

Abstract

Taha A Kassem

Conciliation Mechanism: An Amicable Mechanism to Settle Business Disputes Advantages and Disadvantages

Conciliation is a dispute resolution mechanism which is broadly and globally to settle disputes. It is referred to in case of the desire to reach an amicable way of resolving disputes for example, business disputes. Dispute resolution mechanisms that are used in the international sphere can be classified into two categories, adjudicative and diplomatic resolution mechanisms. Adjudicative mechanisms are those involving a neutral third party who resolves the issue by rendering a decision that is binding on the parties, for example, judicial settlement and arbitration. In contrast, the diplomatic mechanisms of dispute resolution, some of which involve a third party, result in outcomes that are always non-binding in effect. Diplomatic mechanisms of settlement can be divided into two branches on the one hand those that involve only the parties of the disputes themselves, for example, negotiations and consultations and those that engage a third party in the process on the behest of with the consent of the disputants, for example, conciliation mediation, good offices and inquiry. This paper focuses on conciliation as a diplomatic mechanism of foreign direct investment dispute settlement. First, it sheds light on the nature and elements of conciliation compared to other mechanisms that engage a third party, mainly mediation. Second, it identifies the major advantages of conciliation. Third, it identifies cautions that accompany resorting to conciliation as a dispute resolution mechanism. Fourth, it identifies some concluding remarks.