

## **English translation – Česká justice on “PRIAC DAY 2023”, publication date 28 November 2023**

PRIAC DAY participants: From left to right: Martin Pýcha, Chairman of the Agricultural Association of the Czech Republic, Aleš Rod, member of the government's National Economic Council, prof. Alexander J. Bělohlávek, Vice-Chairman of the PRIAC Board, Vít Horáček, Chairman of the PRIAC Board, Martin Maisner, Vice-Chairman of the Czech Bar Association Board, and František Chaloupecký, Vice-President of the Confederation of Industry of the Czech Republic Photo: PRIAC

## **The PRIAC DAY Conference has a clear vision: We must enhance trust in arbitration**

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*Politics*

More extensive use of arbitration as a dispute resolution method is primarily hindered by continuing misgivings held by some attorneys and company lawyers, as well as impaired trust of businesses in the Arbitration Court at the Economic and Agricultural Chamber of the Czech Republic. This is the conclusion drawn by the main speakers at the 2<sup>nd</sup> Annual “PRIAC DAY” Conference organised by the International Arbitration Court of the Czech Commodity Exchange (PRIAC) under the auspices of the Confederation of Industry of the Czech Republic.

Arbitration is suffering from a depression, affected by the mistrust of some attorneys and company lawyers. This sentiment was voiced at the very beginning of the 2<sup>nd</sup> Annual PRIAC DAY Conference organised by the International Arbitration Court of the Czech Commodity Exchange.

Martin Maisner, Vice-Chairman of the Czech Bar Association (CBA) Board, himself an arbitrator and a member of the CBA working group for arbitration law, referred to attorneys as the “bottleneck” of arbitration clauses. Despite the Chamber's efforts, attorneys are “difficult and obstinate”, Mr Maisner claims.



Martin Pýcha, Chairman of the Agricultural Association of the Czech Republic Photo: PRIAC

The Conference has repeatedly praised Czech judiciary, some speakers even considering Czech courts in many respects more effective than the German judiciary; however, practical experience with business disputes reveals that judges are unable to unravel complex issues. This necessitates the involvement of expert witnesses, which in turn delays the entire proceedings. As a result, businesses are often unpleasantly surprised that the first-instance judgment is only the beginning of a protracted process with uncertain outcomes.

Mr Aleš Rod, member of the government's National Economic Council, firmly believes that Czech justice belongs to the most effective judiciaries, even at the international level. With one exception, though, namely the enforceability of contracts. Mr Rod argues that mutual relations and cooperation between the public and private sector must be enhanced, primarily in the area of the "rule of law", so that the Czech Republic remains competitive. "Arbitration meets all the requirements for an effective instrument which could be employed to reinforce the status of the Czech Republic as a competitive country", concludes Mr Rod.



PRIAC DAY participants Photo: Eva Paseková

Efficiency and effectiveness of arbitration as a dispute resolution method were also highlighted by another participant at the Conference, Mr František Chaloupecký, Vice-President of the Confederation of Industry of the Czech Republic. Mr Chaloupecký pointed out that the virtues of arbitration are sometimes, unfortunately, tarnished by the diminished trustworthiness of the Arbitration Court at the Economic and Agricultural Chamber. “Some of my highly esteemed and experienced colleagues had agreed to act as arbitrators but soon resigned from office”, says Mr Chaloupecký.

Mr Martin Pýcha, Chairman of the Agricultural Association of the Czech Republic, concurs that enterprises doing business in agriculture must be persuaded to have more trust in arbitration. “We need your cooperation and positive examples”, Mr Pýcha appealed to the Conference members.





PRIAC DAY participants Photo: Eva Paseková

Mr Alexander Bělohávek, Vice-Chairman of the PRIAC Board, emphasized the success of the International Arbitration Court in the rapid and robust development of international cooperation. In Europe alone, this includes primarily cooperation with the Vienna International Arbitral Centre (VIAC), the Belgian Centre for Arbitration and Mediation (CEPANI); major relations were also established with partners in Kazakhstan, Kyrgyzstan and Turkey. Mr Bělohávek confirms that PRIAC is capable of conducting very effective arbitration in the above countries, as well as in the regions in which the respective partner institution operates.

Mr David Řezníček, member of the PRIAC Board, points out that the International Arbitration Court of the Czech Commodity Exchange, although formally limited to disputes from exchange trades, may resolve (based on the interpretation of the relevant law) all disputes concerning commodities which can be traded on the Exchange. In his opinion, such interpretation is also supported by the existing court case law. In the opinion of Mr Jaromír Čermák, member of the CMCE Chamber, the example of the Czech Moravian Commodity Exchange in Kladno corroborates the fact that arbitration is an effective dispute resolution mechanism. He pointed out that the trades executed on the Exchange in 2023 amounted to 13.5 billion CZK and all disputes were resolved within three months.

*Petr Dimun*