

Legal Recourse for Dutch Investors in Dubai

1. Legal Framework

Dubai follows a civil law system, primarily governed by UAE federal law and local emirate regulations. Commercial disputes are addressed under the UAE Commercial Code. Real estate matters are managed by the Dubai Land Department (DLD) and RERA.

2. Jurisdiction Options

- Dubai Courts (Arabic, civil law)
- DIFC Courts (English, common law)
- ADGM Courts (English, common law)

Investors often prefer DIFC Courts for contractual and financial matters due to international standards.

3. Dispute Resolution Pathways

Include clear jurisdiction and governing law in all contracts. UAE recognizes international arbitration (New York Convention). Recommended bodies: DIAC, LCIA-DIFC, ICC UAE.

4. Investor Protections

A Bilateral Investment Treaty (BIT) between UAE and the Netherlands (since 2010) ensures fair treatment, protection from expropriation, and access to international arbitration. The UAE-Netherlands DTA also prevents double taxation.

5. Enforcement & Limitations

DIFC and international arbitration awards are enforceable across the UAE. Challenges include language barriers in onshore courts and potential procedural delays. Legal representation in Arabic is mandatory in mainland courts.

6. Practical Advice

- Use DIFC law or arbitration clauses in high-value contracts
- Ensure complete and compliant documentation
- Engage legal counsel experienced in Dutch-UAE matters
- Stay compliant with ESR, UBO, AML, and VAT requirements