

LABOUR LAW REGIME UNDER THE DUBAI INTERNATIONAL
FINANCIAL CENTRE (DIFC) AND INTERNATIONAL COMMERCE:
A CRITIQUE

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“Effective courts give life – and where necessary give teeth – to the framework of law within which markets and businesses operate, and their lawyers advise. Such a framework enables entrepreneurs to be confident that they can develop their businesses, promote and market their products, and develop new products secure in the knowledge that their rights will be respected, vindicated and enforced”.¹ Commerce lies at the root of financial development which is the fuel of the economies all over the world. International commerce directly relates to the inter-State financial and commercial arrangements. Different local commercial laws govern the territorial as well as extra-territorial flow of services and investment. However, the stringent and complicated domestic regulations and compliances act as a hindrance in the path of international commercial development. The Dubai International Financial Centre (DIFC), established and managed by a primarily Islamic country, is an exemplary solution to these issues and offers a variety of common law oriented lucrative business opportunities. The paper seeks to study the development of free zones in order to promote international flow of services and investment with special reference to employment laws in UAE and DIFC.

INTRODUCTION

It has been appropriately opined by respectable Lord Thomas that *a sound legal framework is constituted of clear, readily accessible and understandable substantive law, procedural law that facilitates consensual settlement of disputes and, where that is not possible, speedy and just decisions by accessible courts, whose judgments are readily enforceable.* Today, multinational corporations, sometimes referred to as “stateless corporations”, are establishing transnational businesses and trade links at a pace without parallel in history.² The international commercial scenario is replete with the dark clouds of conflicting local jurisdictions. One acceptable and exceptionally successful solution to these conflicts is the establishment of free zones which derive their legal, administrative and judicial structure

¹Lord Thomas, ‘*Commercial Justice in the Global Village: The Role Of Commercial Courts*’ <https://www.judiciary.gov.uk/wp-content/uploads/2016/02/LCJ-commercial-justice-in-the-global-village-DIFC-Academy-of-Law-Lecture-February-2016.pdf>

² Sundaresh Menon, ‘*Transnational Commercial Law: Realities, Challenges and A Call for Meaningful Convergence*’ <http://law.nus.edu.sg/sjls/articles/sjls-dec-13-231.pdf>

from commonly accepted international standards without any prejudice to the locally prevalent laws.

LEGAL SYSTEM IN DUBAI – AN OVERVIEW

Dubai is one of the seven constituent emirates of the United Arab Emirates (UAE). The judicial framework in UAE primarily comprises the Federal National Council (FNC) and the Supreme Council of the Union (SCU).³ Dubai is subject to the federal law of the UAE but retains the right to administer its own internal concerns and enjoys certain other special privileges.⁴ However, Dubai has an independent judicial and legal structure which basically comprises the Court of First Instance, the Court of Appeal and the Court of Cassation.⁵ The Court of First Instance includes the Civil Court, the Criminal Court and the Sharia Court.⁶ There is no binding judicial precedent, although decisions of the Court of Cassation (the highest court) may be persuasive.⁷ All decisions of the Court of Cassation are final and are not subject to appeal.⁸ Dubai's courts will first apply federal laws, such as the Companies Law or the Civil Code, as well as the laws and decrees enacted by the Ruler of Dubai, where federal law is absent or silent. The legal system of Dubai in the light of the umbrella monarchy prevalent in UAE had been acting as a strong deterrent for multinational commercial interests and investments in the area.

DUBAI INTERNATIONAL FINANCIAL CENTRE (DIFC) – LEGAL FRAMEWORK

The emergence of Dubai International Financial Centre in 2004 set a strong foundation to encourage international corporate houses, financial institutions and business enterprises to invest and establish their business interests in Dubai. The DIFC offers a plethora of advantages for regulating and establishing business such as independent regulation, common law framework, supportive infrastructure and its tax-friendly regime.⁹ The

³ Types of courts in Dubai, Available at <http://dubai.ae/en/Lists/Articles/DispForm.aspx?ID=85&category=Citizens> (Last Visited 1/04/2018).

⁴ Andrew Tarbuck & Chris Lester, 'Dubai's legal system' <https://www.lw.com/thoughtleadership/dubai-legal-and-regulatory-system.pdf> (Last Visited 1/04/2018).

⁵ *Supra note 3.*

⁶ The UAE Court System, Available at http://dubai.usconsulate.gov/emergency_uae_court.html (Last Visited 1/04/2018).

⁶ *Supra note 3.*

⁷ Commercial Arbitration in Dubai, Available at <http://www.inadr.org/wp-content/uploads/2014/09/Commercial-Arbitration-in-Dubai-Daniel-Brawn.pdf> (Last Visited 1/06/2018).

⁸ *Supra note 3.*

⁹ Sunil Thacker, 'Dubai: DIFC Court Jurisdiction Opened to All' (2011, IFC) <http://ssrn.com/abstract=2027865> (Last Visited 1/1/2018).

amendment to Article 121 of the UAE Constitution¹⁰ lays the foundation of DIFC framework by facilitating emirates with the power to establish free zones and providing for the enactment of a Financial Free Zone law.¹¹ Thereafter, DIFC was specifically established as a financial free zone in Dubai.¹² 'The Law Establishing the Dubai International Financial Centre' is a Dubai law¹³ that defines the financial and administrative independence of the DIFC and establishes sub-branches of DIFC in the form of *the DIFC Authority, Dubai Financial Services Authority (DFSA) and the DIFC judicial authority*. These three bodies primarily constitute the DIFC and they are vested with the authoritative fuel to run the free zone. The DIFC Courts of First Instance and Appeal are exhaustively discussed by the law establishing judicial authority¹⁴ and equips the courts with the exclusive power to deal with all claims and disputes arising within the DIFC¹⁵. The Chief Justice is further furnished with administrative powers to run the courts and the enforcement of judgments or awards accruing thereupon is also elucidated.

The process of enforcement of DIFC adjudicatory awards has been made relatively easier and flexible with respect to laws prevalent in Dubai and UAE.¹⁶ Moreover, international treaties wherein UAE is a signee such as GCC Convention 1996, Riyadh Arab Agreement for Judicial Cooperation, The Agreement on Juridical Cooperation in Civil and Commercial Matters with India (2000), etc. further facilitate easy enforcement.¹⁷ Constitutionally, the DIFC Court is part and parcel of the Dubai judicial system and so its judgments have the same weight as Dubai Court judgments. Where there is a relevant treaty in place between the UAE and the target jurisdiction, enforcement will be governed by the terms of that treaty. Where there is not, enforcement will depend on the laws of the state in which the judgment creditor is seeking to enforce.¹⁸

¹⁰ Legal Framework, Available at <http://difccourts.ae/legal-framework/> ((Last Visited 1/1/2018).

¹¹ Federal Law No. 8 of 2004 , Available at https://www.difc.ae/files/5314/5449/7480/Federal_Law_No_8_of_2004_English.pdf Last Visited (01/01/2018)

¹² Federal Decree No. 35 of 2004, Available at <https://www.dfsa.ae/getattachment/Your-Resources/Laws-Rules/Federal-Decree-No-35-of-2004.pdf.aspx> (Last Visited on 01/01/2018)

¹³ Dubai Law No. 9 of 2004, https://www.difc.ae/files/4414/5735/7076/Dubai_Law_No_9_of_2004_-_English.pdf (Last Visited May 30, 2016) ; *See Also:* <http://difccourts.ae/>.

¹⁴ Dubai Law No. 12 of 2004, <https://www.dfsa.ae/Documents/Dubai%20Law%20No%2012%20of%202004.pdf> (Last Visited 01/01/2018)

¹⁵ *Id.*

¹⁶ DIFC Courts Enforcement Guide, <http://difccourts.ae/wp-content/uploads/2016/01/ENFORCEMENT-GUIDE-2016-AW.pdf> (Last Visited 01/01/2018)

¹⁷ Ghada Qaisi Audi, "Enforcement of DIFC Courts' Judgments and Orders within and outside the DIFC", <http://acceluscdn.thomsonreuters.com/accelus-pdf/24.%20Session%2010%20-%20Enforcement%20of%20DIFC%20Courts%20Judgements%20and%20Orders%20within%20and%20outside%20the%20DIFC.pdf>, (Last Visited 01/01/2018)

¹⁸ *See:* Article 7 of *Law No. 12 of 2004, as amended.*

The DIFC is, therefore, a unique environment in itself which establishes a common platform for the setting up of global business establishments thereby facilitating a groundwork encouraging free flow and exchange of multinational commercial dealings. Multiple esteemed corporate houses have availed of this unique opportunity to set up in the free zone. The Dubai International Financial Centre (DIFC) has been acting like a bridge between the financial markets of the East and West and a gateway for capital and investment to and from this region.¹⁹

DIFC – EASE FOR FOREIGN EMPLOYERS

The employment laws and services regulation facilitate attractive opportunities for international employers who are induced to invest in the area owing to reduced burden of mandatory fiscal obligations. The DIFC is a complete package replete with all the necessary assistance that one might require in the form of corporate governance institute, business support services, independent judicial system, liquid and transparent international stock exchange and clear legislation. The WCO Revised Kyoto Convention describes free zones as “outside customs territory” for duties, taxes, documentation, and issues to be covered by national legislation. Subject to certain exceptions, businesses wishing to set up in the free zones are required to establish places of business physically within the geographical boundaries of the particular free zone so as to assure sustainability and longevity in terms of commitment to the region.

Establishment of free zones such as DIFC is a novel approach to achieve the goal of harmonious multinational exchange of trade and services. In order to promote international trade in the true sense of the term, what is actually needed is a welcome acceptance of common law that is a substantial deviation from local laws and regulations that tend to offend free flow of overseas commercial services. Apart from offering other lucrative opportunities, the most distinguishing feature innate in the DIFC infrastructure is the comprehensive legal background wherein employment and legal complexities regarding the same stand reduced. It is well-known that a business structure facilitating a relatively smooth employer-employee relationship is the core foundation of sound commerce.

A prospective employer can find no reason to avoid DIFC as a place for setting up their business. Article 37 of the UAE Labour Law permits the employer/employee to terminate their services without notice whereas Article 57 of the DIFC employment law as the notice period can be affixed and the formalities regarding the same can be incorporated in the

¹⁹The Success of DIFC as an International Financial Centre, Naseer Saidi, September 2009, Available at <https://www.google.co.in/url?sa=t&rct=j&q=&esrc=s&source=web&cd=2&cad=rja&uact=8&ved=0ahUKEwjfyK27jZ3NAhXnI8AKHaPVBoIQFgggMAE&url=http%3A%2F%2Fnassersaidi.com%2Fwp-content%2Fuploads%2F2012%2F08%2FThe-successes-of-DIFC-as-an-international-financial-centre-SEPT-2009.pdf&usq=AFQjCNFsF7eOzZT69icYp8C5JgVGLdnjAw&sig2=WyYkwgMXinu3Omm dG Xc0Q&cbvm=bv.124088155,d.ZGg>, (Last Visited 09/01/2018)

employment contract.²⁰ Similarly, the UAE labour law is extremely strict about limited contracts²¹, the working hours (8 hours a day/48 hours a week)²², leave for employees²³, payment for sick leave²⁴, and confidentiality arrangements.²⁵ The UAE labour law strictly prescribes partly paid sick leave (Out of a total sanctioned leave of 90 days, 15 days are fully paid and the next 30 are at half pay, the balance being unpaid) and terms of confidentiality are also specifically laid down. An exhaustive overview of the UAE labour law reveals that the local law in respect of employment is extremely rigid and is a valid deterrence for prospective employers. Outsourcing of services and employees is also subject to extreme legal complexities.

The DIFC provides an overarching solution to all these problems by incorporating the employment contract as the sole determinant in deciding the employment obligations. It is a general framework within which the novel employment terms and conditions can conceive and prosper without much ado. Employees working in the Dubai International Financial Centre (DIFC) are subject to the DIFC Law No 4 of 2005 (DIFC Employment Law). Employers in the DIFC need not enter into a prescribed form employment contract, but a written employment contract must be submitted to the DIFC Authority for every employee. The written employment contract must cover a range of minimum information, including wages, date of commencement of employment, holiday leave and pay and whether the employment is for a fixed or unlimited term.²⁶ It provides for ease and flexibility by according the parties to employment with the power to mould their mutual contract in whichever way they deem fit. A different termination notice period can be agreed upon in the employment contract and that shall be binding between the parties irrespective of the one generally prescribed.²⁷ There is no distinction whatsoever between limited contracts and unlimited contracts which further ensures ease and flexibility for free flow of trade and services.²⁸ No exception to the normal working hours exists for commercial establishments, hotels and cafes, etc. In addition, Ramadan hours are specifically reduced to six working hours. Moreover, this provision is applicable only and only to fasting persons. Further convenience is facilitated for the employer as the Parties are provided with the option of contracting out of this restriction on working hours.²⁹ The employer is, therefore, put in a stronger position to bargain. Such flexibility is a practical impossibility as far as the local laws are concerned.

²⁰ *Id*

²¹ Article 38

²² *Id* at Article 65

²³ *Id* at Articles 75 & 77

²⁴ *Id* at Article 83

²⁵ *Id* at Article 127

²⁶ General overview employment laws,

http://knowledge.leglobal.org/wpcontent/uploads/LEGlobal_Memo_UAE.pdf (Last Visited May 18, 2016).

²⁷ Article 57 | *DIFC Employment Law*.

²⁸ *Id* at Schedule 3

²⁹ *Id* at Article 19

DIFC EMPLOYMENT REGIME VERSUS TRADITIONAL UAE LABOUR LAW

This is a titanic deviation from UAE Labour Law's style of non-negotiable minimum rights for the Employee. A similar system of negotiation and bargain exists in terms of prescribed leave and allowances which is in stark contradiction to the provisions laid down by the UAE labour law. The DIFC Employment Law provides for pro-rata accrual of leave days after only 3 months of employment rather than 6 months as under the UAE Labour Law. Greater amount of flexibility is provided for as the Employee is specifically entitled to working days off. Under the UAE Labour Law, leave days are generally interpreted to refer to calendar days. The annual leave is also calculated as exclusive of national holidays.³⁰ The employee is therefore assured of fair treatment as far as allotment and sanction of leaves are concerned. Moreover, the DIFC Employment Law entitles the employee to be paid at the rate of full pay for the entire period of sick leave and hence the Employee's sick leave entitlement is much greater. In addition, the DIFC Employment Law does not link sick leave entitlement to an Employee successfully completing the probation period.³¹ The generality of the DIFC Employment law leaves ample scope for the prospective employers to manage their employees. For instance, employees can be discharged on account of "misbehavior"³². Misbehavior, however, is not clearly defined anywhere in legal terms. The employer, therefore, has a wide ambit in terms of expulsion owing to misbehavior.

It is absolutely clear that the DIFC is a complete contrast to the local legal ideology which is inspired by the sole motive of encouraging, promoting and attracting foreign investment. Incorporation and establishment of similar free zones in various significant parts of the world is definitely a big and relatively surer step towards harmonizing international trade and mitigating prospective commercial conflicts. The facilitation of similar free zones in the form of exclusive financial centers without any prejudice to the locally prevalent laws is a perfect move towards an organized business scenario on the international front. Not only is such an enterprise good in terms of economy, but it is also good for the local government as it indubitably leads to infrastructure development, employment and an increase in the average living standard.

RELATIONSHIP BETWEEN THE DIFC & THE MUNICIPAL LAW OF DUBAI AND UAE

The distinctive feature of DIFC lies in the unique connection that it has with the UAE. Certain general obligations apply uniformly to DIFC and the compliance of these obligations bind DIFC to UAE in a unique way. In terms of employment law, the UAE Labour law holds well in the area not governed by DIFC while DIFC Employment Law governs the rest. The UAE Federal Law No. 8 of 1980 on regulating labour relations is

³⁰ *Id* at Article 25

³¹Article 33&34 |UAE Labour Law.

³²Article 60(4) |DIFC Employment Law.

followed by Dubai. There are other cabinet decisions and ministerial announcements which provide additional regulations to the Labour law.³³ The two types of legally acknowledged contracts are the fixed term employment contracts³⁴ and the unlimited term³⁵ employment contracts.³⁶ The UAE Federal law No. 8 applies to all of UAE in terms of employment while DIFC has its own legislation which is different from UAE in certain aspects. A partner in a business is not considered an employee and is therefore not required to obtain a labour card. However, if the partner holds an employee position additional to his partner status, he will be considered as an employee for the work he is doing in the company. On the other hand, employees working on a commission basis are considered as employees even if they are partners in the entity they are working for.³⁷ Although the free zones are technically the employees' sponsor, the employees do maintain their right of action against their employers before the courts.³⁸

It can be, therefore, conveniently inferred that all employees save some exceptions ought to abide by the general structure provided in the UAE labour law and their right to approach the UAE judicial system for conflict resolution stands preserved. In this way, the judicial and legal framework connects to the local adjudicatory framework. They both work in their independent domains but there are certain overlapping points which ensure basic control and supervision by the Dubai government and the monarchy. This can be a likely disadvantage from the investor's point of view as the local legal system is more rigid and does not beneficially cater to the best of commercial interests. However, in practical terms, there is a general policy of non-interference by the local legal system and the DIFC is usually the sole authority to deal with the matters within the free zone.

DIFC EMPLOYMENT AMENDMENT LAW – AN OVERVIEW

The DIFC employment amendment law has further clarified some provisions. It has been explicitly specified that the requirement to issue a general summary of the employment law to an employee stands abolished, a written statement of particulars is now replaced with a written employment contract, carry forwarding of leave (20 working days) from one year into the next year is valid, paid sick leave stands reduced from 90 days to 60 days and that maternity leave is 65 working days (33 days on full pay and 32 days on half pay). Due

³³Knowing the employment laws, Available at <http://www.dubai.ae/en/Lists/Articles/DispForm.aspx?ID=21&category=Citizens> (Last Visited 09/01/2018)

³⁴ It has a fixed duration (maximum: 4 years), with clearly specified dates for the beginning and the termination of the agreement.

³⁵They are contracts that are not terminated at a previously agreed date, but that can be terminated by one of the parties with an appropriate notice.

³⁶ Employment law in Dubai , <http://www.dubai-lawyers.net/employment-law-in-dubai> (Last Visited 09/01/2018).

³⁷ <http://www.hallodubai.com/UAElabourlaw2006.pdf> (Last Visited 14/1/2018)

³⁸ *Id.*

clarification has been given to anti-discrimination and gratuity provisions while statutory compensation has been provided for in order to compensate certain workplace injuries.

An analysis of the recent amendment clearly reveals the journey of the DIFC law from a general common-law oriented practice to a specific plane wherein the onus is gradually shifting to the employer. This rigidity can be viewed as a prospective deterrent to future commercial interests wherein such rigid compliance might be difficult to achieve. However, the DIFC is currently the most advanced free zone in terms of the development of its own laws. It has its own contract laws, company formation and insolvency laws, legal rules of interpretation, and its own arbitration center and court system, including a Court of Appeal. Unlike the UAE, which is a civil law jurisdiction, its laws are entirely based on common law principles.³⁹ As far as dispute resolution is concerned, the DIFC judicial authority offers an exhaustive judicial mechanism to facilitate quick and effective relief.

DIFC AND ALTERNATIVE DISPUTE RESOLUTION

Part 27 of the DIFC rules talks about alternative dispute resolution. Rule 27.1 states, “*While emphasizing its primary role as a forum for deciding civil and commercial cases, the Court encourages parties to consider the use of alternative dispute resolution (such as, but not confined to, mediation and conciliation) as an alternative means of resolving disputes or particular issues.*” Part 43 exhaustively deals with arbitration.⁴⁰ The definition of arbitral award includes foreign arbitration awards as well subject to fulfillment of certain basic requisites.⁴¹ There have been a variety of cases wherein the DIFC has acknowledged foreign awards. In the case of Mohammed UsmanSaleem v. Oasis Crescent Capital (DIFC) Limited and HSBC: Bank Middle East Limited⁴², a branch of HSBC Bank located outside the DIFC and in Dubai was ordered to freeze the amount of AED 70,809 in the account of the judgment debtor. In this case, a letter of execution was issued by the DIFC Courts to the Dubai Courts. Similarly, in Arabian Express Lines v Tara Commercial Intermediary, it was held that an English High Court judgment enforcing a UAE court judgment was needed to be proved to the satisfaction of the Dubai court to have been effected in advance of the UAE enforcing any English court order. In the case of Farooq Al Alawi v. Lloyds TSB Bank PLC and Credit Suisse AG⁴³, the applicant had been issued with a Power of Attorney by the Minor Affairs Directorate of the Ministry of Justice and Islamic Affairs in the Kingdom of Bahrain. He had subsequently instructed the two respondent financial institutions located in the DIFC (where a Bahraini national, who had been subject in Bahrain to an order of distraint, had bank accounts) to comply with the

³⁹Employment Law in the Dubai International Financial Centre, Available at <http://www.squirepattonboggs.com/~media/files/insights/publications/2016/01/employment-law-in-the-dubai-international-financial-centre/dubaiinternationalfinancialcentrealert.pdf> (Last Visited 09/01/2018).

⁴⁰ DIFC Courts, Available at <http://difccourts.ae/rules-2/part-43/> (Last Visited 09/01/2018)

⁴¹ *Id*

⁴² *Id*

⁴³ *Id*

terms of the judgments and resolutions issued by the Bahraini Courts. However, before so doing, an Execution Order from the DIFC Courts had to be issued first. Although the system of binding judicial precedents is not there in the UAE, a close analysis of the judgments of the DIFC reveals that a secure judicial mechanism operates and the laws and regulations are separately read in the light of the facts and circumstances of each case.⁴⁴

ANALYSIS

An exhaustive analysis of the structure and working of DIFC clearly emphasizes the pros and cons of such a “free zone”. The monarchy’s establishment of this parallel judiciary is a manifestation of a dual intent: to promote Dubai’s status among Western investors as the premier place to conduct business, and to confirm that a familiar, reliable, and efficient legal system operates in a just manner.⁴⁵ The nature of services and investments globally today can be said to be trapped in a complicated medley of conflicting territorial jurisdictions. The stark disparities in the local laws governing trade and commerce in various economies are a strong restraint on the development of international commerce and economy. An unimaginable quantity of untapped potential lies dormant at the heart of this conflict. When mutual trade links are harmoniously established between two or more independent economies, it ensures not only monetary returns to each of the nations involved but also immensely contributes to the infrastructure, local employment and adds to the aesthetic entrepreneurial value. The development of quality entrepreneurship is a proven method of surplus development in all important sectors of the economy and when this quality entrepreneurship harmoniously expands all over the world in the form of multinational exchange of services and investment, a wholesome contribution to the overall standards is assured. Dubai is considered to have the potential of being a Middle East business hub as it is modernizing its arbitration law and practice in light of international developments. While doubts continue to be raised with regard to the role and influence of the Sharia on the arbitration process and on the enforceability of arbitral awards in Dubai, an examination of recent developments and trends in the arbitration rules and case law in Dubai reveals a perfect groundwork for the promotion and encouragement of foreign services and investment.

DEVELOPMENTS IN THE INTERNATIONAL SCENARIO

The international scenario today is replete with a plethora of opportunities which can be appropriately processed so as to ensure a better world. Mutual exchange of services and investment among nations is a way of ensuring that the right match can be struck between the opportunity and the seeker. Opening up of local opportunities to extra territorial talent will foster specialization and the best possible output can then be earned. The fruits of such

⁴⁴ *Supra note 41*

⁴⁵ Krishnan, Jayanth K. & Purohit, Priya, ‘*A Common Law Court in an Uncommon Environment: The DIFC Judiciary and Global Commercial Dispute Resolution*, *The American Review Of International Arbitration* (2015).

inter-nationalization will benefit the entire economy and permeate the world with a spirit of healthy trade ethics. This most appropriate combination of services, resources, investment, location and people shall result in an international commercial renaissance wherein the world shall see the world in its best possible combination. In order to achieve this dream of an international commercial paradise, the local geographical barriers need to be adjusted in a way suited to international commercial development and the DIFC is one such example wherein an otherwise Islamic nation compensated with its root ideals to foster a spirit of common law and internationalism. The exemplary success of DIFC has led various States to liberalize their laws in relation to foreign investors and to move in a similar direction. Various developing and developed countries have tread a similar path in the form of MoUs and installation of free zones. India and DIFC recently signed a MoU to promote mutual cooperation and trade relations. The Gujarat International Financial Services Centre has been established in India on similar lines and is working exceptionally well given the ease in trade restrictions. Other countries like Tanzania, Libya, Liberia, Egypt, Eritrea, Morocco and Mauritius have also indulged in similar ventures.

CONCLUSION

The development of such free zones in more parts of the world shall facilitate free flow of services and investment thereby catering to the existing opportunities in the best possible way and providing for even better future perspectives. Reduced legal complexities and welcoming foreign investors is the key to attaining this congruence which will undoubtedly result in individual, societal, infrastructural and international development. A powerful combination of similar enterprises set up by various jurisdictions in the world shall be a joint power which will give rise to a new era of commercialization. Chief Justice Hwang has appropriately described DIFC as “a common law island in a civilian ocean” thereby capturing the beauty of the brilliance in appropriate words. The distinction between the common law world and the civilian world is in the process of erosion and balanced erosion is what is required to ensure the right flow of services and investment.