, replaces “USD 8,728,717.69” with “USD 8,672,598.75”.
- (vii)* In paragraph 2766, replaces “USD 33,322,257.24” with “USD 32,905,075.75”.
- (viii)* In paragraph 2768, replaces “USD 1,261,521.19” with “USD 1,252,504.73”.
- (ix)* In paragraph 2770, replaces “USD 10,469,299.38” with “USD 10,318,427.66”.
- (x)* In paragraph 2772, replaces “USD 14,136,263.73” with “USD 13,147,825.16”.
- (xi)* In paragraph 2774, replaces “USD 30,047,127.12” with “USD 29,710,791.40”.
- (xii)* In paragraph 2776, replaces “USD 14,282,909.81” with “USD 13,286,862.46”.
- (xiii)* In paragraph 2778, replaces “USD 26,566,930.75” with “USD 25,463,838.26”.
- (xiv)* In paragraph 2938(i), replaces “USD 41,587,664.54” with “USD 40,962,228.28”.

- (*xv*) In paragraph 2938(ii), replaces “USD 1,261,521.19” with “USD 1,252,504.73”.
- (*xvi*) In paragraph 2938(iii), replaces “USD 10,469,299.38” with “USD 10,318,427.66”.
- (*xvii*) In paragraph 2938(iv), replaces “USD 14,136,263.73” with “USD 13,147,825.16”.
- (*xviii*) In paragraph 2938(v), replaces “USD 30,047,127.12” with “USD 29,710,791.40”.
- (*xix*) In paragraph 2938(vi), replaces “USD 14,282,909.81” with “USD 13,286,862.46”.
- (*xx*) In paragraph 2938(vii), replaces “USD 33,322,257.24” with “USD 32,905,075.75”.
- (*xxi*) In paragraph 2938(viii), replaces “USD 8,728,717.69” with “USD 8,672,598.75”.
- (*xxii*) In paragraph 2938(ix), replaces “USD 26,566,930.75” with “USD 25,463,838.26”.
45. Other than these limited corrections, the Track III Award remains as issued.
46. Having addressed the Respondent’s Request and the submissions made by the Parties in connection with it, the Tribunal considers that it has achieved the goal of reasonable precision in the assessment of damages in accordance with its reasoning in the Track III Award.⁶⁴ Accordingly, the Tribunal determines that final sum of damages resulting from the above corrections is appropriate in light of all relevant circumstances, even if any further minor errors should be subsequently discovered. For the avoidance of doubt, the Track III Award, as corrected by this Decision, is now final and binding on the Parties under Articles 32(2) and 36 of the UNCITRAL Arbitration Rules.

⁶⁴ See para. 29 above.

VI. DECISION

47. For the foregoing reasons, the Tribunal, by majority, grants the Respondent's Request only to the extent set out above.
48. This Decision, although separately signed by the Tribunal's members on three signing pages, constitutes a decision signed by the three arbitrators under Articles 32 and 36 of the UNCITRAL Arbitration Rules.

[signatures in the following page]

Made at The Hague, the Netherlands as the place (or seat) of this Arbitration, by the Tribunal,

On 5 February 2026

Dr Horacio Grigera Naón (according to his separate Note of Dissent):

A handwritten signature in black ink, consisting of a large, sweeping loop that starts on the left, goes up and over, and then tapers off to the right.

Professor Vaughan Lowe KC:

Professor Albert Jan van den Berg (President):

**Made at The Hague, the Netherlands as the place (or seat) of this Arbitration, by the
Tribunal,**

On 5 February 2026

Dr Horacio Grigera Naón:

Professor Vaughan Lowe KC:



Professor Albert Jan van den Berg (President):

**Made at The Hague, the Netherlands as the place (or seat) of this Arbitration, by the
Tribunal,**

On 5 February 2026

Dr Horacio Grigera Naón:

Professor Vaughan Lowe KC:

A handwritten signature in blue ink, appearing to read 'A. J. van den Berg', with a stylized flourish at the end.

Professor Albert Jan van den Berg (President):