the global voice of
the legal profession®

IBA ARBITRATION COMMITTEE

Arbitration Guide

SLOVAKIA

UPDATED OCTOBER 2024

Roman Prekop

Barger Prekop s.r.o.
Mostová 2
811 02 Bratislava
Slovakia
rprekop@bargerprekop.com

Peter Pethő

Barger Prekop s.r.o.
Mostová 2
811 02 Bratislava
Slovakia
ppetho@bargerprekop.com

Table of Contents

I.	Background	3
II.	Arbitration Laws	3
III.	Arbitration Agreements	4
IV.	Arbitrability and Jurisdiction	6
V.	Selection of Arbitrators	7
VI.	Interim Measures and Emergency Arbitration	8
VII.	Disclosure/Discovery	9
VIII.	Confidentiality	9
IX.	Evidence and Hearings	10
X.	Awards	11
XI.	Costs	12
XII.	Challenges to Awards	13
XIII.	Arbitrator Liability	14
XIV.	Recognition and Enforcement of Awards	15
XV.	Sovereign Immunity	16
XVI.	Investment Treaty Arbitration	16
XVII.	Resources	17
XVIII.	Trends and Developments	17

I. Background

(i) How prevalent is the use of arbitration in your jurisdiction? What are seen as the principal advantages and disadvantages of arbitration?

In Slovakia, arbitration is the most prevalent alternative dispute resolution method. Its main advantage compared to state court litigation is speediness, flexibility and the possibility to enforce an award rendered in Slovakia practically elsewhere. Its main disadvantage is the lack of arbitrators' coercive powers.

(ii) Is most arbitration institutional or ad hoc? Domestic or international? Which institutions and/or rules are most commonly used?

Most arbitrations in Slovakia are institutional and cover domestic disputes. Arguably, the most prominent permanent arbitration court in Slovakia is the Court of Arbitration of the Slovak Chamber of Commerce and Industry in Bratislava. However, since 2016, the Arbitration Court of the Slovak Bar Association has been proving its increased popularity, mainly owing to the adoption of modern arbitration rules inspired by arbitration rules of reputable international arbitral institutions and to its strong push for increased transparency.

(iii) What types of disputes are typically arbitrated?

In Slovakia, typically arbitrated disputes include construction, sale of goods, energy, M&A and commercial lease disputes.

(iv) How long do arbitral proceedings usually last in your country?

Depending on the complexity of the case and the number and approach of parties to arbitration, domestic arbitrations typically last 4 to 9 months and international arbitrations typically last 6 to 15 months.

(v) Are there any restrictions on whether foreign nationals can act as counsel or arbitrators in arbitrations in your jurisdiction?

No.

II. Arbitration Laws

(i) What law governs arbitration proceedings with their seat in your jurisdiction? Is the law the same for domestic and international arbitrations? Is the national arbitration law based on the UNCITRAL Model Law?

Non-consumer arbitration seated in Slovakia and the recognition and enforcement of domestic and foreign awards in Slovakia is governed by Act No. 244/2002 Coll. on Arbitration, as amended (the Slovak Arbitration Act). The Slovak Arbitration Act is based on the UNCITRAL Model Law, as amended in 2006.

Since January 1, 2015, consumer arbitration has been governed by the Act No. 335/2014, on Consumer Arbitration, as amended (the Slovak Consumer Arbitration Act). This guide does not address principles and rules underlying consumer arbitration in Slovakia.

(ii) Is there a distinction in your arbitration law between domestic and international arbitration? If so, what are the main differences?

No explicit difference.

(iii) What international treaties relating to arbitration have been adopted (eg New York Convention, Geneva Convention, Washington Convention, Panama Convention)?

Slovakia is a party to the Convention on the Recognition and Enforcement of Foreign Arbitral Awards (New York, 1958), the European Convention on International Commercial Arbitration (Geneva, 1964), the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (Washington, 1994), the Energy Charter Treaty (Lisbon, 1998) and a more than 30 bilateral investment treaties with non-EU countries.

(iv) Is there any rule in your domestic arbitration law that provides the arbitral tribunal with guidance as to which substantive law to apply to the merits of the dispute?

In determining the substantive law, the rules differ slightly for purely domestic disputes and for disputes with international elements. Pursuant to Section 31 of the Slovak Arbitration Act, in domestic disputes the tribunal shall apply the rules of law (not necessarily the particular law of a certain country) agreed by the parties, to the extent that such agreement is permitted under conflict of law rules applicable in Slovakia. Failing such agreement, the tribunal shall apply the law determined by the conflict of laws rules applicable in Slovakia. In disputes with an international element, conflict of laws rules applicable in Slovakia permit the parties to agree on the substantive law. Failing such agreement, the tribunal shall apply the substantive law determined by the conflict of laws rules that it considers appropriate.

III. Arbitration Agreements

(i) Are there any legal requirements relating to the form and content of an arbitration agreement? What provisions are required for an arbitration agreement to be binding and enforceable? Are there additional recommended provisions?

Section 3(1) of the Slovak Arbitration Act defines an arbitration agreement as an agreement between certain parties that all or some of the disputes that already arose or will arise in the future out of certain legal relationship shall be resolved in arbitration.

The formal requirements for an arbitration agreement are set out in Section 4 of the Slovak Arbitration Act. Under these provisions, an arbitration agreement can be concluded as a separate agreement or can take the form of an arbitration clause in an agreement, but it must be concluded in writing. The agreement is deemed to be 'in writing' if it is: included in the parties' mutual written communications, concluded by electronic means that records the parties' will and identifies its author, included in a written accession to a memorandum of association of a limited liability company, included in by-laws of an 'interest association' or in other legal entity in which a person acquires a membership or alleged in a statement of claim and the respondent does not deny it in its statement of defense submitted to the tribunal.

The reference in a contract or in written communication to any document containing an arbitration clause also constitutes a written arbitration agreement, provided that the reference makes that clause part of the contract. Arbitration clauses can also be included in general terms and conditions. An arbitration agreement's failure to meet a formal requirement can be cured by the parties' joint declaration before an arbitrator and recorded in the minutes. Such declaration must contain the arbitration agreement.

(ii) What is the approach of courts towards the enforcement of agreements to arbitrate? Are there particular circumstances when an arbitration agreement will not be enforced?

Slovak courts typically enforce arbitration agreements and suspend court proceedings if a party raises an objection referring to an arbitration agreement in its first submission. Under the Slovak Civil Contentious Procedure Code, however, a court will not enforce an arbitration agreement if both parties agree on the court's jurisdiction, the recognition of foreign arbitral award has been rejected, the subject matter of the dispute is not arbitrable under Slovak law or the tribunal has refused to deal with the case.

Also, circumstances such as death or liquidation of a party to the arbitration agreement without a legal successor, insolvency, termination of the underlying contract by agreement or passing of time in the case of fixed-term arbitration agreements may result in arbitration agreements being no longer enforceable.

(iii) Are multi-tier clauses (eg arbitration clauses that require negotiation, mediation and/or adjudication as steps before an arbitration can be commenced) common? Are they enforceable? If so, what are the consequences of commencing an arbitration in disregard of such a provision? Lack of jurisdiction? Non-arbitrability? Other?

Multi-tier clauses are relatively common, particularly those requiring some form of negotiation before commencing arbitration. In practice, parties typically follow such requirements and, therefore, to our knowledge, there are no published court decisions addressing the consequences of a party's failure to follow pre-arbitration steps under a multi-tier clause.

(iv) What are the requirements for a valid multi-party arbitration agreement?

The Slovak Arbitration Act contains no specific provisions dealing with multi-party arbitration agreements or arbitration proceedings. However, the arbitration rules of several permanent arbitration courts deal with multiparty arbitrations and provide for specific rules of arbitrators' appointment.

(v) Is an agreement conferring on one of the parties a unilateral right to arbitrate enforceable?

Yes. Slovak law does not explicitly prohibit such agreements, and to our knowledge, there are no published court decisions suggesting that such agreements should be *per se* unenforceable.

(vi) May arbitration agreements bind non-signatories? If so, under what circumstances?

In general, an arbitration agreement binds its parties. Under Section 3(2) of the Slovak Arbitration Act, the legal successors of the parties are also bound, unless the parties specifically excluded such extension in the arbitration agreement. This rule applies to both universal (eg, death) and individual succession (eg, assignment). To our knowledge, there are no published court decisions suggesting that under Slovak law an arbitration agreement could be extended to a non-signatory in other circumstances (eg, to a party's parent company controlling such party).

(vii) How do the courts in the jurisdiction determine the law governing the arbitration agreement?

Under Section 5(1) of the Slovak Arbitration Act, Slovak courts respect the parties' choice of law governing the arbitration agreement. In the absence of such choice, Slovak courts apply the law of the seat of arbitration.

(viii) Do courts in your jurisdiction distinguish between the seat (or legal place) of the arbitration and the venue of meetings/hearings?

Yes.

(ix) Are blockchain- and NFT-related disputes arbitrable in your jurisdiction?

Yes (unless they fall within one of the categories of non-arbitrable disputes).

(x) Are there circumstances in which courts find that a valid arbitration agreement has become inoperable?

Yes – see the answer to question in Section III(ii) above.

IV. Arbitrability and Jurisdiction

(i) Are there types of disputes that may not be arbitrated? Who decides – courts or arbitrators – whether a matter is capable of being submitted to arbitration? Is the lack of arbitrability a matter of jurisdiction or admissibility?

Under the Slovak Arbitration Act, all civil and commercial disputes eligible for a settlement agreement are arbitrable. The Slovak Arbitration Act also provides a list of explicitly non-arbitrable disputes, which include real property disputes regarding the creation, modification and termination of ownership rights or other rights in rem, disputes concerning personal status and disputes relating to enforcement proceedings or arising in the course of bankruptcy or restructuring proceedings. Consumer disputes are only arbitrable under the Slovak Consumer Arbitration Act, and the arbitrability of labour disputes remains unclear.

The arbitrability is a matter of jurisdiction of an arbitral tribunal. Consequently, in accordance with the competence-competence principle, arbitral tribunals seated in Slovakia have the power to decide whether a dispute is arbitrable or not, but state courts always have the 'last word' in this respect. The Slovak Civil Contentious Procedure Code also specifically weakens the competence-competence principle in this respect by obliging a state court to disregard the respondent's jurisdictional objection referring to an arbitration agreement and to continue the court proceeding if the state court finds that a dispute submitted to court proceeding is not arbitrable.

(ii) What is the procedure for disputes over jurisdiction if court proceedings are initiated despite an arbitration agreement? Do local laws provide time limits for making jurisdictional objections? Do parties waive their right to arbitrate by participating in court proceedings?

Under the Slovak Civil Contentious Procedure Code, if a party initiates court proceedings despite an arbitration agreement, a court must suspend the proceedings if a party raises an objection referring to an arbitration agreement in its first submission, unless both parties agree on the court's jurisdiction, the recognition of foreign arbitral award has been rejected, the court finds that the subject matter of the dispute is not arbitrable under Slovak law or the tribunal has refused to deal with the case. By participating in court proceedings without raising a timely jurisdictional objection, the respective party is normally deemed to have waived its right to arbitrate the respective dispute, but not necessarily the right to arbitrate other disputes not submitted to court proceedings.

(iii) Can arbitrators decide on their own jurisdiction? Is the principle of competence-competence applicable in your jurisdiction? If yes, what is the nature and intrusiveness of the control (if any) exercised by courts on the tribunal's jurisdiction?

The competence-competence principle applies in Slovakia and arbitral tribunals seated in Slovakia have the power to decide on their jurisdiction, while state courts always have the 'last word' in this respect, particularly in setting aside or enforcement proceedings. State courts typically exercise such powers cautiously, keeping in mind the party autonomy principle underlying arbitration in Slovakia.

V. Selection of Arbitrators

(i) How are arbitrators selected? Do courts play a role?

Parties may agree on a number of arbitrators. The number must be odd. Failing such agreement, the arbitral tribunal by default consists of three arbitrators. In the case of a sole arbitrator, the parties appoint the arbitrator jointly. In the case of three arbitrators, each party appoints one arbitrator and the appointed arbitrators subsequently appoint the tribunal's chair. Failing to do the above within the prescribed time limits, the remaining arbitrator or arbitrators shall be appointed by a person upon which the parties have agreed or by a state court. The agreed-upon person or the state court must appoint an arbitrator who meets the relevant professional qualification (if agreed by the parties) and is independent and impartial. In institutional arbitrations, consequences of a failure by the party to actively participate in the process of appointment or requirements on arbitrators are usually addressed in the relevant procedural rules. In ad hoc arbitrations, the appointing authority is the state court.

(ii) What are the requirements in your jurisdiction as to disclosure of conflicts? Do courts play a role in challenges and what is the procedure?

An arbitrator must inform the parties without undue delay of circumstances that give rise to doubts as to his or her independence or impartiality that involve his or her relationship to the subject matter of the dispute or to the parties.

Parties may agree on the details of the challenge procedure, except that they may not exclude a party's right to final recourse to a court. Failing such agreement, the following default rules apply: a party notifies the arbitral tribunal of the reasons for a challenge, unless the arbitrator resigns or the other party agrees with the challenge, the arbitral tribunal shall decide on the challenge, if the challenge is unsuccessful, the challenging party may request the court to decide on the challenge, until the court decides on the challenge, the arbitral tribunal, including the challenged arbitrator, may continue the arbitral proceedings and make an award, the court's decision on the challenge is final and may not be appealed and if the court upholds the challenge, the arbitrator's mandate terminates.

To our knowledge, there is only one permanent arbitration court in Slovakia that requires that prospective arbitrators submit a statement of independence and impartiality – the Arbitration Court of the Slovak Bar Association.

(iii) Are there limitations on who may serve as an arbitrator? Do arbitrators have ethical duties? If so, what is their source and generally what are they?

In general, any natural person of any nationality who has full legal capacity and no criminal record for intentional crime may act as an arbitrator. Certain exceptions are laid down for public officials, such as active judges or public prosecutors; such exceptions are addressed in legislation on protection of public interest. Permanent arbitration courts may provide for further requirements.

Arbitrators must be and remain independent and impartial. Except for this requirement, there are no specific ethical duties of arbitrators in Slovakia.

(iv) Are there specific rules or codes of conduct concerning conflicts of interest for arbitrators? Are the IBA Guidelines on Conflicts of Interest in International Arbitration followed?

The Slovak Arbitration Act contains several provisions that are similar to the IBA Guidelines on Conflicts of Interest in International Arbitration, but it does not go into such detail and there are no other specific rules or codes of conduct regarding conflicts of interest for arbitrators in Slovakia. Slovak arbitration practitioners consult and refer to the IBA Guidelines, but, to our knowledge, there are no published court decisions explicitly referring to the IBA Guidelines.

VI. Interim Measures and Emergency Arbitration

(i) Can arbitrators issue interim measures or other forms of preliminary relief? What types of interim measures can arbitrators issue? Is there a requirement as to the form of the tribunal's decision (order or award)? Are interim measures issued by arbitrators enforceable in courts?

Upon a party's request, an arbitral tribunal may order interim measures if it is necessary to temporarily adjust relations between the parties or there is a risk that the enforcement of the award or preservation of evidence could be endangered. The Slovak Arbitration Act also sets out a non-exhaustive list of interim measures, which includes an obligation to deposit a financial amount, a prohibition to dispose of assets or rights, an obligation to do something, to refrain from doing something or to bear something, or an obligation to secure evidence.

Under the Slovak Arbitration Act, interim measures have the form of an order. Interim measures rendered by arbitral tribunals seated in Slovakia, except for *ex parte* interim measures, are enforceable. The Slovak Arbitration Act indicates that foreign interim measures might also be enforceable, but it remains to be seen whether enforcement courts would support this interpretation.

(ii) Will courts grant provisional relief in support of arbitrations? If so, under what circumstances? May such measures be ordered after the constitution of the arbitral tribunal? Will any court ordered provisional relief remain in force following the constitution of the arbitral tribunal?

Upon a party's request, a state court may order an interim measure before the arbitral tribunal has been appointed. There are two categories of court ordered interim measures: conservatory measures and urgent measures. A conservatory measure is an order establishing a judicial pledge on the respondent's assets. Urgent measures are not explicitly defined, and Slovak law only sets out a non-exhaustive list of such measures, such as evidence preserving and prohibitory injunctions. Slovak courts may only grant urgent measures if the aim of such measure cannot be achieved by a conservatory measure.

Court ordered interim measures remain in force even after the arbitral tribunal has been constituted. However, after the arbitral tribunal has been constituted, a party may only request a court to order interim measures against third persons.

(iii) To what extent may courts grant evidentiary assistance/provisional relief in support of the arbitration? Do such measures require the tribunal's consent if the latter is in place?

Before an arbitral tribunal has been constituted, state courts have full power to grant any interim measure. However, after the arbitral tribunal has been constituted, courts may only order interim measures against third persons.

(iv) Are decisions by emergency arbitrators enforceable in your country?

The Slovak Arbitration Act explicitly allows parties to agree that a permanent arbitration court can order an interim measure before the arbitral tribunal has been appointed. Such measures, except for *ex parte* measures, are enforceable. Such interim orders are typically rendered by the president of the permanent arbitration court, not by an emergency arbitrator appointed by such court.

(v) What is the approach in your country to anti-suit injunctions or injunctions by arbitrators preventing parties from initiating litigation proceedings?

To our knowledge, there are no published court decisions on point. However, from a Slovak law perspective, an anti-suit injunction may reasonable be viewed as an order imposing an obligation on a party and, as such, fall within the non-exhaustive lists of interim measures that may be ordered by arbitral tribunals and state courts.

(vi) Do courts provide assistance in aid of foreign-seated arbitrations, including for disclosure of documents?

The Slovak Arbitration Act sets out a framework envisaging such court assistance, but, to our knowledge, there are no published court decisions on point.

VII. Disclosure/Discovery

(i) What is the general approach to disclosure or discovery in arbitration? What types of disclosure/discovery are typically permitted?

Arbitration practice is significantly affected by the Civil Contentious Procedure Code, which only includes a succinct rule permitting a court to order a party to produce a document relevant for the case. This rule is rarely applied in the practice of permanent arbitration courts and, consequently, there is no apparent tendency to apply disclosure or discovery procedures in arbitration seated in Slovakia. However, in general, arbitrators are free to set the procedural rules and, for example, may decide on applying special rules on evidence taking, such as the IBA Rules on the Taking of Evidence.

(ii) What, if any, limits are there on the permissible scope of disclosure or discovery?

Slovak law does not explicitly provide for any such limits.

(iii) Are there special rules for handling electronically stored information?

Slovak law does not provide for any such rules.

VIII. Confidentiality

(i) Are arbitrations confidential? What are the rules regarding confidentiality?

Under the Slovak Arbitration Act, arbitrators must keep confidential all information of which they become aware during the arbitral proceedings. The requirement for confidentiality, however, does not apply to effective decisions of state courts issued in proceedings on setting aside the award and proceedings concerning enforcement of arbitral awards.

(ii) Are there any provisions in your arbitration law as to the arbitral tribunal's power to protect trade secrets and confidential information?

Yes, under the Slovak Arbitration Act, evidence taking must be conducted so that statutory confidentiality obligations (eg, classified information, commercial or bank secrets) are safeguarded. In such cases, witnesses or experts may only be heard if they have been exempted from such obligations according to respective laws.

(iii) Are there any provisions in your arbitration law as to rules of privilege?

Yes, the Slovak Arbitration Act generally refers to the requirement to comply with statutory confidentiality obligations, which also include various rules of privilege, such as attorney-client privilege.

IX. Evidence and Hearings

(i) Is it common that parties and arbitral tribunals adopt the IBA Rules on the Taking of Evidence in International Arbitration to govern arbitration proceedings? If so, are the Rules generally adopted as such or does the tribunal retain discretion to depart from them?

No.

(ii) Are there any limits to arbitral tribunals' discretion to govern the hearings?

Statutory procedure for the taking of evidence is fairly general and anticipates a wide range of discretion for arbitral tribunals. Such discretion is limited by mandatory provisions, such as the overarching principle of the parties' equality or the requirement to comply with statutory confidentiality obligations.

(iii) How is witness testimony presented? Is the use of witness statements with cross examination common? Are oral direct examinations common? Do arbitrators question witnesses?

In arbitrations seated in Slovakia, witness testimony is typically presented orally and witness statements are not common. Typically, a witness is first given an opportunity to present his or her testimony without being interrupted and then the parties' counsel and arbitrators ask follow-up questions.

(iv) Are there any rules on who can or cannot appear as a witness? Are there any mandatory rules on oath or affirmation?

Slovak law does not provide for any such rules on who can or cannot appear as a witness or on oath or affirmation in arbitration.

(v) Are there any differences between the testimony of a witness specially connected with one of the parties (eg legal representative, director or employee) and the testimony of unrelated witnesses?

A party's statutory representative is heard as a party, not as a witness. Slovak law does not provide for any other specific rules for hearing or evaluating the testimony given by other persons specially connected with one of the parties.

(vi) How is expert testimony presented? Are there any formal requirements regarding independence and/or impartiality of expert witnesses?

Expert evidence is typically presented in the form of an expert report followed by an examination at an oral hearing. Experts registered by the Slovak Ministry of Justice must perform their expert work impartially as a matter of law.

(vii) Is it common that arbitral tribunals appoint experts beside those that may have been appointed by the parties? How is the evidence provided by the expert appointed by the arbitral tribunal considered in comparison with the evidence provided by party-appointed experts? Are there any requirements in your jurisdiction that experts be selected from a particular list?

Under the Slovak Arbitration Act, an arbitral tribunal may appoint an expert if the decision depends on assessment of facts requiring special knowledge, but it does not happen often in practice. Arbitral tribunals typically give higher evidentiary value to the evidence provided by a tribunal-appointed expert in comparison to a party-appointed expert. Arbitral tribunals may only appoint an expert registered by the Slovak Ministry of Justice.

(viii) Is witness conferencing ('hot-tubbing') used? If so, how is it typically handled?

Witness conferencing is not typical in arbitrations seated in Slovakia.

(ix) Are there any rules or requirements in your jurisdiction as to the use of arbitral secretaries? Is the use of arbitral secretaries common?

Slovak law does not provide for any such rules. The use of arbitral secretaries by arbitral tribunals seated in Slovakia is not common.

(x) Are there any ethical codes or other professional standards applicable to counsel and arbitrators conducting proceedings in your jurisdiction?

Attorneys registered with the Slovak Bar Association appearing as counsel are subject to its ethical and professional rules. Other persons appearing as counsel or arbitrators are not subject to any such rules in Slovakia.

(xi) Have arbitral institutions in your jurisdiction implemented rules empowering arbitral tribunals to exclude counsel based on conflicts of interest or other reasons?

No.

(xii) Has your jurisdiction adopted any rules with regard to remote hearings and have there been any court decisions on same?

No (to both parts of the question).

X. Awards

(i) Are there formal requirements for an award to be valid? Are there any limitations on the types of permissible relief?

An award must be in hard-copy format and include the following requirements: identification of the arbitral tribunal; names and surnames of the arbitrators; identification of the parties and their representatives; place of arbitration; date of the award; operative part; reasoning, except where the parties have agreed that no reasoning is needed or the award is a consent order; and information on the possibility of filing an action with a court to set aside the award.

The Slovak Arbitration Act differentiates between partial awards, final awards on merits, awards on costs and awards by consent (awards on the agreed terms of the parties). The Slovak Arbitration Act permits a performance relief, declaratory relief and relief for substituting the will to enter into a contract.

(ii) Can arbitrators award punitive or exemplary damages? Can they award interest? Compound interest?

Arbitrators cannot award punitive or exemplary damages. Arbitrators can award interest if requested by a party, and if the underlying contract provides so, also compound interest.

(iii) Are interim or partial awards enforceable?

Slovak law does not recognize interim awards. Partial awards are enforceable.

(iv) Are arbitrators allowed to issue dissenting opinions to the award? What are the rules, if any, that apply to the form and content of dissenting opinions?

The Slovak Arbitration Act permits an arbitrator to issue a reasoned dissenting opinion and attach it to the award if the arbitrator has been outvoted.

(v) Are awards by consent permitted? If so, under what circumstances? By what means other than an award can proceedings be terminated?

The Slovak Arbitration Act permits awards by consent where the parties agree on settlement in the course of arbitration, the parties ask the arbitral tribunal to record their settlement in an award by consent and the arbitral tribunal, at its discretion, accepts such parties' request.

The Slovak Arbitration Act provides that arbitration shall be terminated if the parties agree on settlement in the course of arbitration, the arbitral tribunal concludes that it does not have jurisdiction to hear the case, or there is a default by a party resulting in termination of arbitration, such as where a claimant fails to pay the advance on costs or to remedy formal defects in its statement of claim after having been invited to do so.

(vi) What powers, if any, do arbitrators have to correct or interpret an award?

The Slovak Arbitration Act permits an arbitral tribunal to correct any clerical or typographical errors, or errors in computation and other errors of a similar nature within 60 days of when the award has become final and binding, either on its own motion or upon a party's request. Time limits (eg, for setting aside the award) begin from the date of delivery of the corrected award.

The Slovak Arbitration Act also entitles a party to ask the arbitral tribunal to interpret any part of the award within 30 days of receiving the award. The delivery of an interpretation to the requesting party does not trigger new time limits.

XI. Costs

(i) Who bears the costs of arbitration? Is it always the unsuccessful party who bears the costs?

Arbitral tribunals decide on the allocation of costs based on rules agreed by the parties in the arbitration agreement. In institutional arbitration, arbitral tribunals apply the respective procedural rules. In the absence of such rules, the relevant provisions of the Civil Contentious Procedure Code apply, pursuant to which the court would order that the costs of the successful party are recovered by the losing party. If the success was only partial, the court may order that the costs be apportioned or that no costs be recovered. The above are the basic rules; however, further rules exist to address specific situations (eg, taking into consideration behaviour of the parties during proceedings). It is customary for permanent arbitration courts to apply rules under which only a claiming party pays the required arbitration fee, meaning that no sharing of arbitration fees between the parties takes place, unless otherwise provided by the arbitral tribunal in its award on costs.

(ii) What are the elements of costs that are typically awarded?

The parties are free to agree on the costs and the rules of their recovery. Lacking such rules, as a standard, recoverable costs include expenses of the parties and their representatives, costs of evidence, remuneration of and expenses incurred

by arbitral tribunals and arbitral institutions and remuneration of counsel. Tribunals tend to award statutory attorneys' fees (set forth in the respective Decree of the Slovak Ministry of Justice), not the actually incurred legal fees.

(iii) Does the arbitral tribunal have jurisdiction to decide on its own costs and expenses? If not, who does?

Yes.

(iv) Does the arbitral tribunal have discretion to apportion the costs between the parties? If so, on what basis?

Yes – see the answer to question in Section XI(i) above.

(v) Do courts have the power to review the tribunal's decision on costs? If so, under what conditions?

Yes, under the conditions applicable to setting aside challenges to awards.

XII. Challenges to Awards

(i) How may awards be challenged and on what grounds? Are there time limitations for challenging awards? What is the average duration of challenge proceedings? Do challenge proceedings stay any enforcement proceedings? If yes, is it possible nevertheless to obtain leave to enforce? Under what conditions?

The Slovak Arbitration Act provides for both the possibility to have the award reviewed by another arbitrator or arbitral tribunal and to have the award set aside by a state court. Both remedies are available only with respect to domestic awards.

The review of an award is only available if the parties in the arbitration agreement explicitly agreed so. Such review proceeding is initiated by a party to the arbitration filing a request to review the award filed within 15 days of the delivery of the award. The rules for revision proceedings are similar to the original proceedings.

An action to have an award set aside must be brought to the court within 60 days of the delivery of the award. The grounds for setting aside an award are listed exhaustively in the Slovak Arbitration Act and these grounds are practically identical to those set out in the UNITRAL Model Law. In addition, the court hearing an application to set aside an arbitral award must disregard the grounds that it cannot raise on its own if the party failed to raise them in the arbitral proceeding within the stipulated time period or, failing such stipulation, without undue delay.

The setting aside proceedings normally last around two years. If an action for setting aside the award is filed, the award remains valid and effective, but the court may, upon a party's request, postpone its enforceability. The Slovak Arbitration Act does not specify the conditions for postponing the award's enforceability, but courts typically decide so only in exceptional circumstances where the award debtor demonstrates that there is a risk of irreparable harm to the award debtor.

(ii) May the parties waive the right to challenge an arbitration award? If yes, what are the requirements for such an agreement to be valid?

Under the Slovak Arbitration Act, a party may implicitly waive its right to challenge an award on the grounds that the court cannot raise on its own if the party failed to raise them in the arbitral proceeding within the stipulated time period

or, failing such stipulation, without undue delay. However, a general waiver with respect to future circumstances cannot be agreed under Slovak law.

(iii) Can awards be appealed in your country? If so, what are the grounds for appeal? How many levels of appeal are there?

Yes – see the review procedure described in the answer to question in Section XII(i) above.

(iv) May courts remand an award to the tribunal? Under what conditions? What powers does the tribunal have in relation to an award so remanded?

Under the Slovak Arbitration Act, if a court sets aside an award on the ground other than the invalidity of an arbitration agreement or the lack of arbitrability, the arbitration agreement remains in place, the original arbitrators are excluded from the new proceedings and, unless the parties agree otherwise, the new arbitrators are to be appointed in accordance with the originally agreed or default rules applicable to the constitution of an arbitral tribunal (see the answer to question in Section V(i) above).

(v) Is there a specialist arbitration court in your jurisdiction?

Arbitration-related matters are handled at first instance by the following three courts: Municipal Court Bratislava III, the District Court Banská Bystrica and Municipal Court Košice. Their competence is based on the territoriality principle. The appellate courts are the Regional Court in Bratislava, the Regional Court in Banská Bystrica and the Regional Court in Košice, respectively.

(vi) To what extent do courts in your jurisdiction allow arbitrators to amend and/or replace wrongly invoked law or the law not invoked by the parties (iura novit arbiter)? Could this be a basis to set aside the award?

To our knowledge, there are no published court decisions on point and views of academics and practitioners vary significantly.

XIII. Arbitrator Liability

(i) Does the arbitration law in your jurisdiction expressly provide for the immunity of arbitrators, experts, translators, interpreters and/or other participants in arbitration proceedings from civil liability in connection with their mandate? If so, are there exceptions to this immunity?

The civil liability of arbitrators is not explicitly regulated. The Slovak Supreme Court, however, recently held that arbitrators (but not arbitral institutions) are liable under the Slovak Civil Code to the parties for damages incurred as a result of the arbitrators' breach of their statutory obligations, particularly the obligations to decide fairly and without unnecessary delays. To give rise to such liability, a fault (intentional or negligent) of arbitrators must be established. The civil liability of experts, translators, interpreters and other professional participants in arbitral proceedings to the parties is more stringent because such professional participants may be liable to the parties even if they did not act with fault.

(ii) Does this immunity, if any, extend to criminal liability?

Under Slovak law, criminal liability cannot be excluded by agreement.

XIV. Recognition and Enforcement of Awards

(i) What is the process for the recognition and enforcement of awards? What are the grounds for opposing enforcement? Which is the competent court? Does such opposition stay the enforcement? If yes, is it possible nevertheless to obtain leave to enforce? Under what circumstances?

Valid and effective domestic awards become enforceable automatically after expiry of the deadline for voluntary fulfilment of obligations stipulated in such award. Enforcement proceedings commence upon the award creditor filing a request to commence execution with the enforcement court. If the request satisfies formal statutory requirements, the enforcement court appoints an executor.

In contrast, foreign awards must be first recognized before they can be enforced. The grounds for refusing to recognize and enforce a foreign award set out in the Slovak Arbitration Act are practically identical to those set out in the New York Convention. The award debtor is entitled to file objections to the recognition and enforcement of a foreign award before the enforcement court has appointed an executor. If the enforcement court finds the award debtor's objections justified, it will dismiss the award creditor's request to commence execution. Otherwise, the enforcement court appoints an executor, upon which the award is deemed recognized.

Since 1 April 2017, the District Court Banská Bystrica has become the sole court handling all enforcement proceedings in Slovakia.

(ii) If an exequatur is obtained, what is the procedure to be followed to enforce the award? Is the recourse to a court possible at that stage?

Once the enforcement court appoints an executor (which has the effect of an exequatur), the executor commences investigation of award debtor's assets, deliver a notification of commenced execution to the award debtor. Upon receipt of such notification, the award debtor is obliged to limit its operation to its ordinary course of business; cannot transfer its assets without prior written consent of the executor, unless such transfer is a matter of its ordinary course of business; and cannot unilaterally set-off its claims against the awarded claims, unless such claims are granted by a decision enforceable in Slovakia. The notification of commenced execution would also be very likely accompanied by the executor's freezing orders to the award debtor and third parties (eg, the award debtor's bank and debtors).

Within 15 days of having received the notification of commenced execution, the award debtor is entitled to file a request to terminate the execution on certain grounds. These grounds are limited to factual and legal events that occurred after the award has been rendered, eg, an objection that the claim has become time-barred. Filing a request to terminate the execution by the award debtor prevents the executor from issuing seizure orders, but it would not affect the already issued freezing orders or prevent the executor from issuing additional freezing orders.

If the enforcement court finds that the award debtor's request is justified, it would terminate the execution. Otherwise, it would dismiss the request. A decision dismissing the request means that the enforcement proceeding proceeds to the stage, during which the executor would be entitled to issue seizure orders.

(iii) Are conservatory measures available pending enforcement of the award?

Yes, once the enforcement court appoints an executor, the executor is entitled to issue freezing orders to the award debtor and third parties (eg, the award debtor's bank and debtors). Before the enforcement court appoints an executor, the award creditor may seek a conservatory measure before a general state court (see the answer to question in Section VI(ii) above).

(iv) What is the attitude of courts towards the enforcement of awards? What is the attitude of courts to the enforcement of foreign awards set aside by the courts at the place of arbitration?

The enforcement of domestic awards is comparable to the enforcement of domestic court judgments. However, the enforcement of foreign arbitral awards typically takes more time due to various reasons, but the enforcement court does not appear to have an anti-enforcement attitude towards foreign arbitral awards. To our knowledge, there are no published court decisions on the enforcement of foreign awards set aside by the courts at the place of arbitration.

(v) How long does enforcement typically take? Are there time limits for seeking the enforcement of an award?

The time period between commencing the enforcement proceedings and entering the seizure stage typically last at least three months. If the award debtor uses the available remedies, the enforcement proceedings in total may take years. From the Slovak law perspective, the right to seek the enforcement of award is subject to the limitation periods under the substantive law governing the awarded claim.

XV. Sovereign Immunity

(i) Do state parties enjoy immunities in your jurisdiction? Under what conditions?

In arbitrations seated in Slovakia, state parties are equal to any other party. Slovakia as well as foreign states enjoy certain immunities in enforcement proceedings.

(ii) Are there any special rules that apply to the enforcement of an award against a state or state entity?

Yes, the Slovak Enforcement Procedure Code and the Slovak Private International Law Act provide that certain assets owned by Slovakia and foreign states cannot be seized in enforcement proceedings. Certain exceptions also apply in specific industry sectors, such as the energy industry.

(iii) Are there any requirements for arbitrations involving sovereign entities?

No.

XVI. Investment Treaty Arbitration

(i) Is your country a party to the Washington Convention on the Settlement of Investment Disputes Between States and Nationals of Other States? Or other multilateral treaties on the protection of investments?

Yes, Slovakia is a party to the Convention on the Settlement of Investment Disputes between States and Nationals of Other States (Washington, 1994) and the Energy Charter Treaty (Lisbon, 1998).

(ii) Has your country entered into bilateral investment treaties with other countries?

Yes, Slovakia is a party to more than 30 bilateral investment treaties with non-EU countries.

(iii) Have there been any recent court decisions in your country in relation to intra-European investor-state arbitration?

No.

XVII. Resources

(i) What are the main treatises or reference materials that practitioners should consult to learn more about arbitration in your jurisdiction?

There are no treatises or reference materials in other than Slovak language. Perhaps the most comprehensive material is a 2016 commentary to the Slovak Arbitration Act by Mr. Juraj Gyárfáš, Marek Števček, Kristian Csach and Michal Porubský.

(ii) Are there major arbitration educational events or conferences held regularly in your jurisdiction? If so, what are they and when do they take place?

The Law Faculty of the Comenius University in Bratislava organizes annually an arbitration conference titled 'Richard DeWitt Arbitration Conference'. Also, the Arbitration Court of the Slovak Bar Association regularly organizes events with foreign arbitration practitioners.

XVIII. Trends and Developments

(i) Do you think that arbitration has become a real alternative to court proceedings in your country?

Yes. In particular, arbitration has become more popular among practitioners since the 2014 amendment of the Slovak Arbitration Act.

(ii) What are the trends in relation to other ADR procedures, such as mediation?

Other ADR procedures are not so commonly used in Slovakia and there does not appear to be a trend that the situation would considerably change in the near future.

(iii) Are there any noteworthy recent developments in arbitration or ADR?

Following its 2016 reform incorporating modern practices in international arbitration, the Arbitration Court of the Slovak Bar Association has become more proactive as a trendsetter in administering arbitrations in Slovakia by pioneering approaches typical for modern international arbitration.

Also, in the past few years, Slovak courts confirmed the existing case law corresponding to international arbitration practice, according to which arbitration is based on a so-called contractual theory and the competence-competence principle, arbitral awards cannot be reviewed on the merits in setting aside proceedings, and the right to due process is part of public policy. At the same time, Slovak courts also resolved several long-standing open issues, particularly by

clarifying that defective reasoning may justify the setting aside of an award only where the defects amount to extreme violation of due process and that Slovak law provisions on contractual penalties are not part of Slovak public policy. Last, but not least, certain decisions departed from international arbitration practice by permitting an extraordinary review of jurisdictional issues in enforcement proceedings and of the merits of arbitral awards in insolvency proceedings.

(iv) Are there any official plans to reform the arbitration laws and practice in your jurisdiction?

No.

(v) Are there any rules governing third-party funding in your jurisdiction? Is there an obligation to disclose the identity of any non-party who has an economic interest in the outcome of the proceedings, including any third party funder? Have there been any recent court decisions in your jurisdiction in relation to third-party funding?

Third-party funding is explicitly regulated to the extent the funding is provided by an insurance house under a so-called 'legal protection insurance'. This insurance, in general, requires the insurance house to pay the insured party's costs of pursuing its claims or defending against third-party claims set out in the insurance policy. Among other requirements, any restrictions on the insured party's right to choose its counsel are prohibited, but this regulation does not apply to other instances usually falling within the concept of third-party funding.

In contrast, third-party funding after the claim has arisen is a relatively new concept in Slovakia. There are several entities providing such funding in Slovakia, but they are not subject to specific regulatory requirements relating to this business activity. Also, neither the Slovak Arbitration Act nor procedural rules of prominent permanent arbitration courts regulate third party funding in any manner, and to our knowledge, there are no published court decisions on point.

(vi) Has your country implemented a sanctions regime? Do the courts in your jurisdiction consider international economic sanctions as part of their international public policy? Have there been any recent court decisions in your country in relation to the impact of sanctions on international arbitration proceedings?

Slovakia has implemented its international obligations related to sanctions regimes through Act No. 289/2016 Coll. on the Implementation of International Sanctions. To our knowledge, there are no published court decisions on point.