

Why the UAE is Emerging as a Global Hub for Arbitration Law and Dispute Resolution



The United Arab Emirates has witnessed tremendous economic growth in the past three decades. The country has welcomed major global brands, be it in luxury, manufacturing or from the service sector, to set up business in the city. Consequently, its growth and success has catapulted its legal industry to new heights.

A major benefactor of the immense growth of the UAE is the arbitration sector. With so many multinational companies and global brands establishing themselves in the emirate, it was inevitable that some of them would face disputes either with vendors, clients or other businesses. Businesses facing disputes often turn to [arbitration lawyers in Dubai](#) for efficient, confidential, and legally binding resolutions through UAE's renowned arbitration centers.

Why is the UAE increasingly chosen for dispute resolution?

Apart from its presence in the global market, UAE also has a huge advantage due to its accessibility as a result of its geographical location. UAE is situated close to both Africa and central and south Asia. It is also relatively closer to East Asia, and southern Europe. An experienced arbitration lawyer in UAE can help navigate complex contractual disagreements and ensure compliance with both local and international arbitration standards.

Expatriate Friendly Environment

The UAE is considered among the most hospitable countries, as evidenced by its long history with expatriate presence. People from various nationalities have been pouring into the UAE for decades, and the local population has been welcoming to all nationalities regardless of race or ethnicity. The country has also enabled the peaceful co-existence of the many communities, and has the lowest crime rates in the world. This has resulted in many investors choosing the UAE as their home.

Favourable law and resources

The UAE allows arbitration in case of disputes and also has its own arbitration law under Federal Law No. 6 of 2018 Concerning Arbitration. The UAE arbitration law offers a modern legal framework that supports fair and efficient dispute resolution through arbitration. The UAE also established Arbitration centers that are equipped to hear arbitration disputes. The various arbitration centers in the UAE are listed below:

1. Dubai International Arbitration Center (DIAC)
2. Abu Dhabi International Arbitration Centre (ArbitrateAD)
3. Sharjah International Commercial Arbitration Centre (Tahkeem)
4. Ras Al Khaimah Arbitration Centre (RAK Chambers)

The Dubai International Financial Center with its Arbitration division and the ADGM Dispute Resolution Hearing Centre in Abu Dhabi also facilitate arbitration hearings. The Dubai International Financial Centre - London Court of International Arbitration (DIFC-LCIA) was also major hub for arbitration proceedings but it was abolished in 2021, with its functions transferred to the DIAC.

Conclusion

The UAE has become an important center for the settlement of disputes through arbitration. The country's robust legal framework, its role as a major investment center, its well-established mechanism and its strategic location has all contributed to it becoming a global hub for arbitration.