**Type 07 Arbitration**

**Definition of Arbitration**

 **"The agreement between the parties of a specific legal relationship, whether contractual or non-contractual, to resolve disputes arising or that may arise between them through persons selected as arbitrators. The parties appoint the arbitrators, relinquishing resort to the judiciary by virtue of arbitration.**

**The arbitration agreement may be mentioned within the contract and is referred to as an arbitration clause."**

**Definition of Arbitrator**

**The arbitrator is the person appointed by the parties involved in a dispute, trusted by both sides, and is not expected to be biased towards either party in the conflict.**

**The advantages of arbitration**

* **The advantage of confidentiality**
* **Ease of procedures**
* **Speed and time efficiency**
* **Freedom to choose arbitrators and arbitration body**
* **Selecting appropriate laws for dispute resolution**
* **Arbitration is an expedited process**
* **Arbitration is a neutral , fair , and independent process**

**Disavantages of arbitration**

* **Exclution of the judiciary in dispite resolution may lead to the neglect of rights**
* **There is no appeal in international commercial arbitration**
* **Exclution of the state’s law**
* **Arbitration costs are high**

**Types of arbitration**

* **National arbitration**
* **International arbitration**
* **Foreign arbitration**
* **Institutional arbitration**
* **Free arbitration**