

## Middle East and North Africa

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This article reviews developments during 2012 in the Middle East and North Africa.<sup>1</sup>

### I. Egypt

Egypt in 2012 ended the same way it began — plagued by legal and political uncertainty as its leaders usurped power under the guise of protecting the transitional process and the goals of the revolution.

#### A. THE STATE OF EMERGENCY AND AMENDMENTS TO THE MILITARY CODE OF JUSTICE

Egypt's Emergency Law provided military and emergency state security courts with jurisdiction over thousands of civilians during the revolution.<sup>2</sup> Although Parliament amended the Emergency Law to prevent the continued trampling of fair trial and due process rights in these special courts, the amendments did not go far enough. Amendments in May 2012 to the Military Code of Justice did not prohibit the trial of civilians by military courts.<sup>3</sup> Moreover, Parliament did not act to disband emergency state security

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1. For developments during 2011, see Anahita Ferasat et al., *Middle East and North Africa*, 46 INT'L LAW. 601 (2012). For developments during 2010, see Anahita Ferasat et al., *Middle East*, 45 INT'L LAW. 561 (2011).

2. *World Report 2012: Egypt*, HUM. RTS. WATCH, <http://www.hrw.org/world-report-2012/world-report-2012-egypt> (last visited Mar. 3, 2013).

3. The amendments limited the right of presidential referral to military courts under Article 6 of the Military Code of Justice (Law No 25/1966) as amended by Law No 16/2007. *Egypt: New Law Keeps Military Trials of Civilians*, HUM. RTS. INITIATIVE (May 7, 2012), <http://www.hrw.org/news/2012/05/07/egypt-new-law-keeps-military-trials-civilians>.

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courts after the expiration of the state of emergency in May 2012.<sup>4</sup> Although President Morsi pardoned political prisoners detained during the revolution,<sup>5</sup> he issued an order in September 2012 that appointed more than 3000 judges to state security courts.<sup>6</sup> Those appointments, as well as other actions by the government,<sup>7</sup> indicate that the use of special security courts to try civilians will persist.

**B. COURT DECISIONS**

Numerous court decisions have frustrated revolutionaries and further complicated the transitional process. Most officials and police officers charged with killing protesters during the revolution were acquitted or received only light sentences.<sup>8</sup> Former Egyptian President Hosni Mubarak was sentenced to life in prison for complicity in the murder of protesters,<sup>9</sup> while the defendants charged in the “Battle of Camels” case were acquitted of manslaughter and attempted murder.<sup>10</sup>

The Supreme Constitutional Court (SCC) also ruled on two critical cases in June. The first decision held that provisions of the law regulating the People’s Assembly (PA) elections were unconstitutional, consequently leading to the PA’s dissolution by the Supreme Council of the Armed Forces (SCAF).<sup>11</sup> The second decision held the political exclusion law<sup>12</sup> unconstitutional, thus allowing Ahmed Shafiq to run in the presidential elections.<sup>13</sup>

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4. *World Report*, *supra* note 2.

5. *General Pardon for Some of the Crimes Committed During the January 25 Revolution*, AHARAMONLINE (Oct. 8, 2012), <http://english.ahram.org.eg/NewsContent/1/140/55104/Egypt/First—days/English-text-President-Morsis-pardon-decree-for-re.aspx> (publishing full text in English of President Morsi’s Presidential Decree 5).

6. *See, e.g.*, Conor Molloy, *Morsy Appoints Emergency Court Judges*, DAILY NEWS EGYPT (Oct. 3, 2012), <http://dailynewsegypt.com/2012/10/03/morsy-appoints-emergency-court-judges/>.

7. In June 2012, the Ministry of Justice issued Ministerial Decree No. 4991 allowing military-intelligence officers and military-police to arrest civilians for many crimes, including for “crimes and misdemeanors harmful to the government,” obstructing traffic, and “thuggery.” *See Welcome to the Military State of Egypt: Minister of Justice Decree More Repressive than State of Emergency, Grants Military Police and Military Intelligence Authority to Arrest Civilians*, CAIRO INST. (June 13, 2012), <http://www.cihrs.org/?p=2846&lang=en>. The Supreme Administrative Court quickly annulled the decree. *Id.*

8. *Egypt’s Mubarak Gets Life in Prison After Being Found Guilty of Conspiring to Kill Protesters*, FOX NEWS (June 2, 2012), <http://www.foxnews.com/world/2012/06/02/egypt-mubarak-gets-life-in-prison-after-being-found-guilty-conspiring-to-kill/>.

9. David D. Kirkpatrick, *Egyptian Court Rejects Verdict Against Mubarak*, N.Y. TIMES, Jan. 14, 2013, at A1, available at <http://www.nytimes.com/2013/01/14/world/middleeast/egyptian-court-grants-hosni-mubarak-a-new-trial.html>. The court of appeals has since ordered a new trial.

10. *Egypt Acquits ‘Camel Battle’ Defendants*, AL JAZEERA (Oct. 11, 2012), <http://www.aljazeera.com/news/europe/2012/10/2012101018616938632.html>.

11. Case No. 20/24/2012/Supreme Constitutional Court, 14 (Egypt).

12. “The law was drafted with the purpose of preventing Ahmed Shafiq . . . from running in Egypt’s first presidential election after January 25.” Aswat Masriya, *Egypt: Constitutional Court Looks Into Political Exclusion Law June 14*, ALLAFRICA (June 6, 2012), <http://allafrica.com/stories/201206061155.html>.

13. Case No. 57/34/2012/Supreme Constitutional Court, 26 (Egypt).

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C. CONSTITUTIONAL DECLARATIONS

Following the dissolution of Parliament in June 2012, SCAF swiftly issued a Constitutional Declaration fortifying its power.<sup>14</sup> In following SCAF's example, President Morsi undertook several unilateral actions upon taking office. He first attempted to reinstate Parliament after its dissolution in June, but the SCC quickly struck down that decree.<sup>15</sup> President Morsi later abrogated SCAF's June Declaration, reverting legislative powers and the right to establish a new Constituent Assembly to the President.<sup>16</sup> Morsi's most controversial action came in the November 22 Constitutional Declaration, wherein he granted himself broad powers to protect the country and the revolution.<sup>17</sup> He also placed constitutional declarations, laws, and decrees issued by the President since June 30, 2012 outside the reach of judicial oversight.<sup>18</sup>

D. CONSTITUENT ASSEMBLY

In April, an administrative court ruled that the mandatory election of fifty Parliamentarians and fifty non-Parliamentarians to the Constituent Assembly violated the SCAF-issued, March 2011 Constitutional Declaration.<sup>19</sup> The second Assembly may have met a similar fate but for the SCC indefinitely postponing a ruling on the Assembly's constitutionality after protests following Morsi's November 22 Declaration.<sup>20</sup>

## II. Iraq

A. MAJOR DEVELOPMENTS

Sectarian rifts dominated Iraqi political, legal, and economic life in 2012. The year began with Shi'ite Prime Minister Nuri Kamal al-Maliki seeking the arrest of Sunni Vice President Tariq al-Hashemi.<sup>21</sup> The Prime Minister issued an arrest warrant for the Vice President at the end of 2011 on terrorism charges.<sup>22</sup> Mr. al-Hashemi fled Iraq and sought

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14. This included legislative authority and authority to elect a new Constituent Assembly if the current Assembly could not complete its work. *The Constitutional Declaration (with June 17, 2012 Annex)*, CARNEGIE ENDOWMENT FOR INT'L PEACE, <http://egyptelections.carnegieendowment.org/2012/06/19/the-constitutional-declaration-with-june-17-2012-annex-added> (last visited Feb. 19, 2013).

15. *Egypt High Court Overturns Morsi's Decree Reinstating Parliament*, PRESS TV (July 10, 2012, 9:55 PM), <http://www.presstv.ir/detail/2012/07/10/250311/egypt-high-court-overturns-morsi-decree/>.

16. *English Text of President Morsi's New Egypt Constitutional Declaration*, AHARAM ONLINE (Aug. 12, 2012), <http://english.ahram.org.eg/News/50248.aspx>.

17. *English Text of Morsi's Constitutional Declaration*, AHARAM ONLINE (Nov. 22, 2012), <http://english.ahram.org.eg/News/58947.aspx>.

18. *Id.* art. 2.

19. Case No. 26657/2012/Administrative Court (First Chamber) (Egypt).

20. Reza Sayah & Amir Ahmed, *Egypt's High Court Suspends Sessions After Protesters Block Judges' Way*, CNN (Dec. 3, 2012, 5:31 AM), <http://www.cnn.com/2012/12/02/world/meast/egypt-protests>.

21. *See Iraq VP Tariq al-Hashemi Rejects Guilty Verdict*, BBC NEWS (Sept. 10, 2012, 8:36 AM), <http://www.bbc.co.uk/news/world-middle-east-19540960>.

22. *Tariq al-Hashimi*, N.Y. TIMES (Sept. 10, 2012), [http://topics.nytimes.com/top/reference/timestopics/people/h/tariq\\_al\\_hashimi/index.html](http://topics.nytimes.com/top/reference/timestopics/people/h/tariq_al_hashimi/index.html).

SPRING 2013

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refuge in the semiautonomous Kurdistan region before settling in Istanbul, Turkey.<sup>23</sup> Mr. al-Hashemi was tried in absentia in Iraq and sentenced to death.<sup>24</sup>

**B. HYDROCARBON LAW**

Sectarian tensions mounted between Baghdad and the semiautonomous Kurdistan Regional Government (KRG).<sup>25</sup> The KRG has been contracting independently with major oil and gas companies, to the ire of the federal Iraqi government, which maintains that all such contracts are illegal under the Iraqi Constitution.<sup>26</sup> In August 2012, a committee was formed to work out differences between political factions with an aim toward passing a comprehensive hydrocarbon law.<sup>27</sup> As of yet, the only federal legislation regulating oil production is a patchwork of five laws, to include a 2010 law with a 2011 amendment regulating the taxation of foreign oil companies in Iraq.<sup>28</sup> Despite the work of the committee, the federal government continues to pressure the KRG and oil companies contracting with Kurdistan to cancel any contracts that are not through the federal government.<sup>29</sup> The possibility of a resolution to the dispute looks grim as tensions increased between the federal government and the KRG on other fronts. For example, in November, soldiers from the federal government fought with security guards loyal to the KRG while seeking the arrest of a Kurdish man in the city of Tuz Khurmato.<sup>30</sup> Soldiers from Baghdad are in a standoff with soldiers sent by Masoud Barzani, the president of KRG.<sup>31</sup> As of this printing, international mediators have not been able to resolve the dispute.<sup>32</sup>

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23. *Id.*

24. *Id.*

25. *Iraq Oil Law Deal Fosters as Crisis Drags On*, REUTERS (Jan. 26, 2012, 6:56 AM), <http://www.reuters.com/article/2012/01/26/iraq-oil-law-idUSL5E8CN24L20120126>.

26. See *RPT-FACTBOX-Comparison of Iraq Oil Law Drafts, New and Old*, REUTERS (Sept. 23, 2011, 10:08 AM), <http://af.reuters.com/article/energyOilNews/idAFL5E7KM3T420110923>; Heliz Miouri, *Iraq's Kurds Reject Baghdad's Kirkuk Oil Deal*, RUDAW (Jan. 20, 2013, 6:46 PM), <http://www.rudaw.net/english/kurds/5674.html>.

27. Michael Kavanagh, *Iraq: Baghdad Eases Kurdistan Grip*, FIN. TIMES (Oct. 8, 2012, 12:04 AM), <http://www.ft.com/cms/s/0/7a20dab4-0bd2-11e2-8e06-00144feabdc0.html#axzz2EbNYcabV>; Ben Lando, *Special Committee to Jump Start Oil Law*, IRAQ OIL REP. (Aug. 31, 2012), <http://www.iraqoilreport.com/politics/oil-policy/special-committee-to-jump-start-oil-law-8639/>; *Iraq Parliament Sets up Oil and Energy Committee to Resolve Dispute with Kurdistan Region*, KURDISTAN TRIB. (Aug. 28, 2012), <http://kurdistantribune.com/2012/iraq-parliament-sets-up-oil-energy-committee-resolve-dispute-kurdistan-region/>.

28. Income Taxation on Foreign Oil Companies Working in Iraq Law No. 19 of 2010 (Iraq); Regulation No. 5 of 2011 (Iraq).

29. Stanley Reed, *Iraqi Government and Kurdistan at Odds Over Oil Production*, N.Y. TIMES, Nov. 15, 2012, at B8, available at <http://www.nytimes.com/2012/11/15/business/global/delicate-balancing-act-for-western-oil-firms-in-iraq.html?n=top%2fNews%2fWorld%2fCountries%20and%20Territories%2fIraq%2fOil>.

30. Tim Arango & Duraid Adnan, *For Iraq, Year Ends the Way It Began, with Guns Drawn*, N.Y. TIMES, Dec. 4, 2012, at A6, available at <http://www.nytimes.com/2012/12/04/world/middleeast/iraqs-latest-crisis-is-a-standoff-with-northern-kurds.html>.

31. *Id.*

32. *Id.*

### III. Israel

In response to increased non-compliance with labor laws in Israel, the government enacted the Enforcement Law,<sup>33</sup> which came into force on June 19, 2012. The Enforcement Law establishes financial and criminal sanctions against various legal persons who breach certain labor laws. It also substantially widens the responsibility of those receiving outsourced security, cleaning, or meal services (Services Users) toward the employees of the contractors who supply those services (Services Providers and Contractors).

The Enforcement Law strengthens and enables the enforcement of labor laws through two central tools. First, the Enforcement Law includes an administrative proceeding, which may result in administrative warnings, financial sanctions, or criminal liability, for both employers and Services Users for repeated violations of labor laws.<sup>34</sup> Furthermore, the Enforcement Law establishes that general managers will be subject to the aforementioned sanctions and criminal liability when the organization in which they work is found to have violated certain provisions of labor laws covered by the Enforcement Law.<sup>35</sup>

Second, the Enforcement Law also includes a widening of the scope of responsibility, both civil and criminal, for Services Users, with respect to Services Providers, and imposes additional obligations on the Services Users (and under certain circumstances, on the general manager of Services Users).<sup>36</sup> The Enforcement Law includes various conditions under which Services Users will have in some aspects the very same obligations as the Contractor, with respect to Services Providers.<sup>37</sup> The Law imposes an affirmative obligation on the Services User to take measures to insure that Services Providers are not harmed and requires Services Users to establish means by which the Services Providers can bring a complaint alleging impairment of their employment rights.<sup>38</sup>

A more novel aspect of this law in this regard is the establishment of the position of an “authorized wage inspector,” who will provide reports to the Minister of Industry, Trade, and Commerce, and who will be authorized to periodically examine, on behalf of the party ordering the services, the Contractor’s compliance with labor obligations.<sup>39</sup>

Separately, two additional developments should be noted. First, the law that requires notification of employees of their employment conditions has been amended to impose civil sanctions on employers that breach the law, including the payment of punitive damages and a shifting of the burden of proof in favor of employees.<sup>40</sup> The amendment also further clarifies the relationship between the initial employment notification requirement and any employment agreement that may be concluded with that employee.

Second, the law pertaining to manpower contractors<sup>41</sup> was amended. The amendment, which came into effect on January 1, 2012, prohibits a party from contracting with, or using the services of, a manpower contractor or services company that, although required

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33. Law for Strengthening the Enforcement of Labor Laws, 5771-2011, SH No. 2326 p. 62 (Isr.).

34. *See id.* ch. 2-4.

35. *See id.* §§ 14, 32.

36. *See id.* §§ 16, 25-26, 28, 31-33.

37. *Id.*

38. *See id.* § 26.

39. *See id.* ch. 6.

40. Notice to Employee Law (Employment Conditions), Amendment No.4 (Civil Enforcement), 5771-2011, SH No. 2311 p. 1029 (Isr.).

41. Employment of Employees by Manpower Contractors Law, 5756-1996, SH No. 2305 p. 979 (Isr.).

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by law, lacks a valid license, or neglected to present a copy of the same to the party contracting or using the services.<sup>42</sup>

#### **IV. Kuwait**

Kuwait continued to witness some economic and legal developments in 2012. It also experienced some political change as the Emir dissolved the Kuwaiti parliament and new elections took place on December 1, 2012.

Since the promulgation of the BOT Law<sup>43</sup> in 2008, several public-private partnership projects are being currently offered to local and foreign investors.<sup>44</sup> One of the main (and most advanced) projects is the Az Zour North IWPP,<sup>45</sup> concerning the development of an independent water and power plant that will be the first of its kind in Kuwait. The project documents were expected to be signed by the end of 2012.

Also active in 2012 was the Capital Market Authority (CMA) — which is the new independent market regulator created by the Capital Market Law promulgated in 2010,<sup>46</sup> and its Executive Bylaws issued in 2011,<sup>47</sup> and which completely changed the Kuwaiti stock market legal landscape. In addition to the circulars and instructions issued in 2011, the CMA released numerous instructions in 2012 to further regulate the market, including: (1) Instruction No. 1 of 2012, setting forth the requirements concerning takeover transactions; (2) Circulars No. 8 and 9, regulating investment in real estate and money market funds, respectively; and (3) Circular No. H.A.M/K.R/A.M/2/2012 of June 5, 2012, concerning the disclosure of material information by listed companies.<sup>48</sup>

The 2012 Commercial Companies Law<sup>49</sup> replaces the existing companies law legislation that was enacted in 1960. The new law brings numerous novelties. For example, the new law introduces the concept of single-person companies, with a limited liability of the owner; admits the concept of shareholders agreements, which is often used in practice by foreign investors to maintain control of local companies or to obtain protection of their interests; and permits Kuwaiti joint-stock companies, banks, and investment companies to issue convertible bonds and sukuks. The new law entered into effect on November 29, 2012. But the implementation of certain provisions of the new law will be postponed pending the issuance of the executive bylaws that are expected to be released in 2013.

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42. *Id.*

43. See Law No. 7 of 2008, KUWAIT AL YOUM [OFFICIAL GAZETTE OF KUWAIT] No. 857 (Feb. 10, 2008).

44. For a list of these projects, please see *Projects*, PARTNERSHIPS TECHNICAL BUREAU, <http://www.ptb.gov.kw/en/Projects> (last visited Mar. 3, 2013).

45. See Law No. 39 of 2010, KUWAIT AL YOUM [OFFICIAL GAZETTE OF KUWAIT] No. 981 (June 27, 2010).

46. See Law No. 7 of 2010, KUWAIT AL YOUM [OFFICIAL GAZETTE OF KUWAIT] No. 964 (Feb. 28, 2010).

47. See Law No. 1018 of 2011, KUWAIT AL YOUM [OFFICIAL GAZETTE OF KUWAIT] No. 1018 (Mar. 13, 2011).

48. All CMA Instructions and Circulars are available at KUWAITCMA.ORG, <http://www.kuwaitcma.org> (last visited Mar. 3, 2013).

49. See Law No. 25 of 2012, KUWAIT AL YOUM [OFFICIAL GAZETTE OF KUWAIT] No. 1107 (Nov. 29, 2012).

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**V. Lebanon**

Lebanese politicians have been struggling to reach an agreement on a new election law in time for the 2013 parliamentary election. The political parties in Lebanon are divided into two main coalitions. One is called the March 8 Alliance,<sup>50</sup> led by Hezbollah and supported by Syria and Iran, and the other is called the March 14 Alliance,<sup>51</sup> led by former Prime Minister Saad Hariri and supported by Saudi Arabia and other Western countries.

On June 13, 2011, the present Prime Minister, Najeeb Mikati, came to power under the auspices of Hezbollah.<sup>52</sup> The March 8 Alliance was able to pass an election law, tailored to serve its interest, that was vehemently rejected by the March 14 Alliance. The government's draft law would divide Lebanon into thirteen medium-sized districts based on proportional representation.<sup>53</sup> The March 14 Alliance presented a draft law proposing to divide Lebanon into fifty small districts under a winner-takes-all-system.<sup>54</sup> Both sides are stubbornly digging deeper in their positions and do not seem to be able to create other options.

The parties are almost at an impasse and do not seem positioned to agree on a new law in time for the June 2013 parliamentary election. If the parties are unable to reach an agreement on a new law soon, the election may be delayed or conducted under the 1960 law. The 1960 law is an old election law that does not satisfy any party and that does not fairly represent constituencies.<sup>55</sup> The 1960 law adopts the *qada*, County, as an electoral district and is based on a winner-takes-all system. In addition to the division along party lines, there are sectarian factors that the new law must consider. Due to the sectarian political structure in Lebanon, the main two sects — Christians and Muslims — must share the parliament equally.<sup>56</sup> The geographic distribution of the constituency makes the election law difficult to achieve in light of many dynamic factors. The points that are in dispute range from law that is based on proportional representation as opposed to majority representation to redistricting. A major point of difference is whether to use Lebanon as one district or to divide the country into many smaller districts.

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50. *Inside Lebanon*, ARAB WORLD 360°, <http://arabworld360.blogspot.com/2012/11/inside-lebanon.html#.UTQozzCOSz4> (last visited Mar. 3, 2013).

51. 14MARCH.ORG, <http://14march.org/> (last visited Mar. 3, 2013).

52. Alaa Shahine & Massoud A. Derhally, *Lebanon's Mikati Forms New Cabinet with Hezbollah Support*, BLOOMBERG (June 13, 2011, 3:20 PM), <http://www.bloomberg.com/news/2011-06-13/lebanon-s-mikati-forms-new-cabinet-with-hezbollah-support.html>.

53. *Geagea Pushes for Smaller Districts Proposal*, DAILY STAR (Sept. 7, 2012, 1:22 AM), <http://www.dailystar.com.lb/News/Politics/2012/Sep-07/187028-geagea-pushes-for-smaller-districts-proposal.ashx#axzz2HP69srEQ>.

54. *Jumblat Rejects Opposition's Small Electoral Districts, Says 'No One Consulted Us'*, NAHARNET NEWSDESK (Sept. 27, 2012, 11:37 PM), <http://www.naharnet.com/stories/en/54945>.

55. *Lebanese 1960 Election Law (Map) + Beirut Update*, BEIRUT SPRING (May 21, 2008), <http://beirutspring.com/blog/2008/05/21/lebanese-1960s-election-law-map/>.

56. Hassan Krayem, *The Lebanese Civil War and the Taif Agreement*, AM. UNIV. BEIRUT, <http://ddc.aub.edu.lb/projects/pspa/conflict-resolution.html> (last visited Mar. 3, 2013).

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**VI. United Arab Emirates**

**A. FEDERAL**

The Federal Competition Law<sup>57</sup> is meant to regulate anti-competitive behavior in the market.<sup>58</sup> With the aim of providing enhanced competition in the market, the law prohibits restrictive agreements, deals with price fixing, and sets conditions for buying or selling commodities. Companies in a dominant market position are prohibited from price fixing, undercutting prices, or requiring clients not to contract with competitors.<sup>59</sup> With a prohibition on collusion in tendering and bids and agreements which divide the market, the law is meant to create a more competitive and attractive market with fewer barriers to entry for foreign companies looking to invest in the UAE. The impact of this new law on both existing companies and prospective foreign competitors remains to be seen.

**B. FINANCIAL REGULATION**

The UAE Central Bank published a regulation<sup>60</sup> to ensure that liquidity risks are managed consistently with Basel III supervision standards and international best practices. Initially, banks will be required to hold 10 percent in high liquid assets.<sup>61</sup> While aiming to improve the ability of banks to withstand liquidity stress, the Central Bank places the responsibility on banks to improve its risk management and governance practices. Quantitative requirements<sup>62</sup> will ensure that banks have sufficient liquid assets to cover liabilities. Qualitative requirements<sup>63</sup> will be imposed on banks, in the form of twelve criteria designed to form a comprehensive framework of risk management.

**C. DUBAI INTERNATIONAL FINANCIAL CENTRE**

The Markets Law 2012<sup>64</sup> and the Regulatory Law Amendment Law 2012<sup>65</sup> were enacted in the Dubai International Financial Centre (DIFC). The Dubai Financial Services Authority (DFSA) administers both laws. The Markets Law 2012 replaces the Markets

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57. UAE Federal Law No. 4 of 2012, AL-JARIDAH AL-RASMIYAH/AL-IMARAT AL-'ARABYAH AL-MUTTAIDAH [OFFICIAL GAZETTE OF UNITED ARAB EMIRATES] (Oct. 23, 2012). The law is to enter into effect on February 23, 2013.

58. This law is more directly aimed at anti-competitive behavior in contrast to UAE Federal Law No. 18 of 1993, which contains a section on unfair competition (focused on disclosure of trade secrets, poaching a competitor's employees, or disseminating false information about a product).

59. Parameters to define "dominance" will be set by the Cabinet of Ministers and can be adjusted based on economic need.

60. UAE Central Bank Circular No. 30/2012 (July 12, 2012), *available at* <http://www.centralbank.ae/en/pdf/notices/CircularNo-30-2012LiquidityRegulationsAtBanks.pdf>. Guidance notes are also *available at* <http://www.centralbank.ae/en/pdf/notices/GuidanceManualForCircularNumber-30-2012.pdf>.

61. Starting in January 2013 with the basic 10 percent requirement; additional financial requirements to follow, including liquid coverage ratio at the end of 2014.

62. Yet to be finalized by the Basel Committee for Banking Supervision (BCBS), only two of the final four financial ratios have been finalized at this stage.

63. The qualitative requirements are based on the Basel Committee for Banking Supervision (BCBS) document titled "Principles for Sound Liquidity Management and Supervision" dated September 2008.

64. Markets Law 2012, DIFC Law No. 1 of 2012, *available at* [http://dfs.complinet.com/net\\_file\\_store/new\\_rulebooks/d/f/DFSA1547\\_15937\\_VER1.pdf](http://dfs.complinet.com/net_file_store/new_rulebooks/d/f/DFSA1547_15937_VER1.pdf). The law was enacted on June 7, 2012 and came into force on July 5, 2012.



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Law 2004 and introduces numerous changes, including prospectus disclosure, activities constituting an “offer,” market misconduct provisions, and corporate governance. The amendments to the Regulatory Law permit non-DIFC exchanges and clearing houses that meet certain regulatory standards to provide access to their facilities to persons located in the DIFC.

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65. Regulatory Law Amendment Law 2012, DIFC Law No. 2 of 2012, *available at* [http://dfsacomplinet.com/net\\_file\\_store/new\\_rulebooks/r/e/Regulatory\\_Law\\_Amendments\\_Law\\_DIFC\\_Law\\_No.\\_2\\_of\\_2012.pdf](http://dfsacomplinet.com/net_file_store/new_rulebooks/r/e/Regulatory_Law_Amendments_Law_DIFC_Law_No._2_of_2012.pdf). The law was enacted on June 7, 2012 and came into force on July 5, 2012.

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