Kluwer Arbitration Blog

DIFC introduces Arbitration Institute

Gordon Blanke (Blanke Arbitration LLC) · Wednesday, June 4th, 2014

A recent amendment to Dubai Law No. (9) of 2004 Concerning the Dubai International Financial Centre (as previously amended by Dubai Law No. (14) of 2011), referred to as Dubai Law No. (7) of 2014 (Amending Law No. (9) of 2004 Concerning the Dubai International Financial Centre (DIFC)) and issued by the Ruler of Dubai on 21st May 2014 ("Law No. (7) of 2014"), establishes the so-called Dispute Resolution Authority headed by Chief Justice Michael Hwang SC, the current president of the DIFC Courts. In the terms of Article 3 of Law No. (7) of 2014, the Dispute Resolution Authority operates in the DIFC and is essentially comprised of the DIFC Courts and a so-called Arbitration Institute (see Article 8 of Law No. (7) of 2014).

Pursuant to Article 8 of Law No. (7) of 2014, the Arbitration Institute is vested with separate legal personality and may sue and be sued in this capacity (see Article 8(1)). It operates on an independent budget and exercises its functions independently from the DIFC Courts and other DIFC bodies (see Article 8(2)). The Head of the Dispute Resolution Authority will appoint the members of a Board of Trustees, which, in turn, will exercise all the powers and duties of the Arbitration Institute (see Article 8(4) and (5)). In essence, these will include (see Article 8(5)):

- (a) the promotion of the Arbitration Institute as a hub for the settlement of domestic and international disputes, and of disputes arising out of treaties, by arbitration, mediation, and other forms of alternative dispute resolution mechanisms (ADR);
- (b) the preparation and issuance of rules and procedures required for regulating the administration of arbitration, mediation, and other forms of ADR;
- (c) the hosting of conferences, seminars, lectures, and other events relating to arbitration, mediation, and other forms of ADR;
- (d) the publication of books, journals, articles, and papers on arbitration, mediation, and other forms of ADR;
- (e) the provision of courses and accreditation for arbitrators, mediators, and other persons concerned with arbitration, mediation, and other forms of ADR; and
- (f) entering into co-operation and joint venture agreements with any local, regional, or international centre, society or organisation specialized in arbitration and ADR.

In light of the wording of Articles 8(5)(a) and (b) of Law No. (7) of 2014, it is not entirely clear to what extent the Arbitration Institute is meant to dispense arbitration services itself and will not be confined to the promotion of the profession and practice of arbitration within the DIFC only. Too little is presently known to allow any meaningful assessment of the true scope of duties and powers

of the Arbitration Institute. This being said, the use of the Arbitration Institute for the dispensation of arbitration services in their own right will inevitably raise the question of how the establishment of the Institute will impact the role of the DIFC-LCIA, which – to date at least – has been widely recognized as the dedicated arbitration centre of the DIFC.

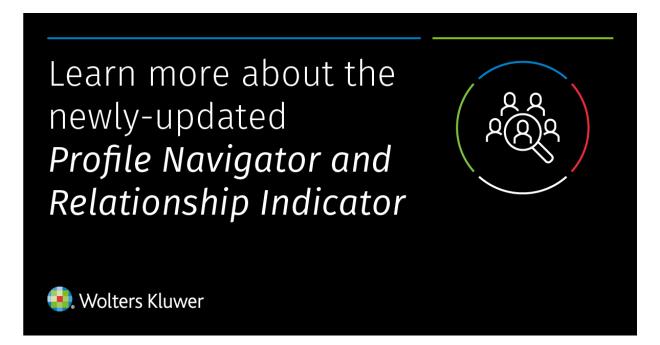
Irrespective of these uncertainties, the establishment of the Arbitration Institute in the DIFC has to be welcomed as a further initiative to consolidate and promote the discourse of arbitration throughout the Emirate of Dubai and the UAE more generally.

To make sure you do not miss out on regular updates from the Kluwer Arbitration Blog, please subscribe here. To submit a proposal for a blog post, please consult our Editorial Guidelines.

Profile Navigator and Relationship Indicator

Includes 7,300+ profiles of arbitrators, expert witnesses, counsels & 13,500+ relationships to uncover potential conflicts of interest.

Learn how Kluwer Arbitration can support you.



This entry was posted on Wednesday, June 4th, 2014 at 8:38 am and is filed under DIFC, Dispute Resolution, Dubai, United Arab Emirates

You can follow any responses to this entry through the Comments (RSS) feed. You can skip to the end and leave a response. Pinging is currently not allowed.