

Abstract

The purpose of the diploma thesis is to summarize the most important and basic attributes of arbitration in international business transactions. Further, the thesis assesses the biggest pros and cons of the arbitration. Emphasis is placed on opinions of economical entities as users of the arbitration to settle their mutual disputes.

The first chapter aims on definition of three basic terms including the arbitration as the corner stone of the whole topic, then the meaning of international and definition of business relations. The two latter terms distinguish the respective category of arbitration from other categories such as arbitration in consumers or labour relations or arbitration conducted between states and individuals arising from investments.

The second chapter enumerates the most important sources of law governing the arbitration. The thesis aims on both material and formal sources. Reasons for creation and historical development of arbitration are shortly outlined as material sources. The part concerning with the formal sources refers mainly to international sources with accent on New York Convention and UNCITRAL Model Law on International Arbitration. From the national sources the main focus is placed on Czech legislation. Procedural rules of permanent arbitration institutions and their function as the source of law are mentioned as well. The last part deals with potential harmonization and so called “transnationalism”.

In the following two chapters the thesis aims on assessment of the nature of the arbitration from the perspective of individual doctrinal approaches and on the types of arbitration. Further, it deals with arbitration agreement and its unquestionable role regarding commencement of the proceedings. The last part of this chapter focuses on arbitration award and its enforceability in foreign states and on the relationship between the arbitration and court proceedings.

In the last chapter the thesis assesses particular pros and cons of the arbitration based on findings analysed in the previous chapters. Such findings are based on empirical surveys conducted between the years 2006 and 2012 by *Queen Mary University of London* in cooperation with the leading law firms. Within these surveys the economical entities assessed particular attributes of the arbitration and their influence on potential choice of such entities of the arbitration as their dispute resolution method.