

**Veolia v. Egypt Veolia Propreté v.  
Arab Republic of Egypt  
(ICSID Case No. ARB/12/15)**

Luftiyah Hanim, 6 September 2017

# Egypt - France BIT (1974)

- Respondent State(s) : Egypt
- Claimant: Veolia Propreté (france)
- Egypt - France BIT (1974)
- Detail of investment: Rights under a 15-year contract concluded with the governorate of Alexandria to provide waste management services in that city.
- <http://investmentpolicyhub.unctad.org/ISDS/Details/458>

- Claims arising out of disagreements over the performance of a contract entered into between Veolia's subsidiary, Onyx Alexandria, and the governorate of Alexandria to provide waste management services, including Egypt's alleged refusal to modify the contract in response to inflation and the enactment of new labour legislation.

- After Arab spring, demands for an increase in minimum wage.
- The government approved a revision from 400 to 700 Egyptian pounds (\$56 to \$99).
- Revised minimum wage was approved in Oct 2011, to be implemented from 1 Jan 2012. Veolia filed the case in June 2012 under the Egypt - France BIT.
- Veolia challenged a govt decision in an arbitration tribunal and demanded either a revision of the law or a compensation of US\$ 110 million.
- the case is still pending.

In effect, this means that the collective bargaining process in Egypt, where union representatives were putting pressure on the government to legislate in their favour and against the interest of national capital, is open for disproportionate influence of foreign capital when the government raises the minimum wage, it does not have to pay a compensation to private companies in the country - but this is what Veolia ask for - be compensated or a change in the law