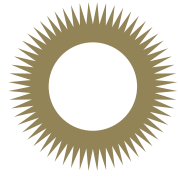


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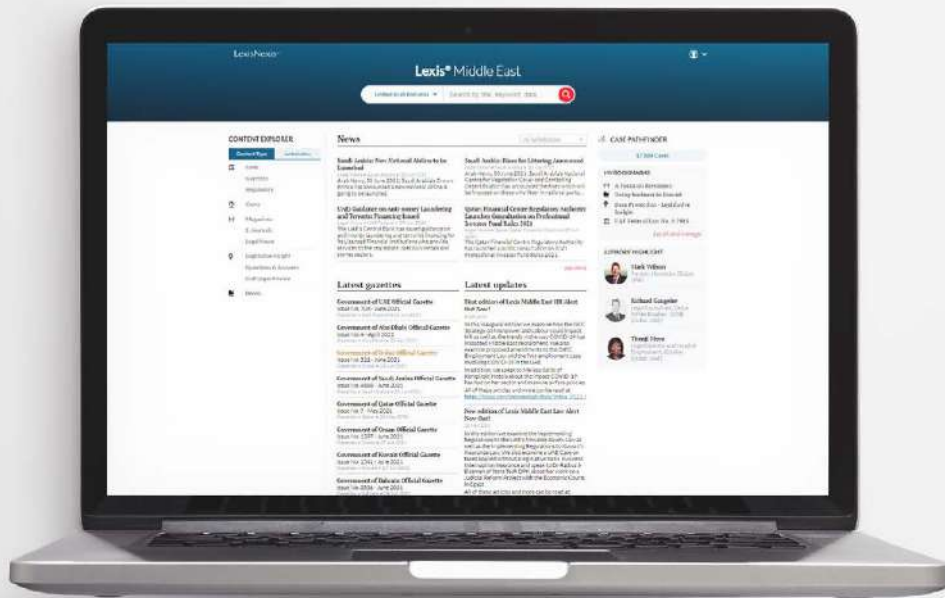
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INTRODUCTION



It has been a pleasure to read each and every report submitted by the managing partners in this year's publication. Last year the common themes were resilience and transformation. This year what is striking from reading this report is that having been through challenging times in the last few years, optimism and growth have clearly returned to both the UAE legal market and our wider business community.

While in other jurisdictions rising energy prices have dampened business optimism, here we have seen the opposite effect, as public sector finance has strengthened and government backed projects have helped to create wider economic growth, including in the legal market.

What is interesting to see is that in 2022 UAE legal firms of all types and sizes have been recruiting, expanding, and establishing new departments, offering new services to meet growing client needs.

Following the pandemic legislators and regulators across the UAE, including ADGM, made a conscious effort to look at how legislation and regulations could be developed to encourage new foreign investors by increasing the ease of doing business here.

The new UAE working week, which was introduced at the start of 2022, was one such example. However, there has also been significant legal reform over recent years, and most of the commentators in this report expect this level of change will continue into 2023. This is bringing with it new opportunities for UAE law firms, businesses and potential investors.


These reforms are not just about increasing foreign direct investment, but are also about building a suitable legal and regulatory framework for the future - one which will allow emerging, innovative sectors to develop and flourish here too. Innovation has always been a priority for the UAE. In 2022, ADGM launched two trailblazing projects 'Mediation in the Metaverse' and 'Justice on the Blockchain' These new technology services will be rolled out to the local and international legal and business communities throughout 2023.

A number of the respondents in this Report have remarked on how the UAE authorities are keen on strengthening the country's position as a hub for virtual assets and blockchain technologies in an aim to leverage the country's favourable business environment, strategic location, and advanced infrastructure to attract investment and talent in the digital asset industry. They also observed the implementation of a clear regulatory framework governing emerging markets, such as virtual assets, in a bid to support this growth and attract more digital asset firms to set up in the country. Developing a framework for virtual assets is an area in which ADGM has been a pioneer and a leading destination of choice for virtual assets players where the framework came officially into practise, as far back as 2018. As a way to outline its expectations for the asset class and service providers in the sector, the Financial Services Regulatory Authority of ADGM has published in September 2022 ADGM Guiding Principles on its approach to Virtual Asset regulation and supervision.

In 2022 the UAE courts and regionally based arbitration institutions have also witnessed a rise in activity. ADGM Courts' caseload increased by over 50% in 2022, with over US\$ 5.2B in dispute. What has been interesting too has been the examples cited here of local firms specifically recruiting new staff who are specialists in common law so they can increase their litigation activity in UAE common law courts, including ADGM Courts. These increases in litigation and dispute resolution work are caused in part by the COVID bounce back which has seen increasing numbers of employment, contract and insolvency disputes. As is explained in this report, with COVID now behind them, a growing number of businesses are eager to settle disputes which were put on hold because of the pandemic and lockdowns. Many of these UAE managing partners are also reporting sharp increases in the numbers of arbitration disputes they are dealing with. I expect that many of these will find their way to the ADGM Arbitration Centre, our digitised purpose built space for arbitration hearings and mediations. Based on these fascinating reflections from the managing partners, I am confident that we will continue to observe the positive maturation of the UAE's legal market, further enhancing the Emirates' competitive position on the world stage.

Linda Fitz-Alan, Registrar and Chief Executive of ADGM Courts
February 2023

The views and opinions set forth herein are the personal views or opinions of the individuals; they do not necessarily reflect views or opinions of the law firms with which they are associated.



WHERE THE FUTURE IS STILL BRIGHT...

While in other jurisdictions and professions around the world 2022 was dominated by talk of rising prices and recession, in the Middle East things have been very different. Claire Melvin, Publisher - Lexis Middle East talks to Managing Partners in the region on why expansion and growth are top of the agenda here.

While recessionary fears and concerns about rising prices have been hitting the headlines and the bottom lines of businesses in most sectors and jurisdictions in 2022, in most GCC law firms, 2022 has seen major expansions. As Catherine Workman of Pinsent Masons noted, “Economists say the MENA region will have 3.7% growth in 2023 compared to 0.5% in Europe and 1.3% in North America.” Firms here have been busy recruiting new staff, enhancing and developing new practice areas and in some cases even opening new offices. Not only that but this is a trend they expect to continue into 2023. While in other jurisdictions the rising oil prices caused by Russia’s invasions of Ukraine have been bad news, in the GCC, they have meant Governments have more available funding for infrastructure developments, which in turn has generated more legal work. As Stuart Paterson of Herbert Smith Freehills explains, “There is no doubt that infrastructure projects will be a key driver of business through next year. In light of oil price rises, regional governments have the resources to continue to pursue their ambitious economic transformation plans.” Developments in other countries, including Russia, have also affected GCC law firms more directly. As Patrick Gearon of Charles Russell Speechlys explained, “Perhaps the most significant development in the last ten months has been the transfer of assets and investments from the Far East and Russia to the Middle East. This has required significant work in areas including corporate set ups, corporate and asset structuring, tax advice and we see this work continuing to grow over the next few months.” Herbert Smith Freehills have also seen an increase in dispute work arising from the cancellation of projects in Russia or which have Russian government involvement due to changes in investor sentiment or the effect of sanctions.

INSOLVENCY WORK

However, even with this local growth and optimism, insolvency departments in GCC law firms have still found themselves very busy. Ali Ismael Al Zarooni, Managing Partner of Horizons & Co stated, “The real estate and construction sectors in the UAE continue to boom, but inflation has hit some companies and projects hard, so I anticipate that there will continue to be disputes in these areas as well as advice required on restructuring and insolvency.” He added, “In 2022 the UAE witnessed some of the region’s largest high-profile cases of this nature in the nation’s history. Many transnational and national group companies have launched insolvency proceedings or been heavily involved in the process.” BSA Ahmad Bin Hezeem & Associates LLP have also taken specific steps to grow their bankruptcy, and insolvency and restructuring practices after they found themselves working on some of the largest restructuring and insolvency cases in the Middle East in 2022 and expect this trend

to continue into 2023. As Managing Partner, Jimmy Haoula of BSA Ahmad Bin Hezeem & Associates LLP explained, “Acting on behalf of both debtors and creditors, we find solutions to NPLs, underfunded liabilities, and other areas of financial distress, by considering all options available under the new bankruptcy laws across the region.” Ahmed Galadari of Galadari Advocates & Legal Consultants LLP has also noted an increase in insolvencies since 2021 caused by businesses who are unable to operate profitably post-COVID. This and the recent increase in international sanctions has also led law firms, including Galadari to place an increasing emphasis on undertaking due diligence checks when on-boarding new clients to minimise risk exposure.

THE POST COVID WORKLOAD

The COVID bounce back has also helped generate new business for many regional law firms. As Patrick Gearon of Charles Russell Speechlys noted, “The Aviation sector in particular is bouncing back robustly post pandemic, and all our aviation clients are expecting significant growth and restructuring over the next few years.” While others including Ahmed Galadari of Galadari Advocates & Legal Consultants LLP have seen a post COVID impact on the types of litigation work they are doing. “We have observed an increase in employment litigation and internal employment cases with issues arising from the COVID 19 era. These are highly complex and high-value matters as UAE labour law has changed significantly over the last 24-months, and as a result of businesses restructuring post-COVID.”

Initially after COVID some businesses rushed into acquisitions and Stuart Paterson of Herbert Smith Freehills has noted as stability returned to the market there was a rise in warranty claims. There has also been an increase of disputes arising from supply chain disruptions caused by COVID 19 or the invasion of Ukraine. As Bashir Ahmed of Afridi & Angell explained, “In the post COVID 19 environment we are seeing a lot of force majeure claims in construction arbitration on the question of whether COVID 19 was a force majeure event or not. In addition to force majeure claims, we have seen contractors asserting a number of claims against project sponsors for extension of time and additional costs incurred.”

THE IMPACT OF LEGAL REFORM

COVID also led to GCC Governments taking steps to make their countries more attractive to foreign investors and many are looking to law reform to help drive this. Bashir Ahmed of Afridi & Angell added, “The move to a Saturday Sunday weekend is one of the measures aimed at enhancing the UAE’s attractiveness to foreign companies. Among the recent developments have been an overhaul of personal status laws aimed at protecting personal freedoms for residents, a new first-of-its-kind trusts law, and

DISPUTE TRENDS

“In the last year, we saw a continued rise in litigation and arbitration activity, mostly related to disputes during the early COVID 19 when companies were unable to honour their contractual obligations because of broken supply chains. Employment disputes as a result of company restructuring and redundancies have somehow returned to a normal level.”

Andrés Ring, SCHLÜTER GRAF

“On the arbitration front, after a period of uncertainty as a result of Dubai Decree No. 34/2021, which consolidated the DIFC-LCIA Arbitration Centre and Dubai International Arbitration Centre (DIAC) and resulted in some cases being suspended or delayed, and some claimants holding off initiating new cases, matters have been clarified on that front, and the caseload at DIAC is quite active again.”

Samer Qudah, Al Tamimi & Co

“There has been a sharp rise in the number of arbitrations involving construction sector disputes and we expect this trend to continue particularly in the UAE, Saudi Arabia and Qatar.”

Patrick Gearon, Charles Russell Speechlys LLP

“Despite the aftermath of the pandemic the demand for litigation services in the last 12 months has risen above the level seen in 2019.”

Ahmed Galadari, Galadari Advocates & Legal Consultants

the remarkable abolition of the UAE national majority shareholder requirement allowing foreign investors to own 100% of UAE mainland companies (i.e. companies outside of the UAE free zones), and immigration reforms which included the introduction of a number of self-sponsored visa categories (five and ten-year visas) allowing renewable long-term residency for business owners, investors, professionals and others. This has led to a spike in inbound acquisitions and inbound investments as well as new businesses setting up in the UAE which we expect will continue throughout 2023.”

However, as Peter Ellingham of Kennedys added these developments are just the start of significant legal changes. “The UAE Government has recently announced that it is working on a second set of law reforms similar to those introduced in 2021. The 2021 reforms heralded changes to over 40 laws, including some of the most long-standing legal arrangements in the country. The stated aim of the potential reforms is to reduce the costs of legal compliance and bring some outdated laws up to date. We await more information on the proposals with much anticipation.”

Andrés Ring of SCHLÜTER GRAF also expects to see further relaxations in the foreign investment and commercial agencies law to keep the UAE as the most attractive destination for foreign investors in the region, and for Saudi to keep up its pace of increased legislative activity. “This will no doubt keep law firms in the region busy as they give advice to existing regional businesses on these extensive legal changes and assist incoming foreign investors who are eager to take advantages of them.”

TAX AND DATA PROTECTION

However, even among these extensive recent and expected law amendments and legal changes, there are two areas which stand out as having the biggest impacts in 2023 - changes on tax and data protection. With the new UAE Data Protection law, Federal Law No. 45/2021, planned to come into force in 2023, most firms expected data privacy work to increase. In addition, almost every firm interviewed expected the 2023 introduction of corporate income tax in the UAE would have an impact on their work, ranging from increased demand on tax matters to the need to consider corporate restructuring.

As Andrew Johnston of Addleshaw Goddard explained, “The UAE has committed that free zone businesses will remain exempt from Corporate Income Tax for a period of up to 50 years or be subject to a 0% tax, subject to their adherence to certain conditions, including not conducting any businesses onshore. Whilst free zone businesses have always been prohibited from operating onshore, the recent rise of technology-enabled and digital businesses has resulted in some blurring of lines, with many free zone businesses now able to provide products and services to customers onshore. It will therefore be interesting to see how the UAE government approaches this issue from a CT perspective.” Sadiq Jafar of Hadeef & Partners also expected that, “Extensive corporate and commercial structuring will be required by businesses both before and after implementation of the law. After the primary legislation and implementing regulations take effect, UAE related transactions will need to be designed and documented to optimise for tax. New structures and warranties will emerge. Certain practice areas, such as projects, real estate and M&A, may be affected more than others as the law takes effect.”

A VIRTUAL HUB

The increasing importance being placed on compliance by the UAE authorities and its role in strengthening the country's position as a virtual hub, particularly with regards to emerging markets such as virtual assets was also widely commented on. The Dubai Virtual Asset Law, Dubai Law No. 4/2022, the new Dubai Virtual Asset Regulatory Authority (VARA) and steps taken by the Financial Services Regulatory Authority (FSRA) in the ADGM were all discussed.

As Jimmy Haoula of BSA Ahmad Bin Hezeem & Associates LLP noted, “With the UAE becoming one of the major crypto hubs in the world, we expect this line of regulatory work to increase two-fold.” While Peter Ellingham of Kennedys added, “The creation of VARA and implementation of Dubai Law No. 4/2022 is aimed at establishing Dubai as the destination of choice for investors, developers and users of crypto currency and other digital assets.”



ANDREW JOHNSTON, HEAD OF MIDDLE EAST AND ASIA, ADDLESHAW GODDARD

Andrew Johnston is the Head of Region in Addleshaw Goddard for the Middle East and Asia. He is also a corporate partner and leads the firm's cross-office regional corporate team. His expertise is primarily cross-border M&A in the MENA region, but he specialises in private equity transactions, with a focus in the retail and consumer, healthcare and financial services sectors, as well as advising regional and international clients on joint ventures, restructurings and shareholder arrangements.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

Despite the continuing economic uncertainty across global markets, our business in the Middle East continues to perform robustly and we remain optimistic about the opportunities that are likely to emerge over the next period.

As such, it has been a year when we have seen continued growth in all of our practice areas, but particularly within the contentious side of our practice, with our commercial disputes and construction disputes teams being particularly busy. To date, this has not foreshadowed a slow-down in transactional work, but in these more turbulent times it does bring home the importance of being well hedged across all service lines and sectors. In this vein, we have continued to invest across all of our teams and are excited by the emergence of new opportunities, often tech driven, that we are seeing across the market, many of which are underpinned and supported by the ongoing development of the legislative landscape. We believe that our strategy of delivering the very highest quality of service at a more attractive price point continues to be the right one, both in terms of the broader macro-economic outlook but also more generally. Therefore, we look forward to adding increased depth of high quality talent to our team over the coming months as we continue to consider the expansion of our regional footprint in order to fully support our clients in fulfilling their ambitions.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

Within the restructuring space, there have been a reduced number of major debt defaults in 2022 compared to 2020 and 2021 and the debt markets have seen strong liquidity and confidence throughout 2022. However, the complexity of multi-creditor workouts in

the GCC means the restructuring market is still busy completing debt restructurings and bankruptcies that began in 2020 and 2021 (for example Arabtec, Finabl, Meydan and KBBO). The behemoth which was NMC exited administration in March 2022. With a global recession forecast for 2023 primarily due to high inflation and increasing interest rates combined with the strength of the dollar and the end of government support schemes such as TESS in the UAE, we are expecting a busy GCC restructuring market for 2023 and 2024. Recent years have seen a significant shift in how multi-creditor workouts in the UAE are affected with a greater focus on usage of creditor tools offered by the ADGM, DIFC and UAE courts such as administration, protective compositions and bankruptcy processes. This trend will undoubtedly continue as UAE lawmakers and the judiciary continue to modernise and streamline the approach to distressed companies. A further trend we expect to continue is the greater involvement of European distressed debt funds who are increasingly buying significant distressed exposures and non-performing loan books and, as a result, are playing an increasingly active role in the UAE's restructuring landscape.

WHAT DISPUTES / LITIGATION TRENDS HAVE YOU OBSERVED IN 2022, PARTICULARLY WHEN COMPARED TO LAST YEAR?

Our disputes team is noting some key trends in the region this year, including (default/breach of contract claims arising from the macro-economic climate globally; increasing pressure for alternative fee arrangements and the use of litigation funding; and disputes arising from cyber-attacks.

Global economic conditions are starting to see an uptick in claims being brought for default and breaches of contract. Whilst the UAE has enjoyed a stable economy over the last two years, the same cannot be

said for other economies our clients are doing business in. As a result, our cross-border disputes practice is seeing claims being brought in the face of the high inflation, political uncertainty and off the back of the global pandemic, as businesses navigate new work practices and review their existing commercial relationships. The pressures that businesses are facing in these uncertain times is stalling joint venture decision-making and/or prompting unilateral actions where there is a divergence of views between shareholders, which has resulted in an increase in interim relief applications and associated disputes. This year alone, our commercial disputes team in Dubai has been involved in preparing several urgent injunction applications in a Joint Venture/shareholder context.

We are also seeing a strong appetite from our clients for AFAs. Our Dubai team has recently been involved in proceedings in the English Courts using a damages-based agreement, which culminated in a successful settlement. We are also seeing litigation funders grow or establish offices in the region and we expect this is a trend that will continue as our clients become more comfortable and familiar with the different funding arrangements on offer in managing their litigation risk. AG is particularly well placed to capitalise on this development through its 'Control 360' platform, which brings together its expertise in AFAs, including litigation funding, damages-based agreements and contingency fee agreements. Indeed, AG advises many of the leading funders in the market.

The third trend we are seeing is a proliferation in tech and cyber disputes. Over the last twelve months, our litigation team has worked on several tech-related disputes – including in relation to the misuse of personal data and extra-territorial cyber threats. As data protection becomes increasingly regulated in the Middle East, we expect the number of disputes in this space to increase.

These types of disputes also require cross-practice collaboration. Cyber security is a highly specialised and fast-moving area, which sees our dispute lawyers working closely with our data protection specialists, as well as other experts in the industry. For example, a cross-practice team at AG in Dubai was recently engaged to advise on all aspects of a major cyber-attack, including (from a disputes perspective) considering options for injunctive relief against 'persons unknown'. This is a trend that we fully expect to continue.

WHAT ARE THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

A key forthcoming legal development is the implementation of the new UAE federal corporate tax (CT) law (Federal Decree-Law No. 47/2022), which is effective for financial years commencing on or after 1 June 2023.

The UAE has long been an attractive jurisdiction for businesses due to the absence of an income tax on their profits. The introduction of the Federal Tax Law in 2023, applicable to all businesses operating in the UAE (with a few exceptions), represents a paradigm shift that will no

doubt require careful thought, planning and structuring by UAE corporates.

The UAE has made a commitment that free zone businesses will remain exempt from CT for a period of up to 50 years or subject to a 0% tax, subject to their adherence to certain conditions, including not conducting any businesses onshore.

Whilst free zone businesses have always been prohibited from operating onshore, the recent rise of technology-enabled and digital businesses has resulted in some blurring of lines, with many free zone businesses now able to provide products and services to customers onshore.

Therefore, it will be interesting to see how the UAE government approaches this issue from a CT perspective.

Many of our clients also have presences both onshore and in the free zones. It will be key for those businesses to assess their current structures and consider how Federal Decree-Law No. 47/2022 might impact operating models and whether restructuring might promote CT efficiencies.

We expect Federal Decree-Law No. 47/2022 to be a key agenda item for businesses currently trading or seeking to trade in the UAE, including those in the free zone

The executive regulations for UAE Federal Data Protection Law (Federal Decree-Law No. 45/2021), which came into effect on 2 January 2022 were due to be released in March 2022 but have yet to materialise. Enforcement of the UAE Data Law will commence six months after publication of the Regulations. As the Regulations are now overdue, we hope that they will be published during the course of 2023. We also anticipate that the data protection regulator, the UAE Data Office, will soon be established in order to carry out enforcement of the UAE Data Law.

As virtually all businesses process personal data of some sort (e.g. employee data, customer data or supplier data), preparation for this law's enforcement should be a priority for UAE onshore businesses.

Even multinational corporates with experience of the other privacy laws, such as the GDPR, should pay close attention to the UAE Data Law, as it contains a number of nuances (such as the absence of the common 'legitimate interest' legal basis for processing of personal data), and the Regulations, as they will contain important information on sanctions, the requirement to appoint a data protection officer (DPO) and timelines for responding to data subject access requests.

In our experience, even medium sized businesses can take up to 12 months to fully implement a robust data protection programme.

Therefore, businesses who are looking to become compliant with the UAE Data Law when it comes into force should be actively taking steps to prepare for its enforcement now, rather than waiting for publication of the Regulations in 2023. ■



ALI AL AIDAROUS, MANAGING PARTNER OF AL AIDAROUS ADVOCATES & LEGAL CONSULTANTS

Ali Al Aidarous, is one of the leading UAE legal practitioners. He combines both expert legal knowledge, and an acute understanding of commercial considerations. He is regularly nominated and appointed to sit both as a sole arbitrator or as part of a panel in international and domestic arbitrations. He also receives regular appointments as a UAE Law Expert from domestic and international law firms, and provides independent expert opinions and expert representation before international arbitration panels and foreign courts on UAE Law. He has full rights of audience before all onshore courts and the DIFC and ADGM Courts.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

Our firm was established over 25 years ago and has already built a solid reputation for expertise in local law in the UAE onshore courts.

Recently, we have leveraged this local expertise and now also provide client representation as counsels in both international and domestic arbitrations, and before the DIFC and ADGM Courts.

As disputed contracts in the UAE often have UAE law as the governing law, we have a distinct advantage in case presentation in arbitrations here and on UAE related legal issues in the DIFC and ADGM.

To enhance our offerings, in this area, we have recently recruited a very experienced legal practitioner to head our arbitration department.

He has been based in Dubai for over 10 years and is very familiar with the local law and conditions in the UAE.

Most arbitration disputes in the UAE are construction related and we have extensive experience in this area. As a result, we are well placed to handle high-value, complex arbitration disputes. We have recently recruited a full time English barrister who is actively managing DIFC and ADGM proceedings on our behalf. In addition, we have set up a dedicated marketing and business development department to manage our ever-growing presence on the ground. With an expanding team, we have also moved to larger premises in the Business Bay area of Dubai. Our plans for 2023 are to build on these unique comprehensive competencies which are found within a single firm, and to provide a constructive offering for clients which includes value-added outcomes.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

We expect arbitration and arbitration related proceedings in the courts to continue to have momentum and occupy a large part of the dispute market here in terms of high-value and complexity.

The UAE, and Dubai in particular, will continue to experience this trend as the Rulers here have recognised that arbitration is an essential component of the business market, and is important in making the UAE and Dubai a legal hub.

With this support from the top, and as the UAE is already a well renowned, cosmopolitan and commercial market, arbitrations, particularly construction related disputes, will continue to be common here.

We are also starting to see more non-construction related disputes using arbitration, which is a sign of the increasing confidence in the arbitration process and arbitrators, and a growing belief that disputes can be fairly and privately resolved this way, without court publicity. The post COVID bounce back is yet another driver for growth.

I am starting to see businesses and corporates trying to resolve older or past disputes which were put on hold during the pandemic and lockdown, which disrupted not only businesses, but also the market's appetite to resolve disputes.

One of the other changes here has been the recent acceptance and inclusivity of the English language in the onshore courts.

This will be another positive driver for the legal market here.

End users of litigation and arbitration and clients may feel a greater level of comfort now that there is broader acceptance of their language of commerce,

even in the local courts. This positive approach can only be good for the legal players in the market, as from my experience, there will be a lot of spin-off work flowing from this litigation and arbitration, and vice versa.

WHAT DISPUTE RESOLUTION TRENDS DID YOU SEE IN 2022 – AND HOW DID THAT COMPARE WITH THE PREVIOUS YEAR?

The UAE ranks among the 25 most competitive economies globally. In recent years we have seen an acceleration in economic activities, particularly in the infrastructure and construction sectors, despite the impact of COVID 19. This acceleration is a true testament to the resilience and stability of the UAE economy.

One of the notable challenges within the construction sector is managing cash-flow, as projects are expected to be completed in a timely manner, and within certain financial parameters; or construction companies may face serious legal ramifications.

Given the UAE's position as a regional hub for international investment, commercial arbitration is continuing to gain momentum as a form of dispute resolution, with construction disputes are continuing to rise in 2022.

2022 continued to see promotion of the UAE as a forum for arbitration proceedings, and there were significant legislative developments, aimed at, among other things, consolidating its position as an arbitral seat. One of the notable developments was Dubai Decree No. 34/2021 which abolished the DIFC Arbitration Institute (DIFC-LCIA) and the Emirates Maritime Arbitration Centre (EMAC) and consolidated them into a single pre-eminent Dubai-based institution, the Dubai International Arbitration Centre (DIAC).

With new DIAC rules published in 2022, and a new arbitration court established, it is hoped that the Ruler's objective to strengthen Dubai's position as a hub for commercial arbitration, will be realised.

The new DIAC rules replace the 2007 rules and apply to all arbitrations commenced after 21 March 2022, regardless of when the arbitration agreement was entered into. They also follow the International Chamber of Commerce (ICC) and the London Court of International Arbitration (LCIA)'s rule developments.

DIAC operates under two distinct legal systems, the civil law system applicable onshore in the UAE, and the common law system through the DIFC. This places the DIAC in a unique position when it comes to other arbitration centres across the world.

Finally, the agility of UAE legislation, and its ability to adapt to recent developments, is expected to help resolution of construction disputes through arbitration to grow in the foreseeable future.

WHAT GLOBAL DEVELOPMENTS (E.G., OIL PRICES, SANCTIONS, TECHNOLOGY) ARE HAVING THE MOST IMPACT ON YOUR FIRM – ITS WORK AND STRUCTURE?

Global developments have not disrupted our current work. We are fortunate to be based in a legal market in an incredibly stable country, and have been shielded from major adversities. The issue of the oil prices is always on the horizon given our geographical location, and as such, most of our clients, who are major corporates and blue-chip companies, are well equipped to weathering most uncertainties.

During COVID 19, like any other business, our firm had to be nimble and make certain adjustments to our work structures, to ensure we could continue to provide intimate and quality legal representation.

This included staff working from home for a period, which has normalised post-pandemic. Legal practice requires close, physical interactions and discussions which sometimes cannot be achieved during a virtual call.

In terms of client expectations, while some prefer virtual meetings for convenience, when it comes to the more important, heavy discussions, there is no substitute for physical meetings.

In addition, work conditions in an office setting are also more conducive to building team spirit between colleagues.

Due to recent global events, there has been an influx of foreign nationals into the country who now call UAE home. This is also a positive development for the law market, as it increases the size of the captive market in the UAE itself.

This increase is not only in numbers, but also in the demographic range here, which adds sophistication to contracts and business dealings.

It means law firms must be well equipped with all the necessary tools to be able to provide comprehensive solutions for the local market. ■



BASHIR AHMED, MANAGING PARTNER, AFRIDI & ANGELL

Bashir Ahmed joined Afridi & Angell in 1988 and was elected managing partner in 2016. He has spent the majority of his career in the UAE at Afridi & Angell, during which time he has played a key leadership role including as head of the firm's Corporate/M&A, Banking and Finance and Shipping practice groups. A multi-specialist practitioner, Bashir advises on banking, corporate and contentious matters. He has extensive experience in domestic and cross-border acquisitions and advises clients on general corporate matters. He also advises international and domestic banks on a wide range of matters including loan and credit facilities, syndications and regulatory matters. His maritime practice involves advising ship owners and P&I Clubs, dry docks and ship repair companies on contentious and non-contentious matters.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

As with many other law firms across the world, 2021 and 2022 have been very busy and, there is an expectation that this will continue through 2023. Therefore, we have added headcount to our corporate and disputes teams.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

The UAE market is extremely buoyant as the country continues to lead the region in its drive to improve its legal framework in order to attract investment by ensuring greater ease of doing business. The move to a Saturday and Sunday weekend is one of the measures aimed to enhance the UAE's attractiveness to foreign companies. Recent developments have included an overhaul of personal status laws which are aimed at protecting resident's personal freedoms, a new first-of-its-kind trusts law, and the remarkable abolition of the UAE national majority shareholder requirement allowing foreign investors to own 100 percent of UAE mainland companies (i.e. companies outside of the UAE free zones), as well as immigration reforms which have included the introduction of a number of self-sponsored visa categories (five and ten-year visas) allowing renewable long-term residency for business owners, investors, professionals and others. This has led to a spike in inbound acquisitions and inbound investments as well as new businesses setting up in the UAE which we expect will continue throughout 2023. Although

“ WITH THE UAE BECOMING A MORE MATURE MARKET, THE UAE AUTHORITIES ARE PUTTING MORE EMPHASIS ON COMPLIANCE...”

we are seeing this spike in activity across all sectors, logistics, infrastructure, clean energy and fintech are sectors where it has been particularly active.

With the UAE becoming a more mature legal market, the UAE authorities are putting more emphasis on compliance, which is another priority area that will continue to grow. For example, the recent legal developments aimed at regulating virtual assets are another step towards strengthening the UAE's position as a regional and global hub for doing business. These included the introduction of Dubai Law No. 4/2022, issued in March 2022, regulating virtual assets in Dubai. This law also established the Dubai Virtual Assets Regulatory Authority (VARA), which has been tasked with creating a legal framework for the virtual assets sector. In addition, the ADGM's Financial Services Regulatory Authority (FRSA) has published its 'Guiding Principles for the Financial Services Regulatory Authority's Approach to Virtual Asset Regulation and Supervision'.

Litigation and dispute resolution, both onshore and in the DIFC, will continue increase in the post

COVID-19 environment as a result of commercial and financial losses suffered in the last couple of years' difficult climate.

WHAT DISPUTES / LITIGATION TRENDS HAVE YOU OBSERVED IN 2022, PARTICULARLY WHEN COMPARED TO LAST YEAR?

Although disputes and litigation trends are similar to those of last year, we have seen a marked increase in construction and bankruptcy related disputes.

Construction-related arbitrations have dominated our practice in 2022 and we have also seen that this is the case across the wider legal industry. In the post COVID 19 era, we are seeing a lot of force majeure claims in construction arbitration on the question of whether COVID 19 was a force majeure event or not. In addition to force majeure claims, we have seen contractors asserting a number of claims against project sponsors for extensions of time and additional costs incurred.

There has also been an increase in factoring-related matters as bankruptcies and restructurings continue to be on the rise as a fall out from the difficult financial climate of the last two years as well as a result of non-compliance.

We are currently involved in the first restructuring in Ras Al Khaimah, and one of the first and largest in the UAE, under the UAE bankruptcy law, Federal Decree-Law No. 9/2016 with an outstanding debt of approximately 3 billion AED.

We have also seen a lot of hospitality-related disputes as the UAE and the region geared up for the World Cup 2022 with increased investments in hotels and restaurants.

“ IN THE POST COVID 19 ERA, WE HAVE SEEN A LOT OF FORCE MAJEURE CLAIMS IN CONSTRUCTION ARBITRATION ON THE QUESTION OF WHETHER COVID 19 WAS A FORCE MAJEURE OR NOT”

WHAT ARE THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

While we do not expect to see major legislative changes continuing at the same pace as in the last two years, we expect and hope to see implementing guidelines and more clarity around laws and other announcements made in 2021 and 2022, including the UAE Personal Data Protection Law (Federal Decree-Law No. 45/2021) and the corporate income tax law Federal Decree-Law No. 47/2022).

Issued in September 2021, the UAE personal data protection law's Executive Regulations were expected within six months. At the time of writing (30 September 2022) the Executive Regulations were not yet issued.

On 31 January 2022, the UAE Ministry of Finance made a breakthrough announcement that a new federal corporate tax would be implemented in the UAE for financial years commencing on or after 1 June 2023. Federal Decree-Law No. 47/2022 has been issued but we are still awaiting further guidance on this area.

WE ALSO ANTICIPATE FURTHER GUIDANCE AND ANNOUNCEMENTS ON THE REGULATION OF VIRTUAL ASSETS IN THE UAE.

The way we work and the structure of the firm has been most impacted by technology change and the flexible working environment adopted over the past 12-18 months.

As mentioned in last year's survey, most of our clients have moved quickly to adopting new technology (including electronic documents and electronic authentication) and hybrid working practices as the new norm of doing business. The UAE government has also implemented the 'smart' transformation process, which started during and was accelerated by COVID 19, to enable services to be available anytime, anywhere. As a trusted adviser it is our duty and obligation to stay nimble and keep pace with technological and other changes adopted by our clients. Using technology has generally had a positive effect on providing services to our clients.

As I expect every service provider will agree, there has been a pronounced shift from physical to virtual meetings even when a physical meeting is a viable option. This is eliminating the time and cost associated with travel. Having the option of being able to use global teams more has prompted many clients and their advisers to use this form of technology as the preferred norm of communication; and it is here to stay. This in turn has prompted a demand for a faster turnaround of services.

At Afridi & Angell, lawyers and staff have the flexibility to work remotely, however, we trust everyone in the firm to apply good judgment on what is in the best interest of our clients. Certain tasks can be and perhaps are better accomplished remotely. Others will require close consultation with other colleagues and partners and are better performed physically in the office. One thought I would like to add to this last point is, there is no substitute to physical interaction when seeking a productive discussion, a good exchange of ideas, and, let us not forget, for lawyers' and staff continuous learning and development especially in the case of more junior staff members. Although technology has played a vital role in bridging the 'remote' gap, it is not a substitute for physical interaction. ■



MOHAMMED R ALSUWAIDI, MANAGING PARTNER, AL SUWAIDI & COMPANY

Mohammed R Alsuwaidi was admitted to all courts of the UAE in 1986 and founded Al Suwaidi & Company in 1997. Previously, Mohammed was the Head of Legal for Emirates General Petroleum Corporation. He was President of the Organisation of Young Arab Lawyers and was Deputy Chairman of the UAE Jurists Association. He has been appointed as an arbitrator in more than 70 arbitrations to date and is often called upon as a UAE law expert on international arbitrations.

WHAT IS NEW WITH YOUR FIRM & WHAT ARE YOUR PLANS FOR 2023?

We have been aiming at expanding our expertise in various fields of law within the UAE. In particular, we have taken on board IP and commercial/banking law specialists who are experts in their respective fields. We sincerely believe that we have immense potential for business growth in a number of areas including intellectual Property, Fintech, Governance and Arbitration, Commercial disputes, Real Estate and the Banking sector. The plan for 2023 is to focus and expand on these growth areas.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023, AND WHAT ARE THE DRIVERS BEHIND THAT?

At Al Suwaidi & Company, we have a strong presence in dispute resolution and from that perspective, we believe that this area was and always will have a potential to grow. Looking at our existing client portfolio, which include some well-established corporations, the areas of growth to consider are commercial law, intellectual property, real estate practice and dispute resolution.

These are the areas we expect to see growth in 2023. The main driver for these areas, in our view, is the projected healthy local economy which looks likely to attract innovation, investment and commercial enterprise to the country.

WHAT DISPUTE/LITIGATION TRENDS HAVE YOU OBSERVED IN 2022 PARTICULARLY WHEN COMPARED TO LAST YEAR?

As a consequence of the recession and its impact on various business sectors across the country and the region, we have seen dispute litigation trends being led by employment related matters or labour disputes as a result of the high number of expats employed in the business/private sector here. We

have also seen an increase in disputes involving family- owned businesses especially as there are number of businesses here which are being run by family members.

WHAT GLOBAL DEVELOPMENTS ARE CURRENTLY HAVING THE MOST IMPACT ON THE WORK OR STRUCTURE OF YOUR FIRM? E.G. ENERGY PRICES, SANCTIONS, TECHNOLOGY...

From a business perspective, energy prices have hit all sectors hard without exception. This has been more relevant to our clients in the manufacturing sector as they have had to reduce their budgets especially their legal spend. This in turn has affected or rather impacted our revenue targets.

As for the technology, we, at Al Suwaidi & Company, have always been committed to bringing the best to our clients and we believe technology will play a very vital role in this. We have already allocated a huge investment which will be used to transition our company, team and of course our clients to a fully digital operation.

We believe, that in the UAE, unlike in other countries, sanctions have led to the migration of investment towards the UAE, which is being seen as a safe country and a global business hub for everyone in the world. It is also the ideal geographical location for Africa and Asia.

Last but not least, we have spared no effort in educating our people and community we live in. Al Suwaidi & Company is here to help through education via publications and articles that aim to share our knowledge and disseminate information on law and legal practice in the UAE.

These guidelines and articles based on recent developments and our pro bono work which we deliver for the benefit of the community, are always available on our website. ■



SAMER QUDAH, MANAGING PARTNER, AL TAMIMI & COMPANY

Samer Qudah is the Managing Partner of Al Tamimi & Company and also heads the firm's Corporate Structuring Department. Samer has extensive experience of working for over two decades on structuring and restructuring entities and businesses for clients operating throughout the Gulf and the broader Middle East region. He has wide ranging experience advising major blue-chip organisations, financial institutions, government and semi-government concerns, SMEs, private equity funds, FMCGs and TMT companies on a wide range of issues, in particular M&A transactions, legal due diligence, joint ventures, drafting and negotiating commercial agreements, agency law issues, regulatory affairs, electronic transactions and other corporate law related issues.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

2022 proved to be a busy year for Al Tamimi & Company. We started the year by opening a new office in Casablanca, Morocco. This was an important milestone for the firm because it brought us closer to our vision, which is to be the leading law firm in the MENA region. Africa remains a strategically important region for our clients and the firm, and the new jurisdiction saw us expand our footprint to 17 offices in 10 countries. With Africa being a key area of growth, we will have a renewed focus on the continent in 2023, and our offices in Egypt and Morocco will enable this. In addition, Saudi Arabia is also central to our growth plans, and in 2023 we will be opening to our new office in the Riyadh, at the King Abdullah Financial District. This move not only transforms our operations and way of working as an organisation, but it reflects our desire to be at the heart of the Kingdom's business community and reaffirms our commitment to investing in and playing our role in supporting the Saudi Vision 2030.

In addition, last year we launched a first of its kind legal report for the MENA region, entitled "Legal Leaders in MENA". This report captured the views of 700 legal decision-makers across nine countries and 13 industry sectors in region. It was well received by the legal community, and we intend to continue being a thought leader within the sector into 2023 and beyond. The Legal Leaders in MENA report is also the inspiration behind a platform we will be launching that puts clients at the forefront of all aspects of their engagement with our firm. This platform is currently

being developed and we look forward to introducing it to the market.

We have continued to position Al Tamimi & Company as a gateway for our clients, a full-service firm that can serve all their requirements. As a result, we launched Al Wakeel in 2022, which is our own conveyancing service. It was a result of us listening to our clients and responding to the market conditions. Al Wakeel has proved to be a popular service, and I expect it to play an important role in our clients' real estate journey in the coming years.

In addition, as a firm we have understood the significance being placed on ESG by the business community, which was reaffirmed in our Legal Leaders in MENA report. The report highlighted that 94 percent of legal decision-makers occasionally or regularly assess ESG risk and compliance within their role, while 80 percent expect ESG considerations to become more important in their work in 2022. With ESG at the top of the business agenda, and becoming more prominent than ever, we have ensured the firm has the expertise and resources to work directly with clients in this area, helping them identify the main ESG risks associated with their business exposure and to develop action plans to address them. ESG is not a trend, it's here to stay and we are committed to playing a leading role in it and being responsible as firm. In 2022, the firm also launched its own NFT, called NFTamimi. The free NFT gives clients and the market access to a unique collection of artwork originally created for our Law Update publication. Innovations like these are the future of how we connect with our audience, and I expect us

to continue to explore this space in the coming year. Our continued expansion, the release of thought leadership materials, listening to our clients and the market, and tapping into innovative platforms are all very exciting developments. They maintain our focus on being the leading law firm in MENA, and I expect us to continue on this trajectory in 2023 by building on the momentum we have created in 2022.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

We want to see growth across all our practice areas in 2023 and beyond, and this ambition is part of the firm's fabric. However, if I had to highlight a select few areas, I would point to our taxation team who are being kept busy, particularly with corporate tax due to be introduced in 2023 in the UAE. In this respect, we are fortunate to have a market leading tax practice that is skilled in handling tax structuring, advisory and dispute matters.

With digital transformation continuing in the region, I also expect to see growth within our Digital and Data practice. Our team has been at the forefront of this sector, and I expect them to have another busy year. Another area of major growth in 2022, and I expect the same in 2023, is our Real Estate practice. The real estate market is buoyant, and our team has grown to meet demand.

The region, in particular the UAE, has also seen a number of big IPOs in the last year, and the signs are this trend will continue and keep our highly experienced Capital Markets practice busy in 2023. I also expect our competition practice to have a busy 2023, as this area is a constantly evolving and I expect the team to be advising on a broad range of competition law matters ranging from merger control regimes to cross-border transactions (mergers and joint ventures) and to defending our clients from antitrust complaints.

WHAT DISPUTES / TRENDS HAVE YOU OBSERVED IN 2022, PARTICULARLY COMPARED TO LAST YEAR?

On the arbitration front, after a period of uncertainty arising from the issuance of Dubai Decree No. 34/2021, which consolidated the DIFC-LCIA Arbitration Centre with the Dubai International Arbitration Centre (DIAC), which resulted in some cases being suspended or delayed and some claimants holding off initiating new cases, matters have been clarified on that front, and the caseload at DIAC is quite active again.

That said, parties remain concerned about the costs of arbitration generally, which at times can be complicated and time consuming, and are therefore, increasingly considering alternatives ranging from litigation to adjudication and mediation in some instances.

Hearings on the merits in arbitration proceedings are beginning to move back to in-person venues

following the use of virtual hearings during the COVID 19 pandemic, though procedural and jurisdictional hearings continue to be held virtually on a regular basis.

WHAT ARE THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

2021 marked the 50th anniversary of the UAE's formation, and the Emirates not only celebrated a remarkable journey, but beginning to prepare for the future with the launch of national plans such as "We the UAE 2031".

The 2031 plan will shape the future of the country with a focus on social, economic, investment and development aspect, and will enhance the UAE's position as a global partner and an attractive and influential economic hub.

From a legal perspective this preparation has involved a complete overhaul of the current national legal infrastructure and court structure. In an effort to strengthen its legal framework, the UAE has also promulgated various pieces of legislation, and there are plans to continue evolving in this area not only in 2023, but in the coming years.

We anticipate that approximately 40 (plus) pieces of legislation are in the pipeline and will be issued in the next 12 months. We have also experienced, over the last few years, modifications to the court system, including among other things the establishment of the Case Management Office and the Foreign Judges Tribunal in Abu Dhabi.

Despite these changes and their impact, we expect that the UAE will continue to make significant updates to the court system in order to increase the effectiveness and quality of the proceedings.

WHAT GLOBAL DEVELOPMENTS ARE CURRENTLY HAVING THE MOST IMPACT ON THE WORK OR STRUCTURE OF YOUR FIRM? (E.G., ENERGY PRICES, SANCTIONS, TECHNOLOGY ETC.)

There are many factors that impact the legal sector and the work we do. Regionally legislative reform is certainly one aspect that continues to evolve and is keeping the teams busy.

Globally, we are seeing increased FDI coming into the region, and this is having a positive impact on the market. I believe our region presents an attractive proposition to investors compared to the other global jurisdictions, where growth is currently constrained. In addition, the domestic real estate market is also attracting international attention, and this is keeping our teams very busy.

Looking ahead, analysts are predicting 2023 to be the weakest year for global growth since 2009.

However, in our region GDP forecasts seem to be positive and this may be down to strong oil revenue that can in turn enable higher government spending. Against this backdrop we expect the region to continue to position itself as a business and leisure hub into and beyond 2023. ■



JIMMY HAOUA, MANAGING PARTNER, BSA AHMAD BIN HEZEEM & ASSOCIATES LLP

Jimmy Haoula specialises in corporate, commercial and real estate transactions and has over a decade of experience in the region. Jimmy's specific expertise lies in local, regional and cross-border mergers and acquisitions, local IPOs, and real estate projects and developments. After five years with Clifford Chance Dubai, Jimmy joined BSA as Managing Partner, focusing on developing BSA's practice areas with an emphasis on the corporate, commercial and real estate practices.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

We continue to onboard new teams while strengthening our existing teams, not only in the UAE but also in Saudi Arabia and Oman. Specifically, we are growing our bankruptcy, restructuring and insolvency, FinTech and digital currencies, media, cyber, tax and healthcare offerings. We are also broadening our family office practice to cement our offering for these clients. This rapid expansion has meant we have yet again expanded our offices in the DIFC, our headquartered office, and our office in Saudi Arabia.

With the changes to the Employment Law in the UAE in 2022, we saw a surge of employment-related work for all types of clients while they adapted their policies and procedures to align with the new law, and of course to understand their rights, as employers and employees. We are often onboarded on a consultancy basis to assist our clients with the transition, and indeed beyond the transition, and to ensure their contracts and agreements are legally robust. We believe this partnership between us and our clients is unique and showcases our ability to commercially advise our clients at a Board level.

We have also been busy advising our FinTech clients on the new Virtual Assets Law, as well as the responsibilities of the newly established Dubai Virtual Assets Regulatory Authority (VARA) in relation to their enterprises. Over the past few years, traditional finance and the virtual asset economy have become increasingly intertwined, making it more and more important to regulate virtual assets. With the UAE becoming one of the major crypto hubs in the world, we expect this type of regulatory work to increase two-fold.

Another area of growth and passion for us, is green/clean energy. We have been partnering with the relevant regulatory authorities, financial

institutions and energy corporations, on electric vehicle / charging infrastructure, solar developments, hydrogen, and other projects. The announcement that COP28 is to be held in Dubai surely makes these topics more mainstream, but we are delighted to have been involved from a regulatory standpoint from the get-go. We have also been pleased to commit our firm as members of the Clean Energy Business Council, as well as the Legal Sustainability Alliance.

In Oman, we have been focused on data protection and privacy issues given the promulgation of the Personal Data Protection Law, Oman Sultani Decree No. 6/2022 effective in February 2023. We have been working with various clients to determine potential risks involved in their data collection and storage processes which may result in a litigious situation, if left unchecked. This is an important issue for all corporations in Oman and is a huge, on-going project for us.

In Saudi Arabia, we continue to advise on litigious tax matters for various clients. We are also advising clients on the implications of the new Companies Law, which will diversify the KSA economy market, encourage investment and strengthen the private sector.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

Given the introduction of Corporate Tax in the UAE in June 2023, we will be advising our clients on the new protocols, providing recommendations on their best course of action and assisting in the development of any required new contracts, agreements, policies and procedures. Federal Decree-Law No. 47/2022 the law on this subject has now been issued.

We continue to work on some of the largest restructuring and insolvency cases in the Middle East and expect this to continue in 2023. Acting on behalf of both debtors and creditors, we find solutions to

NPLs, underfunded liabilities, and other areas of financial distress, by considering all options available under the new bankruptcy laws across the region.

Our cryptocurrency and blockchain work continues to be on the rise and we are proud to have one of the pre-eminent sources of knowledge on the topic as one of our star partners at BSA, is Nadim Bardawil. His ever-evolving practice is the first point of call for FinTechs seeking regulatory advice on Buy Now Pay Later, Digital Wallets, Crowdfunding, Fractionalised Real Estate Investment, and Security Tokens and cryptocurrencies.

WHAT DISPUTES / LITIGATION TRENDS HAVE YOU OBSERVED IN 2022, PARTICULARLY WHEN COMPARED TO LAST YEAR?

Naturally, all eyes were on the new Dubai International Arbitration Rules, launched earlier this year. The development of the new Rules was achieved by the creation of a taskforce, led by Dr Ahmad Bin Hezeem, Vice Chairman of DIAC & President of the Court of Arbitration and Senior Partner at BSA, who conducted an extensive benchmarking process, taking into consideration international best practices, as well as the experiences and learnings from major Arbitration Centres across the world, while introducing modern and progressive new practices, designed to benefit and match the pace of the international business community.

DIAC's structure is note-worthy. It is the only Arbitration Centre in the world to operate on both mainland and offshore jurisdictions simultaneously and therefore is governed by two separate legal systems. Disputes can be filed either through the DIFC Courts, and therefore would be governed by DIFC or common law, or through the Dubai Courts, and would therefore be governed by Dubai and UAE laws and regulations.

This unique two-fold system works in harmony, serving the entire business community whilst streamlining processes and efficiencies. It is ultimately the first of its kind.

WHAT ARE THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

As the UAE continues to open up to foreign investment and multinational enterprises, we can anticipate further legislative changes which will promote the UAE in a positive light to the world's marketplace.

Of course, we are all eagerly waiting the introduction of corporate tax and the impact that has, but we can also expect non-legislative progression, similar to Emaar's approval of 100% foreign ownership.

The UAE is also making eager strides to promote a high standard of living for individuals; from the introduction of virtual or golden visas, the abolition of strict co-habitation rules and other positive legislative



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updates. We expect that these types of changes will continue to come in 2023.

There has also been talk of a Crypto Tax but what that may look like remains to be seen. We certainly expect to see further regulation in the field of digital currency.

WHAT GLOBAL DEVELOPMENTS ARE CURRENTLY HAVING THE MOST IMPACT ON THE WORK OR STRUCTURE OF YOUR FIRM? (E.G. ENERGY PRICES, SANCTIONS, TECHNOLOGY ETC.)

There isn't one global economic or political development which directly impacts our firm more than the others. In general, we have been expanding organically, only investing where our clients have need, meaning that we have safeguarded ourselves from potential external factors and risks.

We are excited by the technological advancements in law firms, and other enterprises, and how we might be able to align and introduce these to our own business.

Creating value for our clients through efficiency and transparency has been a key benefit for us.

Last but not least, we are passionate about the environment and are focused on creating a cleaner, brighter future.

As a result of the surge in oil prices, demand has arisen for clean energy and more accountability for corporations to be sustainable. This will be a key area of focus for us in 2023. ■



PATRICK GEARON FCIARB, PARTNER AND HEAD OF CHARLES RUSSELL SPEECHLYS LLP MIDDLE EAST

Patrick Gearon is the Head of Charles Russell Speechlys' Middle East practice which has offices in Bahrain, Dubai and Qatar. He specialises in all areas of dispute resolution in particular banking, intellectual property, insolvency, professional negligence and company disputes. He has conducted litigation and arbitration in Gibraltar, Hong Kong, Italy, France, Ukraine, the USA and in all the GCC states as well as in all the courts within the English jurisdiction.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

Our Firm continues to focus on its ambitious international growth strategy. With the rapid and successful expansion of our team and capabilities in the Middle East, continued growth in this region is and will continue to be an important focus for the Firm in 2023. Year on year, turnover growth amongst our three Middle East offices was between 30% and 72% last year.

We are not only growing our existing practice areas - we are also continuing to build out our full-service offering on the ground in the Middle East. Rebecca Davies, Legal Director, joined the firm in June 2022 to lead the growth of our regionally focused Banking and Finance practice. Rebecca's wide-ranging experience and regional knowledge in the Banking and Finance sector brings an additional layer of specialist expertise to our continually evolving Middle East practice.

We are also adding strength to our Corporate bench with an additional partner joining our Dubai Corporate team in January

2023. Similarly, we have an additional Dispute Resolution Partner joining our Dubai team in January 2023

In 2023 we hope to continue to grow all three of our Middle East offices (UAE, Qatar and Bahrain) and to grow our presence in other key markets in the Middle East with a current focus on Saudi Arabia.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

We see our Common Law and Civil Law Disputes teams continuing to grow in line with the increasing demand for these services in the region. As previously mentioned, this will be further bolstered in early 2023 with a confirmed significant lateral partner hire who brings over 20 years of Middle East Dispute Resolution experience to our Dubai team and the wider Firm.

We are also increasing our corporate and commercial capabilities with an additional lateral partner hire who has a strong regional market reputation. Both partners are set to join our Dubai practice in January 2023.

Alongside this, we are also looking at opportunities in the next 12 months to increase our regional private wealth and employment capabilities to further support our regional clients.

“WE HOPE TO CONTINUE TO GROW ALL THREE OF OUR MIDDLE EAST OFFICES AND GROW OUR PRESENCE IN OTHER KEY MARKETS IN THE MIDDLE EAST WITH A CURRENT FOCUS ON SAUDI ARABIA.”

WHAT DISPUTES / LITIGATION TRENDS HAVE YOU OBSERVED IN 2022, PARTICULARLY WHEN COMPARED TO LAST YEAR?

We have seen a significant rise in two categories of cases both of which are a consequence of the commercial world moving on from COVID 19.

The first category is supply chain disputes which usually arise out of restructuring processes now that the commercial impact of the pandemic

appears to have stabilised. We expect this trend to continue throughout at least 2023.

The second is Business interruption claims usually against business insurers for the losses incurred during the pandemic months. Again, for the next year at least we expect these claims to continue to increase.

We have also seen a rise in claims involving Crypto currencies and other digital assets. We have acted in the first claim relating to crypto currencies to be heard by the DIFC Court and again, expect this trend to continue.

We have also noticed the continued rise in the use of arbitration as a dispute resolution process. There has been a sharp rise in the number of arbitrations involving construction sector disputes and we expect this trend to continue particularly in the UAE, Saudi Arabia and Qatar

In addition, we have seen an increase in conditional fee and third-party litigation funded cases. Our Firm has its own bespoke disputes funding product called Feesible and we have seen a sharp rise in the number of our Middle East clients looking for alternative ways for funding for a claim to be structured.

WHAT ARE THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

In light of the raft of new laws implemented in the UAE during 2022 it is expected that 2023 will be 'quieter' in terms of new legislation. On the regulatory side we expect the regulations on crypto currencies and digital assets to develop in this fast-moving space. More clarity on conditional fees, when lawyers can employ such contracts with clients, the enforceability of such contracts and what is or is not recoverable inter partes, is also needed from both the onshore and offshore courts.

WHAT GLOBAL DEVELOPMENTS ARE CURRENTLY HAVING THE MOST IMPACT ON THE WORK OR STRUCTURE OF YOUR FIRM?

Perhaps the most significant development in the last ten months has been the transfer of assets and investments from the Far East and Russia to the Middle East. This has required significant work in a range of areas including corporate set ups, corporate and asset structuring, and tax advice. We expect that this area of work will continue to grow over the next few months.

The lifting of COVID 19 restrictions around the world is and will continue to have a significant impact. For example, the Aviation sector in particular is bouncing back robustly post pandemic, and all our aviation clients are expecting significant growth and restructuring over the next few years. Sanctions continue to impact those for whom we can act and how we can act for clients but that is an industry wide issue rather than one particular to our firm. ■





AHMED GALADARI, MANAGING PARTNER, GALADARI

Ahmed Galadari is the Managing Partner and Head of the Litigation and Dispute department at Galadari. He is recognised as a regional legal expert and is respected for his outstanding contribution to the development of alternative dispute resolution in the Gulf region. With full rights of audience across all UAE courts, he is one of the UAE's most experienced advocates.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

2023 marks 40 years of business for Galadari Advocates and Legal Consultants, and our vision since 1983 has also been to contribute to the development and growth of the UAE, which we have been achieving by adapting to the constant changes in the region's economy and business culture. We are proud of our progress to date, from having one office in Dubai, to three offices across the UAE, with a team of over 60 lawyers with over 20 different cultural backgrounds. Diversity is our core strength and the number one reason why we are one of the top regional firms.

Our dispute resolution practice is known for having one of the largest dedicated teams in the country and has the ability to handle local litigation matters before all UAE courts. A key plan, front and centre for us for 2023 is improving our client development and direct marketing and business development techniques in order to build partnerships with more market-leading international law firms who require outsourcing for local matters across all our practice areas.

June 2022 saw the launch of our Fintech practice following the growth of the financial technology sector across the Gulf region. The aim of this newly launched practice is to present legal solutions in areas many financial technology firms are challenged with. November 2022 saw the addition of a Maritime and International Trade partner to our firm as a result of the rise in maritime and international trade related disputes in the market. Our goal for 2023 is to continuously win new business across these newly launched sectors and focus on helping the growth and expansion of our existing clients.

As we are a family-owned firm, management actively recognises an individual's contributions to the company. I understand the 'one size fits all' approach to career development is outdated and recognise an individual's hunger to succeed and progress on the career ladder. In 2022 we saw the promotion of three Senior Counsels to partnership – Raka Roy, Gerry Rogers, and Shani Salim. We have also provided internships to three Law graduates which have resulted in their full-time employment as paralegals at the firm while they actively study for the Bar Association admission exam in their desired jurisdiction. In 2023, we will continue to place an emphasis on our internal promotion strategy by encouraging professional growth, by means of further education, to accelerate the speed at which our employees learn and grow, and to keep up to date with the constant changes in the industry's business culture. We have onboarded 20 employees in 2022 alone to bolster our full-service offering and provide our clients with the market-leading expertise they deserve. This will continue into 2023 and beyond.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

Growth can be observed across all our practices, but I personally believe Maritime, Dispute Resolution and Arbitration, and Family Law practice areas will continue to grow in 2023.

The UAE is home to one of the busiest seaports in the world, and maritime transport and trade is essential for our import and export activities. The past 24 months have been a busy period in the maritime industry following an increase in instructions from clients who have experienced disruptions in their operations due to global developments, such as energy price increases, sanctions, and the pandemic. The surge in the

number of cases echoes the significant increase in global shipping activity and the international transfer of goods.

2022 has seen a significant growth in the quality of dispute resolution options available across the UAE mainland and freezone. 2023 will see the UAE continuing to solidify its position as the market-leading centre for international dispute resolution in the Middle East.

Our clients will also require cross-practice support on new data protection issues as a result of the implementation of new legislation across the region. We will certainly continue to have a busy practice, adapting while the market is forever changing is our proactive approach.

WHAT DISPUTES / LITIGATION TRENDS HAVE YOU OBSERVED IN 2022, PARTICULARLY WHEN COMPARED TO LAST YEAR?

Despite the aftermath of the COVID 19, demand for litigation services in the last 12 months has risen above the level seen in 2019. If anything, this has strengthened our relationship with our clients. All firms situated in the UAE, have seen an increase in litigation cases, especially as international companies are now electing UAE arbitration centres to govern their disputes, and moving away from traditional international arbitration centres.

I have also noted an increase in employment litigation and internal employment cases with issues arising from the COVID 19 period. These are highly complex and high-value matters as UAE labour law has changed significantly over the last 24-months, and as a result of businesses restructuring post-COVID. Our team are currently receiving an increase in cases involving allegations of harassment, bribery, and other wrongdoings.

In the construction industry, there has also been a rise in matters and a correlated increase in arbitrations involving existing disputes. One common trend since 2021 is the increase in insolvencies as parties are unable to operate profitably post-COVID and due to recent global developments, such as increasing energy prices and sanctions. Much of the growth in this practice is industry specific. I have also seen a significant growth around maritime and family law related disputes this year.

WHAT ARE THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

Our firm has actively contributed to the development of the UAE's regulatory framework by working closely with authorities, monitoring new trends, and reporting on industry requirements to continue to help law evolve across the jurisdiction, and contribute to making the UAE a globally renowned jurisdiction for ethical and competitive business.



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The landmark 50th anniversary of the UAE saw the approval of the most extensive legal reforms in the country's history as legislators recognised the need to review the current laws to reinforce the country's position as a global market leader in areas such as business, labour, family, personal status, crime, intellectual property, and e-commerce.

I am looking forward to the enforcement of these changes in 2023 as I strongly believe these forthcoming legislative changes will improve the current standard of living and requirements here in the UAE.

WHAT GLOBAL DEVELOPMENTS ARE CURRENTLY HAVING THE MOST IMPACT ON THE WORK OR STRUCTURE OF YOUR FIRM? (EG. ENERGY PRICES, SANCTIONS, TECHNOLOGY ETC.)

The recent increase in sanctions and post-COVID implications are currently having the largest impact on our work. We have placed an increased emphasis on proper due diligence checks before we on-board new clients to minimise risk exposure.

The digitisation and automation of legal advice will take more time in a jurisdiction like the UAE. We may be seeing a rise of legal service providers using artificial intelligence and automated services across Europe and the Americas, where price is a key driver for investing in those technology, but the return on investment in jurisdictions located in the Middle East is unlikely to justify such bold changes in the near future. There is also a strong cultural element in this region, where legal advice is highly valued and respected, and not likely to be commoditised as quickly as in other regions. ■



ALI AL HASHIMI, REGIONAL MANAGING PARTNER AND MURAD ABIDA, REGIONAL CO- MANAGING PARTNER, GLOBAL ADVOCACY AND LEGAL COUNSEL

Ali Al Hashimi has over 23 years of experience of civil and commercial dispute resolution in the UAE and a deep understanding of financial markets and sectors in the Gulf region, including how the interplay of global financial markets can affect UAE business transactions. His extensive experience includes advising local, regional, and international clients on a range of banking, Islamic finance, securities, construction, real estate and corporate matters. He is licensed to appear before all the Courts of the UAE.

Murad Abida is a bilingual legal professional with over 25 years' experience in corporate finance and corporate advisory, mergers and acquisitions, private placements, private equity, initial public offerings (IPOs), takeovers, equity capital markets (ECM), debt capital markets (DCM), debt and equity instrument listings, restructuring, joint venture agreements, marketing, distribution and agency arrangements, real-estate development and construction agreements. He also has experience of complex corporate and commercial disputes in the Middle East. He has a strong understanding of principles of Sharia' law as applied in Islamic Finance, Islamic Insurance and general commercial and civil transactions. He also has both legal and accounting qualifications.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

We are in a growth mode, so are considering regional expansion in neighbouring countries, diversifying and broadening our service areas as well as continuing to service our clients as and when needed. We are also looking to add new practice areas to cater for increased client demand as more clients want a one-stop shop for all their legal needs across multiple practice areas. As we are currently in growth mode, we will be actively looking to recruit exceptional talented lawyers across all seniority and experience levels. We will also be considering lateral partner hires of those with a portable book of business and a solid rational business plan.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

In 2022 there were two major regional events taking place which were - Qatar FIFA World Cup kicking, and the Qatar Expo which opened its doors on 2 October

“ IN THE BUSINESS TO CONSUMER SECTOR WE EXPECT TO SEE AN INCREASE IN BUSINESS VOLUME.”

2022 and will run until 28 March 2024.

As a result, of these two events we expect to see growth in many practice areas including corporate (corporate licensing, Joint Ventures, and Mergers and Acquisitions), commercial (including franchising, distribution and branding), food and beverage, hospitality, travel and tourism, logistics and transportation as well as in dispute resolution and litigation. In the Business to Consumer (B2C) sector



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we expect to see increased customer spending which will create opportunities for growth.

This will be mirrored by an increase in business volume in the Business to Business (B2B) sector to service the organisations serving these end consumers. This in turn will lead to increased demand for business support services including legal services whether on the advisory side or on contentious disputes side. As a result, we expect there to be and also plan to focus on dispute work in areas which are related to travel and tourism, hospitality, transportation, real estate, and construction.

WHAT DISPUTES / LITIGATION TRENDS HAVE YOU OBSERVED IN 2022, PARTICULARLY WHEN COMPARED TO LAST YEAR?

Construction and project disputes are likely to increase due to completion of projects which were related to the FIFA World Cup in Qatar. There may also be more disputes involving commercial contracts, logistics, aviation, sponsorship, media, and trademarks. Having been involved in the Arabtec bankruptcy proceedings and the financial restructuring of the NMC Group, we have seen a rising trend in bankruptcy and financial restructuring disputes involving challenging the proceeding or status of securities and positions as secured and non-secured creditors.

WHAT IS THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

The UAE is set to introduce corporate income tax in June 2023. Federal Decree-Law No. 47/2022 the

“WE HAVE SEEN A RISING TREND IN BANKRUPTCY AND FINANCIAL RESTRUCTURING DISPUTES INVOLVING CHALLENGING THE PROCEEDING OR STATUS OF SECURITIES AND POSITIONS AS SECURED AND NON-SECURED CREDITORS.”

law on this subject has now been issued. The UAE authorities are also revamping their suite of laws and regulations to enhance the business environment there, but also to attract foreign direct investment and help to promote accountability and transparency.

WHAT GLOBAL DEVELOPMENTS ARE CURRENTLY HAVING THE MOST IMPACT ON THE WORK OR STRUCTURE OF YOUR FIRM? (E.G. ENERGY PRICES, SANCTIONS, TECHNOLOGY ETC.)

The challenges facing global markets and regional economies are increasing demand from our clients in helping them to protect their market positions, defend against risks and claims and ensure their rights are protected and preserved. ■



TIM CASBEN, HEAD OF DUBAI OFFICE, GOWLING WLG

Tim Casben is the Managing Partner of the Dubai office and heads up Gowling WLG's corporate and commercial business in the Middle East. He qualified as a lawyer in 1995 and joined the firm in 1997. He has been a partner since 2003 and was a key member of the firm's London corporate team before moving to Dubai in 2009 to help establish the firm's office in the UAE. Tim provides corporate advice to international corporates, institutions, investment houses and regional families who are carrying out M&A in the UAE, GCC and beyond. He specialises in cross-border transactions involving multiple jurisdictions. Tim also advises on all aspects of corporate finance and restructuring work including mergers and acquisitions, private equity, venture capital, IPOs, stock exchange transactions, joint ventures and general corporate law.



WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

At the beginning of 2022 we moved into our new offices in ICD Brookfield Place providing a more flexible working space and a significantly improved experience for our clients and our people.

We continue to build out our core areas of IP, Corporate, Tech and Projects and Infrastructure with strong support from our head office. I am confident that we now have the leading IP team in the region, and this is supported by the quality of clients and work that we are entrusted with. We have continued to build the IP team with two new hires in September 2022 and a new partner is due to start in January 2023.

We have recently opened an office in Abu Dhabi which was very much a client driven move, as over thirty per cent of our revenue was generated from clients in Abu Dhabi and we expect that to grow in 2023 notwithstanding the strength of our client base in Dubai and the significant opportunities coming out of Saudi Arabia. We have hired a partner to establish our presence in Saudi which following the recent amendment to the regulations on how law firms are able to operate in KSA will be through a joint venture and will allow us to build a team based in Riyadh. We have seen a significant increase in opportunities and instructions coming out of Saudi Arabia across a number of practice areas, from managing global trademark portfolios for new global brands to a growth in instructions in the projects and infrastructure space. We have

also been working with our local partner AlGhazzawi & Partners on a number of disputes through our international arbitration team out of London and we are now actively looking to rebuild an on the ground international arbitration/disputes practice based out of the UAE. We also continue to build our regional footprint with an association in Oman with Jamal Al Amri Advocates and Legal Consultants (JA Legal).

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

We expect there to be continued growth in all our core areas. The IP team has established itself as the leading team in the region, and we expect further significant wins in the next 12 months as we demonstrate our leadership in this area and with the strengthening of the team we have more capacity to sell into the market. We have also introduced new product lines, particularly in the technology transfer and patent space and with the support of our 70 plus patent attorneys across Canada, China and Singapore we can genuinely service any requirements in the patent field. As well as broadening our skill set, we have also hired a senior bilingual lawyer who is fluent in Mandarin and Cantonese to provide support to our clients as they increasingly deal with Chinese entities and/or sell products and services into China. Our IP consultancy business is also gaining increased market traction.

We are also seeing the growth in crypto/metaverse and NFTs as providing significant new avenues for work. This is another area of focus where we are taking a market leading position and now have a multi-service line team dedicated to this area. The strong interlink between the Corporate, Tech and IP teams with a sector focus around the TMT space is gaining market recognition and leading to cross-practice area instructions. In the corporate space we are seeing increasing M&A and venture capital work, particularly in advanced technology. We anticipate a significant increase in deal volume in the next 12 months primarily driven by the significant increase in funds being deployed by Abu Dhabi based clients.

We have also invested in the Projects and Infrastructure team with a partner on the Finance side being based in Riyadh and a further hire in the Dubai office. This investment has already shown a quick return and we expect further growth as more projects are awarded particularly in Saudi Arabia but also across the region.

WHAT ARE THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

The UAE continues to focus on legislative changes aimed at increasing its competitiveness and making it a more attractive place to do business. The UAE has already made very significant strides in this regard in the past 12 to 24 months. The seamless

change to the working week, the removal in most cases of the requirement for 51% local ownership and the introduction of the golden visa have all been put in place to facilitate and attract inward investment. We understand that legislation is imminent on changes to the Commercial Agencies law, and we are also awaiting the regulations supporting the new Data Privacy laws. Additional changes that would increase competitiveness could include taking a more federal approach to establishing corporate vehicles (i.e. avoiding the need to establish an entity to trade in each Emirate), a simplification of the corporate licencing regime and uniformity of laws across the non-financial free zones. We are also looking forward to the publication by the Virtual Asset Regulatory Authority (VARA) of the regulations which will set out in detail the regulatory environment in Dubai for trading and issuing NFTs and other virtual assets. We are also anticipating an overhaul of the IP laws to improve the landscape for the UAE's innovation drive and to attract innovative foreign companies to the UAE.

WHAT GLOBAL DEVELOPMENTS ARE CURRENTLY HAVING THE MOST IMPACT ON THE WORK OR STRUCTURE OF YOUR FIRM? (E.G. ENERGY PRICES, SANCTIONS, TECHNOLOGY ETC.)

There are two developments which we see as having the most significant impact on our business over the next three years.

The macro issues resulting in a higher oil price are clearly significantly benefitting the region. This is translating into an increase in investment into the local economies and strategic international investments. If oil price continues at current levels it will be interesting to see whether this shields the region from the anticipated global downturn.

We are seeing increased work through the deployment of funds particularly through Abu Dhabi based entities. Increased oil prices are clearly also benefitting KSA, and the mega projects such as the Red Sea and Neom are driving significant work opportunities and are likely to continue to do so, as is the general move by KSA to create a more mainstream and developed economy.

This is driving opportunities in our core sectors including IP, Projects and Infrastructure and also in Technology.

The other macro development which is having a significant beneficial impact on our firm is the growth in technology and the opportunities and benefits that new technology is bringing.

This is very much a focus for many of our clients and spans a broad area of new technologies, including the developing fintech space, AI driven products, the Metaverse and in the telecommunications sector. Again, this benefits the core areas of focus of our business here, including IP, Tech and Corporate. ■



SADIQ JAFAR, MANAGING PARTNER, HADEEF & PARTNERS

Sadiq Jafar is the Managing Partner of Hadeef & Partners, an independent UAE law firm, with almost 100 lawyers in Dubai and Abu Dhabi. In addition to advising multinationals, Sadiq works closely with regional groups in the Middle East on corporate strategy and succession planning. He holds an LLB from the London School of Economics, London University. He qualified as a Barrister of Gray's Inn, London in 1987 and later transferred to the Roll of Solicitors of the Senior Courts of England and Wales. Previous experience includes working at Clifford Chance, London and as the General Counsel of Crescent Petroleum.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

Hadeef & Partners has continued to progress over the past year. We have grown the lawyer headcount in many of our practice areas. We have also strengthened our support services and infrastructure, including appointing our first Chief Operating Officer. At all levels, we are committed to growth and development, focusing on our people internally and our clients externally. We have introduced a range of policies and procedures, which will improve our efficiency and productivity, as well as nurture and motivate our human capital. We are proud of our ability to attract, develop and retain top legal talent.

During 2023, we aim to further enhance our market positioning and brand as an elite UAE law firm. Our Marketing and Business Development team will support our partners and associates in implementing creative initiatives to achieve our objectives, and to ensure our clients continue to receive the highest standards of service.

As a full-service UAE law firm, we aim to continue our robust growth and to introduce new practice areas as required to service the dynamic and ever-developing nature of the UAE market. Most recently, we have been building out our tax capability in order to service market needs for the introduction of Corporate Tax in the UAE.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

We expect to experience continued growth in our contentious teams, driven by disputes in a range of sectors.

As the UAE economy continues to develop and diversify, practices related to corporate structuring

and restructuring, investment, funding, M&A, PPP and IPOs will continue to grow.

Various technological and commercial areas and sectors are also doing well, ranging from FinTech to entertainment. Meanwhile, transportation, logistics, tourism, healthcare and education also continuing to be important and active sectors.

Laws and regulations on data protection, and issues related to cyber security, are leading to increased demand for advice in those areas.

While laws and regulations related to FDI, immigration and employment continue to be introduced and developed, meaning that the related practice areas grow too. Following a slight decrease during the COVID 19 years, infrastructure and real estate development is increasing once again, bolstered by increases in the resident population and enhanced valuations in the property market.

WHAT DISPUTES / LITIGATION TRENDS HAVE YOU OBSERVED IN 2022, PARTICULARLY WHEN COMPARED TO LAST YEAR?

Coordinated expertise in restructuring, insolvency and litigation is required to advise and act successfully in large and complex cases.

We expect increased investigations (in areas such as corporate and regulatory) and business crime litigation, driven by globalisation, regulation, digitalisation and cyber activity, together with the continued governmental drive to achieve greater effectiveness in combatting money-laundering and other illicit dealings. Construction disputes have re-emerged as an area of engagement, in which we expect growth. Due to the enhanced liquidity and appetite for risk, unresolved disputes that had been suspended are being reactivated.

The drive by the UAE Courts to accelerate the judicial process has resulted in litigation lawyers often facing short time-frames to submit pleadings and related documentation. This inevitably ratchets up the pressure and only the best resourced firms can perform. In many cases, clients may be considered to be winners as proceedings conclude in a shortened period. Of course, this trend has also had its challenges, particularly during the teething phase. Therefore, Litigation departments need to have strength in depth in order to meet increased demands. The availability of Payment Orders has also increased the range of options in certain cases. Strategies for enforcement and recovery are critical and are evolving rapidly.

WHAT ARE THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

The Government continues to pursue initiatives to enable a successful and cosmopolitan business community, and is committed to continued national success. Legislative and regulatory initiatives have continued to emerge and affect the entire business spectrum and all areas of legal practice. Most lawyers would agree that the key legislative change in 2023 will be Corporate Tax. We anticipate significant demand from clients who need to assess how this affects their business. Extensive corporate and commercial structuring will be required by businesses both before and after implementation of the law. After the primary legislation and implementing regulations take effect, UAE related transactions will need to be designed and documented to optimise for tax. New structures and warranties will emerge. Certain practice areas, such as projects, real estate and M&A, may be affected more than others as this new law takes effect. Following the implementation of the new UAE Labour Law, which represented the most comprehensive change to the country's employment regime since 1980, new employment contracts will need to be prepared by most private sector entities. These changes must take place by 1 February 2023.

WHAT GLOBAL DEVELOPMENTS ARE CURRENTLY HAVING THE MOST IMPACT ON THE WORK OR STRUCTURE OF YOUR FIRM? (E.G. ENERGY PRICES, SANCTIONS, TECHNOLOGY ETC.)

Healthy oil and gas prices underpin domestic and regional liquidity and have enhanced general business confidence in the region. This has had the consequence of increasing demand for legal services. Ongoing economic, political and legal developments regionally and globally are helping to attract businesses and Ultra high net worth individuals to the UAE. Furthermore, the UAE is increasingly viewed as an optimal destination to base hubs for regional reach into the Gulf and wider Middle East, and Africa and parts of Asia. The ongoing, enhanced global emphasis on ESG is important, both internally and externally.



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“THE DRIVE BY THE UAE COURTS TO ACCELERATE THE JUDICIAL PROCESS HAS RESULTED IN LITIGATION LAWYERS OFTEN FACING SHORT TIME FRAMES TO SUBMIT PLEADINGS.”

The UAE's stature as a significant technology hub also continues to grow and accelerated with borders reopening the early COVID period and entrepreneurs being encouraged to establish and expand their businesses in all Emirates, particularly Abu Dhabi and Dubai. The UAE continues to focus on enhanced AML and related regimes in order to demonstrate effective observance of international standards to the global community. The level of scrutiny applied to law firms as Designated Non-Financial Businesses and Professions is rigorous. All law firms operating in the UAE must address risk proportionality and transparency, and continually invest in their governance and compliance infrastructure. ■



STUART PATERSON, MANAGING PARTNER (MIDDLE EAST), HERBERT SMITH FREEHILLS LLP

Stuart Paterson is the managing partner of the Herbert Smith Freehills's Dubai office and the Head of their Middle East Dispute Resolution practice. He is an experienced dispute resolution specialist with expertise in litigation, arbitration, investigations and alternative dispute resolution such as mediation. He has a focus on disputes in the financial services and energy sectors, and white-collar crime. Stuart has been based in the Middle East for 12 years and has worked on Middle Eastern disputes for over 20 years, including on many of the highest profile and most valuable disputes in the region.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023

We have continued to grow our UAE and wider Middle East offering. We saw partner promotions in corporate and project finance as well as projects partners joining us from other parts of our network. We have also hired a partner into our Saudi association firm. We are incredibly busy across a wide range of projects in the energy and infrastructure sector and we expect this to continue into 2023, in particular as further projects are launched in Saudi Arabia, the UAE and the wider GCC.

Our corporate practice has never been busier and has continued to grow. Disputes remain a key pillar of the practice, both in general commercial disputes and construction matters and business crime. The quality of the mandates we are seeing has been really high across our practice groups.

We have also welcomed a team of lawyers from our former Moscow office. They complement our existing projects and projects finance teams in the region and are also able to serve clients outside the GCC with minimal disruption due to Dubai being an ideal hub location.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

There is no doubt that infrastructure projects will be a key driver of business through next year. In light of oil price rises, regional governments have the resources to continue to pursue their ambitious economic transformation plans. Renewable energy is also an area of increased activity.

Our technology, media and telecoms (TMT) practice is increasingly active in the region. All of our practice area teams are involved in deals that have significant technology elements to them. Data and

data privacy issues are also a major focus, in part due to recent legislation in this area in the UAE.

We expect to see an increase in activity across areas of work that fall within Environmental, Social and Governance (ESG). This is a continuing trend – we are busy in all of these areas across different practice groups but the change we are now seeing is a greater focus on ESG as a holistic concept. Businesses want to ensure they are acting responsibly, and boards are paying increased attention to ESG considerations. In this region energy, environmental and labour issues are at the forefront of clients' ESG considerations, as well as the increased burden of regulation in the financial services sector.

WHAT DISPUTES/LITIGATION TRENDS HAVE YOU OBSERVED IN 2022, PARTICULARLY WHEN COMPARED TO LAST YEAR?

We have seen a number of post M&A disputes in the last year as investors made acquisitions rapidly in the aftermath of COVID and as some stability returned to the markets. Many deals were done in haste and are now giving rise to warranty claims.

Disputes arising from supply chain disruption, whether a legacy of COVID 19 or the invasion of Ukraine, have been a feature of the disputes work we have seen this year. We are seeing disputes arising from the cancellation of projects in Russia or which have Russian government involvement due to changes in investor sentiment or the effect of sanctions.

We have seen an increased appetite for investigating corruption and other wrongdoing and for compliance and remediation advice to help companies become more resilient and better deal with the range of risks they face. A major theme in this respect is cyber security.

There is a widely held view that as we head into 2023 there will be a global economic downturn, and this will inevitably lead to disputes and an uptick in contentious restructuring and insolvency work.

WHAT ARE THE KEY FORTHCOMING LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

In March 2022 the global financial crime watchdog, the Financial Action Task Force (FATF) placed the UAE on its list of jurisdictions for increased monitoring (known as the 'grey list') due to perceived weaknesses in its anti-money laundering regime. The UAE has committed to address this, not least because being on the grey list is a factor that may deter foreign investment. We can expect to see increased regulation as well as enforcement activity in this area to support the UAE's efforts to improve its AML regime.

The introduction of corporation tax in the UAE in 2023 will also be significant. It will force change, as corporates will be required to implement greater levels of record keeping and financial systems will need to be enhanced. Tax mitigation strategies will no doubt be high on the agenda, and we will also see tax fraud and related litigation in due course.

“INFRASTRUCTURE PROJECTS WILL BE A KEY DRIVER OF BUSINESS THROUGH THE NEXT YEAR.”

WHAT GLOBAL DEVELOPMENTS ARE CURRENTLY HAVING THE MOST IMPACT ON THE WORK OR STRUCTURE OF YOUR FIRM? (EG ENERGY PRICES, SANCTIONS, TECHNOLOGY, ETC.)

Digital transformation is a core pillar of our global strategy. This is multi-faceted and includes enhancing systems that deliver efficiency for clients and increased productivity. It also includes increased use and awareness of technology-driven solutions for clients.

This month we have launched 'Techquake', a series of educational insights for our teams and clients about key developments in technology. Lawyers must adapt and be able to talk to clients about these new and critical areas of the global economy if they are to stay relevant.

Lawyer salaries have risen dramatically in some markets, such as the UK.

This impacts the Middle East, where there is a battle for talent, not just for lawyers but in other areas of the business.

For us, recruiting and retaining the right people by ensuring they are rewarded and recognised for what they bring to the business and nurtured in their careers is key.

This is a core aspect of my role especially when all of our teams are so busy. ■



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ALI ISMAEL AL ZAROONI, MANAGING PARTNER, HORIZONS & CO

Ali Ismael Al Zarooni is the founder and managing partner of Horizons & Co law firm. He specialises in primarily litigation and arbitration and has a proven track record in dispute matters. He has represented some of the most prominent companies, establishments and individuals before all levels of courts and various arbitration tribunals. He is a qualified arbitrator registered with the Dubai International Arbitration Centre and is licensed as a Private Notary Public by the Dubai Courts.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

Horizons & Co continues to be recognised as being amongst the top dispute resolution practices in the UAE. We specialise in local and international litigation and arbitration. 2021 and 2022 saw a continued increase in disputes activity, particularly in construction disputes, and we built on our team with the hire of Paul Suckling and Oliver Dupenois as Partners and Head and Deputy Head of Arbitration, respectively.

Paul brings significant experience of UAE disputes, from his two decades practising in the UAE. He is especially active in construction disputes, both litigation and arbitration. His arbitration practice is regional and international, as he is active on cases before a wide variety of tribunals. Paul is dual-qualified as an English solicitor and as a quantity surveyor, which emphasises his strong focus in the construction sector and his familiarity with the technical issues relevant to construction disputes, arbitration and mediation in the UAE and the wider Middle East region.

Oliver is active in disputes, especially construction disputes, and has almost a decade of experience in the UAE, where he has now spent most of his career. He is noted for his work on arbitration involving construction and engineering, and especially FIDIC contracts which govern relationships with contractors. He has a strong track record on DIFC-LCIA, ICC and DIAC arbitrations across the region.

In 2023 we intend to build on our strengths in disputes in all fora and utilise Paul and Oliver's additional expertise to focus on increased success in construction matters and the growth in litigation and arbitration centres in region.

We are also planning an expansion of our business into another jurisdiction in the region.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

In the current political climate businesses and individuals around the world with links to Russia are facing significant challenges from by restrictions imposed on them.

I foresee growth in a number of areas, but particularly in areas driven by Russian inbound investment and establishment of companies which were formerly based in Russia re-locating operations to the UAE and surrounding areas.

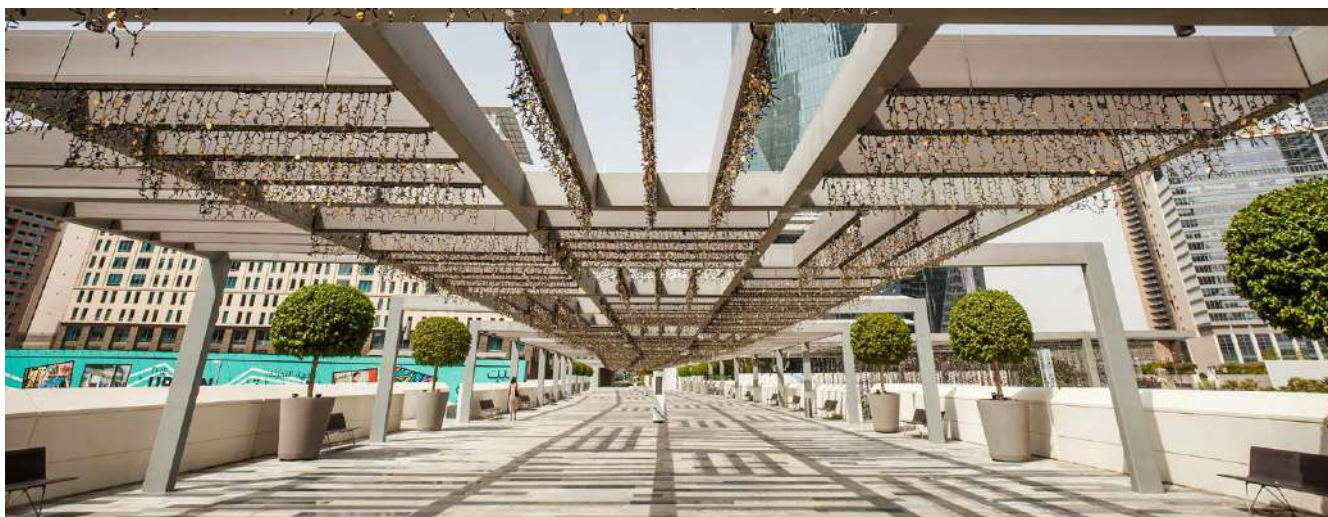
Extensive commercial advice on establishment of new companies and branches of companies will be needed. Labour, Employment and immigration advice will also be sought.

The real estate and construction sectors in the UAE continue to boom, but inflation has hit some companies and projects hard, so I anticipate that there will continue to be disputes in these areas as well as advice required on restructuring and insolvency. The high demand for property will also see prices continue to rise in the real estate market, resulting in increased landlord-tenant disputes as owners seek to recoup their investment by raising rents.

Finally, we have had some good successes in extradition matters and enforcement of the law. I believe that these cases will continue to arise, and we will be on hand to ensure that the law is being correctly applied.

WHAT DISPUTES / LITIGATION TRENDS HAVE YOU OBSERVED IN 2022, PARTICULARLY WHEN COMPARED TO LAST YEAR?

A discernible trend observed in 2022 has been the rise in cases involving insolvency and bankruptcy. Although it would be fair to say since 2020 there had been a rise in these types of cases, in 2022 the



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UAE has witnessed some of the region's largest and most high-profile cases of this nature in the nation's history. Many transnational and national group companies have launched insolvency proceeding, or are heavily involved in the process.

WHAT ARE THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

Given the large number of bankruptcy related cases, I would hope to see an amendment to certain provisions of the current Bankruptcy Law, Federal Decree Law No. 9/2016 as I believe lessons have been learnt during the tumultuous post COVID 19 times and the current economic turmoil.

The current legislation could be perfected, leaving fewer grey areas on certain procedural elements of the regime.

WHAT GLOBAL DEVELOPMENTS ARE CURRENTLY HAVING THE MOST IMPACT ON THE WORK OR STRUCTURE OF YOUR FIRM? (E.G. ENERGY PRICES, SANCTIONS, TECHNOLOGY ETC.)

Unrest in Russia and Ukraine and subsequent sanctions have seen an influx of individuals and businesses into the UAE. Many global companies with exposure to Russia are relocating their branches (or sometimes entire businesses), staff members and their families, and assets to the Middle East region and this is providing opportunities for us to advise on company set up, restructuring, labour, employment and immigration.

The openness of the UAE and its success in (not just sustaining, but) growing its economy and population during the COVID 19 pandemic continues to have an impact on our business. People and companies want to move here and do business.

The UAE is a diverse, tolerant and welcoming country. It is one of the most dynamic and recognised countries in the world when it comes to doing business and is currently ranked 16th out of 183 countries by the World Bank in their overall 'Ease of Doing Business' benchmark. The country

“MANY TRANSNATIONAL AND NATIONAL GROUP COMPANIES HAVE LAUNCHED INSOLVENCY PROCEEDINGS OR ARE HEAVILY INVOLVED IN THE PROCESS.”

is renowned internationally for its modern and technology focused economy.

The UAE has benefitted significantly from its recent legislative reforms on the commercial companies' law, onshore labour law and the FDI legal regime. These legislative developments now allow foreign nationals to own and operate companies onshore fully, as well as in the UAE's free trade zones with 100% ownership. Combined with a negligible 5% VAT tax, no personal income tax, world class infrastructure, and very a favourable geographical location, the UAE is an attractive place to do business.

A significant majority of the world's largest and most prominent companies have a presence in the UAE, which means that the country attracts a highly skilled workforce, who are employed by the rising number of international companies, and financial institutions.

In addition, the UAE offers an exceptional quality of life. It is also considered one of the safest countries in the world for personal security, and has modern accommodation and medical facilities, good international schools and a highly developed infrastructure. There are also an abundance of entertainment options including great beaches, water sports, indoor skiing, excellent restaurants and sprawling shopping malls, which help to make it an attractive place to work and do business. ■



PETER ELLINGHAM, HEAD OF DUBAI OFFICE, KENNEDYS LAW

Peter Ellingham is Head of Kennedys's Dubai office where he has been since 2021. He qualified in 1990 in England and Wales and became a Partner in 1996. Peter specialises in insurance, reinsurance and dispute resolution, advising insurers (including reinsurers) and insurance intermediaries on issues of policy interpretation, claims avoidance, claims handling, litigation defence and alternative dispute resolution.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

While it sounds strange to say this, the something 'new' for 2023 has been a return to office working. Our Global policy is now 50% remote/office working, and it is great to see the office populated again after so long on remote working. We have always had a very collegiate atmosphere at Kennedys, as our global policy is open-plan, and while working-from-home during COVID 19 saw initial increases in production, the return to office-life is rekindling collaboration between teams and providing a springboard for growth. [On top of the 33% that we grew by, in terms of headcount, in Dubai and Muscat in 2020 and 2021].

A new venture for Kennedys Dubai and Muscat in

2022 was the onboarding of a Corporate team under partner, Sean Angle. That has provided instant growth and an expansion of our services. It is a sector we will be looking to expand in 2022-2023. Other plans for 2023 involve continuing our steady and organic growth in core sectors, and (hopefully) relocating to larger premises.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

I certainly see our regional corporate, commercial and projects practice growing.

The next step is to bring on board a sound banking and finance capability as part of this growth plan for the next six to 18 months.

In addition, Jamie and Sean will be working together with Nasser and Amal in Oman to build, out our offering in that country much more substantially.

The Oman practice will then focus upon the areas of work already being done by the current Oman team plus corporate, commercial and projects work lead by me and contributed to by Robert Booth and Kinjal Labroo.

WHAT DISPUTES / LITIGATION TRENDS HAVE YOU OBSERVED IN 2022, PARTICULARLY WHEN COMPARED TO LAST YEAR?

Disputes arise from unique events, some of which are a reflection of challenges in the markets. While the war in Ukraine has not directly impacted the disputes' sector in the UAE, inflation has now started to have an effect on the economic sustainability and stability of transactions contracted in 2021.

Having said that, construction services is an area where litigation patterns can be more easily recognised than in other fields. One reason for this is the size of the sector. The UAE construction market size was valued at USD 85 Billion by Global data in



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2021. At that scale, when things go wrong, they go wrong more than once. The fall of the construction giant, Arabtec, was noticeable this year, causing several defaults on bonds by its creditors. Resulting litigation is expected to continue in 2022 and 2023 until the completion of the liquidation process.

In addition, now that mobility and office working has come back in full swing, motor claims and disputes are back on the rise compared to the previous COVID years of 2020-2021.

Internationally, the toppling of the western backed Afghan government by the Taliban in August 2021, has also caused a number of disruptions to its governmental services, notably those services providing exposure for UAE based contractors, such as in aviation.

WHAT ARE THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

2023 will see the long-awaited introduction of corporation tax in the UAE and, while the headline tax rate of 9% has been known for some time, we still await publication of the implementation regulations. These implementation regulations will be fundamental to understanding how the new tax will be administered and, more importantly, how taxpayers can prepare themselves to comply with their new obligations. The robust nature, or not, of these regulations will be an important consideration for future investment in the UAE.

In the crypto currency and digital assets space, the Dubai Virtual Assets Regulation Authority, (VARA), has undertaken to publish the implementation regulations for the Regulation of Virtual Asset Law, 4 of 2022, by end of 2022 or early 2023. The creation of VARA and implementation of Dubai Law No. 4/2022 is aimed at establishing Dubai as the destination of choice for investors, developers and users of crypto currency and other digital assets. However, while Dubai Law No. 4/2022 requires any party wishing to undertake a digital asset business to obtain a licence from VARA, the law only sets out high level principles and the detail on how it will operate will be set out in the regulations. At present, aside from those parties involved in VARA pilot projects, it is not possible to get a licence to undertake digital asset businesses and the publication of the implementation regulations will unlock the development of this entirely new industry in Dubai.

Finally, the UAE Government has recently announced that it is working on a second set of law reforms similar to those introduced in 2021. The 2021 reforms heralded changes to over 40 laws, including some of the most long-standing legal arrangements in the country. The stated aim of the potential reforms is to reduce the costs of legal compliance and bring some outdated laws up to date. We await more information on the proposals with much anticipation.

The UAE has also published its first Federal

level data protection law Federal Law No. 45 2021 on the Protection of Personal Data which came into effect on 2 January 2022. Federal Law No. 45 2021 provides Controllers and Processors six months from the date of issuance of the Executive Regulations, which will enable further guidance on the law, to regularise their status in accordance with the UAE Data Protection Law. The Executive Regulations are yet to be issued and, it is anticipated they will be issued early in 2023.

One area that we would very much like to see addresses is Case Management in the Court system. Court deadlines (for the filing of Submissions) are becoming tighter, which increases efficiency in terms of the time it takes to complete cases but is not always consistent with the objective of allowing large and important cases sufficient time to be analysed and argued.

WHAT GLOBAL DEVELOPMENTS ARE CURRENTLY HAVING THE MOST IMPACT ON THE WORK OR STRUCTURE OF YOUR FIRM? (E.G. ENERGY PRICES, SANCTIONS, TECHNOLOGY ETC.)

These are interesting times as the financial year has started with an unexpected war in Europe and hints of what might soon become a global economic crisis.

As to the former, Kennedys were one of the first firms, if not the first in the UK, to close our Russian office. We donated emergency funds to the UN Refugee Agency and implemented a match funding programme for firm-wide donations resulting in a 'Kennedys lorry' of medical aid being sent from Ireland and reaching the people in Ukraine who needed it most.

The weak British Pound, our financial reporting currency, is likely to boost our growth in the US and other international offices, helped along by our investment in new offices in Delaware, Houston and Brisbane, and new partners in our Miami and New York office.

This continues an existing trend, since North American revenue was up 24% last year.

Inflation, talent acquisition and retention, and ensuring competitiveness of rates are all factors which need to be carefully balanced and monitored in the current environment.

Amid heightened competition for talent, Kennedys has increased its trainee and NQ salaries in London by up to 60%.

Finishing on a positive note, the UAE economy is ramping up and we are also seeing increased activity in Oman, Saudi Arabia and Africa. Kennedys has consequently invested in the Dubai corporate and commercial practice by hiring Sean Angle, the former head of corporate and projects at Stephenson Harwood Middle East. He has since been joined by Robert Booth, Senior Associate and Kinjal Labroo, Associate. ■



BILL NASH, MANAGING PARTNER (ABU DHABI), MORGAN LEWIS

Bill Nash, the managing partner of Morgan Lewis's Abu Dhabi office, has been resident in Abu Dhabi since 2008 and previously lived in Riyadh. He advises regional and global clients on a variety of corporate and business law matters, focusing on private investment funds, international transactions and joint ventures, and general corporate counselling.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

We see a continued vibrancy across the region both in terms of general business activity and appetite to invest from global and regional clients. Our team in the Middle East will continue to grow to meet this demand.

Our measured approach to growth is led by what our clients require, and we continue to add further depth with elite talent—eight new associates and of counsel over the last 12 months alone, including most recently an aviation finance duo in the UAE who also add a new skill set to our practice and join the firm as part of an eight-strong team across our London and Singapore offices. In addition, we have been delighted to elevate partners—Amanjit Fagura in 2021 and Carolyn Abram in 2022—in our second consecutive global partner promotions round.

We pivoted quickly in terms of the Ukraine conflict and have also now integrated five partners and four associates from our former Moscow office into our UAE offices. With this integration comes further bench strength in our practice, locally and internationally, particularly in the fields of energy, data protection, technology, media and telecommunications, and intellectual property. It has already led to exciting new opportunities for the team, and these developments demonstrate the firm's ongoing commitment to the region that is likely to continue.

We have focused on growth in the region over the past 12 months, coupled with ongoing expansion, and, as we look to 2023, it is hard to believe that the firm has been in Dubai for 10 years. We adopt a unified approach in respect of our offices in Dubai and Abu Dhabi and consider each of the team members a member of our Middle East practice. We now have slightly more than 35 lawyers working across the finance, corporate, investment funds, litigation, regulatory, and employment global practices serving clients in the defence, information

technology, pharma, and sovereign wealth fund sectors. We continue to work hard on improving diversity and are proud that more than 50% of our partners are female.

Our firm remains committed to pro bono, and again globally achieved 100% participation in our annual 20-hour pro bono challenge. Our Middle East lawyers averaged more than 50 pro bono hours each. We represent a range of pro bono clients in the region, drawn from Jordan, Lebanon, Saudi Arabia and the UAE, and, as part of the firm's commitment to our annual Community Impact Week, our UAE personnel donated to the UN Refugee Agency to help more than 60 displaced families with shelter and food.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

With one of the largest investment funds practices of any law firm in the Middle East, we continue to see particularly strong growth in this area. As the UAE expands its private investment funds ecosystem, we regularly advise regional and international asset management firms on the structuring, formation, and documentation of new private investment funds and bespoke investment platforms for both regional managers and global managers establishing a presence in the region. We also see an increase in sovereign wealth fund (SWF) anchor investments into regional funds and seed-and-stake arrangements in respect of new regional fund managers. This is in addition to a marked increase in venture-capital investment across the region, often driven by SWFs anchoring new investment funds and because of the success of several high-profile regional unicorns.

On the Islamic finance and structuring side, we see strong levels of inbound and outbound investments by the region's largest Shari'a-compliant funds in addition to an uptick in the establishment of Shari'a-compliant fund structures



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on the ground in the ADGM and DIFC. We also continue to grow our relationships with regional banks and asset management firms across the GCC, particularly in Saudi Arabia, Kuwait, and Bahrain, where we have set up master Shari’a-compliant structures for clients for the purposes of their outbound investments, achieving economies of scale from a cost and efficiency perspective. Foreign issuers and fund managers also continue to seek our counsel on their Shari’a structuring requirements where they are looking to raise debt or equity from investors from the region in a manner that can access the liquidity available while also being mindful of Shari’a sensitivities. The arrival of a cross-border aviation finance team has presented us with significant opportunities to develop our finance-related practices in this space in the coming months and years. We also saw the arrival of US tax partner Todd Smith, who will be based in London but will be working with Middle East clients, adding further capabilities.

Geopolitically, the UAE continues to be buoyed economically through their ongoing regulatory changes; commitment to and investment in technology and pharmacy, as well as tourism; and their historically successful renewables. We have had a year of change, with significant changes across the suite of main laws (including labour laws, data protection, criminal laws, company law, and taxation), further enhancing the UAE’s continued attraction to international investors and entrepreneurs. The addition of our new

technology-focused colleagues is timely, as the region is going through period of significant and continual investment in the sector. Both digital and telehealth provision in life sciences have increased in the region, which aligns with the government’s drive to encourage and facilitate online services across all sectors. We have seen a range of our global life science and health companies partnering to expand their international offerings in the UAE to establish a regional hub outside of the United States and Europe.

WHAT DISPUTES/LITIGATION TRENDS HAVE YOU OBSERVED IN 2022, PARTICULARLY WHEN COMPARED TO LAST YEAR?

With the raft of levitative changes, we have witnessed an increase in the level of confidence that our clients have in the region’s dispute resolution centres.

There has been a significant increase in the amount of cross-border litigation commencing from the UAE, as the operations of our clients are globalised. Supply-chain issues in the aviation sector, particularly following COVID-19 and the conflict in Ukraine, are driving some of this activity, alongside the increase in the number of sanction entities, individuals, and countries.

Unsurprisingly, data privacy cases are also on the increase, as these issues are very important to our global clients. Turning to enforcement issues, the UAE Central Bank has made a number of proactive and positive steps addressing deficits in

“THERE HAVE BEEN EXTENSIVE LEGISLATIVE DEVELOPMENTS OVER THE LAST 12 MONTHS BY THE UAE GOVERNMENT TO IMPROVE BUSINESS OPERATIONS IN THE REGION.”



the anti-money laundering regime. Recently, the UAE Ministry of Justice issued a directive which for the first time has allowed the courts in Dubai to enforce judgments and orders issued by English courts.

The UAE and English governments had never previously entered into a bilateral treaty for the reciprocal recognition and enforcement of judgments. This will likely be well received by the business community, and we will see an increased level of confidence of UK-based investors who are looking to enforce judgment debts from English courts or arbitration awards.

WHAT ARE THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES THAT YOU ANTICIPATE OR HOPE FOR IN 2023?

We are likely to see further changes to increase the regulatory oversight of financial services.

As previously mentioned, there have been extensive legislative developments over the past 12 months by the UAE government to improve business operations in the region, streamline many processes, and improve the overall oversight of financial services to ensure compliance with global anti-money laundering and data protection standards.

We are contributing to the new Middle East Investment Management Association, helping to consolidate input for regulatory considerations in the future in the ADGM, the DIFC, and onshore.

The association is a further example of the maturation of the funds industry groups and the business community in the region, and hopefully we will see regulatory changes to ensure that the UAE maintains its momentum to become a global funds hub.

WHAT GLOBAL DEVELOPMENTS ARE CURRENTLY HAVING THE MOST IMPACT ON THE WORK OR STRUCTURE OF YOUR FIRM? (E.G. ENERGY PRICES, SANCTIONS, TECHNOLOGY ETC.)

Advances in technology have driven business efficiencies in the Middle East, and transformation issues and hybrid work solutions are some of the things that many clients are coming to terms with—alongside an ever-increasing mobile workforce.

The UAE has also made significant moves through updated visa and residency rules to encourage global teams to consider the country as a viable option to undertake remote work.

With high energy prices and a changing landscape for big energy companies, there is a dynamism in the sector that includes both a shift in business approach and a continued focus on the renewables sector.

Global sanctions regimes, particularly the United States and European Union, are also likely to continue to be important factors across industries and sectors in the coming months and years. ■

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CATHERINE WORKMAN, HEAD OF MIDDLE EAST, PINSENT MASONS

Catherine Workman has over 25 years' experience of advising all levels of stakeholder on large scale projects where the main feature involves a partnership between the public and private sectors. Catherine has worked on PPP Projects in Albania, Bulgaria, Cyprus, Croatia, Ghana, Greece, Japan, Kosovo, Kuwait, Nigeria, Oman, Poland, South Africa, Saudi Arabia, the UAE and the UK. She has expertise in PPP projects involving ports, airports, hospitals, schools, roads, street lighting and island redevelopments. As well as sitting on Pinsent Masons' board, Catherine is also a board member of the British Aviation Group.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

As a purpose-led, professional services business with law at the core, we are proud to announce our purpose-led business growth.

- Launched in Luxembourg; the firm's multinational presence now stands at 26 offices over four continents.
- There have been 11 new client solutions and products.
- We are supporting 125 clients with their responsible business and D&I strategies.
- We are one of the first law firms to have its science-based net-zero target verified.
- Over the past three years we have achieved the target of 45% of our legal director and partner promotion candidates being women.
- Our revenue has increased by just under 6% to £531.1m.
- We have invested in our multinational partnership with 75% of all lateral partner hires being based outside of the UK

Our plan for the Middle East in 2023 and beyond, is all about harnessing our talent and harnessing opportunities. We have achieved all our objectives set for the 2017 to 2022 five-year plan so are now looking at our next three to five year plan and how we will identify the greatest opportunities, develop and grow. This is a team effort and everyone across all our offices in the region has been involved in developing the proposition. We set up a stakeholder engagement team across a range of our team members (all non-partners) headed by a Senior Associate and included a PA, trainees, associates and senior associates who we the question 'As this your business too, what do you think we should be doing?' They produced an amazing

“ WE ARE ABLE TO RESPOND TO THE SIGNIFICANT OPPORTUNITIES FOR TECH INNOVATION IN THE MIDDLE EAST AS THE REGION GOES THROUGH A DIGITAL TRANSFORMATION...”

strategy document which we are using right now as the basis for the new strategy which will be presented to the board later this year.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

The landscape here in the Middle East is constantly changing, with the digital future of the Middle East playing a key role. This includes Dubai leading the way to re-emerging as a pivotal hub for designing the future of the globalised digital economy and digital transformation playing a key role in Saudi Vision 2030. Last year we identified this as an important area and our first step was to ensure that we had on the ground resource to respond to this market. We recently welcomed a new TMT partner, Martin Hayward, to the team. Now with our local and global expertise in this area we are able to respond to the significant opportunities for tech innovation in the Middle East as the region goes through a digital transformation and burgeoning tech markets begin to gather pace on AI, cloud computing and 5G connectivity, with Saudi Vision 2030 being a great example of the transformative changes happening in the market.



WHAT DISPUTES / LITIGATION TRENDS HAVE YOU OBSERVED IN 2022?

In light of the pandemic, many companies are identifying potential risk areas with their current arrangements or future-working proposals. Our UK team launched a new working-from home audit tool to help financial services organisations understand the hidden litigation and regulatory risks associated with staff increasingly working from home on a more permanent basis. In addition, we are seeing a rise in the use of third-party funding for litigation generally but also in the Middle East.

WHAT ARE THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

We recommend businesses develop a collaborative and agile strategy that can be quickly amended if new regulations are introduced. In sectors such as technology, uncertainty can actually be an advantage as it enables companies to think creatively and provides the flexibility to innovate and expand quickly, which can be tricky in markets that are heavily regulated.

One area we believe, and hope, will continue to grow is climate change, sustainability and ESG. With Egypt hosting COP 27 in 2022 and the UAE hosting COP 28 in 2023 even more focus will turn to these matters, particularly in relation to the process of energy transition for many of our clients. This creates an amazing opportunity to play our part in ensuring businesses can respond to the challenges. We will be working with our own Climate Change and Sustainability Advisory Team on how to develop client driven solutions.

WHAT GLOBAL DEVELOPMENTS ARE CURRENTLY HAVING THE MOST IMPACT ON THE WORK OR STRUCTURE OF YOUR FIRM? (E.G. ENERGY PRICES, SANCTIONS, TECHNOLOGY ETC.)

There are certainly a number of obvious global developments which have an impact upon our business generally such as the economic fluctuations in the UK (we are a UK Headquartered business), the war in Ukraine and post pandemic recovery.

What is more interesting is the microcosm that we find ourselves in here in the Middle East. Economists say the MENA region will have 3.7% growth in 2023 compared to 0.5% in Europe and 1.3% in North America. This creates significant opportunities for us as professionals which we need to exploit. The impact on our work and structure relates to the fact that we need to be more nimble and agile about those opportunities and change and adapt our approach as required.

Someone once said to me "if you don't like change you will like irrelevance even less".

This is particularly relevant right now and we need to embrace change. ■

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ANDRÉS RING, MANAGING PARTNER (DUBAI), SCHLÜTER GRAF

Andrés Ring is a Managing Partner in the Dubai office of SCHLÜTER GRAF. He studied law in Passau and served as a trainee lawyer in Düsseldorf. He is admitted to the bar in Frankfurt am Main. Andrés has over 12 years of international experience, specialising in the business laws of the Middle East. In 2009 he joined SCHLÜTER GRAF Legal Consultants in their Dubai office, which he has been managing since 2015. His practice is centred around corporate matters such as joint ventures, M&A, re-structuring, commercial contracts, employment and HR topics, distribution and production structures, infrastructure projects and contentious matters.

WHAT IS NEW WITH YOUR FIRM AND WHAT ARE YOUR PLANS FOR 2023?

Despite the challenges posed by COVID 19 in the past couple of years, we were fortunate to enter into and expand our operations in new markets and practice areas. In the past year, in addition to further cementing our presence in Pakistan and Ethiopia, we entered the Egyptian market. We also registered with the DIFC Courts, both under Part I and Part II, to increase our service offering in the dispute resolution field.

We have noticed a growing demand for DIFC Court-based litigation and are pleased to be able to offer the same quality of services to our clients before the DIFC Courts as we have been offering in the mainland for over 25 years, courtesy to our in-house DIFC litigation team. Going forward in 2023, we intend to stay true to our growth and expansion plans in these markets.

WHICH PRACTICE AREAS DO YOU SEE GROWING IN 2023? WHAT ARE THE DRIVERS BEHIND THAT?

We see growth in far more practice areas in the region than was the case in the past couple of years where growth was largely restricted to the dispute resolution and M&A fields. However, now, in a period where there is a return to relative normalcy, we expect growth of non-contentious practice areas. In particular, the recent introduction of standalone data protection legislation in the region clearly puts Data Privacy as one area set for growth in the coming years. The tech space in general, including TMT, Big Data, and AI are all expected to witness further development. With e-commerce there is a period of increased regulation, is perhaps this is a good example to point to, as well. Lastly, almost needless

“ WE HAVE NOTICED A GROWING DEMAND FOR DIFC COURT-BASED LITIGATION...”





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“WE ALSO EXPECT THERE WILL BE FURTHER RELAXATIONS OF FOREIGN INVESTMENT AND COMMERCIAL AGENCY LAW SO THE UAE MAINTAINS ITS STATUS AS THE MOST ATTRACTIVE DESTINATION OF FOREIGN INVESTORS IN THE REGION.”

to say that due to the looming introduction of corporate income tax in the UAE, we expect increased demand in tax-matters and related corporate re-structuring topics.

WHAT ARE THE KEY FORTHCOMING UAE LEGISLATIVE CHANGES YOU ANTICIPATE OR HOPE FOR IN 2023?

In the past year, we have witnessed far-reaching legal reforms in the GCC region, specifically, in the Kingdom of Saudi Arabia and in the UAE where the central tenets of the legal system were completely overhauled. We have

continuously seen the UAE enacting new legislation or amending old laws, which have included the corporate income tax law, new labour laws, new data protection law and the reform of civil and criminal laws. Going forward into 2023, we anticipate similar trends and can already see a new agency law on the horizon. Similarly, the issue of the data protection law's implementing regulations is long overdue and remains very much on the cards. We also expect there will be further relaxations of foreign investment and commercial agency law so the UAE maintains its status as the most attractive destination for foreign investors in the region. We also expect Saudi to keep up the pace of its increased legislative activity.

WHAT DISPUTES / LITIGATION TRENDS HAVE YOU OBSERVED IN 2022, PARTICULARLY WHEN COMPARED TO LAST YEAR?

In 2021, we saw a continued rise in the litigation and arbitration activity, mostly as a result of, or related to disputes during the early COVID 19 period when companies were unable to honour their contractual obligations because of broken supply chains. However, employment disputes as a result of company restructuring and redundancies have somehow now returned to a normal level. Lastly, with ongoing cash flow issues in parts of the region and forex problems in certain jurisdictions, we are noticing a slight tendency for there to be increased commercial disputes, as a whole. ■

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