

# The issuance of Law No.5 of 2021 and the appointment of a new Director to the DIFC Courts

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His Highness Sheikh Maktoum bin Mohammed bin Rashid Al Maktoum, Deputy Ruler of Dubai and President of the Dubai International Financial Centre (the “**DIFC**”), has issued a new law appointing His Excellency Justice Omar Al Mheiri as Director of the DIFC Courts, effective from 1 September 2021. The Director has assumed full responsibility for the general supervision of the administrative affairs of the DIFC Courts, in addition to his existing duties as the Deputy Chief Justice of the DIFC Courts.

The appointment follows the issuance by His Highness Mohammed bin Rashid Al Maktoum, Ruler of Dubai, of Law No. 5 of 2021 concerning the Dubai International Financial Centre (the “**New DIFC Law**”), which outlines the new appointment and duties of the Director. The issuance of the New DIFC Law also brings about significant changes to the laws of the DIFC.

## Appointment of the Director of the DIFC Courts

As noted above, H.E. Justice Omar Al Mheiri has been appointed as Director of the DIFC Courts. He has been with the DIFC Courts since its operational inception in 2005 and brings to this position a wealth of knowledge and experience across both judicial and administrative functions, which he may be expected to bring to his duties as the Director.

It was reported by the DIFC Courts that H.E. Justice Omar Al Mheiri “*began his judicial career via Dubai Police and as a prosecutor with Dubai Prosecution. With judicial experience spanning across Dubai Courts and the DIFC Courts over the past 30 years, His Excellency Justice Omar Al Mheiri has had the unique opportunity to leverage his transsystemic expertise across both civil and common law jurisdictions.*”<sup>[1]</sup> In recent years, H.E. Justice Omar Al Mheiri has also been assigned to consult as a Council Member for the Dubai Courts Advisory Council and the Dubai Supreme Legislative Committee.

As the Director of the DIFC Courts, H.E. Justice Omar Al Mheiri will undertake general supervision of the administrative affairs of the DIFC Courts and will have the duties and powers which are set out at Article 16 (a) of the New DIFC Law.

Speaking on his new appointment, H.E. Justice Omar Al Mheiri, said:

*“The experience I have gained working at the DIFC Courts for over 16 years has been invaluable and it is an honour and privilege to now undertake the role of Director. We have been successful in our aim to lead the way in technical advances and are consciously looking at ways in which to improve and progress. We remain committed to upholding the highest of standards and providing the best quality service for our court users, delivering the necessary climate of certainty that will support the nations’ overarching vision to diversify and grow the economy.”*<sup>[2]</sup>

Chief Justice Zaki Azmi of the DIFC Courts, has said:

*"I have had the privilege of working alongside the Deputy Chief Justice for almost eight years, during which time he has played an integral role in securing the DIFC Courts' status as one of the leading commercial courts. His vision and leadership have, more recently, been demonstrated with his tremendous guidance in navigating our journey through the unprecedented COVID-19 pandemic. I look forward to continuing my close working alliance with His Excellency Justice Al Mheiri to ensure the DIFC Courts continues to contribute to the overall value proposition of the DIFC, Dubai, and the UAE."*[\[3\]](#)

## Other significant changes resulting from the New DIFC Law

The New DIFC Law fully replaces and supersedes the original founding DIFC Law No.9 of 2004, with effect from 27 April 2021. In line with global best practice, the New DIFC Law provides further clarity on the duties and responsibilities of the President, the Governor and the Centre Bodies in the DIFC, also ensuring the DIFC's operational, financial and administrative independence which is crucial to the continued growth of the DIFC. The New DIFC Law also expands on the strategic objectives of the DIFC and promotes the values of efficiency, transparency and integrity in order to further boost Dubai's position as a global destination for business and financial services.

The New DIFC Law clarifies that the President of the DIFC is responsible for the general supervision of the DIFC and the DIFC Bodies. In particular, the President is responsible for coordination amongst the DIFC Bodies and for the achievement of each of their respective strategies, policies, and objectives and for ensuring cooperation among them and the maintenance of their independence.

In addition, the amendments under Article 19 of the New DIFC Law provide clarity on the types of activities which may be undertaken by DIFC Establishments (which includes DFSA-regulated firms) outside their DIFC premises. In particular, Articles 19(c) and (e) remove any doubt that may have existed under Federal Law No. 8 of 2004 (the UAE law which created the concept of a "financial free zone" under federal law) that DIFC Establishments may, subject to certain conditions, provide and promote their services to customers in the UAE, outside the DIFC.

The Dubai Financial Services Authority ("**DFSA**"), the independent regulator of financial services conducted in or from the DIFC has observed that the New DIFC Law:

- "Provides for more clarity on the duties and responsibilities of the President, the Governor and the Centre bodies in the DIFC, which includes the DFSA.
- Ensures the DIFC's operational, financial and administrative independence.
- Confirms the requirements for the Centre Bodies' adherence to the highest governance and accountability principles."[\[4\]](#)

These recent changes further support the DIFC's position as one of the pre-eminent common law jurisdictions in the region and beyond.

## DIFC Snapshot

The DIFC was established in 2004 as the UAE's first financial free zone with ambitious objectives to enhance Dubai's economic development and to ameliorate reliance on oil revenues by diversifying and supporting the growth of the banking and financial sectors. The DIFC has since become a major financial and business gateway between regional, emerging and international markets and contributes significantly to the UAE's nation building mission. The DIFC is now considered to be one of the principal and most successful financial centres for the Middle East, Africa and South Asia (MEASA) region.

The DIFC offers all the elements found in the world's most successful financial industry ecosystems,

including an independent regulator, an independent judicial system with a common-law framework, a global financial exchange, inspiring architecture, powerful and enabling infrastructure, support services and a vibrant business community.

***For further information on this topic or the DIFC in general, please contact [Peter Wood](#) or [Oliver Spence](#).***

[1] <https://www.difccourts.ae/media-centre/newsroom/deputy-ruler-dubai-hh-sheikh-maktoum-bin-mohammed-al-maktoum-appoints-new-director-difc-courts>

[2] Ibid

[3] Ibid

[4] <https://www.dfsa.ae/laws-rules>