

Abstract

“Umbrella Clause” in investment disputes

The diploma thesis deals with the topic of the so-called *umbrella clause*, a provision that can be often encountered in the bilateral investment treaties. The aim of the thesis is to identify and assess individual interpretation issues that are faced by the arbitration tribunals when applying this provision.

The thesis is composed from two main parts, theoretical one and analytical one. Each part is further divided into two separate chapters.

First chapter familiarizes a reader with the basic instruments of international investment law, the bilateral investment treaties and investment contracts. The *umbrella clause* issue is closely intertwined with the topic of internationalization of investment contract, which is also discussed within this chapter.

The second chapter provides basic introduction to the examined legal institution. Besides determining characteristic features of the *umbrella clause* and basic variations of its wording, the chapter also focuses on presence of this provision in contemporary sources of international investment law. In this regard, detailed analysis of the Czech bilateral investment treaties is presented. Last but not least, the attention is paid to the historical context of the issue.

The detailed analysis of the *International Center for Settlement of Investment Disputes* tribunals decision-making practice is conducted in the third chapter. Increased attention is paid to the first decisions that confronted the question of *umbrella clause* interpretation. However, subsequent case law is also very important as it forms additional approaches to the reading of the clause.

The findings of the analysis are summarized and assessed in the fourth chapter. Thus, in this part of the thesis individual interpretation issues that are faced by current decision-making practice are identified and further examined with support from additional arbitration decisions and doctrine. At this point, the thesis also tries to propose that the possible partial solution to the issue could be a replacement of the *umbrella clauses* with the specifically worded arbitration clauses within the bilateral investment treaties.