

Establishing the centre for amicable settlement of disputes

April 2011

In September 2009, H.H Mohammad Bin Rashid Al Maktoum, the Vice President of the UAE and Ruler of Dubai issued Law No. 16 of 2009 – “Establishing the Centre for Amicable Settlement of Disputes”. The Law became effective from the day of promulgation and publication in the official gazette; however it took some time before the Centre became operational. The Law applies to certain disputes under the jurisdiction of the Courts of Dubai. Subject matter jurisdiction of the DIFC Courts is excluded.

On 1 February 2011, the Chairman of Dubai Court issued Decision No. 9 of 2011 regarding the “Jurisdiction of the Centre for the Amicable Settlement of Disputes” and Decision No. 10/2011 “Promulgating the Procedures of the Centre”.

Decision No. 9 of 2011 clearly sets out the types of disputes falling under the jurisdiction of the Centre as well as those which are excluded.

Article 1 of Decision No. 9 of 2011 stipulates that the Centre shall have jurisdiction to oversee the following matters:

1. Disputes involving the division of common property;
2. Disputes involving a principal debt of up to AED 20,000;
3. Disputes where the parties agree to submit to the Centre.

The Matters excluded from the Centre’s jurisdiction are as follows:

1. Labor disputes;
2. Disputes relating to personal status.

Decision No.. 10 of 2011 contains ten articles setting out the procedures that shall be followed, adopted and implemented before the Centre.

The following is a translation of the articles of Decision No. 10/11.

Article 1

The statement of dispute shall include the following particulars:

1. Name, surname, profession, occupation, domicile and place of work of the disputant and the name, surname, profession or occupation, domicile, place of work and email of his attorney.
2. Name, surname, profession or occupation, domicile and place of work of the respondent and name, surname, profession or occupation, domicile and place of work of his attorney or, if neither the respondent nor his attorney have no known domicile or place of work, their last domicile, residence, place of work and email.
3. To “elect a domicile” for the disputant if he has no domicile in the UAE.

4. The subject matter, plea and the basis of the dispute.
5. Date of filing the statement of dispute at the Centre.
6. Signature of the party filing the dispute or his attorney.

Article 2

The records and follow-up section shall record the dispute in the relevant register, collect the fees and, accordingly, determine the exact filing date. The records and follow-up section shall then, in the presence of the disputant or his attorney, record the date of the hearing scheduled for the dispute on the original and copies of the statement of dispute. The disputant or his attorney shall sign to the effect that he is aware of the hearing date.

The dispute shall be considered filed on the date it is recorded.

Article 3

When filing the statement of dispute, the disputant shall submit to the records and follow-up section copies thereof according to the number of respondents in order to be kept in a special file. The disputant shall submit, along with the statement of dispute copies, all the documents supporting his dispute. The respondent may file a defense memorandum and copies of his documents.

Article 4

The records and follow-up section shall, no later than the day following the filing of the statement of dispute, notify the parties by all means of communication, failing which it shall deliver a copy of the statement of dispute and all accompanying copies, papers and documents to the authority entrusted with service in order for service to be effected using the appropriate standard form and the original notice returned to the records & follow-up section.

Article 5

If the disputant and respondent appear on their own before the Centre and submit a dispute, the Centre shall hear the dispute forthwith and, if possible, negotiate a settlement or schedule another hearing therefore. The Centre shall register the matter on the roll and the dispute proceedings shall be recorded on the minutes of hearing directly.

Article 6

On the day of the hearing, the parties shall attend in person or through an attorney appointed by a power of attorney.

Article 7

If the disputant or the parties fail to attend the first hearing or any subsequent hearing, the Centre may refer the dispute.

Article 8

If only the respondent failed to attend the first hearing, the dispute may be adjourned to a later hearing of which the disputant shall serve notice to the absent party.

Article 9

The Centre may avail of the services of an interpreter who is appointed or licensed by the Ministry of Justice or the relevant authority and may secure the services of an interpreter from any other source if necessary.

Article 10

The Centre may, on its own motion or upon request of a party to the dispute, correct mere mechanical errors in the settlement agreement that are of a typographical or mathematical nature. The conciliator shall make the correction on the original copy of the agreement and sign it together with the competent

judge.