

Law No. (11) of 2008
Establishing the
Dubai Aviation Corporation¹

We, Mohammed bin Rashid Al Maktoum, Ruler of Dubai,

After perusal of:

Federal Law No. (20) of 1991 Issuing the Civil Aviation Law;

Federal Law No. (4) of 1996 Establishing the General Civil Aviation Authority;

Law No. (3) of 2007 Establishing the Financial Audit Department;

Law No. (21) of 2007 Establishing the Dubai Civil Aviation Authority; and

Law No. (23) of 2007 Establishing the Dubai Airports Corporation,

Do hereby issue this Law.

Article (1)

This Law will be cited as “Law No. (11) of 2008 Establishing the Dubai Aviation Corporation”.

Article (2)

The following words and expressions, wherever mentioned in this Law, will have the meaning indicated opposite each of them unless the context implies otherwise:

Emirate: The Emirate of Dubai.

Ruler: His Highness the Ruler of Dubai.

Government: The Government of Dubai.

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¹Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict, the Arabic text will prevail.

DAC: The Dubai Aviation Corporation.
Chairman: The chairman of the DAC.
CEO: The chief executive officer of the DAC.

Article (3)

Pursuant to this Law, a public corporation wholly owned by the Government named the “Dubai Aviation Corporation” is established. The DAC will have legal personality, financial and administrative autonomy, and the full legal capacity to undertake all legal dispositions required for the achievement of its objectives. The DAC may sue and be sued in its own name and may appoint any person to represent it in any judicial claims and proceedings. The DAC will be deemed a flag carrier of the Emirate and will be managed on commercial basis.

Article (4)

The head office of the DAC will be located in the Emirate. The DAC may establish branches and offices within and outside of the Emirate.

Article (5)

The capital of the DAC will be two hundred and twenty million Dirhams (AED 220,000,000.00) and will be paid in full by the Government.

Article (6)

The DAC aims to provide scheduled and non-scheduled air transport services as well as commercial air and ground services within and outside of the Emirate with a view to increasing air traffic to and from the Emirate, and boosting the competitive edge of the DAC by providing distinguished services.

Article (7)

For the purpose of achieving its objectives, the DAC will, without limitation:

1. own, invest in, finance, purchase, sell, lease out, rent, maintain, and manage all types of Aircraft and goods;
2. conduct air transport activities and provide commercial air and ground services within and outside of the Emirate and perform all related and ancillary activities, whether for

its own account or for the account of other airlines. This includes passenger and cargo transport, freight, and courier services;

3. invest in air transport of passengers and goods and in the facilities and utilities required for supporting the achievement of the objectives of the DAC;
4. qualify and train technical staff in all fields of aviation;
5. provide ground handling and air services;
6. organise comprehensive group tours and promotional tours;
7. provide the services of tourism and travel agents, including the provision of ticketing and booking services for the account of the DAC or other airlines;
8. establish companies or own shares in existing companies;
9. open and manage accounts with banks within and outside of the Emirate; obtain the loans required for the achievement of its objectives; and provide all guarantees and security, including the mortgage of the property and Aircraft of the DAC;
10. invest the moveable and immoveable property of the DAC in the manner it deems appropriate;
11. conduct any activities or provide any services, whether directly or indirectly, that contribute to the achievement of the objectives of the DAC or to generating profit;
12. purchase, sell, rent, and lease out real property; and
13. provide catering services, including in-flight catering services for the Aircraft of the DAC or of other airlines.

Article (8)

The DAC will be managed by a Chairman appointed pursuant to a decree of the Ruler.

Article (9)

The Chairman will undertake the general supervision of the administrative, technical, and financial affairs of the DAC, and will issue any resolutions and procedures he deems appropriate for the achievement of the objectives of the DAC. This will include to:

1. develop the general policy and programmes of the DAC, and plan its projects;
2. obtain loans and the financing required for the achievement of the objectives of the DAC; and provide all guarantees and security required for this purpose;

3. establish corporations, commercial companies, and representative offices wholly or partly owned by the DAC; and buy and sell assets and shares in any companies;
4. approve the organisational structure and the bylaws regulating the administrative, financial, and operational affairs of the DAC;
5. approve the draft annual budget of the DAC;
6. approve the annual report on the DAC activities and financial position, and the final accounts of the DAC;
7. conclude the agreements and contracts required for the achievement of the objectives of the DAC, including construction, operation, management, maintenance, transport, marketing, purchase, sale, distribution, rent, and lease contracts, as well as agreements for the management of companies operating in the field of construction, development, operation, or maintenance of aviation-related facilities and services; and
8. appoint auditors and determine their remuneration at the commencement of each financial year.

Article (10)

The executive body of the DAC will be comprised of a CEO appointed pursuant to a resolution of the Chairman, and a number of administrative and professional employees.

Article (11)

The CEO will have all the powers required to manage the affairs of the DAC, including the powers to:

1. implement the general policy and the resolutions of the DAC;
2. open and manage accounts with banks within and outside of the Emirate in accordance with bylaws issued by the Chairman;
3. conclude contracts and agreements as authorised by the Chairman;
4. propose the organisational structure and the bylaws regulating the administrative, financial, and technical affairs of the DAC, and the employee affairs and remuneration; and submit these to the Chairman for approval;
5. prepare the annual budget of the DAC and submit it to the Chairman for approval;
6. appoint and supervise employees; and

7. prepare the annual report on the DAC activities and financial position, draft its final accounts, and submit these to the Chairman for approval.

Article (12)

The financial year of the DAC will commence on 1 January and will end on 31 December of each year, except that the first financial year of the DAC will commence on the date on which this Law comes into force and will end on 31 December of the following year.

Article (13)

In regulating its accounts and records, the DAC will follow the principles and rules of commercial accounting in line with recognised international standards. Accounts will also be audited in accordance with international auditing standards.

Article (14)

The Financial Audit Department will audit the operations and activities of the DAC.

Article (15)

The financial resources of the DAC will consist of:

1. revenues generated from its operations and services;
2. returns on the investment of its property; and
3. gifts and donations provided to it and accepted by the Chairman.

Article (16)

The Government will not be liable to third parties for any debts or obligations incurred by the DAC or the Chairman.

Article (17)

Except in cases of fraud or gross fault, neither the Chairman nor the CEO will, in the course of managing the DAC or its operations, be liable to third parties for any act or omission. The DAC will be solely liable to third parties for such act or omission.

Article (18)

Any provision in any other legislation will be repealed to the extent that it contradicts the provisions of this Law.

Article (19)

This Law comes into force on the day on which it is issued, and will be published in the Official Gazette.

Mohammed bin Rashid Al Maktoum

Ruler of Dubai

Issued in Dubai on 7 July 2008
Corresponding to 4 Rajab 1429 A.H.