

Small Claims Court in Ras Al Khaimah

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In an unprecedented move in the UAE, His Highness Sheikh Mohammad Bin Saud Bin Saqr Al Qasimi, Crown Prince of Ras Al Khaimah and Chairman of the Judiciary Council, issued Resolution No. 38 of 2016 ("Resolution No. 38") on 29 November 2016, which has established one-day courts in Ras Al Khaimah to determine small claims of under AED 20,000.

Resolution No. 38 establishes a streamlined and fast track small claims court for civil and commercial claims under AED 20,000 (the "Small Claims Court"). The Small Claims Court has jurisdiction to pass judgments on the *same day* the cases are filed at court. Resolution No. 38 came into force on 1 January 2017.

The Small Claims Court has simplified and relaxed the rules and costs of proceedings in line with the value of the relevant claim. Under the Small Claims Court procedure, parties may file their cases at the Small Claims Court, which will consider the same and issue a ruling on the same day, after hearing the parties in person. In addition, a further online procedure is being developed with notification to the parties via email, and is expected to be implemented in the near future.

Rulings (execution writs) issued by the Small Claims Court are final, binding and enforceable by law. Furthermore, the ruling judge has the discretion to impose court fees or to exempt the litigants from such fees.

In accordance with Articles 7 and 8 of Resolution No. 38, once the execution writ has been issued by the ruling judge sitting in the Small Claims Court, the claimant has the right to execute the judgment and enforce it at the Court of First Instance pursuant to the execution procedures provided under the Civil Procedures Law No. 11 of 1992 (as amended in 2015).

It has been reported by the Courts of Ras Al Khaimah that the Small Claims Court *"has so far this year examined and adjudicated 90 cases, 67 civil cases and 23 commercial cases, and rulings have been passed in all these cases in just 30 days."* Furthermore, it had been reported that in relation to these small claims hearings *"the maximum time for settling a case has been 3 hours and 30 minutes, the minimum time was 28 minutes, and, on average, three cases are being settled in a day"*.

Moreover, the Head of the Ras Al Khaimah Courts has been reported as stating that this initiative was launched as part of an integrated package of initiatives to develop the judicial system in the Emirate of Ras Al Khaimah. It is understood that the Emirate is soon to introduce a new medium track court system for cases under AED 500,000, under which cases may be determined in one hearing, as opposed to multiple costly and time-consuming hearings that would otherwise be required.

We believe that this unprecedented initiative in Ras Al Khaimah matches the most sophisticated judicial systems in the world, such as Singapore, and reflects the fact that Ras Al Khaimah is developing a world-class, efficient and stable judicial system to encourage foreign and local investment in the region. Furthermore, it should encourage other Emirates to follow suit and adopt similar initiatives to expedite judicial proceedings, which will have a positive impact on the UAE as a whole.