

**REPORT
ON ACTIVITY
2017**

The Arbitration Court of the Slovak Bar Association (the „Arbitration Court“) having its seat at Kolárska 4, Bratislava, is a permanent arbitration court, the founder of which is, pursuant to the Fourth Head of the First Part of Act No. 244/2002 Coll. on Arbitration, as amended, the Slovak Bar Association (the “Association”) as a self-regulated professional organization and legal person established by Act No. 586/2003 Coll. on Advocacy and on Amending and Supplementing Act No. 455/1991 Coll. on Trade Licenses (the Trade Licensing Act), as amended.

The Arbitration Court of the Slovak Bar association, as an independent organizational unit of the Slovak Bar association, submits a report on activity for the calendar year 2017 under Section 12(6) of Act No. 244/2002 Coll. on Arbitration.



1. Conduct of Arbitrations

The main activity of the Arbitration Court of the Slovak Bar Association is to conduct arbitrations in the Slovak Republic and to render arbitral awards under the Arbitration Act, Statute and Rules of Procedure of the Arbitration Court. The Arbitration Court decides on disputes through a one- or a three-member arbitral tribunal in arbitration conducted pursuant to the Arbitration Act, the Statute, the Rules of Procedure, and the parties' agreement.

The Arbitration Court of the Association decides on disputes that are capable of settlement by arbitration pursuant to Section 1 of the Arbitration Act. The Arbitration Court does not decide on disputes that can only be resolved in consumer arbitration.

Activities of the Arbitration Court of the Association (the Board of the Arbitration Court) are not limited to conducting arbitrations. It also acts in support of using arbitration as a suitable alternative to general courts and developing arbitration awareness in the Slovak Republic. This report provides a summary of the activities in both aspects of the Arbitration Court's activities.



2. Modern Rules

The valid and effective Statute and Rules of Procedure of the Association adopted by the Resolution of the Board of the Slovak Bar Association in 2016 was published in Commercial Gazette No. 127/2016 of July 1, 2016 when the Arbitration Court resumed its activities. These documents reflect the basic principles of private commercial arbitration enshrined in the UNCITRAL Model Law and Slovak legislation, and are inspired by the best practices of renowned foreign arbitration institutions. Thanks to adopting these rules, the field of arbitration in the Slovak Republic was enriched. They are modern rules that offer the possibility to resolve commercial disputes at a high level of expertise, cost-effectively and quickly.



While in 2016, after having resumed its activities, the Arbitration Court conducted no proceedings, first claims were filed with this court and first arbitration awards were rendered in 2017.

The Statute, Rules of Procedure and model clauses are translated into English and are available both in print form as well as electronically at the Association's website.

3. Expertise

Besides modern rules, the basis of the court's activity is high-quality personnel with emphasis on high professional and moral criteria for arbitrators. Requirements for arbitrators exceed the minimum statutory requirements for arbitrators under the Arbitration Act (for example, at least five years of practice as an attorney-at-law or ten years of other legal practice). The Board of the Arbitration Court decides on inscribing a prospective arbitrator into the List of Arbitrators after having consulted the board of the Association, which ensures the control over the selection process at multiple levels for the purposes of inscribing arbitrators possessing general respect in advocacy with high professional and moral credit and relevant experience in the field of commercial arbitration.

4. Independence, Impartibility and Transparency

The condition for appointing an arbitrator in particular proceeding is a statement of arbitrator's independence and impartiality, in which the arbitrator is required to state all circumstances that could give rise to doubts as to the arbitrator's independence or impartiality in the parties' eyes. Such statement is subject to review by the Board of the Arbitration Court and the parties to a particular proceeding who, in case of doubts, are entitled to raise an objection.

The obligation of submitting such declaration and the subsequent process of constituting an arbitral tribunal are one of the distinguishing features of the Arbitration Court compared with the established practice in the Slovak Republic, thanks to which the necessary degree of independence and impartiality is guaranteed from the very beginning of an arbitration, i.e. even before the nominated arbitrator is appointed into the office.

A high degree of independence and impartiality is also reflected in relation to the members of the Board of the Arbitration Court. According to the Statute, the office of a Board member is incompatible with the mandate of acting as an arbitrator in proceedings before the Arbitration Court. This is a more stringent requirement for incompatibility of offices going beyond the obligations stemming from domestic legislation and the Model Law.



The composition of the Board of the Arbitration Court did not change in 2017; its members are still:

JUDr. Karol Šiška (*President*)

Mgr. Martin Magál (*Member of the Board of the Arbitration Court*)

Mgr. Roman Prekop (*Member of the Board of the Arbitration Court*)

5. Educational Activities and Cooperation

In light of Article III(12), (13) and (14) of the Statute, in 2017, the Arbitration Court of the Association actively supported education of legal trainees and attorneys-at-law in the field of arbitration, prepared standardized documentation and in support of arbitration in general.

In 2017, the representatives of the Arbitration Court participated in several lectures, seminars and conferences in order to promote activities of the Arbitration Court. For instance, it was a lecture at an Association's seminar for attorneys-at-law or a regular Arbitration Conference in Bratislava (note: in 2018, the Arbitration Court is an official professional partner of this event).

The Arbitration Court of the Association organized two lectures in 2017 with foreign arbitration experts. In the spring, Mr. Niels Schiersing (Copenhagen Chambers) from London held a lecture on "Conflict of Interest in International Arbitration." In the fall it was Ms. Lara Kroop-Delamare (Cohen Gresser LLP) on "Tips for Successful Advocacy in Arbitration."

The Arbitration Court of the Association prepared a model arbitrator's Declaration of Independence and Impartiality and model procedural order, which it continuously updated based on practical experience from particular proceedings and inputs from arbitrators. The Arbitration Court prepared an English version of the Statute, Rules of Procedure and model clauses.

The Arbitration Court of the Association actively met and communicated with the representatives of the Slovak Chambers of Civil Engineers (SKSI) in order to present the functioning and benefits of the Arbitration Court to the construction sector. The result of this activity is not only an increased awareness of the Arbitration Court's activities among the SKSI members, but also, for instance, (i) the preparation of a model clause anticipating the possibility that an expert opinion prepared by an SKSI member will be used in proceedings as evidence, and (ii) the establishment of a platform for educating SKSI members regarding arbitration and certain "legal minimum" that should assist SKSI members in preparing expert opinions before the Arbitration Court.

The Arbitration Court of the Association has consistently supported the extension of the use of its arbitration clause, which clause has gradually become part of the domestic



legal practice. In this respect, the Arbitration Court received information from public sources that also several renowned entrepreneurs began using the Arbitration Court's clause in 2017 in their model contracts or general terms and conditions.

6. Proceedings in 2017

Under Section 12(6) of Act No. 244/2002 Coll. on Arbitration, the permanent court of arbitration is obliged to publish, not later than April 30 of the following calendar year, a report on its activity for the preceding calendar year, in which it must state the number of commenced, ended and pending proceedings.

Number of commenced arbitrations in 2017:	9
Number of ended arbitrations in 2017:	7

- of which **five** was ended by rendering an arbitration award;
- proceeding regarding one statement of claim was terminated because of the full withdrawal of the statement of claim; and
- one statement of claim was not accepted for further proceeding due to the lack of the Arbitration Court's jurisdiction.

No other proceedings took place in the abovementioned period.

The average length of a proceeding in the concluded cases was **3.5 months** of the delivery of the request to rendering an award or order on termination of arbitration.

7. Plan for 2018

The Arbitration Court of the Association, in active cooperation with the arbitrators inscribed into the List of Arbitrators, prepared a plan of its activities for 2018. Among other things, the Arbitration Court will continue to organize spring and fall professional lectures by foreign lecturers, promote the use of its clause also in a so called "moot courts" and prepare a German version of the rules after having published the English version last year. The Arbitration Court will continuously revise its arbitration rules in order to further refine them and address practical experience from previous activities and needs of their users. The Arbitration Court will also prepare a practical document summarizing benefits of the proceedings before the Arbitration Court, as well as the examination rules for inscribing additional potential arbitrators into the List of Arbitrators.

The Board of the Arbitration Court of the Slovak Bar Association approved the report on activity by a resolution dated March 21, 2018 and, pursuant to Article III(11) of the Statute, it submits the report to the board of the Association.



List of Arbitrators in 2017:

doc. JUDr. Kristián Csach, PhD., LL.M.

JUDr. Ing. Miriam Galandová, LL.M.

JUDr. Branislav Jablonka, PhD.

Mgr. Tomáš Kamenec

Mgr. Vladimír Kordoš, LL.M.

JUDr. Peter Kubina

JUDr. Andrej Leontiev, LL.M.

JUDr. Ľudovít Mičinský, MCI Arb

JUDr. Miroslav Németh

Mgr. ICLic. Pavol Poláček, LL.M., M.A.

Mgr. Peter Serina

JUDr. Ján Šinkovic

JUDr. Imrich Torma, LL.M.