

# BRIEFING NOTE:

## A NEW DUBAI DECREE - IS THERE AN INCURSION IN THE JURISDICTION OF THE COURTS OF DUBAI?



June 2016

On 9 June 2016, the Ruler of Dubai issued Decree No. 19 establishing a new judicial authority from members of the DIFC Courts and Dubai Courts (the “Authority”). Although this decree has not yet been published in the Dubai Official Gazette, a very brief overview is necessary.

The new Authority is empowered to resolve disputes over conflicts of jurisdiction between the Dubai Courts and DIFC Courts and to look into any conflicting judgments passed at the level of both courts. The public prosecutor or one of the adverse parties is entitled to submit requests to the Authority to rule on conflicts of jurisdiction and on conflicting judgments.

Decisions of the Authority must be passed within 30 days from the date of filing the request, illustrating a significantly swift process. More importantly, the Authority’s decisions are final, binding and non-appealable.

Is it the recent rise in the willingness of the DIFC Courts to expand the scope of their jurisdiction, potentially creating conflicting outcomes, which has triggered the formation of this new Authority in the Emirate of Dubai?

Or is it the continuous efforts of the Emirate of Dubai to raise its profile and bolster the credibility of its judicial system by ensuring that both courts operate in a flawless and efficient fashion?

This decree may possibly be a mere implementation of Article 7 of the Protocol of Jurisdiction between the Dubai Courts and the DIFC Courts contemplating a legislative amendment to identify the relevant court to resolve any conflict of jurisdiction between the two courts, whether the conflict is positive or negative.

There are many reasons that led to the formation of the Authority, but it is incontestable that it is in anticipation of a potential upsurge in conflicting outcomes linked to the expansion of the jurisdiction of the DIFC Courts. While the complete ramifications of this decree are yet to be assessed, avoiding jurisdictional disputes and conflicts continues to be a key issue, and one must pay special attention to the drafting of contracts and the execution of transactions to ensure that any disputes will fall within the jurisdiction intended by the parties.

This decree is novel, and it remains to be seen how it will apply. Its position in light of the UAE Constitution and among federal laws and the DIFC laws, and any potential overlapping or surpassing of these laws, are under consideration.

## Contacts



**Dr Habib Al Mulla**  
**Chairman, UAE**  
T +971 4 423 0000  
[habib.almulla@bakermckenzie.com](mailto:habib.almulla@bakermckenzie.com)



**Ghada El Ehwany**  
**Knowledge Manager, UAE**  
T +971 4 423 0065  
[Ghada.ElEhwany@bakermckenzie.com](mailto:Ghada.ElEhwany@bakermckenzie.com)

## **Baker & McKenzie has been global since inception. Being global is part of our DNA.**

Our difference is the way we think, work and behave – we combine an instinctively global perspective with a genuinely multicultural approach, enabled by collaborative relationships and yielding practical, innovative advice. Serving our clients with more than 4,200 lawyers in over 40 countries, we have a deep understanding of the culture of business the world over and are able to bring the talent and experience needed to navigate complexity across practices and borders with ease.