

LEXIS MIDDLE EAST **LAW ALERT**

تشريعات الشرق الاوسط

July / August 2025

www.lexis.ae

FEATURE HEALTH MATTERS

Oman Public Health Law

PROFILE CONSUMER GOODS

Gopa Talukdar of Reckitt

CONTRACT WATCH

Close Out Netting in Saudi Arabia

A ROUND-UP OF LEGAL, FINANCE AND TAX DEVELOPMENTS ACROSS THE MIDDLE EAST

OFF PLAN SELLING EXPLAINED

New procedural guidance in Saudi Arabia





مكتب الدوسري للقانون
AL DOSERI LAW

BAHRAINI LAW FIRM WITH A GLOBAL OUTLOOK

Al Doseri Law is a full-service Bahraini law firm providing commercial legal advice to national and international clients operating in Bahrain. The firm's practice centres on:

- Banking and Finance
- Litigation and Arbitration
- Technology, Media and Telecommunications
- Corporate and Commercial
- Employment
- Bankruptcy, Insolvency and Restructuring

Founded by partner Saad Al Doseri in 2018, who has over a decade of experience at prestigious Gulf law firms, Al Doseri Law is a local firm with strong domestic roots and a distinctly global outlook.

Drawing on significant cross-border expertise, our dynamic team delivers practical, strategic advice on high-profile transactions and complex disputes, resolving a wide range of domestic and international legal challenges.

Our clients include commercial and investment banks, major corporations, regional companies, state entities, international organisations, and family offices doing business in or from Bahrain. We also maintain close working relationships with leading law firms in London, New York, and internationally.

As a full-service, multi-disciplinary practice, we are equipped to handle a diverse spectrum of legal matters, placing the needs of our clients at the centre of everything we do.

A specialist Bahraini law firm built on established and trusted client relationships.



Al Doseri Law is delighted to continue its long-standing support of the Bahrain Business Law Forum, proudly sponsoring all three editions of this prestigious event.

Al Doseri Law, Suite 11, Building 240, Road 1704, Diplomatic Area 317
P.O. Box 11777, Kingdom of Bahrain

T: +973 17311611 F: +973 17311511 E: info@aldoserilaw.com www.aldoserilaw.com

The Lexis Middle East Law Alert magazine is produced by the Lexis Middle East Law online legal and business research service. To find out if you qualify to be added to our regular circulation go to: www.lexismiddleeast.com

Follow us on Twitter:
<https://twitter.com/lexismiddleeast>

ADVISORY BOARD

Zaid Mahayni (IT Services)
Radwa Salah Elsamani (Technology)
Fawaz M A Alawadhi (Consumer)
Lorenzo Bruttomesso (Energy)
Justin Dowding (Online Media)

EDITORIAL

Editor
Claire Melvin
+44 (0) 20 7347 3521
claire.melvin@lexisnexis.co.uk

SUBSCRIBE

To join our free controlled circulation contact Tanya Jain
tanya.jain@lexisnexis.com

MIDDLE EAST REGIONAL SALES

Abbey Bergin
abbey.bergin@lexisnexis.com
+97145601200

PRODUCTION

UK Design and Production Lead
Jack Witherden

ENQUIRIES

UK
Lexis House, 30 Farringdon Street,
London EC4A 4HH
Tel: +44 (0)20 8686 9141 or
Fax: +44 (0)208 212 1988

France
LexisNexis SA,
141 Rue de Javel,
75015, Paris
France
Tel: +33 (0) 1 45 58 90 43

This product comes from sustainable forest sources.

Reproduction, copying or extracting by any means of the whole or part of this publication must not be undertaken without the written permission of the publishers.

This publication is intended to be a general guide and cannot be a substitute for professional advice. Neither the authors nor the publisher accept any responsibility for loss occasioned to any person acting or refraining from acting as a result of material contained in this publication.

© 2025 Reed Elsevier.



Zaid Mahayni
Sedco Holding



Radwa Salah
Elsaman
Tetra Tech



Fawaz M A
Alawadhi
Alghanim Industries



Lorenzo
Bruttomesso
Oman LNG L.L.C



Justin Dowding
ByteDance &
TikTok

FIRM FOUNDATIONS

Not long after the Global Financial Crisis in 2007-2008 when property markets crashed and lending suddenly became much less available, I was in Dubai when I came across a sad looking half finished property development where construction had clearly long since halted possibly because the developer now lacked funds to continue it. At that time, I spoke to a number of people who had made off plan property purchases and had given up all hope of ever moving into their new homes or having their money returned (although at least one of them did finally move in a lot later than the originally agreed completion date). It was experiences such as these that led to legislators across the region deciding they needed a much more robust regulatory framework for off plan property sales in order to both protect the reputation of the property market and property purchasers in their countries.

The law on the interim-real property register in Dubai dates back to 2008. There have also been off plan sales regulations in Saudi Arabia for over 15 years and there are a number of different laws which have been issued on this subject. However, this is a legal area where there can be a lot of different stakeholders and highly technical issues are involved. As a result, given the importance of the property and construction sectors to the GCC economy it is good to see the Saudi legislator taking additional steps to tackle these potential problems - with the issue of Saudi Arabia Administrative Decision No. 4600007941/1446. This new law provides for the issue of a procedural guide which clearly explains the rights and obligations of the various stakeholders in off plan sales and the steps they are required to take as a result. Therefore, in this issue we take our own steps to clarify this area with an article which explains this new guidance and how it interacts with the existing legislation.

Claire Melvin - Editor

CONTENTS

FEATURE: OFF PLAN SELLING EXPLAINED	p2
New procedural guidance in Saudi	
FEATURE: HEALTH MATTERS	p12
Changes to public health law in Oman	
LEGAL ROUND-UP	p6
including changes to property market regulations in Abu Dhabi	
LAW MONITOR	p9
including a Kuwaiti law implementing the GCC voluntary work requirements	
TAX AND FINANCE ROUND-UP	p10
UAE MAP guidance for taxpayers	
IN-HOUSE PROFILE	
Gopa Talukdar > Reckitt	p19
A Head of Legal for Middle East discusses digital developments	
MOVERS AND SHAKERS	p21
Round-up of the big moves across the region	
CONTRACT WATCH	p24
Close-out Netting in Saudi Arabia	

OFF PLAN SELLING EXPLAINED

Jaafer Alsir Ali of Al Ghazzawi & Partners explains how a new Procedural Guide on Selling and Leasing Off Plan Real Estate Projects in Saudi Arabia will support existing legislation on this area there.

A new procedural guide for selling and leasing offplan real estate projects has been approved by Saudi Arabia Administrative Decision No. 4600007941/1446," states Jaafer Alsir Ali. "It was published in the Official Gazette on 2 May 2025 and came into force immediately. It outlines in detail the administrative procedures required by parties involved in transactions related to the Off Plan Real Estate Projects and also fixes the roles of the parties and the Real Estate General Authority (REGA)."

"Saudi Arabia Administrative Decision No. 4600007941/1446 is based on Article 4 of Saudi Arabia Cabinet Decision No. 196/1445 (the Sale and Lease of Off Plan Real Estate Projects Law) which gave REGA the power to supervise offplan real estate activities and Article 2 of Saudi Arabia Administrative Decision No. Q/M/E/H/8/2024/T/1445 (the Implementing Regulations for that law), which required REGA to issue a procedural guide covering the requirements for relevant parties undertaking off plan real estate projects."

"Article 2 of Cabinet Decision No. 196/1445 specifically required all entities involved in the sale and leasing of off plan real estate projects to rectify their status within not more than three months from date of the law coming into effect," states Ali. "Although there would be an extension for another three months if there were valid reasons justifying that extension."

"Entities which are not registered in the specific register of developers and licensed by the relevant authorities cannot sell or lease off-plan real estate. There is a hefty fine of up

to 10 million Riyals or imprisonment up to five years for any person who undertakes off plan real estate selling or leasing activity without the relevant license or who provides false documents to obtain a license for any project."

"While Saudi Arabia Cabinet Decision No. 196/1445 and Saudi Arabia Administrative Decision No. Q/M/E/H/8/2024/T/1445 regulate the entire off plan real estate activity process and ensure rights of all stakeholders are protected, the Procedural Guide highlights all requirements and procedures for registration, licensing and reporting, by providing information and establishing the roles of each party at different stages of the process in a structured manner."



Jaafer Alsir Ali
Partner
Al Ghazzawi & Partners

PROCEDURAL GUIDE OBJECTIVES

"The Procedural Guide's main objective is to clarify all the relevant procedures for registration for developers, licensing consultants, licensing of projects and the continuing obligations of developers and others," Ali explains. "It provides an operational framework which governs the processes

for everything from developer registration to licensing, marketing, sales, leasing, project amendment, termination, oversight, and completion of projects. The Procedural Guide aims to ensure all these processes are unified, consistent, and align with the regulatory requirements set out in Saudi Arabia Cabinet Decision No. 196/1445 and Saudi Arabia Administrative Decision No. Q/M/E/H/8/2024/T/1445. This helps to ensure buyers' and investors' rights are protected, the property market is more reliable, and there is greater compliance by developers and all of the associated parties."



© Getty images

DEVELOPER REGISTRATION

“The Procedural Guide has 55 procedural schedules which outline specific processes related to the development and regulation of Off Plan real estate projects,” Ali explains.

“It begins with those for registering juristic and natural persons as developers.”

“In this case detailed documentation such as commercial registration needs to be submitted to show the applicant is licensed to undertake real estate activities. In addition, audited financial statements, proof of prior project experience, details of the organisational structure, employment compliance records, and a minimum credit standing are all required as well as a host of other documents,” Ali continues.

“Developers must achieve a minimum evaluation score of 35 points, based on detailed criteria which are established under Article 5 of Saudi Arabia Administrative Decision No. Q/M/E/H/8/2024/T/1445 in order to qualify for registration.”

PROJECT APPROVAL

“In line with Article 6 of Saudi Arabia Cabinet Decision No. 196/1445, the Procedural Guide also lists a number of requirements for obtaining approval for each off plan real estate project,” Ali adds. “These requirements and criteria follow Article 11 of Saudi Arabia Administrative Decision No. Q/M/E/H/8/2024/T/1445.”

DEALING WITH CHANGES

“The Procedural Guide also includes step-by-step procedures for updating developer information, raising or adjusting evaluation scores, and managing suspension or

RELEVANT LEGISLATION

Saudi Arabia Administrative Decision No. 4600007941/1446 On the Approval of the Procedural Guide for Selling and Leasing Off-Plan Real Estate ProjectsX

In implementation of Article (2) of the Implementing Regulation of the Law on Selling and Leasing Off-Plan Real Estate Projects, issued by the Decision of the Board of Directors of the Real Estate General Authority No. (Q/M/I/H/8/2024/T) dated 20/10/1445 H, this Guide has been prepared to demonstrate all details of the procedural requirements, to which the Authority is a party, set forth in the Law on Selling and Leasing Off-Plan Real Estate Projects, issued by Royal Decree No. (M/44) dated 10/03/1445 H, and its Implementing Regulation issued by the Decision of the Board of Directors of the Real Estate General Authority No. (Q/M/I/H/8/2024/T) dated 20/10/1445 H.

(Source: Lexis Middle East Law)

removal of developers who have failed to meet the regulatory obligations,” Ali adds.

“Developers who do not meet the threshold for maintaining continued qualification have their registration suspended and there is a correction period of up to three months. However, persistent non-compliance, delay, or misconduct can lead to their removal from the register of developers.”

“The guide enables developers to request a range of different changes throughout a project’s lifecycle, including the replacement of consultants or auditors, and changing bank accounts related to the project.”

“It is also possible to request the subdivision of the

RELEVANT NEWS

Dubai: First Time Property Buyer Scheme

Dubai Land Department (DLD) has launched a First Property Ownership programme, aimed at UAE citizens and residents to facilitate property ownership. The programme introduces substantial incentives for first-time property buyers. It extends credit facilities up to 18 years and allows the registration fee of 4% with the DLD to be paid in instalments. Applicants must be UAE residents aged 18 or older, who do not own any freehold residential property in Dubai, and wish to purchase properties valued at up to 5 million AED. The programme applies a one-time eligibility and waives rental restrictions for long-term investments.

project into multiple zones, as well as modifying project names or developer data," states Ali. "However, each of these changes requires a structured application process to be followed, and it is necessary to provide justifications, and accompanying documentation."

"For example, those wishing to subdivide a project, will need to ensure each new zone has an independent security account (escrow account) and a reporting system managed by accredited professionals."

"In addition, there are specific requirements when changes are to be made to technical specifications, such as increasing or decreasing the number of units, or if modifications are to be made to buyer or tenant contracts," Ali notes. "These amendments require approvals from relevant and impacted parties, submission of technical and legal reports, and

confirmation that the proposed changes will not violate existing regulatory requirements."

"These requirements will also apply in a range of additional cases including reselling or re-leasing units, terminating contracts, or notifying REGA of mutual cancellations of agreements between the developer and buyer or lessee."

ACCREDITATION

"Another area covered in the guidelines is the accreditation procedures for engineering consultants and legal auditors which are outlined in Article 6 and 7 of Saudi Arabia Administrative Decision No. Q/M/E/H/8/2024/T/1445," Ali states.

"This area has been dealt with extensively in the Procedural Guide. These professionals must also meet specific criteria including having licenses from the relevant professional authorities, evidence of social insurance coverage for employees, and have successfully completed REGA approved qualification programmes."

"Once again there are also procedures for revoking their authorisation and replacing them if they are no longer eligible or fail to perform their duties in the required manner under Saudi Arabia Cabinet Decision No. 196/1445 and Saudi Arabia Administrative Decision No. Q/M/E/H/8/2024/T/1445."

MARKETING AND ESCROW

"The Procedural Guide explains there are two types of marketing licenses," states Ali.

"Those which allow fund collection and those which disallow fund collection. If fund collection has not been

involved the developer must submit an application with supporting documents such as title deeds, project designs, and marketing agreements."

"However, where fund collection is involved, the developer must establish a dedicated escrow account and deposit all amounts in that account."

REFUNDS

"A key point to note is that developers may not collect more than 5% of the unit's value before having to obtain a sales or leasing license from REGA," Ali explains.

"The license must be upgraded within 180 days, or the funds must be refunded in line with the official refund procedure, which has also been detailed in the Guide."

"The Procedural Guide also specifies refund procedures in case the marketing or project license is cancelled or revoked for any reason. If the marketing license expires or is revoked, or the project is cancelled, the developer must return all the payments to the prospective buyers," Ali adds.

"Submission of formal requests, documentation of payments made, and proof of the bank account in the name of the prospective buyer all need to be provided in the case of such refunds. REGA then instructs the bank to transfer the amount from the escrow account."

MONITORING PROGRESS

"In order to monitor progress and ensure compliance, the guide includes procedures for the periodic submission of reports by developers, consultants, auditors, and banks," Ali states.

"These reports should cover the project's progress, financial status, and escrow account activity."

"When the project is completed, developers must undertake the closing procedures, which include submission of final reports, confirming defect liability periods, issuing property titles, and closing the security account in line with the final disbursement rules."

"This Procedural Guide is a major milestone in developing good practice in off-plan real estate development in Saudi Arabia."

"Through its structured, scenario-based approach, it ensures there is legal clarity, procedural transparency, and robust oversight throughout every stage of project development," Ali adds.

"It should enable developers, professionals, and buyers to operate within a unified system that balances commercial objectives with regulatory integrity."

"This should lead to greater market professionalism and investor confidence, but also help modernise the real estate sector and build a resilient, well-governed real estate market environment. It complements the law and the implementing regulations by providing detailed guidance on a range of areas which will ensure all stakeholders are fully informed and updated," Ali concludes.

"It should also go a long way towards enhancing the protection of purchasers, investors and other stakeholders in real estate projects in Saudi Arabia."



Guiding ambition. Delivering results.

A Tier 1 law firm with offices in Kuwait and Bahrain, we advise on complex corporate, commercial, finance, banking and dispute resolution matters across the GCC.

Our clients include:

- Local and international businesses
- Financial institutions and investment firms
- Industrial and commercial groups
- Government bodies and regulators
- Private clients

With sharp insight and a practical focus, we help clients navigate challenges and move forward with excellence.

ASAR
Go Further!



LEGAL ROUND-UP

COVERING RECENT KEY LEGAL DEVELOPMENTS – REGION-WIDE

ABU DHABI

PROPERTY MARKET CHANGES


 Abu Dhabi has tightened its regulations on real estate brokerage services as part of broader changes to the emirate's property market rules. The amendments have been introduced by Abu Dhabi Law No. 2/2025 and have changed the law governing the real estate sector in Abu Dhabi, under Abu Dhabi Law No. 3/2015 Concerning the Regulation of the Real Estate Sector in the Emirate of Abu Dhabi. The amended regulations redefine real estate activities to include sales, purchases, registration, evaluation, management, and the operational aspects of real estate. The 'Owners' Union' has now been changed to the 'Owners' Committee' which has new roles and responsibilities. Specific penalties have also been introduced for unauthorised practice of real estate activities, along with strict administrative fines.

Homeowner committees must be established for new freehold projects. These committees will be governed by Department of Municipalities and Transport decisions, and will have advisory and oversight roles, with specialised management companies handling operational management.

Obligations on escrow account management have also been altered to ensure transparent transactions and safeguard buyer's interests. Developers now face altered guidelines. In particular there are stricter registration and marketing requirements for off plan sales, and enhanced escrow account protocols.

UAE

FLYING TAXI RULES

 The UAE General Civil Aviation Authority (GCAA) has unveiled a new regulatory framework which will authorise both electric Vertical Take-Off and Landing aircraft (eVTOLs) and traditional helicopters to use the same facilities. This decision will effectively allow existing helipads to accommodate

the take-off and landing of eVTOLs, including emerging flying taxis. The GCAA believes this framework is a substantial advance on integrating Advanced Air Mobility (AAM) into current aviation systems. It aims to provide a cost-effective model for infrastructure development, which will hasten operational readiness, and align with the UAE government's goals to implement efficient and streamlined solutions across various sectors. The GCAA director-general has stated the framework will not only facilitate new technology but also help redefine aviation's future course.

RECYCLING PILOT SCHEME

 The UAE Ministry of Climate Change and Environment (MOCCAE) has launched a trial Waste Scheme, which aims to reduce mobile phone and laptop waste in the UAE through recycling rather than disposal. The trial, which is being run in collaboration with Tadweer Group, emphasises Extended Producer Responsibility (EPR). It requires manufacturers to pay a fee to ensure proper disposal practices for their products. Although costs of the scheme may initially fall on consumers, rebates will be offered where devices are recycled at designated centres. The scheme is currently being run in Abu Dhabi and Dubai to assess its efficiency, before potentially being rolled out nationwide.

SHARJAH

PROPERTY OWNERSHIP

 The Sharjah Executive Council has issued a decision on property ownership and the use of rights of investment funds within the emirate. As a result, private investment funds exclusively owned by UAE nationals or GCC citizens, and public investment funds, have the right to own property across all areas of the emirate. These funds can benefit properties in projects which have obtained approval for

usufruct sale. Private investment funds, with units held by non-UAE nationals and GCC citizens, can own property in projects approved for sale to foreign individuals. They also have the right to benefit properties in projects with approved usufruct systems. The decree covers legal provisions on ownership, the investment funds register, the Real Estate Registration Department competencies, fees, data updates, suspension of investment fund transactions, and trading units in private investment funds.


SAUDI ARABIA

RESIDENCY FINES

 Saudi residents will face an initial fine of SAR 500 for missing the renewal deadline for their residency by more than three days. A subsequent delay will lead to a SAR 1,000 fine, and a third offence will result in deportation. This policy will cover regular residents, domestic workers, and accompanying family members, with differentiated fines applying. In order to renew residency residents must have a passport which is valid for at least six months, have settled any traffic violations and fines, maintained valid health insurance, and ensure they have no legal hindrances or reports of absence. An operative employment contract is also required if they are under the sponsorship of an employer. Saudi Arabia has introduced digital platforms such as Muqem and Absher, which enable online renewals and payments via electronic services like SADAD, in order to make these renewals easier.

QATAR

CLOUD KITCHEN REQUIREMENTS

 Authorities in Qatar have issued new regulations on cloud kitchens which aim to streamline the licensing process and promote innovation in the food sector. Cloud kitchens operate solely online without physical dining spaces. They offer a cost-effective, rapid expansion model for entrepreneurs

wishing to leveraging technology and delivery services. The Ministry of Commerce and Industry (MoCI)'s guidelines provide a legislative framework to facilitate licensing while ensuring compliance with technical, health, and regulatory standards. The guidelines specify general requirements, such as appropriate locations for operations, adherence to health and safety standards, and clear display of trade names and registration numbers. There are also other specific requirements including obtaining approvals from Technical Affairs and Civil Defence, the separation of food preparation areas, secure delivery entry and adequate site ventilation. To obtain a cloud kitchen licence, investors must establish a company and secure a commercial registration via the single window devices portal. The activities listed in both registration and licence should relate to food preparation or catering. The commercial registration should be processed within one to two days, during which time the tax identification number, establishment ID, and Qatar Chamber membership are also issued. A 500 Riyal fee applies to each internal kitchen application submitted through the portal.

KUWAIT

EXIT VISA RULES



The Kuwait Public Authority of Manpower (PAM) has started enforcing the new mandatory electronic exit visa system which applies to private sector expatriate employees in Kuwait from 1 July 2025. It has been reported in the local press over 35,000 applications were submitted before the first day. Every expatriate under Article 18 of Kuwait Decree-Law No. 114/2024 must now obtain an electronic exit permit which has been approved by their employer through the Sahal individuals application before they travel outside the country either by road, air or sea. Their employer must approve it on the As Hal companies application. Airlines are understood to have informed relevant passengers with work visas that they are responsible for having the necessary travel documentation. If they fail to obtain an exit visa their reservation will be cancelled and they will not receive a refund.

EGYPT

NEW LABOUR LAW



The new Egyptian Labour Law Egypt Law No. 14/2025 which has repealed and replaced Egypt Law No. 12/2003 includes new measures on inspections and penalties. It defines the responsibilities of Ministry of Justice employees who act as judicial officers. Appointed inspectors have been provided with identification cards defining their status, which grant them the right to access workplaces, inspect them, and examine books and documents to ensure compliance. Inspection rules, timing, and rewards will be regulated by decisions by the relevant minister. The law requires employers to facilitate inspections and respond to official attendance requests. It has imposed stringent financial fines and severe penalties on offenders. Fines range from 5,000 to 50,000 Egyptian Pounds for violating certain legal provisions, with double penalties for repeat offences. There are also fines based on the type of violation and the number of affected workers. Establishments can be closed in certain cases and in others there can be imprisonment and fines of up to 100,000 Egyptian Pounds.

TURKEY

CLIMATE LAW



The Turkish parliament has issued the country's first climate law, which establishes a statutory framework aimed at combating and adapting to climate change. Central to the legislation is the development of an emissions trading system (ETS), which will require businesses involved in emissions-producing operations to obtain greenhouse gas emission permits. These permits will be outlined in national allocation plans which will be published in the Official Gazette, detailing the distribution of emissions allowances. Penalties for breaching these provisions, such as failing to submit authenticated emissions reports or violating the monitoring restrictions will range from 500,000 to 5 million Turkish Liras. In addition, similar sanctions will apply to violations involving ozone-depleting substances and fluorinated greenhouse gases.

REGULATORY ROUND-UP

UAE: The General Civil Aviation Authority (GCAA) has ceased its direct drone services and applicants must use the drones.gov.ae website, for drone registration and operation approval...

Saudi Arabia: The Saudi Cabinet has approved a new mechanism for biometric registration and matching for individuals arriving and departing from Saudi via cruise ships...

Kuwait: Amendments to the law on bladed weapons and high pressure air guns will prevent their sale, import or licensing without a relevant license...

Egypt: Proposals to extend termination periods for residential and business tenancies in Egypt to between ten and 15 years have been rejected by the Parliament...

Jordan: There are new criteria for granting citizenship or residence because of investment for both new and existing projects and share purchases...

Oman: From 1 July 2025 Oman has required IBANs to be used for all domestic financial transactions...

Kuwait: Kuwait Capital Markets Authority (CMA) has a new regulatory framework designed to support the listing and trading of emerging companies on the Kuwait Stock Exchange (KSE)...

Saudi Arabia: New regulations will apply to mobile vending carts and food trucks...

Dubai: The Dubai Municipality is now implementing strict guidelines on private pools which impact their construction, water testing and require them to be registered with the Municipality before construction begins...

Saudi Arabia: A new skills based categorisation system for work permits with high-skill, skilled, and basic levels will be used for new expatriates entering Saudi from 3 August 2025...

Oman: Oman Ministerial Decision No. 167/2025 has extended the ban on fishing, possession, and trading of sea cucumbers in Oman for five years...

Kuwait: Kuwait Decree-Law No. 78/2025 has introduced significant changes to the law on court fees to discourage frivolous and malicious lawsuits...

DIFC: DIFC Law No. 1/2025 has amended the Data Protection Law (DIFC Law No. 5/2020), Law of Security (DIFC Law No. 4/2024), Employment Law (DIFC Law No. 2/2019) and Insolvency Law (DIFC Law No. 1/2019)...

LAW MONITOR

RECENT LEGAL DEVELOPMENTS IN THE GCC

KUWAIT - POSTAL SERVICES



The Kuwait Ministry of Communications has unveiled a draft ministerial decision which it hopes will lead to a reform of regulations governing the postal sector. As a result, all postal service providers would need to be licensed. Only Kuwaiti or GCC nationals would be able to apply for these licenses, although foreign entities would be able to continue operations under stringent regulatory conditions with necessary approvals. Postal service providers would be liable for any damage, loss, or delay in delivery, except when caused by the sender or force majeure.

SAUDI ARABIA - ARBITRATION



A short law Saudi Arabia Cabinet Decision No. 851/1446 has been issued on arbitration centres. There will be no new arbitration centres established. Licenses of arbitration centres which are not affiliated with the Federation of Saudi Chambers of Commerce and were previously issued by the Standing Committee for Saudi Arbitration Centres remain valid. These centres can continue to operate unless they are dissolved by a decision of the Board of Directors of the entity under whom the centre was established. Arbitration centres affiliated with the Federation of Saudi Chambers of Commerce may continue to operate unless dissolved by a decision of the centre's Board of Directors, or by a relevant committee or the centre's license is not renewed by the committee when it expires. Arbitration Centres covered by the Initiative on Establishment of Arbitration Centres within Cities and Special Economic Zones are not affected by these provisions.

GAZETTE WATCH

UAE Official Gazette No. 799 - 803 – These gazettes include Federal Decision No. 39/2025 on the Bankruptcy Court.

Saudi Arabia Official Gazettes No. 5088-5097 – These gazettes include Saudi Arabia Ministerial Decision No. 15011232/1447 on controls for the issue of licences for drilling new wells on the sedimentary shelf.

Qatar Official Gazettes No. 13-18: – These gazettes include Qatar Law No. 9/2025 amending Qatar Law No. 20/2018 regulating tourism.

Kuwait Official Gazettes No. 1740- 1748 – These gazettes include Kuwait Ministerial Decision No. 129/2025 cancelling a foodstuff item from the ration card.

Bahrain Official Gazettes No. 3812- 3822 – These gazettes include Bahrain Ministerial Decision No. 16/2025 on first aid and emergency treatment in workplaces.

(Source: Lexis Middle East Law)

OMAN - ADVERTISING



Oman Ministerial Decision No. 135/2025 has been issued detailing the conditions and procedures for advertising or promoting medicines. Licenses from the Drug Safety Centre are needed in order to promote or advertise medicines in Oman, although exemptions apply to the scientific office, pharmaceutical companies, the local agent, or pharmaceutical consulting offices. These licences will be valid for three months, renewable for a similar period or periods, provided the application for renewal is submitted to the Centre no less than 20 days before the Licence expires.

BAHRAIN - TRANSPORT



Changes to Article 56 of Bahrain Law No. 23/2014 (the Traffic Law) have been considered by the Shura Council. This provision covers whether reconciliations are possible when specific offences have occurred.

UAE - IMPORTS



The UAE Federal National Council's Constitutional, Legislative, and Appeals and Complaints Committee has approved a review plan for a draft law focusing on agricultural quarantine. The proposed law aims to strengthen the UAE's biosecurity and protect its agricultural resources from invasive pests and diseases. Historically, Federal Law No. 5/1979 has governed agricultural quarantine measures, including regulations on the import and export of plant consignments. The new draft law aims to align UAE's procedures with developing international standards, specifically those in the International Plant Protection Convention. It will include rules on the import, export, and transit of agricultural shipments.

FEATURED DEVELOPMENT

Mona Al-Arbash of Al-Arbash International Centre explains how Kuwait Ministerial Decision No. 112/2025 will change the way voluntary work operates there.

The Kuwait Ministry of Social Affairs has issued Kuwait Ministerial Decision No. 112/2025 which enacts the Implementing Regulations for Kuwait Decree-Law No. 49/2024 on the GCC Unified Voluntary Work Law. This is a GCC-wide legislative framework which aims to institutionalise voluntary work and make it a structured and regulated activity. This law was gazetted in June. All the GCC member states have endorsed the Unified GCC Voluntary Work Law and have committed to issuing their own respective executive regulations, tailored to their legal and social requirements. This means it will be possible to use the GCC legal framework to coordinate cross-border activities with other Gulf-based volunteer organisations. In this context, Kuwait Ministerial Decision No. 112/2025 embodies this commitment through a national model which will balance regulatory oversight with organisational self-governance and integrate voluntary work directly into Kuwait's social and developmental policy plan, while also fully aligning with this broader GCC vision to institutionalise voluntary engagement.

Kuwait Ministerial Decision No. 112/2025 is a significant shift in Kuwait's approach to civic engagement which has changed voluntary work from informal charity work to a structured, accountable, and impactful sector which better aligns with national development aims. The aim of this legislation is to harmonise legislation definitions, procedures, and oversight of volunteer work across the GCC. Kuwait's Ministry of Social Affairs has been designated the competent authority for this law's implementation there. These regulations have introduced standardised legal definitions for volunteers, volunteer teams, and activity types, which should help ensure there is clarity in governance and operations. All volunteer teams must be formally registered with the Ministry. They must also follow internal bylaws

and have a defined a leadership and governance structure which is aligned with humanitarian or developmental goals. Volunteer teams must also establish elected boards, submit periodic financial reports, and adopt ethical codes. Leadership teams are also regulated to ensure transparency and accountability. In addition, the Ministry of Social Affairs has the authority to monitor voluntary team performance and apply a graduated sanctions system—which will range from is warnings to license suspensions—based on the severity of violations. When it comes to the position of the volunteers themselves one key change is that training and certification programmes are now mandatory for volunteers. Participation in these programmes must be officially documented and is recognised. It will help develop their skills and ensure compliance with regulatory requirements.

The regulations also establish a national framework of certificates, awards, and honours which are designed to recognise outstanding volunteer contributions and encourage sustained engagement in work of this type. The work volunteers do must also serve the public good and avoid any interference with state duties. In addition, it must be non-political and non-sectarian, and critically non-profit making in nature. A key requirement for current volunteer teams and civic organisations in Kuwait will be to promptly submit their legal registration and internal governance documents in line with the new regulations. They must form elected boards, adopt internal by-laws and develop systems which support financial transparency. It will also be necessary to document the hours volunteers work and who the beneficiaries are, as well as to have information on project outcomes so they can build transparency. This will also help build support for recognition and future partnerships.

QATAR - COURTS




Qatar Ministerial Decision No. 39/2025 has issued new Rules and Procedures for the QFC Civil and Commercial Court. It repeals and replaces Qatar Ministerial Decision No. 1/2011. The rules include the adoption of the 'national address' as a mandatory legal means for document service and submission of legal memoranda. A mechanism for default judgments has been stipulated and there is now greater use of electronic submissions and notifications.

TAX AND FINANCE ROUND-UP


COVERING RECENT KEY TAX AND
FINANCE DEVELOPMENTS – REGION-WIDE

UAE

NATURAL SHORTAGES

 The UAE Federal Tax Authority (FTA) has issued Decision No. 6/2025, came into effect from 1 July 2025, and has introduced a structured framework for reporting and management of natural shortages of excise goods within Designated Zones, in line with international tax standards. Natural shortages of excise goods are those occurring due to uncontrollable factors during production, transportation or storage. The regulations require businesses to seek pre-approval from the FTA for any natural shortages within a permissible threshold. This threshold must be corroborated by an FTA-approved Independent Competent Entity (ICE), which will conduct assessments of production processes and storage facilities and issue a report, that will be valid for up to a year, confirming allowable shortages. When significant changes occur that might affect loss ratios, prompt notification to the ICE will be mandatory. These new procedural requirements come with rigorous documentation and reporting duties, and businesses will need to maintain comprehensive audit-ready documentation, supported by ICE findings. This includes real-time traceability of excise goods and full compliance with potential FTA inspections. Non-compliance will lead to a risk of excise tax relief being denied and potential penalties. The decision replaces previous natural shortage procedures, and marks a change from a discretionary to a more systematic approach with obligatory third-party assessments and set deadlines. It specifically targets natural shortages, and other loss types like theft or operational errors remain under separate guidelines, such as EXTP007.


MAP GUIDANCE

 The UAE Ministry of Finance (MOF) has issued Mutual Agreement Procedure (MAP) guidance to provide clarity to taxpayers on eligibility,

processes, and necessary information for MAP claims aimed at mitigating double taxation under applicable double tax treaties. The guidance explains situations which lead to double taxation, such as cross-border transfer pricing adjustments or establishing cross-border permanent establishments. Taxpayers must submit MAP claims within three years of becoming aware of potential double taxation. In addition, the Guidance has stressed that UAE domestic court rulings or Tax Dispute Resolution Committee decisions may influence the relief scope provided by the UAE Competent Authority in cases submitted to MAP. The guidance also includes details of the required information for a MAP claim.

OMAN

PERSONAL INCOME TAX

 Oman has become the first GCC country to introduce personal income tax with a new law Oman Sultani Decree No. 56/2025 due to come into force in early 2028. The tax applies to individuals who are considered tax residents in Oman, targeting those with annual taxable income exceeding OMR 42,000. Only the amount above this threshold will be taxed at a flat rate of 5%. Those with income below this level will not be subject to tax. Non-residents may also be subject to tax on certain types of Omani-sourced income, depending on the final regulations and the nature of their activities in Oman. There will be a one-time exemption on foreign income earned outside Oman for up to two years, as well as exemptions for income from the sale of primary and secondary residences (the latter is also a one-time exemption). Income from inheritance and gifts will also be exempt. Income from industrial property rights is exempt for five years after registration. Taxpayers who come under the new law will have to submit accounts audited by licensed auditors who have been approved by Oman's Financial Services Authority. The Oman Tax Authority will oversee the new regime and are expected to issue detailed

regulations over the next year, and guidance manuals.

KUWAIT

MNE TAXATION


 Kuwait Ministerial Decree No. 55/2025 has introduced the implementing regulations for Kuwait Decree-Law No. 157/2024 Promulgating the Law on the Taxation of Multinational Enterprise Groups. It covers the introduction of a Domestic Minimum Top-up Tax (DMTT), in Kuwait and aligns with OECD requirements under the Global Minimum Tax Pillar Two project. This legislation implements a 15% DMTT on Multinational Enterprises (MNEs) which operate in Kuwait and have annual consolidated global revenues of at least EUR 750 million in at least two of the last four years.

E-PAYMENT PROVIDERS

 The Kuwait Central Bank has issued a circular tightening up the rules on e-payment providers. As a result there will be increase operational oversight and enhance risk management for electronic payment service providers, electronic money institutions, and payment system operators in Kuwait. Providers will have to ensure the accuracy and validity of documentation processed via the Electronic Payment Services Gateway System. Legal representatives or officially authorised personnel must manage submissions.

QFC

CSR REPORTING


 Following on from a consultation the Qatar Financial Centre Regulatory Authority (QFCRA) has issued new Corporate Sustainability Reporting (CSR) Rules which amend the General Rules (GENE). Category A firms, like large banks and insurers, must adhere to a corporate sustainability reporting

framework. Guidance has also been issued for these firms to support their compliance with the International Sustainability Standards Board's standards, particularly IFRS S1 and IFRS S2.

The CSR framework targets larger firms within the QFC, specifically those categorised as Category A, which include large financial institutions such as banks and insurers. The framework also includes a mechanism for designation, allowing the Regulatory Authority to extend reporting obligations to other authorised firms based on criteria including firm size, assets, client base, and existing voluntary reporting practices. Designation Criteria are outlined under Rule 9A.1.2. Under Rule 9A.1.4, QFC branches and subsidiaries can leverage legal entity or group-level sustainability reports if these satisfy CSR Rules. There is guidance on issues related to reliance on group reports, especially when aligned with ISSB recognised standards. Firms designated under this new framework must also prepare sustainability reports which align with IFRS standards. They must ensure substantial compliance both with the local jurisdiction's requirements and ISSB's global standards by 1 January 2026.

SAUDI ARABIA

NETTING RULES

 The Saudi Capital Market Authority (CMA)'s board has approved new regulations on close-out netting and associated collateral arrangements, in order to streamline netting agreements and financial collateral dealings where a capital market institution is a participant. The aim is to ensure qualified financial contracts involving capital market institutions remain binding in the event of a default by either party. The regulations have been designed to secure all parties' rights, under a netting agreement's terms. They include procedural guidelines for default situations in netting agreements and other specified scenarios when one involved party is a capital market entity. The framework concentrates on regulating these agreements and collateral arrangements tied to qualified financial contracts under CMA's jurisdiction, ensuring their enforceability even where there are changes to initial contract conditions.

TAX TREATY UPDATE

Bahrain: A double taxation treaty with Oman has been ratified.


Oman: Luxembourg's Chamber of Deputies has approved a double taxation treaty with Oman.

Qatar: Kuwait and Qatar have signed a double taxation treaty.

ANTI DUMPING DUTIES

 A decision has been made on final anti-dumping duties on imports of longitudinally welded circular cross-section pipes of stainless steel from China and Taiwan in line with the Law of Trade Remedies in International Trade (Saudi Arabia Decision No. 321/1444), which was designed to shield domestic manufacturers from improper trade practices by foreign entities. Duties ranging from 6.5% to 27.3% will be applicable for five years starting from 30 June 2025. The Zakat, Tax, and Customs Authority (ZATCA) will implement and collect these duties.

WAIVER EXTENDED

 The Saudi Zakat, Tax, and Customs Authority (ZATCA) has announced the Minister of Finance has approved an extension of the fines waiver which exempts taxpayers from penalties. The extension is set to last for six months, and will apply under all Saudi tax laws until 31 December 2025. This initiative primarily addresses penalties linked to late registration, late payment, and late filing of returns, and further extends to fines related to inaccuracies in VAT returns and electronic invoicing regulations. The aim is to encourage taxpayers to rectify their tax compliance discrepancies without facing penalties. To qualify for the waiver, taxpayers must adhere to the prescribed registration guidelines, ensure all requisite tax returns have been submitted, accurately declare any undisclosed taxes, and settle the principal tax debt linked with the submitted or amended returns.

EGYPT

VAT CHANGES

 The Egyptian Parliament has approved amendments to the VAT law (Egypt Law No. 67/2016). These

changes have affected local cigarette brands priced up to 38.88 Egyptian Pounds, which are now set at 48 Egyptian Pounds, while other cigarette brands are experiencing price adjustments which range from a minimum of 48 Egyptian Pounds to a maximum of 69 Egyptian Pounds. According to the Egyptian Federation of Industries' Tobacco Division, these new consumer prices take effect on the official publication of the amended law. In addition, the amended law will also impose a 50% tax on the retail price of cigarettes, which is coupled with an annual increase on minimum and maximum prices of 12% over three years.

PAYMENT SYSTEM OPERATORS

 The Egyptian Central Bank has issued new regulations under Egypt Law No. 194/2020 on the licensing and registration of both domestic and international payment system operators and service providers who offer services in Egypt. These regulations specify the criteria for obtaining these licenses for entities which engage in activities such as cash handling, payment execution, issuing payment instruments, digital acceptance, local remittances in Egyptian Pounds, and who have access to payment account information.

In addition, there are a range of specific requirements, including having minimum capital thresholds, necessary documentation and financial guarantees. The process for modifying existing licenses is also explained. A structured fee system has also been introduced for regulatory inspections and oversight. There will be a 12-month transitional period which will apply for operating payment entities in order to enable them to align themselves with the new rules. During this period, they must submit their licensing applications to the Central Bank and can continue their operations while awaiting a licensing decision.

HEALTH MATTERS

Ahmed Al Barwani of Al Tamimi & Company explains the approach to public health in Oman, brought in by Oman Sultani Decree No. 43/2025.

© Getty Images

“Back in 2020 with COVID 19 governments and businesses across the world began to realise the importance of public health law and the impact it could have on them,” states Ahmed Al Barwani. “In addition, as part of Oman’s 2040 Vision the Omani government is currently enhancing and developing a range of different sectors, which include the health sector, and as a result a number of laws and regulations have been issued on this subject, including Oman Sultani Decree No. 43/2025 On the Promulgation of the Public Health Law.”

“This law covers a range of areas including mental and physical health, infectious diseases and epidemics, and health at border-crossing points, as well as food safety, occupational and environmental health. The aim of this law is to develop a comprehensive system of scientific and practical rules and regulations which will help to promote and protect public health, enhance local and international coordination and cooperation on preparations and responses to public health events; and raise community awareness of factors and risks which can negatively affect public health.”

HEALTH SECTOR

“Oman Sultani Decree No. 43/2025 gives the Ministry

of health responsibility for regulating the provision of all types of health services, including preventive, therapeutic and rehabilitative services, at all levels and in all specialties, to all citizens, their families, residents and visitors through health institutions which are part of the Ministry of Health and other administrative units, as well as private health institutions or health institutions established or operated through partnerships between the public and private sectors,” states Al Barwani. “All healthcare institutions will have to obtain and maintain accreditation through a system which is to be developed and updated by the Ministry of Health, along with the competent accreditation authority. These institutions will also have to comply with prescribed standards and procedures.”

“The Ministry of Health will also be able to suspend operations or order temporary or permanent closures where they believe an institution poses a threat to public health or is failing to meet regulatory requirements.”

“In addition, the Ministry can direct full or partial use of a healthcare facility during a public health emergency or disaster,” Al Barwani continues. “All patients will also have equal rights as stipulated in the law and should not be discriminated against when it comes to obtaining immunisations and health care.”



Legal Research and Practical Guidance

One Powerful AI

Add more value through conversational search, drafting, summarisation and document analysis. Uniquely grounded in Legal Research and Practical Guidance from LexisNexis, results are always linked to verifiable, citable authority or source.



Lexis+ AI is the one legal AI solution to transform your legal workflow.

[← Get your Demo or Quote Today](#)



RELX (UK) Limited, trading as LexisNexis®. Registered office 1-3 Strand London WC2N 5JR. Registered in England number 2746621. VAT Registered No. GB 730 8595 20. LexisNexis and the Knowledge Burst logo are registered trademarks of RELX Inc. © 2024 LexisNexis SA-0424-1272. The information in this document is current as of April 2024 and is subject to change without notice.



AHMAD ALI AL HAIL
Advocates & Legal Consultants

Where excellence meets personalized services our firm operates in the heart of Doha and aims to provide clients with high standard legal services .

In record time Al-Hail Law Firm has established itself as one of the top law firms in the country , thanks to its probity and competence , armed with its legal expertise and experience in the field .

Our team of dedicated lawyers specialized in providing comprehensive legal solutions tailored to meet your individual needs with a commitment to integrity, professionalism and results .

Al-Hail Law Firm is your trusted partner in local and international legal matters .

For a unique legal experience Al-Hail Law Firm is the best choice .





"It is also important to note that all information relating to a patient, their identification, health status, treatment and health is considered to be confidential and cannot to be disclosed except under the specific cases set out in the law," Al Barwani adds. "The Ministry will also work with the relevant authority on the publication of any information on public health and it will not be possible to publish rumours or undisclosed information."

FOOD, OCCUPATIONAL AND ENVIRONMENTAL HEALTH

"Under Article 29 of Oman Sultani Decree No. 43/2025 the Competent Authority (which in this case is the Ministry of Commerce, Industry and Investment Promotion) will work with the Ministry of Health to develop policies and strategies for promoting healthy and therapeutic nutrition to the community, and set standard specifications for food manufacturing," states Al Barwani. "The Competent Authority and the Ministry will be able to issue standards and specifications for food products and foodstuffs, and products that may pose a risk to community health and safety. They will specify the products and foodstuffs which have been proven to be harmful and prohibit their import, production or circulation."

"They will also develop controls and policies for maintaining a healthy and balanced diet and monitor their implementation on areas including the rules for regulating food advertisements, food labels of healthy foods, and there will be rules on nutritional supplements, herbal products, and foods with therapeutic and medical uses."

"There will also be specific requirements for the treatment, testing, packaging, transportation, distribution and storage of potable water, permissible levels of air pollution, and controls over the practice of any work or craft which has an impact on Public Health," Al Barwani continues.

"The Competent Authority and the Ministry will also establish health controls and requirements to ensure occupational safety at establishments in order to limit workers' exposure to occupational hazards. As a result, they may determine specifications for equipment and materials which pose a risk to users' health in work environments and mechanisms for conducting workplace inspections. In all cases, the employers



Ahmed Al Barwani

Partner and Head of the Oman Office, Al Tamimi & Company

must provide occupational health and safety services, ensure healthy working conditions and provide personal protective equipment to their workers."

"The Ministry will also carry out procedures to protect and promote public health in a range of other areas including preventing and monitoring diseases and controlling their causes," Al Barwani adds.

"They will take all necessary procedures and measures to implement policies and recognised national strategies in order to reduce factors causing infectious diseases. They must also protect wildlife, preserve the environment and renewable resources, and ensure its proper use. In addition, they will be responsible for protecting agricultural and animal health from pests and diseases and for ensuring medical supply in the market and supporting the national pharmaceutical industries."

RESEARCH

"Medical research is another area where Oman Sultani Decree No. 43/2025 has brought in specific requirements," Al Barwani states. "It is not possible to carry out, participate in or finance operations in a direct or indirect way on a number of specific areas."

"These include cloning a human being, human organs or tissues, DNA transfer to a somatic cell with the intent of generating a living human being at any stage of somatic development in order to make it genetically identical to another human being, or establishing, preparing or equipping laboratories or facilities in order to carry out cloning operations of humans, their organs or tissues. In addition, the import of chemical or organic materials, equipment, machines or tools for use in cloning of humans, their organs or tissues is also prohibited."

"It is also important to note that overall, it is not permitted to conduct medical research and

RELEVANT LEGISLATION

Article 33 of Oman Sultani Decree No. 43/2025

The Competent Authority shall, in coordination with the Ministry, establish the standards, measures and permissible levels for any harmful emissions that lead to air pollution, and establish controls for monitoring and inspecting the sources of pollution.

(Source: Lexis Middle East)



© Getty images

experiments on a human before obtaining their written approval in line with the conditions set out in Oman Sultani Decree No. 43/2025 or its implementing regulations. The Ministry of Health will also regulate the methods for handling, preserving, transporting and using stem cells and encourages scientific research and studies related to it.”

“Stem cells can be extracted from aborted fetuses where the abortion was for medical reasons, or the foetus was spontaneously aborted. They may also be extracted from surplus fertilised eggs which have resulted from artificial insemination, which can be used under Islamic law to treat incurable diseases.”

“However, in all cases, medical, Islamic and ethical controls, as well as the scientific and technical principles set by the Competent Authority must be observed.”

“In addition, medicines and pharmaceutical preparations can also only be prepared by a licensed pharmacist. The Ministry must also establish a system for registering medicines and medical supplies, regulating their circulation, and granting licenses for their production or import.”

“The Ministry is also responsible for regulating blood services, setting the conditions and procedures for blood donation, as well as the manufacture, storage, transport and use of blood and blood derivatives,” Al Barwani continues.

“Mechanisms for donating blood and regulating blood banks are also controlled by the Ministry.”

CONTROL OF INFECTIOUS DISEASES

“Chapter 3 of Oman Sultani Decree No. 43/2025 states the Ministry of Health will coordinate with the relevant authorities and private authorities to draw up a strategy to protect society from infectious diseases, epidemics and health at border-crossing points,” states Al Barwani.

“The Ministry of Health will determine a list of infectious diseases and their divisions, which they will update periodically.”

“They will also take all necessary preventative actions to prevent their occurrence,” Al Barwani continues. “As a result of lessons learnt from COVID 19, Oman Sultani Decree No. 43/2025 has given the Ministry the right, along with other relevant authorities, to lay out the conditions on entering Oman in case of emergency or exceptional circumstances, and to designate places where non-Omanis who have been infected with infectious diseases or epidemics must reside.”

“Article 28 of Oman Sultani Decree No. 43/2025 states the Competent Authority along with the Health Ministry, will take all necessary measures to combat infectious diseases and disease vectors at border crossing points, and carry out health supervision of means of transport, passengers and goods transiting through these crossing points.”

“It is also worth noting that Chapter 3 specifically mentions the emergence of antibiotic resistance in this context.”

“Overall, Oman Sultani Decree No. 43/2025 No. 43/2025 has established a new more comprehensive regulatory framework in the public health area than previously existed in Oman. This will control the delivery of public health services in the Sultanate,” Al Barwani concludes.

“Those working in this sector, and those who may be impacted by these changes should make sure they take proactive steps to monitor changes brought in as a result of this law and the regulations which are likely to follow its issue.”

“They should ensure their operations, policies, and compliance functions align with these new requirements.”

RELEVANT LEGISLATION

Article 40 of Oman Sultani Decree No. 43/202

The Competent Authority shall, in coordination with the Ministry, regulate the licensing of the production, import, export or handling of chemicals. It shall also determine those which are prohibited or whose import, production, export, handling or modification is conditional, and the methods for control and disposal thereof.

(Source: Lexis Middle East)

CASE FOCUS

Case No Nael v Niamh Bank DIFC Case No. 015/2024, [2024] DIFC CA 015 issued on 9 January 2025

Jurisdiction DIFC

Court DIFC Court of Appeal

Recommended by Dr Gordon Blanke, Blanke Arbitration Dubai/London/Paris

WHAT IS IT ABOUT?

An arbitration arose between the Defendant, Niamh Bank, and Nael, the Claimant, acting in its capacity as the Employer under a contract entered into with a building and engineering contractor for certain infrastructure work in Dubai. Under the contract, the Contractor provided the usual irrevocable and on-demand bonds and guarantees procured from the Defendant to the benefit the Claimant. The Guarantees, in turn, were governed by onshore Dubai law and made provision for DIFC-LCIA arbitration seated in the DIFC. After learning the Contractor had filed for bankruptcy before the Dubai Bankruptcy Court, the Claimant immediately terminated the Contractor and requested liquidation of the Guarantees. The Defendant denied liability and commenced arbitration under the terms of the Guarantees. The DIFC-LCIA tribunal rejected their denial of liability and found the Claimant's call on the Guarantees was valid in the terms of the Award. The Defendant chose not to challenge the Award but without mentioning the Award issue and terms requested bankruptcy trustees appointed by the Dubai Bankruptcy Court to oversee bankruptcy proceedings to suspend the liquidation and disbursement of the Guarantees. The bankruptcy trustees then secured an order from the Dubai Bankruptcy Court suspending the liquidation and disbursement of the Guarantees for an initial three month period, subsequently renewed for two and a half years. Meanwhile, the Award became subject to a successful recognition and enforcement order before the DIFC Court of First Instance and judgment was entered in the terms of the Award. There was then further unsuccessful challenges by the Defendant of the DIFC Court of First Instance Order for

enforcement, which led to these proceedings.

On appeal, the Defendant maintained the DIFC Judgment lacked consistency with the Dubai Bankruptcy Court's Order and should be set aside for violation of public policy within the meaning of Article 44(1)(b)(ii) of DIFC Law No. 1/2008. On closer examination, the judge confirmed the UAE upheld a public policy to avoid conflicts of jurisdiction and inconsistent judgments which was embodied by Article 99(7)-(8) of the UAE Constitution, which confers power on the Union Supreme Court to determine jurisdictional conflicts between a Federal and an Emirati court and between Emirati courts, and by Dubai Decree No. 29/2024, which dealt with the resolution of conflicts between, among others, onshore Dubai and offshore DIFC courts. He confirmed by virtue of Article 42(1) of DIFC Law No. 1/2008, pursuant to which the DIFC Courts were bound by international enforcement instruments that bind the UAE, in interpreting the scope of UAE public policy in the DIFC, the DIFC Courts had to give effect to the New York Convention on the recognition and enforcement of foreign arbitral awards.

In *Egan v Eva* DIFC ARB Case No. 002/2013 (29 July 2015), it was stated Article 44(1)(b) of DIFC Law No. 1/2008 when it referred to 'the public policy of the UAE must be construed as consistent with Article V2(b) of the New York Convention'. DIFC Law No. 1/2008 had introduced the terms of the New York Convention into DIFC law.

WHAT WAS DECIDED?

The DIFC Courts had power to apply UAE public policy to avoid conflicts of jurisdiction and inconsistent judgments despite the powers conferred upon the Conflicts of Jurisdiction Tribunal (CJT) newly established under Dubai Decree No. 29/2024, especially as in *YYY Limited v ZZZ Limited*, DIFC Arb Case No. 005/2017, [2017] DIFC ARB 005 (17 November 2019) enforcement of a Dubai Court of Cassation ruling that violated the terms of the New York Convention was refused despite referral to the Joint Judicial Committee, the predecessor of the CJT, according precedence to compliance with the New

York Convention over non-compliant domestic rulings; The CJT's jurisdiction was limited to resolving conflicts of jurisdiction in cases with the same parties, leaving the DIFC Courts to decide on cases where there was no party identity; and given lack of party identity, there may be no reference to the CJT in the first place.

The judge then discussed the threshold requirements that applied to the narrow construction of the public policy exception under the New York Convention. He emphasised the general pro-enforcement bias under the New York Convention and that the public policy defense only applied in exceptional circumstances, relying on a number of rulings in both common law and UNCITRAL Model Law jurisdictions.

On that basis, he confirmed that '[t]hese international principles have informed DIFC law' and '[t]he exceptional nature of the public policy defence and the concomitant high threshold necessary to establish the defence have [been] recognised in a number of cases' citing *Banyan Tree Corporation Pte Ltd v Meydan Group LLC* DIFC ARB Case No. 003/2013, [2013] DIFC ARB 003, *Lachesis v Lacrosse* DIFC Case No. 005/2020, [2020] DIFC ARB 005 and *Lucineth v Lutina* [2019] DIFC ARB 005. The judge held the refusal of (or enforcement of an arbitral award under Article 44(1)(b)(ii) of DIFC Law No. 1/2008 on the grounds the enforcement of the award would be contrary to public policy was an exceptional discretionary remedy constrained with narrow bounds by the principles derived from the pro-enforcement policy embodied in the New York Convention and the Model Law. Recognition or enforcement of an arbitral award under Article 44(1)(b)(ii) of DIFC Law No. 1/2008 may only be refused on public policy grounds where recognition or enforcement of the award would fundamentally offend the most basic and explicit principles of morality, justice and fairness; or the award disclosed intolerable ignorance on the part of the arbitral tribunal affecting the basic principles of public and economic life; or recognition or enforcement of the award, or the award itself, involved an infringement of mandatory law constituting a serious violation of public policy.

On the purported conflict between the Dubai Bankruptcy Court's Order and the DIFC Judgment, the Defendant argued irrespective of party identity, the two legal instruments exhibited an inconsistency, creating a jurisdictional conflict sufficient to ground a violation of UAE public policy within the meaning of Article 44(1)(b)(ii) of DIFC Law No. 1/2008.

According to the Defendant, the Dubai Bankruptcy Court's Order prohibited them from making payment against the Guarantees by suspending the liquidation of the Guarantees, while the DIFC Judgment precisely required the Defendant to make the very same payment by enforcing the terms of the Award.

The judge believed the Dubai Bankruptcy Court's Order operated against the Claimant in their capacity as the Employer (seeking to restrain it from calling the

Guarantees) and not as against the Defendant, which avoided any jurisdictional conflict or inconsistent judgments. The suggestion an order suspending Guarantee liquidation could be construed as prohibiting the Defendant from honouring an award following an arbitration in which they had participated in another jurisdiction of their own volition was 'fanciful'.

In that sense, it was unarguable the Dubai Bankruptcy Court could have jurisdiction to restrain enforcement of a DIFC award in the DIFC. No basis for the Dubai Bankruptcy Court's jurisdiction over the Claimant in its capacity as the Employer, or over the Defendant had been shown.

If the Dubai Bankruptcy Court had been aware of the existence and terms of the Award, it would likely have respected its binding nature. The Defendant had not discharged their burden of proof to show the Dubai Bankruptcy Order and the DIFC Judgment created a conflict of jurisdiction and gave rise to a violation of UAE public policy under Article 44(1)(b)(ii) of DIFC Law No. 1/2008.

Even if there had been conflict between the Dubai Bankruptcy Court Order and DIFC Judgment, taking account of the commercial reality, Black KC found 'at its highest and on the most favourable interpretation to the Bank's case, enforcing the Award notwithstanding the temporary order of the Dubai Bankruptcy Court cannot be said fundamentally to offend the most basic and explicit principles of justice and fairness, or the UAE's most basic notions of morality and justice. That would be to confer on mere inconvenience to the Bank an extraordinary significance.' The judge dismissed the appeal.

WHY WAS IT IMPORTANT?

This case is a reminder of the pro-enforcement jurisdiction that the DIFC is. It confirms the narrow interpretation adopted by the DIFC Courts of the public policy defense under Article 44(1)(b)(ii) of DIFC Law No. 1/2008 and that its application is limited only to exceptional circumstances. The court rightly emphasised the strong pedigree that the public policy exception under DIFC Law No. 1/2008 takes from the New York Convention and UNCITRAL Model Law, confirming arbitration in the DIFC is based on and guided by best international standards and practice.

This was a rare occasions where the DIFC Courts had an opportunity to determine whether their powers to refuse recognition and enforcement of an arbitral award extended to circumstances where the subject award of which enforcement was being sought conflicted with a ruling of another local judicial authority and the extent to which Dubai Decree No. 29/2024 confers exclusive competence on the CJT. The Court rightly confirmed despite the CJT's competences under the law there is room for the DIFC Courts to decide on conflicts of jurisdiction, at least when there is no party identity or a DIFC enforcement order precedes involvement of the local judicial authority.



Lexis+ AITM



Legal Research and Practical Guidance

One Powerful AI To Transform Your Legal Work

Add more value through conversational search, drafting, summarisation and document analysis. Uniquely grounded in Legal Research and Practical Guidance from LexisNexis, results are always linked to verifiable, citable authority or source.



Lexis+ AI is the one legal AI solution to transform your legal workflow.

Get your Demo or Quote Today →



IN-HOUSE PROFILE

HEAD OF LEGAL – CONSUMER GOODS



Handling digital developments

Gopa Talukdar Head of Legal for the Middle East at Reckitt explains how she handles change.

BACKGROUND

I grew up in Assam, in India and have a BA in Sociology and an LLB from Delhi University. I began my legal career in Delhi working in litigation and corporate law and came to Dubai in 2008, at the start of the global financial crisis. The market had crashed, and there was a lot of uncertainty. There were no easy breaks, and progress came only with persistence. Looking back, my legal career has developed almost in tandem with Dubai itself—we are both resilient, adaptive, and constantly reinventing ourselves. I qualified as a UK solicitor in 2022 - which I am genuinely proud of. I have worked in consultancy roles before moving into In-house counsel positions. From employment and property law to commercial contracts and real estate compliance, I have handled whatever came my way, often outside my comfort zone. What helps in my current position is not just my breadth of experience but having a strong work ethic, being willing to dive in, and having confidence to take on the unfamiliar. The mindset it built as also taught me the importance of balancing legal rigour with commercial judgment, focusing not just on the right answers, but on outcomes that truly work for the business.

CURRENT ROLE

I am the Head of Legal for the Middle East at Reckitt, a global Fast-Moving Consumer Goods (FMCG) leader. I report to the Legal Director, MENAP and Africa, and lead the legal team in a dynamic, fast-paced environment where speed, agility, and compliance are key. Reckitt is a global consumer goods company established over 200 years ago in the UK, which is now a multinational leader. It employs over 40,000 people from 125 different countries and sells around 30 million products a day worldwide. I joined them in 2020—it was a new role, new industry, all during the uncertainty of COVID 19 and I was also studying to be a UK solicitor. It meant long workdays followed by even longer evenings of study. It shaped my technical knowledge and my legal mindset as I learnt to be practical, determined, and believe no matter how complex a challenge, there is always a way through. Our team is entrusted with a portfolio of trusted global brands including Dettol, Durex, Veet, Finish, and Gaviscon, which operate in highly regulated and competitive markets. Our brands are an essential part of millions of people's daily lives globally. Consumers trust these brands and this trust reflects Reckitt's commitment to do the right thing for consumers and society while driving sustainable business



growth. Reckitt has been focussing on strengthening its core health and hygiene businesses while investing in expanding manufacturing capabilities which meet evolving market needs. I manage key Joint Ventures with major distribution partners. My role involves navigating complex, often unprecedented challenges with suppliers and partners, where traditional legal frameworks may not fully apply. It requires creative, tailored legal solutions which support business continuity and address evolving risks. I also oversee corporate restructuring, mergers, and acquisitions, providing strategic legal advice for well-known brands, with a strong focus on regulatory compliance and consumer protection. Reckitt's motto is 'doing the right thing'—so I ensure we follow the rules while helping the business grow. I focus on practical solutions that balance legal needs with commercial goals.

TRENDS AND LEGISLATION

The consumer goods sector is evolving quickly. There is economic uncertainty, spending power shifts, supply chain pressures, and political instability to deal with, and AI is reshaping the landscape. Digital transformation is accelerating how the sector engages with customers and manages operations. Sustainability demands and rising consumer expectations are leading companies to rethink products and processes. In the Middle East multiple jurisdictions, sudden regulatory shifts, and geopolitical sensitivities complicate things, and demand legal advice that is fast, pragmatic, and commercially attuned. What once took months now happens overnight. There is no room for generic answers - just sharp judgment and solutions that work in the real world. New data privacy laws in the UAE and Saudi Arabia have required us to overhaul how we collect and manage consumer data. The rise of e-commerce has also brought new rules on digital consumer rights. Geopolitical developments further complicate the picture, with sanctions and trade restrictions requiring constant vigilance to ensure compliance and avoid significant penalties. Labour law reform is also changing how we hire, manage exits and

PRACTITIONER PERSPECTIVE



Ksenia Andreeva
Morgan, Lewis &
Bockius LLP

Ksenia Andreeva of Morgan, Lewis & Bockius LLP explains Saudi proposals on Global AI Hubs.

The Saudi Data and Artificial Intelligence Authority (SDAIA) has released a draft Global AI Hub Law. This is an ambitious legislative proposal designed to ensure Saudi Arabia maintains its role as one of the leaders in AI, the data economy and digital infrastructure. The draft law

aims to establish an innovative legal framework which will attract global investment, foster cross-border collaboration, and enhance data security in Saudi. It is another step towards Saudi defining its own approach to data sovereignty and establishing a regional benchmark. SDAIA has been inviting feedback from local and international stakeholders via the Saudi government platform or directly to the Communications, Space and Technology Commission at AIHub@cst.gov.sa. At the heart of this proposal is the concept of 'AI Hubs', sovereign or semi-sovereign data centres (or isolated and clearly demarcated parts of these) located Saudi Arabia but which hold data that falls under the legal protections of a foreign country. Like traditional embassies, these data centres will have a special legal status, and will ensure data is governed under the jurisdiction of the data-owning country or entity. The draft law does not use the term 'AI' in the law's text other than in its title, and it seems the use of AI technology is not a prerequisite for a hub to fall under the regulations, although it is expected these data centres will use advanced technologies). The model suggested in the draft law is an important alternative to traditional data localisation approaches. Instead of mandating that data remain within its country of origin, which can often be financially and administratively burdensome, it enables companies to store data in Saudi Arabia with sovereign protections intact. This should appeal particularly to governments and global organisations seeking secure, neutral, and geopolitically stable environments for data hosting. The draft law only allows the Saudi Council of Ministers to intervene in the operations of the hubs in exceptional circumstances, where this is crucial to protect the Kingdom's safety, national security, and sovereignty. There are three types of hubs depending on the nature of the hosted data and protection level required. This should help the law flexibly address a range of scenarios, from public-interest research to highly sensitive

governmental data storage. Each type has its own structure and operational requirements, many of which will be determined as work on the draft regulation progresses. Private hubs will be used for hosting data, apps, infrastructure and services by a foreign government with a bilateral agreement with Saudi Arabia (a Guest Country) for the sole use of the Guest Country. Here the laws and regulations applicable in the guest country apply. The Guest Country is responsible for ensuring the Hub complies with 'requirements of applicable international law', and has 'full responsibility for the same before the Kingdom and the international community'. The second type is the Extended Hub. These will involve data, apps, infrastructure and services hosted by a private data centre operator with an agreement with a Saudi regulator (Competent Authority) and in line with an arrangement between the Competent Authority and the Guest Country. Here the applicable law and regulations is also that of the Guest Country. Extended Hub operators have to meet specific requirements on cybersecurity, operational transparency, and dispute resolution mechanisms. The last type will be the virtual hub which will provide virtualized data hosting and management services to customers by a private Saudi-incorporated and authorised services provider. In this case the applicable laws and regulations will be those of the country where the Customers are domiciled (the Designated Foreign State). In this case content (i.e. any software, apps, data, text, audio, video, or images) a Customer or its end users store, transmit or process via a Virtual Hub) are protected under the laws of the Designated Foreign State, with the Saudi courts supporting the enforcement of respective court decisions. A Competent Authority, a central oversight body, responsible for issuing certifications, conducting audits, and mediating conflicts will also be created which could either be SDAIA or a separate new authority determined by the Council of Ministers. The Competent Authority will initiate negotiations with Guest Countries to support the establishment of private hubs. It will also maintain a register of information about all hubs, Guest Countries, operators and service providers, and associated agreements or bilateral agreements on the operations of the hubs. It is expected this register will be publicly available. The Competent Authority will also share information with Designated Foreign States as a part of their oversight of Virtual Hubs' service providers.

need to increasingly localise. Consumer and competition laws are being tightening and there are stricter rules on pricing, advertising, and distribution. There is an evolving regulatory framework which includes new environmental and sustainability regulations, targeting packaging and waste management, which have meant we must rethink product design and supply chains. The rapid rise of e-commerce has brought fresh rules around digital consumer rights. In FMCG, the pace is relentless as is the change. One of the biggest challenges is staying ahead of a fast-moving regulatory landscape while navigating different legal systems and business expectations across the region. Each market has

its own complexities.

There is no playbook. We are constantly revising contracts, reworking consent mechanisms, tightening claim reviews, and adapting commercial terms. In markets with unclear or rapidly changing laws, you often have to find practical solutions that balance compliance with business continuity and speed. I have realised that, even in a leadership role, you do not always have all the answers. What makes a difference is being honest about the challenges, keeping lines of communication open, and creating space so the team feels safe to raise concerns and take ownership.

MOVERS AND SHAKERS

A ROUND-UP OF THE TOP APPOINTMENTS AND PROMOTIONS

In association with

JAMESON LEGAL
Global Recruitment Specialists

ROAD TO RIYADH

The international technology law firm, Bird & Bird are opening a new office in Riyadh, Saudi Arabia. The firm has had a presence in Dubai and Abu Dhabi for many years.

The new office will be led by Anders Nilsson as Head of Region for the Middle East. In addition, there will be three resident expert partners - Raya Alkhatib, Nick O'Connell and Simon Shooter, supported by a team of Saudi associate lawyers.

Before joining Bird & Bird, Raya Alkhatib worked as General Counsel, Governance Officer and Board Secretary at American Express Saudi Arabia in Riyadh.

Meanwhile Nick O'Connell is a Tech & Comms and Privacy & Data Protection Partner who has been based in the Middle East for most of the last 18 years. He moved to Saudi Arabia in 2018. He is admitted in New Zealand, New South Wales and England & Wales, and is also registered with the Legal Affairs Department of the Government of Dubai, and is an 'Affiliate Member' of the Saudi Bar Association.



Finally, Partner Simon Shooter founded the firm's cybersecurity team back in 2010 and provides comprehensive support to clients in a range of sectors, with a particular focus on technology.

However, the new Saudi office is not the only change over at Bird & Bird as Sydney-based partner Bill Smith has also relocated to the firm's UAE office.

He will head up Bird & Bird's dispute resolution practice in the Middle East. Smith has been advising clients in the MENA region for almost 15 years, and previously worked in the Dubai office of two leading international firms. His Middle East practice focuses on advising and representing businesses engaged in complex disputes, particularly in the aviation, technology, energy and infrastructure sectors. He has extensive international experience, and an arbitration focus, gained through working across a wide range of diverse jurisdictions as he has practised abroad for over half his career.

Construction is a particular area of expertise and he has experience of working on major projects across various sectors, including transport, property, tourism, energy, mining, defence, healthcare, IT and telecommunications.

ACROSS THE BORDER

Rachel Fox has joined Al Tamimi & Company as a Partner in their tax practice, as the full service firm expands its tax offering across the region. Rachel, who will be based in Abu Dhabi, has extensive international experience, in particular across the Middle East and in Europe as well as a deep knowledge of cross-border tax matters which will be vital when advising Al Tamimi & Company's clients across the Middle East and beyond. Going forward, she will work closely with colleagues across multiple jurisdictions, and will advise multinational and regional clients on cross-border tax issues, compliance and disputes. She has worked for over a decade in the tax departments of leading global law firms. Her practice includes advisory and contentious tax matters across corporate, indirect, and international tax. Prior to joining Al Tamimi she worked for Clyde & Co.



& Partners have hired Mohamed Abdelrehim as a partner in their dispute resolution practice. Abdelrehim has extensive experience of both international and local disputes. Over the last 15 years he has worked across the UK, Europe, US and Middle East and has represented clients in high-value disputes before the UAE courts and major international arbitration forums, including the ICC, LCIA, DIAC, and ICSID. Before joining Hourani, Abdelrehim worked as a partner and the head of dispute resolution at a regional law firm where he provided advice to clients from a range of industries including hospitality, insurance, real estate, construction, and financial services.

In the past he has also held senior positions in international law firms in the region including with DLA Piper and Eversheds Sutherland. He is admitted to the Egyptian Bar Association and registered



with the Dubai Legal Affairs Department.

SKYE'S THE LIMIT

Skye Smith has joined Akin Gump Strauss Hauer & Feld LLP as a partner in the firm's investment management practice. Akin are expanding their Middle East platform. Skye advises institutional investors on private equity and other commingled vehicle investments, including buyout, venture capital, distressed debt, infrastructure, hedge and real estate funds. She has extensive experience of guiding clients through primary commitments, co-investments, continuation vehicles, separately managed accounts, funds-of-

OTHER CHANGES

AIIC Group: AIIC, the legal group behind law firms Taylor Rose, FDR Law and Kingsley Wood, which has offices across the globe including in Dubai is rolling out a new fully cloud-based practice management platform as part of its ongoing investment in technology in order to improve efficiency, productivity and service levels.

HERE AT HOURANI

Middle East commercial law firm Hourani

one and other customised investment structures across asset classes. Her clients include sovereign wealth funds (SWFs), public and private pension plans, university endowments, funds of funds and family offices. Initially Skye will be based with the firm in Dallas, US but will move to Abu Dhabi in the next couple of months, where she will advise institutional investors with a strong focus on sovereign wealth funds, complex investments across private equity, venture capital, infrastructure, real estate and hedge funds. Skye previously worked at DLA Piper where she had a strong record in handling investors' private markets exposure.

ON THE MOVE

Nik Colbridge, who is a partner at Dentons, has relocated from the firm's London to their Dubai office in order to expand Denton's equity capital markets practice there. Colbridge has been at Dentons since 2015 and has spent the last 10 years in their London office, advising clients on international financing transactions, principally within the capital markets. He represents corporate issuers and financial institutions in public and private international equity, securities offerings and joint ventures, and also has a strong emerging markets focus. In the past he has worked at Skaddens and Clifford Chance.



THE ENERGY FOR EXPANSION

Clyde & Co's energy practice in Abu Dhabi has expanded following the appointment of two respected partners. These are Josh McFadzen and Bryan Wilson who specialise in non-contentious oil and gas project development, transactional matters and their related infrastructure. McFadzen is a highly regarded oil and gas lawyer with over a decade's experience in both inhouse and private practice. He provides advice to a range of industry participants in international markets across the entire value chain of the upstream, midstream and downstream sectors. He has past experience of acting for sovereign energy clients and some of the world's largest NOCs, particularly in GCC states. In the past he worked for the Abu Dhabi National Oil Company (ADNOC), where he led transformational change in the drilling and oilfield services sectors. Meanwhile

Wilson has over 30 years of oil and gas experience advising on integrated energy and petrochemical projects, across the full life cycle of projects worldwide, from planning to constructing, developing and operating, and on to refinancing, sale and decommissioning. He has successfully delivered several landmark oil and gas infrastructure projects and advised on some of the highest-value onshore and offshore construction and engineering projects in the Middle East. His previous industry experience includes senior inhouse roles advising TotalEnergies and Maersk Oil. In addition, senior associate Marc Penman and associate Ross Blyth have also joined the team.

INVESTING IN PEOPLE

Gibson Dunn has appointed Carolyn Abram as partner in their investment funds, financial regulatory, private equity, projects & infrastructure and real estate practice groups. Abram worked in the past for Morgan Lewis and will be based in the firm's Dubai office. She has experience of practicing law from London, New York, and the UAE, is admitted to practice in England and Wales, and is a registered legal consultant with the Dubai Legal Affairs Department.

She primarily represents fund sponsors on the structuring, formation, and operation of private investment funds across asset classes, and has delivered successful fund launches for emerging and spin out managers. She has worked on UAE fund formation for over nine years and understands the legal and regulatory intricacies of large scale, complex cross border funds. In addition, she has an innovative and solutions-oriented approach to other bespoke investment arrangements, including seed and stake arrangements with anchor investors, asset manager joint venture agreements, co-investment and warehousing arrangements, carried interest arrangements, and fund restructurings. In addition, she also advises on regulatory and structural matters relating to the operations of asset managers in the Middle

East, particularly for global asset managers seeking to enter the UAE market.

LITIGATION AT LINKLATERS

Linklaters has expanded its global Litigation, Arbitration & Investigations (LAI) practice in the Middle East with the launch of an on-ground presence in Dubai. The Middle East practice will be led by Sean Cameron who has worked in the past as Head of Disputes & Litigation for NEOM Company. Cameron has almost 15 years' experience of working across the Middle East, Asia-Pacific and Australia. He is a specialist legal advisor with a wealth of experience on complex disputes, in particular, project and construction disputes in the energy, infrastructure and major projects sectors. He has advised on all forms of dispute resolution, but has a particular focus on high-value international arbitration, cross-border project disputes, and strategic risk management.

NEW PARTNER AT WALKERS

Walkers, who are the Cayman Island headquartered international law firm which specialises in providing legal, corporate, and fiduciary services to global corporations, financial institutions, and investment fund managers, has now appointed a new partner in their Dubai office. Partner Reghard Smith advises on Bermuda, Cayman Islands and British Virgin Islands law aspects of a broad range of fund and corporate transactions. These include investment funds, private equity, mergers and acquisitions and corporate restructuring.

Smith is a member of the Walkers' Funds & Corporate Group in Dubai where he has been based since 2018. He has been admitted in both South Africa and England and Wales. Prior to joining Walkers, Smith worked for another leading international offshore firm in Dubai but he has also been a litigation attorney in South Africa.

In addition, he acted as Cayman Islands counsel to VentureSouq, who are a GCC-based venture capital firm, on the launch of MENA Fintech Fund I, which was the first such fund in the MENA region to focus on Fintech as a sector.

SEND US YOUR NEWS

If you have news of an appointment or promotion within the legal or financial professions you would like to see reported in Lexis Middle East Law, please send details to: claire.melvin@lexisnexis.co.uk





Expand your knowledge and improve your skills.

With LexisNexis drawing on 200 years of heritage as a trusted legal publishing brand, we've built up a strong and close relationship with the legal community. We understand the everyday needs and challenges faced by lawyers. Through a network of training centres and 40 offices worldwide, LexisNexis trains thousands of professionals from junior to top executives and government officials.

In the Middle East, our training programme delivers a cost effective solution tailored to the specific needs of the legal community in the region, delivered by leading experts who are practicing professionals; ensuring they are fully conversant with the latest issues and legislation as well as the implications on business and practice.

View our Middle East training programme at:
lexis.ae/training-events



Close-Out Netting



© Getty Images

Regulation on Close-out Netting and related Collateral Arrangements was issued for the first time by the Saudi Central Bank (SAMA) in February 2025.

The Regulation is based on powers granted to SAMA and the Saudi Bankruptcy Law (Saudi Arabia Cabinet Decision No. 264/1439 issued in 2018), which permit some financial contracts to be excluded from the effects of bankruptcy, such as the suspension of netting. These rules are now in effect. This Regulation aims to organise final netting agreements, and arrangements on associated financial collateral, which relate to one or more qualified financial contracts, provided at least one party to the contract is subject to SAMA's supervision. Most importantly, they ensure the enforceability of these contracts according to their terms outside the scope of bankruptcy proceedings.

WHAT IS CLOSE-OUT NETTING AND FINANCIAL COLLATERAL?

Close-out netting means in the event one party fails (and there is a failure to fulfil its obligations), all the existing qualified financial contracts between it and the other party are terminated immediately and their market value is determined in order to convert all amounts due in both directions into a single net amount.

Financial collateral, is where the

assets provided by one party are security for fulfilling their obligations in these contracts (such as cash, shares, bonds, or commodities), so the collateral holder can liquidate or seize it to compensate for their dues if the debtor party defaults.

IMPACT ON CONTRACTS

The new regulation has required significant changes to the structuring of financial contracts in Saudi Arabia. Financial institutions and companies have now become more inclined to include final netting agreement clauses in derivative contracts and financial transactions to ensure their right to immediate termination and netting if the other party defaults. Previously, as there was no explicit framework on this area in Saudi, there were some doubts about the enforceability of these clauses before the Saudi courts during bankruptcy. Now, thanks to this new regulation, it is confirmed close-out netting agreements are legally effective according to their terms even after the commencement of bankruptcy proceedings.

This means contractual clauses which grant one party the right to terminate the contract immediately on the bankruptcy of the other party (which are known as automatic termination clauses or ipso facto clauses) have become exempt from the usual ban imposed in bankruptcy on terminating contracts, as long as they are within qualified financial contracts.

Likewise, any set-off rights or legal netting (set-off) previously agreed between the parties will not be suspended by the automatic stay of creditors' proceedings in bankruptcy within these contracts.

Practically speaking, this regulation enhances parties' confidence, as the qualified contracts – according to the regulation – which include a wide range of derivative contracts (interest rate swaps,

forward currency contracts, options, and others), repurchase agreements (repos) and securities lending, and even Sharia-compliant instruments of a similar nature, now enjoy stronger legal protection.

New contracts in these areas will be drafted from the outset including the final netting and necessary collateral clauses, as parties will know that they will be enforceable even if one of them goes bankrupt.

EXISTING CONTRACTS

Parties to existing contracts may need to review them; if they do not include a final netting clause or are not classified as qualified financial contracts, in order to ensure the new legal protection applies and the financial contracts concluded meet the regulation's standards so the creditor can benefit from the right to immediate termination and netting, rather than having to engage in lengthy bankruptcy proceedings.

No significant change is expected for traditional commercial contracts which do not fall under the definition of 'qualified financial contracts'. For example, supply contracts, leases, or ordinary commercial loans will remain subject to the general bankruptcy rules without these exceptions. However, these contracts may be indirectly affected, as creditors in protected financial transactions will have a higher priority in obtaining their rights (by taking their net dues directly from the collateral or through netting) compared to other commercial creditors. This will encourage companies, when entering into large commercial contracts, to consider collateral or netting arrangements wherever possible, to protect their interests as much as possible.

The introduction of close-out netting and financial collateral arrangements into the Saudi system is a qualitative leap which has enhanced the protection of financial contracts against bankruptcy risks.



Contributor

Mohammed Negm

Litigation Lawyer, Al Tamimi & Co

A respected international law firm with a market-leading office in Qatar

Granted a licence by the Qatar Financial Centre Authority in 2007, the **Doha office is one of the largest international law firms in Qatar, with over 10 qualified lawyers** providing advice and opinions on Qatari, QFC and English law.

Providing full-service legal advice across all sectors, **we work closely with major Qatar decision-makers and institutions** to ensure our clients can fulfil their business requirements in Qatar. Our long-standing relationships with government officials, financial institutions and other intermediaries provide a strategic advantage for our clients.

Dentons' team was attentive to details and precise, with an excellent understanding of local and international laws, policies and procedures.

— Chambers & Partners, 2025

Dentons' team is highly skilled, blending deep industry knowledge with innovative solutions, with clear and candid responses.

— The Legal 500, EMEA 2025

Dentons had a strong team with individuals with many years of experience working in Qatar who understood the local issues relevant to the case.

— Chambers & Partners, 2025

Industry recognition

Chambers 2025 rankings

Band 1
Corporate &
Commercial

Band 2
Dispute
Resolution

Spotlight
Projects
& Energy

The Legal 500 2025 rankings

Tier 1
Commercial,
Corporate &
M&A

**Firms to
Watch**
Dispute
Resolution

Band 3
Projects, real
estate and
construction

Dentons, the law firm of the future is here.

dentons.com



مركز قطر للمال
Qatar Financial Centre

YOUR PARTNER OF CHOICE FOR ESTABLISHING IN QATAR AND EXPANDING BEYOND

**JOIN OUR VIBRANT
BUSINESS PLATFORM WITH
A COMMUNITY COMPRISING
MORE THAN 3,200 FIRMS
AND BENEFIT FROM:**



100% FOREIGN OWNERSHIP



100% REPATRIATION
OF PROFITS



COMPETITIVE TAX SYSTEM



WORLD-CLASS JUDICIAL
SYSTEM BASED ON
ENGLISH COMMON LAW



TRADING IN ANY CURRENCY

With QFC, you can accelerate business growth in the region, while becoming part of Qatar's swift expansion into a major trade and investment hub.

Get in touch today

+974 4496 7777

info@qfc.qa

www.qfc.qa