

Quick Guide on Asset Tracing Services in Construction Disputes

Asset tracing services can result in a successful claim, allowing you to obtain a favorable judgment or award and translating it into recovery of the outstanding entitlements.

Assess the Situation

To ensure recoverability, you need to understand:

-  legal merits of the claim
-  what assets the counterparty owns
-  what their value is
-  whether assets can be recovered based on jurisdiction

Know When to Begin Asset Tracing

Asset tracing services are best engaged once it has become clear that formal legal action will be necessary to recover the claim entitlements.



Get the Right Information

Your asset tracer should find out:

-  What assets the other party holds in the home jurisdiction, what their value is, and whether any third party creditors hold secured rights over them;
-  If the other party has assets in other jurisdictions or overseas, what their value is, and whether any third party creditors hold secured rights over them;
-  What other liabilities the counterparty might have, such as other ongoing litigations or arbitrations, or exposure on other project.

Consider These Crucial Factors

Proportionality

The time and costs associated with litigation or arbitration need to be weighed against the total amount that is realistically likely to be recovered.

If the counterparty's financial solvency is uncertain, it may be better to focus on the strongest or least complex claims only as these will be easier and quicker to prosecute and therefore more likely to result in a return sooner.

Remember, a claim will have no value if the counterparty goes insolvent during the proceedings.

Jurisdiction

Assets may be spread across a range of countries.

It is important that these jurisdictions be identified in advance, so that the practicalities of securing the assets can be determined prior to commencing proceedings.

Protective Measures

After the location and value of the assets have been confirmed, determine what interim relief, or protective measures will be necessary to secure those assets.

Such protective measures can include freezing injunctions on bank accounts and attachments orders over physical assets such as factories or machinery.

Key Contacts



Malcolm Jezewski
Senior Associate | Dubai
+971 4 4230046
malcolm.jezewski@bakermckenzie.com



Andrew Mackenzie
Head of Arbitration, Construction
and Offshore Litigation | Dubai
+971 4 423 0068
andrew.mackenzie@bakermckenzie.com

Find Out More [MENA Dispute Resolution](#)

