

ARBITRATION CONUNDRUMS: COULD A STAMP BY THE UAE EMBASSY STAND IN THE WAY OF ENFORCING A FOREIGN AWARD IN THE UNITED ARAB EMIRATES?

The Dubai Court of Cassation recently ruled that successful parties wanting to enforce their foreign award in the United Arab Emirates (UAE), will have to present it for recognition and enforcement bearing a stamp from the UAE Embassy in the relevant State where the arbitration was seated.

Following the issuance of an ICC Award between a foreign and a UAE entity, the successful party requested the recognition and enforcement thereof before the Dubai Court of Execution, which was later granted via an execution order. The disgruntled defendant, however, appealed the execution order before the Dubai Court of Appeal, which likewise ended up ruling in favor of executing the award.

The Dubai Court of Cassation, subsequently seized by the Emirati defendant in an attempt to set aside the Court of Appeal's judgement, ruled that any foreign arbitral award intended for execution within the UAE should be, *inter alia*, stamped by the relevant UAE diplomatic authorities in such State. This was on the basis of Article 16 and 85 of the Organizational Regulations issued by Cabinet Resolution No. 57 of 2018 regarding the Law of Civil Procedures.

As such, the above ruling and legal provisions would not pose a problem for institutional arbitrations in general, since the awards could easily be attested and stamped by the respective UAE Embassy for being considered a "[...] decision or [...] order [...] delivered from an authorized court [...]".¹ However, the thorny issue arises with ad hoc arbitrations lacking a so-called "authorized court" that could stamp the award before being referred to the UAE Embassy in the relevant State e.g., such as the ICC Court in Paris. Likewise, what would occur should there be no UAE Embassy in the State where the award had its seat?

Although prior to this judgement, enforcing a foreign arbitral award in the UAE was based on the same legal provisions, in practice, it was sufficient to present the award with its Arabic translation (if applicable) but without any additional stamps and/or attestations from the UAE diplomatic representatives abroad. Therefore, this new requirement derived from the Dubai Court of Cassation's ruling could appear, to some, as an insurmountable obstacle to justice being served.

Should you require further information on the judgment and a resolution to the queries posed, please do not hesitate to contact us.

We would be pleased to assist you (dubai@steeringlegal.com).



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¹ Article 85 of the Law of Civil Procedures