

Abstract

The thesis focuses on the issue of damages under Article 74 of the United Nations Convention on Contracts for the International Sale of Goods (hereinafter the "CISG") as one of the possible outcomes of a breach of international sale contract. The general goal of the thesis is to comprehensively describe possibilities of the innocent party when claiming the damages under Article 74 of the CISG while focusing in detail on the issue of calculation of damages. The contents of the thesis are separated into three parts.

First two chapters of the thesis cover general topics related to CISG such as its importance in the field of international sales and historic context of both the CISG as a whole and its Article 74 in particular. The reader's attention is aimed at the position of Article 74 within the CISG and detailed description of the principles governing its application, including in particular the principle of full compensation and related categorization of loss for which the damages can be awarded. Apart from the extent of the innocent party's right to damages, the thesis also describes the limitations of such right, namely the foreseeability of the loss and the obligation of the innocent party to mitigate it.

In its second part, the thesis focuses more closely on the calculation of damages. In this regard, it distinguishes between the generally applicable method of calculation, which is based on estimation of negative economic changes to innocent party's assets, and an alternative method based on disgorgement of profit made by the party in breach of the contract. Since the later method is suitable only for specific type of situations, the thesis includes three practical examples of its use by both national courts and an arbitration tribunal. The chapter then concludes with a brief summery on standard of proof regarding the amount of damages.

Thirdly, the thesis includes brief comparison between Article 74 of the CISG and relevant provisions of the Czech Act no. 89/2012 Coll., the civil code, as amended. Finally, in its conclusion, the thesis offers summaries divided into three parts according to the above described areas of interest.

Key words: CISG, Damages, International Sale Contract