

## **Abstract**

### **The concept of investments in international agreements on investment protection**

The concept of an investment is one of the fundamental constructs in the international investment law, as it is crucial for determination of bilateral or multilateral investment protection treaties' scope of protection regarding particular economic activity of investors in the host state territory.

The purpose of this thesis is to provide examples of possible solutions of the dichotomy in the apprehension of the investment concept and its interpretation in practice, in particular with regards to the decisions of arbitral tribunals. A historical analysis of understanding of the investment concept is provided together with its current and historical interpretations in bilateral and multilateral investment protection treaties; with an emphasis that at present, there is no uniform legal definition of the concept of an investment. An absence of such definition does not limit the flow of foreign investments or the conclusion of bilateral or multilateral investment protection treaties, which contain broad definitions of this concept. At the same time, it is possible to trace a tendency to determine objective elements common to all investments, while the primary inspiration is drawn from the economic science and its concept of investment.

The first chapter of this thesis focuses on the historical development of the concept of an investment; its origins can be traced back to the diplomatic protection. An analysis of the first drafts of multilateral treaties, which contained provisions dealing with the protection of investments, is also provided.

The second chapter is dedicated to the concept of an investment as perceived by the economical science, because its comprehension of this concept is unanimous and coherent, contrary to the legal science. Portfolio and direct investments are analyzed as well.

The third chapter briefly deals with the concept of an investment in the legal science; the concept itself is thoroughly analyzed in the following chapters.

The fourth chapter addresses the definition of the investment concept in bilateral investment treaties. It also examines some of the latest bilateral investment treaties concluded by the Czech Republic and model bilateral investment treaties.

Multilateral investment treaties are analyzed in the fifth chapter, with an emphasis on the main multilateral investment treaties and their definitions of the investment. In addition, several examples of the arbitral tribunals' decisions are provided.

The sixth chapter considers the possible outcome of the negotiations conducted by the European Union, which aim to replace bilateral investment protection treaties concluded by the member states of the European Union.

The seventh chapter is wholly dedicated to the Convention on the Settlement of Investment Disputes between States and Nationals of Other State, especially the history of the Convention's enactment. The chapter partially deals with the issues arising from the Vienna Convention on the Law of Treaties and its rules of interpretation of the international treaties. Two interpretation methods of the Article 25(1) of the Convention on the Settlement of Investment Disputes between States and Nationals of Other State are subsequently examined. The chapter is concluded with a critical elaboration on the decisions of the arbitral tribunals; several examples of these decisions are also provided.