

The Future of the UAE Maritime Industry

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The UAE is the Maritime flagship for the Middle East. This is why many international maritime conferences choose the UAE as their venue, including annual events by Sea Trade, Lloyds, and BIMCO.

Jebel Ali port stands as one of the major international maritime hubs, and Fujairah port is the fourth largest bunker supply port in the world. The UAE has created "Tasneef" which is rapidly becoming one of the recognized and established classification societies in the region.

The immediate future of the UAE maritime industry is also promising. Recently, Dubai announced the creation of the first maritime arbitration centre in the region, named the Emirates Maritime Arbitration Centre ('EMAC'), which it is hoped will take its place amongst the other internationally recognized arbitration centers such as the LMAA and the SCMA. The UAE is also expected to introduce a new maritime code soon which will modernise the regulation of many maritime aspects in the UAE and serve as a model for other countries to follow.

I consider myself as part of the shipping community and society in the UAE and the region, and have had the privilege of working in the shipping industry of nine different countries including the UAE. I believe that there are still many issues which the UAE needs to tackle and many obstacles which the UAE needs to overcome to reach its goal of comprehensively covering all aspects of the maritime industry.

Flagging UAE vessels

A large number of vessels owned by UAE owners fly non-UAE flags. With its advanced shipping skills, techniques and know-how, the UAE should take the initiative to establish the first open registry in the region. This would result in a significant amount of different vessels flying their natural UAE flag. Furthermore, with the UAE being one of the main places of business for almost all international banks and insurance companies, the requirement of each vessel owning company of have an agent, a bank, insurance, classification and many other requirements, will lead to a significant boost in all these sectors.

More Legislation

It is a fact that commerce move faster than legislation. However, for a modern country like the UAE it is expected that it will have modern legislation to go hand in hand with its commercial development. There are however still more rules and regulations required to ensure that the UAE can compete more efficiently with the other international maritime regimes. So far, there is no dedicated registry for bareboat charter in the UAE despite the fact that this is a common and popular business for this country and the region. There are no specific regulations organizing vessel finance and mortgage in the UAE. In fact there is no specific dedicated registry for vessels under construction regulating the mortgage during the construction despite the fact that the UAE has many leading yards taking over major vessel construction and building projects.

Furthermore, and despite the fact that almost all international maritime agents chooses the UAE as their main business for their region, there are no laws to regulate the work of maritime agents. The UAE courts take an active role to fill this gap by implementing the internationally recognized

maritime agency customs, but nonetheless there is an immediate and urgent need to regulate the work of maritime agents. It is hoped that the new and much anticipated maritime code will have a dedicated section for maritime agents. The same lack of regulation impedes the development of forwarders and other associated shipping and maritime work industries.

Maritime Courts

The UAE must consider creating dedicated and specialized maritime courts if it is to maintain and enhance its standing amongst the international maritime hubs. The courts currently make tremendous effort to look after maritime claims; however the larger and more complicated maritime claims dictate the need for a maritime court in the UAE. In addition, it should consider establishing night courts and make judges available during the weekends to look into urgent applications, such as for the arrest and release of vessels.

Conclusion

The UAE maritime industry is already the leading maritime industry in the Middle East, and efforts are underway to enhance it. Hopefully these efforts will address some of the issues raised in this article. The UAE is steadily climbing the ranks of the leading nations in the global maritime industry, and this requires a process of constant development and reform.