

## **Abstract**

The investment activities in Palestine have been widely affected by the Israeli occupation of west bank and Gaza strip, the Palestinian economy is annexed deliberately to the Israeli economy, but without development. Accordingly Palestinian economy significantly depends on the foreign investment to take a role in rebuilding Palestine and shaping the Palestinian economy, thus the Palestinian legislation aimed to implement laws and regulations that motivate the investors to invest in our country.

This study seeks to focus on the role of arbitration in maintaining the economic equivalent for the both parties of the investment contract, and to provide a balance analysis of the legal framework by analyzing the investment law of 1988 and arbitration law of 2000 in order to examine its coherence with the international laws and regulations that stipulate the investment and the arbitration.

The Hope of this study is that it will evaluate the legal environment of the investment contracts in Palestine what motivates the investors to invest their money in Palestine and what makes an obstacle before the investors in this regard, also it seeks to provide

innovative ideas that could contribute to an increase in the development dimension of international investment contracts.

In order to achieve the above objectives, the study is subdivided into three chapters, preceded by the introduction which explains the importance and the aims of this study.

Then the introductory chapter focuses on the investment contract and its parties. The First chapter deals with the arbitration, its main principles, and its role in the host countries. The last chapter deals with the obstacles that might face the investment contracts parties, such as hard ship and Force majeure, and the role of arbitrator in re-balance the investment contracts between the parties, without breaching the investment contracts.

The main outcome of this study is that as an overall opinion, the legal climate for investment in Palestine is encouraging and satisfactory, since it provides the investor with the legal protection against litigation before the national courts of the host country.

This study concludes that PNA has to improve the role of Palestinians high commission in attracting the investments, secondly, the regulations and laws that stipulate the investment sector must be in line with the international treaties that can protect the rights and obligations of the investors, and policy maker need to know what role these treaties actually play and to what extent they can contribute to receiving more investment abroad.