IN-DEPTH

Shipping Law

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In-Depth: Shipping Law (formerly The Shipping Law Review) aims to provide those involved in handling cross-border shipping disputes with an overview of the key legal issues arising across multiple jurisdictions, including leading maritime nations and major shipbuilding centres. Among other things, it analyses the most noteworthy aspects of available dispute resolution procedures; shipbuilding contracts, contracts of carriage and cargo claims; limitation of liability; ship arrest procedures; and much more.

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United Arab Emirates

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Summary

Introduction

Commercial overview of the shipping industry

The United Arab Emirates has established itself as one of the world's foremost maritime trading and logistics hubs, strategically positioned at the crossroads of major East–West shipping routes linking Asia, Europe and Africa. Maritime transport is a key pillar of the UAE's non-oil economy, supported by world-class port infrastructure, modern logistics networks and a pro-business regulatory environment.

The UAE's commercial fleet comprises more than 1,000 UAE-flagged vessels, while UAE-based shipowners and operators collectively manage several thousand vessels trading internationally across the container, tanker, dry bulk, offshore and specialised shipping sectors. The country is also home to some of the world's leading maritime companies, with Dubai serving as a regional centre for ship management, brokerage, marine insurance and maritime finance.

The UAE's 12 commercial ports handle well over 20 million twenty-foot equivalent units (TEUs) of containerised cargo annually, together with significant volumes of bulk cargo, liquid bulk, vehicles, project cargo and general freight. Jebel Ali Port remains the region's largest container port and one of the world's leading transshipment hubs and is complemented by Khalifa Port, Khor Fakkan Container Terminal, the Port of Fujairah and Saqr Port, each serving specialised commercial markets and regional supply chains.

The country's maritime trade is supported by extensive landside connectivity through a modern highway network, integrated logistics parks and free zones, while the expanding national rail network is expected to further strengthen multimodal freight transport and improve cargo distribution across the Gulf Cooperation Council (GCC) region.

Although the UAE is not traditionally regarded as a large-scale commercial shipbuilding nation, it has developed a sophisticated ship repair, ship conversion and specialised vessel construction sector. Local shipyards undertake the construction of offshore support vessels, patrol craft, aluminium vessels, tugs, work boats and luxury yachts, while also providing maintenance and repair services for international merchant fleets operating throughout the Middle East.

Continued investment in digitalisation, port automation, sustainability initiatives and integrated logistics infrastructure has reinforced the UAE's position as a leading global maritime gateway, ensuring the shipping industry remains a cornerstone of the country's international trade, economic diversification and long-term commercial growth.

General overview of the legislative framework

The United Arab Emirates (UAE) is a federation of seven emirates (founded in 1971) consisting of: (1) Sharjah, (2) Ajman, (3) Fujairah and (4) Umm Al Quwain, which follow the federal judicial system, and (5) Abu Dhabi, (6) Dubai and (7) Ras Al Khaimah, which have retained their own local laws and systems for matters not expressly reserved for the federal judiciary under the Constitution.

To adapt to evolving business requirements, the UAE has amended its Constitution to allow for the establishment of two more separate legal jurisdictions: the Dubai International Financial Centre (DIFC) (in 2004) and the Abu Dhabi Global Market (ADGM) (in 2013). The DIFC and ADGM are financial free zones, and they have their own "offshore" laws that are modelled on common law principles in respect of civil and commercial matters and their own courts.

A dual legal system is implemented in the “onshore” (ie, excluding the DIFC and the ADGM) with legal principles drawn primarily from Islamic sharia and also influenced by other civil law systems (eg, Egypt and France).

The primary legislation governing maritime activities in the UAE is Federal Decree-Law No. 43 of 2023 on Maritime Law (the New Maritime Law), which came into force on 29 March 2024, replacing Federal Law No. 26 of 1981 Concerning Commercial Maritime Law (the Old Maritime Law). The New Maritime Law represents a comprehensive overhaul, modernising vessel registration, ship arrest procedures, carriage of goods, limitation of liability, cargo claim time bars, maritime liens, and seafarer protections.

Federal Decree-Law No. 42 of 2022 (the UAE Civil Procedure Law), Federal Decree Law No. 50 of 2022 (the UAE Commercial Transactions Law), Federal Law No. 6 of 2018, as amended by Federal Decree Law 15 of 2023 (the UAE Arbitration Law), and Federal Law No. 25 of 2025 (the UAE Civil Transactions Law) should also be read together with the New Maritime Law as supplementary laws, as they may also be relevant to maritime disputes in the UAE.

Pursuant to article 2 of the New Maritime Law, international agreements, conventions, and protocols ratified by the UAE take precedence over the domestic law. The UAE is a party to key international conventions including the International Convention for the Safety of Life at Sea 1974 (SOLAS) and its 1978 Protocol, the Convention on Limitation of Liability for Maritime Claims 1976 (LLMC) and its 1996 Protocol (which entered into force in the UAE on 23 May 2021) and the Convention on the International Regulations for Preventing Collisions at Sea 1972 (COLREGs).

Notably, the UAE has not ratified the Hague Rules, the Hague-Visby Rules, the Hamburg Rules and the Rotterdam Rules governing the carriage of goods by sea. It is also not a party to the 1952 or 1999 Arrest Conventions, nor the 1910 Collision Convention. However, the New Maritime Law incorporates a number of provisions consistent with internationally accepted maritime practice. In particular, its ship arrest regime has been modernised and broadly aligns with the principles embodied in the 1999 Arrest Convention, notwithstanding that the Convention itself has not been adopted by the UAE.

Year in review

The past year has been one of continued modernisation for the UAE maritime sector, with legislative reform, infrastructure investment and technological innovation reinforcing the country's position as a leading regional and international shipping hub. Against a backdrop of geopolitical instability in the Strait of Hormuz, the Red Sea and wider Middle East, the UAE has continued to demonstrate the resilience of its ports, logistics infrastructure and maritime regulatory framework, enabling it to maintain its role as a critical gateway for international trade.

The New Maritime Law (effective 29 March 2024)

The most significant legal development in recent years is the coming into force of the New Maritime Law. The New Maritime Law represents the most comprehensive reform of UAE maritime legislation in over four decades. It modernises key areas of maritime law and the legislation also brings the UAE's maritime framework closer into alignment with contemporary international maritime practice, enhancing legal certainty for shipowners, financiers, cargo interests and insurers.

The UAE's new Maritime Law introduces several significant changes, including a major overhaul of the vessel arrest regime to align more closely with the 1999 International Convention on Arrest of Ships. The new regime sets out several categories of qualifying maritime debts, introduces mandatory counter security requirements for arrest applications, recognises P&I club letters of undertaking as acceptable security for the release of arrested vessels and permits sister-ship arrest based on ownership at the time of filing the arrest application rather than at the time the maritime debt arose. Limitation of liability provisions have been updated to reflect Special Drawing Rights (SDR) figures under the 1996 Protocol to the Convention on LLMC, and onshore UAE courts may now establish limitation funds. Cargo liability limits have been revised from the previous 10,000 dirhams per package limit under the Old Maritime law to 835 SDR per package, bringing them closer to, but still above, the Hague-Visby Rules limit of 666.67 SDR per package. Time bars for collision and towage claims have been reduced from two years to one year. The New Maritime Law also expressly recognises electronic bills of lading under article 163, giving them the same probative force and negotiability as paper bills of lading, subject to statutory requirements.

Port performance and commercial developments

The UAE's ports have continued to perform strongly, supported by sustained investment in capacity and logistics infrastructure. In 2024, Jebel Ali Port handled 15.5 million TEUs, its highest annual container throughput since 2015.[1] Khalifa Port is also undergoing further expansion: an agreement announced in November 2025 will increase the CMA CGM-AD Ports Group terminal's capacity from 1.8 million to 2.7 million TEUs and Khalifa Port's overall container capacity to 10.5 million TEUs.[2]

Abu Dhabi has been ranked among the top 25 maritime cities worldwide in the 2024 Leading Maritime City Report, jumping ten places since 2022.[3]

Commercial development is increasingly extending inland and beyond conventional port operations. In 2025, AD Ports Group opened the Al Faya Dry Port between Abu Dhabi and Dubai, providing an inland container facility linked to Khalifa Port and designed to facilitate cargo flows to Dubai and the Northern Emirates. These developments demonstrate the UAE's continued focus on integrating maritime, inland and logistics infrastructure to support trade and strengthen its position as a regional logistics hub.

Regulatory and environmental

The UAE Federal Decree-Law No. (11) of 2024 (on the Reduction of Climate Change Effects) introduced mandatory greenhouse gas emissions measurement, reporting, and verification requirements for covered public and private entities, potentially including logistics operators, effective from 30 May 2025.

Forum and jurisdiction

UAE courts

The UAE has two parallel court systems onshore: a federal judiciary adopted by Ajman, Fujairah, Sharjah and Umm Al Quwain; and local independent court systems retained by Abu Dhabi, Dubai and Ras Al Khaimah. The federal courts have three tiers of court, being: (1) the Court of First Instance, Court of Appeal and Federal Supreme Court. Abu Dhabi, Dubai, and Ras Al Khaimah each have their own courts of First Instance, Appeal and Cassation. In the onshore UAE courts, there is an automatic right of appeal for cases valued above 50,000 dirhams, and a further right of appeal to the relevant cassation courts for cases above 500,000 dirhams.

There is no specialist admiralty court in the UAE; all maritime disputes are heard by the onshore UAE civil and commercial courts, unless they fall within the jurisdiction of the DIFC courts or the ADGM courts specifically.

Pursuant to article 60 of the New Maritime Law, the onshore UAE courts will accept jurisdiction over maritime disputes or to grant attachments over vessels: (1) where the plaintiff is domiciled or has its place of business in the onshore UAE; (2) if the maritime debt arises in the UAE; (3) if the maritime debt arises during a voyage during which a precautionary attachment of the ship is made the UAE; (4) if the maritime debt results from a collision or salvage; and (5) if the debt is secured by a maritime mortgage on the attached ship. The onshore UAE courts frequently disregard foreign jurisdiction clauses in maritime contracts, if they find that the jurisdictional gateways set out above have been met. Arbitration clauses in maritime contracts are treated differently by the onshore UAE courts and are generally recognised, provided they are in writing, clearly set out and signed by all contractual parties. The DIFC courts and ADGM courts will, however, uphold a jurisdiction clause in favour of a foreign court, as well as valid arbitration clauses.

The relevant limitation periods under the New Maritime Law and related legislation include the following:

- three years for tort claims;
- one year for charterparty and cargo claims;
- two years for salvage claims;
- one year for marine insurance claims (reduced from two years under the Old Maritime Law);
- two years for passenger death or personal injury claims;
- six months for delay claims;

- one year for luggage carriage claims;
- one year for collision claims (reduced from two years under the Old Maritime Law); and
- one year for towage claims (reduced from two years under the Old Maritime Law).

Arbitration and ADR

The UAE enacted the UAE Arbitration Law (as amended) based on the UNCITRAL Model Law. There is no maritime-specific arbitration procedure in the UAE Arbitration Law. The principal arbitration centres in the UAE that handle maritime arbitrations include: the Dubai International Arbitration Centre (DIAC), the Abu Dhabi International Arbitration Centre (arbitrateAD)[4] and the ICC UAE.[5]

A significant practical development under the New Maritime Law is that the substantive merits claim following a vessel arrest may now be filed before an arbitral tribunal where the contract contains an arbitration clause, resolving a long-standing problem under the Old Maritime Law that required merits claims to be filed before the state courts regardless of any arbitration agreement.

Mediation is available in the UAE but is not widely used as a stand-alone dispute resolution mechanism for maritime disputes. Expert determination may be used for technical matters, particularly in cargo damage claims.

Enforcement of foreign arbitral awards

Onshore UAE courts

The UAE is a signatory to the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards 1958. The onshore UAE Courts of Cassation have confirmed in several judgments that we are aware of, that foreign arbitration awards are enforceable in the UAE pursuant to article 223 of the UAE Civil Procedure Law,[6] provided that the criteria stated in article 222 of the UAE Civil Procedure Law are met, which are the following: (1) the UAE courts do not have exclusive jurisdiction over the underlying dispute; (2) the judgment/award was issued by a competent court/tribunal; (3) the respondent was properly served and represented in the underlying proceedings; (4) the award has acquired the force of res judicata; and (5) the award does not conflict with public order in the UAE.

The enforcement procedure involves a two-step application: first, an application to the enforcement judge (who issues an order within five working days). The enforcement order of the foreign arbitration award can be appealed to the Court of Appeal. The second step is notification to the debtor to settle the award within seven days, failing which execution procedures can be commenced.

DIFC courts

Part 4 of the DIFC Law No. 1 of 2008 (as amended) (the DIFC Arbitration Law) sets out the procedure for recognising a foreign arbitration award in the DIFC court. The grounds upon which the DIFC court may refuse to recognise an arbitral award (domestic or foreign) are modelled on those set out in the New York Convention and include the following:

- incapacity of a party to the arbitration agreement or the arbitration agreement is not valid under the law to which the parties have subjected it or, in the absence of any indication thereon, under the law of the state or jurisdiction where the award was made;
- the judgment debtor not being properly informed of the appointment of the arbitrator or of the arbitral proceedings or was otherwise unable to present his case;
- the award addressing points not covered by the submissions or it contains decisions on matters beyond the scope of the submission to arbitration, provided that, if the decisions on matters submitted to arbitration can be separated from those not so submitted, that part of the award that contains decisions on matters submitted to arbitration may be recognised and enforced;
- the composition of the arbitral tribunal or the arbitral procedure was not in accordance with the agreement of the parties or, in the absence of such agreement, was not in accordance with the law of the state or jurisdiction where the arbitration took place; or
- the award has not yet become binding on the parties or has been set aside or suspended by a court of the state or jurisdiction in which, or under the law of which, that award was made.[7]

It is also currently possible to use the DIFC court as a conduit court to recognise and enforce foreign awards against assets located onshore in Dubai, even where there is no connection with the DIFC.

However, under certain circumstances, defendants to recognition proceedings may try to frustrate recognition and enforcement proceedings by a filing a case before the Conflicts of Jurisdiction Tribunal.[8] The Conflicts of Jurisdiction Tribunal, when determining a conflict between the DIFC and Dubai courts, will have the power to: (1) determine the competent judicial entity having jurisdiction over any claim or application; (2) determine the enforceable judgement in the event of conflicting judgments; and (3) exercise any other duties or powers assigned to it by the ruler or the chair. Jurisdictional conflicts may arise when parallel proceedings are issued by the same parties in the DIFC courts and Dubai courts.

The orders issued by the above tribunal thus far appear to confirm that the DIFC can still be used as a conduit jurisdiction for seeking recognition of foreign arbitration awards but not for onshore Dubai arbitration awards, which have to be enforced via the onshore Dubai courts.

ADGM courts

Articles 60 to 62 of the ADGM Arbitration Regulations set out the procedures to enforce an arbitral award and the grounds upon which the court may refuse recognition and enforcement. The ADGM court has previously recognised and enforced an Abu Dhabi-seated ICC award within the ADGM, but declined to affix an executory formula permitting onward enforcement outside the ADGM. The decision confirms that the ADGM courts cannot be used as a conduit jurisdiction for enforcement outside the ADGM where the arbitral award is not an ADGM-seated award.[9]

Enforcement of foreign judgments

Onshore UAE courts

The onshore UAE courts will enforce foreign judgments provided that the criteria set out in article 222 of the UAE Civil Procedure Law are met and that reciprocity for enforcement of judgments between the UAE and the state that issued the judgment can be proven.

Enforcement under a bilateral treaty is a slightly different process. A ratification application must be filed with the relevant court of first instance, and the terms of the treaty govern enforcement of the foreign judgment.

DIFC courts

The DIFC courts have jurisdiction to ratify foreign judgments. The foreign judgment must satisfy the common law tests for enforcement. It must be a final judgment, capable of enforcement, be rendered by a recognised court that had jurisdiction and not be subject to grounds that would render it unenforceable (eg, obtained by fraud or contravening UAE public policy). Once the judgment is ratified, it can then be enforced onshore through the relevant legal mechanisms in place between the DIFC court and the onshore courts. Currently, the DIFC court may still be used as a conduit court to recognise and enforce foreign judgments against assets located onshore in the UAE, even if there is no connection with the DIFC.

ADGM courts

There must be reciprocity between the ADGM courts and the foreign court in order for a foreign judgment to be recognised and enforced. Reciprocity can be shown either through the existence of a treaty or once the Chief Justice is satisfied that substantial reciprocity of treatment will be assured as regards the recognition and enforcement in that foreign country of ADGM court judgments. There is a two-stage process for recognition and enforcement. First, there is an *ex parte* process for registration of the foreign judgment. This is followed by enforcement through the Abu Dhabi courts in accordance with the relevant memoranda of understanding. Unlike the DIFC court, the ADGM court cannot be used as a conduit court for enforcing a foreign judgment against a judgment debtor's assets located in Abu Dhabi.

Shipping contracts

The UAE has a significant and growing shipbuilding industry, with a number of established yards constructing commercial, offshore and other vessels. The principal legislation governing shipbuilding is the New Maritime Law, which provides the following in material part:

- shipbuilding contracts must be in writing, as must any amendment to such contracts, failing which they will be considered to be void;[10]
- a notable change under the New Maritime Law is the obligation placed on the shipbuilding contractor (rather than the buyer) to register the shipbuilding contract in a new Under-Construction Ships Register. This changes existing practice and requires shipbuilding contractors to engage more proactively with the registry process;[11]
- ownership of the ship cannot be transferred to the shipbuilding applicant unless the applicant accepts the handover after testing, unless otherwise agreed upon.-[12] If the parties to the shipbuilding contract agree to transfer ownership to the shipbuilding applicant during the construction period, the shipbuilding contractor may withhold the ship upon completion until the full price is paid.[13] Owners should therefore expressly address the timing of title transfer, the ownership of materials and equipment and the yard's rights following termination or non-payment;
- the shipbuilding contractor is accountable for hidden defects in the ship, even if the ship's takeover report does not contain any reservation;[14] and
- claims under the latent defects guarantee are time-barred one year after discovery of the defect or two years after delivery, whichever is earlier.[15]

If a yard refuses to deliver the vessel, disputes are resolved with reference to the dispute resolution clause in the contract. For international commercial contracts, arbitration clauses are common. An owner's primary remedies will depend on the shipbuilding contract and its governing law. UAE commercial law, for example, provides remedies for failure to deliver a specific item, including, in appropriate circumstances, specific performance, rescission and damages.

A noteworthy case is that of *Gulf Navigation Holding PJSC v Jinhai Heavy Industry Co Ltd* (2017),[16] which involved a dispute arising from a shipbuilding contract and resulted in a London seated arbitral award of approximately US$14.55 million in favour of the shipyard. The subsequent UAE proceedings that ensued concerned which of the Dubai or DIFC courts had jurisdiction to recognise and enforce the award, with the then Dubai-DIFC Joint Judicial Committee[17] ultimately allocating jurisdiction to the Dubai courts.

Contracts of carriage

Under the New Maritime Law, the contract of carriage of goods by sea is defined as contract whereby the carrier undertakes to carry cargo by sea from a port to another against a freight.[18]

The UAE is not a party to the Hague Rules, Hague-Visby Rules, Hamburg Rules or Rotterdam Rules. The UAE's statutory regime nevertheless broadly reflects principles found in the Hague-Visby Rules, including a carrier's responsibility for cargo from receipt until delivery and statutory limits on liability. However, articles 156 to 187 of the New Maritime Law govern contracts of carriage by sea and reflect many of the same principles.

Under the New Maritime Law, the carrier is responsible for goods between his receipt of the goods and their delivery to the person entitled to receive them.[19] Exceptions to liability arise where the carrier, its subordinates and agents have taken all reasonable measures to prevent the damage or where prevention was impossible, and where fire occurred without fault of the carrier.

The limitation figure has been updated to 835 SDR per package or unit, or 2.5 SDR per kilogram of gross weight of the goods, whichever is higher,[20] a significant reduction from the Old Maritime Law's 10,000 dirhams per package.

Cabotage

The UAE does not have a general cabotage regime comparable to the US Jones Act. However, vessels operating domestically remain subject to UAE flag, registration, licensing, port and other regulatory requirements. The New Maritime Law expressly contemplates vessels designated for navigation between UAE ports and provides a framework for their registration.

Liens

Chapter 6 of the New Maritime Law contains relevant provisions in relation to liens. Article 29 lists eight categories of liens in order of priority, namely: (1) legal preservation expenses; (2) crew employment claims; (3) salvage rewards and general average; (4) collision compensation (5) claims from master contracts made outside the home port for vessel preservation; (6) cargo claims; (7) pilotage claims; and (8) construction or repair claims. Only these categories receive the statutory priority attached to the vessel. Contractually created liens over the vessel are not enforceable and do not create a lien. Ship mortgages rank below all eight categories of privileged debt.

The position is different for cargo: article 133 expressly grants a shipowner a lien over cargo on a chartered vessel for unpaid freight and related charges, subject to statutory limitations. This was recently considered by the Dubai Court of Cassation in Case No. 1729/2023 (judgment of 24 April 2024), where a disponent owner was permitted to withhold discharge of cargo pending payment of freight and was awarded demurrage for the resulting delay.

Multimodal bills of lading

Multimodal transport is increasingly common given the UAE's role as a logistics hub. The New Maritime Law provides express recognition of electronic bills of lading (article 163), which carry the same legal effect as paper originals, provided the electronic system ensures valid designation of the holder, guarantees authenticity and demonstrates possession. However, the UAE has not enacted a comprehensive multimodal transport law, and multimodal arrangements are governed principally by contract.

Cargo claims

Cargo claims in the UAE are principally governed by the New Maritime Law.

The carrier is identified under the New Maritime Law as the party who uses the vessel on their own account as owner or charterer. The onshore UAE courts recognise a party as carrier if identified as such on the bill of lading, even if signed by an agent.

The carrier is liable for loss or damage to cargo occurring between receipt and delivery unless it proves that it and its employees and agents took all reasonable measures to prevent the loss or that it was impossible to do so. The carrier is also liable for delay, subject to the statutory requirements and limitations.

Title to sue

Title to sue generally follows the bill of lading. The persons entitled to claim include the consignor, the named consignee, an assignee, the lawful holder of a negotiable "to order" bill and the lawful holder of an electronic bill of lading. The New Maritime Law also recognises the negotiability of bills of lading and gives electronic bills the same evidential and negotiable effect as paper bills, subject to specified requirements.

Claims may be brought against the contract carrier and, where applicable, the actual carrier. The contract carrier remains liable for the carriage as a whole, while the actual carrier is jointly liable for damage occurring during the part of the carriage it performs. Both may rely on the statutory limitation regime.

As discussed above, for cargo loss or damage, liability is generally capped at 835 SDR per package or unit or 2.5 SDR per kilogram, whichever is higher. The limitation is unavailable in specified circumstances, including intentional or reckless conduct by the carrier or certain unauthorised deck carriage. Claims arising from the contract of carriage are generally subject to a one-year time bar.

Incorporation of charterparty terms

Article 161 of the New Maritime Law specifically addresses conflicts between a charterparty and a bill of lading. The charterparty governs the relationship between the shipowner and charterer, while the bill of lading governs the relationship between the charterer and the consignor or consignee, unless the bill of lading expressly refers to the charterparty. Where the shipowner itself issues the bill of lading, the bill of lading governs the relationship between the shipowner and the consignor or consignee.

Accordingly, charterparty terms intended to bind bill of lading holders should be expressly incorporated, particularly jurisdiction and arbitration clauses. The UAE Arbitration Law (as amended) separately requires an arbitration agreement to satisfy its statutory requirements.

The New Maritime Law contains no express provision either recognising or prohibiting demise (identity-of-carrier) clauses. However, article 155 confirms that the statutory carriage regime applies whether the carrier is the shipowner, ship's husband or charterer, while article 182 permits the parties to agree different liability arrangements in certain charterparty situations. The enforceability and effect of a demise clause will therefore depend on its wording, incorporation and the particular contractual relationship.

Time bars

Cargo claims are time-barred one year from delivery or the date goods should have been delivered (article 187 of the New Maritime Law).

Limitation of liability

The UAE is party to the Convention on Limitation of Liability for Maritime Claims 1976 (LLMC) and the 1996 Protocol, which substantially increased the applicable liability limits. The LLMC provides a tonnage-based right to limit liability for specified maritime claims, including death or personal injury, property damage, delay, wreck removal and certain other claims arising from the operation of a vessel. The right to limit is generally lost only in cases of the owner's personal act or omission committed with intent to cause the loss, or recklessly and with knowledge that such loss would probably result.

The UAE's New Maritime Law contains a domestic limitation regime in articles 80–86 that broadly aligns with the LLMC as amended by the 1996 Protocol. Accordingly, both the international convention and the domestic statutory regime are relevant when considering limitation of maritime claims in the UAE.

For example, article 83 of the New Maritime Law now sets out limitation amounts in SDR figures aligned to the 1996 Protocol structure:

- up to 1 million SDR for claims up to 2,000 GT;
- 400 SDR per additional GT for tonnage between 2,001 and 30,000 GT;
- 300 SDR per additional GT for tonnage between 30,001 and 70,000 GT;
- 200 SDR per additional GT for tonnage above 70,000 GT.

A significant reform under the New Maritime Law is the express provision allowing UAE courts to establish limitation funds (article 83 and related provisions). Under the Old Maritime Law, courts generally rejected such applications for want of procedural rules.

The New Maritime Law also permits contractual allocation or modification of liability in certain circumstances, including coastal carriage, exceptional cargo or carriage circumstances, agreed deck carriage and charterparties (article 182).

Remedies

Ship arrests

Ship arrests in the UAE are principally governed by articles 53 to 60 of the New Maritime Law. The UAE has not ratified the 1952 or 1999 Arrest Conventions, and the domestic regime therefore applies.

Maritime debts

A vessel may be arrested by order of the competent court to secure a maritime debt falling within the categories listed in article 53 of the New Maritime Law (which include, inter alia, claims arising from collision, crew wages, personal injury, salvage and charterparties). The list is broader than under the previous law and broadly reflects the approach of the 1999 Arrest Convention.

Procedure

An *ex parte* application is made on an urgent basis to the urgent matters judge in the port where the vessel is located. If granted, the arrest prevents the vessel from sailing.

The arresting party must, pursuant to article 56 of the New Maritime Law, simultaneously provide counter security, generally in the form of a financial guarantee to cover vessel safety, crew expenses and maintenance during the arrest period. The amount of security can fall in the region of 100,000 dirhams to 300,000 dirhams.

The New Maritime Law expressly recognises P&I club and financial-institution letters of guarantee as security for release (article 57(3)), which is a significant practical improvement from the previous regime.

The arresting party must then commence proceedings for confirmation of the arrest within five working days of the arrest (article 59 of the New Maritime Law). The court will determine the substantive claim where the jurisdictional requirements in article 60 of the New Maritime Law are satisfied. However, where the underlying contract provides for arbitration, the claimant may arrest in the UAE to obtain security while pursuing the merits in arbitration elsewhere, provided the relevant procedural requirements are satisfied.

Sister and associated ship arrest

Article 54 of the New Maritime Law permits the arrest of the vessel against which the maritime debt arose or another vessel owned by the debtor at the time of the arrest application. This represents a change from the previous law, under which the relevant ownership test was generally applied at the time the debt arose. Corporate separateness remains important: vessels owned by a separate subsidiary will not ordinarily be available for arrest merely because they are under common group ownership.

Article 55 of the New Maritime Law also permits arrest of vessels owned by a charterer or other person who is personally liable for the maritime debt in specified circumstances, but does not permit the arrest of other vessels belonging to the owner of a vessel chartered by that person.

Bareboat charter vessels

Article 55 of the New Maritime Law permits arrest of a bareboat-chartered vessel during the charter period for debts incurred by the charterer, where the charterer is solely liable and has the right to manage navigation.

Wrongful arrest and bunker claims

The New Maritime Law does not establish a detailed statutory test for wrongful arrest. A defendant seeking damages would generally need to establish that the arrest was improperly obtained, including in bad faith or an intention to cause harm (eg, maliciously or through fraud). The courts may award compensation where an arrest is found to be wrongful and where the defendant has sustained damages as a result.

The New Maritime Law does not expressly address bunker arrest. However, claims for bunkers can constitute maritime debts and may support arrest of the vessel, including in circumstances where the bunker contract was concluded with a charterer rather than the owner. Bunkers themselves are not arrested as a vessel, although separate attachment proceedings may be available under UAE procedural law.

Arrest at anchorage

An arrest is not limited by the vessel being alongside a berth. The New Maritime Law contemplates arrest of a vessel kept outside the borders of a port, with the relevant authority being notified to prevent the vessel from sailing (article 58). In practice, however, the UAE courts and port authorities have historically required clear evidence of the vessel's location and may require confirmation from the harbour master.

A “helicopter arrest” – where a bailiff travels by helicopter to arrest a vessel lying at anchor in territorial waters before it enters port, is not currently recognised as an available arrest procedure in the UAE.

Court orders for the sale of a vessel

Once a vessel has been arrested, the sale of a vessel through the enforcement process is only possible through an order of the relevant court. The sale is generally conducted though public auction.

Following an enforcement attachment, the court will fix a hearing to determine whether the vessel should be sold. Article 63 of the New Maritime Law requires the hearing to be scheduled no later than 15 days after the attachment. If the court orders the sale, article 64 provides that it determines the vessel's basic price, conditions of sale and auction dates, with the sale being advertised in accordance with the Executive Regulations. The practical process generally involves the court appointing an expert to value the vessel, with the valuation forming the reserve/basic price, followed by a public auction. The sale notice identifies the vessel, owner, arresting creditor, claim, basic price, conditions and details of the auction.

If there are any claims to challenge the ownership or the validity of the attachment, these must be raised before the auction within the very short periods prescribed by article 65. After the auction, entitlement claims generally become objections to distribution of the sale proceeds, while objections to the distribution itself must be filed within three working days under article 66.

A significant consequence of a judicial sale is that, under article 36 of the New Maritime Law, maritime liens over the vessel are extinguished. Article 67 further provides that the auction sale releases the vessel and that the successful purchaser is not obliged to assume the employment contracts of the vessel's pilots and seafarers. The creditors' rights are instead transferred to the sale proceeds, which are distributed according to the applicable statutory priorities.

Regulation

Safety

The UAE's maritime safety regime is principally founded on the New Maritime Law, supplemented by implementing legislation, regulatory decisions and applicable international maritime instruments. The regime reflects the UAE's position as a major international shipping and port hub and is closely aligned with the standards developed by the International Maritime Organization (IMO).

The UAE has implemented the principal international conventions on ship safety, including:

- SOLAS 1974, as amended, and its 1978 Protocol. SOLAS sets minimum standards for the construction, equipment, and operation of ships – covering everything from structural integrity and fire protection to lifeboats, navigation equipment and radio communications. A ship found to be in serious non-compliance with applicable SOLAS requirements may be detained by UAE port state control authorities;
- the COLREGs, which establishes internationally uniform rules governing navigation and the prevention of collisions;
- the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers 1978, as amended (STCW), which establishes international standards for seafarer training, certification and watchkeeping;
- the International Convention on Maritime Search and Rescue 1979, which provides the international framework for maritime search and rescue operations;
- the International Convention on Load Lines 1966, which regulates the assignment of load lines and minimum freeboard requirements;
- the International Convention for Safe Containers 1972 (as amended), which establishes international safety standards for the testing, inspection, certification and use of containers; and
- the International Convention on the Tonnage Measurement of Ships 1969 (as amended), which establishes a uniform system for determining the gross and net tonnage of ships.

A distinctive feature of the UAE maritime regime is the express integration of international standards into the domestic regulatory framework. Article 68 of the New Maritime Law requires the Ministry of Energy and Infrastructure, together with the competent authorities, to ensure that UAE-flagged ships comply with IMO requirements and applicable UAE legislation. It also provides for the inspection and control of foreign ships in UAE maritime zones and ports to verify compliance with ratified international agreements and applicable legislation. Ports, classification bodies and maritime companies are similarly required to comply with relevant international requirements and UAE regulatory measures.

The regime therefore operates on both a flag-state and port/coastal-state basis. UAE authorities may prevent non-compliant vessels from sailing and may restrict foreign vessels from entering UAE maritime zones or ports where they fail to comply with ratified international agreements or applicable legislation.

Port state control

The UAE's principal port state control (PSC) authority is the Ministry of Energy and Infrastructure, through its maritime inspection and control functions. PSC enables the UAE to inspect foreign-flagged vessels arriving at UAE ports for compliance with applicable international maritime conventions and UAE requirements, and to take corrective measures where deficiencies are identified. The UAE is a founding member of the Riyadh Memorandum of Understanding on Port State Control (the Riyadh MoU), established in 2004 with the other GCC maritime administrations to develop a harmonised regional PSC system, including cooperation and information-sharing.

Under the UAE's PSC regime, authorised inspectors may board and inspect foreign ships, examine certificates and records, assess the vessel's condition and equipment and require deficiencies to be rectified. Where deficiencies are sufficiently serious, the vessel may be detained until the relevant deficiencies have been rectified. The regime covers matters including ship safety, pollution prevention, crew certification and working conditions, security and compliance with applicable IMO conventions. The Riyadh MoU also provides for the exchange of inspection information between member administrations.

The UAE maintains an active inspection record. According to the Riyadh MoU's 2023 Annual Report, UAE authorities carried out 1,378 PSC inspections, identifying deficiencies in 549 inspections and resulting in eight vessel detentions, representing a detention rate of 0.58%.

More recently, the UAE hosted the Riyadh MoU's 22nd annual committee meeting in Dubai in February 2025, where member authorities focused on strengthening inspection and control mechanisms, international compliance and the training and capabilities of marine inspectors.

Registration and classification

The UAE's ship-registration regime is principally governed by the New Maritime Law. The Ministry of Energy and Infrastructure maintains the federal Ships Register, although registration functions may also be entrusted to competent emirate-level authorities.

A vessel acquires UAE nationality upon registration[21] and is then entitled to fly the UAE flag. Registration is generally available for vessels intended for navigation in UAE waters, between UAE ports or internationally, subject to ownership, age, technical and certification requirements. The New Maritime Law generally requires the majority of ownership interests to be held by UAE or GCC nationals, or by persons or entities meeting specified UAE domicile, headquarters or ship management requirements. The Ministry may refuse registration where required in the public interest.

Notable features of the regime include its treatment of chartered vessels and bareboat arrangements. The New Maritime Law permits qualifying foreign-registered vessels to be registered in the UAE in specified chartering circumstances and also provides a framework for UAE-registered vessels to operate under another flag when bareboat chartered abroad. The law also expressly regulates registration of mortgages and other rights *in rem* over registered vessels.

Deregistration may occur in a number of circumstances, including permanent unseaworthiness, loss of the eligibility requirements, court order, owner request or where the public interest so requires.

Classification forms an important part of the UAE safety and registration regime. Commercial vessels meeting specified size or tonnage thresholds must be classified, and registered vessels must hold the requisite certificates issued by a classification society licensed or approved by the Ministry of Energy and Infrastructure. Major classification societies operating in the UAE include for example, TASNEEF, ABS and Bureau Veritas.

The Maritime Law does not create a specific statutory liability regime for classification societies. Their potential liability will therefore depend principally on their contractual arrangements, applicable UAE civil-liability principles, fault and causation.

Environmental regulation

The UAE has a comprehensive legal framework regulating pollution from ships and other marine activities, supplemented by its implementation of the principal international environmental conventions. At federal level, the principal legislation is Federal Law No. 24 of 1999 Concerning the Protection and Development of the Environment, which remains in force and contains specific provisions addressing both marine and air pollution. The law prohibits marine vessels, irrespective of nationality or registration, from discharging oil or oil mixtures into the marine environment and imposes additional controls on hazardous substances, sewage and garbage. It also requires oil-carrying vessels to maintain appropriate records and hold an International Oil Pollution Prevention Certificate.[22]

The UAE is also a party to the International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 (MARPOL 73/78), the principal international convention governing the prevention of pollution from ships. This includes controls on oil, noxious liquid substances, harmful substances carried in packaged form, sewage, refuse and air pollution. IMARPOL Annex VI is particularly relevant to air emissions, including requirements concerning sulphur content in marine fuel.

An example of recent measures implemented in the UAE include DP World cutting carbon emissions from UAE operations by nearly 50%, with Jebel Ali Port now running fully on renewable energy.[23] Further, Federal Decree Law No. 11 of 2024 mandates greenhouse gas emission reporting for logistics operators, effective May 2025. The UAE has committed to net-zero emissions by 2050.

Enforcement is undertaken through a combination of federal and emirate-level authorities, including the Ministry of Energy and Infrastructure, port authorities, Coast Guard and competent environmental authorities. The UAE is a founding member of the Riyadh Memorandum of Understanding established in June 2004, on Port State Control, providing a regional framework for inspection and control of foreign ships calling at UAE ports. Recent UAE initiatives have emphasised strengthening marine environmental inspections and inspector training.

Collisions, salvage and wrecks

The UAE has not ratified the 1910 Collision Convention, but has ratified COLREGs 1972, which forms part of UAE domestic law in collision scenarios. The UAE's principal regimes governing collisions, salvage and wreck removal are contained in the New Maritime Law.[24] The law provides a framework for liability arising from vessel collisions, including where vessels are at fault, and regulates salvage operations and the remuneration payable to salvors.

The New Maritime Law also contains detailed provisions on wreck removal: a vessel that becomes a wreck in UAE territorial waters must generally be removed by its owner or ship's husband within 60 days, although the Ministry may shorten that period where the wreck threatens navigation, maritime safety or the marine environment. If removal is not undertaken, the Ministry or competent authority may arrange removal, with the owner remaining liable for the associated costs and compensation. The 2023 Maritime Law represents the principal recent legislative development in this area, replacing the Old Maritime Law and providing a consolidated framework for maritime casualty and wreck matters.

The UAE has also developed domestic ship recycling requirements concerning safe and environmentally sound recycling facilities. The international Hong Kong Convention for the Safe and Environmentally Sound Recycling of Ships entered into force internationally on 26 June 2025, but its application to UAE-flagged vessels should be distinguished from the UAE's domestic ship-recycling requirements.

Passengers' rights

The UAE's passenger carriage regime is principally governed by Chapter Nine of the New Maritime Law, which establishes specific rights and liabilities for the carriage of passengers and their luggage by sea. The New Maritime Law imposes positive obligations on carriers to maintain the vessel in a navigable condition, ensure passenger safety and provide for passengers' needs and comfort during the voyage. It also provides passengers with contractual remedies where the carrier materially changes the voyage dates, vessel or itinerary, or where a voyage is interrupted or cannot be completed.

The UAE has not ratified the Athens Convention relating to the Carriage of Passengers and their Luggage by Sea 1974 or its 2002 Protocol.

There is also an emirate-level safety framework. In Dubai, Administrative Resolution No. 2 of 2023 establishes procedures for investigating maritime accidents and incidents involving vessels operating in Dubai waters, including mandatory reporting of accidents and incidents and investigation powers designed to improve maritime safety and prevent recurrence.

Seafarers' rights

The UAE's seafarer employment regime is principally governed by Part Five, Chapter Three of the New Maritime Law, supplemented by its implementing regulations and applicable UAE employment legislation.

The New Maritime Law establishes specific requirements for seafarer employment contracts, working and rest arrangements, wages, health and welfare, insurance, leave, termination of employment and repatriation-related matters. It prohibits the employment of persons under 16 on UAE-flagged ships and restricts night work by seafarers under 18. Employment must be documented by a written seafarer employment agreement.

The UAE has not ratified the Maritime Labour Convention, 2006 (MLC). The MLC therefore does not have force in the UAE as a ratified treaty. Nevertheless, the Maritime Law incorporates many of the protections reflected in the MLC.

Special considerations

The New Maritime Law contemplates further executive regulations to provide detail on certain important procedural matters. In particular, article 57(3) provides that the executive regulations will specify the requirements for accepting letters of guarantee issued by P&I clubs and financial institutions, while article 85(2) provides that the procedures for establishing a limitation fund will be prescribed by executive regulations. Article 64 also leaves certain aspects of judicial sale and enforcement to executive regulations. As at the time of writing, these executive regulations have not been published. Practitioners should therefore monitor developments closely, particularly in relation to the practical operation of P&I security and limitation funds.

Outlook and conclusions

The UAE's maritime sector enters 2026 in a position of considerable strength. The New Maritime Law has significantly improved the maritime legal regime in the UAE, and while executive regulations are still awaited on several key matters, the direction of travel is firmly towards alignment with international best practice. Practitioners and commercial parties should anticipate further regulatory clarification in the near term.

The reduction of time bars for collision and towage claims to one year, shorter than any comparable regional jurisdiction, are anticipated to generate significant practical pressure on claimants to act quickly, and is likely to produce increased applications for time extensions and a higher volume of protective claims filed in the UAE courts.

The acceptance of P&I club letters of undertaking (LoUs) to release vessels from arrest is a significant development that brings the UAE into line with standard international practice. The onshore UAE courts' early experience in applying the new countersecurity and LoU provisions will be closely watched.

Therefore, looking ahead, the most interesting legal developments to watch are: first, the publication and practical impact of the executive regulations under the New Maritime Law; second, the development of a body of UAE case law interpreting the new arrest, limitation, and cargo claim provisions; third, the continued maturation of the DIFC and ADGM courts as centres of maritime dispute resolution for cross-border transactions involving the UAE and fourth, continuing developing infrastructure and investment in the UAE maritime sector.

Endnotes

1 www.dpworld.com/en/news/dp-world-records-highest-cargo-volumes-at-jebel-ali-port-since-2015. ^ Back to section

2 www.adports.ae/ad-ports-group-signs-agreement-with-cma-cgm-group-to-expand-terminal-at-khalifa-port. ^ Back to section

3 www.adportsgroup.com/en/news-and-media/2024/04/29/abu-dhabi-leaps-a-staggering-10-places-in-2024-leading-maritime-city-report. ^ Back to section

4 Established on 1 February 2024, replaced the Abu Dhabi Commercial Conciliation and Arbitration Centre (ADCCAC). ^ Back to section

5 The ADGM hosts a representative office for the ICC Court Secretariat in Abu Dhabi. ^ Back to section

6 Federal Decree-Law No. (42) of 2022 Promulgating the Civil Procedure Code. Article 223 states: "The provisions of Article [222] of this Code shall apply to the awards of arbitrators made in a foreign country; the award of the arbitrators must have been made on an issue which is arbitrable under the law of the State, and enforceable in the country in which it was issued". ^ Back to section

7 DIFC Arbitration Law, Article 44(1)(a). ^ Back to section

8 Established under Dubai Decree No. 29 of 2024, following publication in the Official Gazette on 17 April 2024, establishing the new Judicial Authority for Resolving Jurisdictional Conflicts between the DIFC Courts and Judicial Bodies in the Emirate of Dubai (Dubai Courts). ^ Back to section

9 *A8 v B8* [2023] ADGMCFI 0015. ^ Back to section

10 Article 9(2) of the New Maritime Law. ^ Back to section

11 Articles 9(3) and 9(4) of the New Maritime Law. ^ Back to section

12 Article 10(1) of the New Maritime Law. ^ Back to section

13 Article 10(2) of the New Maritime Law. ^ Back to section

14 Article 11(1) of the New Maritime Law. ^ Back to section

15 Article 11(2) of the New Maritime Law. ^ Back to section

16 *Gulf Navigation Holding PSC v Jinhai Heavy Industry Co. Ltd* (Cassation No. 1/2017 (JT), 22 May 2017). ^ Back to section

17 The Joint Judicial Committee was established in 2016 to adjudicate on jurisdictional disputes between the DIFC courts and the Dubai Courts. Decree No. 29 of 2024, which came into effect on 3 April 2024, abolished the Joint Judicial Committee and replaced it with a newly established Conflict of Jurisdiction Tribunal. ^ Back to section

18 Article 156 of the New Maritime Law. ^ Back to section

19 Article 175(1) of the New Maritime Law. ^ Back to section

20 Article 177 of the New Maritime Law. ^ Back to section

21 Article 12(1) of the New Maritime Law. ^ Back to section

22 Article 33 of Federal Law No. 24 of 1999. ^ Back to section

23 www.dpworld.com/en/news/releases/uae/dp-world-slashes-carbon-emissions-in-uae-by-accessing-renewable-energy. ^ Back to section

24 See articles 235–241 of the New Maritime Law in respect of collisions; articles 232–234 of the New Maritime Law in respect of shipwrecks and articles 242–253 of the New Maritime Law for salvage. ^ Back to section

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