



The Role of Dubai in Ship Owning and Dispute Resolution*

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The term ship owning and management pertains to companies incorporated within the Dubai Maritime City (“DMC”), a recent addition to the Dubai Free Zone. Such companies may now operate at the DMC as a Free Zone Company (“FZCO”), without limitation in relation to foreign shareholdings. Such incorporation is separate and distinct from the UAE Flag Register, which remains the responsibility of the Ship Registry Department at the UAE Federal Ministry of Transport.

The marine industry is coping well with Dubai’s rapid growth, however, there remains a need for continuous legal efforts in order to maintain a steady pace of evolution thus enhancing Dubai’s role within the maritime community and fulfilling an urgent necessity for a regional centre. Presently those domiciled in Dubai enjoy state of the art ports and dry docks, as well as, flexible laws and regulations in a tax free environment for shipping and ancillary transactions.

The Dubai International Arbitration Centre (DIAC) marks a distinguished presence as a highly acknowledged arbitration centre within the Middle Eastern region. Such progress, however, may not meet the ambitions of Dubai in establishing a global imprint, until the UAE becomes a signatory to relevant international treaties. Currently the UAE accession to the New York Convention of 1958 is in the final stages of ratification.

It is well understood that by allowing an award to be made within the territory of a member state of the New York Convention of 1958 for the enforcement of arbitral awards may give the award an “international currency”, that facilitates enforcement against assets found in any jurisdiction that adheres to this convention. However, even pending such ratification, I am inclined to say that the UAE laws as enforced in Dubai are nonetheless in line with internationally recognized treaties and practice.

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